



NATIONAL PLANNING AUTHORITY



THIRD NATIONAL DEVELOPMENT PLAN
(NDPIII) 2020/21 – 2024/25



January 2020



VISION

A TRANSFORMED SOCIETY FROM A PEASANT TO A MODERN AND PROSPEROUS COUNTRY BY 2040.

GOAL

INCREASE HOUSEHOLD INCOME AND IMPROVE QUALITY OF LIFE.

THEME

SUSTAINABLE
INDUSTRIALIZATION FOR
INCLUSIVE GROWTH,
EMPLOYMENT AND SUSTAINABLE
WEALTH CREATION



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- GOALS
- OBJECTIVES
- KEY PROGRAM RESULTS

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INTRODUCTION: VISION 2040

1. The third National Development Plan (NDP3) is the third in a series of six NDPs that will guide the nation in delivering the aspirations of the people of Uganda, as articulated in Uganda Vision 2040;
2. Uganda Vision 2040 aims to transform the Ugandan society from a peasant to a modern and prosperous society, with a GDP per Capita target of USD 9500;
 - a. The total estimated size of the economy would be USD 580.5bn with a projected population of 84.1 million by 2040;
 - b. A minimum average real GDP growth rate of about 8.2 per cent per annum would be needed to achieve this transformation;
3. A number of key projects are identified in Vision 2040 that have to be implemented to drive this growth



INTRODUCTION ...

- The key Vision 2040 projects to be implemented to drive this growth include:
 1. A Hi-tech ICT city and associated ICT infrastructure;
 2. Large irrigation schemes in different parts of the country;
 3. A Phosphate industry in Tororo;
 4. An Iron ore industry in Muko, Kabale;
 5. Five regional cities (Gulu, Mbale, Kampala, Mbarara, and Arua) and five strategic cities (Hoima, Nakasongola, Fortportal, Moroto, and Jinja);
 6. Four international airports;
 7. A standard gauge railway network with high speed trains;
 8. An Oil Refinery and associated pipeline infrastructure;
 9. Multi-lane paved national road network linking major towns, cities and other strategic locations;
 10. Globally competitive skills development centres;
 11. Nuclear power and hydro power plants (Ayago, Isimba, Karuma, and Murchison Bay);
 12. Science and Technology parks in each regional city;
 13. International and national referral hospitals in each regional cities



ACHIEVEMENTS

A firm foundation for “Take-Off” has been laid over the last 20 years:

1. Political Stability & favourable macro-economic policy;
2. Growth of the economy from **UGX 64.235bn in 2010/2011 to 128.499bn in 2019/20;**
3. Moderate but sustained average economic growth rates, **above 5% for last decade;**
4. Significant expansion of Economic and Social Infrastructure (**Energy – Isimba, Karuma dams, Roads – Entebbe Expressway, Schools, hospitals;**
5. Export revenue growth: **from USD 3.83 billion in FY2010/11 to USD 5.3 billion in FY2017/18;**
6. Increase in manufacturing activity: **Agro-processing, Processing of Limestone, Iron ore and phosphates, Light manufacturing;**
7. Increased market share and consumption of locally manufactured goods in the domestic and regional market - **Cement, Iron & Steel, food products;**
8. Expansion of modern commercial agriculture: **Vegetable Oil, Beef and Dairy products, Tea, Coffee and others;**
9. An Increase in domestic savings and re-investment into manufacturing: **Expansion of Cement, Iron & Steel factories, agro-processing and others.**



Progress to date: Growth and Incomes

| S/N | INDICATOR | FY 1986/ 87 | V2040 baseline FY 10/11 | NDPII Baseline FY12/13 | Status FY17/ 18 | NDPII Targets FY19/20 | |
|-----|--|----------------|----------------------------|---------------------------|--------------------|--------------------------|------|
| 1. | GDP per Capita (USD) | 376 | 506 | 744.8 | 825 | 1039 | |
| 2. | Employment to population ratio (%) | 69.1 | 70.9 | 75.4 | 56.8 | 79 | |
| 3. | Share of Industry in Total GDP (%) | 9.7 | 8.9 | 20.7 | 21 | 27.9 | |
| 4. | Poverty – (%) People living on less USD 1 | 55.7 | 24.5 | 19.7 | 21.4 | 14.2 | |
| 5. | Income Distribution (GINI CO.) | 0.364 | 0.43 | 0.395 | 0.410 | - | |
| 6. | GDP growth rate | 3.9 | 5.6 | 3.6 | 6.1 | 6.3 | |
| 7. | Manufactured exports as a % of total exports | 12.0 | 13.2** | 14.5** | 12.3** | 19 | |
| 8. | Exports to GDP ratio | 6.7*** | 11.3 | 6.2 | 8.2 | 9.95 | |
| 9. | Value of exports (\$ Mil.) | 347.1 | 3,450.6 | 4,993.2 | 5,347.6 | N/A | |
| 10. | Gross capital formation | 8.4 | 24.1 | 27.9 | 24.1 | 27.7 | |
| 11. | Savings to GDP ratio | 5.12 | 14.5 | 15.4 | 16 | 35 | |
| 12. | Sectoral composition of GDP | Agriculture | 53.1 | 22.4 | 25.5 | 22 | 10.4 |
| | | Industry | 9.5 | 26.4 | 20.6 | 21 | 31.4 |
| | | Services | 31.1 | 51.2 | 46.7 | 48.7 | 58.2 |
| 13. | %age of labor force as per Sectoral composition of GDP | Agriculture | 75.4* | 65.6 | 63 | 68.4 | 31 |
| | | Industry | 7.1* | 7.6 | 8.2 | 7.4 | 26 |
| | | Services | 17.5* | 26.8 | 28.8 | 24.2 | 43 |



NDPII Progress to date: Competitiveness

| S/N | INDICATOR | | FY 1986/ 87 | V2040 baseline FY 10/11 | NDPII Baseline FY12/13 | Status FY17/ 18 | NDPII Targets FY19/20 |
|-----|--|----------------------|-------------|-------------------------|------------------------|-----------------|-----------------------|
| 1. | Ease of doing business ranking (GCI index) | | N/A | 112/183 | 150/189 | 122/189 | 111/189 |
| 2. | Global Competitive ranking | | N/A | 118/139 | 123/148 | 113/138 | 90/148 |
| 3. | Electricity consumption (kWh per capita) | | N/A | 75 | 80 | 100 | 578 |
| 4. | Paved National Roads as (% of National roads) | | 8.0 | 16 | 16.6 | 25 | 25 |
| 5. | %age of cargo freight on rail to total freight | | N/A | 3.5 | 12 | 8.3 | 25.5 |
| 6. | Savings to GDP ratio | | 5.12 | 14.5 | 15.4 | 16 | 35 |
| 7. | Labor Productivity (GDP/Worker USD) | Agriculture | 53.1 | 390 | 581 | 270 | 977.7 |
| | | Industry | 9.5 | 3,550 | 5,106 | 2,763 | 7,871.4 |
| | | Services | 31.1 | 1,830 | 2,441 | 2,391 | 5,217.7 |
| 8. | Unit cost of electricity in cents USD | x-large industries | N/A | N/A | 9cents | 5-8cents | 5cents |
| | | Large Industries | N/A | N/A | 16cents | 9.8cents | 5cents |
| | | Commercial consumers | N/A | N/A | N/A | 17cents | 5cents |
| | | Domestic consumers | N/A | N/A | N/A | 23cents | 5cents |



Annex1: Progress to date: Peoples' Quality of life

| S/N | INDICATOR | FY 1986/ 87 | V2040 baseline FY 10/11 | NDPII Baseline FY12/13 | Status FY17/ 18 | NDPII Targets FY19/20 | |
|-----|--|----------------|-------------------------------|------------------------------|--------------------|-----------------------------|-----|
| 1. | Life Expectancy | 47.6 | 50.3 | 50.4 | 63.3 | 60 | |
| 2. | MMR/100,000 | 506 | 435 | 438 | 336 | 320 | |
| 3. | Under 5 mortality per 1000 | 147 | 137 | 90 | 64 | 51 | |
| 4. | Total fertility rate | 7.1 | 6.7 | 6.2 | 5.4 | 4.5 | |
| 5. | Child stunting as percentage of under 5 | 47.6 | 38 | 33 | 29 | 25 | |
| 6. | % pop. with access to electricity | 1.3 | 11 | 14 | 23 | 30 | |
| 7. | Average years of schooling | 2.5 | 4.7 | 5.7 | 6.1 | 11.5 | |
| 8. | Primary to secondary transition rates | 56 | 65.5 | 73 | 78 | 83 | |
| 9. | Net enrolment rates at primary level (%) | 56.82 | 95.3 | 95.3 | 98.15 | 100 | |
| 10. | Net enrolment rates at secondary level (%) | 10.53 | 24 | 24.7 | 35.6 | 40 | |
| 11. | Water usage (m ³ / capita) | N/A | 26 | 27 | 30.27 | N/A | |
| 12 | Safe Water Coverage | Rural | 51 | 65 | 64 | 74.9 | 79 |
| | | Urban | 87 | 66 | 70 | 92.3 | 100 |



Progress to date: Sustainability

| S/N | INDICATOR | FY 1986/87 | V2040 baseline FY 10/11 | NDPII Baseline FY12/13 | Status FY17/ 18 | NDPII Targets FY19/20 |
|-----|----------------------------|------------|-------------------------|------------------------|-----------------|-----------------------|
| 1. | Wetland cover (% of total) | 15.6 | 8 | 11.9 | 10.9 | 12 |
| 2. | Forest cover (%) | 20.4 | 15 | 14 | 9.5 | 18 |
| 3. | Population growth rate | 2.4 | 3.2 | 3.2 | 3.02 | 2.9 |

Source: UBOS.

*** 1986/87 figure has only export of goods. The rest includes both exports of services and goods.

** Numbers in parentheses are from External Trade Data Base (Formal & Informal),

* WB data



CHALLENGES

1. Inadequate creation of jobs. **Current youth unemployment is 13.3% (UBOS). Some estimates put it higher.**
2. Growth largely dependent on rain fed agriculture: **(Weather has huge impact on growth)**
3. Inadequate investment in productive sectors of economy **(Agric., Manufacturing, Tourism)**
 - a. **58% of private sector credit is in: (i) building/construction & real estate (20%); (ii) trade (20%), (iii) personal and household loans (18%). BOU State of the economy Dec. 2018**
 - b. **Private sector credit in agriculture is only 13% and manufacturing also 13%.**
 - c. **Proposed public expenditure allocations for FY2020/21: Agriculture (3.2%); Tourism (0.7%); Trade & Industry (0.6%); and Science, Technology & Innovation (0.6%)**
4. Reduction in share of manufactured goods to total exports: **from 14.5% in 2012/13 to 12.3% in 2017/18**
5. Inconsistent and insufficient production volumes to guarantee adequate supply to export markets, hence **limited guaranteed external markets and no price stability;**
6. Limited growth in labor productivity: **particularly in agriculture (USD708) where 60.7% were employed, but also industry (USD3,948) where 8.2% of the labour force was employed (UBOS 2016/17);**

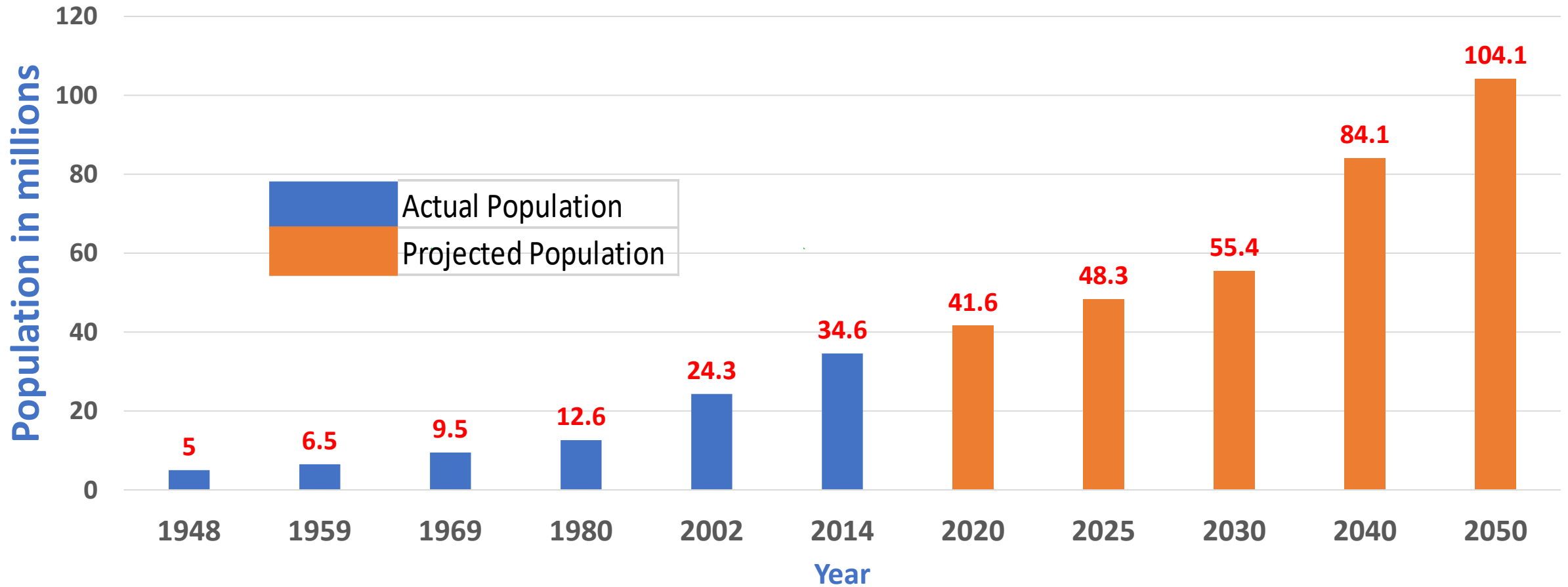


CHALLENGES ...

7. Inadequate numbers of appropriately skilled labor force
8. Mixed poverty reduction results. Overall, general improvement, with some negative spikes; 19.7 % in 2012/13 to 21.4% in 2017/18;
9. Widening Income inequality: from 0.364 (Gini coefficient) in 1986/7 to 0.410 in 2017/18 orchestrated by increasing or persistent high income poverty in the East & North East;
10. Increasing burden of non-communicable diseases: currently standing at 40 percent of the total disease burden (Cancer, high blood pressure, heart disease).
11. Environmental Degradation and climate change challenges affecting people's livelihoods
 - a. Continued reduction in the forest cover from 20.4% in 1986/7 to 9.5% in 2017/18,
 - b. Wetland cover degradation from 15.6% to 10.9% respectively,
 - c. Increase in severity of floods and droughts
12. High rate of population growth. Population is expected to double between now and 2040.
13. Poor education outcomes and high dropout rates. Out of every 2,000,000 pupils that join primary education, only 800,000 manage to complete primary seven.



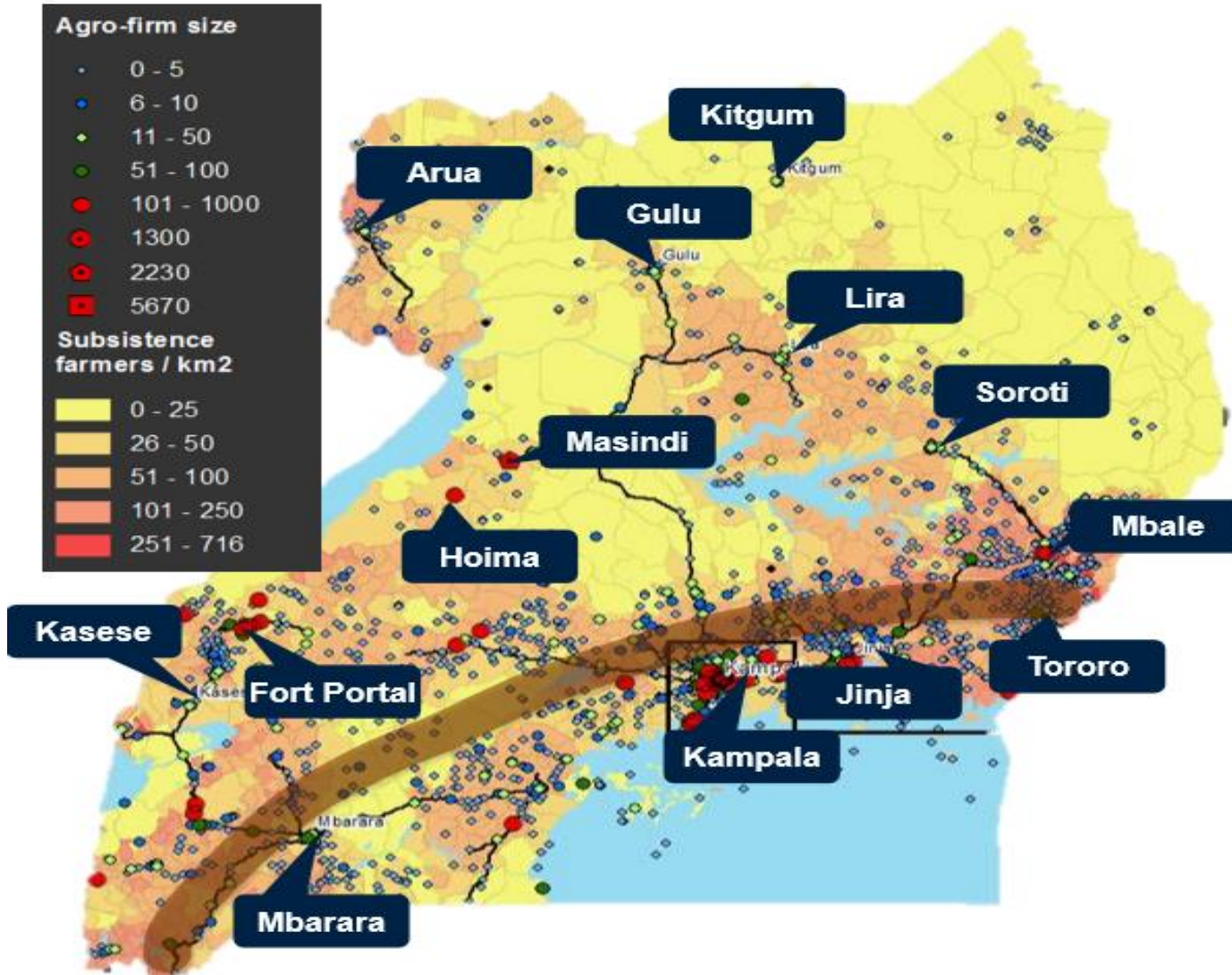
Uganda's actual and projected population (1948-2050)



Source: National Population Council



Existing Growth Corridor in Uganda



Trends in Jobs

- Industry and service jobs remain concentrated mainly in urban centers
- However, job creation in industrial sectors has appeared in southwest of Uganda
- Large agro-processing firms have emerged along the south and western corridors, especially around Kasese and Mbarara
- An existing corridor runs along the road from Mombasa to Kigali, passing through Tororo, Jinja, Kampala, Mbarara
- The product markets along the existing corridor are all agro-based, including significant clusters in coffee, tea, and dairy



LESSONS LEARNED

1. **Increase investment in the productive sectors** of the economy in order to optimize use of the increased infrastructure capacity (a surplus of electricity, & improved roads);
2. **A quasi market approach is required.** Revisit the development approach particularly the role of government in the development process;
3. **Strengthen Public Investment Management.**
 - a. Reduce the amount of resources that are borrowed but NOT utilized in time,
 - b. Ensure that implementation of projects is completed on time and within budget; and
 - c. Strengthen alignment between the planning, budgeting and budget implementation;
4. **Vocationalization of Education.** Re-focus efforts on the production of a minimum threshold of relevant and appropriately skilled labour for the economy, particularly vocational skills to reduce importation of labour as well as youth unemployment;
5. **Implement the Parish model.** Bring government closer to the people by strengthening sub-counties and parishes in order to effectively address their development needs



LESSONS LEARNED ...

6. **Identify and exploit alternative revenue sources** to complement domestic revenue collection: Private sector, diaspora community, Pension funds, development partners;
7. **Implement a Program Approach to Planning, Budgeting and Implementation** to reduce the Silo approach.
8. **Prioritize resolution of issues of land compensation;**
 - a. Reduce the cost of land compensations, and
 - b. Reduce the time required to address such issues,
 - c. Adopt the development of joint infrastructure corridors.
9. **Incorporate risk planning and mitigation into the plans and budgets** to cater for unforeseeable challenges;
10. **Prioritize efforts aimed at identifying market opportunities in global and regional protocols** to which Uganda is signatory. Government should actively invest in the sourcing of markets for locally produced goods and services through the diplomatic network. Ministry of Trade & Industry, Ministry of Tourism, Ministry of Agriculture and Ministry of Foreign Affairs need to work together on this.



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STRATEGIC FRAMEWORK OF NDPIII



DEVELOPMENT PRIORITIES

NDP 3 priorities remain in Agriculture, Tourism, Minerals, Petroleum, and Manufacturing as well as human capital development and infrastructure. However, a few things are changing:

1. **Introduction of Program Approach** to focus on delivery of common results and align with Program Based Budgeting that is already operational. The programs will be complimented by area-based commodity and spatial planning;
2. **Increased role of the State.** There is an increased role of the State to invest strategically either alone or together with the private sector to exploit the quasi market and PPP approaches in development;
3. **More targeted investment in infrastructure and Human Capital.** Investments in human capital development, energy as well as transport infrastructure and services will be targeted to bridge gaps between what is needed and what is available;
4. **More focus on digitalization.** There is an increased focus on digitalization in the delivery of services to increase efficiency and reduce corruption;
5. **Introduction of the Parish model** to bring government services and support nearer to the people.

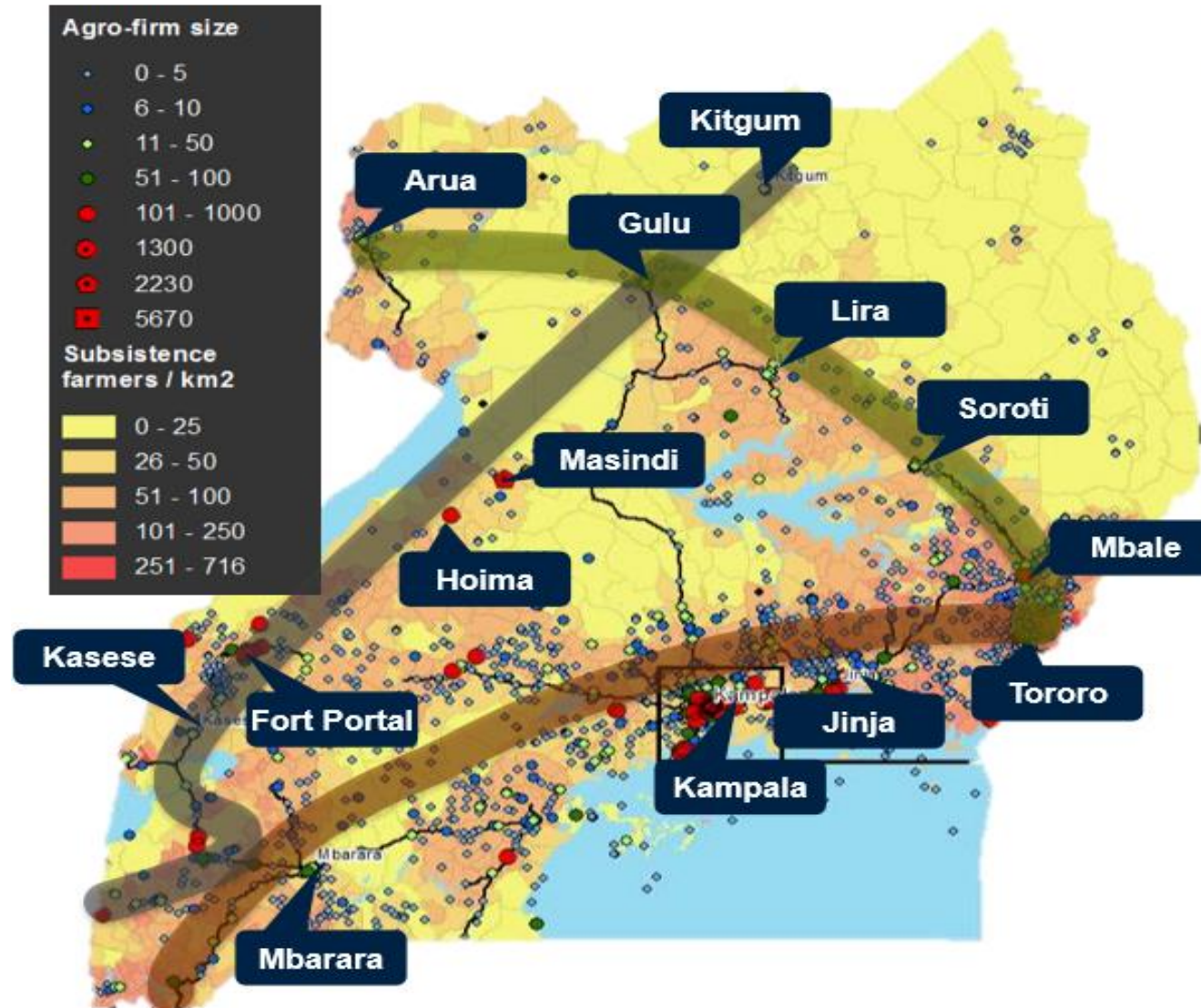
Goal: Increased household incomes and improved Quality of life

Theme: Sustainable Industrialization for inclusive growth, employment and wealth creation

| Objectives | Strategies | Programs |
|--|--|---|
| 1. Enhance value addition in Key Growth Opportunities | <ol style="list-style-type: none"> 1. Promote agro-industrialization 2. Increase local manufacturing activity 3. Promote mineral-based industrialization 4. Harness the tourism potential 5. Promote export-oriented growth | <ol style="list-style-type: none"> 1. Agro-Industrialization 2. Mineral-based Industrialization 3. Petroleum Development 4. Tourism Development 5. Water, Climate Change and ENR Managment |
| 2. Strengthen private sector capacity to drive growth and create jobs | <ol style="list-style-type: none"> 6. Provide a suitable fiscal, monetary and regulatory environment for the private sector to invest 7. Increase local content participation | <ol style="list-style-type: none"> 1. Private Sector Development 2. Manufacturing 3. Digital Transformation |
| 3. Consolidate & increase stock and quality of Productive Infrastructure | <ol style="list-style-type: none"> 8. Institutionalise infrastructure maintenance 9. Develop intermodal transport infrastructure 10. Increase access to reliable & affordable energy 11. Leverage urbanization for socio-economic transformation | <ol style="list-style-type: none"> 1. Transport Interconnectivity 2. Sustainable Energy Development 3. Sustainable Urban Development |
| 4. Increase productivity, inclusiveness and wellbeing of Popn. | <ol style="list-style-type: none"> 12. Improve access and quality of social services 13. Institutionalise HR planning 14. Enhance skills and vocational Development 15. Increase access to social protection Promote STEI 16. Promote devt. oriented mind-set | <ol style="list-style-type: none"> 1. Human Capital Development 2. Community Mobilization and Mindset Change 3. Innovation, Technology Devt. & Transfer 4. Regional Development |
| 5. Strengthen the role of the State in development | <ol style="list-style-type: none"> 17. Increase govt. participation in strategic sectors 18. Enhance partnerships with non-state actors for effective service delivery 19. Re-engineer Public service to promote invest. 20. Increase Resource Mobilization | <ol style="list-style-type: none"> 1. Governance and Security Strengthening 2. Public Sector Transformation 3. Development Plan Implementation |



The Uganda Jobs and Growth Triangle



New Growth Corridors

- A second corridor could connect Tororo with Arua, through Mbale, Soroti, Lira, and Gulu
- The product markets along the second corridor also include agro-industries, with clusters in tobacco, cotton, oilseeds, and livestock
- A third corridor could connect Kabale with Kitgum, passing through Kasese, Fort Portal, Hoima, Masindi, and Gulu
- The product markets along the third corridor include traditional agro (coffee, tea, cotton), but also emerging tourism sectors



KEY RESULTS

| No. | Expected key targets | Baseline 2017/18 | NDP III target | Vision 2040 Target |
|-----|---|--|-------------------|-----------------------|
| 1 | Income per Capita (USD) | 864 | 1,301 | 9500 |
| 2 | Life expectancy at birth (years) | 63.3 | 70 | 85 |
| 3 | Poverty rates (% below poverty line) | 21.4 | 15.5 | 5 |
| 4 | Real GDP growth rate | 6.2 | 7.0* | 8.2 |
| 5 | Contribution of industry to GDP (%) | 18.6 | 25 | 31.4 |
| 6 | % of manufactured exports in total exports | 12.3 | 20 | 50 |
| 7 | Ratio of Exports to GDP (%) | 12.7 (15) | 20 | |
| 8 | Tourism receipts (USD billion) | 1.3 | 2.5 | |
| 9 | Rate of growth of the agricultural sector | 3.8 (6.1) | 7 | 4.65 |
| 10 | No. of fully serviced industrial parks | 0 | 22 | |
| 11 | Savings (% of GDP) | 16 | 35 | 35 |
| 12 | No. of Jobs created per year | - | 527,000 | |
| 13 | Access to electricity | Gazetted IBPs with access to 132KV line) | | |
| 14 | | Household population | | 80 |
| 15 | No. of districts with access to internet broadband | 22 | 100 | |
| 16 | H/holds dependent on subsistence agriculture as a main source of livelihood (%) | 68.9 | 55 | |



KEY RESULTS

| No. | Expected key targets | Baseline 2017/18 | NDP III target | Vision 2040 Target |
|-----|---|---------------------|-------------------|-----------------------|
| 17 | Labour force transitioning into gainful employment/ enterprise development (%) | 34 | 55 | - |
| 18 | Wetland cover (%) | 10.9 | 12 | 13 |
| 19 | Forest cover (% of total land area) | 9.5 | 18 | 24 |
| 20 | Average years of schooling | 6.1 | 11 | 18 |
| 21 | Infant Mortality Rate/1000 | - | 0 | 4 |
| 22 | Maternal Mortality Ratio/100,000 | 336 | 299 | 15 |
| 23 | WASH Rural Water | 74.9 | 85 | 100 |
| 24 | Coverage Urban Water | 92.3 | 100 | 100 |
| 25 | (%) Sanitation (Improved toilets) | 19 | 40 | 80 |
| 26 | Health insurance (%) | 2 | 25 | 70 |
| 27 | Revenue to GDP ratio (%) | 12.5 | 15.01 | 25 |



JOB CREATION UNDER NDP 3

| Sector | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | Total |
|--|----------------|----------------|----------------|----------------|----------------|------------------|
| Agriculture, forestry and fishing | 153,808 | 155,476 | 159,804 | 164,866 | 171,421 | 805,375 |
| Industry | 73,893 | 76,480 | 84,109 | 91,330 | 97,129 | 422,941 |
| Manufacturing | 46,611 | 48,231 | 52,985 | 57,486 | 61,138 | 266,451 |
| Construction | 27,282 | 28,249 | 31,124 | 33,844 | 35,991 | 156,490 |
| Services | 233,176 | 239,588 | 274,603 | 305,902 | 324,857 | 1,378,126 |
| Trade | 141,754 | 146,000 | 167,257 | 186,406 | 198,580 | 839,997 |
| Transport and storage | 12,556 | 12,374 | 14,881 | 16,827 | 17,599 | 74,237 |
| Education | 20,434 | 21,234 | 23,487 | 25,754 | 27,621 | 118,530 |
| Other service activities | 31,407 | 32,239 | 37,076 | 41,342 | 43,568 | 185,632 |
| Hotels , restaurant eating places | 27,025 | 27,741 | 31,902 | 35,573 | 37,489 | 159,730 |
| Other industrial activities | 18,711 | 16,753 | 5,314 | -4,098 | -7,550 | 29,130 |
| Total | 479,588 | 488,298 | 523,830 | 558,000 | 585,858 | 2,635,574 |



FINANCING OF THE PLANNING

- Plan is estimated to cost UGX 353 trn, of which public financing will comprise 63.7 % and private/others financing will constitute about 36.3%
- Domestic revenue strategy over the NDP III period will focus on improving compliance and efficiency in tax revenue collections. through implementation of the Domestic Revenue Mobilization Strategy (DRMS).
- Administrative efforts will be achieved through providing better training and resources to URA to modernize and expand ICT capability and other necessary tools.
- External Financing will dominate as a key deficit financing source for the plan contributing at least 35 %, largely comprising concessional loans; averaging at 1.7 % of GDP over the NDPIII period



SOURCES OF FINANCING AS % GDP

| | 18/19 | 19/20 | 20/21 | 21/22 | 22/23 | 23/24 | 24/25 |
|-----------------------------------|-------|-------|-------|-------|-------|-------|-------|
| Overall balance | -5.35 | -6.18 | -6.55 | -5.95 | -5.29 | -4.07 | -2.97 |
| Financing | 5.35 | 6.18 | 6.55 | 5.95 | 5.29 | 4.07 | 2.97 |
| External financing | 3.21 | 4.02 | 5.08 | 4.81 | 4.35 | 3.62 | 2.73 |
| Budget support | 0.15 | 0.41 | 0.48 | 0.22 | 0.10 | 0.09 | 0.00 |
| Concessional project loans | 2.44 | 2.21 | 2.43 | 2.27 | 1.83 | 1.36 | 0.50 |
| Non-concessional borrowing | 1.21 | 1.92 | 2.76 | 2.99 | 3.19 | 2.90 | 3.07 |
| Domestic financing (net) | 1.92 | 2.16 | 1.46 | 1.14 | 0.94 | 0.45 | 0.24 |



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TO IMPLEMENT THE PLAN

The public sector will need to be transformed

The Implementation arrangements will require strengthening



Public Sector Transformation

Addresses three facets of the public sector: the people (*civil servants, their leaders and citizens*); the public sector architecture and systems; and the resources required.



– ISSUE TO BE ADDRESSED IN THE PUBLIC SECTOR:

- Weak performance, low accountability for results and unsatisfactory work ethic in the public sector that does not adequately respond to the needs of citizens and the private sector. This is due to: (i) **poor accountability systems and undue focus on processes rather than results;** (ii) **Inefficient government systems and processes;** (iii) **duplication of mandates;** (iii) **inadequate talent management across Government;** (iv) **an inefficient and inadequately funded decentralized system of Government;** (v) **Limited computerization of government systems;** and (v) **high level of corruption.**

GOAL

- Improve public sector response to the needs of the citizens and the private sector.



Means of transforming the public sector

1. Strengthening accountability for results across government;
2. Streamlining government structures and reforming institutions for efficient and effective service delivery;
3. Strengthening human resource management function of Government for improved service delivery;
4. Deepening decentralization and citizen participation in local development; and
5. Increasing transparency and eliminating corruption in the delivery of services.



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Development Plan Implementation



Conceptual Framework





– ISSUE:

- Low implementation of the national development plans remains a major development challenge for Uganda. This is due to: (i) **Weak implementation planning and budgeting;** (ii) **Weak M&E systems for supporting implementation and policy planning;** (iii) **Limited financing and fiscal management;** (iv) **Weak coordination of implementation;** and (v) **Weak systems for statistical development.**

- **GOAL**

The goal of this programme, therefore, is to increase efficiency and effectiveness in the implementation of NDP III.



Means of strengthening implementation of the plan

1. Strengthening capacity for development planning;
2. Strengthening budgeting and resource mobilization;
3. Strengthening capacity for implementation to ensure a focus on results;
4. Strengthening coordination, monitoring and reporting frameworks and systems;
5. Strengthening the capacity of the national statistics system to generate data for national development;
6. Strengthening the research and evaluation function to better inform planning and plan implementation



Strengthening Implementation is expected to Lead;

1. Achieve at-least 80% of the NDP III targets;
2. Increase the GDP Growth rate from 6.3% to at-least 7% per annum;
3. Increase the Revenue to GDP ratio from 15.6% to 18% by 2025;
4. Increase the alignment between the Annual Budgets and the NDP III from 60% to 75% at national and program level;
5. Maintain the proportion of supplementary budget expenditure (net of loan servicing) within 3%.



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GENERAL IMPLEMENTATION REFORMS



GENERAL REFORMS

- Prioritize (increase and ring fence funding) industrialization related programs and projects
- Develop a framework for mobilization of domestic capital for industrialization
- Introduce area commodity-based approach to job creation, incomes and exports.
- Increase regulation of private sector in order to protect the farmers
- Create and effectively enforce a performance rewards and sanctions mechanism for all public servants to ensure that they are accountable
- Strengthen monitoring and coordination of implementing actors, the Office of the Prime Minister should stop implementation, and concentrate on coordination



GENERAL REFORMS

- Strengthen the capacity for conducting feasibility studies for both public and private sector investments/projects
- Introduce use of similar IT solutions across government to reduce duplication and wastage.
- Introduction of risk management into public program and project planning and implementation
- Introduction of service delivery standards
- Streamline Government architecture for efficient and effective service delivery