



## NDP III Breakfast Policy Series

### Series IV: Mainstreaming cross-cutting issues for enhancing delivery of NDPIII

Thursday August 8, 2019, Serena Hotel

## 1. Background

The National Planning Authority (NPA) is in the process of formulating the Third National Development Plan (NDP III) 2019/20-2024/25 to succeed the Second National Development Plan (NDP II) which expires in June 2020. The preparation of the NDPIII is being informed by the Uganda Vision 2040 and the results of the end-term review of the First National Development Plan (NDPI) 2010/11-2014/15 and the mid-term review of the Second National Development Plan (NDPII) 2015/16 – 2019/20. It is also being guided by regional and global development agendas such as the 2030 Agenda for Sustainable Development and the African Union Agenda 2063. Like the Uganda Vision 2040, the NDPIII is conceptualized around harnessing opportunities (agriculture, tourism and minerals,) by strengthening fundamentals (human capital development and infrastructure). The Goal of the plan is to *increase household income and improve the quality of life of Ugandans*. It is envisaged that this will be achieved through *sustainable industrialization for inclusive growth, employment and wealth creation*. The proposed strategic direction for the NDPIII focuses on five objectives:

- (i) Enhance value addition in key growth opportunities;
- (ii) Increase the stock and quality of productive and service infrastructure;
- (iii) Increasing productivity, inclusiveness and wellbeing of population;
- (iv) Strengthening the private sector to drive economic growth; and
- (v) Strengthening the role of the public sector in the growth and development process.

## 2. About NDP III Breakfast Policy Series

As part of efforts to inform the NDPIII formulation process, the National Planning Authority (NPA) in partnership with UNDP, has launched five Breakfast Policy Series to create a platform for stakeholder dialogue to shape the intervention focus of the new plan. The targeted multi-stakeholder platform brings together subject matter experts to share their views on how pertinent development challenges can be addressed. Ultimately, these dialogues are expected to identify high impact strategic reforms/interventions, associated Programmes, and appropriate financing options for consideration in the plan. Each topical meeting is shaped by a brief note articulating strategic issues relevant to the NDP III process, and an outcome document submitted to the NDPIII drafting team for consideration. The five series, spanning through July/August, have focused on the following topics:

- (i) *Human Capital Development for Shared Prosperity.*
- (ii) *Enhancing Value Addition and Inclusive Growth (Agriculture, industrialization, trade, mineral development, Tourism, Trade)*
- (iii) *Good governance (rule of law, public sector reform, public service delivery)*
- (iv) *Mainstreaming Cross cutting issues (Leave no one behind). This will result in a common approach for mainstreaming.*
- (v) *Financing and Development Cooperation*

The fourth of the five Breakfast Series on Mainstreaming cross-cutting issues for enhancing delivery of NDPIII will be held on Thursday August 8, 2019 at Serena Hotel Kampala. This note provides a situation analysis on the prioritized cross cutting issues in Uganda and identifies some of the most critical questions that need to be addressed to ensure a development path that takes cognizant of all the three (social, economic and environmental) dimensions of sustainable development

### 3. Understanding cross cutting issues in Uganda

The Addis Ababa Action Agenda prescribes several key cross-cutting issues that build on the synergies of the Sustainable Development Goals (SDGs) and address critical gaps in their delivery. Government of Uganda recognizes that achieving the above objectives and the ultimate goal of the Plan will require a development process that does not lose sight of the cross-cutting issues and the complexities that affect human welfare, household earning patterns and overall social development. Hence, the proposed NDPIII strategic direction has identified 14 key cross-cutting issues, among which include; gender equality and women empowerment; climate change; human rights; HIV/AIDs; environmental sustainability; disaster risk reduction; population and development; refugees; nutrition; governance; science and innovation; culture and mind set; child health; social protection; and disability. The multiplicity of crosscutting issues presents several challenges and opportunities to the planning, budgeting and implementation processes.

For purposes of the Fourth Breakfast Series, the 14 priority cross-cutting issues have been grouped as follows;

1. Leaving No One Behind; gender equality and women empowerment, social protection, refugees, children, HIV/AIDS, youth, governance, human rights, population and development and people with disabilities (PWDs)
2. Risk resilience and sustainability; climate change, environmental sustainability, disaster management, and food security and nutrition
3. Science and Innovation
4. Culture and mindset

#### 3.1. Leaving No One Behind

People get left behind when they lack the choices and opportunities to participate in and benefit from development progress. All persons living in extreme poverty can thus be considered 'left behind', as can those who endure disadvantages, discrimination and/or deprivations that limit their choices and opportunities relative to others in society. Across countries, women and girls, people in rural areas, indigenous peoples, people with disabilities, migrants, asylum seekers,

refugees, youth, older persons and other minorities are disproportionately counted among the left behind

The current population growth rate stands at 3% annually, resulting in approximately 1.2 million Ugandans added to the population each year. Uganda Bureau of Statistics<sup>1</sup> estimates that Uganda's population will be over 55 million by 2030. In 2019, children (those below 18 years) comprise of 53% of the population, while 23% are youth (aged 18-30). Meanwhile, economic development has not risen in line with the needs of a fast-paced population growth rate and poverty remains high with a headcount poverty rate of 21.4%. Statistics<sup>2</sup> indicate that the economy has been dominated by the services sector for years, currently contributing 49% (2018/19) to total GDP but employing only 22% of the population. Yet, the agriculture sector which provides work for 65% of the working population contributes only 22% to GDP due to its sustained low productivity and growth. The contribution of industry to GDP has stagnated at around 20% for the last five years, below the current Sub-Saharan Africa average of 24%<sup>3</sup>. Within industry, manufacturing contribution to GDP reduced to 8% in 2018/19 from 8.7% in 2014/15 and employed only 3.8% of the working population in 2016/17.<sup>4</sup> Consequently, the economy has not generated enough jobs for its population. The National Labor Force Survey 2016/17<sup>5</sup> revealed that the working age population (14-64 years) is estimated at nearly 19 million with more females than males (52 and 48 percent respectively). The unemployment rate stood at 9.7 percent, with the females experiencing higher unemployment rate (11 percent) than males (8 percent) while youth (18-30 years) unemployment stood at 13%. Informal employment outside agriculture stood 85% for all age groups and 91% for the youth. Despite a seemingly low unemployment rate, more than half (78%) of the persons in employment are engaged in vulnerable employment characterised by lack of decent working conditions, inadequate social security and voice through effective representation by trade unions and similar organizations and less likely to have formal contracts.<sup>6</sup> Similarly, about 33% of the working age population were engaged in purely subsistence agriculture work. This situation also has a bearing on peace, tranquility and political stability if not addressed with the level of urgency that it deserves.

The Government of Uganda is a signatory to the global and regional frameworks and standards on the rights of the children and committed to ensuring all children in the country realize their full potential. The welfare of children is intricately linked to the welfare of adults and the communities in which they live. Studies have shown that children, who usually represent a higher proportion of the population, are particularly vulnerable to poverty compared to other groups. Also, children in different stages of childhood suffer different forms of deprivations and vulnerabilities and the impact of these vary across different age groups. A vulnerable child is defined as one who faces the risk of physical, emotional or mental harm and whose survival,

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<sup>1</sup> UBOS, 2018

<sup>2</sup> Uganda Bureau of Statistics (UBOS) Statistical Database (<https://www.ubos.org/explore-statistics/9/>)

<sup>3</sup> World Bank World Development Indicators 2019  
([https://data.worldbank.org/indicator/NV.IND.TOTL.ZS?locations=ZG&name\\_desc=false](https://data.worldbank.org/indicator/NV.IND.TOTL.ZS?locations=ZG&name_desc=false))

<sup>4</sup> UBOS Statistical Abstract, 2019

<sup>5</sup> UBOS National Labour Force survey 2016/17

([https://www.ubos.org/wpcontent/uploads/publications/10\\_2018Report\\_national\\_labour\\_force\\_survey\\_2016\\_17.pdf](https://www.ubos.org/wpcontent/uploads/publications/10_2018Report_national_labour_force_survey_2016_17.pdf))

<sup>6</sup> UBOS Statistical Abstract, 2019

well-being and development is threatened. The most vulnerable children include those living on their own, those in conflict with the law or in abused situations and those who are orphaned. In addition, child rights violations and harmful practices such as child marriage remain a major challenge for Uganda, albeit Uganda's progress in addressing adolescent girls' and boys' vulnerability to harmful practices and violation of human rights through establishment of a supportive legal and policy framework for promoting children rights and expanding education opportunities with interventions across the different sectors of development including health, education, social development and justice, law and order sector.

Improved nutrition among women, adolescents and children aims at accelerating the country progress towards achieving Sustainable Development Goals. Delivery of adequate nutrition services should take on a life cycle approach with a key focus on the first 1000 days (from conception to the first 2 years of a child's life). This is critical to ensure children reach their developmental potential in cognitive, motor and socio-emotional abilities. Inadequate brain development is strongly linked to poor academic achievement and compromised economic productivity later in adult life and reduced national economic development. Undernutrition remains an important contributor to poor maternal health, newborn and child survival and development in Uganda. A steady progress in reducing the national prevalence of under-five child stunting from 33 per cent in 2011 to 29 per cent in 2016 (UDHS) did not lead to a large reduction in the absolute number of stunted children (it is stagnant at about 2,150,000 children) because of the rapid population growth. Thus, Uganda is not on track to achieve the 2025 World Health Assembly (WHA) target on stunting which is to have less than 1,391,000 children stunted. A relatively low prevalence in global acute malnutrition in children under five years of age (4 per cent in 2016, UDHS) masks a high national prevalence of severe wasting (1.3 per cent), which is nine times higher than what would be expected in a well-nourished population (0.14 per cent). High undernutrition, especially among children is associated with inadequate access and consumption of nutritious diets and a high prevalence of infectious diseases such as malaria, pneumonia and diarrhoea. Weaknesses in health care provision; sub-optimal child care and feeding practices; poor water, sanitation and hygiene and food insecurity are underlying factors. Other key underlying causes include limited domestic resources allocated to nutrition supplies, over-dependence on donor funding for procurement of commodities and nutrition capacity building, and inadequate nutrition supply chain management leading to frequent stock-outs at service delivery level. While exclusive breastfeeding rate increased from 61 per cent in 2011 to 66 per cent in 2016 and is above the global target of 50 per cent, a majority of children did not continue breastfeeding up to the recommended two years and there was a small decline in continued breastfeeding over the past 10 years. Appropriate complementary feeding remains highly inadequate. In 2016, only 15 per cent of children aged 6 to 23-month-old received the minimum acceptable diet (MAD). Persistent inadequate and inappropriate complementary feeding practices appear to be related to poverty, inadequate knowledge and cultural practices in Uganda. Stimulation and play are not prioritized during infant and young child counselling and within the treatment packages for severely malnourished children and this hinders recovery.

Gender inequality is an important contributor to persistent food insecurity, malnutrition and morbidity in Uganda. The rights of women in Uganda are often not realized and this negatively

impacts their ability to ensure optimum health and nutrition for themselves and for their children.

Government of Uganda acknowledges that attainment of gender equality and women empowerment is a prerequisite for accelerated socioeconomic transformation and notable progress has been made in the areas of policy, legislation and efforts to mainstream gender across sectors. For instance, the Public Finance Management Act (2015) makes it mandatory for MDAs and Local Governments to address gender and equity issues in the annual Budget Framework Papers (BFP) and Ministerial Policy Statements (MPS) and allocate resources to the different needs of men and women, people with disabilities, older persons, youth and other marginalized groups. By 2015, the proportion of women in Parliament had risen from one woman legislator in 1980, to 18% in 2000, 35% in the 2011 and 34.7% in 2016. The proportion of women chairing Parliamentary Committees rose from 32% in 2015 to 42.8% in 2018. At the local Government level, representation of women was at 45.7% of all districts. Nonetheless, challenges remain. While representation at both national and local levels is above the 30% quota provided for in the constitution, the number of women elected on direct seats remains very low, demonstrating the deep rooted cultural and traditional prejudices that continue to reject women as equal and rightful leaders. The 2016 Uganda Demographic and Health Survey (UDHS) reveals that 51% of women have experienced violence and 22% sexual violence. Attitudes and behavior that perpetuate violence against women and girls persist. In terms of employment, the unemployment rate stands at 13%, compared to 6% amongst men. Only 28% of women are in paid employment compared to 46% of men. Women also account for 71% of those engaged in vulnerable employment. The NDPII mid-term review also alludes to the growing challenge of inequalities which is likely to frustrate development efforts. Hence, removing gender gaps would greatly contribute to Uganda reaching its growth targets in the Vision 2040 and the NDPIII and ultimately contribute to the achievement of the SDGs.

The HIV epidemic has had very severe health and economic impacts on the livelihood and development of Uganda. HIV and AIDS can push people and households into poverty, in part reducing household labour capacity and increasing medical expenses. In some cases, HIV-related stigma and discrimination marginalizes people living with HIV (PLHIV), affected or at risk of HIV and excludes them from accessing essential services. There has been a significant reduction in the number of new infections from about 140,000 annually in 2014 to below 50,000 in 2017, and reduced AIDS related deaths from 58,000 to current 26,000 deaths during the NDPII period. Despite these significant reductions Uganda remains 6<sup>th</sup> among those countries with the highest number of new infections, after South Africa (270,000), Nigeria (210,000), Mozambique (130,000), Tanzania (65,000), and Kenya (53,000). For Uganda to achieve epidemic control, new infections must be lower than the number of AIDS related deaths. Limited access to essential services including anti-retroviral treatment, will result in increased individual and household vulnerabilities, thereby hampering Government efforts to attain the national development goals. Programme implementation should include reaching certain population groups that are currently underserved with HIV prevention, treatment care and support services as well as optimizing programme efficiencies and minimizing losses. It should be acknowledged that, if the HIV/AIDS epidemic compromises the saving capacity and the human capital of the economy, it will undercut the process of economic development.

Estimates from the recent 2016/17 Uganda National Household Survey (UNHS) indicates that 23.4 million Ugandans (62.4% of the population) were either poor or vulnerable to poverty. This means that there is large proportion of the population who are vulnerable to risks and shocks and therefore in need of some form of social protection. In Uganda, the welfare of vulnerable groups, especially women, children and the elderly is of great concern because these groups tend to be less integrated in the mainstream economy and are much more exposed to shocks and risks such as drought and floods and economic shocks (high prices for goods and inputs and low prices for farm produce). The elderly are also among the most vulnerable sections of the population regarding poverty and other forms of social exclusion, yet national policies often do not adequately cater for their needs. Social protection mechanisms can reduce poverty and vulnerability, increase work and educational achievement, and promote economic growth. Most of the existing formal social protection initiatives in Uganda are inadequate in scope and coverage and in many cases do not benefit vulnerable groups. In addition, there are many informal but often undocumented social protection initiatives, but little is known about them. To address the poverty and vulnerability challenge, Government rolled out several programs which include Social Assistance Grants for Empowerment (SAGE), Youth Livelihood Programme (YLP), and Uganda Women Entrepreneurship Programme (UWEP). Largely, these programs have cushioned these groups from income vulnerabilities and ignited a spark in the entrepreneurial spirit of the youth. Despite the progress registered so far the existing frameworks are weak and inadequately coordinated.

The socio-economic situation is amplified by migration related challenges such as rural to urban migration and the high influx of refugees which has a bearing on access to adequate service delivery and gainful employment. Uganda has a long history of hosting refugees and asylum seekers. On average, Uganda has hosted over 160,000 refugees per year since 1959, currently hosting the largest refugee population in Africa and the third biggest in the world, with 1.3 million of them<sup>7</sup>. More than 60% of Uganda's refugees are under the age of 18. The problem is mainly caused by conflict and political instability in neighboring countries like South Sudan, the Democratic Republic of the Congo (DRC) and Burundi. Uganda's approach to refugees is among the most progressive in the world with a favorable legal and policy environment for refugees, including the freedom of movement, right to work, the right to documentation, and access to government services on par with nationals. Yet, the refugee-hosting areas, most of which are extremely poor, still lack the economic resources and technical capacity to support the additional refugee population. Efforts within the framework of the Comprehensive Refugee Response Framework (CRRF) managed to respond to the emergency, while building the foundations for integration into sustainable access to basic services, notably through strengthening public institutions. Some progress has also been made in building the livelihoods and resilience of both refugee and host communities. Nevertheless, 46% of the refugee population<sup>8</sup> are poor, compared to 17% of the host population. Only 66% of refugee children (36% boys, 30% girls) are enrolled in primary education, and only 15% of refugee children are enrolled in secondary education (10% boys, 5% girls).<sup>9</sup> The formulation

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<sup>7</sup> Source - UNHCR, Government of Uganda, Office of the Prime Minister, available at <https://ugandarefugees.org/en/country/uga>.

<sup>8</sup> UBOS, 2018 Uganda Refugee and Host Community Survey.

<sup>9</sup> <https://data2.unhcr.org/en/documents/download/69653>

of NDP III and the District Development Plans present a unique chance to include and integrate refugees across sectors in development interventions. Whereas refugees were included in NDP II through the Settlement Transformative Agenda (STA) under the Public Sector as a project for OPM, refugees should be included across sectors in the preparation of NDP III and related documents.

With 75% of the population being under the age of 30 and 76% living predominantly in the rural areas, rural-urban migration and migration abroad in search of better livelihood and employment opportunities is increasingly a coping strategy for many. It is globally recognized that when properly managed, migration can be an enabler of development and can benefit both the migrants, hosting communities and countries involved. On the other hand, if poorly managed, migration can result into irregular migration, smuggling and trafficking of persons, xenophobic attitudes and further conflicts. The lack of a comprehensive national policy on migration, fragmented approach to migration issues by key stakeholders, lack of comprehensive data providing evidence base to policy makers, insufficient preparation of service providers meant to create a protective environment for vulnerable migrants, are all critical issues that need to be addressed in order to unlock the potential of migration in Uganda and enhance the protection of vulnerable individuals.

Human rights should be at the core of all development efforts. The Government of Uganda has ratified key international and regional human rights instruments, many of which have become part of the country's domestic laws. The Constitution guarantees the promotion and protection of human rights, including those that relate to vulnerable and marginalized groups. In line with the provisions of the Constitution, the country established key oversight bodies, including the Uganda Human Rights Commission (UHRC), Equal Opportunities Commission (EOC), the Inspectorate of Government (IGG), the Electoral Commission (EC), Parliament, and Uganda Law Reform Commission (ULC). A draft National Action Plan on Human Rights is awaiting approval by Cabinet). Uganda also accepted recommendations related to the adoption of a national action plan on business and human rights, and committed to advancing the rights of women, persons with disabilities and children, in line with the 2030 Agenda and its vision to "leave no one behind", based on principles of equality and non-discrimination. Nonetheless, the Country still faces challenges related to slow ratification and incorporation of human rights instruments into national laws, coordination issues and limited resources. The lack of ratification and domestication of the instruments implies that the ordinary citizens have limited recourse to these internationally recognized mechanisms in cases of rights violation, with ultimate effects on the attainment of SDGs. Uganda is yet to ratify some important international conventions and instruments, such as the Convention for the Protection of All Persons from Enforced Disappearance; the Second Optional Protocol to the International Covenant on Civil and Political Rights, aimed at the abolition of the death penalty; and the Optional Protocol to the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, which would improve inspection of places of detention. There remain concerns over poverty and inequalities among regions, and a widening gender gap.

- i. Uganda has put in place several policy and legal frameworks aimed at ensuring inclusion of vulnerable groups and address gender inequality, but many of these have not been fully implemented. What strategic interventions should the NDPIII put in place to ensure that these frameworks are fully implemented?



- ii. The principle of “Leaving No One Behind” is both a development and human rights issue. What considerations should be made in the NDPIII to ensure that all groups of the population, including the vulnerable, benefit from the country’s development?

### 3.2. Risk Resilience and Sustainability

Risk is defined as the effect of uncertainty on organizational objectives, which could be either positive and/or negative. This includes effects of development activities on external factors, such as harm to people and the environment. Risks can be due to either man-made or natural causes. Risk management refers to coordinated activities towards exploring new opportunities and avoiding negative consequences of risk within the realms of a given development strategy. Environmental, Climate and Disaster related risks are provided for under several global development frameworks including the 2030 Sustainable Development Agenda; the Paris Agreement on Climate Change and Hyogo Framework on Disaster Risks among others. There are specific Sustainable Development Goals that focus on addressing Environmental sustainability, Climate and Disaster related risks namely SDG 6 (clean water and sanitation), SDG 7 (affordable and clean energy), SDG 9 (Industry, innovation and infrastructure), SDG 11 (sustainable cities and communities), SDG 13 (Climate Action) SDG 14 (life below water) and SDG 15 (Life on earth) among others. Environmental sustainability is one of the 4 UN Development programming principles, the other focusing on gender mainstreaming, Human rights-based approach and Results based management. Similarly, these principles are also incorporated in the Africa Agenda 2063, which has a close to 90% alignment with the 2030 Agenda for Sustainable Development.

The Country remains highly vulnerable to climate variability. Out of 191 countries, Uganda is the 21<sup>st</sup> most at risk and 12<sup>th</sup> most vulnerable. The increased vulnerability to natural disasters and other effects of climate change risks is compounded by the high rate of environmental degradation, which reduced forest cover to 9% of the total land area in 2018, from 11% in 2017 and 24% in 1990, driven by heavy (90%) reliance on biomass for energy. Wetland area also reduced to 10.9% in 2017 from 15.6% in 1994 due to encroachment, brick production, drainage and pollution. With the ongoing energy generation initiatives and current power generation capacity of about 900MW already enough to meet demand, including appropriate levels of spinning reserve, the population with access to electricity has increased from 20.4% in 2017 to 23% in 2018 but remains low. It is envisaged that increased transmission, distribution and evacuation of the generated electricity will reduce reliance on biomass and diminish pressure on forests

Disasters<sup>i</sup> resulting from a combination of natural and man-made hazards and vulnerability conditions are posing a serious challenge to Uganda’s ambition to attain its Vision 2040. The country is under threat from multiple hazards<sup>ii</sup> striking vulnerable communities and systems. The country is prone to drought, landslide, earthquake, flooding, lightning, windstorm, hailstorm, volcano, fires, epidemic, conflict etc. Some of these hazards are regular phenomenon every year while some have longer return period but have enormous impact when they occurred. About 68%, 67%, 57%, 53%, 52%, 26%, 9%, and 7% of the total population of Uganda are respectively exposed to windstorm, earthquake, hailstorm, lightning, drought,



flood, volcano, and landslide respectively<sup>10&11</sup>. During the NDPII period, over 10 different hazards occurred in over 70 districts of the country recording 191 deaths and 55 missing, 468 injuries, and affecting 911,607 people<sup>12</sup>. In the same period, these hazards, destroyed 19,712 and damaged 16,954 houses, and were a cause for relocation and evacuation of 21943 and 18451 respectively. It also damaged 100,605.3 ha of crops<sup>13</sup>. In monetary terms, the losses and damages attributed to disasters in 2010 and 2011 was UGX2.8 trillion or USD 1.2 billion. In addition, equivalent to USD 173 million was the estimated recovery and reconstruction needs<sup>14</sup>. Despite the challenges being posed by disasters, risk management<sup>iii</sup> to build resilience to the looming risks<sup>iv</sup> and proactive management of the risks before they happen seems to be overlooked. National development planning is believed to be one of the mechanisms that need to extensively cover the issues of disasters and portray the road map on how to manage the risks, a function of hazard, exposure, and vulnerability. However, sector and local government plans are not conversant with this notion. As a result, disasters are shifting development resources to relief and believed to be a setback to development gains. It is therefore important to put in place efforts to either avoid or at least reduce existing disaster risks; avoid or reduce the possible shift of development resources to respond to its impacts which eventually slows down development and expensive in nature; and anticipate and prevent possible new disaster risks that could result from development efforts.

#### Questions:

- i. What are the existing gaps in addressing resilience to risks?
- ii. What should be done to contain the impact of risks to bring about resilience and sustainable development? What experiences can Uganda learn from other countries?

### 3.3. Science, Technology and Innovation

Uganda's transformation into a modern economy calls for adoption of modern means of doing business. Today, Information Communication Technology (ICT) and digitization are the major driver of innovation across virtually all economic sectors – by virtue of revolutionising how information is generated, processed, shared and transferred. The NDPII identified Science, Technology, Engineering and Innovation (STEI) as one of the development fundamentals to successfully harness the economic opportunities. Moreover, NDP II also identified Information and Communication Technology (ICT) business as one of the opportunities which are considerably under-exploited and needed to be promoted to enhance competitiveness. Uganda has made good progress in terms of ICT infrastructure, with a total optical fibre network covering 49% of the districts and 24% of the sub counties with presence at all the border points. Uganda stands ahead of its regional peers in terms of internet usage with 22% of individuals using internet. The Country also had 57.7 mobile connections per 100 inhabitants in 2018, a growth of 104% over the last 10 years although way below Kenya, Tanzania and Rwanda that stand at above 75. However, smart phone penetration remains very low at 16%, lower than the sub-Saharan average of 30%.<sup>15</sup> In terms of E-government Development index (EGDI), Uganda has seen an improvement from 36% in 2016

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<sup>10</sup> (OPM, 2018).

<sup>11</sup>("Volcanoes of Uganda information / VolcanoDiscovery," n.d.).

<sup>12</sup> (UNISDR, 2018).

<sup>13</sup> (UNISDR, 2018).

<sup>14</sup> (Government Of Uganda, 2015).

<sup>15</sup> GSMA, 2018

to 41% in 2018 and ranks above the Africa average. However, in the region it ranks behind Kenya and Rwanda. Within the components of EGDI, Uganda, scores lower than the Africa average when it comes to telecom infrastructure. Technological innovation is already demonstrating its transformative impact in Uganda in the finance sector (Mobile money and Agency banking), energy sector (PAYGO solar), transportation sector (ride hailing – Uber, Taxify and Safeboda), public sector (digital tax payments), among others. However, the potential for digital to impact is yet to be fully leveraged. First, as an accelerator and enabler of access to (and delivery of) basic services in various sectors and for excluded / vulnerable segments. Secondly, in cutting the costs of uncertainty, asymmetries of information, and securitization of information on transactions amongst large numbers of small, widely dispersed players. Thirdly in breaking the barriers of access to information and communication: market information, learning about opportunities and exchange of knowledge. Fourth, as a source of new solutions and business models that improve livelihoods. Fifth, digital trails improve transparency and therefore accountability in management and governance. Digital transformation is a process with different levels of maturity - and the impact on the economy is dependent on which level a country is at. The International Telecommunication Union (ITU) distinguishes three waves of digitisation<sup>16</sup>. **Digitisation wave 1** associated with the introduction and adoption of what today are considered “mature” technologies, such as management information systems aimed at automating data processing and applied to monitoring and reporting of business performance, telecommunications technologies such as broadband (fixed and mobile) and voice telecommunications (fixed and mobile) which allow the remote access of information. **Digitisation wave 2** entails the diffusion of the internet and its corresponding platforms (search engines, marketplaces), which enable the networking of enterprises to consumers and enterprises among themselves and with government. **Digitisation wave 3** entails the adoption of a range of technologies aimed at enhancing information processing and the quality of decision making, while further automating routine tasks within business enterprises and governments. This includes: Big data /analytics, internet of things, robotics, artificial intelligence and machine learning. The 4<sup>th</sup> industrial revolution is part of wave 3. Uganda would be seen to have made good progress in Wave 1 and having embarked on wave 2. To fully reap the economic benefits of the progress made in access and usage, by a significant share of the active population, there is need to fast track wave 2 of digitisation, especially through the public sector, to be able to impact key challenges in virtually all sectors of the economy.

### Questions:

- i. Uganda should now be at Wave 2 of digitisation which entails the diffusion of the internet and its corresponding platforms to enable the networking of enterprises to consumers and enterprises among themselves and with government. How best can Government fast-track the diffusion of ICT’s and digital innovation across all sectors of the economy to improve efficiency and effectiveness in service delivery and throughout all the programmatic areas of the NDPIII.
- ii. Digitisation, as an accelerator of economic development, is already and will continue to strongly become a major source of economic inequalities both within the country but also across countries.
  - a. How should the NDP III tackle the threat of the digital divide (inclusive access and usage) within the country, to make sure that no one is left behind?

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<sup>16</sup> [https://www.itu.int/en/ITU-D/Conferences/GSR/Documents/GSR2017/Soc\\_Eco\\_impact\\_Digital\\_transformation\\_finalGSR.pdf](https://www.itu.int/en/ITU-D/Conferences/GSR/Documents/GSR2017/Soc_Eco_impact_Digital_transformation_finalGSR.pdf)

- b. In the wake of the Fourth Industrial Revolution that is transforming lives around the world, what interventions should be put in place to ensure that the Country makes good strides in “digitisation wave 3” to avoid being left behind compared to the rest of the world?
- iii. What approaches can be most effective to nurture, grow and scale up various innovations? What should be the role of government and other stakeholders and how should it be reflected in NDP III?

### 3.4. Culture and mindset

Culture is defined as a " complex whole which includes knowledge, beliefs, arts, morals, laws, customs, and any other capabilities and habits acquired by a human as a member of society." Culture plays an indispensable role in development of a country and believed to be a vehicle to transform a society. UNESCO emphasizes that development cannot be sustainable without a strong cultural component and highlights the importance of a human-centred approach to development. Cherishing diversity and fostering mutual respect and open dialogue are among the key mechanisms that can help achieve inclusive and sustainable development.

Equally important is enhancing and protecting the cultural heritage (both tangible and intangible) of the country as to preserving identity and pride of the country. The development endeavours of a country need to seek ways of developing and using cultural components such as language, beliefs, cuisine, social habits, customs, music and arts that distinguishes the people of the country. Exploring and exploiting how the cultural resources of a community need to be translated to economic wealth need to be thought. Experiences show that promoting the unique identity, traditions, and cultural products and services, towards generating jobs and revenue enables and drives sustainable development. Together with these, development efforts need to address the mind-sets that are wrongly embodied within cultural setting and hampering development pace of the country. For a country which has youth population that counts over a third of its population, shaping mind-set towards development visions and aspirations needs to be considered. Mindset toward creating jobs (entrepreneurship) and believing in oneself to change their destiny for better are also among the issues. Some also argue that mindset change is required to battle the rampant corruption and silence or submissions to the situation

#### **Questions:**

- i. What are the issues pertaining to mind-set that are hampering development pace of the country?
- ii. What cultural aspects need to be included in the national development plan to drive sustainable and inclusive development?

#### **The 4<sup>th</sup> Breakfast dialogue will generally focus on addressing the following questions:**

- i. How adequate are the selected priority issues in addressing cross-cutting issues and leaving no one behind? Are there any cross-cutting issues that need to be included?
- ii. What are the key interventions that need to be undertaken to ensure that cross-cutting issues are adequately addressed
- iii. What approaches should be used to mainstream/integrate cross-cutting issues into the NDPIII

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<sup>i</sup> **Disaster:** a serious disruption of the functioning of a community or a society at any scale due to hazardous events interacting with conditions of exposure, vulnerability and capacity, leading to one or more of the following: human, material, economic and environmental losses and impacts (UNISDR, 2017).

<sup>ii</sup> **Hazard:** a process, phenomenon or human activity that may cause loss of life, injury or other health impacts, property damage, social and economic disruption or environmental degradation. Annotations: Hazards may be natural, anthropogenic or socio-natural in origin.

<sup>iii</sup> **Disaster risk management:** the application of disaster risk reduction policies and strategies to prevent new disaster risk, reduce existing disaster risk and manage residual risk, contributing to the strengthening of resilience and reduction of disaster losses (UNISDR, 2017).

<sup>iv</sup> **Disaster risk:** the potential loss of life, injury, or destroyed or damaged assets which could occur to a system, society or a community in a specific period of time, determined probabilistically as a function of hazard, exposure, vulnerability and capacity (UNISDR, 2017)