



Uganda Strategy Paper 2007 – 2009

Executive Summary

Evaluation of the Irish Aid (Uganda) Country Strategy Paper 2007 – 2009

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Submitted by



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Executive Summary

S1. Uganda has been Ireland's largest recipient of development assistance since 2000, and under the current country strategy, Irish Aid has committed some €118 million through a well-balanced mix of modalities and sectors, including education, the Poverty Action Fund, governance and HIV/AIDS. The 2007-2009 strategy was well aligned to the Government of Uganda's policies, focused on poverty reduction and reflected well the Irish Government's 2006 White Paper. Ireland has been a flexible partner and is recognised for its strong record on aid effectiveness. Irish Aid's approach to policy influence and aid effectiveness through dialogue and aid coordination work was highly relevant given Irish Aid's profile in Uganda as a neutral, medium-size aligned partner. It also had the capacity and structure (with its integrated political and development approach) in-country to contribute to the different coordination mechanisms. In terms of the Paris Declaration on Aid Effectiveness, Ireland has been seen as a leader in advocating compliance and has set a strong example for others. Good results have occurred in public financial management, justice, education and HIV/AIDS. In addition, the IA team worked hard to identify where and how opportunities for mainstreaming could be found. There has been a generally good approach to risk management, particularly with regard to governance, political and fiduciary risk. In implementing this Country Strategy Paper, Irish Aid's staff has been strong in terms of technical capacity, local knowledge, and mediation from the point of view of government and aid partners. The introduction of stronger business planning and teamworking has led to improved synergy across the Irish Aid programme. Important challenges remain in Uganda which form the backdrop against which the next Irish Aid strategy is being planned: pro-poor spending on services has been inefficient, decentralisation has been slow, and serious regional inequalities persist. The next Country Strategy Paper needs to further improve Irish Aid's strategic focus, address public service delivery, improve conflict sensitivity and continue to target areas of chronic poverty such as in Karamoja.

S2. Purpose: The Evaluation and Audit Department of Irish Aid commissioned this independent evaluation in order to provide the Senior Management of Irish Aid and the Country Team in Uganda with an assessment of the relevance, effectiveness, efficiency and impact of the Country Strategy Paper (2007-09). The report is intended to inform future thinking around the next Country Strategy Paper.

S3. Context: In the last two decades, Uganda has been transformed from a failing state to one of Africa's fastest growing economies. Economic growth has averaged 7.5% between 2002 and 2007 and the pattern of sustained growth over 20 years has contributed to a significant reduction in income poverty. In 2005/2006, 31% of Ugandans lived below the national poverty line compared with 56% in 1992/1993. The Government led its war against poverty through the Poverty Eradication Action Plan, which has provided a comprehensive framework for partners to support the country to meet its poverty reduction targets. Uganda has made good progress in the Millennium Development Goals related to education, gender and HIV/AIDS, but is off-track in others, particularly in child and maternal mortality. There has been continued political stability under President Museveni since 1986 and the country moved to a multi-party political system in 2005. After years of conflict and loss of life, peace prospects are positive in Northern Uganda (though the peace agreement remains unsigned and instability continues in Karamoja). The forthcoming elections in 2011 are already shaping political events and are a major issue in terms of stability over the period of three years. High population growth, inadequate infrastructure and energy supplies present significant challenges for further growth; however, the newly confirmed oil reserves in Western Uganda indicate substantial prospects for revenue generation in the medium term.

S4. Development assistance has risen sharply over the period from USD 1.2 billion to USD 1.7 billion. The aid architecture of Uganda is dominated by the budget support modality, which accounted for nearly half of total recorded in-flows in 2006/2007. Uganda has enjoyed a reputation

for strong aid coordination and effective implementation of the Paris Declaration on Aid Effectiveness. A major feature of the donor architecture is the Uganda Joint Assistance Strategy, which has since 2005 acted as a framework for twelve of the main donors who together account for about two thirds of official development assistance.

S5. Irish Aid has been involved in Uganda since 1994 and though it is only the country's eighth largest donor, providing 4% of official assistance, it has a strong record of engagement in aid coordination mechanisms, membership of the donor budget support group, and of effective local-level aid delivery. Uganda has been the largest recipient of Ireland's bilateral development assistance since 2000, receiving 12% of Ireland's total bilateral aid during 2005-2007. Under the current country strategy, Irish Aid has committed some €118 million through a mix of modalities and sectors. Education is the largest sector funded by Irish Aid (€41.3 million, of which €25.7 million is sector budget support); further commitments include the Poverty Action Fund (€30 million), governance (€24.5 million, of which €7.2 million is sector budget support), and HIV/AIDS (€16.2 million).

S6. Methodology: The evaluation used a matrix of questions developed in the Terms of Reference and based on the Organisation for Economic Co-operation and Development – Development Assistance Committee evaluation criteria of relevance, efficiency, effectiveness and impact. The matrix was adapted during the inception period, based on discussions with Irish Aid, and used as a basis for guiding interviews with a range of Development Partners, government and Non-Governmental Organisation representatives and beneficiaries. A five-person team of independent consultants then undertook a field visit to Uganda for two weeks in January 2009 and interviewed respondents in Kampala as well as in Karamoja and Rwenzori.

Main Findings

Relevance

S7. The Country Strategy Paper was well aligned with the Government of Uganda's policies and addressed Uganda's strategic priorities on poverty reduction as articulated through the third phase of the Poverty Eradication Action Plan. For the first time, Irish Aid's strategy was based upon a multi-donor Uganda Joint Assistance Strategy that reflected a joint response of 12 Development Partners to the Government of Uganda's poverty reduction strategy.

S8. While the Poverty Eradication Action Plan has been regarded overall as a 'success story', its relevance has reduced as Uganda's growth has progressed and - since the 2006 elections - the National Resistance Movement ruling party has concentrated on employment and economic growth rather than on social development. In addition, the Government's Medium-Term Expenditure Framework has evolved to reflect a greater heterogeneity of spend demands that have led to a reduced poverty focus. The relevance of the IA programme, which was closely aligned to the Poverty Eradication Action Plan, has therefore been affected, and in recognition of this IA has taken steps to support the new National Development Plan.

S9. Given the links to the Uganda Joint Assistance Strategy and the Poverty Eradication Action Plan, and also the Division of Labour exercise in 2006, it is evident that the Country Strategy Paper was formulated in a collaborative manner with the Government of Uganda and with other Development Partners. Indeed, the Uganda Joint Assistance Strategy was regarded as a sufficiently comprehensive and shared strategy document that the country team felt that Ireland could adopt the Uganda Joint Assistance Strategy as its own country strategy with the Country Strategy Paper written as a 'cover note' to it.

S10. The strong focus on poverty reduction, governance, education, HIV/AIDS and gender were also themes that aligned the Country Strategy Paper with Irish Aid's corporate policies. The Country

Strategy Paper reflected the Irish Government's 2006 White Paper principles on human development, security and justice, democracy and gender equality. The close alignment with Uganda's own development priorities reflected Ireland's foreign policy imperative to follow good partnership principles, which stress that leadership of the development process should be in the hands of partner countries and that Africa should remain a focus of support.

S11. Irish Aid recognised the need to improve the focus of its portfolio and did so by leaving the health and agriculture sectors. The move out of health was made after a careful assessment that the sector was well funded from other donors. IA was aware that key Millennium Development Goals indicators in infant and maternal mortality were off-track, but concluded that this will require a multi-sectoral response, especially from education and HIV/AIDS, areas where Irish Aid was to remain engaged. In agriculture, Irish Aid was a small donor and left other donors with more substantial commitments to continue supporting the sector. While Irish Aid increased its focus (moving from five to three pillars under the Country Strategy Paper 2007-2009) in those sectors where it stayed, the pillars had multiple components (six in education for example), while governance spanned three very different and equally complex areas. Even with fund pooling and joint management arrangements, this diversity presented a significant challenge to the advisory team.

S12. The basis for addressing HIV/AIDS through multiple channels (a programme with different interventions as well as a cross-cutting issue) was strong. Though HIV/AIDS prevalence had fallen, infection rates have recently been rising in adults and at-risk populations. The strategy to work with government at national, sectoral and local levels, with UN agencies and with civil society correctly recognised three needs. These were to mainstream, to support Government and to reach communities through innovative civil society funding.

S13. Education remained as the major sector in funding terms. Irish Aid's long involvement in the sector has brought understanding and influence, yet the ambitious mix of sector budget support, project support for national agencies - including support to four national education institutions - as well as district programmes such as school construction and bursary initiatives in Karamoja, brought implementation challenges, and somewhat contradicted earlier evaluation evidence that the focus for future Irish Aid support should be on the central level and strengthening the Sector-Wide Approach, while support at district level and through projects should be selective.

S14. All programmes that Irish Aid chose to support in Governance, including public sector reforms, decentralisation, public finance management, and justice, law and order were relevant. The choice of basket funding mechanisms and earmarked budget support through the Poverty Action Fund has enabled Irish Aid directly to support the Government of Uganda's sectoral strategies. The relevance of the Poverty Action Fund - a fund that ringfenced government expenditure to key poverty-related sectors - has diminished in recent years however, in light of the country's improvements in public expenditure management. It is worth noting that basket funding mechanisms and forms of budget support work differently; like projects, the former support selected Ministries directly and come with their own reporting requirements, while the latter make full use of the Government of Uganda Public Financial Management systems, and in so doing, fuels central government's budgeting, planning and reporting procedures¹.

S15. Elsewhere, Ireland's use of a mix of aid channels was largely complementary and spread risk; 80% of its expenditures have passed through Government systems. However, non-Country Strategy Paper funding (from Headquarters) is almost entirely directed towards non-government (Non-

¹ Further analysis is available in Tim Williamson, April 2008 (final), Putting Aid On Budget: A Case Study of Uganda, A Study for the Collaborative Africa Budget Reform Initiative (CABRI) and the Strategic Partnership with Africa (SPA) Mokoro Ltd.

Governmental Organisations, missionary organisations, the United Nations and the private sector) and represents a third of the Country Strategy Paper total allocation. The predominance of funding for government, combined with substantial support for civil society, appears to be appropriate as it reflects the difference in absorption capacity between the two - the importance Irish Aid attached to aligning with government and its poverty eradication programme - but at the same time, Irish Aid's concern to strengthen civil society and to respond to local and humanitarian needs. However, the ratio of funding between country and Headquarters resource allocations did not emerge from a conscious plan of support to Uganda. The Country Strategy Paper does not refer to the additional Headquarters funding for Uganda or state how the funds would combine to deliver broader, possibly more strategic outcomes.

S16. The Country Strategy Paper monitoring and evaluation arrangements were correctly tied to a collective Poverty Eradication Action Plan-based framework, though it placed too much reliance on national reporting systems to measure outcomes. In an effort to capture both development outcomes and aid delivery quality and processes, Irish Aid adopted an overly complex programme logic with six objectives and three pillars. As gaps in Poverty Eradication Action Plan reporting have emerged, the Irish Aid team sensibly established a separate Monitoring & Evaluation framework that better identified results due to Irish Aid funding, although many indicators still remain unquantified.

S17. The Country Strategy Paper recognised a number of important risks, including political transition, weak governance and poor recognition of human rights. But the strategy paid less attention to the risks that conflict might have on the programme (and the programme on conflict) and to the fiduciary risk that the Poverty Action Fund - though an earmarked fund - was as exposed to as other forms of budget support. The three funding scenarios (base, low and high) provided for only a modest variation in response to changing conditions ($\pm 5\%$).

S18. Irish Aid has had four mainstreaming priorities (governance, gender, HIV/AIDS and environment) in the strategy. Governance and HIV/AIDS were given most attention as they were both programme pillars and cross-cutting issues. Irish Aid was well placed to address gender given its corporate policy commitments and its previous work in Uganda. Gender-specific interventions were defined both for internal Irish Aid action and for mainstreaming in all Country Strategy Paper sectors. Environment is mentioned as a cross-cutting issue but with only the modest aim of building staff capacity to mainstream in future programmes.

Effectiveness

S19. For most programmes, Irish Aid is one of several contributing partners and hence attribution is difficult. Moreover, several important programmes started recently - for example those in public financial management, public service reform and local government were all launched in 2006/2007, and the HIV/AIDS civil society fund was launched in May 2008.

S20. In terms of the overall Poverty Eradication Action Plan, which the Country Strategy Paper fully supported, pro-poor spending through the Poverty Action Fund has met the agreed targets, and funds have been channeled to local governments. However, the share of pro-poor spending as defined under the PAF has declined, and the late release of funds and low capacity has led to implementation inefficiencies at local levels. This has been compounded by the large wage component in the budget and the consequent crowding out of spending on priority areas.

S21. Recent moves to design a new instrument - the Joint Budget Support Framework (JBSF) - have sought to improve transparency and harmonisation, its main aim being to support the Government of Uganda in improving the impact of public spending. This is a sound response that recognises that the main issue with service delivery in Uganda is its poor quality and value for money and that poverty will not be reduced until basic services improve. Ireland has been fully involved in

joint discussions to elaborate the principles and structures for the Joint Budget Support Framework. These include a new joint assessment framework (JAF) that is expected to track results over a spectrum of financial, governance and sector indicators and provide a more rigorous, budget-aligned and transparent tool for fund releases.

S22. In public sector reforms, Ireland and its partners share solid achievements in their support to Uganda's public finance management through support to the Financial Management and Accountability Programme (FINMAP). Financial assessments indicate that basic budgeting and audit systems are in place, though there are concerns over poor compliance. In public service reform there has been mixed performance, with gains in use of client charters, results-oriented management and payroll cleaning, but limited progress on pay reform or restructuring of central government, though better progress has occurred in local government.

S23. Good results have occurred in the justice, law and order sector. In civic and legal education campaigns, services and coordination have improved, and police and state attorneys have increased deployment. While new legislation has been drafted in critical areas such as gender-based violence, the enactment of these laws has been slow. There have been reductions in time on remand, increased provision of legal aid and improved security in Northern Uganda. While public confidence in the justice system is reported to have increased, surveys show that there are still concerns over corruption, especially in relation to the police. Important gains have been registered in human rights, including the capacity of the Uganda Human Rights Commission and the African Centre for Treatment and Rehabilitation of Torture Victims to investigate cases and undertake advocacy.

S24. In local government, while major strides have been made in streamlining systems for decentralisation and strengthening structures, dependency on central government funding remains high. Local government reforms supported by Irish Aid have been facilitated by a more comprehensive policy framework and increased transfers from the Poverty Action Fund; however, local governments have been given only limited financial autonomy and have been hampered by the abolition of the graduated tax. Decentralisation has long been subject to political interference - including the sharp rise in the number of districts - especially ahead of the elections. The role of the Local Government Associations is not sufficiently felt at the local level, yet they should be at the forefront of advocating for efficient service delivery.

S25. Ireland's exit from the health sector was generally well managed. Irish Aid agreed that UK Department for International Development (DFID) would continue to represent Irish Aid interests in the health donor group following its departure from the sector, and Irish Aid completed its financial commitments to the health sector support. However, delays and difficulties in completing the final phase of the national primary health care programme have affected government's ownership.

S26. Recent education trends show growing net enrolment rates and gender equality; however, persistent regional inequalities continue and access is worse for the poor. Irish Aid has been effective in piloting education quality improvement programmes, but improving school conditions is tough when 90% of Poverty Action Fund monies are devoted towards mandatory costs, such as teachers' wages, which crowd out spending on education quality. At the regional level, Irish Aid support in the Rwenzori region has greatly improved teaching and learning and the Core Primary Teachers' College has evolved into a model for producing high-quality teachers that have influenced the national curriculum. In Karamoja, the bursary scheme has increased access for 850 local students in eight schools across five districts, though an independent evaluation would help to decide if the scheme should be extended. The €13 million construction programme for 13 secondary schools and teacher colleges is not yet complete, and impact will depend on commensurate improvements in software (teachers, equipment, students).

S27. Irish Aid's HIV/AIDS programmes have been effective in terms of service delivery, coordination, technical support and policy dialogue. The Civil Society Fund (CSF) has supported 120 civil society organisations with grants totalling US\$12.8 million and through these efforts, over 88,000 people were reached with prevention information, 40,000 were counselled and tested, 9,000 benefited from palliative care and 33,000 orphans and vulnerable children received community services. With Irish Aid's support, large and less-aligned funders like USAID have been brought into the Civil Society Fund mechanism so improving coordination. HIV/AIDS has been mainstreamed in national and decentralised policies and plans; for example, in education.

S28. Irish Aid's compliance with the Paris principles of aid effectiveness is stronger than most other partners, as recent Organisation for Economic Co-operation and Development – Development Assistance Committee reviews indicate, particularly in the use of local financial and procurement systems, avoidance of project implementation units, untying of aid and predictability.

S29. Evidence for mainstreaming of governance and environment in different sectors is limited. However, progress on gender and HIV/AIDS mainstreaming is more positive, especially in education. Local government and public sector reform have been assisted to promote gender concerns and advocacy work has been effective on gender-based violence. Some progress has occurred in engendering the budgeting process, and Irish Aid-financed studies on gender aspects in economic growth for the Ministry of Finance, Planning and Economic Development are expected to be influential.

Efficiency

S30. The narrowing of the portfolio and the use of basket funds has increased the efficiency of Irish Aid's spending. However, aid management mechanisms continue to be complex and exert high transaction costs for the Government of Uganda and Development Partners; moreover, with considerable resources flowing to the Poverty Action Fund, Irish Aid reliance on coordination and efficiency within central Government of Uganda organs has grown. The efficiency of government machinery has been affected by the unequal capacities and performance of the Ministry of Finance, Planning and Economic Planning (MoFPED), Office of the Prime Minister (OPM) and the National Planning Authority. While the Office of the Prime Minister has the mandate for aid coordination, it has yet to be seen as effective, and the Ministry of Finance, Planning and Economic Development has reasserted its role as the senior planning as well as finance ministry.

S31. Irish Aid's own efficiency in terms of predictability has been good, with close to 100% disbursement against budget over the Country Strategy Paper period. Irish Aid's staff also has a good profile from the point of view of government and aid partners in terms of technical capacity, local knowledge and mediation. Staffing levels have been as planned for 2007 and 2008, but there have been advisor gaps in late 2008 and 2009 that have increased workload. Competency gaps exist in two areas: conflict sensitivity and environment. New teamworking approaches have been effective, but learning across teams could be improved. The staff survey conducted by our evaluation placed priority on the need for greater field exposure and stronger policy analysis and influencing skills.

S32. Outside of the bilateral country programme, links with Multi-Annual Programme Scheme (MAPS) partners has improved with more open and shared dialogue. In relation to the private sector, the Embassy has played a supportive though limited role so far in the rapidly growing area of oil exploration. Nevertheless, the substantial economic and governance implications arising from the embryonic but reportedly huge potential of the oil industry in Uganda are concerns that Irish Aid needs to understand and respond to. Irish Aid's support from Headquarters to Traidlinks has yet to

produce substantial results in terms of assisting businesses to grow, while the overall future strategy of Traidlinks has yet to emerge. Traidlinks needs to be clearer about its niche role and also the rationale for providing subsidised support to a small number of firms.

S33. Conflict and humanitarian assistance has been managed by Irish Aid Headquarters although the Embassy has been active in the Partners for Democracy and Governance donor group and has played a coordinating role in the humanitarian response to N. Uganda. Support for peace talks and de-mining are also Headquarters-managed initiatives. There is room for greater understanding and use of conflict analysis approaches to Irish Aid's development work, building on experiences in Karamoja and, given the planned greater engagement in the post-conflict setting of N. Uganda, recent conflict sensitivity training has started to address this gap.

Impact

S34. Uganda is on track to reach the national poverty headcount target of 10% by 2017, provided that Gross Domestic Product growth does not slow, population growth is reduced and inequalities do not increase. These caveats are critical. While poverty has lowered in the central and western regions, there has been no significant change in the northern and eastern regions. Recent evidence also suggests that the Poverty Eradication Action Plan could have had greater effect on reducing poverty than it did if it had not neglected key areas such as agricultural research and family planning.

S35. Irish Aid's main contribution has been its support to the Poverty Action Fund within the national poverty reduction framework, its associated public sector reform programmes, and sectoral support in education and justice, law and order. But Ireland's contribution (the majority of which goes to the Government of Uganda and over half on budget support) is just 4% of all assistance and this assistance in turn provided some 36-40% of total government revenue over the period.

Lessons

The main lessons that emerge from the evaluation are set out below.

1. In a country like Uganda, where public expenditure management has become significantly stronger, using a virtual fund mechanism like the Poverty Action Fund comes with important drawbacks: the selection of Poverty Action Fund expenditure lines has been largely ad hoc and out of phase with sector budget planning, and their protection from in-year budget cuts has led to underinvestment elsewhere. Overspending in public administration, in particular, remains a matter of concern. Recent Poverty Action Fund reforms by the Government of Uganda will help resolve the Poverty Action Fund's static definition, but fiscal slippage, and more widely, cases of financial mismanagement, are likely to continue. This calls for a fuller acknowledgement, as well as continued monitoring, of the country's fiduciary risk by Irish Aid.
2. Irish Aid's direct support to line ministries through joint donor basket funding has shown evident benefits but has also come with some drawbacks. Because they use the same mechanisms as, and/or are in effect, projects, basket funds - like Local Government Sector Investment Programme and Public Service Reform Programme - can weaken the relationships between the beneficiary line ministries which receive money directly from donors and the ministries they respond to, notably the Office of the Prime Minister and the Ministry of Finance, Planning and Economic Development. They also require separate reporting procedures. On the positive side, the use of donor basket funding tends to secure more immediate results as a result of a close monitoring of activities.
3. Focusing or narrowing down a country strategy means more than reducing the number of pillars, but also making choices within sectors and within programmes. This requires sound analysis of

how such choices fit with Irish Aid's overall strategy, Irish Aid's own comparative strengths and country experience.

4. Withdrawing from sectors in the interests of aid harmonisation can be successfully done provided there is good consultation, a phased withdrawal and an understanding that relevant Millenium Development Goals can be addressed in a multi-sectoral way.
5. Financial aid alone is not sufficient for effective policy dialogue. A donor also needs to bring sound technical engagement and willingness to dialogue and, when necessary, take a lead on coordination. Irish Aid's use of national and international consultants, continuation of strategic projects and pilot and targeted studies has enabled Irish Aid to become an active and trusted participant in various structures, notably in education, justice and decentralisation.
6. Mainstreaming of areas such as gender and HIV/AIDS can be successful if it; (i) is set as a strategic objective; (ii) has commitment within the programme team; (iii) uses innovative team approaches; and (iv) is backed by technical and financial resources.
7. Sector budget support can be an effective approach even in a complex multi-stakeholder sector such as justice, law and order where 13 institutions are involved with strong, independent mandates.
8. Local government reform is a broad, complex and politicised arena that stretches donor ability to influence as a sector. On the other hand, donors can expect good results if they focus on specific results, or on specific interventions such as HIV/AIDS.
9. Elections usually bring on board new politicians and leaders who may not be competent in cross-cutting issues such as HIV/AIDS, governance or gender and therefore repeating interventions may be required. The creation of new administrative units also has similar implications in decentralisation. Continuous sensitisation and capacity building in mainstreaming at different levels is needed.
10. Remaining involved for some years in a sector (such as education) and working at local as well as national level can bring a deeper understanding, a recognition of technical competence and, ultimately, greater policy influence.
11. Due to its special cultural heritage and different resource endowment, Karamoja needs a long-term development perspective and better coordination in order to address the complex and chronic poverty challenges. Ireland's range of experience there provides it with a platform to deepen engagement.
12. Well integrated political and development teamwork and programme approaches provides Ireland with a comparative advantage over other development partners in areas of governance (justice, human rights), though not necessarily areas concerning military or security matters where others have greater resources.
13. Where large and less well-aligned development partners are present, Irish Aid can play a useful strategic role, and enhance its reputation through providing neutral, flexible and appropriate advice.
14. It is risky to rely on joint donor-government poverty monitoring mechanisms to show the contribution of and results due to Irish Aid, especially when the Government's commitment and incentives to operationalise broad mechanisms - such as the National Integrated Monitoring and Evaluation Strategy - appear weak.

Recommendations for next Country Strategy Paper

1. As part of the upcoming strategy process, Irish Aid will need to undertake a careful analysis of the Ugandan context (2011 elections, continued economic and demographic growth and inequality, prospective growth in oil revenues, uncertain peace agreement) and also gain clarity over government priorities (under the National Development Plan).
2. Reduce further the range of interventions within the two pillars in the current Country Strategy Paper (human development and governance with growth). Within these pillars, ensure a better prioritisation in terms of sectors, sub-sectors and programmes, as well as appropriate exit strategies where disengagement is planned.
3. Based on past performance and current opportunities, Irish Aid's priorities should be on addressing chronic poverty and inequality, improving quality in education in specific strategic areas such as Karamoja, improving governance and mainstreaming gender and HIV/AIDS.
4. Use the opportunity of Joint Budget Support Framework to adopt a more effective approach to general and sector budget support. The analysis around Joint Assessment Framework indicators, as reported annually, should be made more robust. This will include Irish Aid's analysis of fiduciary risk, scrutiny over local governments' ability to absorb conditional grants, and focus on results in priority sectors.
5. Maintain a balance in modalities in order to manage risk, provide resources for civil society and strengthen selected government agencies. But careful attention should be placed on the choice and combination of aid instruments, and how their respective channels of delivery will support rather than undermine government ownership under the National Development Plan. Where basket funds are likely to remain the main modality of support for line ministries, Irish Aid should justify their choice in terms of results, innovation, and access to technical capacity. They should also set the conditions for any possible transition to more general budget support.
6. It may be wise to devise a Country Strategy Paper with greater flexibility and which includes more contrasting investment plans that reflect a wider range of possible national scenarios based on comprehensive risk assessment and mitigation.
7. Structure the Country Strategy Paper objectives and supporting pillars to help improve Monitoring & Evaluation: aim for a clearer logic between sub-programmes' objectives, programmes' outcomes and overall goal.
8. Conflict sensitivity should be mainstreamed across the programme to ensure that all interventions at least do no harm and at best mitigate conflict. As part of the preparation for a new country strategy, a strategic conflict assessment should also be conducted (preferably jointly with others). Conflict mitigation/peacebuilding could take precedence over Irish Aid's environmental mainstreaming, given Ireland's comparative advantage in the former.
9. In Karamoja, Irish Aid can consider building on their existing diverse platform (in education; Justice, Law and Order Sector; human rights and conflict resolution) and supporting a more coordinated conflict-sensitive approach that brings local government, the new Minister for

Karamoja², other donors, Multi-Annual Programme Scheme partners and humanitarian actors more effectively together.

10. In education, streamline different initiatives and only fund agencies such as the Education Service Commission, Uganda National Examinations Board, National Curriculum Development Centre and Education Standards Agency where justification exists for specific activities while encouraging the Ministry of Education to take over their funding through the sector budget support. Seek ways to move the Quality Enhancement Initiative from its current off-budget status to an on-budget position. Uganda National Teachers' Union (UNATU), as an NGO, merits support in order to broaden policy dialogue and highlighting the plight of teachers.
11. Irish Aid should continue to support HIV/AIDS through a mix of interventions by civil society and the public sector (Uganda AIDS Commission and Ministry of Local Government), but should endeavour to build government commitment to fund and lead.
12. Decentralisation is a key but challenging sector. IA may need to focus either geographically or in terms of priority areas within the decentralisation basket such as building capacity to operationalise the tax system in order to enhance results.
13. In public sector reforms, Irish Aid may consider it wise to focus on financial reforms rather than other areas such as public service reform (an area which it is leaving, according to the Aid Mapping exercise). Irish Aid's participation in various working groups could help ensure key issues such as human resources remain high on the agenda.
14. Irish Aid should continue active engagement in the justice, law and order sector, but should address the negative perception of its institutions among the public through awareness creation and outreach, and help Justice, Law and Order Sector institutions to streamline systems, especially at the front-line level in delivering services to the people, and develop scenarios for changes in strategies given the coming elections in 2011.
15. On gender, Irish Aid should earmark a specific budget in the programme to support gender initiatives. There is also a need more fully to involve the Ministry of Gender, Labour and Social Development in gender mainstreaming. Irish Aid could also assist this Ministry in the renewal of the Social Development Sector Investment Plan in order to more effectively coordinate strategies for addressing inequality and social protection.
16. The substantial economic and governance implications arising from the future oil industry in Uganda raise potential development concerns that Irish Aid needs to understand and respond to in terms of both local and national issues, particularly around accountability, corporate governance and anti-corruption.
17. To improve Irish Aid staffing efficiency, share lessons and expertise across teams, increase field exposure, upgrade influencing skills and fill staff gaps. The increase in budget support and basket funding has meant that there are fewer visible projects or 'concrete' examples of Ireland's assistance on poverty reduction. While Irish Aid's reputation is strong, especially amongst its like-minded partners, it would be valuable to continue regional or local programmes that focus on service delivery to the poor, and also to develop further Irish Aid's press and media skills.

² The President's wife, Janet Museveni, was recently appointed as the new Minister for Karamoja.

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