

Swedish-Ugandan Partnership



COVER PHOTO

Sida supports training of journalists and management of commercial radio stations around the country.

The aim is to produce useful programmes for people in small and medium size enterprises. A study shows that these programmes attract about seven million listeners.

Photo: ILO

Foreword

SWEDEN HAS BEEN a development partner with Uganda for many years. The relationship between the two countries has deepened and developed into a close partnership that is characterised by openness and transparency. Ownership and efficient development policies from Uganda combined with donor support have yielded impressive economic and social results. However, the conflict in the north, which has lasted nearly two decades and resulted in approximately 1.6 million internally displaced people darkens this otherwise positive picture.

“Uganda is at the moment taking yet another step into the family of democratic nations through introducing a multi-party system for the elections in 2006. We encourage Uganda.”

ERIK ÅBERG, Ambassador of Sweden

The staff of Embassy of Sweden,
December 2004



Swedish Support During the Difficult Years

THE CHAOTIC AND VIOLENT regimes of Idi Amin (1971-1979) and Milton Obote's second period (1979-1985) is all many Swedes still know about Uganda.

Not so many know about the quick recovery Uganda has experienced both economically and politically since President Yoweri Museveni came to power in January 1986 after five years of armed struggle.

It is also unknown to many that the President's family and some of his closest ministers today were granted refuge in Sweden when they were in great danger.

Since the turbulent years, thousands of Ugandans still remain in Sweden, contributing to strong ties between our two countries.

New buildings are emerging in Kampala and dilapidated ones are being restored.



Swedish-Ugandan Partnership



FROM 1990 TO 2003 Swedish development cooperation assistance to Uganda has amounted to a total of 2.3 billion SEK (roughly 330 million USD*).

Expenditures (million SEK)	2001	2002	2003
Democracy and Human rights	12	22	14
Social sectors including Health	60	16	63
Infrastructure, private and financial sector	130	33	27
Natural resources	7	5	2
Budget Support	55	65	65
Research cooperation	16	45	26
Humanitarian assistance and Conflict prevention	8	15	46
Support through NGO	11	19	15
Other	3	8	8
Total	302	228	266

The Swedish crown princess Victoria and Hannah Akuffo from Sida visiting The Aids Support Organisation (TASO).

*7 Swedish kronor (SEK) equals roughly 1 USD (January 2003)



OLA TORKELSSON | PRESENT BILD

Economic recovery but still poor



Coffee has decreased in market value by 75 percent. This worries Semakula Asad and his wife Nalubega Shamin in Luweero.



Girl and boy returning home with milk. By a crater lake, 20 kms south of Fort Portal.

DURING THE 1990S, UGANDA maintained a high degree of macroeconomic stability and displayed strong economic performance. Recently, however, economic growth has slowed, averaging 5.7 percent over the past five years, down from 6.5 percent annually in the previous decade. The number of people living on less than a dollar a day also increased to 38 percent in 2002/2003, after declining rapidly from 56 percent in 1992/1993 to 34 percent in 1999/2000.

This negative trend has partly been attributed to the steep fall in international coffee prices, as coffee is a major foreign exchange earner for Uganda. Additionally, the benefits of economic growth have not been equally distributed. In 2002, the results of the second Uganda Participatory Poverty Assessment Project, which Sida contributed in funding, revealed that people considered lack of markets of their produce as one of the major causes of poverty. They also cited ill health and women's lack of control of resources as key poverty issues.

Poverty Reduction

RESTORING MACROECONOMIC stability was the core of the Government of Uganda's economic policy in the early 1990s. Now, the policy is aimed more towards direct poverty eradication.

The main policy document is the Poverty Eradication Action Plan (PEAP), first formulated in 1997, and recently revised in 2003/2004.

The present PEAP focuses on:

- ⊙ Economic management
- ⊙ Enhancing production, competitiveness and incomes
- ⊙ Security, conflict resolution and disaster management
- ⊙ Good governance
- ⊙ Human development

Swedish assistance is given in order for Uganda to attain the goals of the PEAP.

EXCERPTS FROM A NEW VISION ARTICLE

Launching a new report at a press conference in London on Wednesday, Transparency International, TI, chairman Peter Eigen said:

– Corruption in large-scale public projects is a daunting obstacle to sustainable development and results in a major loss of public funds needed for education, healthcare and poverty alleviation, both in developed and developing countries.

TI is a leading non-governmental organisation which fights corruption around the world. The new Corruption Perceptions Index raises Uganda from the 113th place last year to 102nd alongside Eritrea, Papua New Guinea, the Philippines, Vietnam and Zambia.

However, TI said Uganda remained among the 60 countries around the world with rampant corruption. It said Uganda's public sector was plagued by bribery.

It placed Uganda among the 106 countries out of the 146 surveyed, which scored less than five out of 10 on the index. Ten is a clean score and the lower the rating, the more corrupt a country is perceived to be. Kenya was 129, Tanzania came 90th while DR Congo was 133rd.

The least corrupt countries were Finland and New Zealand, which scored 9.7 and 9.6 respectively. Nigeria, the most corrupt in Africa, came third from bottom, with a score of 1.6. It fared marginally better than Bangladesh and Haiti which were at the bottom with a 1.5 score.

Eigen said graft robbed countries of their potential and that the world's poorest countries needed support to fight the problem.

– If we hope to reach the UN Millennium Development Goal of halving the number of people living in abject poverty by 2015, governments need to seriously tackle corruption in public contracting, Eigen said. TI estimated that bribery in government procurement around the world tops US\$400b per year.

Speaking from the Colombian capital Bogotá, TI vice-chair Rosa Inés Ospina Robledo said:

– Across the globe, international donors and national governments must do more to ensure transparency in public procurement by introducing no-bribery clauses into all major projects.

She said tough sanctions were needed against foreign and national companies caught bribing. She said these could include forfeit of the contract and blacklisting from future bidding.

In Kampala, the Inspector General of Government, Jotham Tumwesigye, said the report was a true reflection of corruption in Uganda, reports Emmy Allio.

– It is an indication of what is on the ground. It is the effect of measures taken recently to fight corruption, he said.

Asked whether his recommendations were respected by government departments, Tumwesigye said:

– In some quarters our recommendations are now being followed. There is a positive trend in many aspects. He asked for greater effort by anti-corruption agencies and the Government “if the momentum is to be maintained.”

New Vision, Stuart Price, 21st October, 2004

New Vision is one of Uganda's leading daily newspapers.



VICTOR BROTT

The Present Agreement

THE CURRENT AGREEMENT on development cooperation between Sweden and Uganda that was signed in January 2001 has been extended until the end of 2005.

The main objectives of the agreement are to:

- ⊙ Reduce poverty
- ⊙ Contribute to sustainable economic and social development
- ⊙ Promote democracy, human rights, children's rights and equality between women and men

Sweden has pledged, as a grant, 940 million SEK for the five years.

More specifically, the cooperation focuses on:

- ⊙ Health
- ⊙ Democracy and human rights
- ⊙ Private and financial sector development
- ⊙ Agriculture
- ⊙ Water and sanitation
- ⊙ Energy
- ⊙ Research cooperation
- ⊙ Humanitarian support to the northern parts of Uganda

Left: Promoting children's rights is an important objective of the agreement between Sweden and Uganda. Many children are suffering because their parents have died of Aids—another key issue in the Swedish support.

Below: About 45 percent of the population still lack access to safe drinking water—yet another area of importance in the collaboration between Uganda and Sweden.



Health

AN AGREEMENT ON CONTINUED health sector support was signed in October 2003. The total amount agreed upon is 420 million SEK for the four-year period 2003/2004-2006/2007. Out of this amount, 320 million SEK is allocated to health sector programme support for implementation of Uganda's health strategy, focusing on primary health care.

Additionally, direct support is given to sexual and reproductive health rights and services, HIV/Aids and technical assistance to the Ministry of Health.

Since 2001, the majority of the support from different donors to the health sector in Uganda is coordinated through this Sector Wide Approach. The results are very encouraging in terms of national ownership of the reforms and development in the sector.

Sida is also sponsoring an exchange programme between Department of Community Health, Mbarara University of Science and Technology, and Division of Community Health, University of Lund. Sida provides management consultants to the Ministry of Health in Kampala.

Youths' access to information and counselling on HIV/Aids is the focus of support outside the health sector programme. Continued support from Sida for a coming four-year period was agreed with The Aids Support Organisation (TASO), Straight Talk Foundation and Naguru Teenage Information and Health Centre.

St. Paul's Health Centre with
Counselling & Testing Service,
Kasese.



TASO is providing counselling and support to persons living with HIV/Aids. Naguru Teenage Information and Health Centre and Straight Talk are foundations that provide information on healthy lifestyles, through peer education, radio programmes and newspaper supplements.

About 80 young people between the ages of 10 and 24 years, two thirds of them girls, visit Naguru Health Clinic daily. At the clinic, they watch and discuss video information programmes, meet with nurses and counsellors about their problems, and access free testing and treatment. Referrals to hospitals can also be arranged.

Democracy and Human Rights

SUPPORT TO ACTIVITIES promoting the democratisation process and respect for human rights are central in Swedish development cooperation with Uganda. Sweden works with both governmental and non-governmental organisations. These organisations include Uganda Human Rights Commission, Human Rights Network (HURINET) and Foundation for Human Rights Initiative (FHRI).

HURINET, a network consisting of more than 20 organisations, is also responsible for a human rights fund for NGOs. In total, 64 NGOs from 30 different districts have received support from the fund.

The "HIV-club", close to Bombo, celebrates life with dance, song and theatre. The club now also welcomes members that are not HIV-positive.



In May 2004, a three-year agreement was signed between the Ministry of Finance and the Government of Sweden regarding support to the Justice, Law and Order Sector (JLOS). About ten other governments and the World Bank are involved in this Sector Wide Approach. Institutions involved in Uganda include Ministry of Justice and Constitutional Affairs, Ministry of Internal Affairs, the Judiciary, Uganda Prisons Services and Uganda Police Force.

The JLOS Reform Goals:

Development objective: Enhance the quality of life and ensure that poverty in Uganda is eradicated.

Specific objectives: Improve the safety of the individual, the security of property and access to justice in order to ensure a strong economic environment and to encourage private sector development which will benefit poor and vulnerable people.

Two main areas of reform are in focus:

- ⊙ Criminal Justice Reform
- ⊙ Commercial Justice Reform

Sweden also supports the process of establishing an Equal Opportunities Commission as outlined in Uganda's Constitution.

Sweden is cooperating with European Parliamentarians for Africa (AWEPA) for capacity-building support to the Parliament of Uganda. Swedish assistance is also channelled through the UNDP.

UNICEF birth registration and household census in progress in Arua district.



BENGT KORPÅS

The Swedish support to the Birth and Death Registration component of the UNICEF Country Programme in Uganda entails an expansion to more districts. The programme focus is highly relevant for children's rights in Uganda.

Private Sector and...

SWEDEN RECOGNISES THE CRITICAL ROLE economic growth plays for poverty eradication. Swedish support to the private sector aims to strengthen development of small and medium-size enterprises (SMEs) with a special focus on agriculture, as well as recognising Uganda's potential to increase its exports. During 2005, Sweden is co-chairing the Private Sector Development Donor Group together with DFID.

The ILO-FIT Small Enterprise Media in Africa (Sema) project, funded by Sida, is supporting the thriving commercial radio industry to produce high quality business programmes especially targeting SMEs. The project works with commercial radiostations that broadcast in several local languages across the country, including the conflict stricken areas. Today approximately seven million Ugandans are tuning in to business programmes.

The Sida-initiated regional Export Promotion of Organic Products from Africa (EPOPA) programme involves over 20.000 farmers in Uganda. The objective is to make farming without fertilizers or weed-killers cost-effective and affordable in order to improve the livelihood in the rural communities. Prices paid for certified organic products are higher than for conventional products, which means a 15-30 percent higher income for farmers involved in organic production.

Sweden also extends support to Uganda Beef Producers Association and Enterprise Uganda.

...Financial Sector Development

AN EFFICIENT AND STABLE financial system is the backbone of a functioning market economy.

Sida works with Bank of Uganda and the German Technical Cooperation (GTZ), to improve capital markets and payment systems and to support microfinance institutions (MFIs) that provide small loans to farmers and other small-scale entrepreneurs. The Association of Microfinance Institutions of Uganda (AMFIU) has 113 members that provide loans. Some of them are preparing to develop into microdeposit-taking institutions (MDIs), village banks.



BENGT KORPÅS

Many small entrepreneurs, like Annet Namubiru in Luweero, could benefit from microfinance loans to expand her different businesses. If she starts making more money, she could deposit her savings into microdeposit-taking institutions.



In just a few years Uganda has progressed from having the lowest telephone density per inhabitant in Africa to the highest. Mobile telephony is a technological breakthrough that has brought about a fundamental change in many peoples lives, especially in the rural areas.

MTN

Sweden has an agreement with the mobile telephone operator MTN Uganda to be a guarantor for its eight year, 7 million USD note issuance programme to raise money for investments in the expansion of its network. This covers only a part of the MTN investments, but Sida has not needed to pay any money so far. Swedfund International has also invested in the MTN expansion which has a special focus on rural areas in Uganda.

Sida's involvement is based on the fact that Sweden wants to promote the development of the financial sector and wants to see rural telephone services improve.

Agriculture

SWEDISH SUPPORT TO THE AGRICULTURAL sector is channelled through the National Agricultural Advisory Services (NAADS). It is one of the key components of the comprehensive Plan for Modernisation of Agriculture (PMA).

Water and Sanitation

BASED ON A UGANDAN proposal, Sida decided in January 2003 to provide bilateral support to the WS-sector totalling 250 million SEK for the five years 2003-2007. About half of this sum is intended as general support for national water and sanitation investments, with the remaining money allocated for institutional capacity building in cooperation with other donors. Sweden provides a technical consultant to the Directorate of Water Development (DWD).

Energy

THE LACK OF ELECTRICITY is hampering development around Uganda, as only two percent of the rural population enjoys the benefits of electricity. For this reason, Sida is concentrating its efforts in the energy sector on rural electrification. As part of the Energy for Rural Transformation (ERT) programme, Sida is supporting the Rural Electrification Agency with technical assistance. The first phase of Sida's electrification programme has supplied 2.000 people, small businesses, schools and health centres in Kabale District with electricity. The second phase of the programme, which also includes one project in the conflict-affected Pader and Kitgum district, is now being planned.





VICTOR BROTT

Simple and clever...The abundance of the water hyacinth weed in Lake Victoria is a serious environmental hazard. To fight the weed, fishermen are paid to throw water hyacinth plants that have been specially infested with weevils into the water. The little weevils then feed on the plants with huge appetites, thus greatly diminishing the problem.

Research Cooperation

SIDA IS SPONSORING research cooperation between Makerere University in Kampala and Swedish universities. The overall research cooperation theme is “Lake Victoria and other water resources”. Four faculties at Makerere—Medicine, Social sciences, Technology and Agriculture—are currently involved.

Research and development funding from the government remains below 0.2 percent, so international support in this area is very important. The research cooperation focuses on the interaction between qualified senior researchers at Makerere, the supervisors of PhD students, and Swedish colleagues. Research partners are able to spend considerable time in each others’ departments.

One specific research component is a demographic surveillance project in the Iganga and Mayuge Districts in the southeast. The project is unique, because the data could be used continuously over a considerable period of time. The data from the surveillance could form the basis for several different research projects that would be done on site. Additionally, the data generated from the site would be useful to the local authorities and the Uganda Bureau of Statistics.



Humanitarian Support

THE NUMBER OF internally displaced persons (IDPs) has reached 1.6 million and the Under-Secretary General of the United Nations has described the situation as one of the most pressing humanitarian crises in the world. The country strategy for Swedish cooperation with Uganda considers support to the conflict-torn northern parts of the country to be an integral component. Sweden is also looking forward to being an active participant in the reconstruction effort when the conflict subsides.

Humanitarian assistance is currently being provided to this region, mainly through UN agencies. In 2003/2004, Swedish support amounting to 90 million SEK was channelled through the UN Consolidated Appeal to WFP, UNICEF, OCHA and FAO for humanitarian interventions in northern Uganda. Sida also has decided to support Oxfam's planned activities in the area.

Sida provides support to rehabilitation of child soldiers through Save the Children Denmark. Assistance is, in addition, given to Action for Development of Local Communities (ADOL), a local NGO involved in capacity-building, peace education and functional adult literacy in Kotido, Karamoja.

When the sun sets, thousands of children come walking into the cities. They gather together wherever they can, in the bus stations, in the streets... Some carry sleeping mats and blankets to make the night more endurable. Children in the north of Uganda live in fear of kidnappers and violent attacks.

Lake Victoria Initiative

SWEDEN HAS MADE A long-term commitment to work with the East African Community (EAC) for poverty reduction and sustainable development in the Lake Victoria Basin. The three partner states of the East African Community (Kenya, Uganda and Tanzania) have designated the Lake Victoria Basin as an economic growth zone that has to be exploited in a sustainable manner.

The Lake Victoria Initiative is an important part of the Swedish cooperation with East Africa. It relies upon a wide range of cooperating partners—universities, local authorities, NGOs, and the private sector—both in Sweden and in East Africa. The partnership will be guided by visions and strategies developed by the people living in the area.

The operation of the Lake Victoria Initiative guided by the Strategy for Swedish Support to the Lake Victoria Basin (2004-2006) with an overall objective of contributing to poverty reduction within a sustainable development framework. The strategy identifies five activity areas:

- ⊙ Capacity building for sustainable development
- ⊙ Empowering communities and individuals
- ⊙ Sound environment and sustainable use of natural resources
- ⊙ Combating HIV/Aids
- ⊙ Private sector development for economic growth

Programmes supported by LVI must be regional in nature and demonstrate ownership by the people living in the Lake Victoria region.



A cleaner Lake Victoria will benefit future generations.

The future

“The present country strategy for development cooperation will be valid until the end of 2006. As we begin to work on a new country strategy, we will take into consideration the new Swedish Policy for Global Development, which emphasises two core components, namely the poverty focus and the rights based approach. Further strengthening these issues in our cooperation with Uganda will be one of our major aims.

We look forward to a long and continued cooperation between Sweden and the people of Uganda.”

ERIK ÅBERG, Ambassador of Sweden

DEVELOPMENT INDICATORS 2003

Population size, million	24.7
Population Growth Rate, %	3.4
Life expectancy at birth, years	43
GDP Growth rate, %	4.9
GDP per capita, USD	320
Debt, USD	3.8 billion
Ugandans considered poor, %	38
HIV/Aids prevalence rate, %	6.1
Safe water access, %	52
Net primary school enrolment rate, %	79
Girl/boy primary school ratio, %	96
Under-five mortality rate (per 1000)	152
Maternal mortality rate (per 100.000)	505
Infant mortality rate (per 1000)	88
Total fertility rate (births per woman)	6.9



SVERIGES AMBASSAD

**Embassy of Sweden
Kampala**

The Embassy of Sweden, Kampala, Uganda
Postal address: P.O. Box 22669, Kampala
Visiting address: 24, Lumumba Avenue, Nakasero
Telephone: +256 41 340 970
Telefax: +256 41 340 979
ambassaden.kampala@foreign.ministry.se

Halving poverty by 2015 is one of the greatest challenges of our time, requiring cooperation and sustainability. The partner countries are responsible for their own development. Sida provides resources and develops knowledge and expertise, making the world a richer place.



SWEDISH INTERNATIONAL DEVELOPMENT
COOPERATION AGENCY

SE-105 25 Stockholm Sweden
Telephone: +46-(0)8-698 50 00
Telefax: +46-(0)8-698 56 15
www.sida.se, sida@sida.se