THE PEPUBLIC OF UGANDA

Millennium Development Goals Report for Uganda 2015

SPECIAL THEME:

RESULTS, REFLECTIONS AND THE WAY FORWARD

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Foreword

As the world transitions to Agenda 2030, it's important to look back and take stock of the remarkable gains we have attained over the last 15 years of implementing the Millennium Development Goals (MDGs). The Millennium Development Goals report has been instrumental for tracking development progress in Uganda since the country joined the rest of world in 2000 on a mission to realise the dignity of its citizens. This year's report has come at a right time when Uganda, like the rest of the world is transitioning to a broader agenda that will shape development in the next 15 years. It reminds us of the journey this country has trekked in a bid to deliver on the promises made to better the lives of Ugandans. In this endeavor, we have seen progress in a number of areas and challenges in others.

The report indicates that Uganda has achieved 33% of the targets, three times higher than the performance recorded in the MDG 2013 report. Particularly, progress has been made on access to HIV treatment, reduction in incidence of Malaria and other major diseases, and some targets on global partnerships for development. While this is commendable, it is also evident that progress on Universal Primary Education, gender equality, maternal health, the spread of HIV/AIDS, all of which are key tenets required for human development is still slow, and in some cases, reversible.

This report provides development actors with an opportunity to interrogate why some efforts have delivered results while others have not. Where strong strides have been registered, it is important to build and sustain the momentum achieved, while ensuring that the country does not experience any stagnation or reversals. For instance, we have to consolidate the achievements Uganda has made in reducing poverty and make sure that those who escape poverty never fall back. For areas where performance is marginal, it is time to dialogue on what went wrong and to design mechanisms for ensuring that moving forward, all commitments to human development are met.

The Agenda 2030, of which Uganda is part, provides an opportunity to meet the above commitments. The agenda, clearly a plan of action for People, Planet, Prosperity, Peace and Partnerships sets targets and implementation mechanisms for delivering on social, economic and environmental tenets for sustainable development.

I'm glad that the Government of Uganda has shown commitment to this agenda by ensuring that the Sustainable Development Goals (SDGs) are addressed in the second National Development Plan, making it an early starter in the post-2015 era. This is one way of thinking big to achieve greater results. One of the reasons why MDG implementation delayed and achieved less than desired results globally was because developing nations expected external support which didn't materialise. Now with the realisation within the country that "no one owes us a living", the government's open dialogue on innovative mechanisms for' sustainably financing of its development will deliver big results on our own terms.

There is no question that working together, we can deliver on our responsibility to end poverty, the MDGs have shown us this, the new SDGs will build on these success to keep us on track and leave no one behind.

I appreciate the concerted effort of Government, Civil Society, Academia, colleagues from the United Nations System, Development Partners and other actors who have provided unconditional support in the preparation of this report, as with earlier reports in this series. The United Nations will continue to partner with Government and all stakeholders to support Uganda's transition to a middle income country.

Ahunna Eziakonwa-Onochie
United Nations Resident Coordinator in Uganda

Preface

Since the adoption of the Millennium Development Goals (MDGs) in September 2001, and the subsequent internalisation of the MDG framework in our national development agenda, the character of our country and the quality of life of our citizens have changed for the better. Nearly half of Uganda's current population was born during the MDG era, a period over which Uganda's life expectancy increased from 48 years to 59 years. This is a pointer to the fact that today Ugandans enjoy higher living standards and broader life opportunities.

Uganda's commitment to achieving the MDGs was to the effect that Government set out to not only address the symptoms of underdevelopment but more importantly to resolve the underlying fundamental contradictions responsible for plaguing the dignity of Ugandans. This Report, the fifth and final MDG Progress Report for Uganda, reveals that Uganda has come a long way in that endeavour.

The report confirms the undisputable security of person and property, higher household incomes and standards of living, a substantially diversified economy, and a significant level of fiscal autonomy that characterise Uganda today. The contribution of the MDGs development framework to fostering these achievements is recognized in the report.

The report is quite pertinent given that it comes at a time when the MDG era is ending. It articulates, for both Government and other development actors, a clear way forward for bringing to conclusion the unfinished MDG business. The recommendations of the report will be internalised in Government's broader effort to accelerate the attainment of the goals and objectives of the National Development Plan 2015/16 – 2019/20 and the recently adopted Sustainable Development Goals (SDGs).

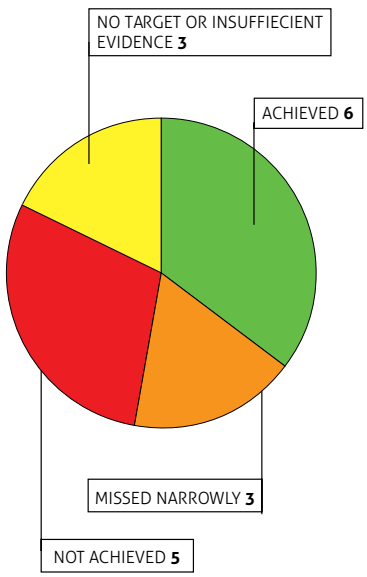
Moving forward, Government will monitor and report on progress towards achievement of development goals and objectives through the production of a Sustainable Development Report, the first of which will be published this year with a clear baseline assessment of where Uganda stands with respect to SDGs.

I thank the citizens of Uganda for embracing the challenge of being the primary change agents of their own development. I also thank my technical staff for spearheading the timely preparation of this report. United Nations Development Programme in Uganda has stood alongside Government in both the realization of the achievements reported herein and in the preparation of this report, and I commend them for their sustained partnership with the people of Uganda.

Matia Kasaija (MP)
Minister of Finance, Planning and Economic Development

Uganda's MDG Results at a Glance

Goal 1: Eradicate extreme poverty and hunger	
Target 1.A: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day	ACHIEVED
Target 1.B: Achieve full and productive employment and decent work for all, including women and young people	NO TARGET
Target 1.C: Halve, between 1990 and 2015, the proportion of people who suffer from hunger	MISSED NARROWLY
Goal 2: Achieve universal primary education	
Target 2.A: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling	NOT ACHIEVED
Goal 3: Promote gender equality and empower women	
Target 3.A: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015	NOT ACHIEVED
Goal 4: Reduce child mortality	
Target 4.A: Reduce by two thirds, between 1990 and 2015, the under-five mortality rate	MISSED NARROWLY
Goal 5: Improve maternal health	
Target 5.A: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	NOT ACHIEVED
Target 5.B: Achieve, by 2015, universal access to reproductive health	NO TARGET
Goal 6: Combat HIV/AIDS, malaria and other diseases	
Target 6.A: Have halted by 2015 and begun to reverse the spread of HIV/AIDS	NOT ACHIEVED
Target 6.B: Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it	ACHIEVED
Target 6.C: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases	ACHIEVED
Goal 7: Ensure environmental sustainability	
Target 7.B: Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss	INSUFFICIENT EVIDENCE
Target 7.C: Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation	MISSED NARROWLY
Target 7.D: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers	NO TARGET
Goal 8: Develop a global partnership for development	
Target 8.B: Address the special needs of the least developed countries	NOT ACHIEVED
Target 8.D: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term	ACHIEVED
Target 8.E: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries	ACHIEVED
Target 8.F: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications	ACHIEVED



Note: MDG outcomes are projected based on the most up-to-date evidence available in September 2015.

Executive Summary

In the final year of the Millennium Development Goal (MDG) era, this report assesses the results of Uganda's efforts in pursuit of the Goals over the last 15 years. The country's experience implementing the MDGs is reflected upon to draw lessons for the Sustainable Development Goals (SDGs); and a way forward is proposed to integrate Uganda's unfinished MDG business into the national post-2015 development agenda.

Uganda's MDG results

Uganda's overall MDG results are impressive, although progress has not been uniform across all the goals. Excluding the goals that are the responsibility of the whole global community,[1] and those with insufficient evidence to make an assessment,[2] Uganda is expected to achieve six targets; significant progress has been made towards a further three, although the targets may be reached slightly after the deadline; and four targets have not been achieved.

The six targets Uganda has already met or is projected to achieve are:

Target 1.A	Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day
Target 6.B	Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it[3]
Target 6.C	Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases
Target 8.D	Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term
Target 8.E	In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries
Target 8.F	In cooperation with the private sector, make available the benefits of new technologies, especially information and communications

Uganda's most important success is under MDG 1 – income poverty was reduced by two thirds, surpassing the 50% reduction specified by Target 1A. Households with higher income levels are better able to meet the direct and indirect costs of accessing education and healthcare, so this progress has contributed to many of the other goals. Uganda's poverty reduction was driven by broad-based economic growth, enabled by strong macroeconomic management, public investment in infrastructure such as feeder roads and rural electrification, regional integration and trade, and rapid urban growth. Nonetheless, Government continues to implement various measures to support the 6.7 million Ugandans who are still in poverty, and the further 14.7 million who remain vulnerable.

Another important achievement has been in controlling the spread of malaria – the leading cause of under-five mortality. The malaria prevalence rate among children fell by more than 50% in just five years between 2009 and 2014, mainly due to the large-scale dissemination of insecticide-treated bed nets. The burden of other diseases such as measles and tuberculosis has also been reduced significantly. These achievements have helped to halve Uganda's child mortality rate, representing significant progress although the ambitious MDG target is likely to be missed narrowly.

The three targets likely to be missed narrowly are:

Target 1.C	Halve, between 1990 and 2015, the proportion of people who suffer from hunger
Target 4.A	Reduce by two thirds, between 1990 and 2015, the under-five mortality rate
Target 7.C	Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation

Government's investment in rural water supply has brought significant progress – the share of the rural population using an improved drinking water source increased from 52% in 2001/2 to 72% in 2012/13. Access to safe water is much higher in urban areas but there has been limited improvement over the MDG period, with the rapid growth of Uganda's towns and cities often overwhelming urban planning capacity. Improving awareness and changing sanitation practices

1 Such as to address the special needs of the least development countries through more generous ODA, tariff and quota free market access and debt relief.
2 There is insufficient evidence to assess whether Uganda has achieved a significant reduction in the rate of biodiversity loss (Target 7B).
3 This target was reinterpreted for Uganda's context in the Health Sector Strategic Plan.

among the population also remains a major challenge, and is particularly important given that sanitation tends to have a larger impact on health outcomes than access to safe water alone.

The four targets Uganda will not achieve are:

Target 2.A	Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling
Target 3.A	Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015
Target 5.A	Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio
Target 6.A	Have halted by 2015 and begun to reverse the spread of HIV/AIDS

These failures are mainly attributed to limited systemic capability in the education and health sectors, and the challenges Government has faced inducing behavioural change, both within the public sector and among the population. Government has greatly expanded resources and physical inputs in the education and health sectors. The pupil-teacher ratio fell from 65 in 2000 to 46 in 2012, while the pupil-to-classroom ratio fell from 106 to 57. In per capita terms, real public spending on healthcare has grown at an average rate of 5.4% a year, despite a reduction in donor support. However, this has often not been sufficient to improve the quality of social services. Learning outcomes are poor and showing few signs of improvement. Uganda's health system has implemented expert advice and international best practices, but has shown less capacity to innovate and develop appropriate solutions for context-specific problems, such as high maternal mortality and the rising number of HIV infections. Government recognises these weaknesses and is now prioritising measures to motivate teachers and health workers, ensure compliance with set service delivery standards, strengthen school inspection, leverage Village Health Teams to improve postnatal care, and influence behavioural change through education and information campaigns.

Reflections on Uganda's MDG experience

As the global community transitions to the next development agenda – the Sustainable Development Goals (SDGs) – it is important to assess the overall contribution of the MDG framework. The MDG agenda raised the profile of important development objectives and has had a pervasive impact on Uganda's policy debates over the last 15 years. This has affected the country's development results in both positive and negative ways.

Although the envisaged increase in Overseas Development Assistance (ODA) – thought to be necessary to achieve the Goals – has not materialised, the MDG agenda did help to mobilise support for debt relief in industrialised countries, culminating in the Gleneagles G8 agreement in 2005 that cancelled Uganda's multilateral debt. The country's external debt service requirements fell from 23% of export earnings in 1999/2000 to 5.2% of exports in 2013/14. This has significantly increased fiscal space for priorities such as public infrastructure investment and social service delivery. The MDGs may have had even greater benefits in helping to ensure that Uganda learned from international experience and implemented scientifically proven interventions, such as insecticide-treated bed nets, vaccines, the DOTS approach to tuberculosis control, antiretroviral drugs and other essential medicines. Together these types of intervention have helped to half the probability of a Ugandan child dying before their fifth birthday.

On the other hand, prioritising certain areas inevitably diverts attention from other important issues. The MDG's strong focus on the social sectors may have delayed important policy shifts that have seen Government give appropriate priority to economic growth, wealth creation and structural transformation. These are the only means for Uganda to sustain improvements in human welfare, but none are monitored within the MDG framework. Similarly, no MDGs explicitly target Government effectiveness, which perhaps distracted attention from the difficult but important challenge of building systemic capabilities to innovate, implement and learn from public feedback. The MDG agenda has provided greater information and awareness, but this has rarely proven sufficient for civil society, the media or the general public to influence resource allocation, policy or implementation decisions.

This experience should inform implementation of the SDGs. The new goals should move beyond the symptoms of extreme poverty to consider the broader drivers of

equitable and sustainable development, including good governance and participation, government capabilities and economic growth. Rather than focusing on specific narrow objectives, a transformational agenda and a more aspirational approach can help to open up space for innovation and public feedback. Uganda should not let a new global agenda drive its national strategies, but adapt the SDGs with locally relevant goals and measures of progress consistent with existing national development frameworks. This process should be participatory to build consensus among stakeholders and leverage the mobilising power of time-bound targets.

The way forward

The unfinished MDG business is not understood simply as the targets Uganda has missed, but the underlying constraints that must be addressed to accelerate and sustain progress – in particular the effectiveness of Government service delivery. New objectives in the post-2015 era are more wide-ranging and ambitious, but share important similarities with Uganda's unfinished MDG business. They are all complex challenges for which there are no simple or easy-to-replicate solutions – they will require Government to experiment, learn and adapt. More innovative, responsive and effective Government services are therefore at the core of Uganda's post-2015 development agenda.

Uganda should use the SDGs as a tool to further its own development objectives. Uganda's SDGs must be prioritised and grounded in an understanding of how progress towards the goals will be made. NDP II has already set out the country's goals and strategies for the next five years, but priorities and the required actions will evolve, making it important to introduce intermediate targets and to review and revise the country's SDG framework in the subsequent two National Development Plans. While high-profile time-bound targets can help to incentivise performance, they will only be achieved with fundamental reforms within the public sector to develop a results-oriented culture, and in particular new incentive structures to drive mindset change and allow greater innovation, responsiveness and cooperation.

Monitoring inputs, outputs and outcomes is critical for improving Government effectiveness. Information on Government outputs has improved significantly over the last decade, helping stakeholders to assess the value for money of Government spending. However, this has given policy makers a stronger incentive to deliver tangible outputs than to use the same resources in a less tangible but potentially more effective way. Discussion of sector performance and funding has shifted towards activities and required inputs more than the actual impacts of Government programmes. There is now a growing need to move beyond Government efficiency – the ratio of outputs to inputs – to Government effectiveness, the extent to which outputs lead to improved outcomes.

A range of reforms will be introduced under NDP II to develop a results-oriented culture throughout Government. Outcome or programme-based budgeting is a key reform to focus the national and sectoral budgets on achieving results. Increased transparency and accountability in the purpose and impact of the budget will help to ingrain a results culture and ensure MDAs compete to deliver effective services rather than for resources or over mandates. Progressively expanding a network of Delivery Units from the Office of the Prime Minister to the sector and local-government levels will help to develop improved service delivery performance indicators, support the implementation of programme-based budgeting, and enable whole-of-Government responses to complex development challenges. Strengthened oversight mechanisms and the credible threat of sanctions for non-performance are necessary to motivate service providers, but will be combined with efforts to leverage the intrinsic motivation of public servants – in particular a star-rating system for individual education and health facilities to recognise and reward managerial effort.

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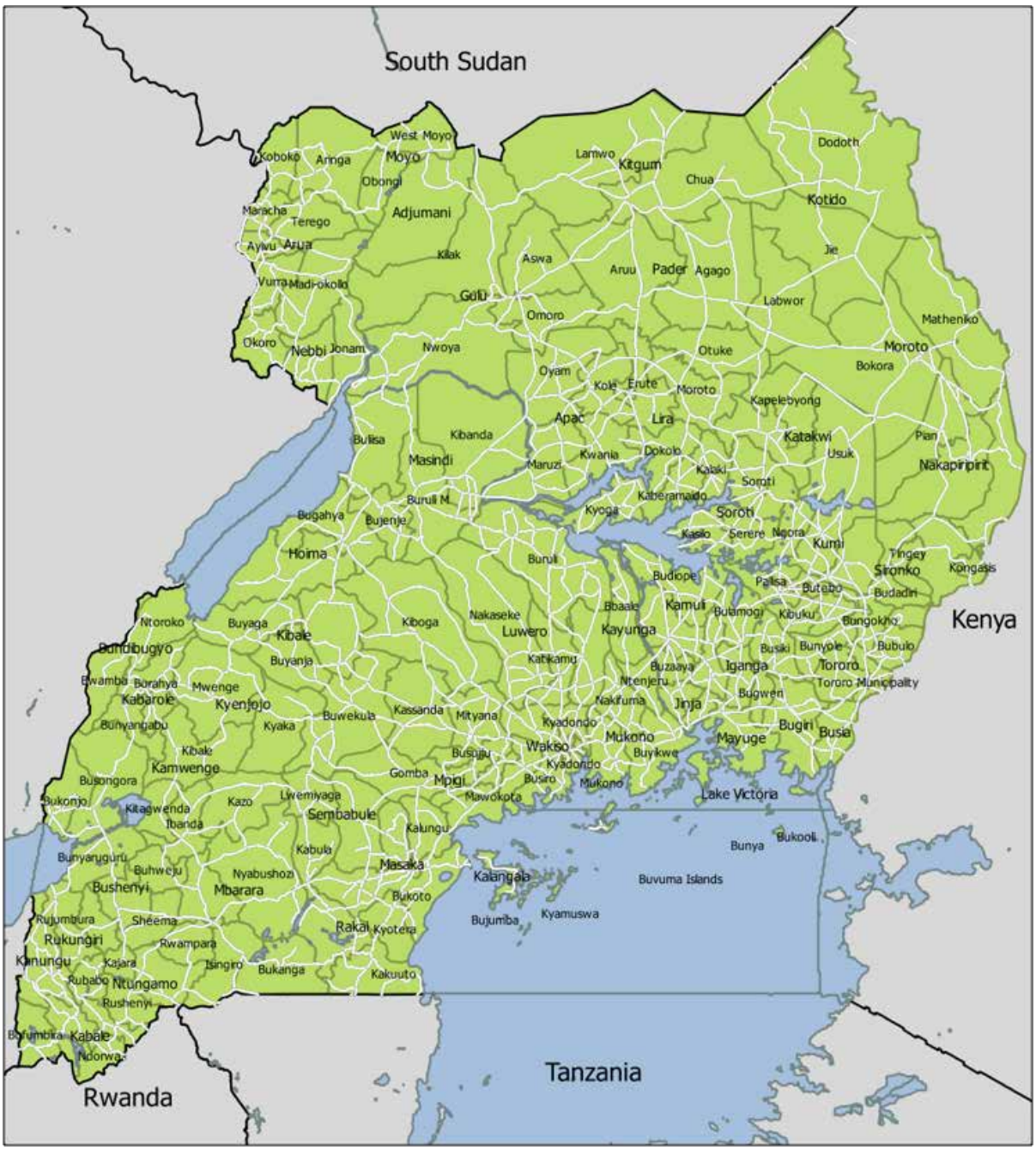
Accornyms and Abbreviations

AIDS	Acquired Immunodeficiency Syndrome
ART	Antiretroviral Therapy
BIA	Benefits Incidence Analysis
BTVET	Business, Technical and Vocational Education and Training
CD4	Cluster of Differentiation 4
CO2	Carbon Dioxide
COFOG	Classification of Functions of Government
CSO	Civil Society Organisation
DOTS	Directly Observed Treatment Short Course
DSA	Debt Sustainability and Risk Analysis
EmONC	Emergency Obstetric and Newborn Care
FAO	Food and Agriculture Organization
HIPC	Heavily Indebted Poor Countries
HIV	Human Immunodeficiency Virus
HMIS	Health Management Information System
ICT	Information and Communication Technology
ITN	Insecticide-Treated Mosquito Net
GDP	Gross Domestic Product
KALIP	Karamoja Livelihoods Programme
LION	Lower Indian Ocean Network
M&E	Monitoring and Evaluation
MDA	Ministry, Department or Agency
MDG	Millennium Development Goal
MDRI	Multilateral Debt Relief Initiative
MFPED	Ministry of Finance, Planning and Economic Development
MMR	Maternal Mortality Ratio
MTCT	Mother-to-Child Transmission
NA	Not available
NAADS	National Agricultural Advisory Services
NDP I	First National Development Plan
NDP II	Second National Development Plan
NER	Net Enrolment Ratio
NRM	National Resistance Movement
NUSAF	Northern Uganda Social Action Fund
ODA	Overseas Development Assistance
OECD	Organisation for Economic Co-operation and Development
OPM	Office of the Prime Minister
ORS	Oral Rehydration Salts
PAF	Poverty Action Fund
PEAP	Poverty Eradication Action Plan
PPP	Public Private Partnership
PRDP	Peace, Recovery and Development Programme
RBM	Results-Based Management
SACCO	Savings and Credit Cooperative Organisation
SAGE	Social Assistance Grants for Empowerment
SWAP	Sector-Wide Approach
TB	Tuberculosis
UAIS	Uganda Aids Indicator Survey
UBOS	Uganda Bureau of Statistics
UCC	Uganda Communications Commission
UDHS	Uganda Demographic and Health Survey
UHSBS	Uganda HIV/AIDS Sero-Behavioural Survey
UMIS	Uganda Malaria Indicator Survey
UN	United Nations
UNAP	Uganda Nutrition Action Plan
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNHS	Uganda National Household Survey
UPDF	Uganda People's Defence Force
UPE	Universal Primary Education
UPF	Uganda Police Force
UPOLET	Universal Post O-Level Education and Training
USD	United States Dollar
USDS	Uganda Service Delivery Survey
USE	Universal Secondary Education
VIP	Ventilated Improved Pit Latrine
WHO	World Health Organisation

Map of Uganda



1. INTRODUCTION

The Millennium Development Goals (MDGs) were established in 2001 following the adoption of the United Nations Millennium Declaration the previous year. There are eight MDGs each with associated indicators and time-bound targets, most of which are intended to be achieved by the end of this year – 2015. Together they represent a shared vision for human, social and economic development across the globe. The Goals are:

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

These goals have had pervasive effects on the international development agenda, and influenced planning and policy formulation processes at global, national and local levels. They have forged consensus and brought greater attention to some of the most important challenges facing humanity, helping to increase awareness, accountability and public demand; and generated incentives for governments around the world to deliver better services. Uganda has remained committed to achieving the MDGs from the outset. Government has aligned its development strategies and policies to the Goals, and has systemically monitored the country's progress. With 2015 being the final year of the MDG era, a number of countries including Uganda are keen to take stock of the progress made, and draw lessons to shape the implementation of next development agenda – the Sustainable Development Goals (SDGs).

1.1. Objectives of the report

The theme of Uganda's final MDG report is: 'Results, Reflections and the Way Forward'. Compared to previous editions of the series, the terminal report takes a broader perspective covering the whole MDG period (2000 – 2015) and the transition to the post-2015 development agenda. This is important given the far-reaching changes in Uganda's policy and economic context over the last 15 years. The country's MDGs agenda has been implemented under two different national development policy frameworks – the Poverty Eradication Action Plan (PEAP, 1997/98 – 2009/10) and the first National Development Plan (NDP I, 2010/11 – 2014/15). In the early 2000s, Uganda's most prominent national policy objectives, such as reducing extreme poverty and improving access to primary education and healthcare, were to a great extent aligned to the MDGs. However the introduction of the National Development Plan has rebalanced the policy agenda towards longer-term issues related to structural change, wealth creation and the productive capacity of the economy – the only means for Uganda to sustain human development. The relevance of the MDGs may have declined as Uganda's policy landscape has increasingly focused on drivers of economic and human development, such as improved physical infrastructure, that are not covered by the Goals. This report assesses the implications of these shifts, drawing lessons for the SDGs. To help Uganda transition to the SDGs, it is also important to reflect on the overall contribution the MDGs have made. The report does not only describe Uganda's achievements against the MDG targets, but attempts to understand the value added by the MDG framework itself.

The deadline for the MDGs coincides with the first implementation year of the second National Development Plan (NDP II). While the MDG agenda is still relevant for Uganda, the country's development context and policy direction have changed. It is therefore important to understand how NDP II will take forward the unfinished business of the MDGs. The specific objectives of the report are to:

1. Assess Uganda's progress towards its MDG targets over the PEAP and NDP I periods;
2. Identify the challenges faced and lessons learned from the implementation of the MDG agenda; and

3. Map out the baseline context for Uganda's unfinished MDG agenda and the implications for poverty reduction and public service delivery under NDP II and the post-2015 development agenda.

1.2. Data sources

This report relies on several quantitative data sources. These include the Uganda National Household Survey (UNHS) for 1999/2000, 2002/03, 2005/06, 2009/10 and 2012/13; and the Uganda Demographic and Health Survey (UNHS) for 2001, 2006 and 2011. The above datasets are complimented by data from annual sector performance reports, the annual Government Finance Statistics, preliminary National Population and Housing Census findings, Annual Government Performance Reports and private sector surveys among others.

Important new sources of data since the last national MDG progress report was published include the UNHS 2012/13 – the main source of poverty figures and other socioeconomic indicators – and the National Population and Housing Census conducted in 2014. Obtaining recent data for health-related indicators and targets has been a challenge. With the exception of the Malaria Indicator Survey (MIS) for 2014/15, the latest nationally representative data sources for health-related MDGs are the demographic and health and AIDS indicator surveys conducted in 2011. To supplement these sources, the report relies on recent health facility-level data from the Ministry of Health.

1.3. Projecting Uganda's MDG results

Rather than assessing Uganda's progress as in previous MDG reports, this final report projects the results of Uganda's MDG targets. Given that only limited data is available up to 2015, the results are mainly assessed by examining the trends in the indicators. Care is therefore taken to only use data that is comparable over time, and avoid methodological challenges where data collection instruments have changed. Based on this evidence, most of the targets can be assigned one of three outcomes: "Achieved", "Missed Narrowly", or "Not Achieved". The narrowly missed category allows for recognition of significant progress that may fall short of the target set. In the presentation these outcomes are colour-coded using a traffic light system: green for "Achieved", orange for "Missed Narrowly" and red for "Not Achieved". Where there are gaps in comparable, nationally representative data, other data sources are discussed, while acknowledging the limitations of this evidence. If it is not possible to assess a target with reasonable confidence, the outcome is described as "Insufficient Evidence". This helps to highlight important evidence gaps that must be addressed in the future.

1.4. Structure of the report

The remainder of the report is structured into four chapters. The second chapter presents an overview of Uganda's national development context, focusing on important changes in policy direction and socioeconomic outcomes over the last 15 years, and how they relate to some of the assumptions underlying the MDGs. Chapter three assesses the results of Uganda's MDGs and how progress has evolved from 2000 to date. The drivers of the observed trends, the major challenges faced and lessons learned during the implementation period are discussed. Chapter four reflects on Uganda's MDG experience. It provides a deeper analysis of the country's successes and challenges, evaluates the overall effects of the MDG agenda on Uganda's development and draws lessons for the SDGs. The final chapter states Government's position on the unfinished MDG agenda, proposing policy and implementation reforms to address the remaining gaps within the context of NDP II and the post-2015 development agenda.

1.5. Acknowledgements

The 2015 MDG report was prepared through a collaborative process involving the Government of Uganda, United Nations agencies and a range of other stakeholders and national and international development partners. The process was led by the Economic Development Policy and Research Department of the Ministry of Finance, Planning and Economic Development, with support from the United Nations Development Programme (UNDP) under the framework of the 'Evidence-Based Analytical Studies' project. Over the course of the MDG period, the MDG Sub-Committee chaired by the Uganda Bureau of Statistics (UBOS) has led efforts to strengthen official data collection and address gaps in the national data available.

2. THE CHANGING NATIONAL DEVELOPMENT CONTEXT

Uganda has undergone a series of major transitions that have shaped almost all aspects of economic and social life since the United Nations Millennium Declaration was adopted in 2000, and even more so since 1990 (the base year for many of the MDGs). These changes have brought major improvements in the wellbeing of Ugandans, their capabilities and opportunities. In the early 1990s over half the population was living in absolute poverty and there were many gaps in basic public service provision. Average income has since tripled in constant US dollar terms. More than four out of every five Ugandans now live above the poverty line and almost all have access to basic education and health services. But this progress has also brought a new set of development challenges. Job opportunities must be generated to gainfully employ the country's much larger, better-educated and healthier labour force; while the quality of public services must be maintained and improved in the face of significantly higher demand.

Uganda's socioeconomic progress is closely associated with a number of important policy shifts. Starting from the economic turmoil brought on by decades of conflict and instability, Government embarked on a series of macroeconomic and trade policy reforms in the late 1980s and early 1990s, aiming to reduce inflation through fiscal and monetary discipline, avoid balance of payments crises, rehabilitate the economy and promote growth. These structural reforms are widely seen as among the most far-reaching and successful in Africa, laying the foundation for growth. With macroeconomic stability restored and national income and public revenue starting to grow rapidly, Government introduced the Poverty Eradication Action Plan (PEAP) in 1997. This new policy framework facilitated significant domestic spending and aid targeting the social sectors, particularly education, health and water. As socioeconomic outcomes improved, Government increasingly focused on the root causes of underdevelopment, such as physical infrastructure. The first National Development Plan (NDP I) adopted in 2010, followed by Vision 2040 and NDP II, encapsulate Government's growing emphasis on economic growth, wealth creation and structural transformation as the only sustainable means to improve human development outcomes.

When established in 2000, the MDGs were to a great extent aligned to Uganda's national policy objectives at the time, particularly reducing extreme poverty and improving access to primary education and healthcare. The challenges given prominence in the MDG agenda resonated strongly with Uganda's policy makers, development partners and civil society. The goals were readily integrated into the country's development planning and policy formulation processes and helped to increase accountability and public demand for improved service delivery. However, the relevance of the MDGs may have reduced as Uganda's economic and policy landscape has evolved over time. Before reflecting on the contribution of the MDGs and drawing lessons for the next international agenda it is important to understand the profound changes in Uganda's national development context over the last 15 years.

2.1. Uganda in 2000

Insecurity and conflict

At the signing of the Millennium Declaration, the prolonged period of violence and unstable leadership that persisted from independence until 1986 was still fresh in the memory. Insurgency and insecurity continued to characterise some parts of northern and eastern Uganda. Tribalism, regionalism and religious intolerance were still prevalent and combating these reactionary forces was an overriding necessity for Government. Sustainable human development and poverty reduction are impossible amidst war and instability.

The decades of instability had taken a heavy economic and social toll. Despite strong growth during the 1990s, real output per capita at the turn of the millennium remained

below the level recorded in 1970.[4] When Uganda's first nationally representative survey to measure household living standards was conducted in 1992/93, 56.4% of the population was living below the national poverty line. Much of the country's infrastructure had fallen into disrepair and markets were barely existent in many areas – the majority of the population (54%) relied exclusively on a family farm for subsistence.[5] The restoration of peace in most parts of the country facilitated a rapid economic recovery. This enabled the emergence of new income-earning activities at the household level, contributing to a significant reduction in the poverty rate during the 1990s. Nonetheless by 2002/3, 38.8% of the population was still living below the poverty line.

Governance reforms and decentralisation

In 2000, democratic processes were beginning to take root throughout Ugandan society. After coming to power in 1986, the National Resistance Movement (NRM) had set out to build a new system of governance from the ground up. The Local Council system of local government had been introduced with five tiers ranging from the village to the district. By the mid-1990s, regular and direct elections were being held at all five levels with local government power reassigned from centrally appointed technocrats to locally elected politicians. A Constitutional Commission had simultaneously held extensive solicitations throughout the country, leading to the adoption of Uganda's new constitution in 1995. National parliamentary and presidential elections were held in 1996 and 2001.

The new decentralised system of government helped to improve accountability at the local level and bring services closer to the people. The success of these extensive governance reforms helped to make Uganda a 'donor darling', paving the way for significant aid-financed spending in the social sectors. Nonetheless, by 2000 the capacity of many Local Governments remained limited and there were still significant gaps in basic public services, particularly in parts of northern Uganda that continued to suffer from insecurity. Information flow and coordination between central and local governments and across sectors was also weak.

Economic liberalisation and recovery

Beginning with the Structural Adjustment Program adopted in 1987, Uganda pursued an ambitious agenda to liberalise the economy throughout the 1990s. The reforms pulled back the level of state intervention in the economy, helping to restore more efficient market-based allocation mechanisms. Among other reforms, the foreign exchange market was liberalised, many large parastatals privatised, state marketing board monopolies over coffee and cotton eliminated, and the civil service cut back. The elimination of monetary financing of the budget brought down the triple-digit inflation rate of the late 1980s to a single-digit figure. Macroeconomic stability and reduced barriers to trade encouraged private investment, contributing to rapid economic growth during the 1990s. Liberalisation of the coffee market was followed by strong harvests and favourable international prices during the mid-1990s, benefiting many smallholder farmers and fuelling a construction boom.

Although Uganda's economy expanded rapidly during the 1990s, this was mainly driven by one-off benefits of the structural reforms and the post-conflict recovery. At the turn of the millennium, the economy remained undiversified, dependent on a narrow industrial base and mainly unprocessed commodity exports, and it was not clear where the new sources of growth would be. Financial operations were subject to fewer government controls but the banking system remained underdeveloped. Credit to the private sector was under 7% of GDP. The maintenance of macroeconomic stability was necessarily an overriding policy objective, constraining fiscal policy options. Spending in the education, health and water sectors began to increase significantly from the late 1990s to meet pressing social needs, despite a growing backlog of public infrastructure projects that would increasingly constrain economic growth.

The Poverty Eradication Action Plan

The introduction of the Poverty Eradication Action Plan (PEAP) in 1997 marked Government's shift in focus from economic rehabilitation to poverty reduction. The first PEAP proved successful in prioritising public policy and guiding cooperation between Government and its development partners, particularly in the provision of social services such as education, health and sanitation.

4 According to estimates in Feenstra et al (2015), Uganda's real output per capita did not surpass the 1970 level until 2003.
5 Fox and Pimhidzai (2011).

The PEAP took a major step towards universal access to basic public services. Government's flagship intervention was Universal Primary Education (UPE) introduced in 1997. The policy entailed free primary school tuition to four children per household, although parents retained the responsibility for providing exercise books, pens, uniforms and school meals. The result was an immediate, near doubling in primary school pupils from 2.9 million in 1996 to 5.3 million in 1997. Inequalities in access to education related to income, location and gender were greatly reduced.[6] The abolition of user fees in the health sector in 2001 resulted in similar improvements in service access, particularly for poor households.[7] Maintaining standards while meeting the increased demand for social services – particularly the dramatic increase in primary school enrolment – was a major challenge, which under the decentralised service delivery system mainly fell to Local Governments. Although the decentralisation of school management strengthened accountability at the local level, the added responsibilities to recruit teachers, construct classrooms and inspect schools stretched the resources and capacities of many Local Governments.

The PEAP was accompanied by several important reforms to strengthen budgeting, planning and programme implementation. The Poverty Action Fund (PAF) was introduced in 1998 to ring fence pro-poor spending, helping to translate the PEAP policy priorities into concrete budget allocations. The Sector-Wide Approach (SWAP) to planning and programme implementation was another important innovation. This highly participatory process involved wide consultations with stakeholders at each stage of the budget cycle. Feedback from Sector Working Groups provided the basis for policy changes during the periodic PEAP revisions, such as the prioritisation of safe water access in the second PEAP, introduced in 2001.

Development financing

In 2000 Uganda was heavily dependent on donor financing, with around half of Government spending financed through grants or concessional loans. Uganda's development partners were instrumental in funding the social sector priorities under the PEAP. The PAF was particularly important in helping to channel donor support through Government systems towards priority poverty-reducing programmes. In the 2000/01 fiscal year, 45% of the aid Uganda received was in the form of general budget support – rather than tied to specific projects – illustrating the high level of trust donors had in Government's budget process. But Uganda's reliance on this conditional and unpredictable source of financing was also problematic. Although Uganda became the first country to qualify for the Heavily Indebted Poor Countries (HIPC) initiative in 2000, the country's external debt remained relatively high at above 60% of GDP. Given this and extremely shallow domestic financial markets, Uganda had few alternative financing options.

2.2. Uganda in 2015

Peace and governance

Since the insurgency that plagued parts of northern Uganda ended in 2005, peace and stability has been enjoyed across the whole country. Personal safety and security of property are crucial for economic growth and development and the 'peace dividend' has proven significant with the north seeing a rapid reduction in poverty since the conflict ended – the poverty rate in the region declined from 60.7% in 2005/6 to 43.7% in 2012/13.

Government continues to ensure national defence and security for all citizens and their property; and harmony and understanding between defence forces, civil authorities and the population. Recently, the Uganda People's Defence Force (UPDF) has begun to engage in productive activities contributing to national development. Operation Wealth Creation was launched in 2014, with about 300 UPDF officers deployed countrywide to support poverty eradication programmes, particularly the distribution of planting materials, and support for value addition and agribusiness activities. The Uganda Police Force (UPF) has also adopted a community policing strategy and trained 3,000 crime preventers from different parts of the country.

Uganda has continued to consolidate good governance to ensure durable peace and stability. Multiparty democracy was introduced in 2005, with peaceful presidential elections following in 2006 and 2011.

6 Deininger (2003).
7 Deininger and Mpuga (2004).

Democratic principles and citizen participation have continued to deepen. For example, Barazas – town hall style meetings held twice a year – were launched in 2009 and provide a platform for citizens to participate in the planning and monitoring of public services delivered at the local-government Level.

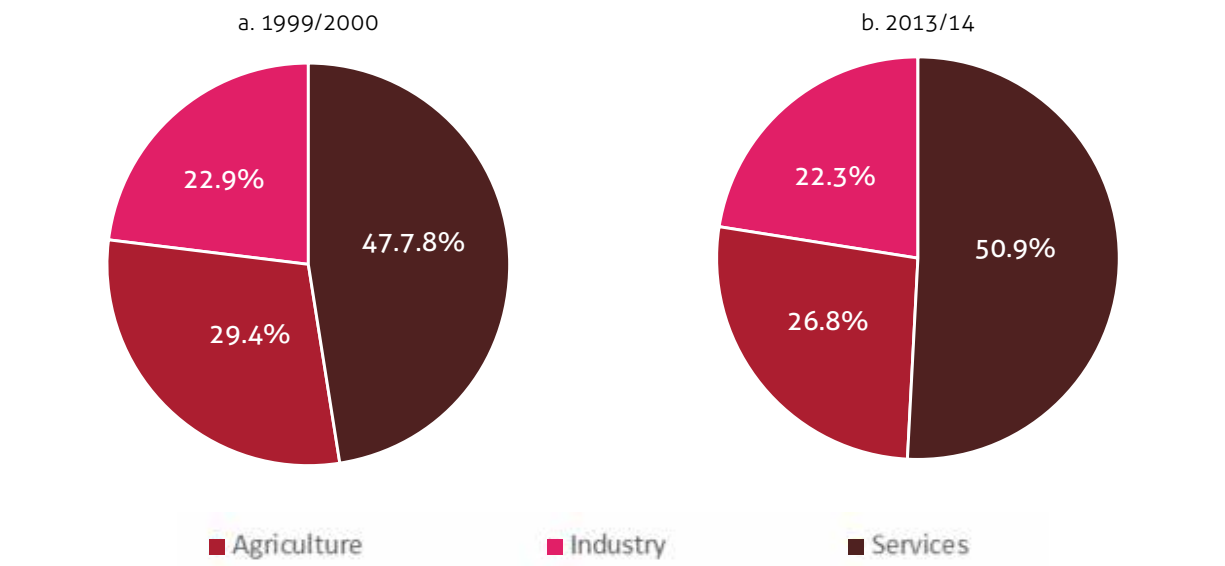
There has been important strengthening of institutions under the executive arm of Government, particularly greater accountability and transparency in the budget process. In 2012, Uganda ranked 18 out of the 100 countries surveyed in the Open Budget Index, and second in Africa behind South Africa. Institutions to monitor and audit public resources are increasingly able to obtain comprehensive information. Output-based budgeting has been strengthened with the introduction of vote performance contracts and quarterly performance reporting, and the adoption of the Output-Budgeting Tool, which helps to generate comprehensive and uniform reports. The Budget Monitoring and Accountability Unit was established in 2008/09 to scrutinise the outputs delivered by Government agencies and demonstrate to all stakeholders how public funds are being used.

Economic growth and diversification

The Ugandan economy has transformed over the last 15 years. GDP growth averaged 6.6% per year between 2000 and 2014, according to the World Bank this is significantly higher than the average of 4.9% for Sub-Saharan Africa as a whole. Uganda's real national income increased more than 2.6 times over this period. High economic growth has been sustained for over two decades, going well beyond the recovery and reconstruction process. The foundation for this impressive performance has been a stable macroeconomic environment and Government's hard-won reputation for prudent macroeconomic management.

The GDP contribution of the key sectors of the economy, namely: agriculture, industry, and services, has been changing over the years, reflecting the changing structure of the economy. There has been a decline in the relative importance of agriculture and a corresponding rise of the service sector (Figure 2.1). However this macro picture understates the true extent of structural change. The price of agricultural products has risen more than the general price level such that the share of value added generated by the agricultural sector has remained relatively high, but production growth in the industrial and service sectors has been much more rapid. A number of sectors have consistently registered double-digit growth rates, such as construction, real estate, financial services and telecommunications. Entirely new export-oriented industries have emerged, such as processed fish products and cut flowers.

FIGURE 2.1 STRUCTURAL CHANGE OF UGANDA'S ECONOMY



Note: Shows the share of GDP at current market prices accounted for by each sector.

Structural change is increasingly evident in the sectoral and occupational composition of the labour force. Most workers still engage in agricultural activities at least some of the time, but only 42% of households rely on subsistence agriculture as their most important source of earnings, and only 26% of households rely on agriculture as their only source of income.[8] Private non-agricultural wage employment has been growing at around 12% per year, the second highest rate of any African economy behind only Ghana.[9] The rate of structural change has nonetheless been constrained by high transport and energy costs, resulting from the poor state of physical infrastructure.

As a small open economy, Uganda remains vulnerable to changes in the global economic environment. However, limited integration into the global financial system largely shielded the country from the first-round effects of the global crisis that began in 2007/08, and Government's long-established fiscal discipline allowed the accumulation of policy buffers and the implementation of counter-cyclical measures when needed. This meant the negative impact on Uganda's growth was modest, with GDP growth declining to 5.2% in 2009/10 before recovering quickly to 9.7% in 2010/11. On the other hand, Uganda's export sector has suffered disproportionately from the effects of prolonged weak demand in advanced economies. The country experienced significant macroeconomic instability in 2011/12, the result of a severe drought afflicting the wider region, rising global commodity prices, and higher-than-expected spending running up to the general election in February 2011. Headline inflation peaked at an 18-year high of 30.5% in October 2011 and annual economic growth fell to 4.4%. Government responded appropriately with rapid and coordinated monetary and fiscal tightening and inflation was quickly brought back down close to Bank of Uganda's 5% target.

The banking sector has expanded rapidly over the last 15 years but the high cost of financial intermediation continues to constrain Uganda's development. The growth recovery since 2011 has been slower than expected due to a boom-and-bust cycle in commercial bank lending. Credit to the private sector more than doubled in the second half of the 2000s, but a large share of these loans were channelled into consumption rather than productive uses. After interest rates were raised to combat inflation, banks struggled to recover many loans and significantly cut back new lending. Nonetheless, there has been significant progress in expanding financial access. The share of the adult population with access to formal financial institutions increased almost twofold in just a four-year period, from 28% in 2009 to 54% in 2013.[10] This was mainly driven by the growth of Savings and Cooperative Organisations (SACCOs). The rapid emergence of mobile money services, which were used by 56% of adults in 2013, also has huge potential to extend financial access.

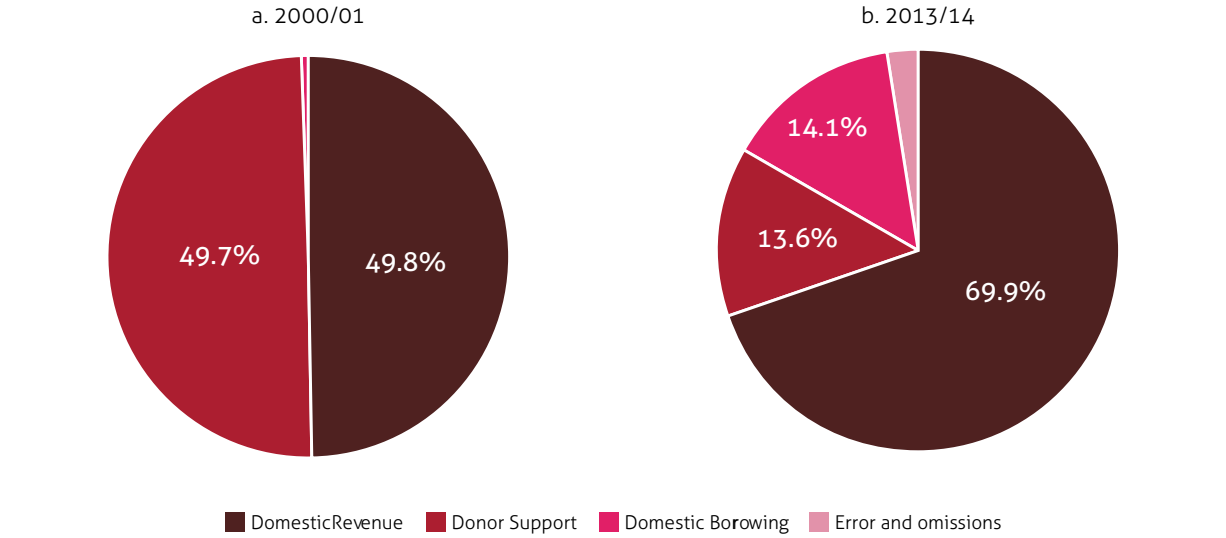
Uganda's economic prospects depend heavily on Government's ambitious investment programme. Inadequate transport and energy infrastructure has emerged as an important growth bottleneck over the last 15 years and Government plans to significantly boost infrastructure investment over the medium term. This will improve the business environment, enhance regional integration and prepare for oil production. The planned projects are projected to increase short-run GDP growth up to 0.4 percentage points a year, while the long-run productivity benefits are likely to be even larger. [11]

Public finances

Uganda's reliance on donor support has reduced dramatically over the MDG period. Grants and concessional loans financed half of Government expenditure in 2000/01, but only 14% in 2013/14 (Figure 2.2). Furthermore, 90% of the donor support received was tied to specific projects, compared to only 55% in 2000/01. Government has not received any budget support loans since 2012/13. The large majority of the budget is now financed from domestic sources, both revenue and Government securities – which have been used primarily for fiscal policy purposes since 2012/13. The decline in donor support has increased Uganda's autonomy and national ownership over budget priorities, but added to the challenge of financing the country's growing investment needs.

8 Uganda National Household Survey 2012/13
9 Fox and Pimhidzai (2011)
10 Economic Policy Research Centre (2013).
11 Ministry of Finance, Planning and Economic Development (2014a).

FIGURE 2.2 FINANCING OF GOVERNMENT EXPENDITURE



Uganda has significantly reduced its external debt burden, freeing up fiscal space for priorities such as infrastructure investment and social spending. The country's strong economic management and performance helped it become the first to qualify for the HIPC debt relief initiative. The Multilateral Debt Relief Initiative (MDRI) agreed at the G8 Gleneagles meeting in 2005 cancelled all debts owed by HIPC countries to the World Bank, IMF and African Development Bank. This immediately reduced Uganda's external debt from over 50% of national income to 13%. The country's debt has since remained at sustainable levels, with solvency and liquidity indicators consistently below standard thresholds. Government continues to prioritise debt sustainability, but has increasingly integrated debt management into its strategy to address medium and long-term financing requirements, particularly those related to large, high-return infrastructure projects. With traditional concessional loans insufficient to meet these financing requirements, debt management has been broadened to incorporate domestic debt, semi-concessional and non-concessional external financing, and implicit debt and contingent liabilities such as those arising from public-private partnerships.

Weak tax revenue performance remains a source of fiscal vulnerability. Public expenditure averaged around 20% of GDP over the last decade, while domestic revenue stagnated at around 12% of GDP, significantly below most other African countries. Although significant improvements have been made in tax administration, a narrow tax base, low compliance and generous investment incentives have undermined domestic resource mobilisation. Enhancing revenue collection is now a priority and Government has recently introduced a range of policy measures, including streamlining VAT exemptions and thereby reducing opportunities for non-compliance. This contributed to an improvement in revenue collection during 2014/15 of more than 1% of GDP.

Demographic trends

The National Population and Housing Census conducted in 2014 revealed Uganda's population was 34.9 million, 44% higher than at the time of the previous census in 2002. This translates into an annualised growth rate above 3%, one of the highest in the world. The fertility rate has begun to fall – from 6.9 in 1995 to 6.2 in 2011 – but Uganda is experiencing its demographic transition later than most other countries and the large 'youth bulge' means high population growth will continue for many years ahead. With 57% of the population currently below the age of 18, the number of labour market entrants is projected to increase from 800,000 a year currently to 1.5 million in 2040,[12] by which time the total population is projected to reach 61 million.[13]

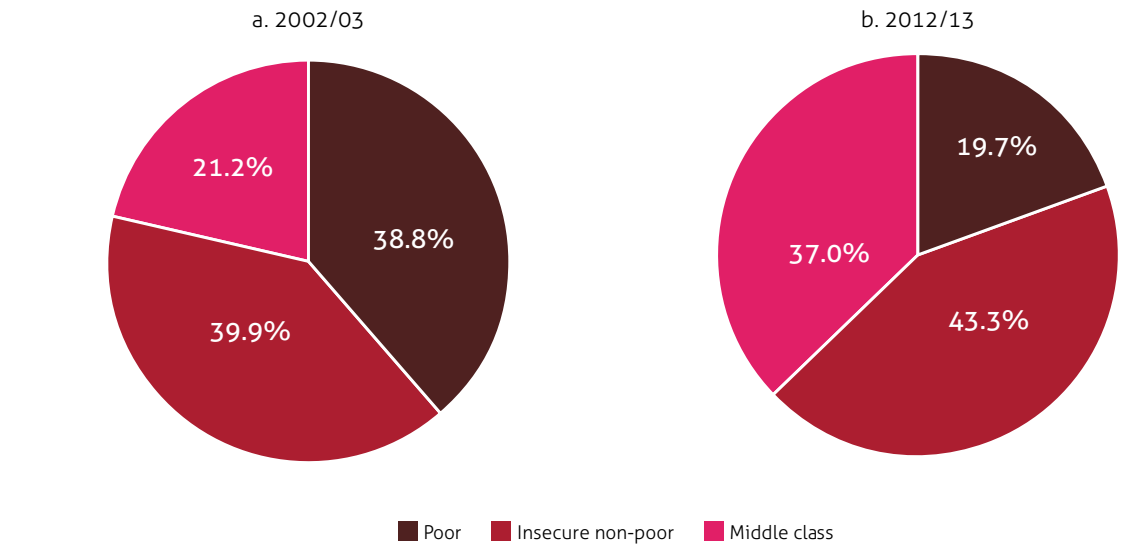
12 Ministry of Finance, Planning and Economic Development (2014b).
13 National Planning Authority (2013).

In 2014, 18.4% of Uganda's population was living in urban areas, up from 12.1% in 2002. Urbanisation has mainly been driven by the growth of smaller urban centres across the country. The capital Kampala only grew by 2% a year, but the number of gazetted urban centres increased from 75 in 2002 to 197 in 2014. The majority of these urban areas (149) have fewer than 25,000 residents. Rapid and often unplanned urban growth has created challenges related to congestion and poor housing conditions. Nonetheless, the urbanisation rate remains relatively low compared to other East African countries, and the large majority of Ugandans continue to reside in dispersed or linear settlements, adding to the cost of providing infrastructure and utilities.

The emerging middle class

Uganda's economic growth has been significantly more inclusive compared to most other African countries, transforming the country's socioeconomic profile over the last two decades. Income poverty fell from 56.4% in 1992/93, to 38.8% in 2002/03, and further to 19.7% in 2012/13. Many households living close to the poverty line remain vulnerable, but a growing share of the population has escaped this insecurity to enter the 'middle class'. The share of the population in this category roughly doubled over the MDG period (Figure 2.3).

FIGURE 2.3 POPULATION THAT IS POOR, INSECURE AND MIDDLE CLASS



Source: Uganda National Household Survey 2002/3 and 2012/13. Note: Middle class refers to the population that is living above twice the national poverty line.

The size of Uganda's middle class increased by a factor of seven between 1992/93 and 2012/13, from 1.8 million to 12.6 million. This represents an engine for socioeconomic transformation – a growing market with substantial purchasing power, but more importantly a new class of Ugandans with relatively secure livelihoods and the ability to invest in the country's future. Nonetheless, a majority of the population (63%) remains either poor or vulnerable to poverty, and continues to require targeted support.

With the decline in absolute poverty, relative poverty has become a greater concern with issues surrounding inequality becoming a prominent feature of policy discussions. Poverty reduction has occurred across the country but inequalities across different locations still remain. Poverty is still much lower in urban than rural areas, but the overall reduction in poverty has been driven by rural areas – the rural poverty rate fell by almost two-thirds between 1992/93 and 2012/13 (from 60.4% to 22.3%). The western region has experienced the largest decline in poverty over the last 20 years, from 52.7% in 1992/93 to 8.7% in 2012/13. This may be attributed to a number of factors, including higher food prices coupled with increased production of some of the major crops that benefited net food sellers

especially in rural areas. The central region has enjoyed a similar decline, from 45.6% to 4.7% over the same period. Poverty remains relatively high in the north, but the region has begun to catch up to other parts of the country since the restoration of peace in 2005 and the introduction of successful Government programmes such as the Peace Recovery and Development Plan (PRDP) and the Northern Uganda Social Action Fund (NUSAF).

Responding to increased public service demand

The social sectors – education, health and water and sanitation – remain important policy priorities. The education sector has often accounted for the largest share of the national budget even after the recent increase in infrastructure investment. Building on UPE, Government has extended free access to secondary and post-ordinary level education and training (USE/UPOLET). Between 2000 and 2013, total enrolment in the primary, secondary, and technical education and training systems increased by 29%, 163% and 318% respectively. Despite the growth in enrolment, the pupil-teacher ratio has been brought down from 65 in 2000 to 46 in 2012, and the pupil-to-classroom ratio has fallen from 106 to 57 over the same period.[14] But maintaining quality in public services as demand increases is a major challenge across the social sectors. Regardless of funding levels, standards are unlikely to rise unless public oversight mechanisms are strengthened. Compliance with service delivery standards must improve, as well as coordination with non-state actors such as the private sector, Civil Society Organisations (CSOs), the media, development partners and academia.

The Employment challenge

Job creation is one of the largest economic and social challenges facing Uganda, and a core theme of Vision 2040 and the first two National Development Plans. Despite Uganda's exceptional growth over the last two decades and large improvements in educational attainment, high population and labour force growth mean the majority of the labour force is still employed in low-productivity activities – informal work, the agricultural sector and own-account or unpaid family work.

Although job creation in Uganda has been faster than in most African countries, it has not been sufficient to absorb all of the new labour market entrants, and has been highly uneven across different locations, contributing to inequality. Two thirds of the jobs created between 2001/02 and 2010/11 were confined to just six districts. Geographically uneven progress results from powerful economies of scale and agglomeration effects, which have characterised almost every successful developing country. However, the benefits of Uganda's 'growth poles' are constrained by inadequate connective infrastructure that limits market integration between different regions.

The imbalance between labour supply and demand must be addressed by facilitating the entry and expansion of professionally managed business ventures. As Government continues to improve physical infrastructure, business costs will fall and stimulate employment creation.[15] The priority accorded to Business, Technical and Vocational Education and Training (BTVET) has also been increased. Various initiatives under the Skilling Uganda programme introduced in 2012 aim to raise the economic relevance of BTVET, increase the quality of skills provided, and ensure equitable access to skills development.

2.3. The post-2015 development agenda

The Sustainable Development Goals

Since the 1992 UN Conference on Environment and Development, countries have been engaged in outlining important challenges that need to be addressed to improve the wellbeing of current generations without compromising the welfare of generations to come. Most recently, in the outcome document of the "Rio+20" UN Conference it was agreed to establish an Open Working Group to develop a set of sustainable development goals (SDGs) for consideration as a key element in the adoption of the post-2015 development agenda.

A set of 17 goals was adopted in September 2015 as the 2030 agenda for sustainable development; with all targets to be set at the national or even local level, to account for differences in contexts and starting

14 Ministry of Education and Sports (2013) and Ministry of Education and Sports (2014).

15 Ministry of Finance, Planning and Economic Development (2014b).

points. Targets will only be considered achieved if they are met for all socioeconomic groups. The proposed Sustainable Development Goals (SDGs) are based on the environmental, social and economic pillars of sustainable development, and reflect a global aspiration for even faster progress over the next 15 years and the need for "a profound structural transformation that will overcome the obstacles to sustained prosperity". [16]

Sustainable development poses several challenges. Countries need to make decisions taking into account trade-offs and synergies across multiple dimensions, including de-fossilising energy generation, increasing the efficiency in the use of energy, preserving the environment, social inclusion, poverty eradication, food security, and GDP growth. For such an ambitious development framework to be truly successful, it has to be accompanied by adequate resources. Countries require rapid structural change, sustained and equitable economic growth, and to enhance mobilisation of resources from all sources, domestic and external, public and private. It is estimated, for instance, that investments for critical infrastructure will amount to US$ 5-7 trillion annually.[17] Therefore, the current financing and investment patterns, which were deployed for implementing the MDGs, will certainly not deliver sustainable development.

The role of capacity building and technology transfer in resource mobilisation must also be emphasised. Provisions should be made to increase funding to facilitate capacities to implement tax reforms and curb illicit financial flows. There is also need to build and improve national statistical capacities, and for open access to knowledge, technology and ideas from the rest of the world to be able to adapt them to local conditions. In this regard, creation of favourable conditions that encourage private and public sectors to innovate, market and develop new technologies are paramount.

Recently holding the Presidency of the UN General Assembly during the debate, adoption and launch of the new international development agenda, Uganda is in a uniquely advantageous position to lead by example by adopting and localising the SDGs. Government is already implementing projects geared towards achievement of the SDGs in the context of the current National Development Plan. On the whole, structural transformation of the economy is at the core of Uganda's planning for the Post-2015 Development Agenda. Structural economic changes will be driven by productivity improvements in all sectors and a significant increase in infrastructure investments, targeting the strategic sectors of agriculture, tourism, energy, oil and gas, transport and ICT.

Uganda's second National Development Plan

Uganda recently launched its second National Development Plan (NDP II), for the period 2015/16 to 2019/20. The primary objective of the plan is sufficiently high economic growth for Uganda to reach middle-income status by 2020. Growth is not prioritised as an end in itself, but as a means to enhance human development through employment and wealth creation, relieve environmental pressures and shift Uganda towards a more sustainable development trajectory by diversifying the economy away from natural-resource based activities and raw commodity exports.

Addressing high electricity and transport costs through infrastructure investment remains at the centre of Government's development strategy. The infrastructure projects planned during the NDP II period will increase private sector competitiveness and enable development of the country's oil and gas sector. Regional projects such as the standard-gauge railway are critical for enhancing real economic integration across East Africa, which will benefit Uganda's economy and is a prerequisite for monetary union planned for 2024. Other planned projects target specific sectors with high growth potential and multiplier effects, such as agriculture and tourism.

Government recognises the social sectors as key drivers of the transformation process and NDP II includes concrete interventions to enhance human capital development, from early-childhood development to adult education and training, and healthcare at all levels. Within the formal education system, Government will focus on improving quality, investing in school inspection and increasing primary-to-secondary

16 United Nations (2013).
17 UNCTAD estimates that approximately USD 4 trillion will be required every year for the next 15 years in developing countries alone for the proposed SDGs to be achieved, implying that achieving the SDGs hinges upon growing the pot of domestic resources available for development, and bending global private economic activity towards the purposes of sustainable development.

transition. Reform of the skills development system will continue to enhance employment and employability. The quality and relevance of technical and vocational education will be strengthened through curricula reform and the establishment of skills development centres of excellence. To address a large unmet demand for vocational training, Government will also support informal training and short courses, improving regulation, certification and coordination with the formal education and training system. Within the health sector, Government will continue to prioritise key MDG outcomes such as child and maternal mortality and the fight against malaria and HIV/AIDS, but also build new institutional structures for universal and better quality healthcare such as a national health insurance scheme.

3. UGANDA'S MILLENNIUM DEVELOPMENT GOALS RESULTS

This chapter presents Uganda's MDGs performance and discusses the progress made and challenges faced during their implementation period (2000 to 2015). Government interventions and policy reforms that have contributed to the observed trends are highlighted, recognising that Uganda implemented the MDGs under two different but related national development frameworks — the Poverty Eradication Action Plan (1997 – 2010) and the National Development Plan (2010 to date). The gaps and unfinished MDG business are identified and returned to for deeper analysis in Chapter 4.

The nationally representative data used to track progress in previous MDG reports is combined with the latest available comparable official data (both administrative and from household surveys) to report progress on a goal-by-goal and indicator-by-indicator basis for the entire 15 years. Where there are gaps in this evidence, other data sources (which may not be directly comparable or nationally representative) are discussed, while acknowledging the limitations of this evidence. Based on all the available evidence, one of four projected outcomes is assigned to each target: "Achieved", "Missed Narrowly", "Not Achieved", or "Insufficient Evidence". The narrowly missed category allows for recognition of significant progress made that is nonetheless likely to fall short of the (often very ambitious) targets sets.

3.1. Goal 1: Eradicate extreme poverty and hunger

Uganda has made important progress towards reducing income poverty, having already halved the proportion of people whose consumption is less than the national poverty line in 2009/10, well ahead of the 2015 deadline. The national poverty headcount declined from 56.4% in 1992/93 to 24.5% in 2009/10 and further to 19.7% in 2012/13 (Table 1). Rural poverty declined from 60.4% to 22.8% over the same period, while the poverty rate in urban areas fell from 28.8% to 9.3%. The poverty gap ratio — an indicator that estimates the depth of poverty by establishing how far individuals are below the poverty line – declined by three quarters from 20.3 in 1992/93 to 5.2 in 2012/13 (Table 3.1). The poverty gap measures both the breadth and depth of poverty, so the more rapid decline in the poverty gap relative to the poverty headcount indicates the average depth of poverty has declined.

Inequality is an important policy challenge, but income inequality has not changed significantly over the MDG period. The share of the poorest quintile (20%) in total household consumption has remained stable, showing that the benefits of growth have been enjoyed by households across the income distribution. Most successful developing countries show a natural tendency towards increasing inequality, as emerging economic opportunities tend to be concentrated in certain locations or industries. In Uganda these forces have been counteracted by Government interventions put in place to address inequality and vulnerability, such as the Youth Livelihood Programme and the Northern Uganda Social Action Fund (NUSAF) among others.

Whereas the incidence and intensity of poverty have declined, a large section of the population remains vulnerable to poverty. According to the Chronic Poverty Report 2014-2015, around 10% of households in Uganda escaping poverty saw their consumption increase to a level less than 10% above the poverty line, meaning they are vulnerable to living in poverty again in the future.[18] On the other hand, the rapid reduction in poverty is also reflected in the expansion of the middle class, which enjoys more secure livelihoods. The proportion of the population in the middle class grew from 32.6% to 37.0% in just three years between 2009/10 and 2012/13.[19]

18 Chronic Poverty Advisory Network (2014).
19 Ministry of Finance, Planning and Economic Development (2014c).

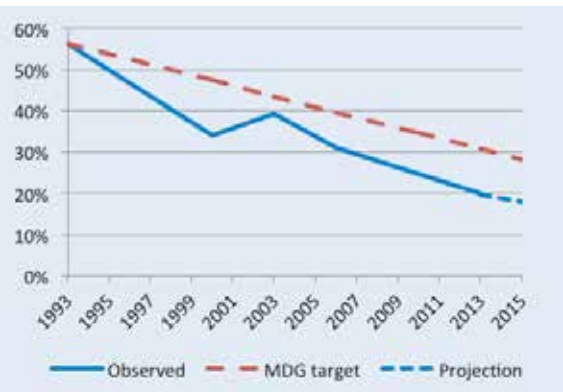
TABLE 3.1 TARGET 1.A HALVE, BETWEEN 1990 AND 2015, THE PROPORTION OF PEOPLE WHOSE INCOME IS LESS THAN ONE DOLLAR A DAY

PROJECTED OUTCOME: ACHIEVED							
Indicator	1992/93	1999/2000*	2002/3	2005/6	2009/10	2012/13	2015 target
1.1 Proportion of population below national poverty line	56.4%	33.8%	39.0%	31.0%	24.5%	19.7%	25.0%
1.2 Poverty gap ratio	20.3	10.0	11.9	8.8	6.8	5.2	
1.3 Share of poorest quintile in total household consumption	6.9%	6.7%	6.3%	6.4%	6.2%	6.4%	

*Source: UNHS 1992/1993, 1999/2000, 2002/2003, 2005/2006, 2009/10, 2012/13. Note: * Estimates exclude the districts of Bundibugyo, Kitgum, Gulu, Pader and Kasese, which were not covered in the 1999/2000 survey due to instability.*

Figure 3.1 shows the trends in poverty reduction since 1992/93. If the current trend is sustained, the country is on track to reduce poverty to 5% or less as targeted in Vision 2040. Uganda's strong performance on income poverty is mainly attributed to high and sustained economic growth rates, averaging close to 7% over the last two decades, and an increase in more secure and productive forms of employment. Recent evidence from the 2014 Poverty Status Report identifies growth of nonfarm household enterprises as one of the key factors behind the rapid fall in rural poverty. [20]Between 2005/6 and 2012/13, the share of households depending on non-agricultural enterprises as their main source of income increased from 19% to 21%. This partly reflected the growth of the telecommunications sector, which has fuelled access to business and market information in rural areas.

FIGURE 3.1 PROPORTION OF THE POPULATION BELOW THE NATIONAL POVERTY LINE



Source: UNHS 1992/3, 1999/2000, 2002/03, 2005/6, 2009/10 and 2012/13.

The focus of the NDP on addressing Uganda's physical infrastructure deficit and investing in other productive sectors has benefited many poor and vulnerable households. Investments to support high-value sectors decreases poverty directly by generating jobs to employ poor individuals and indirectly through important inter-sectoral linkages that benefit the poor.[21] To maximise the impact of infrastructure investment on poverty, emphasis should be on feeder roads, especially in rural areas. Economic returns to investment in rural feeder roads have been found to be approximately twice as large as for national roads. An estimated 3,156 rural poor people are lifted out of poverty for every billion Uganda shillings invested in feeder roads, compared to 386 people when the same amount of resources is invested in national roads.[22]

Government has a number of measures to support the 6.7 million Ugandans who are still in absolute poverty, and the further 14.7 million who are estimated to remain vulnerable. These programmes include the National Agricultural Advisory Services (NAADS), which has been restructured recently to improve effectiveness. Other initiatives include the Social Assistance Grant for Empowerment (SAGE), which provides a monthly payment of about 25,000 shillings to the elderly and other vulnerable individuals in 15 districts. Government has built productive capabilities through interventions such as the Youth Opportunities Programme under NUSAF, which disbursed conditional cash transfers to groups of youth for technical or vocational training; and the Rural Financial Services Strategy which helps people to start new businesses.

20 Ministry of Finance, Planning and Economic Development (2014c).

21 Ministry of Finance, Planning and Economic Development (2014c).
22 Mwanje (2014).

Employment creation is crucial for improving household welfare. As in most African countries, employment remains overwhelmingly informal due to insufficient labour demand in the formal sector. Almost four in five working Ugandans are employed by themselves or their families. These jobs are often in low-productivity sectors, characterised by lower and less secure income and worse working conditions compared to wage and salaried jobs. The proportion of the labour force in this type of employment has fallen over the last 20 years, reflecting strong growth in wage employment, but may have stagnated more recently (Table 3.2). The number of wage jobs in registered firms increased from 544,723 in 2002 to 849,461 in 2011. This represents an average growth rate of 5.1%, which is high compared to most other countries but still not significantly higher than Uganda's labour force growth. Underemployment remains a greater challenge than unemployment. In 2012/13, 8.9% of the labour force was classified as time-related underemployed – those who worked fewer than 40 hours a week and reported that they would like to work more. However, 67% of the labour force was working less than 40 hours a week.

TABLE 3.2 TARGET 1.B ACHIEVE FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL, INCLUDING WOMEN AND CHILDREN.

NO TARGET						
Indicator	1992/3	2002/03	2005/06	2009/10	2012/13	2012/13
1.4 Growth rate of GDP per person employed	NA	NA	NA	NA	NA	19.7%
1.5 Employment-to-population ratio	84.7%	77.5%	70.3%	75.4%	83.4%	5.2
1.6 Proportion of employed people living below national poverty line	NA	NA	NA	NA	NA	6.4%
1.7 Proportion of own-account and contributing family workers to total employment	87.3%	85.3%	80.6%	74.4%	78.9%	

Source: UNHS 1992/1993, 2002/2003, 2005/2006, 2009/10, 2012/13. Note: Includes population of working age that is employed and not attending formal education. For comparability over time, employment is defined to include agricultural contributing family workers and may therefore differ from recent estimates published by UBOS.

Government is increasing attention and resources to raise labour force productivity and boost the employability of the country's workforce, especially the youth. A good example is the Skilling Uganda programme which was launched in October 2012 with emphasis on the provision of hands-on technical skills, business skills development and entrepreneurship. Entrepreneurship training is also provided through the Enterprise Uganda programme. Other Government interventions include technical and vocational training; development of serviced industrial parks; capital venture funds for young entrepreneurs; and special programmes with a regional focus such as the Karamoja Livelihood Programme (KALIP), and Northern Uganda Social Action Fund (NUSAF) among others. With the majority of the labour force still reliant on small-scale farming, interventions to support agricultural commercialisation and agro-processing activities are critical, including the provision of extension and advisory services, and support for contract farming arrangements that benefit smallholders, such as the oil palm project in Kalangala district.

The detrimental effects of poor nutrition during childhood can persist well into adulthood and cannot be easily remedied. High rates of malnutrition therefore jeopardise future economic growth by reducing the intellectual and physical potential of the population. Malnutrition remains widespread in Uganda, despite significant progress over recent years. Weight-for-age takes into account both chronic and acute malnutrition, and is the MDG indicator used to assess the population's overall nutritional health. The share of underweight children under five years of age declined from 26% in 1995 to 14% in 2011 (Table 3.3). Based on this progress, Uganda is close to achieving this MDG. However there has been no national survey to measure child nutrition since 2011, and more recent hospital records do not indicate a significant decline in the prevalence of conditions related to malnutrition – such as anaemia, kwashiorkor and marasmus.[23] Based on this evidence, Uganda is projected to narrowly miss the hunger-reduction target (Figure 3.2).

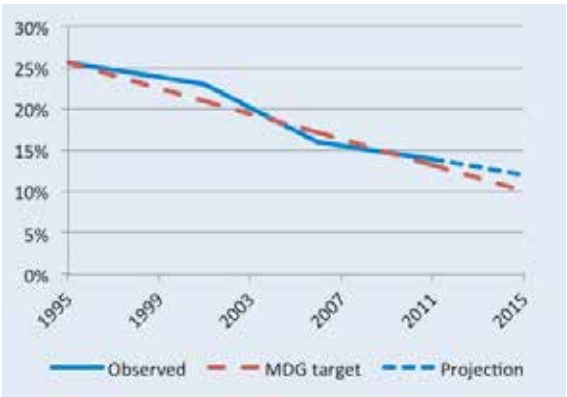
23 Ministry of Health (2014).

TABLE 3.3 TARGET 1.C HALVE, BETWEEN 1990 AND 2015, THE PROPORTION OF PEOPLE WHO SUFFER FROM HUNGER

PROJECTED OUTCOME: MISSED NARROWLY					
Indicator	1995	2001	2006	2011	2015 target
1.8 Prevalence of underweight children under five years of age	25.5%	22.8%	15.9%	13.8%	10%
1.9 Proportion of population below minimum level of dietary energy consumption	NA	NA	NA	NA	

Source: UDHS. Notes: Indicator 1.8 refers to the share of children below two standard deviations of the mean weight for age.

FIGURE 3.2 PREVALENCE OF UNDERWEIGHT CHILDREN UNDER FIVE YEARS OF AGE



Source: UDHS 1995, 2001, 2006, 2011. Notes: Refers to the share of children below two standard deviations of the mean weight for age.

Although the MDG target is likely to be missed, Government interventions to improve nutrition through the Uganda Nutrition Action Plan (UNAP) for 2011 to 2016 have yielded some positive results. UNAP targets a number of simple and cost effective measures to improve maternal nutrition and care, including promoting exclusive breastfeeding for the first six months of life; timely, adequate, safe and appropriate complementary feeding and micronutrient intake between 6 and 24 months; and the fortification of common staple foods. Statistics from UDHS 2011 indicate that more than six in ten children (63%) younger than 6 months are exclusively breastfed. Complementary foods are not introduced in a timely fashion for all children – fewer than seven in ten at 6-to-9-month old children (68%) receive complementary foods.[24] Malnutrition remains an important challenge, and its relationship to parent's education and household wealth necessitates a holistic policy response.

24 UNICEF and WHO recommend that children be exclusively breastfed during the first 6 months of life and that children be given solid or semi-solid complementary food in addition to continued breastfeeding from age 6 months until 24 months or more, when the child is fully weaned

3.2. Goal 2: Achieve universal primary education

Education is crucial for building human empowerment as an end and as a means to deliver economic progress. In order to improve access to education, Government introduced Universal Primary Education (UPE) in 1997. This has contributed to a more than threefold increase in total primary school enrolment from 2.7 million in 1996 to 8.5 million in 2013.

Rapid enrolment growth necessitated an increase in the number of schools and classrooms — in 1996 there were 7,351 primary schools, and it is now stands at over 22,600; the number of classrooms increased from 40,000 to 149,000 over the same period.[25] This resulted from a coherent and targeted Government strategy to invest in UPE schools. For example, education interventions under the Peace, Recovery and Development Programme (PRDP) have boosted education outcomes in the Northern region. Over four years from 2009 to 2013, 2,808 classrooms were constructed, and 253 rehabilitated. At the same time 2,634 teachers' houses were constructed and 43,050 desks purchased. As a result, there has been an improvement in the teacher-to-classroom ratio from 90 in 2009 to 68 in 2013, which is in line with the national average for Government schools. Nonetheless, with the region experiencing rapid enrolment growth, recruiting and retaining a sufficient number of teachers remains a challenge.

The net school enrolment ratio (NER) — a major MDG indicator – measures the share of children of school-going age who are attending school. The primary school NER increased from 53% in 1990 to 57% by 1996 and then to 87% with the introduction of UPE in 1997.

25 Namukwaya and Kibirige (2014) and Ministry of Education and Sports (2014).

The NER has remained above 80% ever since, but has not increased further (Table 3.4). The MDG target of 100% net enrolment is therefore expected to be missed. Studies suggest that financial constraints remain the most prominent factor explaining both non-enrolment and high dropout rates.[1] This reflects high out-of-pocket household expenses on scholastic and non-scholastic materials such stationary, meals and uniforms. Socioeconomic status, sometimes long distances to school, and obligations towards the family business or farm are major factors explaining primary school dropout rates.[2] Gross primary school enrolment remains above 120%, implying that there are more primary school pupils than there are children of official school-going age. This highlights challenges such as late entry, re-entry and grade repetition.

1 Mbabazi et al (2014).

2 Tamusuza (2011).

TABLE 3.4 TARGET 2.A ENSURE THAT, BY 2015, CHILDREN EVERYWHERE, BOYS AND GIRLS ALIKE, WILL BE ABLE TO COMPLETE A FULL COURSE OF PRIMARY SCHOOLING

PROJECTED OUTCOME: NOT ACHIEVED					
	2002	2006	2010	2013	2015 target
Gross primary school enrolment rate[1]	126%	126%	120%	129%	100%
Boys	129%	128%	121%	132%	100%
Girls	123%	124%	120%	126%	100%
Net enrolment ratio in primary education[2]	86%	84%	83%	82%	100%
Boys	85%	84%	82%	81%	100%
Girls	86%	85%	83%	8%	100%
Gross primary completion rate[3]	49%	48%	54%	67%	100%
Boys	59%	55%	56%	67%	100%
Girls	41%	42%	51%	67%	100%
Net completion rate[4]	NA	6%	5%	9%	
Boys	NA	5%	3%	10%	
Girls	NA	7%	7%	7%	
Literacy rate of 15-24 year-olds[5]	59%	60%	76%	NA	
Men	65%	70%	77%	NA	
Women	53%	58%	75%	NA	

Sources: [1,2,4]UNHS 2002/03, 2005/6, 2009/10, 2012/13; [3]Ministry of Education and Sports (2013) and (2015); [5]UDHS 2001/2, 2006, 2010/11. Notes: [1,2,4,5] data for the fiscal year in which the survey was conducted, see sources; [1]refers to the total number of pupils attending primary school as a percentage of the total population aged 6-12; [2]refers to the number of children aged 6-12 attending in primary education as a percentage of the total population aged 6-12; [3]refers to the number of candidates in the primary-school leaving exam as a percentage of the total number of 12 year olds; [4]refers to the proportion of 13 year olds who have at least completed P7; [5]Refers to those who can read a complete sentence or have attended secondary school. The UNHS 2012/13 indicates literacy rates may have improved but these estimates may not be directly comparable to the DHS estimates due to differences in methodology and are therefore not reported.

The focus of UPE is not only on enrolment but to enable children, especially girls, to start school on time, complete a full cycle of quality primary schooling and achieve the required proficiency levels. Uganda has made considerable progress improving progression rates through primary school. The gross primary completion rate – the number of pupils in the final year of primary school as a percentage of all 12 year-olds – increased from 49% in 2002 to 72% in 2014/15. Furthermore, the previously large gap in completion rates between girls and boys has been eliminated. Nonetheless, the progress made is insufficient to meet the MDG target of 100% primary school completion by 2015 (Figure 3.3 and Figure 3.4). This reflects persistently high class repetition and drop-out rates, which can be attributed to factors both on the supply-side (the quality of schools) and the demand-side (such as economic obligations, parental attitudes to education and early marriages). Learning outcomes have improved – the basic literacy rate among young adults increased from 59% in 2002 to 74% in 2011 (Table 3.4). Nonetheless, concerns regarding education quality have persisted, with primary school test results suggesting the improvement in education standards may have slowed over the last five years (Figure 3.5 and Figure 3.6). This is attributed to insufficient infrastructure and learning materials, but more importantly low motivation among teachers and school managers and weak compliance with set service delivery standards.

FIGURE 3.3 GROSS PRIMARY COMPLETION RATE, BOYS

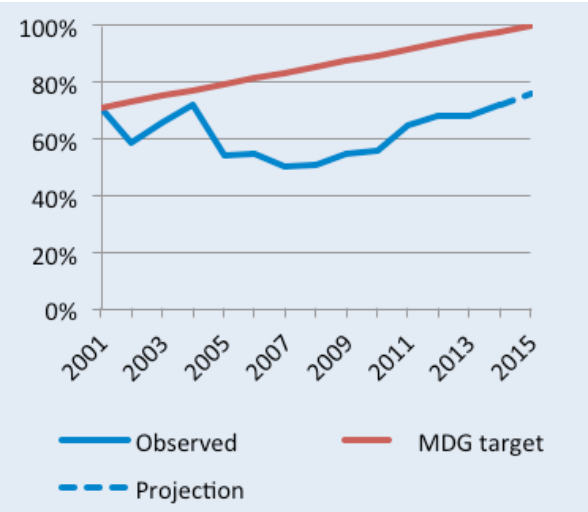
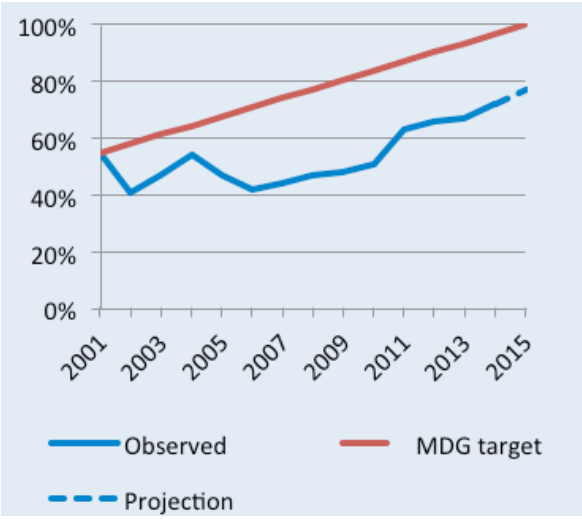


FIGURE 3.4 GROSS PRIMARY COMPLETION RATE, GIRLS



Sources: Ministry of Education and Sports (2014) and Ministry of Education (2015). Notes: Gross primary completion refers to the number of candidates in the primary-school leaving exam as a percentage of the total number of 12 year olds.

FIGURE 3.5 LEARNING OUTCOMES (PRIMARY 3 PUPILS)

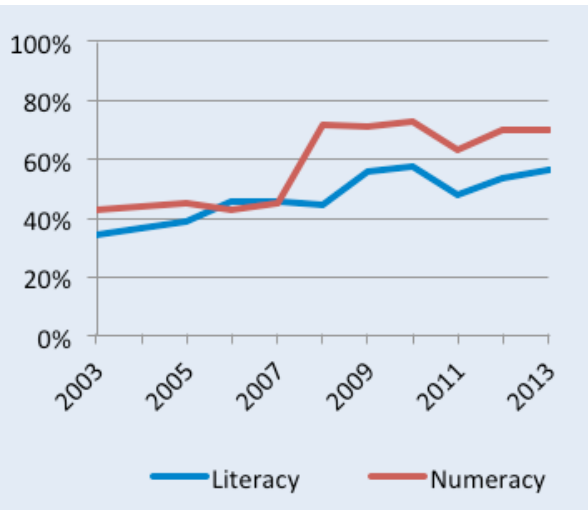
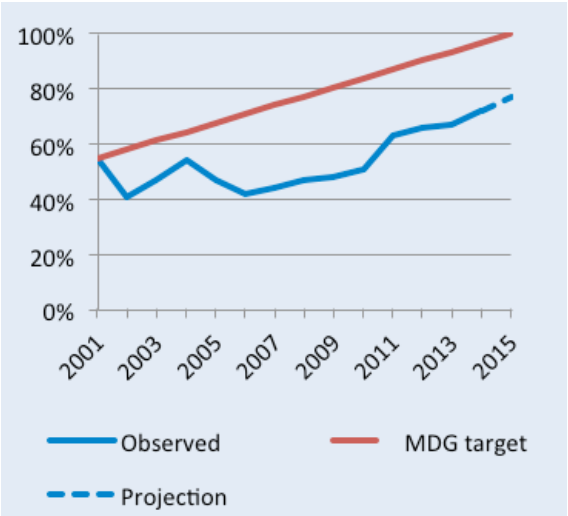


FIGURE 3.6 LEARNING OUTCOMES (PRIMARY 6 PUPILS)



Source: Ministry of Education and Sports (2014). Notes: Shows the proportion of pupils reaching the defined level of competency in literacy and numeracy.

Government remains committed to enhancing education access and quality. The Capitation and School Facilities Grants were recently increased to ensure better effectiveness of the UPE and USE/UPOLET programmes, and an additional 293 primary schools are under construction across the country. NDP II recognises that school inspection remains a challenge. Over the next five years, Government plans to invest significantly in the human resources, facilitation and autonomy of the inspection function.[1]

1 National Planning Authority (2015).

3.3. Goal 3: Promote gender equality and empower women

Uganda has made significant progress in promoting gender equality and empowering women. The target of having the same number of girls as boys in primary school has been achieved, reflecting Government's continuous efforts to improve access to education. The ratio of girls to boys in primary school now stands at 100%, up from 93.2% in 2000 (Table 3.5). Significant progress has also been achieved at the secondary and tertiary levels, with the ratio of girls to boys now close to 90% and 80% respectively. However, the target of closing these gender gaps completely by 2015 will not be met (Figure 3.7 and Figure 3.8).

TABLE 3.5 TARGET 3.A ELIMINATE GENDER DISPARITY IN PRIMARY AND SECONDARY EDUCATION, PREFERABLY BY 2005, AND IN ALL LEVELS OF EDUCATION NO LATER THAN 2015.

PROJECTED OUTCOME: NOT ACHIEVED							
Indicators	2000	2003	2006	2009	2012	2014	2015 target
3.1 Ratio of girls to boys[1]							
in primary education	93.2%	97.1%	99.4%	99.9%	99.9%	100.0%	100%
in secondary education	78.8%	82.4%	83.5%	84.2%	85.2%	88.3%	100%
in tertiary education	58.0%	64.7%	72.7%	77.6%	78.6%	79.1%	100%
3.2 Share of non-agricultural wage workers who are women[2]	NA	NA	28.1%	33.4%	30.2%	NA	
3.3 Proportion of seats held by women in Parliament[3]	17.9%	24.7%	23.9%	30.7%	35.0%	35.0%	

Sources: [1]Ministry of Education and Sports (2012) and (2015); [2]UNHS 2005/06, 2009/10 and 2012/12; [3]UNSTATS. Notes: [2]Year corresponds to fiscal year of survey, see sources. Based on main employment over the 12 months before the survey among the population of working age that is not attending formal education.

The continued gender disparity in access to secondary and tertiary education is explained by a number of factors. Although learning opportunities are available to both genders, socioeconomic factors and cultural and religious practices still have important impacts on girls' enrolment, as well as school-specific factors such as sanitary facilities and effective counselling services.[29] Public policy has helped to raise the aspirations of parents for their daughters to at least complete primary school, but gender biases persist at the secondary and tertiary education – households sometimes choose to educate boys at the expense of girls, particularly in the relatively poor northern region.[30] Gender inequality is still highest within tertiary education. Although there is positive discrimination for women applying for Government sponsorship in public universities, affirmative action has not gone far enough to counteract gender biases entirely.

29 Ogawa and Wokadala (2013).

30 Ssewanyana and Kasirye (2010).

FIGURE 3.7 RATIO OF GIRLS TO BOYS IN SECONDARY SCHOOL

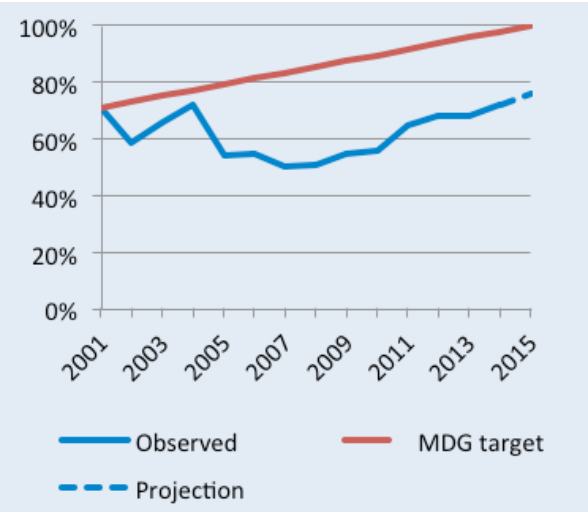
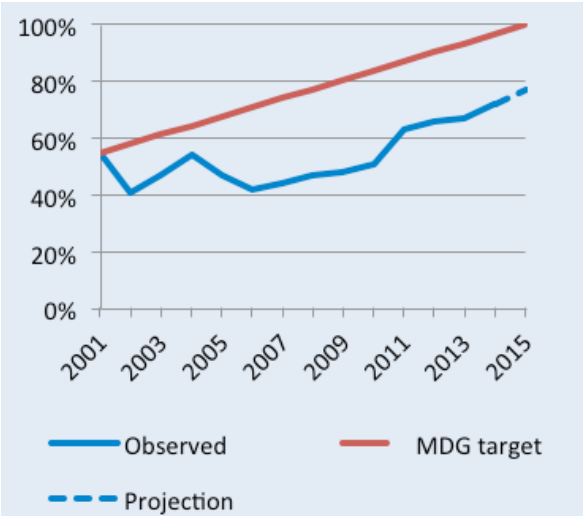


FIGURE 3.8 RATIO OF WOMEN TO MEN IN TERTIARY EDUCATION



Source: Ministry of Education and Sports (2012) and (2015).

Uganda is one of only eight countries in the world to have more than 30% of the seats in the national parliament held by women. More than one in every three members of parliament (35%) is a woman. This is largely attributed to the quota system that requires every district to have a woman MP – 112 women representatives out of the 130 women MPs are elected in this manner. Women occupy 24% of cabinet positions, including senior ministerial portfolios such as Security, Energy and Minerals, Education, Trade and Industry, and Tourism. The National Gender Policy introduced in 1997 has been successful in raising awareness of gender inequalities at all levels of Government and within society. Nevertheless, gender inequality persists and women continue to face discrimination, particularly in access to economic opportunities and ownership of assets.

3.4. Goal 4: Reduce child mortality

There has been significant progress in the reduction of both under-five and infant mortality rates in Uganda. The under-five mortality rate declined by 42% from 156 per 1,000 live births in 1995 to 90 per 1,000 live births in 2011 (Table 3.6). The infant mortality rate declined 37% from 86 to 54 per 1,000 live births over the same period. The fall in both indicators has accelerated since 2006, showing that intensified Government efforts to improve child survival are paying off. Government's Child Survival Strategy aims for universal access to a number of high-impact interventions including micronutrient supplementation, malaria prevention and treatment, immunisation, prevention of mother-to-child transmission of HIV, and improved water and sanitation. Training programmes for birth attendants and other health workers launched by the Ministry of Health have also helped to raise new-born care standards and the diagnosis and management of common childhood illnesses.

TABLE 3.6 TARGET 4.A REDUCE BY TWO-THIRDS, BETWEEN 1990 AND 2015, THE UNDER-FIVE MORTALITY RATE

PROJECTED OUTCOME: MISSED NARROWLY					
Indicator	1995	2001/02	2006	2011	2015 target
4.1 Under-five mortality rate (per 1,000 live births)	156	152	137	90	56
4.2 Infant mortality rate (per 1,000 live births)	86	88	76	54	31
4.3 Proportion of 1-year-old children immunised against measles[1]	59.6%	56.8%	68.1%	75.8%	

Source: UDHS 1995, 2001/2, 2006, 2011. Notes: 1refers to the percentage of children between 12 and 23 months who had received at least one dose of the measles vaccine at any time prior to the date of survey, according to either a vaccination card or mother's report. It is generally recommended for children to be immunised against measles at the age of 9 months.

Data constraints makes it difficult to monitor child mortality and assess the outcome of MDG 4. As the registration of births and deaths is often not comprehensive, under-five and infant mortality are measured through national surveys that ask women to recall their birth histories, in particular the Demographic and Health Survey (DHS) conducted every five years. The last DHS was in 2011 and there is limited evidence for the period since then. Significant progress has been made in the fight against malaria, the leading cause of child mortality (see Goal 6). However this is unlikely to be sufficient to meet the MDG 4 target by 2015. To address the child mortality data constraints in many countries, the UN uses a statistical model to generate a smooth curve averaging over estimates from different data sources and extending the trend forward to a target year.[31] Projecting the UN-estimated trend forward to 2015, Uganda is expected to narrowly miss the under-five and infant mortality targets (Figure 3.9 and Figure 3.10).

FIGURE 3.9 UNDER-5 MORTALITY RATE

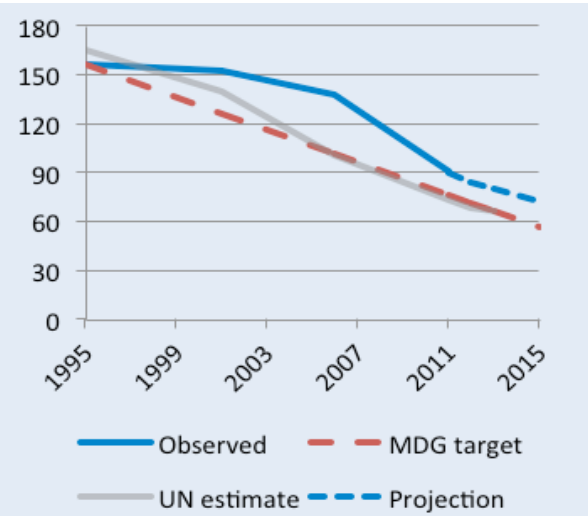
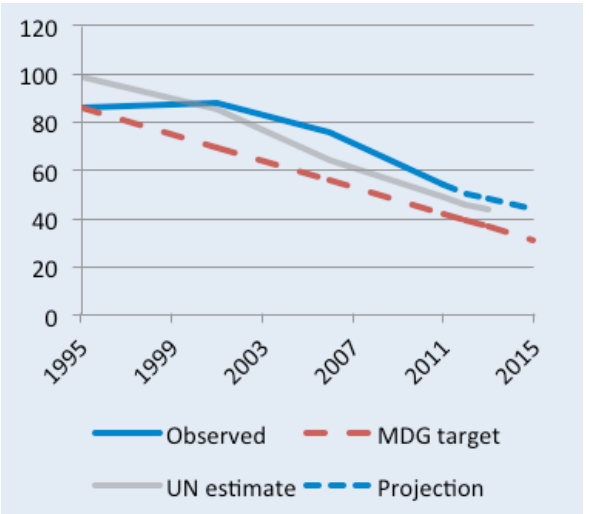


FIGURE 3.10 INFANT MORTALITY RATE

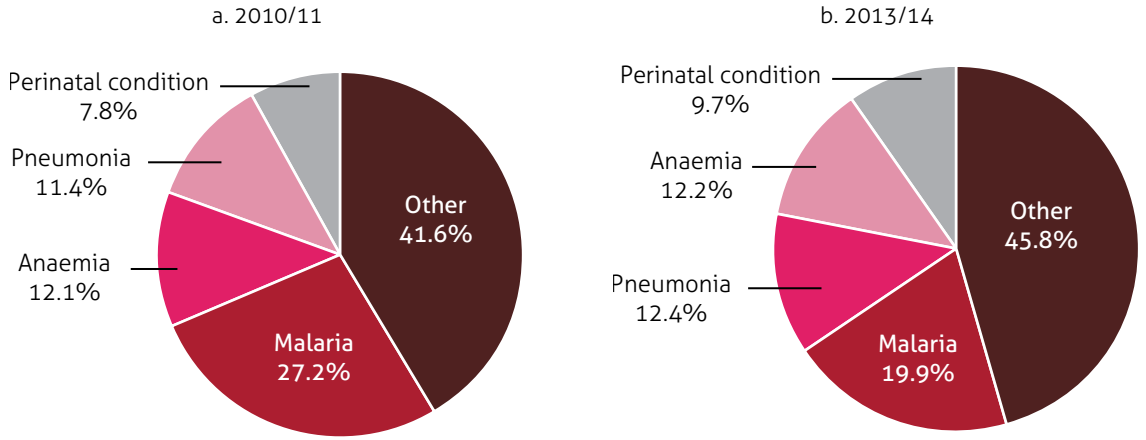


Source: UDHS 1995, 2001/2, 2006, 2011; and UN Inter-agency Group for Child Mortality Estimation (2014). Note: The mortality rate is expresses as the number of deaths per 1,000 live births.

According to the reports made by health facilities, malaria remains the leading cause of death among infants and the under-fives. In 2013/14, the disease was responsible for 20% of hospital-based under-five deaths, and 28% of under-five deaths in all inpatient facilities. But an important trend over recent years has been a decline in the proportion of deaths attributed to malaria (Figure 3.11), reflecting significant progress in the fight against the disease (see Goal 6). According to hospital records in 2013/14, the other leading causes of child fatalities are pneumonia (12.4%), anaemia (12.2%) and perinatal conditions in new-borns (9.7%).

31 For instance, estimates of child mortality based on Uganda's 2009 Malaria Indicator Survey are lower than estimates based on the DHS, the data source used in this report to track MDG 4. For details on how UN IGME reconciles alternative estimates such as this, see Alkema and New (2014).

FIGURE 3.11 CAUSES OF UNDER-FIVE MORTALITY



Sources: Ministry of Health (2011) and Ministry of Health (2014). Note: Shows only hospital-based deaths. In 2010/11 there were 5,331 under-five deaths recorded in hospitals, compared to 10,210 in 2013/14. This is only a small proportion (around 5 to 15%) of the total number of child deaths estimated using household surveys.

Measles control through vaccination remains an important strategy for the reduction of childhood morbidity and mortality. According to DHS estimates, measles immunisation coverage for one-year olds increased from 57% in 2001/02 to 76% in 2011 (Table 3.6). This progress reflects two integrated Measles Supplemental Immunisation Activities conducted in 2006 and 2009, which significantly increased the proportion of the population protected against measles and reduced the burden of the disease. Recent estimates based on health facility and district reports gathered through the Health Management Information System (HMIS) suggest higher coverage, with the estimated immunisation rate increasing from 85% in 2010/11 to 87% in 2013/14.[32] Uganda is therefore close to achieving the national immunisation target of 90%, which should be sufficient to stop measles transmission and eliminate the disease.

3.5. Goal 5: Improve maternal health

The MDG 5 target is to reduce by three quarters, between 1990 and 2015, the maternal mortality ratio (MMR). Uganda's MMR fell from 506 per 100,000 live births in 1995 to 438 in 2011 (Table 3.7). No national survey to measure maternal mortality directly has been conducted since 2011. The World Health Organisation, other UN agencies and the World Bank have used a regression model and information on fertility, birth attendants and GDP to predict Uganda's maternal mortality in 2013, estimating a rate of 360 per 100,000 births.[33] This suggests a significant reduction in Uganda's maternal mortality over the last few years, which is corroborated by reports from health facilities – there was a 25% reduction in the institutional maternal death rate between 2010/11 and 2013/14.[34] But given the methodologies used the margin for error is high and extending the WHO-estimated trend to 2015 suggests Uganda has made insufficient progress to meet the MDG target of 131 maternal deaths per 100,000 live births (Figure 3.12).

32 Caution is required when comparing the trends over time given methodological difference between the DHS and HMIS.

33 World Health Organisation (2014a).
34 Ministry of Health (2014).

TABLE 3.7 TARGET 5.A REDUCE BY THREE QUARTERS, BETWEEN 1990 AND 2015, THE MATERNAL MORTALITY RATIO

PROJECTED OUTCOME: NOT ACHIEVED						
Indicator	1995*	2001/02*	2006*	2011*	2013**	2015 target
5.1 Maternal mortality ratio[1]	506	505	435	438	360	131
5.2 Proportion of births attended by skilled health personnel[2]	37.8%	39.0%	42.1%	58.0%	NA	100%

*Sources: *UDHS; **World Health Organisation (2014a). Notes: [1]Maternal deaths per 100,000 live births in the seven-year period preceding the survey, except for 1995 where the estimate refers to period from 1986 to 1995, and 2013 where estimates are from a regression model. Some previously published estimates for 2001/02 and 2006 refer to the 10-year-period prior to these surveys. To compare across time these estimates were recalculated for the seven-year period preceding the surveys. [2]Among births in the five years preceding the survey. Skilled provider includes a physician, nurse, midwife, clinical officer, or medical assistant. The coding "NA" refers to data not available for this study.*

FIGURE 3.12 MATERNAL MORTALITY RATIO

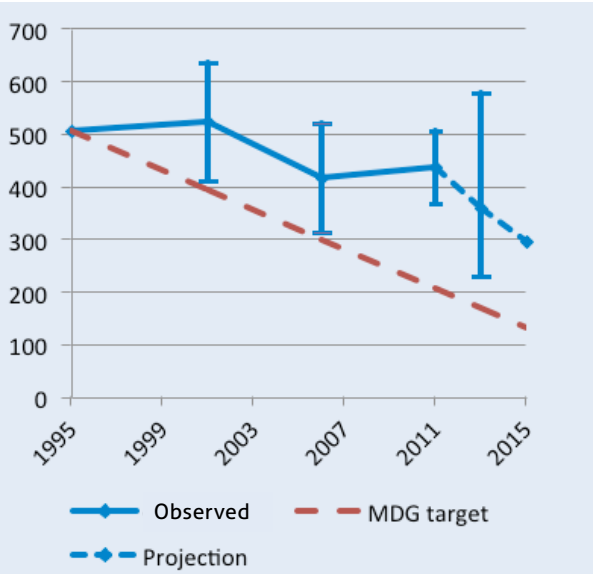
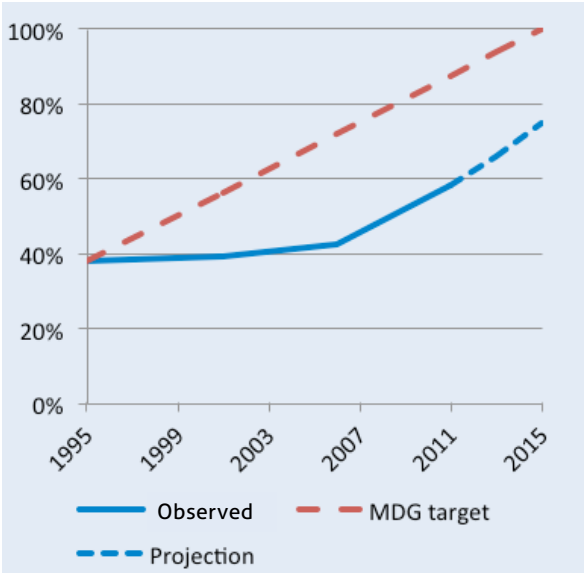


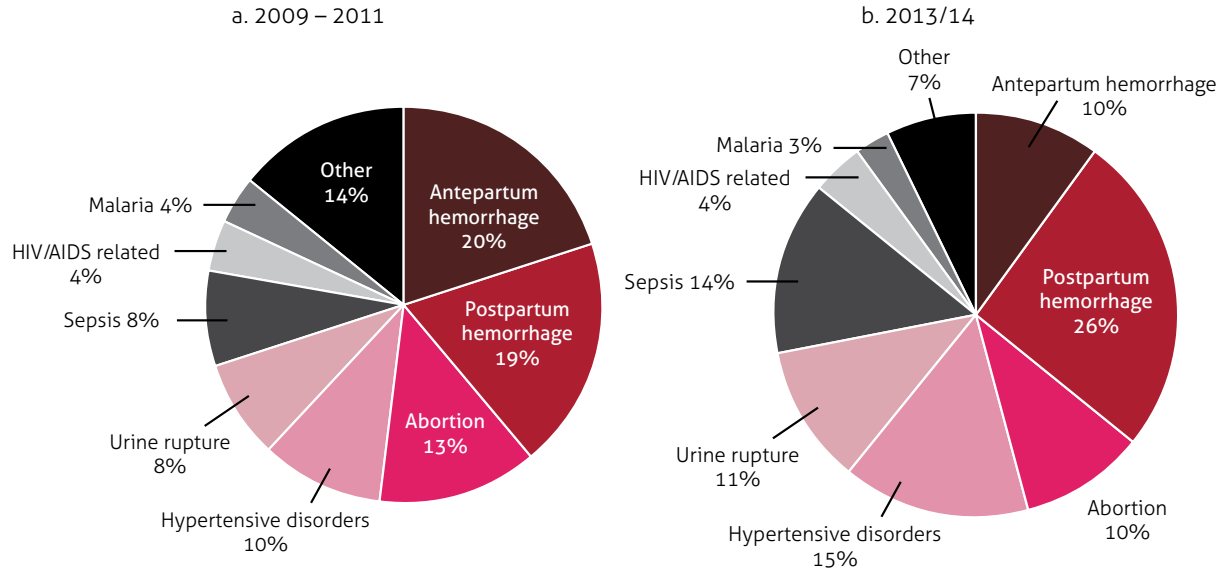
FIGURE 3.13 BIRTHS ATTENDED BY A SKILLED HEALTH WORKER



Source: UDHS 1995, 2001/2, 2006, 2011, and World Health Organisation (2014a). Note: Figure 3.6 includes the two-standard-deviation confidence limits. The maternal mortality ratio is expressed per 100,000 live births.

Although the overall fall in maternal mortality has fallen short of the MDG target, Uganda has made impressive gains in reducing maternal deaths occurring within health facilities. The institutional maternal mortality ratio fell by a quarter in just three years, from 194 per 100,000 live births in 2010/11 to 146 in 2013/14. This reflects a number of successful Government interventions, including the recruitment of additional midwifes and other health workers to offer maternal care services, particularly in hard-to-reach areas; and the distribution of Emergency Obstetric and New-born Care (EmONC) equipment to health facilities across the country. Improved antenatal care has led to a large fall in cases of antepartum haemorrhage, which until recently was the leading direct cause of maternal mortality (Figure 3.8). In 2013/14, the main causes of maternal death occurring in health facilities were postpartum haemorrhage (26%), hypertension (15%), sepsis (14%), urine rapture (11%) and abortion-related deaths (10%).

FIGURE 3.14 CAUSES OF MATERNAL MORTALITY



Sources: Ministry of Health (2014). Note: Shows only health facility-based deaths.

The institutional MMR (146 per 100,000 live births in 2013/14) is much lower than the overall estimate based on a household survey (438 per 100,000 live births in 2011). This helps to explain Uganda's slow progress in reducing the overall MMR despite the rapid improvement seen in hospital records. A significant share of births are delivered outside health facilities, but perhaps more importantly a large share of maternal deaths occur sometime after the birth. Over 60% of maternal deaths in developing countries are estimated to occur more than a day after delivery.[35] This is corroborated by the high and rising share of maternal deaths in Uganda that are attributed to postpartum haemorrhage, hypertensive disorders and sepsis (Figure 3.14), all of which typically occur more than 24 hours after the birth.

The proportion of deliveries attended by skilled personnel has improved significantly, particularly since 2006, although this is still likely to fall short of the 100% target by 2015 (Figure 3.13). Government has prioritised access to skilled birth attendants, increasing health worker recruitment to detect and manage complications during pregnancy. This has contributed to a large fall in cases of life-threatening complications such as antepartum haemorrhage. The growing importance of postpartum haemorrhage, hypertension and sepsis as causes of maternal death illustrate the need to improve postnatal care. To accelerate reduction in the MMR, Government has instituted routine home visits by Village Health Teams in the first week after delivery, and continues to improve transportation systems for new mothers to access emergency care.

Use of contraceptive methods is one of the indicators most frequently used to assess the impact of family planning activities. The proportion of women between the age of 15 and 49, married or in union, who were using any method of contraception, increased from 23% in 2000/01 to 30% in 2011. This illustrates improved access to safe, affordable and effective methods of contraception, however this has been outpaced by rising demand – with more women wanting to space or limit their number of children, the unmet demand for family planning services rose from 24% to 34% over the same period. The adolescent birth rate in Uganda was last measured in 2011, with an estimated 135 births per 1,000 women aged 15 to 19 years. The high adolescent birth rate reflects the low rate of contraceptive use and high incidence of early marriages in many Ugandan communities.

35 World Bank (2009).

TABLE 3.8 TARGET 5.B ACHIEVE, BY 2015, UNIVERSAL ACCESS TO REPRODUCTIVE HEALTH

PROJECTED OUTCOME: NOT ACHIEVED				
Indicator	1995	2000/01	2006	2011
5.3 Contraceptive prevalence rate[1]	14.8%	22.8%	23.7%	30.0%
5.4 Adolescent birth rate[2]	204	178	152	135
5.5 Antenatal care coverage[3]				
at least one visit by skilled provider	91.3%	92.4%	93.5%	94.9%
at least four visits by any provider	47.2%	41.9%	47.2%	47.6%
5.6 Unmet need for family planning[4]	21.9%	24.4%	40.6%	34.3%

Source: UDHS. Notes: [1]Percentage of currently married or in-union women age 15-49 using any method of contraception. [2]Number of births per 1,000 women aged 15-19 in the three-year period preceding the survey (estimates published elsewhere may refer to a longer period prior to the survey). [3]As reported by the women surveyed in the DHS. A different methodology is used to monitor antenatal care coverage in the HMIS, leading to different estimates that may not be comparable. [4]Share of currently married women aged 15-49 who indicate that they either want no more children or want to wait for two or more years before having another child, but are not using contraception.

3.6. Goal 6: Combat HIV/AIDS, malaria and other diseases

MDG 6 is to halt and begin to reverse the spread of HIV by 2015 (Target 6A); achieve universal access to treatment for HIV and AIDS for all those who need it by 2010 (Target 6B); and halt and begin to reverse the incidence of malaria and tuberculosis by 2015 (Target 6C).

Uganda has experienced a generalised HIV epidemic for more than two decades. The country had impressive success controlling HIV during the 1990s, bringing down HIV prevalence among adults aged 15 to 49 years from a national average of 18.5% in 1992 to 6.4% in 2004/2005. However the 2011 Aids Indicator Survey (AIS) revealed this trend had reversed, with the prevalence rate among 15 to 49 year-olds increasing to 7.3%. The most recent estimates by UNAIDS – which are based on an epidemiological model rather than measured from a survey directly – suggest the adult prevalence rate increased marginally to 7.4% in 2013. Higher prevalence can be partly attributed to improved survival rates as more people living with HIV/AIDS now have access to antiretroviral therapy (ART). However it also driven by a rise in new infections, and this is reflected in the MDG indicator – which focuses on HIV prevalence among the youth. The proportion of 15 to 24 year-olds living with HIV increased from 2.9% in 2004/5 to 3.7% in 2011 (Table 3.9). The increase in prevalence occurred in both the male and female youth, with young women remaining at higher risk of infection.

TABLE 3.9 TARGET 6.A HAVE HALTED BY 2015 AND BEGUN TO REVERSE THE SPREAD OF HIV/AIDS

PROJECTED OUTCOME: NOT ACHIEVED				
Indicator	2000/2001	2004/2005	2006	2011
6.1 HIV prevalence among population aged 15-24 years[1]	NA	2.9%	NA	3.7%
15-19 years, female	NA	2.6%	NA	3.0%
15-19 years, male	NA	0.3%	NA	1.7%
20-24 years, female	NA	6.3%	NA	7.1%
20-24 years, male	NA	2.4%	NA	2.8%
6.2 Condom use at last high-risk sex, 15-24 year-olds[2]*	53.1%	54.0%	46.5%	56.1%
female	44.2%	52.9%	38.4%	51.0%
male	62.0%	55.1%	54.5%	61.1%
6.3 Proportion of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS[3]*	34.5%	32.4%	35.1%	38.8%
female	28.5%	29.5%	31.9%	38.1%
male	40.4%	35.3%	38.2%	39.5%
6.4 Ratio of school attendance of orphans to school attendance of non-orphans aged 10-14 years[4]	NA	NA	96%	87%

*Sources: [1]UHSBS 2004/05 and UAIS 2011; [2,3]UDHS 2001/2, UHSBS 2004/05, UDHS 2006, 2011; [4]UDHS 2006, 2011. Notes: [2]higher-risk sex refers to sexual intercourse with a non-marital, non-cohabitating partner, expressed as a percentage of men and women age 15-24 who had higher-risk sex in the past 12 months. [3]Comprehensive knowledge means knowing that consistent use of a condom during sexual intercourse and having just one uninfected faithful partner can reduce the chance of getting the AIDS virus, knowing a healthy-looking person can have the AIDS virus, and rejecting that AIDS can be transmitted through mosquito bites and that a person can become infected with the AIDS virus by eating from the same plate as someone who is infected. *The total is calculated as the simple arithmetic mean of the percentages in the rows for male and females.*

Other HIV indicators show significant progress. Although not captured under MDG 6, recent years have seen great success in reducing the transmission of HIV from mother to child, with the number of such infections falling from 27,660 in 2011 to 9,629 in 2013. This can mainly be attributed to the rollout of the elimination of Mother-to-Child Transmission (eMTCT) Option B+ approach across the country.[36] Equitable access to HIV/AIDS treatment has also improved greatly. The share of the population with advanced HIV receiving Anti-Retroviral Therapy ART increased from 44% in 2008 to 69% in 2013 (Table 3.10). This progress has prompted the Ministry of Health to progressively expand ART eligibility. Adults with a CD4 count below 500 can now initiate treatment – the threshold was raised from 350 in 2013 and from 250 in 2011.[37] Even under the revised guidelines, Uganda remains on course to achieve the national target of providing antiretroviral drugs to 80% to the eligible population by 2015 (Figure 3.15). The estimated number of AIDS-related deaths fell from 67,000 in 2010 to 31,000 in 2014.[38]

TABLE 3.10 TARGET 6.B ACHIEVE, BY 2010, UNIVERSAL ACCESS TO TREATMENT FOR HIV/AIDS FOR ALL THOSE WHO NEED IT

PROJECTED OUTCOME: ACHIEVED						
Indicator	2008	2009	2010	2012	2013	2015 target
6.5 Proportion of population with advanced HIV infection with access to antiretroviral drugs	44%	54%	50%	62%	69%	80%

Source: Uganda AIDS Commission. Note: the 2015 target refers to the target set in Uganda's National Strategic Plan for HIV&AIDS, 2011/12 – 2014/15.

To ensure further improvements, Government will work to achieve an appropriate balance of strategies to prevent and treat HIV/AIDS. The indicators that lag behind – such as condom use for higher-risk sexual activity – show that Government must renew its investment in the prevention strategies responsible for the substantial progress made in the 1990s. The National HIV Prevention Strategy launched in 2011 prioritises behaviour change to reduce high-risk sexual activity through HIV counselling, and education and information campaigns.

FIGURE 3.15 ACCESS TO ART

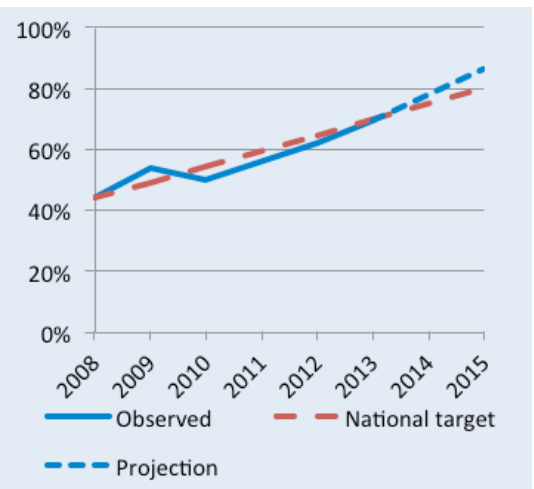
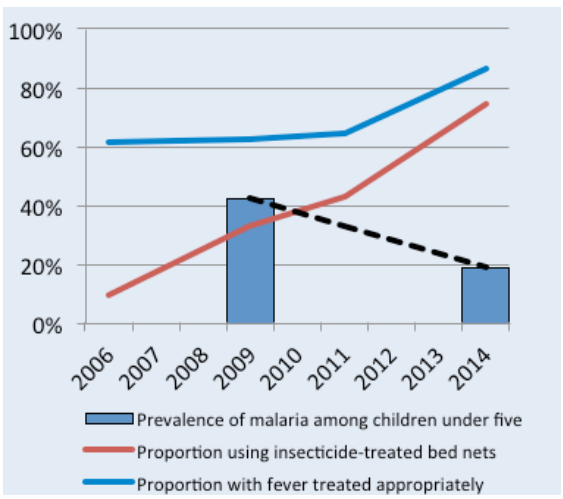


FIGURE 3.16 MALARIA AMONG CHILDREN



Sources: Uganda AIDS Commission; UMIS 2009 and 2014/15; UDHS 2006 and 2011. Note: Figure 3.9 shows the proportion of population with advanced HIV infection with access to antiretroviral therapy (ART). The national target is from Uganda's National Strategic Plan for HIV&AIDS, 2011/12 – 2014/15. Figure 3.10 shows the percentage of children under 5 testing positive for malaria according to microscopy; the proportion of children under 5 sleeping under insecticide-treated bed nets; and the percentage of children under five who were ill with a fever in the two weeks preceding the survey that received any anti-malarial drug.

36 Uganda AIDS Commission (2014).
37 Uganda Aids Commission (2015) and Uganda Aids Commission (2012).
38 Uganda Aids Commission (2015).

Malaria is Uganda's largest public health concern and a leading cause of child mortality, poverty and low productivity. Government has scaled up a number of interventions to reduce the burden of malaria, backed up by enhanced political commitment and increased funding for malaria control. The 2014/15 Malaria Indicator Survey (MIS) showed that these efforts are paying off. The prevalence of malaria among children under five more than halved from 42.8% in 2009 to 19.0% in 2014 (Table 3.11 and Figure 3.16). This has had a direct impact reducing child mortality – the proportion of hospital-based under-five deaths attributed to malaria fell from 27.2% in 2010/11 to 19.9% in 2013/14.[39]

This is a clear indication that Uganda has begun to reverse the incidence of malaria as targeted under MDG 6. This achievement is in-part due to Government's campaign for universal coverage of Long-Lasting Insecticide-Treated Nets, which involved the distribution of 19.5 million nets across 106 districts. As a result, the proportion of children under five sleeping under insecticide-treated bed nets increased from just 9.7% in 2006 to 74.4% in 2014. There was a similarly impressive improvement in the proportion of children under five with fever treated with appropriate antimalarial drugs. This indicator rose from 64.5% in 2011 to 86.7% in 2014, in part due to the provision of rapid diagnostic tests and first line anti-malarials through the Integrated Community Case Management programme launched in 2010.

39 Ministry of Health (2014).

TABLE 3.11 TARGET 6.C HAVE HALTED BY 2015 AND BEGUN TO REVERSE THE INCIDENCE OF MALARIA AND OTHER MAJOR DISEASES

PROJECTED OUTCOME: ACHIEVED						
Indicator	2001	2006	2009	2011	2014	2015 target
6.6 Incidence and death rates associated with malaria	NA	2.9%	NA	3.7%		
Reported cases of malaria per 100,000[1]	22,593	57,407	32,003	37,142	NA	
Prevalence of malaria among children[2]	NA	NA	42.4%	NA	19.0%	
6.7 Proportion of children under 5 sleeping under insecticide-treated bed nets[3]	NA	9.7%	32.8%	42.8%	74.4%	
6.8 Proportion of children under 5 with fever treated with appropriate anti-malarial drugs[4]	NA	61.3%	NA	64.5%	86.7%	
6.9 Incidence, prevalence and death rates associated with tuberculosis[5]	53.1%	54.0%	46.5%	56.1%		
Incidence rate per 100,000 population[6]	400	283	226	193	166*	
Prevalence rate per 100,000 population[7]	410	288	215	183	154*	103
Death rate per 100,000 per population[8]	40	26	18	14	NA	35
6.10 Proportion of tuberculosis cases detected and cured under directly observed treatment short course	28.5%	29.5%	31.9%	38.1%		
Case detection rate[9]	37%	49%	57%	68%	73%*	70%
Treatment success rate[10]	56%	70%	67%	73%	77%**	85%

*Sources: [1]HMIS; 2UMIS 2009 and 2014/15; [3]UDHS 2006, UMIS 2009, UDHS 2011, UMIS 2014/15; [4]UDHS 2006, UDHS2011, UMIS 2014/15; [5,9,10] WHO, Global TB Database. Notes: [2]Percentage of children aged 0-59 months testing positive for malaria according to microscopy. [4]Percentage of children aged 0-59 months who were ill with a fever in the two weeks preceding the survey that received any anti-malarial drug. [5]Refers to pulmonary, smear positive, and extra-pulmonary tuberculosis cases, including patients with HIV. [6]New cases of tuberculosis per 100,000 people. [7]Total number of tuberculosis cases per 100,000 people. [8]Excluding patients who are HIV+. [9]The percentage of newly notified tuberculosis cases (including relapses) to estimated incident cases. [10]The percentage of new, registered smear-positive (infectious) cases that were cured or in which a full course of treatment was completed. *Year is 2013. ** Year is 2012. The coding "NA" refers to data not available for this study.*

Uganda has also made important progress in the fight against tuberculosis (TB). The country has already met the MDG targets to reduce the TB prevalence and mortality rates by 50%.[40] This success was driven by improved case detection under the directly observed treatment short course (DOTS) and STOP TB strategies. The case detection rate was 73% in 2013, exceeding the 2015 target of 70%. Government is working to maintain and improve on these achievements by empowering communities, support groups and social networks to prevent TB transmission, and support case detection and treatment of TB patients.

40 World Health Organisation (2014b).

3.7. Goal 7: Ensure environmental sustainability

Goal 7 is to ensure environmental sustainability, with indicators focusing on biodiversity loss, safe water and sanitation and the lives of slum dwellers. Uganda's growth must reduce poverty and build a shared prosperity for people today and for future generations. Government recognises that ecosystem services are critical determinants of economic productivity and human wellbeing, and has placed natural resource management at the core of Uganda's strategy to transform from a peasant society to a modern and prosperous country by 2040.

Uganda is not a significant contributor to the global environmental crisis. Uganda's carbon dioxide emissions have increased slightly over recent years, but remain extremely low – according to the Carbon Dioxide Information Analysis Center, Uganda is ranked 205 out of 216 countries in terms of fossil-fuel carbon emissions per person.[41] Uganda has also been successful in nearly eliminating consumption of ozone-depleting substances (Table 3.12). The country still struggles with the loss of biodiversity however. Satellite imaging data released by FAO indicate that the proportion of Uganda's land area covered by forest had fallen to 15% in 2010, from 18% in 2005 and 25% in 1990 (Table 3.12). Uganda's wetlands, fish stocks and rangelands have also been depleted, although reliable data on these areas is sparse. The main drivers of environmental change include poverty, rapid population growth, urbanisation, agricultural expansion, informal settlement development, industrialisation and the impacts of climate variability among others.[42] Reduced vegetation cover has contributed to the erosion of fertile topsoils, and depleted soil organic matter has become a major impediment to agricultural productivity in many parts of the country. Potentially lucrative economic activities such as ecotourism are also threatened.

41 Boden and Andres (2012).

42 FAO (2010).

TABLE 3.12 TARGET 7.B REDUCE BIODIVERSITY LOSS, ACHIEVING, BY 2010, A SIGNIFICANT REDUCTION IN THE RATE OF LOSS

PROJECTED OUTCOME: ACHIEVED						
Indicator	1990	2000	2004	2006	2010	2012
7.1 Proportion of land area covered by forest1	25%	21%	18%	18%	15%	14%
7.2 CO2 emissions, per person (in metric tons)	0.08	0.08	0.08	0.09	0.11	0.11
7.3 Consumption of ozone-depleting substances	NA	NA	42.4%	NA	19.0%	
(in metric tons)	15.8*	30.6	24.3	6.5**	0.3	0.05
7.4 Proportion of fish stocks within safe biological limits	NA	NA	NA	NA	NA	NA
7.5 Proportion of total water resources used	NA	NA	0.5%	NA	NA	NA
7.6 Proportion of terrestrial and marine areas protected	13%*	15%***	15%	15%	15%	11%
7.7 Proportion of species threatened with extinction	NA	NA	NA	2%	NA	NA

*Sources: NEMA, State of the Environment Reports (2006/2007 and 2008/2009); FAO, Global Forest Resources Assessment 2010; Carbon Dioxide Information Analysis Center; UNEP Ozone Secretariat. Notes: 1Data up to 2010 are based on satellite imagery, figure for 2012 is a FAO estimate. *Year is 1992; ** Year is 2005; *** Year is 2002.*

Government has put in place appropriate laws, policies and regulations to protect natural ecosystems, but low levels of compliance continue to result in environmental degradation. Even within protected areas, deforestation is occurring at an estimated rate of 1.9% each year, driven by the demand for agricultural and grazing land, timber and fuel wood. [43]In response, Government has created the environment police protection unit to enforce environmental laws and regulations, and stepped up strategies to reduce forest depletion and increase reforestation efforts – instituting a ban on tree cutting in 2012 and strengthening the regulation of log harvesting, charcoal burning and other forestry activities. The coverage and quality of data on the state of Uganda's natural ecosystems is not sufficient to assess whether such efforts

43 National Forestry Authority (2009).

have reduced the rate of biodiversity loss as targeted under MDG 7. Natural resources and ecosystems have immense economic, social and cultural value, but this has been poorly quantified and monitored, increasing the danger that economic growth could erode these resources and undermine the country's sustainable development. An important element of Uganda's post-2015 development agenda will be to better measure the value of natural capital and ecosystem services in order to guide strategic planning processes.

Uganda has made significant improvements in the provision of safe drinking water. The proportion of the population using an improved drinking water source increased from 52% in 2001/2 to 72% in 2012/13 (Table 3.13). The MDG target for rural areas is projected to be achieved due to Government's significant investment in rural water supply over the last 15 years. This achievement has helped to prevent the spread waterborne diseases, with significant impacts on healthcare costs, economic productivity and human welfare.

TABLE 3.13 TARGET 7.C HALVE, BY 2015, THE PROPORTION OF PEOPLE WITHOUT SUSTAINABLE ACCESS TO SAFE DRINKING WATER AND BASIC SANITATION

PROJECTED OUTCOME: MISSED NARROWLY					
Indicator	2001/02	2006	2011	2012/13	2015 target
7.8 Proportion of population using an improved drinking water source	52.0%	67.1%	70.0%	72.2%	
Urban	89.0%	89.7%	89.6%	87.3%	100%
Rural	46.4%	63.8%	66.6%	67.7%	70%
7.9 Proportion of population using an improved sanitation facility	NA	72.7%	75.7%	74.3%	
Urban	NA	93.6%	92.6%	88.0%	100%
Rural	NA	69.6%	72.8%	70.3%	77%
7.6 Proportion of terrestrial and marine areas protected	13%*	15%***	15%	15%	15%
7.7 Proportion of species threatened with extinction	NA	NA	NA	2%	NA

Source: UDHS 2001/02, 2006, 2011; UNHS 2012/13. Notes: Improved drinking water sources are defined to include a household connection (piped), private and public taps, boreholes, a protected/dug well or spring, rain and bottled water. Improved sanitation facilities are defined to include flush toilets, ventilated improved pit latrines, pit latrines with a slab/cover, composting toilets, and Ecosans, whether or not share this facility is shared with other households.

The other water and sanitation indicators are a source of concern however. Access to safe water is much higher in urban areas but there has been limited improvement over the MDG period. In fact the most recent national household survey conducted in 2012/13 suggested a reversal, with access in urban areas falling from 90% to 87%. This may in part reflect methodological issues,[44] but water services have also been strained by rapid urban growth. More concentrated settlement patterns should enable more efficient service delivery, but the lack of progress in urban areas reflects weak water-network management and poor urban planning more generally. Although data is limited,[45] the available evidence suggests limited improvements in access to basic sanitation. The proportion of the population with no or an uncovered latrine remained almost constant between 2006 and 2012/13 (Table 3.13), and the sanitation targets are therefore unlikely to be achieved in either rural or urban areas (Figure 3.18). This is particularly worrying as sanitation practices tend to have a larger impact on health outcomes than access to safe water alone.[46]

44 For instance the gazetting of new urban centres means some areas previously classified as rural are now considered urban, so the estimate for 2012/13 may not not directly comparable with the data from earlier surveys.

45 A number of household surveys have attempted to measure household sanitation practices, but methodological issues limit data comparability over time. For instance the Uganda National Household Survey did not distinguish between covered and uncovered pit latrines until 2012/13.

46 Günther and Fink (2010).

FIGURE 3.17 ACCESS TO SAFE WATER

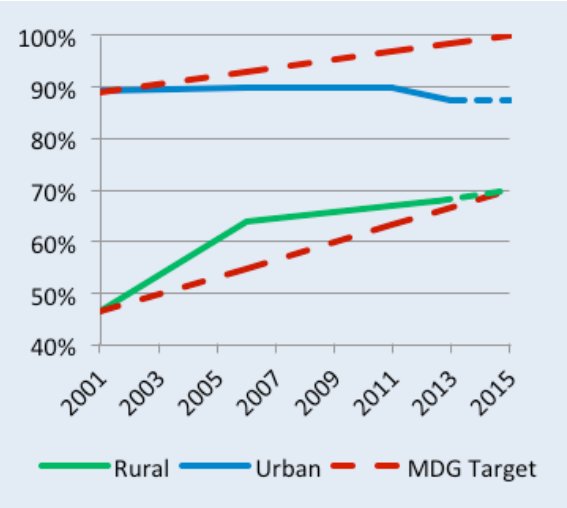
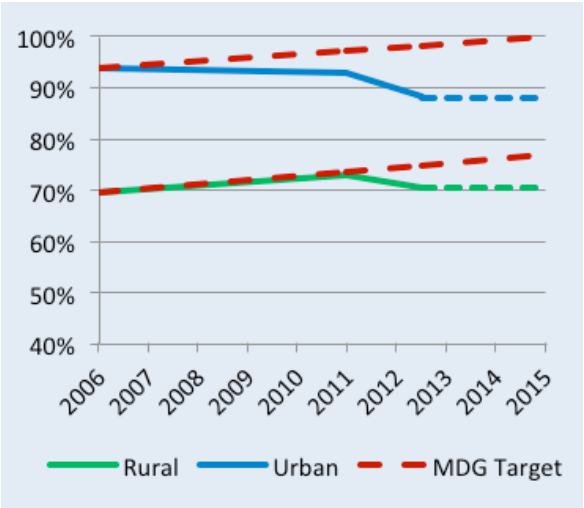


FIGURE 3.18 ACCESS TO SANITATION



Sources: UDHS 2001/02, 2006, 2011; UNHS 2012/13. Note: Figure 3.17 shows the proportion of the population using an improved drinking water source, defined as a household connection (piped), private and public tap, borehole, a protected/dug well or spring, rain or bottled water. Figure 3.18 shows the proportion of the population using an improved sanitation facility, defined as a flush toilet, ventilated improved pit latrine, pit latrine with a slab/cover, composting toilet or Ecosans, whether or not share this facility is shared with other households. Solid lines show observed trend; dotted lines show projection or target.

The relatively slow progress in access to water and sanitation in Uganda's towns and cities is reflected in urban living conditions more generally. The share of the urban population living in slum-like conditions rose from 34% in 2002/03 to 43% in 2012/13 (Table 3.14). The size of Uganda's urban population more than doubled from 2.9 million in 2002 to 6.4 million in 2014. This rapid growth has overwhelmed the capacity of urban authorities and the private construction sector, leading to growing problems of poor housing conditions, congestion and the unrestricted sprawling of major towns. There is a large and growing housing deficit, particularly for affordable homes. The construction sector has been unable to meet rising demand for a number of reasons, including high transport costs, inadequate skills, inappropriate building regulations, and limited access to land and finance. Addressing these constraints has become a priority for Government. The construction of affordable formal housing on a large scale, particularly if driven by small construction firms using labour-intensive techniques, has huge potential to expand employment opportunities, improve living conditions and contribute to Uganda's sustainable development.

TABLE 3.14 TARGET 7.D BY 2020, TO HAVE ACHIEVED A SIGNIFICANT IMPROVEMENT IN THE LIVES OF AT LEAST 100 MILLION SLUM DWELLERS

NO TARGET						
Indicator	2002/03	2005/06	2008	2009/10	2011	2012/13
7.10 Proportion of urban population living in slums	34%	34%	27%	29%	28%	43%

Source: UNHS 2002/03, 2005/6, 2009/10, 2012/13; USDS 2008; UDHS 2011. Note: proxied by share of urban population living in houses with either walls or floors made of temporary materials, or with no or an uncovered pit latrine.

3.8. Goal 8: Develop a global partnership for development

MDG 8 is to develop close partnerships between developing and industrialised countries, including more generous development assistance. The International Conference on Financing for Development held in Monterrey, Mexico in 2002 agreed that a substantial increase in Official Development Assistance (ODA) would be required to achieve the MDGs. Rather than monitoring Uganda's progress towards MDG 8, this section assesses how changes in the global partnership for development over the last 15 years have affected Uganda. Some indicators under MDG 8 are re-interpreted in the Ugandan context to facilitate this assessment, but where this is not possible no data is reported.

The MDG global partnership agreements helped to increase the political momentum for aid globally, following a substantial weakening during the 1990s. ODA jumped by around 70% in real terms between 2000 and 2005. However, the effectiveness of this partnership has been deteriorating, especially in recent years. The global financial and economic crisis experienced towards end of the last decade significantly weakened the outlook for ODA. Globally, ODA flows to developing countries remain below 0.7% of GNI, averaging 0.3 per cent of GNI in 2013, with only five of the DAC's 28 member countries meeting the longstanding UN agreed target. In particular, ODA to Sub-Saharan Africa dropped for two years in a row: down by 8% in 2012 and by 4% in 2013, even when there was a rebound in aid to other developing countries in 2013.

Uganda has been affected by the contraction in development finance. The country's total donor assistance fell from 11.3% of GDP in 2003/4 to 2.7% of GDP in 2013/14 (Table 3.15). Donors froze almost USD 300 million in general budget support in 2012/13, citing fiduciary concerns. Uncertainties in ODA disbursements coupled with weak implementation frameworks reduce the effectiveness of development assistance in delivering public services, and there is need for alternative financing sources to minimise the economic impact of such exogenous shocks.

TABLE 3.15 TARGET 8.B ADDRESS THE SPECIAL NEEDS OF THE LEAST DEVELOPED COUNTRIES*

PROJECTED OUTCOME: NOT ACHIEVED					
Indicator	1999/00	2003/4	2008/9	2013/14	2015 target
8.1 Net ODA (in US$ million)[1]	568	815	825	721	
8.2 Proportion of total bilateral, sector-allocable ODA of OECD/DAC donors to basic social services[2]	NA	38.7%	16.5%	13.2%	100%
8.4 ODA received in landlocked developing countries as a proportion of their gross national incomes[3]	9.2%	11.3%	4.1%	2.7%	70%

*Source: Ministry of Finance, Planning and Economic Development, Annual Budgetary Central Government Finance Statistics. Notes: [1]Total value of loan and grants including debt relief disbursed to Uganda during the financial year; [2]Estimated donor-funded expenditure on education, health, and water supply relative to total donor-funded expenditure; [3]Total donor assistance/GDP in Uganda. *Includes tariff and quota free access for the least developed countries' exports; enhanced programme of debt relief for heavily indebted poor countries (HIPC) and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction.*

There has been a marked fall in the proportion of Uganda's donor support to basic social services. In 2003/4, 39% of sector-allocable development assistance was spent in the education, health and water sectors, but this fell to just 13% in 2013/14. This is partly explained by increased domestic spending over the last 15 years that has filled the gaps in basic social service delivery and reduced the need for donor assistance in these areas. Uganda also faces high transportation and energy costs, and relative isolation from world markets, and addressing these needs has grown in importance since the adoption of the MDGs. There has been a corresponding rise in the share of development assistance invested in physical infrastructure and other productive sectors, although the available concessional financing is insufficient to meet the country's growing investment needs.

Until recently, ODA was the main source of Uganda's development financing. The emergence several large developing and transition countries – most notably the BRICS (Brazil, Russia, India, China and South Africa) – has transformed the global economy and provided

new development finance possibilities. The Fifth BRICS Summit held in South Africa in March 2013 agreed to establish a new Development Bank. They also agreed to establish the BRICS Multilateral Infrastructure Co-Financing Agreement for Africa, which paves the way for the establishment of co-financing arrangements for infrastructure projects across the African continent. Moving forward there will be a large array of alternative financing options available to Uganda, including domestic public and private public finance, international public and private finance, and blended financing mechanisms.

Debt relief granted by Uganda's multilateral creditors under the HIPC and MDRI initiatives has helped to significantly bring down the country's external debt service requirements, from 23% of export earnings in 1999/2000 to 5.2% of exports in 2013/14 (Table 3.16). This has freed up fiscal space for priorities such as infrastructure investment and service delivery. To ensure public debt remains sustainable, Government undertakes a Debt Sustainability Analysis (DSA) annually to assess the country's level of indebtedness (solvency) and its ability to service its debt, now and in the future (liquidity) based on the performance of the economy. The latest DSA revealed that Uganda's debt is highly sustainable over both the medium and long term and is under no debt distress when subjected to stress tests.[47] This is attributed to Government's prudent debt management policy to maximise financing on highly concessional terms, and borrowing on non-concessional but favourable terms only for high-return projects that cannot be financed by traditional concessional means.

47 Ministry of Finance, Planning and Economic Development (2014d).

TABLE 3.16 TARGET 8.D DEAL COMPREHENSIVELY WITH THE DEBT PROBLEMS OF DEVELOPING COUNTRIES THROUGH NATIONAL AND INTERNATIONAL MEASURES IN ORDER TO MAKE DEBT SUSTAINABLE IN THE LONG TERM

ACHIEVED				
Indicator	1999/00	2003/4	2008/9	2013/14
8.11 Debt relief committed under HIPC and MDRI Initiatives (in US$ million)	NA	NA	44.3	51.4
8.12 Debt service (% of exports)	23.3%	15.2%	4.6%	5.2%

Source: Ministry of Finance, Planning and Economic Development and Bank of Uganda.

Uganda's first National Development Plan (2010/11 – 2014/15) was financed using traditional sources, largely through foreign concessional borrowing and domestic resources. However, NDP II seeks to explore alternative financing options, while ensuring the expansion of public debt fits within a sustainable macroeconomic policy framework. To minimise the costs and risks of contracting new forms of debt, Government has developed a new Public Debt Policy Framework laying out the overall policy, legal and institutional frameworks within which debt will be incurred, used and managed. Government's evolving financing strategy will be published every year in the Medium-Term Debt Management Strategy, ensuring Government's financing needs are met without compromising macroeconomic stability or long-term debt sustainability.

A key component of MDG 8 concerns global collaboration for access to essential medicines. Uganda's Health Management Information System monitors drug availability using six tracer medicines – first line antimalarials, depo-provera, sulfadoxine/pyrimethamine, measles vaccine, ORS sachets and cotrimoxazole. There has been a significant improvement over recent years, with the proportion of health facilities stocking all six tracer medicines increasing from just 21% in 2009/10 to 57% in 2013/14, on track to meet the 60% target set for 2015. A recently conducted client satisfaction survey found that 79% of public health facility users were satisfied with the availability of these drugs.[48] This remarkable improvement reflects improved supply chain management by the Ministry of Health and the National Medical Stores, including more frequent drug deliveries and constant monitoring of uptake to respond to local disease profiles. Further interventions under NDP II aim to build on this success to achieve zero stock-outs across all public health facilities.

48 Ministry of Health (2014). The study was conducted by the Medicines Transparency Alliance and Uganda National Health User'/Consumers' Organization in 2014, covering 202 health facilities across 10 districts.

TABLE 3.17 TARGET 8.E IN COOPERATION WITH PHARMACEUTICAL COMPANIES, PROVIDE ACCESS TO AFFORDABLE ESSENTIAL DRUGS IN DEVELOPING COUNTRIES

PROJECTED OUTCOME: ACHIEVED					
Indicator	2007/8	2009/10	2011/12	2013/14	2015 target**
8.12 Proportion of population with access to affordable essential drugs on a sustainable basis*	28%	21%	49%	57%	60%

*Source: Ministry of Health (2012) and (2014). Note: *measured as the percentage of health facilities without stock outs of any 6 tracer medicines (first line antimalarials, depo-provera, sulfadoxine/pyrimethamine, measles vaccine, ORS sachets, and cotrimoxazole) in the previous 6 months. ** National target set in the Health Sector Strategic Plan (Ministry of Health, 2010).*

The final indicator under MDG 8 measures the usage of new information and communication technologies. Uganda's communication's sector is one of the fastest-growing in Africa, largely driven by the rapid expansion of mobile telephony. The number of mobile-cellular subscriptions per 100 inhabitants increased from 4.5 in 2004 to 52 in 2013 (Table 3.18 and Figure 3.19). The number of internet users increased from just 1 per 100 inhabitants in 2004 to 22 per 100 inhabitants in 2013, with the vast majority (95%) accessing the internet via mobile devices. The penetration of mobile phones, mobile internet and money transfer services even into remote rural areas has already brought large benefits, and has even greater potential as a platform for many innovative new services.

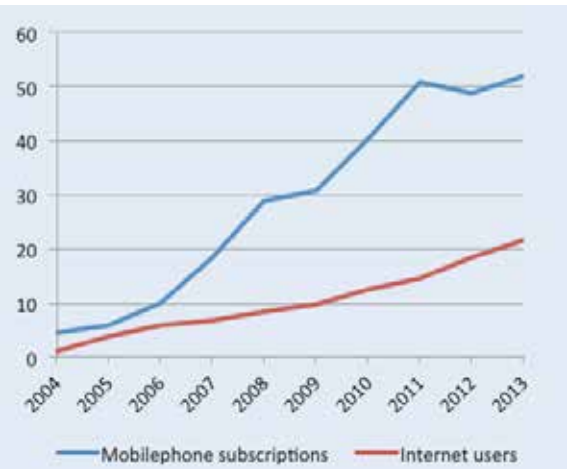
TABLE 3.18 TARGET 8.F IN COOPERATION WITH THE PRIVATE SECTOR, MAKE AVAILABLE THE BENEFITS OF NEW TECHNOLOGIES, ESPECIALLY INFORMATION AND COMMUNICATIONS

ACHIEVED						
Indicator	2004	2006	2008	2010	2012	2013
8.13 Telephone lines per 100 population	0.3	0.5	0.6	1.0	0.9	NA
8.14 Cellular subscribers per 100 population	4.5	9.8	28.9	40.4	48.8	51.9
8.15 Internet users per 100 population	1.1	5.8	8.4	12.6	18.5	21.6

Source: UBOS, Statistical Abstract, various years. Note: data refer to end of year estimates.

The launch of the Lower Indian Ocean Network (LION 2) under-sea cable in 2012 has helped to increase internet speeds and access within the country, with 4G technologies recently rolled out in many areas. Improved ICT infrastructure has enabled significant enhancements in public service delivery, with around 65% of Government institutions providing online services such as e-tax registration and payments. The National Backbone Infrastructure has been extended to a number of districts, reducing internet costs and enabling the uptake of e-Government services and applications. To improve the accessibility and affordability of internet services, Government plans to further extend the National Backbone Infrastructure and construct a number of ICT incubation centres and business parks.

FIGURE 3.19 NUMBER OF MOBILE PHONE SUBSCRIBERS AND INTERNET USERS



Source: UBOS, Statistical Abstract, various years. Note: shows number of subscribers/ users per 100 population.

4. REFLECTIONS ON UGANDA'S MILLENNIUM DEVELOPMENT GOAL EXPERIENCE

This chapter reflects on Uganda's MDG performance as a whole, analysing the country's main achievements over the last 15 years and areas of unfinished business to draw lessons for the national and global post-2015 development agendas. To help Uganda transition to the Sustainable Development Goals (SDGs), it is important to reflect on the overall contribution the MDGs have made. This means not just reporting Uganda's achievements against the MDG targets, but attempting to understand the value added by the MDG framework itself. Would Uganda have achieved the same results if the MDGs had never existed, or have the goals themselves galvanised resources and action for positive change that would have otherwise been impossible?

The MDG agenda was intended to build consensus and give prominence to a short list of development targets in order to measure and incentivise progress. The goals have had a pervasive impact on Uganda's policy discourse, and helped to raise awareness and pressure for improved performance. But over time the framework has become increasingly associated with a donor-driven approach to development, and may have lost some relevance within a Ugandan policy landscape increasingly focused on the underlying drivers of economic and human development. This chapter examines the relationship between the MDG agenda and the actual change in Uganda's MDG-related policies and outcomes. Background research was undertaken on the benefit incidence of Government spending in the education and health sectors, and this is used to explore the allocation of public resources and the effectiveness of service delivery. This serves as a basis to draw lessons for the post-2015 development agenda.

4.1. Uganda's overall MDG performance

As reported in chapter three, Uganda has made impressive achievements under the MDG framework although progress has not been uniform. Of the 14 goals for which Uganda has defined targets and for which there is sufficient evidence to make an assessment, six are expected to be achieved; significant progress has been made towards a further three, although the targets are likely to be missed narrowly; and five have not been achieved. One of the targets not achieved – to address the special needs of the least developed countries –was the responsibility of the entire global community rather than Uganda alone.

4.1.1 Key achievements

Uganda's most important success is under MDG 1: to halve the proportion of the population living in poverty. This target has been surpassed, with the country's poverty rate falling by two thirds. This has also contributed to many of the other goals, as households with higher income levels are better able to meet the direct and indirect costs of accessing education and healthcare for instance.[49] The main driver of poverty reduction has been access to economic opportunities, which have expanded across the country over Uganda's sustained period of high economic growth. Farmers consistently report increased demand for their produce due to improved access to growing local, urban and cross-border markets; while the growth of informal non-agricultural enterprises has helped to supplement and stabilise household incomes.[50]

This progress is not strongly linked to the MDG agenda. For instance, the most important enabler of growth and market integration has been public investment in physical infrastructure, particularly feeder roads and rural electrification. This is not targeted or monitored under the MDG framework, although donor support and debt relief, partly galvanised by the MDGs, helped to increase Government's fiscal space and ability to undertake these investments. Another MDG target that Uganda has achieved – making available the benefits of new technologies – did play an important role. The penetration of mobile phones in particular has facilitated access to vital goods and services and markets, and has had a strong effect on household income growth.[51]

49 Ministry of Finance, Planning and Economic Development (2013).
50 Ministry of Finance, Planning and Economic Development (2014c).
51 Ministry of Finance, Planning and Economic Development (2013).

Other targets Uganda has achieved include beginning to reverse the incidence of malaria and other diseases; and improving access to treatment for HIV/AIDS. The most dramatic progress has been in controlling the spread of malaria – the leading cause of under-five mortality. The malaria prevalence rate among children fell by more than 50% in just five years between 2009 and 2014. The burden of other diseases such as measles and tuberculosis has also been reduced significantly. These achievements have helped to halve Uganda's child mortality rate, representing significant progress although the ambitious MDG target is likely to be missed narrowly. This can at least in part be attributed to the mobilising effect of the MDG agenda, which helped to ensure proven interventions such as insecticide-treated bed nets, the measles vaccine and the DOTS approach to tuberculosis control were rolled out across the country.

4.1.2 Missed targets

Uganda has failed to achieve four MDG targets.[52] These are to (1) ensure that all children complete a full course of primary schooling; (2) eliminate gender disparities in secondary and tertiary education; (3) reduce the maternal mortality ratio by three quarters; and (4) reverse the spread of HIV/AIDS. These failures are mainly attributed to limited systemic capability in the education and health sectors, and the challenges Government has faced inducing behavioural change, both within the public sector and among the population.

Government has greatly expanded the resources available to the education sector and has built many more schools and hired many more teachers. The pupil-teacher ratio fell from 65 in 2000 to 46 in 2012, while the pupil-to-classroom ratio fell from 106 to 57. Despite this the enrolment rate has not improved – almost one in five children of primary school age are still not in school. Learning outcomes are not targeted by the MDGs, but test results suggest education standards are low and not improving. Other factors leading to delayed entry, high repetition and dropout rates are beyond the control of schools – such as parental attitudes towards education, the economic obligations that many children have, and social norms such as early marriage. Gender gaps remain as some parents do not want their daughters to attend secondary or tertiary education, or choose to educate boys at the expense of girls. Equipping Uganda's youth to participate fully in economic, social and political roles requires far more than just constructing more schools or recruiting more teachers. Uganda must move beyond the focus on enrolment and physical inputs to build an effective education system composed of many actors and pressures pursuing multiple and complex objectives.[53]

Although significant achievements have been made in the health sector – in particular controlling malaria and other diseases – progress in other areas has been inadequate. Maternal mortality has fallen but remains far above the MDG target, while past gains in the fight against HIV/AIDS have begun to reverse with a rise in new infections among the youth population. Most of the achievements have resulted from the adoption or dissemination of tried-and-tested interventions, such as mosquito nets, vaccines, ART and other medicines. The capacity of Uganda's health system to deliver these types of intervention has improved significantly, with drug stock-outs in public health facilities declining significantly over recent years. However, many other health challenges – including maternal mortality and HIV control – are highly context-specific with no one-size-fits-all interventions that can ensure success. Cross-country studies suggest that low maternal mortality is largely dependent on the effective functioning of health systems and only weakly related to the available resources or economic factors.[54] Uganda has made significant progress in treating HIV by ensuring antiretroviral drugs are widely available. Preventing new infections has proven a much greater challenge, despite significant efforts to change behaviour and reduce high-risk sexual activity. Similarly, expanding the number of public water sources in rural areas has been a major achievement, but efforts to change sanitation practices have made only limited progress.

52 This is excluding indicators for which Uganda has no target; targets with insufficient evidence to make an assessment; MDG 8 (which is responsibility of global community particularly industrialised countries); and the targets that are projected to be missed only narrowly (halving the proportion of people who suffer from hunger; reducing the under-five mortality rate by two thirds; and halving the proportion of people without sustainable access to safe drinking water and basic sanitation).

53 Pritchett (2013).

54 Lofgren (2010).

4.2. Assessing the contribution of the MDG agenda

How can the overall impact of the MDG agenda on Uganda's development be assessed? This is a fundamentally challenging task as the counterfactual – a world without the MDGs – cannot be observed. It may be impossible to disentangle the impact of the MDGs from all the other factors affecting poverty reduction, and the impact of the MDGs themselves from the ideas that lie behind each goal. One approach is to examine the causal chain linking the MDG agenda and the achievement of actual development results – what is sometimes called the 'theory of change'.

4.2.1 The MDG theory of change

How did the architects of the MDG agenda expect to achieve results? On one level, there was no such theory of change. In order to achieve broad consensus, there was a deliberate decision to avoid different theories or competing ideologies of development, although there was a concerted effort to "expand the development narrative beyond economic growth".[55] The MDGs have consequently been described as "goals without a theory".[56] To critics, this means the MDGs are 'utopian', overlooking the means to achieve the desired ends.[57] The MDGs may not have incorporated a theoretical understanding of the means through which countries should progress, but they were heavily influenced by different type of theory – known as results-based management (RBM).

In the 1990s, RBM – the idea of setting targets, monitoring achievement and rewarding performance accordingly – was increasingly popular in bureaucracies around the world, particularly in donor agencies and the UN system. The form and content of the MDGs was heavily informed by RMB principles, with the targets and indicators designed to be SMART (specific, measurable, achievable, relevant and time-bound).[58] This meant several important but difficult-to-measure elements of the Millennium Declaration were excluded or marginalised from the MDGs, including human rights, participation and inequality.[59]

The central idea underlying RMB and the MDGs is that setting goals and tracking progress generates incentives for improved performance. For many advocates this is the key channel through which the MDG agenda has contributed to development progress – the MDGs have been described as an "historic and effective method of global mobilisation".[60] Instead of providing a detailed roadmap, the MDGs aimed to fulfil the promise of the Millennium Declaration to "promote and create global and national environments conducive to development and to the eradication of poverty". In particular, the MDGs sought to galvanise the media, civil society and politicians, who are well positioned to explore the complexity and nuances of the issues in a particular context, to influence public discourse, and hold public service providers to account. The simplicity of the goals and time-bound targets were designed to make the MDGs a more useful tool for advocacy, to accentuate their mobilising effect and maximise awareness and public pressure for accountability.

Over time the MDGs have become increasingly associated with a western and donor-driven and donor-financed approach to development.[61] This partly reflected the scope of the goals – their emphasis on the social sectors, particularly education and health resonated strongly with donors needing to demonstrate the short-term results of their aid. The focus on "the delivery of public services by whatever means necessary" also lent itself to specific programmes targeting narrow objectives, often implemented outside Government systems.[62] Building durable and broad capabilities within national education and health systems is a more important but challenging and difficult-to-monitor task, and is not explicitly addressed in the MDG framework. While Goals 1 to 7 target development ends, Goal 8 – developing a global partnership – is the only explicit 'means' to achieve the other goals. This served to cast attainment of the MDGs chiefly as a problem of financing, rather than addressing weak governance or Government capabilities, and emphasised the role of ODA and the amount of resources allocated to the social sectors. This was reinforced by several studies that attempted

55 Vandemoortele (2011).
56 Van der Hoeven (2012).
57 Easterly (2005).
58 Hulme (2010).
59 Hulme (2010).
60 Sachs (2012).
61 Van der Hoeven (2012).
62 Natsios (2011); Pritchett and Kenny (2013).

to 'cost' the MDGs,[63] and the 2002 Monterrey Consensus that stated "a substantial increase in ODA and other resources will be required if developing countries are to achieve the internationally agreed development goals".[64] This view cast the MDG agenda as a mechanism to increase aid flows, and increased financial resources and the chief means to accelerate progress towards the targets.

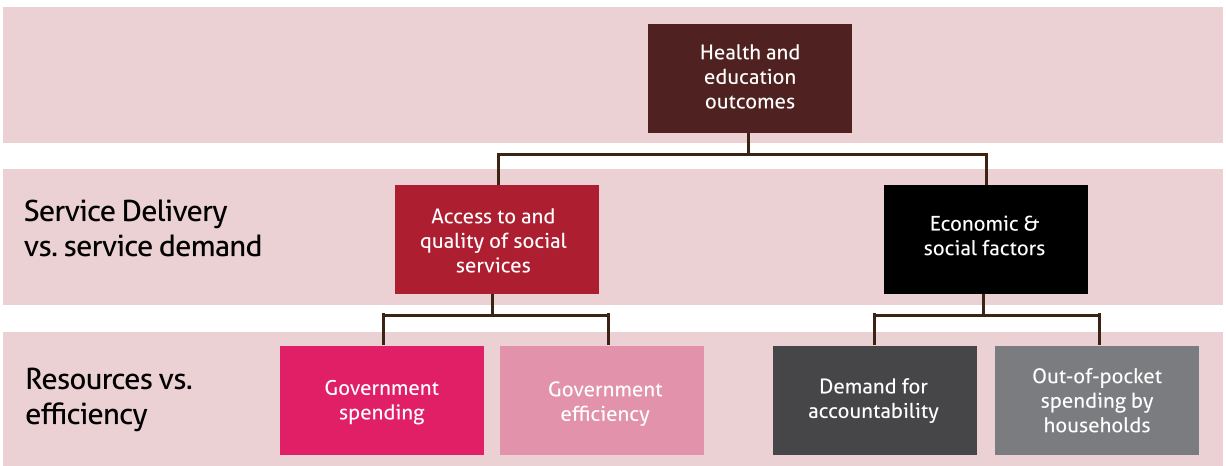
63 Such as Zedillo et al. (2001) and Devarajan, Miller and Swanson (2002)

64 UN (2002).

4.3. Resources and efficiency in social service delivery

Many of the MDG targets are framed in terms of access to social services – such as universal primary schooling, reproductive healthcare, treatment for HIV/AIDS and safe drinking water. Figure 4.1 decomposes the potential drivers of these MDG outcomes into 'service delivery' or supply, and service 'demand-side' factors. Supply-side factors are essentially internal to the public sector, and relate to the reach and quality of social services. Demand-side or non-Government factors determine the responsiveness of households to make use of the services available. For instance, households with higher income are better able to bear the costs associated with education or healthcare (which may be direct or indirect). Social norms and public awareness also influence service demand, and can lead to feedback effects and greater accountability in service supply. It is therefore possible to draw a further distinction – between resources and efficiency. Service supply depends on both the available resources and the efficiency of service providers in using these resources. Economic and social factors determine the private resources available and the ability of households to hold service providers to account, which can improve the effectiveness of public services.

FIGURE 4.1 UNDERSTANDING CHANGES IN MDG OUTCOMES



The MDG agenda may have helped to improve both service delivery and service demand, but in practice it has emphasised the public resources available for service delivery and private demands for accountability. As discussed above, the main mechanisms through which the MDG agenda sought to improve development results were expanding the financial resources for service delivery and mobilising the media and civil society to demand accountability. Other potential means to improve outcomes – including systemic capability and innovation within the public sector, and private sector growth – are not explicitly addressed within the MDG framework, which may have even hindered progress in these areas. If the MDG framework has made a

decisive contribution to Uganda's development results, it will most likely have been through better-financed public service delivery that is more responsive to local demands.

4.3.1 Public and private education and health spending

Households can access MDG-related services from either public or private providers. Private service providers have expanded rapidly over the last 15 years, particularly in the education sector,[65] but Government continues to play the central role in ensuring equitable access. Public spending on both education and health has grown significantly over the MDG period, but at a slower rate than GDP. Public education spending was 2.4% of GDP in 2013/14, compared to 4.0% of GDP a decade earlier (Figure 4.2). Public health spending fell from 2.5% of GDP to 1.2% of GDP over the same period (Figure 4.3).

65 According to household survey (UNHS) estimates, the share of primary school pupils attending private schools increased from 14% in 2002/3 to 20% in 2009/10

FIGURE 4.2 PUBLIC EDUCATION SPENDING (% OF GDP)

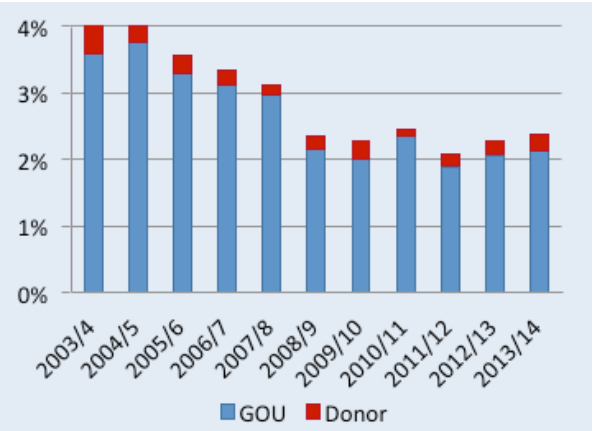
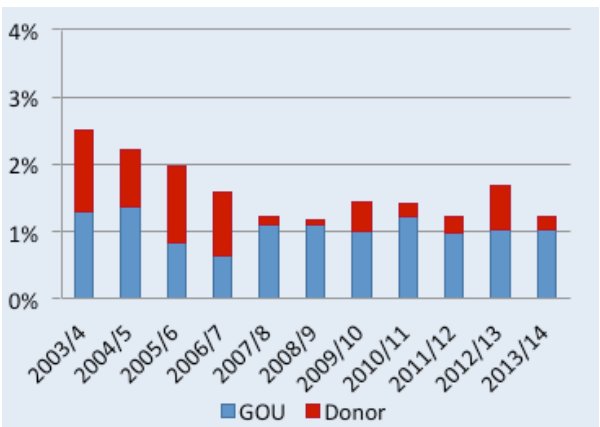


FIGURE 4.3 PUBLIC HEALTH SPENDING (% OF GDP)



Source: Ministry of Finance, Planning and Economic Development, Annual Budgetary Central Government Finance Statistics. Note: shows total (recurrent and development) education and health expenditure based on the Classification of Outlays by Functions of Government (COFOG) as a share of GDP at market prices.

This partly reflects concerns regarding value for money in public service delivery, and the high priority accorded to transport and energy infrastructure, particularly since the introduction of the NDP. The fall in health spending as a share of GDP is mainly due to lower donor financing, with domestically financed expenditure expanding broadly in line with economic growth. Enrolment growth has been significantly lower than GDP growth, helping to explain the decline in education spending as a share of GDP. In per capita terms, public spending on healthcare grew at an average rate of 5.4%, but education spending grew by just 1.1% per year (Table 4.1). This is partly because the school-age population has grown significantly more than the overall population.[66]

There are no longer tuition fees in UPE or USE schools or user fees for public health facilities, but it is common for households to spend their own resources – on private service providers or for associated costs such as school uniforms, scholastic materials or transport to medical facilities. Real household spending on education and healthcare has grown significantly over the last decade, at an average annual rate of 8.3% and 10.6% respectively (Table 4.1). This is significantly above the growth of public spending and GDP. 69% of Uganda's education and health expenditure is financed directly by households, up from 53% a decade ago.

66 According to UNHS estimates the share of Uganda's population aged between 6 and 18 years increased from 37.6% in 2002/03 to 40.3% in 2012/13.

TABLE 4.1 PUBLIC AND PRIVATE EDUCATION AND HEALTH SPENDING PER PERSON*

		2002/3		2012/13		Real growth	
		Shillings	Share	Shillings	Share	2002/3-12/13	Annualised
Education	Public spending	95,057	48%	105,989	32%	12%	1.1%
	Private spending	104,072	52%	230,105	68%	121%	8.3%
	Total spending	199,130	100%	336,095	100%	69%	5.4%
Health	Public spending	18,701	41%	31,557	30%	69%	5.4%
	Private spending	26,443	59%	72,617	70%	175%	10.6%
	Total spending	45,144	100%	104,174	100%	131%	8.7%

*Sources: UNHS 2002/3 and 2012/13; and Ministry of Finance, Planning and Economic Development, Annual Budgetary Central Government Finance Statistics. Notes: *spending per person (for health) and per person aged between 6 and 18 years (for education), based on UNHS population estimates. Public spending includes recurrent and development spending financed by GOU and development partners based on the Classification of Outlays by Functions of Government (COFOG). Health and education spending are inflated to 2012/13 prices using the respective GDP deflators.*

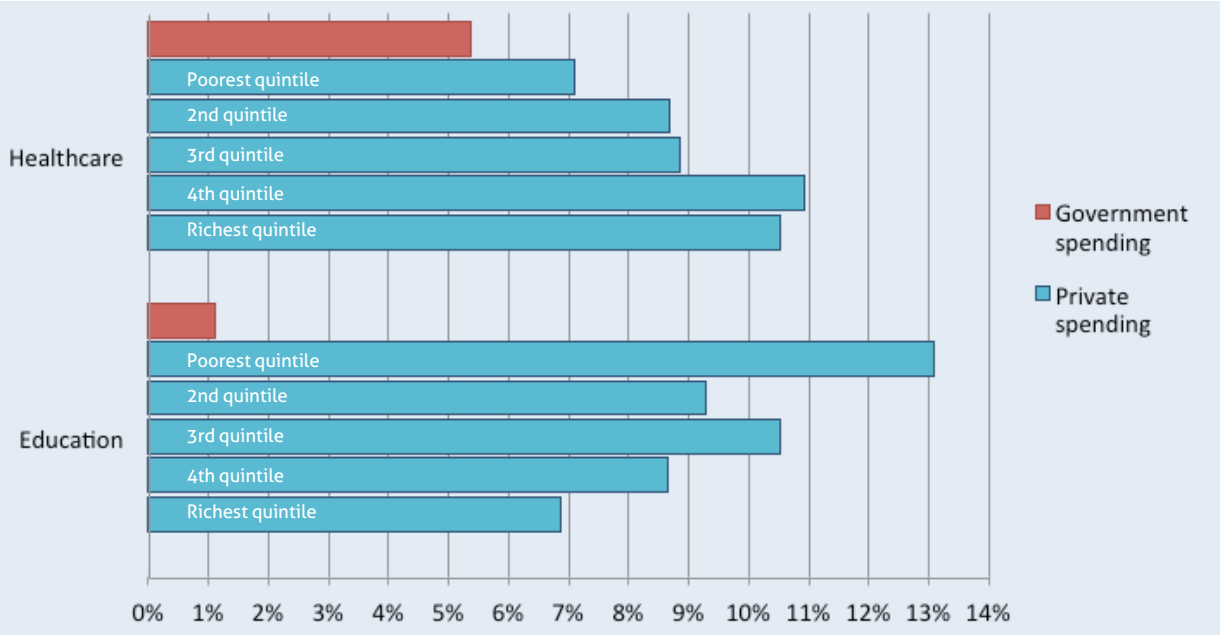
The trend towards higher private spending on education and healthcare has not only been driven by better-off households but has occurred across the income distribution. Average education and health spending by the poorest 20% of households grew respectively by 13.1% and 7.1% per year between 2002/3 and 2012/13 (Table 4.2). Education spending growth was in fact highest among less-well-off households (Figure 4.4). Public education spending has barely kept pace with the school-age population and this may have increased the burden on households to use their own resources. In comparison, public spending per person has grown more in the health sector, and the expenses borne by poorer households have not increased as rapidly.

TABLE 4.2 AVERAGE HOUSEHOLD EDUCATION AND HEALTH SPENDING PER PERSON[1] BY WELFARE QUINTILE[2]

		2002/3[3]	2012/13	Real annualised growth
Education	Poorest quintile	11,187	38,247	13.1%
	Second quintile	27,114	65,834	9.3%
	Third quintile	43,207	117,675	10.5%
	Fourth quintile	90,183	206,547	8.6%
	Richest quintile	358,439	697,153	6.9%
	Average for all households	104,072	230,105	8.3%
Health	Poorest quintile	6,114	12,133	7.1%
	Second quintile	9,370	21,518	8.7%
	Third quintile	15,113	35,339	8.9%
	Fourth quintile	22,980	64,876	10.9%
	Richest quintile	61,534	167,262	10.5%
	Average for all households	26,443	72,617	10.6%

Source: UNHS 2002/3 and 2012/13. Notes: [1]Spending per person (for health) and per person aged between 6 and 18 years (for education), based on UNHS population estimates. [2]Based on household consumption per adult equivalent. [3]Inflated to 2012/13 prices using the GDP deflators for the education and health sectors.

FIGURE 4.4 AVERAGE ANNUAL GROWTH IN PUBLIC AND PRIVATE HEALTH AND EDUCATION SPENDING PER PERSON*



*Sources: UNHS 2002/3 and 2012/13; and Ministry of Finance, Planning and Economic Development, Annual Budgetary Central Government Finance Statistics. Notes: *per person (for health) and per person aged between 6 and 18 years (for education), based on UNHS population estimates. Public spending includes recurrent and development spending financed by GOU and development partners based on the Classification of Outlays by Functions of Government (COFOG). Health and education spending are inflated to 2012/13 prices using the respective GDP deflators. Welfare quintiles are based on household consumption per adult equivalent.*

4.3.2 Targeting of public education and health spending

To deliver services, Government must have not only have adequate resources, but the ability to use these resources efficiently to benefit those in need. An important component of Government effectiveness is proper targeting – public spending cannot improve MDG outcomes if it only benefits households that have already achieved the goals. How the benefits of public spending on education and healthcare are distributed is therefore important in understanding Uganda's MDG performance. The standard technique for measuring the equity impact of public spending is benefit incidence analysis (Box 1).[67]

67 See for example Ssewanyana and Kasirye (2015); Guloba, Nyende and Wokadaka (2010).

Box 1 Benefit incidence analysis

Following the push towards universal primary and secondary education, healthcare and safe water coverage in Uganda and many developing countries, numerous studies have sought to measure the equity impact of social sector public spending using the technique of benefit incidence analysis (BIA). Background research for this report followed the approach of Demery (2000) and Lanjouw and Ravallion (1999) to provide insights on the distributional effects of public spending on different population sub-groups in Uganda, focusing on the education and health sectors. The essence of BIA is to reveal which income groups receive the benefits of public expenditure in these sectors. The distribution of benefits depends on both Government behaviour – including the level and composition of public spending – and on household behaviour (e.g. whether parents choose to send their children to public schools).

Official data on the level of Government recurrent spending on education and healthcare is used to compute the per-user unit cost – effectively the 'subsidy' that Government provides. This was combined with survey data on household service use and welfare to gain insights on the distribution of public social sector spending benefits. The approach used to identify the benefit incidence of publicly provided education and health services was the mean subsidy approach, implying that the Government subsidy for one unit of education or health service is assumed to be the same for all individuals, regardless of household income levels or geographic location. This approach is widely used in benefit incidence studies.[67] The analysis was done for a ten-year period from 2002/03 to 2012/13 to assess trends in public funding, effective subsidies and the utilisation of Government services. For the education sector, the analysis focuses on the primary and secondary levels, covering the population aged 6 to 18 years. The use of health services is disaggregated to consider hospitals (run by Government or NGOs) and other 'health units', which covers Government and NGOs health centres, community health workers and HomePAK drug distributors.

The distribution of benefits from Government education spending

Government's recurrent education spending has increased more than enrolment growth at both the primary and secondary levels. In 2002/03, Government spent on average 60,130 shillings and 108,321 shillings respectively for each primary pupil and secondary student, and this increased to 78,917 shillings and 262,826 shillings in 2012/13 (Table 4.3). The higher growth in the unit cost of secondary schooling can be attributed to the introduction of USE in 2007, which has significantly increased the effective Government subsidy for secondary schooling. This has increased secondary school enrolment, particularly among less well-off households although a higher proportion of secondary school students continue to come from relatively wealthy households (see Figure 4.5 and Figure 4.6).

TABLE 4.3 GOVERNMENT SUBSIDY PER PUPIL/ STUDENT

	2002/03	2012/13	Growth
Primary education	60,130	78,917	31%
Secondary education	108,321	262,826	143%

Source: UNHS 2002/03 and 2012/13; and Ministry of Finance, Planning and Economic Development, Annual Budgetary Central Government Finance Statistics. Notes: The per-student subsidy is calculated as government recurrent expenditures (separately for primary and secondary) for each financial year divided by enrolment (estimated from the UNHS dataset). Education spending is inflated to 2012/13 prices using the appropriate GDP deflator

FIGURE 4.5 PRIMARY ENROLMENT BY WELFARE QUINTILE

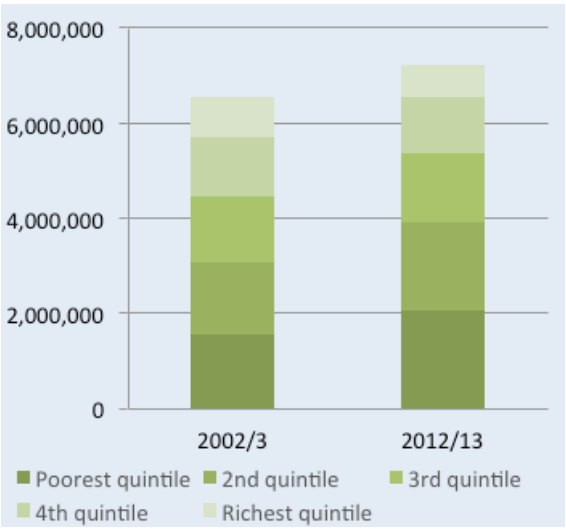


FIGURE 4.6 SECONDARY ENROLMENT BY WELFARE QUINTILE

Source: UNHS 2002/03 and 2012/13. Note: Welfare quintiles are based on household consumption per adult equivalent.

Spending on primary education is pro-poor and has become increasingly progressive over the last decade. The poorest 20% of households received 24% of the benefits of primary education spending in 2002/03 compared to 13% for the richest quintile. The share accruing to the poorest households increased to 28% in 2012/13, and declined to 9% for the richest (see Figure 4.7 and Figure 4.8). This is partly attributed to richer households opting for private schools and the higher average number of children in poorer households.

Spending on secondary education is regressive – more secondary school students come from better-off families so that a larger share of the benefits accrue to richer households. This is consistent with international evidence that shows expenditure on higher levels of education tends to be pro-rich.[68] Nonetheless, Government spending on secondary education has become significantly less regressive over the last decade as the abolition of tuition fees has enabled more

68 Selden and Wasylenko (1992); Filmer (2004).

children from poorer families to enrol and enjoy the benefits of secondary schooling. The richest 20% of households received 43% of the benefits of secondary education spending in 2002/3 but this fell to 31% in 2012/13.

FIGURE 4.7 DISTRIBUTION OF EDUCATION SUBSIDIES, 2002/03

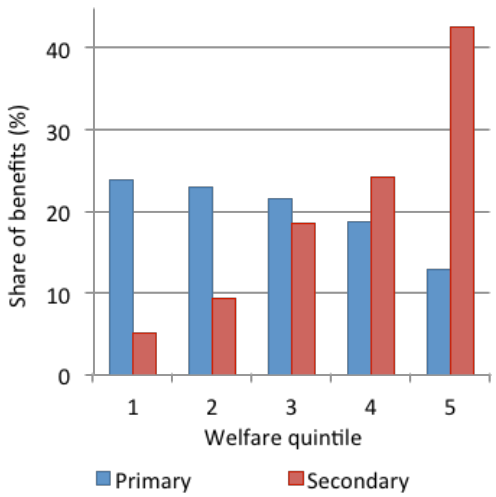
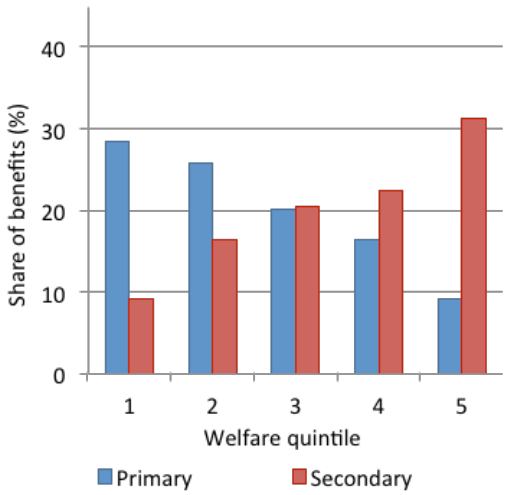


FIGURE 4.8 DISTRIBUTION OF EDUCATION SUBSIDIES, 2012/13



Source: calculations based on UNHS 2002/03 and 2012/13; and MFPED Annual Budgetary Central Government Finance Statistics. Note: Welfare quintiles are based on household consumption per adult equivalent.

The distribution of benefits from Government health spending

There has been a significant increase in the utilisation of public health services over the last decade, particularly for hospital-based services. On average individuals visited hospitals 0.2 times in 2002/3, but this increased to an average of 1 hospital visit per person in 2012/13. The use of other public health facilities increased from 0.7 visits per person in 2002/3 to 0.8 in 2012/13. These trends reflect the general improvement in the supply of health facilities, as well as improved transport infrastructure that has enabled more individuals to access specialist hospital-based services. Government health spending is generally progressive, particularly at the health-centre level. Lower-level health facilities tend to be located in rural communities and are more accessible for the poor, whereas better-off households are more likely to opt for hospital-based services.

4.4. Conclusion and lessons for the post-2015 development agenda

4.4.1 The impact of the MDG agenda in Uganda

The MDG agenda has been remarkably successful in its central underlying objective – raising the profile of a short list of development objectives. This success reflects a broad consensus on the importance of the end results specified and the simplicity of the time-bound targets, which made the framework a popular tool for advocacy. The MDGs have had a pervasive impact on development discourse within Uganda; they are frequently mentioned in Government policies and plans; and progress towards the goals has been well monitored with a positive impact on data collection. Given this prominence the MDG agenda has undoubtedly impacted Uganda's development outcomes, through various channels, and in both positive and negative ways.

The MDG agenda accepted that attaining the goals would require a substantial increase in resources for social service delivery, particularly ODA. The MDGs helped to mobilise support for aid in advanced countries, culminating in the Gleneagles G8 agreement in 2005. Uganda's debt to the World Bank, IMF and African Development Bank was cancelled. This helped to cut the country's debt service-to-exports ratio by a factor of four, freeing up significant fiscal space for social spending and public investment. The envisaged increase in ODA has not occurred however. Grants and concessional loans financed around half of Government spending in 2000, but only 14% in 2013/14. The development assistance Uganda receives has declined in absolute terms since 2008/9, after the global financial crisis put aid budgets under pressure in most OECD countries. Government has still increased social spending in per capita terms, mainly financed from growing domestic revenue. But increased public spending on education and healthcare has been overshadowed by the growth of private spending by households themselves. The progress Uganda has made towards the MDG targets has not by and large been driven by the volume of public spending.

The MDG agenda may have influenced the targeting and allocation of public resources within the social sectors. With many competing priorities for public resources and limited fiscal space, improving development outcomes depends crucially on effective targeting and the overall efficiency of public service delivery. Government spending on education and health is generally well-targeted to benefit poorer households, and has become slightly more progressive over the last decade. Access to secondary schooling and hospital-based health services has expanded particularly rapidly, benefiting both rich and poor households.

Uganda has made important progress in the health sector, perhaps most notably in controlling the spread of malaria. The prevalence of malaria among children reduced by half between 2009 and 2014, contributing to similar fall in the under-five mortality rate. This and other important public health achievements mainly resulted from the adoption or dissemination of scientifically proven interventions, such as mosquito nets, vaccines, the DOTS approach to tuberculosis control, antiretroviral drugs and other essential medicines. The MDGs concentrated attention on these health challenges, helping Government to learn from international best practices and deliver these types of intervention effectively.

However, implementing these tried-and-tested interventions could be described as picking 'low-hanging fruit'. Uganda faces many challenges – from reducing maternal mortality to improving learning outcomes in schools and changing social norms – that cannot be addressed through easy-to-scale, scientifically proven interventions. Overall, Uganda's results in such areas have been disappointing – Ugandan children do not all complete primary school, maternal mortality remains unacceptably high, and HIV infections are on the rise. Addressing more complex and context-specific problems such as these requires greater innovation and adaptation to Uganda's unique circumstances – which can only be achieved through effective functioning national health and education systems, rather than individual programmes targeting narrow objectives. In practice the MDG agenda has often favoured the latter. There are no MDGs explicitly targeting Government effectiveness, which perhaps distracted attention from the difficult but important challenge of building systemic capabilities to innovate, implement and learn from public feedback. By setting goals and tracking progress, the MDGs sought to enhance accountability in service delivery and generate incentives for improved performance. However, greater awareness and information on Uganda's overall progress has rarely proven sufficient for civil society, the media or the general public to influence resource allocation, policy or implementation decisions.

The prominence of the MDGs within Uganda's policy discourse may have had other drawbacks, as prioritising certain areas inevitably diverts attention from other important issues. In particular, it has been argued that the MDG agenda's "strong focus on social sectors may skew resources away from a development path of more rapid growth and less aid dependence."[69] Uganda has achieved rapid growth rates, and this has contributed to its progress towards the MDG targets – income poverty was reduced by two thirds, surpassing the 50% reduction targeted under MDG 1, and this has in turn enabled private spending on social services to grow rapidly, contributing many of the other MDGs. But this progress cannot be attributed to the MDG framework itself. The main enablers of Uganda's broad-

69 Manning (2009).

based economic growth include strong macroeconomic management, public investment in infrastructure such as feeder roads and rural electrification, regional integration and trade, and rapid urban growth. None of these areas were monitored within the MDG framework, but they are the only sustainable means for Uganda to improve human development outcomes. If anything, the prominence of the MDG agenda may have delayed important policy shifts that have seen Government give appropriate priority to economic growth, wealth creation and structural transformation.

4.4.2 Lessons for the Sustainable Development Goals

As the world transitions into a new era, a number of lessons can be drawn from Uganda's MDG experience. The SDGs will take a similar form to their predecessor – time-bound targets measuring progress towards widely accepted priorities. However, the changes in the development context over the last 15 years and the successes and the failures of the MDGs, suggest important changes are required both in the coverage of the indicators and their underlying assumptions. The relationship between national and global development frameworks should also be scrutinised to ensure Uganda can adapt and make use of the SDGs in a more constructive way.

Attending to the unfinished MDG business will require a change of approach. The MDGs lent themselves best to programmes that could be precisely measured, encouraging interventions with narrow objectives – increased access to mosquito nets for instance. These programmes have had some large benefits, as the fall in Uganda's malaria prevalence rate demonstrates. But as the 'low-hanging fruit' are picked, the development challenges that remain are more complex and less measurable. While distributing bed nets is relatively straightforward, malaria will not be eradicated through such interventions alone. Uganda has successfully increased primary school enrolment, constructed safe drinking water sources and improved access to treatment for HIV/AIDS, but now must also motivate teachers to teach, change sanitation practices and reduce high-risk sexual behaviour among the population. These problems cannot be addressed by one-size-fits-all solutions – applying 'international best practices' is more likely to close off rather than open up space for innovation, learning and public feedback.[70]

The SDGs should raise aspirations and embrace the transformative agenda as Uganda's Vision 2040 has done. This means moving beyond the symptoms of extreme poverty to consider the drivers of equitable and sustainable development. There should be greater coverage of issues such as good governance and participation, government capabilities, inequality, productive economic capacity and growth. This may give rise to some practical challenges in specifying goals and measuring progress. Programmes that are the most transformational are often the least measurable, but programmes with easy-to-measure objectives by their nature tend to be less transformational.[71] The SDGs should set higher bars and take a more aspirational approach to avoid "the illusion that specific targeted programs can be an adequate substitute for a broad national and global development agenda."[72]

The next global development agenda should be grounded in an understanding of how societies can progress towards their vision, and the roles of different institutions in the process of change.[73] When applied to Uganda, the SDGs must be fully consistent with the existing national development frameworks – Vision 2040 and the National Development Plan – and be used by all stakeholders to inspire locally relevant goals and measures of progress.

70 Pritchett, Woolcock and Andrews (2013).
71 Natsios (2011).
72 Pritchett and Kenny (2013).
73 Vernon and Baksh (2010); Van der Hoeven (2012).

5. THE WAY FORWARD: ENHANCING GOVERNMENT EFFECTIVENESS

This chapter sets out a way forward – the steps Government intends to take to integrate Uganda's unfinished MDG business into the national post-2015 development agenda. It does not dwell on the specifics of Uganda's development objectives and strategy for the post-2015 era – this is addressed in NDP II and Vision 2040 – but explains how the unfinished MDG business and the SDGs will be implemented within these broader frameworks. The unfinished business is not understood simply as the MDG targets Uganda has missed, but the underlying constraints that must be addressed to accelerate and sustain progress. The core of Uganda's post-2015 development agenda is a drive for more innovative, responsive and effective Government services, which will be required to close the remaining MDG gaps and make progress towards new objectives.

There is a growing need to strengthen the link between public spending and the effectiveness of service delivery – to shift the focus of sector performance away from an activity and input orientation to one of results and the impacts of Government programmes. Policy makers and implementing institutions must not fixate on inputs, activities and outputs but emphasise development outcomes. Government must enhance performance and accountability by building a results-orientated culture, emphasising clear and mutually agreed goals with continuous monitoring, adaptation and improvement.

5.1. What is the unfinished MDG business?

Uganda's unfinished MDG business can be described broadly as improving the effectiveness of social service delivery. The four goals that will not be achieved by the 2015 deadline are ensuring that all children complete a full course of primary schooling; eliminating gender disparities in secondary and tertiary education; reducing the maternal mortality ratio by three quarters; and reversing the spread of HIV/AIDS. But addressing the unfinished MDG business does not simply mean closing these gaps. The constraints that explain Uganda's failure to achieve these particular goals have broader relevance and reduce the effectiveness of Government services more generally. Identifying and responding to these underlying factors is necessary not only to close the MDG gaps, but to address emerging challenges in the post-2015 era. The factors constraining the effectiveness of social services are both within Government (the 'supply side') and outside the public sector (the 'demand side').

5.1.1 The quality and responsiveness of public services

The quality and responsiveness of public services are key factors limiting their effectiveness. With significant improvements in access to and demand for education, maintaining and enhancing quality is a major challenge. Learning outcomes are poor and showing few signs of improvement. If pupils attending lessons are learning little, it is no surprise that almost one in five are not in school. The health sector has performed well in delivering one-size-fits-all interventions (such as bednets, vaccines and other essential medicines) but struggled to respond to specific local needs or changing circumstances. For instance, prenatal care and skilled birth attendance has improved significantly (partly inspired by MDG indicators), but gaps in postnatal care have continued despite a rising share of maternal deaths occurring more than a day after delivery.

These challenges reflect the limited capacity of Uganda's education and health systems to innovate and learn – what can be termed systemic capability. Expert advice and international best practices are often implemented, but appropriate solutions to complex context-specific problems are rarely developed. This reflects the current culture and mindset among public servants, which is in turn a product of the incentive structures they face. Policy makers are often more inclined to prescribe ready-made solutions than to understand and respond

to the problems they face. Frontline service providers may have weak incentives to perform. When they are held to account it is for predetermined outputs, leaving them limited space to experiment with other approaches that may be more appropriate in the local context.

5.1.2 Demand-side constraints

Many factors undermining the effectiveness of social services are beyond the control of service providers. Economic conditions and social attitudes and norms often prevent individuals from accessing education, healthcare and other services. For instance, financial constraints continue to drive non-enrolment and school dropout rates, reflecting household expenses on stationary, meals and uniforms, and the economic obligations that many children have. Social attitudes and cultural practices also remain important barriers, particularly for girls to remain in school and for some women to access maternal care.

These demand-side constraints have reduced significantly over the last 15 years. Uganda's inclusive economic growth and rapid reduction in poverty have significantly increased the financial resources at the disposal of households. This has allowed real private per capita spending on education and healthcare to grow by 8.3% and 10.6% respectively each year (see section 4.3.1). This also illustrates the increasing priority Ugandans have accorded to these areas, and the impact of public policy in raising awareness and addressing cultural constraints even among the poorest households.

Nonetheless, poverty, knowledge gaps and misconceptions continue to undermine the effectiveness of public services. Some households still choose to educate boys at the expense of girls, particularly in the relatively poor northern region. Government has struggled to induce behaviour change among the population, as illustrated by the continued prevalence of high-risk sexual activity and recent rise in HIV infections. Improving the effectiveness of social services therefore requires a coordinated response across the whole of Government, with support for household livelihoods and public information campaigns to complement reform within the social sectors themselves.

5.2. Government effectiveness and the post-2015 development agenda

Uganda's unfinished MDG business broadly lies in enhancing the effectiveness of social services and this is an important component of the country's overall post-2015 development agenda. Government's priorities have expanded beyond the social sectors to incorporate economic, governance and environmental dimensions and this is reflected in ambitious SDGs such as promoting industrialisation and innovation; building effective, accountable and inclusive institutions at all levels; and ensuring the sustainable use of natural ecosystems. But these wide-ranging and ambitious objectives share important similarities with Uganda's unfinished MDG business. They are all complex challenges for which there are no simple or easy-to-replicate solutions – they will require Government to innovate, learn and adapt. Uganda's unfinished MDG business and the other challenges of the post-2015 era will require more effective Government, and in particular new incentive structures to drive mindset change within the public sector and create a culture of innovation, responsiveness and cooperation. The complexity of these new challenges means Government's appropriate response is often not known beforehand – transformational goals are often the most difficult to monitor. This has important implications for how Uganda must adapt and build on the SDG framework, and how Government should measure and manage its performance more generally.

5.2.1 Localising the SDGs

The MDGs sought to influence Uganda's national policy priorities, but Uganda needs to use the SDGs as a tool to further its own development objectives. The proposed SDGs appropriately embrace the transformative agenda in a similar way to Uganda's Vision 2040 – whereas the MDGs were carefully designed to be specific and achievable, many of the SDGs take a broader and more aspirational approach. MDG indicators often prescribed specific interventions or programmes, indicator 6.7 for instance – the proportion of children under five sleeping under insecticide-treated bed nets – lends itself to the

straightforward distribution of mosquito nets. In contrast, the SDGs are more comprehensive (to the extent that not all of the targets can be prioritised simultaneously) and ambitious – for example, targeting to double the industrial sector's share of employment and GDP in least developed countries. Individual countries must develop their own strategies to achieve this goal in light of their national circumstances. Uganda must prioritise its SDGs and ground them in a common understanding of the means to progress towards the goals, and the roles and responsibilities of different stakeholders in this process – in short, a theory of change.

The end year for the SDGs is 2030 but Uganda's priorities and the appropriate theories of change will evolve over this period making it important to introduce intermediate targets. Progress must be monitored continually, with stakeholders periodically coming together to re-evaluate the country's priorities, performance, and actions required. This process is already underway, with the country's goals and strategies for the next five years set out in NDP II. Uganda's prioritised SDGs and associated theories of change will be reviewed and revised in the subsequent two National Development Plans that will follow during the SDG period. Intermediate objectives and milestones will be set out in each NDP with clear timelines to ensure closer feedback between policies and outcomes.

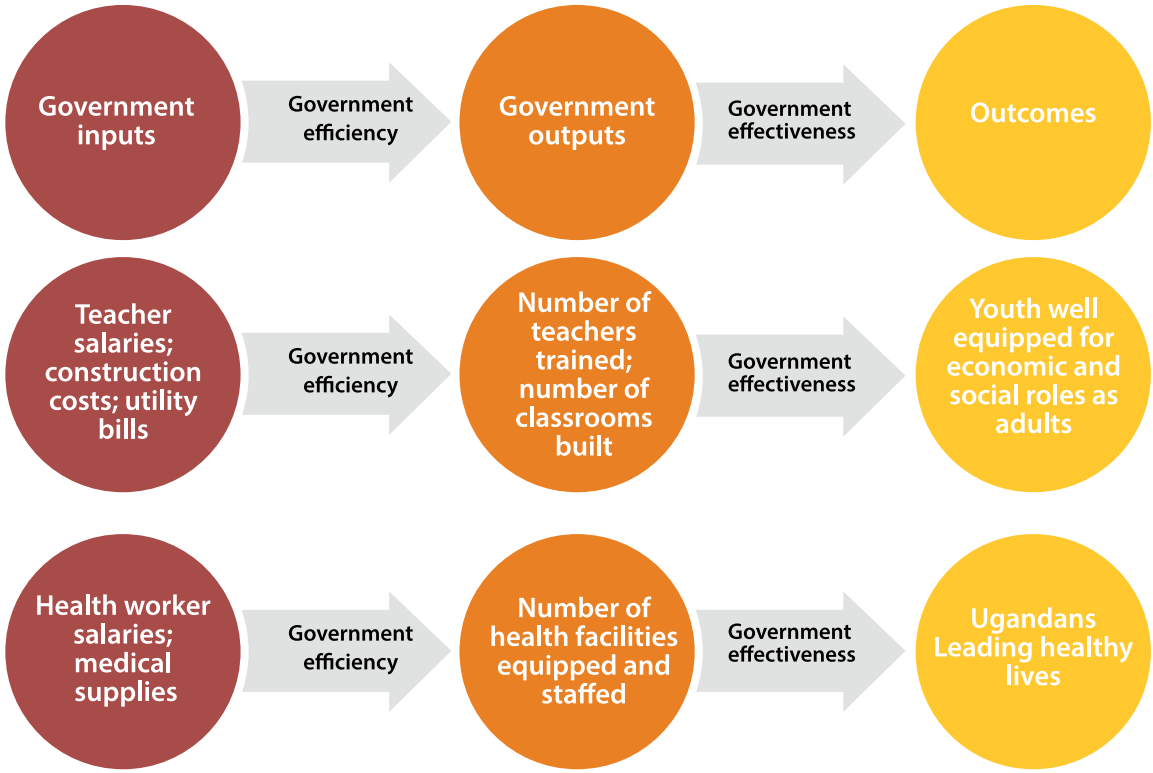
The MDGs have demonstrated the mobilising power of high-level time-bound targets, and the SDGs will continue to incentivise performance towards the goals Ugandans share. However, greater information and awareness on the country's overall progress alone is not sufficient for public demand to feedback into improved policy or implementation performance, particularly for the more complex development challenges Uganda will face in the post-2015 era. The SDGs will only be realised with fundamental reforms within the public sector to develop a results-orientated culture emphasising innovation, continuous monitoring, learning, adaptation and improvement.

5.2.2 Measuring and managing Government performance

To understand and improve Government performance it is helpful to distinguish between inputs, outputs and outcomes. Government inputs refer mainly to labour (civil service salaries) and the procurement of goods, services and capital equipment or assets. These inputs are used in the production of Government outputs – goods or more often services that Ministries, Departments or Agencies (MDAs) deliver to households, private firms or other Government departments. Examples of Governments outputs include the number of classrooms constructed or medical treatments provided, as well as administrative and policy support services. Outcomes refer to the actual development results that the outputs are intended to achieve. For instance, well-equipped fully functional health facilities (a Government output) help Ugandans to lead healthy lives (a development outcome).

Monitoring inputs, outputs and outcomes is critical for improving Government effectiveness. Inputs are naturally quantified in monetary terms and comprise the traditional line items that form the basis for of the national budget appropriated each year. Tangible Government outputs – such as the number of trained teachers deployed to schools – are the most common means to measure Government's performance. Public financial management reforms such as the Output-Budgeting Tool, the Annual Government Performance Report and the Budget Monitoring and Accountability Unit have greatly improved the monitoring of Government outputs over the last decade. This has helped stakeholders to obtain the information needed to assess the value for money of Government spending. There is now a growing need to move beyond the *efficiency* or value for money of Government spending – defined as the ratio of outputs to inputs – to Government *effectiveness*, or the extent to which outputs lead to improved outcomes (Figure 5.1).

FIGURE 5.1 GOVERNMENT INPUTS, OUTPUTS AND OUTCOMES



Traditionally, Ugandan policy makers and implementing agencies have focused on inputs, activities and outputs more than development outcomes, and this reflects the incentives they face. Inputs and outputs tend to be easier to measure – the number of schools is naturally quantifiable whereas 'relevant and ef¬fective learning outcomes' are not. Secondly, development outcomes are influenced by a range of factors beyond Government outputs. The 'attribution problem' means Government cannot always claim the credit for improved outcomes. When pushed to demonstrate their achievements, policy makers have a stronger incentive to build a new school for example than to use the same resources in a less tangible but potentially more effective way – perhaps providing USE funds to private schools. This has shifted discussion of sector performance and funding towards activities and inputs more than the actual impacts of Government programmes. A range of reforms will be introduced under NDP II to reverse these trends and develop a results-orientated culture throughout Government.

Outcome-based budgeting

Outcome or programme-based budgeting is a key reform identified in NDP II that aims to focus the national and sectoral budgets on achieving results. Uganda's current budgeting system is informed by performance in the delivery of outputs with appropriations still reflecting a line-item (input-based) approach. During NDP II, Government will move towards an outcome-based budget. Improved measurement and monitoring of priority outcomes will form the basis for performance assessments and ultimately resource allocations. The NDP II results framework will be used to help map prioritised outcomes backwards to the outputs and financial resources required. Programme managers directly accountable for the outcomes achieved will have an incentive to assess the required Government services objectively, and resources will be allocated to the most in-demand functions of Government.

These reforms will strengthen the link between public

spending and the effectiveness of service delivery, shifting the focus of sector performance from activities to the ultimate results of Government programmes. Increased transparency and accountability in the purpose and impact of the budget will help to ingrain a results-orientated culture. MDAs and Local Governments will also develop client charters to make and deliver tangible commitments to citizens. Public agencies will compete to deliver effective services rather than for resources or over mandates, enabling coordinated whole-of-Government responses to complex development challenges.

Delivery Units

NDP II established a Delivery Unit within the Office of the Prime Minister (OPM) to fast track implementation of the plan's core projects and key sector results. The Unit will focus on the highest priority outcomes targeted in NDP II, including infrastructure and energy, industrialisation, job creation and poverty reduction. The Unit will report directly to Cabinet ensuring high-level political commitment to set timelines and coordinated interventions across multiple sectors. A network of similar Delivery Units will be progressively established at the sector and local-government levels. This will help to develop improved service delivery performance indicators and support the implementation of programme-based budgeting.

Monitoring and Evaluation

Government, led by coordinating agencies such as OPM, MFPED and NPA, will encourage a change in the perception and use of Monitoring and Evaluation (M&E) systems. Traditionally M&E has been mainly 'top-down' and used for organisational accountability. This has led to resistance from implementing agencies, high evaluation costs and weak feedback loops, undermining opportunities to learn and improve implementation performance. To improve the effectiveness of M&E, Government will encourage 'structured experiential learning' by training policy makers and frontline managers in new approaches to project design and performance monitoring; and providing greater flexibility for implementing agencies to experiment and learn from their successes and failures.

This change in approach to M&E will enable frontline managers to test out different approaches within projects and programmes, monitor inputs, outputs and outcomes and see what works best. Self-evaluation will help managers to understand and learn from their projects' implementation, and to incorporate this understanding into their future operations. Improved data collection and monitoring of beneficiary outcomes will also make it easier for coordinating and funding agencies to track performance across projects and sectors.

Motivating frontline service providers

Poor motivation among frontline service providers contributes to absenteeism and undermines Government effectiveness. Renewed efforts are being made to motivate teachers, school managers, health workers and other public servants and ensure compliance with set service delivery standards. A comparison of public and private service providers suggests that extrinsic incentives (such as financial rewards) are not the most important motivator – teachers are more likely to be absent in the public sector despite often receiving higher salaries than their private-sector counterparts. Government's response involves strengthened oversight mechanisms such as school inspection and the credible threat of sanctions for non-performance. This is being combined with efforts to leverage the intrinsic motivation of public servants.

The introduction of district league tables ranking service delivery performance has already helped to improve the quality of public services. Government plans to build on this success by introducing a star-rating system for individual education and health service facilities. Facility managers will be graded based on their professionalism, the physical condition of the facility and their level of engagement with the local community. This system will help to recognise and reward managerial effort and significantly improve the quality of frontline service delivery.

Engaging private service providers

With almost 70% of Uganda's education and health expenditure financed directly by households, it is impossible for Government to address the unfinished MDG business without engaging private service providers. Private schools often have lower costs and can achieve better learning outcomes than many public schools.[74] Government is therefore exploring alternative

74 Bold et al. (2013).

models of service delivery including channelling public funds to private service providers. In the past such approaches have not been favoured due to the emphasis on delivering tangible Government outputs, but outcome-orientated budgeting will provide greater flexibility for effective public-private partnerships, which can also open up public service providers to meaningful competition and incentives to perform. The rapid growth in private resources available for social services is another opportunity Government plans to leverage by moving towards more efficient pre-paid or pooled funding mechanisms, such as the national health insurance scheme.

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ANNEX: SUMMARY TABLE OF MDG INDICATORS

MDG	INDICATOR	BASELINE	CURRENT STATUS	2015 TARGET
1: Eradicate extreme poverty and hunger	1.1 Proportion of population below national poverty line	56.4% (1992/3)	19.7% (2012/13)	25%
	1.2 Poverty gap ratio	20.3 (1992/3)	5.2 (2012/13)	No target
	1.3 Share of poorest quintile in total household consumption	6.9% (1992/3)	6.4% (2012/13)	No target
	1.7 Proportion of own-account and contributing family workers in total employment	87.3% (1992/3)	78.9% (2012/13)	No target
	1.8 Prevalence of underweight children under-five years of age	25.5% (1995)	13.8% (2011)	10%
2: Achieve universal primary education	2.1 Net enrolment ratio in primary education	86% (2002/3)	82% (2012/13)	100%
	Boys	85%	81%	
	Girls	86%	84%	
	2.2 Gross primary completion rate	49% (2002)	72% (2014)	100%
	Boys	59%	72%	
	Girls	41%	72%	
	2.3 Literacy rate of 15-24 year-olds	59% (2001/2)	76% (2011)	No target
	Boys	65%	77%	
	Girls	53%	75%	
3: Promote gender equality and empower women	3.1 Ratios of girls to boys in education	(2000)	(2014)	
	Primary education	93%	100%	100%
	Secondary education	79%	83%	100%
	Tertiary education	58%	79%	100%
	3.3 Proportion of seats held by women in national Parliament	17.9% (2000)	35.0% (2014)	No target
4: Reduce child mortality	4.1 Under-five mortality rate (per 1,000 live births)	156 (1995)	90 (2011)	56
	4.2 Infant mortality rate (per 1,000 live births)	86 (1995)	54 (2011)	31
	4.3 Proportion of 1-year-old children immunised against measles	59.6% (1995)	75.8% (2011)	No target
5: Improve maternal health	5.1 Maternal mortality ratio (per 100,000 live births)	506 (1995)	360 (2013)	131
	5.2 Proportion of births attended by skilled health personnel	37.8% (1995)	58% (2011)	100%
	5.3 Contraceptive prevalence rate	14.8% (1995)	30.0% (2011)	No target
	5.6 Unmet need for family planning	21.9% (1995)	34.3% (2011)	No target
6: Combat HIV/AIDs, malaria and other diseases	6.1 HIV prevalence among population aged 15-24 years	2.9% (2004/5)	3.7% (2011)	No target
	6.2 Condom use at last high-risk sex, 15-24 year-olds	53.1% (2000/1)	56.1% (2011)	No target
	Female	44.2%	51.0%	
	Male	62.0%	61.1%	
	6.3 Proportion of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS	34.45% (2000/1)	38.8% (2011)	No target

	Female	28.5%	38.1%	
	Male	40.4%	39.5%	
	6.5 Proportion of population with advanced HIV infection with access to antiretroviral drugs	44% (2008)	69% (2013)	75%
	6.6 Proportion of children under 5 sleeping under insecticide-treated bed nets	9.7% (2006)	74.4% (2014)	No target
	6.8 Prevalence rate associated with tuberculosis (per 100,000 population)	410 (2001)	154 (2013)	103
7: Ensure environmental sustainability	7.1 Proportion of land area covered by forest	25% (1990)	14% (2012)	No target
	7.8 Proportion of population using an improved drinking water source	52.0% (2001/2)	72.2% (2012/13)	
	Urban	89.0%	87.3%	100%
	Rural	46.4%	67.7%	70%
	7.9 Proportion of population using an improved sanitation facility	NA	74.3% (2012/13)	
	Urban		88.0%	100%
	Rural		70.3%	77%
8: Develop a global partnership for development	8.4 ODA to GDP ratio	11.3% (2003/4)	2.7% (2013/14)	No target
	8.12 Proportion of population with access to affordable essential drugs on a sustainable basis	28% (2007/8)	70% (2011/12)	No target
	8.14 Cellular subscribers per 100 population	4.5 (2004)	51.9 (2013)	No target
	8.15 Internet users per 100 population	1.1 (2004)	21.6 (2011)	No target

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