# National development strategies for development cooperation: A case of Uganda

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## • • Outlay of the presentation

- Introduction
- Government development strategies
  - Poverty eradication Action Plan (PEAP)
    - Plan for modernization of agriculture (PMA)

- Development cooperation
  - Principles of cooperation
- Challenges
- Conclusions

### • • Introduction

- Strategies aimed at reducing poverty.
- Enhance development effectiveness by emphasizing
  - National ownership
  - Prioritizing poverty reduction and sustainable development, and
  - Addressing macroeconomic concerns and structural and social issues

- Objectives of government development strategies:
  - Maintaining macro stability
  - Further liberalizing the economy to promote diversified, export-oriented growth
  - Undertaking structural and institutional reforms

#### Government development strategies

## Poverty eradication Action Plan (PEAP)

- Poverty eradication Action Plan (PEAP)
  - Overarching document that outlines the countries development aspirations targets and policy direction.
  - It lists sound priorities and outlines clear objectives and reflects a high degree of national ownership
  - Guided formulation of government policy since 1997
  - Prepared in 1997, revised twice 2000 and 2003

#### PEAP pillars

- Macroeconomic stability (IMF/WB-BoU and MoF)
- Peace and security
- Good governance (Elections, Accountability, rule of law, etc)
- Enhancing the incomes of the poor (PMA, Micro Finance, etc.)
- Human development (UPE, Health, Water, etc.)

## PEAP formulation and implementation....

 Do civil society and private sector play an active role in PEAP formulation and implementation?

The answer is YES

#### Formulation of PEAP

- Highly participatory
- Strong involvement of civil society
- Consultative workshops
- Regional and political consultations

## • • Civil society participation....

- Both international and national NGOs participated in the PEAP process. A task force comprising of:
  - International NGOS included: Oxfam (UK), Action Aid (UK), VECO Uganda (Belgium), SNV (Netherlands) and MS Uganda (Denmark)
  - Uganda NGOs: Action for Development (ACFODE), Uganda Women's Network (UWONET), Forum for Women Educationists (FAWE), UDN – the lead agency.

## Academia and private sector participation....

- Centre for Basic Research, Makerere Institute of Social Research (MISR), Economic Policy Research Centre (EPRC)
- Private Sector Foundation Uganda (PSFU)

## PEAP and Planning process.....

- Framework within which the government's planning effort is conducted
- Guides the formulation of Sector Wide Approaches -SWAPs (education, health, water, agriculture, etc.)
- Public expenditure implications of SWAPs are implemented through the budget under MTEF
- Links between PEAP and SWAPs are iterative

- Has become the country's overall planning framework guiding preparation of detailed sector strategic plans based on the Sector Wide Approach (SWAPs)
- PEAP sets the framework for other plans but it is also the product of those plans.

### • • PEAP implementation.....

- PEAP implementation partnership approach
  - Heavily dependent on donor aid Gov has strong ownership of policies
  - PEAP gives the private sector and civil society a clear and undisputed shared responsibility for implementing the plan
  - The private sector and civil society are welcomed both as providers of services and as counterbalance to government.

 Program for modernization of Agriculture (PMA)

- Program for modernization of Agriculture (PMA) is a blue print for eradication of rural poverty through pro-poor agricultural policies and activities
- PMA pillars
  - Research and technology development
  - Agricultural Advisory Services (NAADS)
  - Agricultural education

- Rural Financial services
- Marketing and agro processing
- Sustainable use and management of natural resources; and
- Physical infrastructure

### Development cooperation

- Subscribes to the same overall goals as the PEAP and uses the same indicators for monitoring achievements
- Agrees that a holistic cross-sectional approach is necessary to reduce poverty
- Buys into the budget support modalities to aid.

- Development cooperation programmes focus on
  - Poverty reduction-requiring a strategic, multifaceted and sophisticated approach
  - Good governance and decentralization
  - Economic growth and private sector development
  - Social development (health- HIV/AIDS prevention and control, education, roads, water and sanitation, etc.
  - Democracy and human rights.

## • • Principles of cooperation

- Donor coordination/harmonization Uganda Joint Assistance Strategy (UJAS)
- Principle of recipient responsibility that is cooperation based on Uganda's development strategies.
- Government of Uganda is responsible for planning, implementing (including procurement), monitoring and controlling activities in the cooperation programme.

- Grants are reflected in public plans, budgets and accounts managed in accordance with national administrative standards and procedures – but to meet international standards and procedures
- Donors consult at macro and sector levels with government regarding the profile and priorities of their cooperation.

oChallenges...

## • • Challenges...

- Government revenue as a proportion of GDP stagnated around 13%, well below African average – level is too low to finance the present public sector service delivery and ensure the sustainability of the many donorfunded programmes.
- Good governance is vital for creating a conducive environment for development.
  Serious capacity constraints exits in most private and public institutions.

- Public service delivery, particularly at the local level remains weak and systems of ensuring accountability are still not working well.
- An effective, responsible and accountable public service is key to implementing effective poverty eradication policies.

o Conclusions...

## • • Conclusions...

- There is total alignment of donor development aid with national development strategies as well as the internationally agreed development goals like the MDGs.
- The PEAP formulation and implementation has resulted in fewer aid conditionalities in Uganda.

#### Thank you



