

REPUBLIC OF UGANDA

MULTI-ANNUAL INDICATIVE PROGRAMME

2021-2027

1. The overall lines of the EU international cooperation in Uganda

1.1. Basis for programming

The Multi-annual Indicative Programme (MIP) presents the European Union (EU) partnership with the Republic of Uganda for the period 2021 - 2027. The MIP is aligned to the Government's National Development Plan III (2020-2025), which sets out Uganda's vision of a transformed society - from a peasant economy to a modern and prosperous country by 2040. The NDP III is articulated around 20 programmes that are expected to lead to average annual economic growth rate of 7%, create on average 520,000 jobs annually, increase income per capita to USD 1,301, lower poverty rate to 15.5%, and further improve health and education outcomes of the population.

The NDP III provides a solid basis for engagement in a number of sectors that are of strategic interest to the EU, such as the green agenda, digital transformation, sustainable growth and jobs, and an integrated approach to the refugee response under the Comprehensive Refugee Response Framework (CRRF), amongst others. These policy areas provide important opportunities for the EU to engage in political and policy dialogue on global challenges, to leverage EU investments in key sectors and to strengthen democratic institutions and build the resilience of the society as a whole, to face the socio-economic impact of the Covid-19 pandemic.

Uganda has achieved a number of important milestones in terms of socio-economic development. At the same time, the country is facing several risks and challenges. Recent trends have shown that despite a population growth among the highest in the world (3.2 % per year), investments in social sectors are insufficient and inequalities have risen. Other challenges posed by the country's high population growth - and to a lesser extent also by the continued influx of refugees - are the increased pressure on natural resources such as forests, land and water, and high unemployment rates, especially among the young population. The latter in particular is causing growing resentment and occasionally unrest among the youth. The Government is concerned about reports alluding to shrinking democratic and civic space and the deterioration of human rights situation. The findings and the follow up to the Government's investigations in the 2021 elections incidents will be important, and the recent commitment at highest level to uphold the rule of law and to address unlawful behaviours, including by law enforcement agencies, can be seen as a positive development.

Uganda will also have to deal with a new set of challenges connected in particular with increasing levels of urbanisation and with the revenues and expectations generated by the discovery of oil resources due to come into fruition in the next 5 to 7 years.

In this challenging context, a closer and more strategic cooperation between Government and long standing partners such as the European Union, will be crucial and mutually enriching. The EU will need to offer a comprehensive response by deploying an array of tools and seeking multifaceted leverage, combining political, development and economic cooperation, as well as humanitarian aid. Financial instruments such as blending and EFSD+ operations under the European External Investment Plan (EIP) will play a key role in leveraging investments. Furthermore, the EU will continue to engage with Uganda on regional security, including in the post- African Union Mission in Somalia (AMISOM) setting, considering also Uganda's key role in

the region and its connections with other countries in the Horn of Africa and Great Lakes region. Given the role of Uganda in the region, cooperation with a number of neighbouring countries on security related challenges may be envisaged. Of paramount importance will be for the EU and its Member States to continue working closely together, sharing a common vision and joining forces to position the EU as a strong player in Uganda.

In its partnership with Uganda, the EU will make use of both an effective political dialogue, with the Government but also with non-State actors, and a targeted cooperation agenda articulated around three broad policy areas: (i) **Green and Climate Transition**, (ii) **Sustainable Growth and Jobs**, and (iii) **Democratic Governance and Social Inclusion**. The EU will also address crosscutting themes such as **human rights, gender equality, the digital agenda as well as support to civil society**. An integrated approach to **refugee and host communities** in the framework of the CRRF and a specific **focus on youth** will be at the core of the EU's agenda.

The EU's engagement will need to be able to evolve in a flexible manner, in order to respond and adjust to identified risks and changes in the policy/political context. The choice of modalities and partners will be key to achieve meaningful impact and leverage. In all the priority areas, the Government of Uganda will have to deliver on its strong commitment – acknowledged at the highest level and notwithstanding the influence of other global players – to fight corruption and improve transparency and accountability, without which the developmental impact will be unsustainable.

1.2. Status of joint programming

There is currently no formal Joint Programming Document agreed between the EU and the EU Member States (EUMS) represented in Uganda (Austria, Belgium, Denmark, France, Germany, Ireland, Italy, the Netherlands, and Sweden), mainly due to the different sequencing of respective country strategies and programming cycles. Nevertheless, EU and EUMS in Uganda reconfirmed their commitment toward a shared vision and to Working Better Together (WBT) in a Team Europe approach by agreeing on a joint vision and position paper, which aims to strengthen knowledge and awareness of their presence in Uganda and to provide the basis for more joint EU action. The document "*Team Europe Vision for its development cooperation with the Republic of Uganda 2020-2025*" provides a common analysis of the country context, and serves as an "umbrella" framework covering EU and EUMS country strategies. The document promotes a common approach towards working better together and speaking with one voice, strengthening joint visibility, and ensuring synergies and joint cooperation. As such, EU and EUMS in Uganda are committed to develop a Team Europe approach at country level in order to add value to the sum of their respective bilateral cooperation efforts.

1.3. Priority areas of the EU's cooperation with Uganda

Priority area 1: Green and Climate transition

- **Sustainable management of natural resources** - *Allows working on protection of environment and wildlife, development of protected areas, ecotourism, green value chains, land rights, climate change, Disaster Risk Reduction (DRR), forestry and energy efficiency*
- **Green Cities** - *Allows working on governance, domestic resource mobilisation, planning, infrastructure at the local level – including for refugee/host community agglomerations*

Priority area 2: Promoting sustainable and inclusive growth and jobs

- **Sustainable investments** - *Allows working on industrialisation, value addition on specific value chains, public-private partnerships, trade, agri-business, access to finance, business environment*
- **Economic enablers and connectivity** - *Allows working on economic corridors, sustainable and efficient energy, connectivity*
- **Skilling and Decent Jobs** - *Allows working on employment governance, skilling, youth, informal sector, including economic opportunities for refugees*

Priority area 3: Promoting Democratic Governance and Social inclusion

- **Democratic Governance** - *Allows working on democratic participation, human rights, accountability and public finance management (PFM)*
- **Social inclusion** - *Allows working on education for girls, social protection, social services, sexual and reproductive health and rights (SRHR), refugee response*

1.4. Justification and context

Priority area 1: Promoting Green and Climate Transition (DAC codes 410, 312, 430)

The priority area 1 aims to respond to the compelling need of Uganda to transition to a more sustainable and resilient society. Indeed, Uganda is facing a challenging situation made up by the combination of an increasing human population growth, among the fastest in the world, coupled with economic growth that is partially reliant on unsustainable management of its natural resources. “Business as usual” and a mere “Do no harm” approach have so far not created the sustainable pathway needed to address the many interrelated threats to the country’s biodiversity and ecosystem services. In this context, the EU will seek to harvest the potential of both the sustainable and legal exploitation of natural resources and biodiversity, and of a more circular and low carbon economy for sustainable growth and jobs creation. As a result, this priority will promote the holistic and integrated management of natural resources while taking into account the needs of the population – in line with the EU’s Biodiversity Strategy for 2030. It will build on the extensive experience gathered by the European Union in the forestry and energy sectors and in promoting green investments. It will also build on the lessons learnt under previous regional and thematic programmes in the areas of climate change, wildlife protection and disaster risk management.

Uganda also faces an urbanisation rate upwards of 5% (i.e. almost double the average national population growth rate), while Kampala is one of the fastest growing cities in the world. This puts a particular stress on the interface between human activity and natural resources, presents challenges with regards to inclusive economic opportunities, equitable access to basic social and economic services, efficient planning and administration. In the long run, cities present some specific challenges to the social stability of the entire country. At the same time, this context is an opportunity to support an inclusive and green development blueprint for cities in Uganda – beyond Kampala- that will sustainably serve the growing population for the foreseeable future. Proposed measures therefore include promotion of sustainable investments for equitable services, capacity building for better administrations and more conducive local and national policies, and promotion of economic opportunities especially for more vulnerable groups such as women, youth and refugees.

In terms of policy framework, the priority area 1 is aligned to Uganda’s commitments under multilateral agreements, the priorities set in the Ugandan National Development Plan III and related sectoral strategies, the EU’s Green Alliances and Partnerships and reflects Uganda’s commitment under the Leaders Pledge for Nature and the High Ambition Coalition for Nature and People. Specific alignment will be sought with Uganda’s next NDC, expected later in 2021. This

priority is also deeply rooted in the country's Green Growth Development Strategy¹, which recognises that Uganda needs to reconsider its growth model to deliver inclusive economic and social outcomes while protecting natural capital, addressing climate change, creating jobs and accelerating economic growth. As such, a number of synergies will be sought with priorities 2 and 3, especially in the areas of green economy, private sector development, employment creation, access to finance and overall governance in the country (in particular on areas related to gender, accountability, corruption, civil society participation and human rights).

The priority area will benefit from a close coordination with DG Clima and DG Environment and will make use of all available instruments with a particular focus on a strong policy and political dialogue. It provides also ample scope for regional and multi- country cooperation, notably with Rwanda, DRC and Kenya (i.e. NaturAfrica, wildlife crime, migration and refugee response...). As competition over natural resources is particularly visible in refugee hosting districts and is also a potential source of further conflict, the interventions under this priority will be closely linked to the priorities of the Comprehensive Refugee Response Framework in Uganda. Furthermore, the priority area 1 will be in fully alignment with the National Policy for Disaster Preparedness and Management as well as the Sendai Framework for Disaster Risk Reduction 2015-2030. By promoting this approach, the priority area will contribute to SDGs 7, 8, 10, 11, 12, 13, 15.

Priority area 2: Promoting sustainable and inclusive growth and jobs (DAC codes 240, 250, 160)

While the economic growth rate needed for Uganda to achieve its ambition of becoming a middle income country by 2040 is in the order of 6.5%, growth stagnated at around 5% over the past few years and has been further hit by the Covid-19 crisis. To some extent, this has been due to the fact that critical investments in catalytic economic areas, such as extractive industries and enabling infrastructure have not kept up with the evolving needs and opportunities. The industrial sectors in particular contribute too little to the country's GDP². In addition, Uganda's economic progress does not keep pace with its rapid demographic growth. The binding constraints to the creation of decent work and jobs have not been addressed, which has led to jobless growth over recent years. Many jobs in Uganda's labour market are non-productive and informal. Under the current development model, it will be extremely challenging to create the estimated 800,000 decent and productive jobs needed annually over the next decade to absorb the increasing numbers of people entering the labour market, and therefore the private sector's early buy-in is essential.

As a result, the proposed areas of intervention under Priority area 2 (Promoting sustainable and inclusive growth and jobs) include targeted investments aiming to leverage financial, technical and other resources in partnership between public and private sector actors by targeting specifically identified bottlenecks in strategic areas and by providing comprehensive synergies aiming at increasing decent, sustainable employment prospects. The garnering of the full competitive potential provided by green industrial technologies and processes, as well as innovative digital tools and linked international financial opportunities will be a key underpin in that endeavour. Improving connectivity is expected to reduce further the cost of doing business and accessing international markets, thereby also supporting in practice regional integration and regional value chain development. In order to ensure acceptable impact as well as coordination and efficiency of resources, this will component will be coordinated with neighbouring countries' national indicative programmes as well with the regional programmes. Finally, appropriate policy reforms are needed to ensure, unlike in the recent past, that any economic growth is

¹ Green growth is defined as an inclusive low emissions economic growth process that emphasizes effective and efficient use of the country's natural, human, and physical capital while ensuring that natural assets continue to provide for present and future generations. Reference: <http://www.npa.go.ug/about-npa/uganda-green-growth-development-strategy/>

² a modest ~25% – as opposed to the 35% share needed to attain middle income status

proportionally accompanied by an improvement of employment conditions and social standards thereby also contributing to social cohesion and the reduction of inequalities that could fuel conflict.

As regards the policy framework, the Priority area 2 is fully aligned to the main objectives of the NDPIII, the Ugandan Green Growth Development Strategy, the 2030 Agenda and its Sustainable Development Goals – in particular SDGs 7, 8, 9, 12, 13 and 17, the Jobs and Livelihoods Integrated Refugee Plan and at regional level, to the AcFTA and the East African Single Digital market initiative amongst others. At the EU level, the actions are coherent with the Communication on Achieving Inclusive and Sustainable Growth through a stronger collaboration with the private sector, the Jobs and Growth compact for Uganda as well as the Uganda chapter under the Digital4Development (D4D) hub.

The proposed actions under Priority area 2 will build directly on the EU's ongoing engagement under the Sustainable Business for Uganda Initiative, in full partnership with EU Member States and EU Development Agencies, as well as on the successes and lessons learnt of past EU development cooperation in Inclusive Green Economy since 2017. During the past few years, the EU has been instrumental in developing blueprints for comprehensive green investments in strategic value chains, production and industrial centres including cities. Particular emphasis has been placed on supporting Uganda's economic transformation towards an industrialised, diversified, increasingly digital economy that is consistent with the objectives of the Paris Agreement objectives and the "do no harm" principle of the European Green Deal.

Priority area 3: Promoting Democratic Governance and Social inclusion (DAC codes 151, 110, 130, 160)

Uganda is projected to double its current population to reach close to 100 million people within 25 years, with the lack of opportunities for girls and young women and violations of their rights contributing to the extraordinarily high population growth. In addition, Uganda currently hosts 1.45 million refugees³ with little perspective for voluntary returns. This very fast demographic growth, inefficiencies in public sector management as well as a sustained emphasis on economic infrastructure investments have contributed to a lack of or to limited provision of basic services in sectors such as health, education and social protection. The lack of human-centric investments is causing rising levels of social exclusion for certain categories of population (e.g. children and youth, representing 76% of the population, refugees and host communities, the elderly and persons with disabilities) and sub-regions (northern and eastern parts of the country) is detrimental to Uganda's cohesion and increases the population's vulnerability to shocks. In the education sector, adolescent girls constitute a particularly vulnerable learners group, often affected by teenage pregnancies and early marriage and related school drop-out. There is a gap between laws, policies and strategies for the welfare sector and their implementation in terms of results-based budgeting, financing and performance assessment. A low degree of fiscal decentralization (in terms of per capita spending and discretion of local governments) continues to be a challenge.

In terms of governance and human rights, in recent years, Uganda has declined against several international benchmarks⁴. Democratic institutions still need to build their capacity, while a

³ Top refugee host country in Africa and the fourth worldwide

⁴ The **Bertelsmann Transformation Index's** Democracy Status ranked Uganda 39th in 2014 (score of 6.9/10) and 76th in 2020 (score of 5.2). The **Ibrahim Index of African Governance** has registered a "slowing deterioration" of Uganda's score for participation, rights and inclusion since 2010. In 2019, Freedom House downgraded Uganda from "Partly Free" to "Not Free" on its **Freedom in the World Index**. In 2020, Uganda ranked 125th of 180 countries on the **World Press Freedom Index**, having ranked 97th in 2015; Uganda scored 4.94/10 on the Economist Intelligence Unit (EIU) Democracy Index 2020, down from a score of 5.22 in 2015.

number of human rights issues have been reported by the Uganda Human Rights Commission (UHRC)⁵. The recent commitment by Government to address these aspects, is a positive signal. Business and human rights is also becoming a more prominent issue. Some opportunities exist and a level of public debate and scrutiny is ensured by a relatively plural media and some limited oversight by parliamentary committees and the UHRC. In this context, Uganda requires support to meet its commitments under SDG 16 and the National Development Plan (NDP) III, notably NDP III objective 15(7) to “strengthen compliance and implementation of the Uganda Bill of Rights”.

Uganda’s institutional and legal frameworks for justice, rule of law and accountability have steadily been consolidated over time, but implementation has been lagging. The country’s indicators on combating corruption remain in the “high risk zone”⁶ and more attention will need to be placed on the social norms and behaviours that drive corruption in the public service. Public procurement and investment remain persistent challenges to transparency and accountability of public institutions, as well as budget transparency, with a negative impact on Uganda’s investment climate. Uganda’s anti-money laundering regime has come under increased scrutiny by the international Financial Action Task Force. At the same time opportunities exist for engagement with international frameworks on accountability and transparency in revenues such as the Extractive Industries Transparency Initiative.

Actions under the priority area will contribute to the achievement of SDGs 1 (poverty), 3 (health), 4 (education), 5 (gender), 10 (inequality) and 16 (peace, justice and institutions) and to the implementation of the NDP III national programmes on human capital development, governance and security, public service transformation, community mobilization and mindset change and digital transformation. Under priority area 3, the EU will tackle in a coherent manner the interrelated issues of democratic governance, human rights, gender, accountability and social service delivery, including a strong focus on education for adolescent girls. The EU will support government and national institutions and civil society in order to strengthen the capacities of both the duty bearers and right holders. Actions will be pursued in a complementary manner at national and local levels to ultimately support service delivery with a focus on vulnerable population. Empowerment of youth, persons with disability, gender equality, support to civil society as well as digitalisation will be part of the EU response to promote inclusiveness, accountability and transparency. Actions will also aim at strengthening the humanitarian-development nexus and at contributing to the roll-out of the Government-led Comprehensive Refugee Response Framework (CRRF).

Proposed actions under priority area 3 will build on the lessons learnt from the EU’s past and ongoing work on democratic governance in Uganda and the role of civil society in promoting greater accountability and respect for human rights. EU support, including policy dialogue efforts, have demonstrated the importance of a joint development partner response to corruption, notably in linking technical and political dialogue, improving the evidence base, developing linkages with the international agenda (notably as regards anti-money laundering and international transparency initiatives) as well as supporting key accountability reforms through a chain-linked approach from detection and prevention to the sanctioning of corruption.

⁵ See UHRC’s 2018 Annual Report here: <https://www.uhrc.ug/download/uhrc-21st-annual-report/?wpdmdl=417&refresh=6026152b4aa2f1613108523>. (Due to capacity constraints, Annual Reports for 2019 and 2020 have not yet been published)

⁶ The **Transparency International Corruption Perceptions Index** ranked Uganda 142 out of 180 countries in 2020 (with a score of 27/100). The **World Bank Worldwide Governance Indicator on the Control of Corruption** scored Uganda 11.54 in 2019 on a scale from 0 to 100 with little to no improvements over the years.

Crosscutting themes:

In line with the EU's core priorities, the **digital agenda** will be integrated across sectors and addressed from different perspectives so as to maximise impact in the specific areas of intervention. The proposed sectors provide many opportunities to work on connectivity on the one hand, but also on other aspects such as e-governance, financial inclusion, regulation and addressing the gender digital divide amongst others.

Beyond the specific focus on women and girls under social inclusion and SRHR, the EU will support education for adolescent girls and build on the ongoing EU-UN Spotlight initiative as gender-specific flagship programmes. In addition, **gender** will be mainstreamed across sectors.

Given the demographic profile of Uganda, a specific focus will be put on **youth** as drivers for change. There is a general consensus that youth will play an important role in shaping the future of the country, hence this target group will be at the core of the EU's engagement over the coming years. Furthermore, a youth sounding board will be established to foster dialogue and consultation on EU actions in the country. Interventions addressing capacity building of various youth formats and structures will be prioritised.

Despite the existence of established legal and regulatory frameworks for Persons with Disability (PWDs), implementation remains a challenge. Lessons from previous programs will be adopted to ensure PWD issues are mainstreamed across sectors and their organisations included in dialogues between the EU and CSOs.

Beyond the specific instruments earmarked for promoting **human rights and strengthening civil society**, a human-rights based approach will be pursued across the three priority areas as well as support and engagement with civil society.

The EU will also seek to mainstream the integrated approach to **refugees and host communities** throughout the different priority areas and sectors. The sustainable management of natural resources, energy access, the creation of economic opportunities and livelihoods, the focus on social inclusion and protection, the strengthening of local governments all provide opportunities to integrate the refugee response in the EU's engagement in line with its commitments under the CRRF. This is particularly important as a number of refugee settlements are evolving into fully-fledged urban agglomerations also combining host communities, which require basic services and governance at local level.

Finally, the proposed priority areas and sectors provide ample opportunities to operationalise the **triple nexus of Humanitarian aid, Development and Peace**. Beyond the refugee response, the areas of disaster risk reduction and social protection are clear examples of how the joint analysis and needs assessment can lead to effective translation of the nexus and contribute to stability.

1.5. Duration of the MIP and option for synchronisation

The Multi-annual Indicative programme for Uganda will have a duration of 7 years. A review will be carried out in 2024, in order to synchronise with Uganda's National Development Plan III. The review will allow to assess context, strategic interests and achievements and to review/adjust priorities where relevant.

2. EU support per priority area and proposals of Team Europe Initiatives

2.1. Priority area 1: Green and Climate Transition

2.1.1. Specific objectives related to the priority area

Promoting a sustainable environment and natural resources management

Specific objective 1.1 – Contributing to a better conservation, restoration and protection of the natural resources and biodiversity of Uganda.

This area of work will promote an integrated landscape approach combining economic development and conservation/restoration practices in key national landscapes/protected areas and will contribute to create a better regional integration of protected areas thus positively impacting the overall regional security situation (in line with NaturAfrica and with priority 3 – green transition of the regional programming). This area of work acknowledges the many benefits that well-managed protected areas may bring in terms of (among others): reduced rates of habitat and species loss; preservation of key ecosystem services; sustainable livelihoods and improved security for local communities; economic benefits (e.g. through eco-tourism and green economy value chains); wildlife and natural resource protection; and mitigation effects on climate change; improvement of land management around protected areas, improved governance and security especially around national parks in border areas and refugee settlements.

Specific objective 1.2 – Promoting a sustainable development of the forestry sector in Uganda.

Uganda has a strong potential to benefit from the Forest Partnerships concept promoting a holistic and integrated approach, which may include sustainable forestry value chains, sustainable deforestation-free agriculture, forest restoration, promotion of investments in the forest sector, governance and law enforcement, civil society participation. Special focus will be put on promoting sustainable energy, in particular in the area of alternative sources of energy and clean cooking including in refugee hosting areas. Promotion of sustainable land management, in particular around protected areas and forests, will also be embedded in this area of work.

Specific objective 1.3 – Supporting Uganda to improve its disaster risk management approach.

This area of work will help in increasing the country's resilience to disaster, risk events and natural resource scarcity. It will combine disaster risk management with climate change adaptation and natural resource governance. Interventions will aim to reinforce the humanitarian-development nexus; in particular, development interventions may focus on increasing understanding of disaster risk and improve the response, strengthening disaster risk governance and investing in disaster risk reduction for resilience.

Specific objective 1.4 – Supporting Uganda to develop financing for climate action.

In line with the existing EFSD+ framework, the EU will explore the possibility to set up suitable financial instruments to promote green/ climate finance, biodiversity financing, sustainable

finance in key value chains, particularly forestry. This work will be closely linked to the interventions on access to finance foreseen under the Priority 2 of the MIP.

Promoting Smart Green Cities

Specific objective 1.5: To effectively contribute to streamlining the European Green Deal in sustainable urban and peri-urban development for Uganda's move towards green, inclusive, smart and productive cities.

In line with SDG 11, the strategy for promotion of smart green cities in Uganda will build on the work initiated during the 11th EDF in Kampala and will focus on a selected number of secondary cities in areas such as urban mobility and transportation, waste management, wetland conservation and/or regeneration, slum regeneration/social housing, street lightning, master planning/green industrialisation, resource mobilisation, capacity building for urban authorities as well as policy reforms at the local or national level aiming to make cities more conducive to investment.

Priority will be given to interventions that can demonstrate economic or social growth, stronger climate resilience and adaptation while safeguarding sustainability, including on generating decent, long-term employment. In this context, investments that are formed through public and private partnerships (PPPs) and may require support from a broad spectrum of EU financial instruments will be given special attention under the Sustainable Business for Uganda Team Europe Initiative . The EU, for instance, is already looking at the potential use of guarantees under EFSD+ in supporting selected PPPs in the urban space. Investments will need to be accompanied by strategic technical assistance to build capacities in –among others- innovative planning approaches that include generating revenue at the local level, attracting external financing and investments (e.g. Kampala Capital City Authority is being accredited to the Green Climate Fund) as well as developing policy reforms aiming to empower local authorities.

2.1.2. Expected results per specific objective

Expected result 1.1: The natural resources and biodiversity of Uganda are better conserved, protected and valued.

Expected result 1.2: The potential from forests and forest based value chains is promoted

Expected result 1.3: Human and economic losses from natural hazards and disasters are reduced

Expected result 1.4: Access to finance for climate action, including in innovative sectors is improved

Expected result 1.5.a: Ugandan cities are greener, more inclusive and better planned, providing economic opportunities and municipal services to a larger part of their increasing populations including refugees.

Expected result 1.5.b: Planning and management capacities are strengthened at the local level, notably in promoting domestic resource mobilisation, leveraging external financing (e.g. green bonds or Green Climate Fund), improving public finance management, and providing e-services.

Expected result 1.5.c: Urban planning and management capacities are strengthened at the national level, notably in promoting comprehensive planning and budgeting as well as conducive policies for urban investments.

2.1.3. Indicators (including baseline and targets), per expected result

Indicators (see attachment 1) will help measure the achievement of expected results, with a particular focus on the deliverables of the Team Europe Initiatives.

2.1.4. Possible use of blending and guarantees for investment under EFSD+

Sustainable finance represents a real potential in the region and could help accelerate financial flows towards green, inclusive and resilient transitions, e.g. through green bonds and other relevant sustainable finance instruments. Blended financing and de-risking via guarantees will be one of the means of implementation in this MIP, particularly in implementing the European Green Deal in Uganda. This could include the area of sustainable finance to promote climate finance, taxonomy, biodiversity financing, payments for ecosystems services among others. It can also be used for greening certain value chains, notably in the areas of forestry, eco-tourism, extractive industries, agribusiness, digitalisation and infrastructure investments to name just a few. In particular, the mobilisation of guarantees can be a strong added value in sectors like commercial forestry where the EU has invested for the past 14 years or to support investments to promote biodiversity interventions.

2.2. Priority area 2 - Promoting sustainable and inclusive growth and jobs

2.2.1 Specific Objectives related to the priority area

Sustainable investments

Specific Objective 2.1: Promoting sustainable investments

This specific objective will be key in allowing to translate the EU and Uganda's mutual interest in strengthening private sector, trade, investments and job creation. This will be achieved through the Sustainable Business for Uganda Team Europe Initiative, where EU and Member States have agreed to jointly support public-private sector dialogue in key policy areas to increase impact and leverage structural reforms. Combining different tools available under the EIP, the Team Europe Initiative is expected to deliver tangible results and promote the EU and its Member States as relevant and credible partners in promoting sustainable investments and trade.

Key drivers of these efforts will be to support investments aiming to promote value addition, economic transformation, consolidation and greening on strategically selected sectors and value chains including agri-businesses, as well as on selected Industrial Business Parks and/or Free-Zones. Actions under this objective could include balanced incentives aiming to crowd-in private investments particularly from and to MSMEs, leveraging financial and technical resources potentially leading to decent employment generation in a gender-balanced way. Actions aiming to improve the regulatory environment and standards around exports, including on sanitary and phyto-sanitary issues. These actions could include development of risk coverage mechanisms and diversified financial instruments or targeting specific value chain components such as infrastructure and tools promoting digital innovation and entrepreneurship in coherence with specific objectives 2.2 and 2.3. Low-carbon, resource-efficient value chains and circular economy business models will continue to be prioritised building on past support to inclusive green economy.

Economic enablers and connectivity

Specific objective 2.2: Supporting the productive sectors' sustainable energy, transport and digital connectivity

Actions under this specific objective include strategic investments in critical infrastructure, economic corridors or digital services aiming to lower the cost of doing business, enhance

competitiveness and concretely accelerate an inclusive, green and resilient economic transformation as well as regional and continental integration. Due priority will be given to economically, fiscally, environmentally and socially sustainable actions in the long term as well as public-private synergies, which are crucial to meeting the connectivity objectives at the required scale. Special attention will also be extended to optimising allocations between new investments and maintenance of existing assets. Actions under this specific objective are complementary to trade facilitation and regional integration, the maximisation of trade flow potentials in full complementarity with regional agreements, including the EU-EAC Economic Partnership Agreement.

Skilling and Decent Jobs

Specific objective 2.3: Promoting decent employment

Actions under this specific objective aim to ensure that investments and economic developments are increasingly accompanied by decent employment generation and the corresponding social safeguards characteristic of an inclusive economy with full respect of labour rights. They contribute to SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Areas of intervention may include support to exploring new areas of competitiveness in employment-generating economic sectors and those prone to giving Uganda a regional advantage particularly in green jobs creation and skills development for the green transition, appropriate alignment of labour skills and market gaps notably through technical and vocational education and training including via digital means, public and private partnerships to promote innovation, technology and knowledge transfer and support to institutional, legal and policy reforms – all aiming to provide a more conducive employment environment including for refugee populations and in a gender-balanced manner.

2.2.2 Expected results per specific objective

Expected result 2.1.a: Investments into critical economic sectors, production centres, value chains Industrial Business Parks and/or Free zones have been leveraged. Uganda could become a potential partner on sustainable raw materials, and concrete initiatives to support the EU's policy engagement in this area could also be envisaged.

Expected result 2.1.b: Uganda's revenue base has been broadened, notably through an increase in volume, value and quality of Uganda's exports.

Expected result 2.1.c: Increased mobilization, equitable access and utilization of green economy finance across all investment sectors.

Expected result 2.2.a: Route costs on the main export/import economic corridors are reduced

Expected result 2.2.b: Access to reliable electricity for households, businesses and industries is increased

Expected result 2.2.c: Digital broadband connectivity is improved, notably through increased internet penetration accompanied by an increase in the availability and usage of e-services for both public and private sectors.

Expected result 2.3.a: A number of decent and sustainable jobs have been created including in new economic opportunities such as in digital sectors or derived by industrial partnerships and technology transfers.

Expected result 2.3.b: Ugandan labour force skills align with evolving needs of public and private sector, including through technical education, increasing digital literacy both at the level of ordinary citizens and at the level of ICT professionals, narrowing of the digital divide.

Expected result 2.3.c: A clear, conducive institutional, legal and policy framework is developed aiming at securing basic social safeguard in Ugandan employment.

2.2.3 Indicators (including baseline and targets) per expected result

Indicators (see attachment 1) will help measure the achievement of expected results, with a particular focus on the deliverables of the Team Europe Initiatives.

2.2.4 Possible use of blending and guarantees for investment under EFSD+

Blending and guarantees could cater for projects aiming at promoting sustainable energy and for the inclusion of the private sector in promoting value addition, investments, employment, digital innovative solutions and start-ups. Working with the private sector will be crucial to meeting the connectivity objectives at the required scale. However, de-risking private investment in an investment climate that is still felt as risky will need both grant blending option and guarantees. It is therefore entirely conceivable that different EU financial products are extended for targeted support to the public and the private side of the same project, in a way to comprehensively promote public and private synergies under the Sustainable Business for Uganda Team Europe Initiative. Such opportunities could arise, for instance, in the development of significant economic corridors and infrastructure private-public partnerships. In the electricity distribution sector, private entities within new concession arrangement will seek guarantee for their investment. In order for those investments to be viable, significant subsidies will need to be channelled through the government. Guarantees for the provision of the subsidies will also be required. The EU in Uganda has a strong record of accomplishment in blending with DFIs of the private sector. Several blending instruments have already been put in place. Discussion are ongoing with DFIs, inter alia the EIB, KfW, AFD and the AfDB for co-investment in the connectivity infrastructures and EIB has already confirmed interest in jointly identifying opportunities on green finance. The Sustainable Business for Uganda TEI aims to coordinate actions on all three pillars of the EIP. It aims at (i) improving the Ugandan investment climate, notably by updating and implementing the roadmap to better investments, (ii) promoting sustainable investments in Uganda, notably through collaborations between European and Ugandan private sector and (iii) identify investment gaps and develop strategy for full mobilisation of all EU financial instruments and in particular the use of EFSD+ guarantee products. At regional level and following the EFSD+ programming guidelines, private guarantees could be designed to reduce risk of lending and/or investing (private equity or capital markets) in green SMEs in the East African region. In order to proactively build a pipeline of projects that is aligned with the EU's strategic engagement in Uganda, it will be key to mobilise technical assistance for feasibility studies and to pursue a structured dialogue and consultations with Government counterparts.

Subject to its confirmation through the implementation phase, it is expected that an indicative total amount of EUR 53 M may be used between 2021 and 2024 for the provision of EFSD+ guarantee operations, including under this priority area.

2.3 Priority area 3 - Promoting Democratic Governance and Social inclusion

2.3.1 Specific objectives related to the priority area

Democratic Governance

Specific objective 3.1: Democracy is strengthened and human rights are respected

The EU will support institutions, organisations and processes for strengthened “supply” and “demand” side democracy, while fostering a culture of human rights in which the most vulnerable and marginalised groups are protected. In line with SDG Target 16.6, the EU will seek to strengthen the capacity of democratic institutions⁷ for increased transparency and accountability to citizens.

⁷ Such as the Parliament of Uganda, the Uganda Human Rights Commission, and relevant line ministries.

Citizen engagement and empowerment programmes will include specific support to young people and digital democracy will be advanced through promotion of human rights-compliant regulation of the digital space, and the adoption by both the population and institutions of new tools for communication and engagement (SDG 9.c). The EU will continue to support human rights defenders (HRDs) and their engagement with vulnerable and marginalised groups, including refugees and asylum seekers, in compliance with SDG Target 10.7 (migration and mobility of people) and SDG Target 16.3 (rule of law and equal access to justice for all).⁸ Our support to vulnerable and marginalised groups will also focus on people with disabilities (SDG Target 10.2). The rights of women and girls will be defended to advance women's role in society (SDGs 5.5 and 16.2) and combat sexual and gender based violence (SDG 5.2). In addition, the EU will seek to strengthen compliance with the UN Guiding Principles on Business and Human Rights, including the protection of natural resources and the advancement of land rights, by working with government, the private sector and communities also making a link with the Sustainable Business for Uganda (SB4U) Team Europe Initiative.

Specific objective 3.2: Institutions are effective and accountable

The EU will strengthen the capacity of the oversight institutions and civil society for an increased accountability and transparency in the governance of public funds. The EU support will also promote effective, accountable and transparent institutions at all levels (SG 16.6) and continue to tackle public sector corruption (SDG 16.5), including through digitalisation: computerised information and records management systems (e-government, national identification systems including for aid to refugees), the promotion of a culture of integrity in the public service in general and in public procurement in particular, access to information by citizens and media, as well as strengthened capacity (including on asset tracing and recovery) and collaboration of oversight institutions to fight corruption (SDG 16.7). Opportunities exist for linkages with priority area 1 through interventions that support transparent and efficient management in the area of natural resources, including the extractives sector, for improved tax collection and reduced illicit financial flows (SDG 16.4). Linkages will also be sought with the Sustainable Business for Uganda (SB4U) Team Europe Initiative under priority area 2 to strengthen public-private dialogue and action on corruption for an improved business environment. Actions aimed at tackling money-laundering will continue through regional and global capacity-building initiatives and dialogue.

Social inclusion

Specific objective 3.3: Increased inclusive delivery of basic social services

The EU will support the strengthening of affordable access to social services such as education with a focus on adolescent girls in the most deprived districts by promoting where possible digital tools, SRHR, the prevention and response to sexual and gender-based violence and the establishment of social protection schemes including refugees and host communities. The EU will support a national inclusive dialogue and oversight for both SDGs and other strategic frameworks that are highly relevant for advancing inclusive service delivery in Uganda. Strengthening the delivery of basic social services will be pursued at the oversight level with a focus on results-based management, rights-based planning, civil service performance and downward accountability. Local and community-based approaches to social inclusion will also be supported. The specific component on Education for adolescent girls will be implemented in complementarity with DG ECHO's Education in Emergencies program and in close coordination with other development partners active in the sector such as Ireland, Belgium and the World Bank, as well as UNFPA, UNICEF and UNHCR, and could include both scholarships, sanitation and SRHR aspects amongst others. In line with SDG target 17.1 & 17.3 (domestic revenue

⁸UNHCR, JIPS: [Including forced displacement in the SDGs: a new refugee indicator](#): The fact that there are refugees indicates by definition the breakdown of the rule of law in the country of origin and hence the need for international protection.

mobilisation), the EU will also support the implementation of the Local Government Own Source Revenue Mobilisation Strategy and other funding schemes to increase social impact investment and digital transformation of social services. The EU support to the Government in institutionalising working structures for its Integrated National Financing Framework (INFF) will aim at enhancing the coherence between Uganda's social service delivery targets, planning and financing. The EU will also support the establishment of social service-level agreements in consultation with civil society and community-based organisations.

2.3.2 Expected results per specific objective

Expected result 3.1.a: Democratic institutions and citizen's engagement, including youth, are strengthened for greater respect for freedom of association, peaceful assembly and expression (SGD Target 16.10)

Expected result 3.1.b: Marginalised groups, women and girls have their rights respected and the UN Guiding Principles on Business and Human Rights are implemented

Expected result 3.2.a: Enhanced capacity to fight corruption

Expected result 3.2.b: An effective public sector management for improved public service delivery

Expected result 3.3: Increased access to basic social services and their impact on demography, human development and the humanitarian-development nexus

2.3.3 Indicators (including baseline and targets) per expected result

Indicators (see attachment 1) will help measure the achievement of expected results, with a particular focus on the deliverables of the Team Europe Initiatives. Where possible, gender- and age-sensitive disaggregated data will be provided to reflect the specific attention given to women and youth.

2.3.4 Possible use of blending and guarantees for investment under EFSD+

Activities under the EFSD+ will be aligned with the objective under the Demography and Social Services Team Europe Initiative to unlock social impact investing that is commensurate with the magnitude of the service delivery gap – in line with SDG target 17.3 (mobilize additional financial resources).

In order to proactively build a pipeline of projects that is aligned with the EU's strategic engagement in Uganda, it will be key to mobilise technical assistance for feasibility studies and to pursue a structured dialogue and consultations with Government counterparts.

Subject to its confirmation through the implementation phase, it is expected that an indicative total amount of EUR 53 M may be used between 2021 and 2024 for the provision of EFSD+ guarantee operations, including under this priority area.

2.4 Proposals of country Team Europe Initiatives (TEI)

The Team Europe Initiative on Demography and Social Services – indicative EU contribution € 70 million

The Team Europe Initiative (TEI) on Demography and Social Services will support Uganda towards the achievement of its SDG targets related to Inclusive Social Service Delivery, with a particular emphasis on gender equality and empowerment of all women and girls (SDG 5), inclusive and equitable quality education (SDG 4) and healthy lives and well-being (SDG 3), i.e. those SDGs which relate to key determinants for slowing down the unsustainable demographic growth rate, for increasing social inclusion and for strengthening the humanitarian-development

nexus in Uganda. The TEI will directly support Priority Area 3 – sector social inclusion but complementarity and synergies will be promoted with the other priority areas and sectors, notably in the area of urban development and cities.

The indicative participation of EU Member States in the TEI ranges from water and sanitation services in marginalized and refugee hosting areas (France, Germany, Austria, Ireland, and Denmark) to sexual and reproductive health and rights (Ireland, Belgium, The Netherlands, Sweden), the promotion of Universal Health Coverage (Belgium, Sweden), greater health resilience and social security for children (Sweden), access and completion of quality education (Ireland, Belgium), social protection (Ireland, Sweden), accountability for service delivery (Denmark, Germany), gender equality and prevention of GBV (Austria, Sweden, Ireland, The Netherlands, Belgium) to innovative approaches for social cohesion and integration at community level (Germany). All EU MS share the objective to strengthen the Humanitarian Development Nexus in their programming.

In line with SDG 10 (Reduced inequality within countries) the EU and the EU MS will define support actions on the basis of national governance, sub-national, community-based and geographical approaches. Youth will also be consulted during formulation and implementation of the TEI. At a national level the governance of the Human Capital Development (HCD) Programme will be supported because it contains all social welfare actions of Uganda's 3rd National Development Plan (NDPIII). Under a Team Europe approach the EU and the EU MS will seek to make the new Programmatic Approach work for a better, more inclusive and more accountable delivery of basic social services in Uganda, in particular in the areas of SRHR and school completion rates of girls. Because of the Government's strong focus on economic infrastructure investments and compounded through its COVID-19 related revenue shortfalls, the ambition of this Team Europe Initiative will face the challenge to unlock financing for social service delivery that is commensurate with the magnitude of the service delivery gap. Therefore, and in line with SDG target 17.3 (mobilize additional financial resources), the Team Europe Initiative will aim at unlocking social impact investing through the European Fund for Sustainable Investment (EFSD) Guarantee and other (e.g. blending) approaches. This Team Europe Initiative will also support local governments in increasing their own source revenue mobilization and spending discretion. The Initiative will assist related public service reforms in Uganda, emphasising those ministries, departments and agencies that are entrusted with social service delivery and equity functions towards the Ugandan citizenry. Based on their own experiences with regional equalisation and cohesion funds, the EU and EU MS will offer their unique expertise to assist Uganda in customizing tailor-made (sub)-regional responses.

In line with SDG target 17.17 (effective public, public-private and civil society partnerships) the EU and EU MS will also work at local level with civil society and community-based organisations towards the establishment of social service-level agreements. Finally, they will aim at strengthening the humanitarian-development nexus in the Government-led Comprehensive Refugee Response Framework (CRRF).

The EU's indicative contribution to this TEI (EUR 70 million) is subject to the confirmation of the Team Europe partners' indicative meaningful contribution as early as possible. In the absence thereof, the EU's indicative contribution may be redirected in accordance with the priority areas of the MIP and their allocations. The obligation of the Union and the Member States to coordinate their development policies following initiatives by the Commission to this effect, as per article 210 TFEU, always applies.

The Team Europe Initiative on Sustainable Business for Uganda (SB4U) – indicative EU contribution € 100 million

Through the Sustainable Business for Uganda initiative (SB4U) launched in 2020, the EU has taken a leading role in improving investment flows and promoting a partnership of equals by

bringing the private sector at the table along with the EU, Member States and key public actors. The initiative aims to identify and overcome obstacles to investments, facilitate concrete technical cooperation between Ugandan and European private sector and create, in practice and in the field, a partnership maximizing potential for trade and strategic economic cooperation and support policy dialogue and reform. Based on a joint assessment of the Ugandan investment climate carried out by the EU and the EU Member States in the context of the European Economic Diplomacy (EED), the key investments barriers identified were skills development, access to finance, governance and corruption.

Based on this successful experience, the Sustainable Business for Uganda (SB4U) initiative will now be expanded to become a Team Europe Initiative, providing a broader framework for strategic EU interventions implemented by EU Member States agencies and finance institutions. The Team Europe approach will continue to be ensured by the presence of two European Ambassadors on the SB4U board on a rotation scheme (currently BE and FR) together with the EU Ambassador. The initiative will directly support Priority Area 2, but will also support the other priority areas and sectors, given the links to environmental protection (through the tourism sector notably), to business and human rights, to financial inclusion for women, to digital innovation and entrepreneurship, to skills and jobs with a focus on youth, to governance and corruption amongst others. SB4U is in practice the operationalisation of the EIP's second and third pillars in Uganda and is expected to support (i) the EIP's first pillar with blending and guarantee proposals aimed at crowding-in investments, and (ii) the maximisation of trade flow potentials in full complementarity with regional agreements, including the EU-EAC Economic Partnership Agreement. Actions starting in 2021 include implementation of recommendations:

- (i) in the skilling area, to allow an alignment between provision of skills to a growing workforce and the evolving needs of the private sector, including harnessing the possibilities provided to start-ups and MSMEs by digital tools, and
- (ii) in the governance area that includes targeted reforms to improve transparency of procurement systems, integration of electronic databases and government e-services on registration, taxation, enforcement, auditing etc and the setting up of a private sector whistleblowing facility to strengthen public-private dialogue on anti-corruption.

As SB4U evolves, areas of intervention aiming to increase and diversify investments in Uganda, such as in all 3 Priority Areas proposed herein, will be coordinated and monitored by the SB4U TEI to ensure adequate strategic steering and meeting of the key objectives set forward in this high-level partnership. In time, additional priority areas that affect business, trade flows, employment and the broader investment climate in the country could be identified by the SB4U Board and integrated in the TEI for financing by interested EU actors, including by Member States, the EIP or the EFSD+ guarantee instruments. SB4U will therefore function as the one-stop-investments-shop for EU cooperation in Uganda. The TEI will also closely link with the Regional initiative "Invest in young businesses in Africa".

The EU's indicative contribution to this TEI (EUR 100 million) is subject to the confirmation of the Team Europe partners' indicative meaningful contribution as early as possible. In the absence thereof, the EU's indicative contribution may be redirected in accordance with the priority areas of the MIP and their allocations. The obligation of the Union and the Member States to coordinate their development policies following initiatives by the Commission to this effect, as per article 210 TFEU, always applies.

3 Support measures

3.3 Measures in favour of civil society

The civil society support will continue to be hinged upon the three objectives of the EU communication: (i) a conducive environment for CSOs; (ii) a meaningful and structured participation of CSOs in domestic policies, in the EU programming cycle and in international processes and (iii) increased local CSOs' capacity to perform their roles as independent development actors. These three objectives remain valid and present the flexibility for adaptation into the three proposed priority areas. Civil society is recognised as an important stakeholder in the 3rd National Development Plan (NDP III) and EU support will seek to improve the civil society's action, impact and operating space, as well as its relationship with the Government of Uganda. The civil society portfolio will have a multifaceted financing approach which will include mainstreamed engagement within the 3 priority areas of the MIP, dedicated support through the MIP and complementary funding through global envelopes and calls for proposals. Support will be responsive to beneficiary needs while aligned to the MIP and NDP 3 priorities and integrating issues such as youth, women, human development, climate change, human rights and democracy, management of natural resources, etc. and with a focus on the most vulnerable groups, including persons with disability. Given the active role of civil society in the area of sustainable management of natural resources, a particular focus could be placed on the monitoring of conservation/restoration interventions.

3.4 Cooperation facility

The cooperation facility aims at supporting the overall implementation of the MIP within the priority areas and could be mobilised to:

- support capacity development and institutional strengthening, including through technical assistance and exchange of public expertise, such as TAIX and Twinning;
- support policy dialogues: events, conferences, studies, fellowships, exchange platforms to support sector dialogues leading to policy reforms and engagement with governments and other stakeholders;
- facilitate Joint Programming / EU and MS coordination at country level;
- support studies, analysis, policy papers, or short technical assistance and training for the government and other national stakeholders, on thematic issues relevant to the MIP priority areas as well as on methodological approaches (gender mainstreaming, climate change integration, cultural approach for effective aid delivery, Rights Based Approach, etc.);
- finance communication and visibility actions on EU cooperation under the Team Europe approach and public diplomacy, covering a.o. education, science and cultural aspects;
- support the preparation, implementation and evaluation of the Union's cooperation, including via technical assistance.

The Ugandan communications context is marked by increasing mis- and disinformation, some of which has also directly impacted the EU and its programmes. Hence, there is an important need to support quality journalism, improve media literacy among the general population and build resilience to the spreading of false information. There is also a widespread lack of knowledge about the EU and its work in Uganda. In this context, there is a need to build coalitions with citizens and non-state actors and to develop trusted channels of engagement through public diplomacy, as an essential element of our foreign policy. Dedicated long-term public diplomacy initiatives allowing to engage durably with our target audience and partners are key to build trust, enhance the understanding of the EU, support the implementation of our policy priorities. In light of the above, similar dedicated public diplomacy initiatives should allow to develop long term, strategic and coherent approaches to foster, engage and mobilise networks of key target

audiences and potential partners such as youth, academia, influencers (e.g. media, think tanks, business community), civil society and cultural actors. This will be achieved notably through:

- dedicated long-term Public Diplomacy initiatives allowing to foster and mobilising specific networks, target groups and partners;
- initiatives allowing to connect and leverage existing EU programmes and initiatives for Public Diplomacy purposes (e.g. Erasmus+ and Intra-African Mobility Scheme).

When relevant, bilateral initiatives involving national initiatives will be connected at the regional and global levels (e.g. regional youth fora, civil society fora, business fora) in order to reinforce the understanding of multilateralism, highlight the role of the EU as a global player and foster intercultural dialogue (while, at the same time, allow developing operational synergies). Building on current good practices, Public Diplomacy initiatives could also reinforce the ‘Team Europe’ approach and joined-up public diplomacy initiatives could be organised across EU services, EU institutions and with Member States.

4. **Financial Overview (indicative):**

Although the duration of this MIP is seven years, the indicative allocations for Uganda and for each of the priority areas and support measures laid down in the table below are provided for the 2021-2024 period only. The indicative allocations for 2025-2027, as well as the possible modification of other substantial elements of this MIP, will be subject to a decision by the EU. This decision should be preceded by a review of the implementation of this MIP, which should include a dialogue with the authorities and other stakeholders of Uganda.

	<i>Million €</i>	<i>% of total</i>
Priority area 1: Green and Climate transition	94,0	25%
Priority area 2: Sustainable and inclusive growth and jobs	168,0	45%
Priority area 3: Democratic governance and social inclusion	94,0	25%
Support measures	19,0	5%
TOTAL for initial period*	375,0	100%

* Subject to its confirmation through the implementation phase, it is expected that out of the total of EUR 375 million, an indicative amount of EUR 53 million may be used between 2021 and 2024 for the provision of EFSD+ guarantee operations under the three priority areas.

Attachments

1. Intervention framework
2. Donor matrix showing the current indicative allocations per sector

Attachment 1. Template for intervention framework

Expected Results	Indicators	Baseline & targets	Source de verification
PRIORITY AREA 1 - GREEN AND CLIMATE TRANSITION			
<i>Specific objective 1.1: Contributing to a better conservation, restoration and protection of the natural resources and biodiversity of Uganda</i>			
a) The natural resources and biodiversity of Uganda are better conserved, protected and valued	a1) Areas of terrestrial and freshwater ecosystems under (a) protection, (b) sustainable management with EU support (km2) (EURF)	<ul style="list-style-type: none"> ▪ 0 in 2021 – TBD 	<ul style="list-style-type: none"> ▪ Programme reporting
	a2) Natural resources depletion (as % of GNI)	<ul style="list-style-type: none"> ▪ 9.1% in 2020 – TBD 	<ul style="list-style-type: none"> ▪ World Bank data
	a3) Number of communities benefiting from sustainable eco-tourism livelihoods opportunities as a result of EU-supported interventions	<ul style="list-style-type: none"> ▪ 0 in 2021 – TBD 	<ul style="list-style-type: none"> ▪ Programme reporting
		<ul style="list-style-type: none"> ▪ 	<ul style="list-style-type: none"> ▪
<i>Specific objective 1.2: Promoting a sustainable development of the forestry sector in Uganda</i>			
	b1) Number of Ha of degraded forests rehabilitated.	<ul style="list-style-type: none"> ▪ 0 in 2021 	<ul style="list-style-type: none"> ▪ Programme reporting

Expected Results	Indicators	Baseline & targets	Source de verification
b) The potential from forests and forest based value chains is promoted	b2) Reduce share of biomass Energy used for cooking (percent)	<ul style="list-style-type: none"> 2020/2021 at 80% and 2024/2025 at 50% 	<ul style="list-style-type: none"> NDP III
<i>Specific objective 1.3: Supporting Uganda to improve its disaster risk management approach</i>			
c) Human and economic losses from natural hazards and disasters are reduced	c1) Uganda INFORM Risk Index	“Very High” in 2021 to “Medium” in 2027	INFORM RISK INDEX
<i>Specific objective 1.4: Supporting Uganda to develop financing for climate action</i>			
d) Improved access to finance for climate action, including in innovative sectors	d1) Amount of climate finance leveraged through the EU support - TBD	<ul style="list-style-type: none"> -TBD 	Programme reporting
<i>Specific objective 1.5: To effectively contribute to streamlining the European Green Deal in sustainable urban and peri-urban development for Uganda's move towards green, inclusive, smart and productive cities.</i>			
a) Ugandan cities are greener, more inclusive and better planned, providing economic opportunities and municipal services to a larger part of their	a1) Level of urban unemployment	<ul style="list-style-type: none"> 14.4% to 9.4% 	<ul style="list-style-type: none"> NDP III UBOS
	a2) Percentage of urban dwellers living in slums/informal settlements:	<ul style="list-style-type: none"> 60% to 40% 	<ul style="list-style-type: none"> NDP III UBOS

Expected Results	Indicators	Baseline & targets	Source de verification
increasing populations including refugees.	a3) Efficiency of solid waste collection and management:	<ul style="list-style-type: none"> 30% to 50% 	<ul style="list-style-type: none"> NDP III UBOS
	a4) Average travel time within GKMA:	<ul style="list-style-type: none"> 4.1 min/km to 3.5 min/km 	<ul style="list-style-type: none"> NDP III UBOS
b) Planning and management capacities are strengthened at the local level, notably in promoting domestic resource mobilisation, leveraging external financing (e.g. green bonds or Green Climate Fund), improving public finance management, and providing e-services.	b1) Percentage of urban authorities' budget financed by own sources:	<ul style="list-style-type: none"> 18.7% to 25% 	<ul style="list-style-type: none"> NDP III UBOS
c) Urban planning and management capacities are strengthened at the national level, notably in promoting comprehensive planning and budgeting as well as conducive policies for urban investments.	c1) Reforms package adopted by Cabinet to improve urban planning and management capacities in Uganda	<ul style="list-style-type: none"> 0 to 1 	<ul style="list-style-type: none"> Programme reporting
PRIORITY AREA 2 - PROMOTING SUSTAINABLE AND INCLUSIVE GROWTH AND JOBS			

Expected Results	Indicators	Baseline & targets	Source de verification
Specific objective 2.1: Promoting sustainable investments			
a) Investments into critical economic sectors, production centres, value chains Industrial Business Parks and/or Free zones have been leveraged. Uganda could become a potential partner on sustainable raw materials, and concrete initiatives to support the EU's policy engagement in this area could also be envisaged.	a1) Number of value chains supported	<ul style="list-style-type: none"> ▪ Baseline 0, target 5 	Programme reporting.
	a2) Amount privately invested along the value chains supported	<ul style="list-style-type: none"> ▪ Baseline 0, target EUR 100M 	<ul style="list-style-type: none"> ▪ Programme reporting
	a3) Amount privately invested into Uganda's industrial business parks and free zones	<ul style="list-style-type: none"> ▪ Baseline 0, target EUR 100M 	<ul style="list-style-type: none"> ▪ Programme reporting.
b) Uganda's revenue base has been broadened, notably through an increase in volume, value and quality of Uganda's exports.	b1) Total value of Ugandan exports increased	<ul style="list-style-type: none"> ▪ Baseline USD 3.8 billion ▪ Target 7.1 billion 	<ul style="list-style-type: none"> ▪ UBOS ▪ Uganda Trade Statistics
c) Increased mobilization, equitable access and utilization of green economy finance across all investment sectors.	c1) Amount of green economy investment financed leveraged	<ul style="list-style-type: none"> ▪ Baseline 0 – target USD 50M 	<ul style="list-style-type: none"> ▪ Programme reporting

Expected Results	Indicators	Baseline & targets	Source de verification
Specific objective 2.2: Supporting the productive sectors' sustainable energy, transport and digital connectivity			
a) Route costs on the main export/import economic corridors are reduced	a1) Freight transportation costs (cost per ton per km) from border to Kampala	<ul style="list-style-type: none"> Baseline 2018: on Road: USD 0.77; on Rail: USD 0.03 - Target 2027: on Rail: USD 0.05; on rail: USD 0.03 	<ul style="list-style-type: none"> UBOS NDPIII Private sector reporting
b) Access to reliable electricity for households, businesses and industries is increased	b1) Percentage of the population with access to reliable, useful electricity	<ul style="list-style-type: none"> Baseline 2019: 36% - target 2027: 60% 	<ul style="list-style-type: none"> UBOS ERA
	b2) Reliability of power supply - as an inverse measure of service interruption SAIDI/SAIFI for the main national utility	<ul style="list-style-type: none"> Baseline 2019: 111 hours/year - Target 2025: 60 hours/year - SAIFI Baseline 2019: tbc - Target 2025: 59) 	<ul style="list-style-type: none"> NDPIII Programme reporting
c) Digital broadband connectivity is improved, notably through increased internet penetration accompanied by an increase in the availability and usage of e-services for both public and private sectors.	c1) Internet penetration as measured by the number of internet connections for every 100 Ugandans	<ul style="list-style-type: none"> 48% to 60% 	<ul style="list-style-type: none"> NDPIII UBOS
Specific objective 2.3: Promoting decent employment			

Expected Results	Indicators	Baseline & targets	Source de verification
a) A number of decent and sustainable jobs have been created including in new economic opportunities such as in digital sectors or derived by industrial partnerships and technology transfers.	a1) Number of direct & indirect decent jobs created	▪ Baseline 0, target 25.000	▪ Programme reporting
	a2) Number of Ugandan-European technology transfers/ industrial partnerships established	▪ Baseline 0, target 5	▪ Programme reporting
	a3) Amount invested into innovative economic areas or value chains	▪ Baseline 0, target 20 M EUR	▪ Programme reporting
b) Ugandan labour force skills align with evolving needs of public and private sector, including increasing digital literacy both at the level of ordinary citizens and at the level of ICT professionals, narrowing of the digital divide.	b1) Extent of the digital divide as measured by UNCDF's Digital Divide Score on the Inclusive Digital Economy Scorecard	▪ Baseline 23, target 15	▪ UNCDF
c) A clear, conducive institutional, legal and policy framework is developed aiming at securing basic social safeguard in Ugandan employment.	c1) Reforms package adopted by Cabinet to improve employment governance in Uganda	▪ Baseline 0, target 1	▪ Programme reporting
PRIORITY AREA 3 - PROMOTING DEMOCRATIC GOVERNANCE AND SOCIAL INCLUSION			

Expected Results	Indicators	Baseline & targets	Source de verification
Specific objective 3.1: Democracy is strengthened and human rights are respected			
a) Democratic institutions and citizen's engagement, including youth, are strengthened for greater respect for freedom of association, peaceful assembly and expression	a1) Ibrahim Index of African Governance, Component 2 Participation, Rights and Inclusion	<ul style="list-style-type: none"> Baseline 2020: 46.8/100 	<ul style="list-style-type: none"> Ibrahim Index of African Governance
b) Marginalized groups, women and girls have their rights respected and the UN Guiding Principles on Business and Human Rights are implemented	b1) Ibrahim Index of African Governance, Component 2 Participation, Rights and Inclusion	<ul style="list-style-type: none"> Baseline 2020: 46.8/100 	<ul style="list-style-type: none"> Ibrahim Index of African Governance
	b2) Implementation of the National Action Plan on business and human rights	<ul style="list-style-type: none"> Baseline 2021: the National Action Plan (NAP) has been drafted; target 2027: the first NAP 2021 - 2025 is approved, implemented and co-financed by the Government and a successor plan is in place and being implemented. 	<ul style="list-style-type: none"> Annual implementation reports from the Ministry of Gender, Labour and Social Development
Specific objective 3.2: Institutions are effective and accountable			
a) Enhanced capacity to fight corruption	a1) World Bank Worldwide Governance Indicator on	<ul style="list-style-type: none"> Baseline 2019: 11.54 	<ul style="list-style-type: none"> World Bank index

Expected Results	Indicators	Baseline & targets	Source de verification
	Control of corruption for Uganda		
b)An effective public sector management for improved public service delivery	b1) World Bank Worldwide Governance Indicator on Government Effectiveness for Uganda	<ul style="list-style-type: none"> ▪ Baseline 2019: 31.25 	<ul style="list-style-type: none"> ▪ World Bank index
<i>Specific objective 3.3: Increased inclusive delivery of basic social services</i>			
a)Increased access to basic social services and their impact on demography, human development and the humanitarian-development nexus	a1) Number of students enrolled in education with EU support	<ul style="list-style-type: none"> ▪ Baseline 2021: 0; target 2025: 50,000 	<ul style="list-style-type: none"> ▪ Programme reports
	a2) Number of individuals benefitting from EU-funded programmes to counter sexual and gender-based violence	<ul style="list-style-type: none"> ▪ Baseline 2021: tbd; target 2026: tbd 	<ul style="list-style-type: none"> ▪ Programme reports
	a3) Number of women of reproductive age using modern contraception methods with EU support	<ul style="list-style-type: none"> ▪ Baseline 2021: tbd; target 2026: tbd 	<ul style="list-style-type: none"> ▪ Programme reports

Expected Results	Indicators	Baseline & targets	Source de verification
	<p>a4) Proportion of population covered by social protection floors/systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, newborns, work-injury victims and the poor and the vulnerable (including refugees)</p>	<ul style="list-style-type: none"> ▪ Baseline 2021: 0.5%; target 2027: 10 - 25% 	<ul style="list-style-type: none"> ▪ Reports from MGLSD
	<p>a5) Number of refugees and host communities benefitting from EU support</p>	<ul style="list-style-type: none"> ▪ 0 in 2021 – TBD 	<ul style="list-style-type: none"> ▪ Programme reporting

Attachment 2.

Donor Matrix showing the current indicative allocations per sector

