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ANNEX 3

of the Commission Decision on the Annual Action Plan 2016 for Uganda
to be financed from the 11th EDF Development Fund

Action Document for the Civil Society in Uganda Support Programme (CUSP)

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|---|--|---------------------------|--------------------------|--------------------------|
| 1. Title/basic act/ CRIS number | Civil Society in Uganda Support Programme (CUSP) CRIS number: UG/FED/039-253 financed under the 11 th European Development Fund | | | |
| 2. Zone benefiting from the action/location | The action shall be carried out in the following location: Uganda countrywide | | | |
| 3. Programing document | Uganda - 11 th EDF – National Indicative Programme (NIP) 2014-2020 | | | |
| 4. Sector of concentration/ thematic area | Civil Society | Dev Aid: YES ¹ | | |
| 5. Amounts concerned | Total estimated cost: EUR 25 000 000 Total amount of EDF contribution: EUR 25 000 000 | | | |
| 6. Aid modality(ies) and implementation modality(ies) | Project Modality Indirect Management with Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH - GIZ | | | |
| 7. DAC code(s) | 15150 – Democratic participation and Civil Society (100%) | | | |
| 8. Markers (from CRIS DAC form) | General policy objective | Not targeted | Significant objective | Main objective |
| | Participation development/good governance | <input type="checkbox"/> | <input type="checkbox"/> | X |
| | Aid to environment | X | <input type="checkbox"/> | <input type="checkbox"/> |
| | Gender equality (including Women In Development) | <input type="checkbox"/> | X | <input type="checkbox"/> |

¹ Official Development Aid is administered with the promotion of the economic development and welfare of developing countries as its main objective.

| | | | | |
|--|---|---------------------|------------------------------|--------------------------|
| | Trade Development | X | <input type="checkbox"/> | <input type="checkbox"/> |
| | Reproductive, Maternal, New born and child health | X | <input type="checkbox"/> | <input type="checkbox"/> |
| | RIO Convention markers | Not targeted | Significant objective | Main objective |
| | Biological diversity | X | <input type="checkbox"/> | <input type="checkbox"/> |
| | Combat desertification | X | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change mitigation | X | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change adaptation | X | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Global Public Goods and Challenges (GPGC) thematic flagships | Not Applicable | | | |
| 10. Sustainable Development Goals (SDGs) | SDG 1 (to end poverty in all its forms everywhere) and SDG target 1b (to create sound policy frameworks at the national level based on pro-poor and gender-sensitive development strategies). | | | |

SUMMARY

Today, Ugandan Civil Society Organisations (CSOs) are confronted with a number of challenges. As elsewhere in the region, the political space in which they operate is narrowing. There is also a growing government misconception and negative attitude towards the nature and role of the sector, especially when it comes to advocacy. Equally, CSOs are confronted by organisational, human resources and financial challenges, the latter being compounded by dependence on Development Partner (DPs) funding.

The overall objective of proposed Civil Society in Uganda Support Programme (CUSP) is to contribute to reduced poverty through better governance (in the sense of 'corporate governance' of CSOs, CSO platforms and the overall environment). It seeks to respond to some of these challenges by facilitating a CSO sector which is better organised and networked, financially robust, and able to act independently in a transparently regulated sector. A three pronged approach seeks to (i) enable the Non-Governmental Organisations (NGOs) Bureau² and relevant government departments to fulfil their legislative and regulatory responsibilities towards the sector; (ii) build the capacity of CSO platforms to fulfil their strategic mandate to their members, and represent them to local and central authorities; and (iii) enhance the capacity of selected CSOs to effectively contribute to national development. CSOs and platforms will benefit from improved capacity, networking and financial independence, as well as improved competence in applications for DPs funding. The sector as a whole will benefit from a much improved operating environment, conducive to coordination and cooperation among all stakeholders.

A project steering committee will be established for this project and it will include the National Authorising Officer (NAO), the relevant line ministry(ies) of the Government of Uganda, the EU, Germany, a representative from the Democratic Governance Facility (DGF), representatives from at least

² Following the January 2016 ascent into law of the NGO Act 2016, the NGO Board has ceased to exist and has been replaced by the NGO Bureau which has a broader mandate and membership.

three CSO umbrella organisations³ and representation from the local authorities' fraternity. Sectors targeted will mainly be the focal sectors of the EDF NIP and of the implementing partners.

To ensure programming and political coherence with the DGF, close synergies will be ensured with cross-representation on steering committees of both programmes and regular high level discussions within the relevant EU fora.

This four-year initiative will target Ugandan CSOs. The programme will also complement other EU initiatives supporting CSOs including the European Instrument for Democracy and Human Rights (EIDHR), Civil Society Organisations and Local Authorities (CSO-LA), Democratic Governance Facility (DGF), the Institutional Capacity Building for the Transport Sector in Uganda programme and the Development Initiative for Northern Uganda (DINU) among others.

1. CONTEXT

1.1 Sector/Country/Regional context/Thematic area

Uganda's civil society has witnessed an exponential growth in the number of CSOs registered, growing from 160 in 1986 to an excess of 12 000 by late 2015 (NGO Board source). This excludes community based Organisations (CBOs) registered at district level, trade unions and cooperative associations. Many CSOs join their efforts through coalitions, platforms and fora that operate in different thematic areas.

In recent years, there has been a CSOs-led shift from service delivery to advocacy and rights-based approaches, in part due to a widespread perception of deep fault-lines within Uganda's political economy. Right-holders have at best sporadic access to basic services, security and justice, and often have to rely on personal connections and monetary inducements to open up opportunities for self-advancement. A recent study by Swedish International Development Cooperation (SIDA) notes that many ordinary Ugandans are compelled to 'rely on their own capacities to overcome multiple, unrelenting and intersecting dimensions of poverty'.⁴

Within this challenging environment, the Government of Uganda has repeatedly expressed the view that the CSO role should mainly be confined to service delivery. Still, there have been some positive signals: openness to CSO assistance in monitoring government development programmes, and at a central level the Ministry of Finance, Planning and Economic Development (MoFPED) working with local NGOs on improving accountability and transparency of government spending. Nevertheless overall there is a marked contrast with the position of development partners and the general public, who express a general appreciation of Civil Society's potential to broaden the political landscape, improve service delivery and hold government to account.

Furthermore, the Identification of the 11th EDF Action programmes in *Support of Good Governance and Public Finance Management in Uganda*, *Northern Uganda Integrated Programme for Development* and the *EU Support to the Democratic Governance Facility in Uganda – Extension Phase* underline the

³ The three CSO umbrella organisations will include; representation from NGOs, trade unions and cooperative associations. Umbrella organisations represent a wider membership and are therefore more representative. At a later stage, consideration could also be made to include representation from other entities like Faith Based Organisations (FBOs) among others.

⁴ Swedish International Development Cooperation (SIDA) – 'Evaluation of a strategy for support via Swedish civil society organisations 2010-1014' – Final Country Report

important role played by CSOs in holding the state accountable for public finance management, resource allocation, service delivery and community mobilisation.

The much anticipated national elections took place in 2016, returning the ruling government into office for an additional five years. Relations between state and non-state actors have been strained further by the polarisation caused by those recent elections, where a mentality of 'either with us or against us' has left even wholly neutral/apolitical actors in a vulnerable position.

1.1.1 Public Policy Assessment and EU Policy Framework

The country's legislative and regulatory environment is broadly conducive to CSOs operations. Nevertheless it should be borne in mind that in many areas of governance, including this one, a relatively strong institutional and legislative framework can be undermined by poor, inconsistent or partisan implementation⁵. Constitutional provisions are positive and the NGO Policy⁶ 2010 as well as the January 2016 NGO Act are broadly in line with provisions operational in free and democratic societies. The Second National Development Plan (NDP II) also recognizes the key role of CSOs in the implementation of all priority sectors, and in the monitoring and evaluation of the plan.

Other legislation with potential effects on the enabling environment for CSOs include the Companies Act, 2012; Trustees Incorporation Act, Chapter 165 (1939), Income Tax Act, Chapter 340 (1997), Value Added Tax Act, Chapter 349 (1997, as amended 2005), East African Community Customs Management (EACC) Act (2004), and the Public Order Management Act - POMA (2013). Once again, these are largely in line with provisions applying in mature democracies. Nevertheless, in some instances, for example the POMA (which regulates public meetings), implementation and interpretation of the law are applied differently to different categories of actors.

While both the legal and regulatory environments under which CSOs operate in the country may need some amendments, it is the interpretation by those in positions of power which needs most improvement in order to create a more enabling environment for CSOs. Many officials still perceive CSOs' engagement as threatening to particular interests or less amenable to serving the interests of local authorities. Authorities' response to 'politically sensitive' demonstrations (e.g. those by the *Black Monday Movement* against corruption) is sometimes excessive.

The EU considers CSOs as an important actor in the development and democratisation processes, both in their advocacy and service delivery role. The 2012 Commission Communication "The roots of democracy and sustainable development: Europe's engagement with Civil Society in external relations" recommends to boost EU relations with CSOs. The Communication proposes a renewed and more ambitious policy, with a focus on CSOs from partner countries and an emphasis on CSOs' engagement to strengthening democratic processes and accountability systems and achieving better development outcomes. In response to this Communication, in 2014, the EU Delegation, in coordination with the EU Member States, prepared an "EU Roadmap for engagement with the Civil Society in Uganda" for the period 2014-2017 which identifies three main pillars for the future EU support. These are: Enabling Environment for CSOs,

⁵ As examples, the progressive NGO policy does not seem to guide Government activities on NGO matters, and the Public Order Management Act (POMA) is often cited as an example of law that, though generally inoffensive, has been instrumentalised

⁶ Uganda's NGOs gave substantial inputs on the NGO Policy, although they state that only little was incorporated into the final policy. Nonetheless, the NGO Policy is regarded as conducive to CSO activities.

Meaningful Participation in Policy Development, and Strengthened Capacity of CSOs. The proposed action is fully in line with the Roadmap and has incorporated its pillars into its objectives.

During the planning and programme implementation, close alignment of the CUSP with the EU Gender Action Plan 2016-2020 will be ensured..

1.1.2 Stakeholder analysis

Government of Uganda, Office of the Prime Minister (OPM): The OPM has overall responsibility for coordination of all departments of the Government of Uganda in support of the achievement of the NDPII. As part of this responsibility, OPM is also expected to oversee the implementation of government policies. The OPM overall supports enhanced CSOs capacity across a range of areas (advocacy, service delivery, monitoring implementation), and believes that the proposed CUSP is timely and relevant to Uganda's needs. However, the OPM has both technical and other resource constraints and is therefore not fully able to fulfil its mandate. Additionally, given the current political context, and especially the events (including civil unrest) that preceded and continued after the February 2016 General Elections, it is important to continue constructing and implementing a post-election engagement with CSOs to ensure continued dialogue for better governance.

NGO Bureau: The NGO Bureau's predecessor, the NGO Board, is located in the Ministry of Internal Affairs. The NGO Board had responsibility to consider applications for registration, establish and maintain a register of NGOs. Severely under resourced and understaffed, the Board was unable to fulfil any of its functions other than basic registration of NGOs, which in turn has produced a registry not fit for purpose. The Board could neither identify how many registered NGOs are active; nor identify if NGOs are submitting the legislatively required annual financial and activities reports. The resulting vacuum of information has often led to mistrust and, in some cases, the presumption of illicit or antisocial activities by NGOs⁷ - a meme often repeated in government circles. Provision of an effective and transparent registration system would improve trust and understanding, elucidating the role that NGOs are playing at a local level. Furthermore, the NGO Board had previously received support from the Democratic Governance Facility⁸. Following the suspension of this support because of governance concerns, a more harmonised approach (with other development partners), complemented with a strategy that ensures that financial support is not directly managed by this beneficiary, will be pursued. This is in an effort to mitigate any future risks with the NGO Board's successor. The January 2016 NGO Act foresees the creation of a semi-autonomous NGO Bureau to replace the Board, with a broader mandate and representation for civil society. The proposed action will support this NGO Bureau to perform its functions in line with the NGO Act (2016) and NGO Policy (2010). The support to the NGO Bureau has been specifically requested by the Ministry of Internal Affairs to ensure that challenges faced by the NGO board are addressed and do not recur.

At the time of submitting this Action Document, the nominations of CSO and other stakeholder representations to the NGO Bureau had been finalised. A detailed consultation with at least fifty regional and national CSO networks selected two representatives to the NGO Bureau to serve for a three year

⁷ In some cases warranted, in some cases a disingenuous attempt to suppress NGOs troublesome to vested interests. Either way, transparency about activities, requirements and procedures would be in the interest of both NGOs and regulators.

⁸ Basket fund financed by six EU MS (Austria, Denmark, Ireland, Netherlands, Sweden and the UK) and Norway.

period. In selecting the representatives, (one female and one male), care was also taken to ensure gender and regional representation.

Civil Society Organisations: Uganda has a vibrant civil society engaged both in advocacy and service delivery. Although they operate relatively freely, space for Ugandan CSOs, as in much of the region, is narrowing particularly for those engaged in advocacy. In part, this is because of widely held negative state perceptions, which see CSOs as pursuing a 'foreign' agenda because of their dependence on Development Partners for financing. Aside from the shrinking space for their work, CSOs face several capacity challenges, such as project and financial management capacity, and in some instances lack of transparency, and lack of common code of conduct, just to name a few. Women's organisations face additional capacity (technical and financial) challenges and several continue to operate as loosely defined community based organisations even without basic local government level registration. The proposed programme aims at targeting some of these challenges.

Umbrella Organisations / CSO Platforms: There are various umbrella organisations in Uganda with none being all embracing. The Uganda NGO Forum with a membership of 525 aims to bring together National and International CSOs around key topics that affect the sector. Development Network of Indigenous Voluntary Associations (DENIVA), another important membership based umbrella, has 800 functional members, 75% of whom are CBOs. The National Organisation of Trade Unions (NOTU), the largest such platform, has at least 20 other trade unions affiliated to it while the Uganda Cooperative Alliance (UCA) has 240 member Savings and Credit Associations affiliated. In addition, Ugandan civil society is organised in sector-based networks (Education, Health, Gender, HIV/AIDS, etc.) and around specific themes (e.g. Public Finance Management, Anti-corruption, Human Rights etc.).

Although women's organisations are also members of the national CSO platforms, in some cases, there are platforms for women's organisations in their own right. Such platforms (and their member organisations) also require capacity enhancement (financial, human resource and equipment) to effectively engage in policy advocacy and accountability processes. As is the case for CSOs, umbrella organisations are heavily dependent on development partners for financing while for trade unions and cooperative's the politicisation of their landscape presents unique challenges. Umbrella organisations are thus not always able to perform their coordination mandate because of these challenges.

1.1.3 Priority areas for support / problem analysis

The proposed *Civil Society in Uganda Support Programme* aligns its priorities to those set in the 2014 EU CSO Roadmap.

Priority 1. To enhance efforts to promote a conducive environment for CSOs.

Uganda faces significant political, economic and developmental challenges. Much vaunted oil revenues continue to be chimeric, and support from development partners has declined in recent years, amidst concerns over fiduciary and political risk. Pressure on the economy could well have negative political repercussions, driven by the unrest amongst Ugandan's fast growing youthful population, who suffer one of the highest unemployment rates in the region. The events of the 2016 electoral cycle have had profound repercussions on the political landscape in Uganda, and raised concerns over a number of different aspects of governance. These include restriction of freedom of expression and assembly for political opposition and protest groups, and repression of media and non-state actors deemed inimical to government interests. In this volatile and potentially deteriorating environment, strengthening the Government of Uganda's

awareness and understanding of the positive contribution CSOs make towards national development is a priority. In this latter respect, enhancing the capacity of the NGO Bureau and the relevant line departments to fulfil their legislative and regulatory responsibilities, in line with the NGO Policy, is critical. As part of this process, strengthened support for improved CSO governance, including demonstrable increases in CSO transparency and accountability, including incentives for CSOs to embrace existing internal accountability mechanism (for example the Quality Assurance Mechanism - QuAM⁹), is necessary.

Priority 2. To promote a meaningful and structured participation of CSOs' in domestic policy processes

Various CSOs platforms and fora that have very large membership are unable to undertake their core functions and deliver on their core mandates to their membership. This is because of inadequate capacity, and lack of funding coupled with an ever growing membership. Following a call for proposals¹⁰, the proposed action will support selected platforms to enhance their capacity to play their role and to meaningfully engage with the Government of Uganda in policy dialogue and development actions, especially at local level. With greater understanding and appreciation of their contribution within the Government of Uganda and wider Ugandan society, the programme will support a longer-term process of seeking to reduce civil society's dependence on DPs for financial resources, for example by empowering NGOs to generate own resources through the development of social enterprises and the owning of fixed assets (like training, office and conference facilities) whereby returns are ploughed back into the CSO.

This programme will also enhance the capacity of CSOs to participate effectively in the programming cycles of development partners (including the EU) and in relevant and important international processes.

Priority 3. To increase local CSOs' capacity to perform their roles as independent actors more effectively.

Current EU experience is that Ugandan CSOs face considerable difficulties in accessing EU resources directly despite ring-fencing. In contrast, far more have been able to access resources from the Democratic Governance Facility's 'deepening democracy' support, because of the greater flexibility of the donor-pool fund and its 'grant' facility. The problem is particularly acute for smaller CSOs and CBOs, often working in non-traditional areas, or areas where support is politically sensitive and/or resources scarce. In some cases a close relationship with official representatives is neither possible nor desirable, and efforts to retain independence can be made all the more problematic by demands made by potential funders.

This programme seeks to address Ugandan CSOs' challenges through a combination of sub-contracted coaching / mentoring and training (addressing organisational assessment and development, proposal planning and development, budgeting, financial management, and output and outcome reporting) that will target potential and contracted grantees of all EU-funded grant facilities through an expression of interest process. A secondary call for proposals targeting specific thematic areas to be identified in close consultation with the other EDF focal areas and the expressed unmet needs of potential beneficiaries will then be launched. Close care will be taken internal consistency with EU other focal sector areas.

⁹ The NGO Quality Assurance Mechanism (QUAM) was developed in 2006 for and by non-governmental organisations working in Uganda. QUAM aims at promoting adherence by Civil Society Organisations to generally acceptable ethical standards and operational norms. QUAM also sets principles and standards of behaviour for responsible practice, to protect the credibility and integrity of certified NGOs and their networks in Uganda. QUAM is hosted by a selected NGO platform. <http://www.quamuganda.org>

¹⁰ Refer to budget table for details.

2. RISKS AND ASSUMPTIONS

| Risks | Risk level (H/M/L) | Mitigating measures |
|--|--------------------|--|
| <u>Contextual risk:</u> Space for civil society organisations narrows significantly | M | Monitor implementation of the regulatory framework including the NGO Act 2016 and the regulations governing operations of Trade Unions and cooperative associations. The EU will continue to engage with government and stakeholders within the framework of other programmes including possible Budget Support and Democratic Governance Facility. |
| <u>Corruption / Financial Risk</u> Corruption and Fraud in partner / beneficiary institutions | M | External audits and anti-corruption policy and whistle-blower arrangements are in place. Harmonise approaches with other development partners. Financial verifications conducted and external audit framework is in place. |
| <u>Institutional risk:</u> State Institutions unable to fully cooperate | M | Relations with state institutions fully established. The government will have a seat on the project steering committee |
| <u>Programmatic risk:</u> The <i>Civil Society in Uganda Support Programme</i> fails to achieve its objectives | L / M | The programme will be closely monitored and will follow a well-established project implementation framework |
| Assumptions | | |
| 1. Implementing partners willing to engage in necessary organisational reform. 2. CSOs respect legal and regulatory requirements. 3. Sufficient capacity exists to provide organisational development and other support. | | |

3. LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

Since the closure of the 9th EDF CSO Capacity Building Programme, EU – CSO partnership relations have been principally in response to Calls for Proposals (CfPs) issued under two thematic instruments EIDHR and CSO – LA. In addition, as part of an agricultural / rural development intervention, the EU issued calls for proposals for CSOs to implement two programmes' sub-components, mainly in water infrastructure, but also for livestock markets in Acholi and Karamoja. Additionally, although no separate CSO allocation was received under the 10th EDF, support to Civil Society for capacity building and institutional development was undertaken under the Democratic Governance and Accountability

Programme (DGAP) . Additional support to Civil Society within the same programme was also available through the budget line for civic education. The DGAP support was complemented by CSO budget lines implemented through calls for proposals.

An important lesson here was that to confirm the EUs commitment to capacity building of local CSOs and ensure their participation, it might be necessary in some instances to 'ring fence' financing during a Call for Proposals (CfPs). After the finalisation of the 9th EDF CSO Capacity Building programme, direct relationships with local CSOs have proven challenging for various reasons. On the one hand, local CSOs, particularly those at district level, have limited capacity, often failing to pass compliance assessments despite advice and support provided through training/information workshops. Additional experience also underlines that coaching/mentoring support is a more effective (and yet not widely implemented) mechanism through which to enhance capacity to ensure the submission of fundable/good proposals from local CSOs. This approach will be utilised much more under the CUSP.

District level CSOs also frequently have links to political parties (e.g. Members of Parliament on their Boards), which risks them being seen in a partisan light. As a result, a significant number of EU – CSO contractual relationships, as well as those of other development partners (DPs), are mediated through International NGOs, which then sign Memoranda of Understanding (for specific actions) with local CSOs and CBOs as implementing partners. Experience, both in Uganda and internationally indicates that this relationship does not guarantee capacity transfer from the International to the local CSOs.

The unpredictability of DPs funding has adversely affected CSOs resulting in high turnover of their well trained professional staff. Most DP funding is in three year cycles which in itself creates a high level of human resource turn over within CSOs. Serious consideration will be given to actions that promote sustainability in CSOs. Coupled with funding unpredictability, several CSOs tend to align their organisational objectives and interventions to available DP funding. This complicates capacity enhancement and particular attention will be paid to ensure that organisational assessments outline such anomalies.

Based on experience with CSOs, the EU has engaged with the Government of Uganda on a range of issues of concern to CSOs, *inter alia* human rights issues, legislative content and challenges/difficulties CSOs have experienced in pursuit of their activities. This collaboration has also ensured that CSOs are included in national and EU programming processes. Despite continuing efforts to mainstream involvement of local CSOs in all aspects of EU cooperation, there remains much room for improvement in this process. The proposed programme directly addresses areas that will strengthen Ugandan CSOs' accountability and transparency, thereby enhancing their positive visibility in Uganda's national development, while strengthening their abilities to respond positively to ongoing opportunities for cooperation with the EU and contribute to Uganda's development.

Close care will be taken to ensure that the programme promotes internal consistency within the EUs development cooperation including the three NIP focal sectors. Additional consideration also will be made to ensure that the selected thematic areas also enhance consistency with the implementing partner (Germany / GIZ) interventions for purposes of cross programme learning and harmonisation.

3.2 Complementarity, synergy and donor coordination

The Good Governance focal sector targets accountability, employing a portfolio approach to address all aspects of the 'accountability chain'. As the National Indicative Programme (NIP) outlines, this chain

comprises (i) State Management (ii) Oversight (iii) Sanction, and thus necessitates support to both state and non-state actors. It is underpinned by a Rights-Based Approach that focuses on outcomes for rights holders, in particular those that are most impacted by lack of accountability (women, children, etc.).

The EU Joint Programming has identified 'Governance/Accountability' as a first priority area, and the majority of EU Member States (MS) are highly active. Development partners coordinate their engagements through a range of DPs and development partners/government working groups. These include the Democracy and Human Rights Working Group (DHRWG), the Gender Development Partners Group (LDPG), Justice Law and Order Sector (JLOS) Development Partners Group and the Accountability Working Group (AWG). The EU Delegation and EU Member States co-ordinate regularly at the level of Heads of Cooperation (HoCs), Heads of Political section and Heads of Mission, meeting monthly and *ad hoc*. A joint donor approach on accountability was also agreed in 2013. An important means of coordination between the EU and other Member States is the *Democratic Governance Facility*, a basket fund financed by six EU MS (Austria, Denmark, Ireland, Netherlands, Sweden and the UK) and Norway.

The *Civil Society in Uganda Support Programme* will focus on strengthening the capacity of civil society in its watchdog role as well as its networking abilities. This programme will work in tandem with the *Democratic Governance Facility*, which is structured around three thematic focal areas (Democracy, Accountability and Rights), focusing on facilitating specific outcomes in each area. In contrast, the *Civil Society in Uganda Support Programme* will primarily address (but not exclusively) the 'architecture' of activities by CSOs – how CSOs are structured (as organisations), networked (within their various platforms) and interacting with government (for example through the NGO Bureau, relevant line ministries etc.). Sectors targeted by CUSP will mainly be the focal sectors of the EDF NIP and of the implementing partners. CSOs targeted by the *Democratic Governance Facility* will benefit from the CUSP in terms of ad hoc capacity strengthening. To ensure programming and political coherence with the Democratic Governance Facility (DGF), close synergies will be ensured with cross-representation on steering committees of both programmes and regular high level discussions within the relevant EU fora.

A governance component of the *Development Initiative for Northern Uganda* (DINU) will provide support to both supply and demand side actors at a local level, facilitating local CSOs in their participatory and watchdog roles over local service delivery. Close collaboration is foreseen with the other two focal sectors of the NIP, infrastructure and agriculture. There have been recent local examples of the synergies possible and/or needed, such as a World Bank-funded road construction projects where local CSOs made a constructive contribution to community sensitisation and social impacts awareness.

The *Civil Society in Uganda Support Programme* will also complement the CSO-LA programme principally in five ways. First, because of its volume and scope, the CUSP will enhance the capacity of the EU to participate in critical national level CSO policy dialogue, lobbying and advocacy to support CSO-LA interventions and even provide solutions to some of the challenges faced. Second, the CUSP will enable important cross-learning and knowledge sharing between CSOs participating in the CSO-LA and in the CUSP. Third, the CUSP will enhance the profile and visibility of both interventions concurrently in the Uganda CSO landscape. Fourth, the CSP will ensure national coverage to complement the CSO-LA which only targets certain regions. Fifth, CUSP will enable documentation of best practices from either intervention to be used for further learning and future programming.

A few development partners including six member states (Austria, Belgium, Denmark, France, Ireland, Germany and the UK) have ongoing bilateral cooperation programmes with CSOs.

3.3 Cross-cutting issues

A **rights based approach** will inform the entire work of the proposed Action. Accordingly, the action focuses on building the capabilities of both rights holders and duty bearers as well as on promoting an enabling environment through addressing structural challenges that are affecting development processes.

Considering the deep-rooted and widespread gender disparity in all spheres of society, this action prioritizes **gender equality** as a cross-cutting issue. Among others, the action endeavours to mainstream gender equality through targeting women associations and gender-focused organizations in its proposed institutional capacity development support to CSOs as well as through giving special focus in its CSO project grant support to projects promoting gender equality as their main objectives.

Youth issues are also considered as major cross-cutting themes considering the fact that Uganda has one of the youngest populations in the world which will (together with the national population) continue to grow at 3% annually. Accordingly, empowerment of the youth will be prioritised both in the CSO institutional capacity development and CSO project grant components of the action.

Empowerment of other marginalised groups, particularly people living with disability (**PLD**) and **HIV/AIDS** will also be prioritized in the different components of the action.

Finally, given the central importance of agriculture and sustainable natural resource management, the **environment** represents a final and critically important cross-cutting issue in the proposed programme.

4. DESCRIPTION OF THE ACTION

4.1 Objectives / results

The *Civil Society in Uganda Support Programme* is relevant for the Agenda 2030. CUSP will contribute primarily to the progressive achievement of SDG targets; to provide adequate and predictable means, to implement programmes and policies to end poverty and to create sound policy frameworks at the national level. Based on pro-poor and gender-sensitive development strategies, CUSP will support progress towards the promotion of just, peaceful and inclusive societies.

The overall objective of the proposed action is to contribute to reduced poverty through better governance¹¹.

The specific objective of the action is to strengthen and improve the capacity and efficiency of civil society in Uganda, highlighting the Government of Uganda – CSO engagement in support of Uganda's national development goals.

A Human Rights Based Approach will be followed, focusing on rights bearers and how civil society can support their resilience to the multi-dimensional aspects of poverty.

Expected results that the programme aims to achieve are:

Result 1: NGO Bureau capacitated (and able to fulfil its legislative and regulatory responsibilities)

¹¹ Governance in the CUSP objective refers to the organisational / institutional level i.e. corporate governance.

Relevant Government line departments including the NGO Bureau will have their capacity enhanced to enable them fulfil their legislative and regulatory mandates. This includes the establishment of an effective database / register.

Consultation and coordination mechanisms with civil society will be improved.

Understanding and appreciation of the role of civil society will be enhanced.

Joint consultations and activities will be increased.

Result 2: Strengthened national and district level CSO platform(s)

Selected CSO platforms will have their capacity enhanced to enable them to fulfil their mandate to their membership and to meaningfully engage with the Government of Uganda in policy dialogue and development actions, including at local government levels.

Coordination and organisation of platforms will be improved, in particular capacity to effectively champion members' interests.

Financial independence will be improved through developing own resources.

Mechanisms for cooperation (rather than competition) between local CSOs will be facilitated.

Result 3: CSOs capacitated (to engage, particularly, district and sub-county authorities in evidence-based policy advocacy).

Ugandan CSOs' will undergo coaching / mentoring and training (before participating in a Call for Proposals) to enhance their capacity for sustainability and independence.

Opportunities to work collaboratively with central and local government will be facilitated, particularly on issues of failures in public service provision.

Independence and resilience of CSOs working in advocacy and/or sensitive areas will be protected and increased.

4.2 Main activities

With a comprehensive capacity building strategy to be developed at the project inception (and updated annually), the CUSP will support a wide range of activities, some of which can be summarised as follows although this list is not exhaustive.

For result 1: (i) Technical Assistance (TA) support to identify, procure (where necessary) and set up the hardware to make the NGO database functional to fulfil its legal and regulatory responsibilities. Other activities include development of terms of reference (TOR) in respect of required services, supplies and works contracts to support the NGO database establishment; (ii) TA to develop or adapt software for the database including the setting up of a functional NGO register and (iii) to provide public access through the website to the database information (iv) TA Support to Office of the Prime Minister and relevant ministries (including the Ministry of Internal Affairs) to implement coordination responsibility in respect of the NGO Policy (2010) and NGO Act (2016).

For result 2: Support to CSO Platforms. This will be implemented by a combination of support to implement CSO Platforms' Strategic Plans and to fulfil the CSO platforms' mandate to District (CSO) networks. (i) Coaching / mentoring for CSO platforms will be supported in topics to be identified (with

the CSOs). (ii) This technical support will in selected instances be complemented with operational financial support.

For result 3: A combination of capacity building approaches will be deployed. This includes (i) Information and Training Workshops addressing the topics to be identified (in consultation with Civil Society (CS) and (ii) Mentoring/coaching capacity building services (both Ugandan organisations and companies plus International Non-Governmental Organisations being eligible to provide this service) for potential / new applicants (to be identified)) and existing EU grant beneficiaries (DGF, EIDHR, CSO – LA, D). (iii) Additional focused mentoring/coaching support for grants management will also be provided to support CfP processes. This will commence immediately on publication of an opportunity for CSOs and will accompany interested organisations through concept note, full proposals and the in pre-contracting period. (iv) Based on expressions of interest, some organisations will be supported in organisational assessment, organisational development activities, continuing support in financial management, reporting (financial and narrative) and monitoring and evaluation during the course of a grant. (v) Technical support will also be provided to existing grantees to develop a fund raising strategic plan that promotes reduced dependency on donor financing through increased levels of Uganda-based resources (Government of Uganda contracts, corporate social responsibility, donations, private donations, social enterprise etc.). (v) In selected cases, capacity building activities will be complemented by financial grants to further enhance CSO operational capacity. Beneficiaries for capacity building will be identified mainly (but not exclusively) through various approaches (to be detailed in the capacity building strategy) including published invitations for expressions of interest and through existing partnerships (e.g. with other EDF, budget line partnerships and other development partner programmes).

4.3 Intervention logic

A major thrust of Government of Uganda policy under the Second National Development Plan (NDP II) is to reduce poverty and inequality, achieving lower middle income status by 2020, with particular attention to monitoring progress in this regard. Uganda's CSOs, which NDP II acknowledges have a specific role in this respect, have the potential to contribute to achieving this goal, inter alia through supporting the implementation of community-based development activities and engaging in evidence-based advocacy developed through their experience. CUSP will respond to opportunities supporting the development of Government of Uganda's engagement in enhancing CSO development of evidence-based advocacy (e.g. drawing on experience of community-based activities,, vertical and horizontal accountability and good governance).

5. IMPLEMENTATION

5.1 Financing agreement

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Article 17 of Annex IV to the ACP-EU Partnership Agreement.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.2 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of adoption by the Commission of this Action Document.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute non-substantial amendment in the sense of Article 9(4) of Regulation (EU) 2015/323.

5.3 Implementation of the budget support component

N/A

5.4 Implementation modalities

5.4.1 Indirect management with GIZ

This action may be implemented in indirect management with GIZ applicable in accordance with Article 17 of Regulation (EU) 2015/323 and also in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation entails strengthening and improving the capacity and efficiency of civil society in Uganda, highlighting the Government of Uganda – CSO engagement in support of Uganda's national development goals. This overall programme objective will be implemented through three programme results: (Result 1) Strengthened government institutions to fulfil CSO legislative / regulatory and coordination responsibilities and service the sector; (Result 2) Strengthened national and district CSO networks / platforms effectively implementing their strategic plans and (Result 3) Ugandan CSO capacity (to contribute to national development goals) built. This implementation is justified by the fact that GIZ has the technical capacity to implement this kind of project as demonstrated in implementing similar EU supported initiatives in Laos and Zambia. GIZ also has an extensive local presence (150 staff, of which 20 are international) and is currently implementing, a CSO small grants programme, accompanied by capacity building support to potential and actual grantees in Uganda. GIZ has, over the years, built and established a positive, functional relationship with the Government of Uganda across a range of sectors. Indirect management through GIZ is the best option to ensure a fully integrated and coherent implementation of all components of the action while also ensuring full compliance with the EU's new requirements of minimum contract size and EU visibility.

The entrusted entity would carry out the following budget-implementation tasks: managing and enforcing contracts concluded (making payments, accepting or rejecting deliverables, enforcing the contract, carrying out checks and controls, recovering funds unduly paid), running procurement and grant award procedures preceding the conclusion of such contracts, including the award the rejection decisions and monitoring the performance of the programme.

5.5 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 22(1)(b) of Annex IV to the ACP-EU Partnership Agreement on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.6 Indicative budget

| | EU contribution (amount in EUR) |
|--|------------------------------------|
| 5.4.1 Indirect implementation by GIZ | |
| Result 1: Strengthened government institutions to fulfil NGO legislative/regulatory and coordination responsibilities and service the sector | 5 000 000 |
| Result 2: Strengthened national and district CSO networks / platforms effectively servicing memberships. | 13 000 000 |
| Result 3: Ugandan CSO capacity (to contribute to national development goals) built. | 6 500 000 |
| 5.9 Evaluation 5.10 Audit | 150 000 |
| 5.11 Communication and visibility | 250 000 |
| Contingencies | 100 000 |
| Total | 25 000 000 |

5.7 Organisational set-up and responsibilities

GIZ will be responsible for the overall management of all components.

A project steering committee will be established for this project and it will include the National Authorising Officer, the relevant line ministry(ies) of the Government of Uganda, the EU, Germany, a representative from the Democratic Governance Facility (DGF), representatives from at least three CSO umbrella organisations and representation from the local authorities' fraternity. This steering committee will meet once a quarter during the first year of the project and later on once in six months and on an ad hoc basis as is required.

Each programme component will also have its own technical committee mechanism that will include representatives from the Government of Uganda, relevant CSO partners, GIZ, the EU and the where applicable lead implementing partner(s)¹². This technical committee mechanism will review the operational implementation of the programme. The technical committees will meet separately for each of the three components at least once a month and on an ad hoc basis as is required. The outputs of the technical committees will feed directly into the project steering committee for overall strategic decision making. The technical committees will also act as a preparatory centre for the steering committee meetings.

5.8 Performance monitoring and reporting

The log frame will be the primary basis for measuring the progress of this action in attaining its objectives. The log frame will be complemented by an annualised monitoring plan that will be developed during the project inception phase. Where necessary the log frame will be updated to ensure its continued

¹² Although this is a Delegation Agreement, GIZ may contract another entity to undertake specific actions within a programme component. If this happens, this contractor as the lead implementing partner will participate in the technical committee.

feasibility. Additionally, the project mid-term evaluation will also provide an opportunity to assess the log frame in view of its performance in guiding the action to attain its objectives.

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the log frame matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.9 Evaluation

Having regard to the nature of the action, a mid-term and one final evaluation (s) will be carried out for this action or its components contracted by the Commission.

A mid-term evaluation will be carried out for problem solving and learning purposes, in particular with respect to future EU support to Civil Society Organisations. The mid-term evaluation will be undertaken by an independent consultant contracted directly by the Commission.

A final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the Uganda context. This evaluation will be undertaken by an independent consultant contracted directly by the Commission.

The Commission shall inform the implementing partners at least two month in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The financing of the evaluation shall be covered by another measure constituting a financing decision.

5.10 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

The financing of the evaluation shall be covered by another measure constituting a financing decision.

5.11 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.6 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

APPENDIX - INDICATIVE LOG FRAME MATRIX (FOR PROJECT MODALITY)¹³

” The activities, the expected outputs and all the indicators, targets and baselines included in the log frame matrix are indicative and may be updated during the implementation of the action, no amendment being required to the financing decision. When it is not possible to determine the outputs of an action at formulation stage, intermediary outcomes should be presented and the outputs defined during inception of the overall programme and its components. The indicative log frame matrix will evolve during the lifetime of the action: new lines will be added for including the activities as well as new columns for intermediary targets (milestones) for the output and outcome indicators whenever it is relevant for monitoring and reporting purposes. Note also that indicators should be disaggregated by sex whenever relevant.”

| | Intervention logic | Indicators | Baselines (incl. reference year) | Targets (incl. reference year) | Sources means verification and of | Assumptions |
|----------------------------------|---|--|--|--|--|---|
| Overall objective: Impact | OO. Contribute to reduce poverty through better governance. | 1. Percentage of Ugandans (men and women) expressing satisfaction with the way governance mechanisms being implemented 2. Level of functioning of governance institutions | 1. 20% (of surveyed cohort) in 2016 2. 20% (of surveyed cohort) in 2016 | 1. 20% increase at project end 2. 20% increase at project end | The National Service Delivery Survey 2015 | |
| Specific objectives: Outcomes | SO Strengthen and improve the capacity and efficiency of civil society in Uganda, highlighting the Government of Uganda – CSO engagement in support of Uganda’s national development goals. | 1.1 Number of joint consultation processes involving state authorities and CSOs (at National and Local Levels] 1.2 Number of joint actions on policy advocacy and implementation involving state authorities and CSOs | 1.1 Baseline to be determined at project inception 1.2 Baseline to be determined at project inception | 1.1 20% increase at project end 1.2 20% increase at project end | 1.1 Annual reports from Local Authorities and the annual Government Annual Performance (GAPR) 1.2 ditto | No reduction in current opportunities for CSO engagement. Willingness of Government of Uganda to support the programme implementation. |

¹³ Mark indicators aligned with the relevant programming document mark with '*' and indicators aligned to the EU Results Framework with '**'.

| | Intervention logic | Indicators | Baselines (incl. reference year) | Targets (incl. reference year) | Sources means verification and of | Assumptions |
|---------|--|--|---|--|---|--|
| Outputs | O1. Capacitated NGO Bureau able to fulfil its legislative and regulatory responsibilities | 1.1.1 Functional NGO data base exists. 1.1.2 Number of positions filled in NGO Bureau organigram 1.1.3 Approval of NGO regulations by Minister of Internal Affairs 1.1.4 Evidence of supportive regulatory activities by the NGO Bureau | 1.1.1 0% of the current registered online 1.1.2 50% in 2016 1.1.3 To be set by First Quarter 2017 | 1.1.1 100% digitalisation in 2 years 1.1.2 100% by end of 2019 1.1.3 Completed by 2017 | 1.1.1 Online open source database in place 1.1.2 Annual report of the NGO Bureau 1.1.3 Approved NGO Regulations | 1.1.1 Willingness of Government to support CUSP implementation eg by promptly availing raw data 1.1.2 Government and Development Partners provide resources for long term recruitment of staff. 1.1.3 Government and CSO consultative process on regulations runs smoothly |

| | Intervention logic | Indicators | Baselines (incl. reference year) | Targets (incl. reference year) | Sources means and of verification | Assumptions |
|--|---|---|---|---|--|--|
| | O2. Selected national level CSO platform(s) expand(s) capacity and development support to District CSO networks | <p>2.2.1 Number of district CSO networks participating in capacity building activities</p> <p>2.2.2 % of female and male staff and members of CSOs reached with capacity building activities</p> <p>2.2.3 Number of capacity building activities undertaken by sector focus</p> <p>2.2.4 Number of women organisations accessing EU support</p> <p>2.2.5 Number of CSOs with QuAM self-regulation certificate</p> | <p>2.2.1 Baseline will be drawn from partner assessment reports to be commissioned at project inception</p> <p>2.2.2 30% of staff is reached in participating organisations in 2017</p> <p>2.2.3 Baseline will be drawn from capacity needs assessment report to be commissioned at inception of project</p> <p>2.2.4 Baseline from 2015 database on grant winners</p> <p>2.2.5 30% increment on the baseline of 2016</p> | <p>2.2.1 30% CSO platforms reached every year</p> <p>2.2.2 50% of all participating CSOs have 30% trained staff</p> <p>2.2.3 At least 5 different types of capacity building activities undertaken</p> <p>2.2.4 10% of applicants are women organisations</p> <p>2.2.5 30% more members QuAM certified every year</p> | <p>2.2.1 Reports from capacity building activities</p> <p>2.2.2 Disaggregated activity reports for capacity building activities</p> <p>2.2.3 Capacity needs assessment report and activity reports from capacity building</p> <p>2.2.4 EU grantee information</p> <p>2.2.5 QuAM award ceremony reports</p> | <p>2.2.1 CSOs collaborate to ensure participation in capacity building activities</p> <p>2.2.2 Participating CSOs ensure a gender balance in their participants to capacity building</p> <p>2.2.3 A robust capacity needs assessment report is developed at project inception</p> <p>2.2.4 That women organisations / platforms participate in the CfP.</p> <p>2.2.5 CSOs embrace QuAM</p> |
| | O3 CSOs capacitated to engage, particularly, district and sub-county authorities in evidence-based policy advocacy | <p>3.3.1 Number of local government accountability events with CSO participation</p> <p>3.3.2 Number of organisations that participate in collective advocacy at local and national levels</p> | <p>3.3.1 Baseline to be determined at inception</p> <p>3.3.2 Ongoing CSO analysis survey will provide baseline in August 2016.</p> | <p>3.3.1 20% increase at project end</p> <p>3.3.2 Two collective initiatives conducted every year.</p> | <p>3.3.1 Annual Monitoring reports of implementing partners</p> <p>3.3.2 Annual CSO Advocacy reports</p> | <p>3.3.1 Local governments acknowledge CSO role in policy making and implementation.</p> <p>3.3.2 Issues requiring collective advocacy are identified and platform organisations provide leadership.</p> |