PROSPERITY FOR ALL, TRANSFORMATION AND PEACE

NRM Election Manifesto 2006
FOREWORD

The National Resistance Movement (NRM) Manifesto 2006 is the third one since 1996. An overwhelming majority of Ugandans embraced the policies in these Manifestos and strongly showed their choice and preference for the Movement Presidential Candidate. The Movement Government is on track in implementing policies and programmes in all these Manifestos: of 1996 whose theme was “Tackling the Tasks Ahead”; of 2001, whose theme was “Consolidating the Achievements”; and 2006 the theme is “Prosperity for All”.

The NRM Election Manifesto 2006 is different because it builds and consolidates the work and achievements of the two previous Manifestos in many respects and it attempts to provide a long-term perspective, which is laying out a firm strategic agenda for Uganda’s development under the Multiparty competitive political system. It also sets forth the best assessment of policies and measures needed to achieve sustainable improvement in human development.

The hallmark of this Manifesto is its clear focus on Uganda’s strategic goals, embracing national defence, security and peace, socio-economic transformation, democratic good governance, regional integration and Uganda’s position in a globalised competitive world. The Manifesto raises formidable challenges that Ugandans must face in the forthcoming elections. It presents to the people of Uganda real choices in public policies and programmes. The central theme and message of this Manifesto is to ensure Prosperity for
All Ugandans, transforming Uganda from a poor peasant society into a modern, industrial, united and prosperous society in a stable and peaceful environment.

Clearly, it is only the National Resistance Movement (NRM) that can meet the challenges facing the people of Uganda. NRM is distinct from the other parties because of its vision and mission born out of the country’s historical experience.

The National Resistance Movement (NRM) has a track record of performance, which no other party can match and challenge. Politically, NRM has withstood and passed the test of time by enhancing stability and effectively preventing unconstitutional and violent removal of governments by Armed forces that were experienced in 1971, 1979, 1985 and 1986, which characterized Uganda’s history since Independence. There is no Party in Uganda, today, which has traversed a path equal to the historical path of NRM. This makes NRM the ideal force of transforming one Ugandan society. Many political parties and political organizations in the past struggled vainly to survive but quickly disappeared from the political scene without a trace. The People of Uganda should be aware of such parties aspiring to lead the country.

The National Resistance Movement has a track record of performance and unmatched experience in serving the people of Uganda. It looks forward with courage and confidence to meet and fulfill the pledges made in this Manifesto. The coming elections will, undoubtedly, bring new victories to its cause.
On behalf of the National Resistance Movement, I present to the people of Uganda, the NRM Manifesto 2006, and strongly appeal for support to ensure Prosperity for All, Transformation and Peace.

Long Live Uganda
Long Live National Resistance Movement

Prosperity for All

For God and my Country

Yoweri Kaguta Museveni
PRESIDENTIAL CANDIDATE 2006
NATIONAL RESISTANCE MOVEMENT (NRM)

January 2006
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VISION

The Vision of NRM is a peaceful, united, democratic, harmonious, industrialised, transformed and prosperous Uganda within a strong, federated East Africa, the African Common Market and with an African Defence Pact.

MISSION

The Mission of NRM is to transform Uganda from a poor peasant society into a modern, industrial, united and prosperous skilled working and middle class society.
INTRODUCTION

The National Resistance Movement salutes all citizens for the selfless role they have always played and continue to play in fighting the political and social battles of Uganda. Specifically, for the support they demonstrated in the last presidential campaigns, where, united, they mobilized for the Movement and won that election overwhelmingly. The NRM leadership congratulates members of the National Conference and all those who participated in the elections for NRM structures and all who were elected as leaders of NRM at various levels.

The National Conference of the Movement passed a resolution in 2003 to remove all restrictions for those who didn’t wish to be in the Movement to be free to find political homes of their own choice. Subsequently, this recommendation was approved by the people of Uganda in a referendum.

Following the resolution of the National Conference, the former National Task Force for the 2001 Presidential campaign, the Advisory Committee and the Historical members, together constituted themselves into the promoters of NRM. They, subsequently, discussed and adopted the Constitution of the National Resistance Movement on 22nd May 2003. The Interim Committees from the village to National level were then formed and implemented the NRM Constitutional provision for party elections.

The NRM Constitution provides that every person who believes in the principles and objectives of the
Movement automatically becomes a member of the NRM unless he or she opts out. Since then, the Organisation has registered members and registration continues at the village level. When any fellow citizen declares allegiance to the NRM, he or she is welcome. Somebody’s past political affiliation should not bar that person from being welcomed into the Movement unconditionally once the person declares allegiance to NRM. However, the constitution does not allow belonging to more than one party.

The constitution further sets out aims and objectives of the NRM structures as an organisation from the village to national level. It has a Code of Conduct which members are enjoined to strictly observe and provides for disciplinary action against those who breach it. Alongside the mainstream structures of NRM, are special organs (leagues) for women, youth, people with disabilities, workers, veterans, elders and entrepreneurs. This makes NRM a true representative organisation of all social groups in society. It should be remembered that it was the Movement that first introduced special representation of the formerly marginalised groups in decision making.

It should also be recalled that in the past under the individual merit arrangement, it was not easy to generate consensus on one candidate in national elections. This was especially problematic where the Movement was under threat from its opponents. In the new dispensation, NRM has moved from individual merit to group merit. This means that the NRM will field one candidate who will be a flag bearer for NRM at each elective level.
Accordingly, candidates for NRM in national elections are elected internally through NRM primaries. Any person, who fulfills requirements to offer him/her self as a candidate in national elections is free to offer him/her self to be elected in the primaries and the winner in the primaries becomes the NRM candidate for that elective office. All those who would have stood with him/her in the primaries and their supporters are expected to support the winner who will be the flag bearer of NRM. The NRM Constitution spells out how and who participates in primaries at different levels. All those who have offered themselves in the primaries for election as leaders of NRM at various levels should not take elections as a life and death matter. These elections are aimed at choosing leaders to implement the mission and objectives and policies of NRM. Whoever does not go through, therefore, will have other roles to play in the NRM.

The membership should build harmony within NRM. All those who offered themselves during the recently concluded elections of NRM structures and were unsuccessful should put NRM before self and work with those who were elected for the good of the Movement. NRM needs unity to consolidate the achievements already made and advance forward.

If any member of the NRM family has been hurt by words or deeds of another, this is the time to forgive, so that in unity of purpose, we tackle the new challenges. In the past, the NRM and the people’s interests were defended with guns and we triumphed. Today it is a much simpler task – to defend the people’s interests and NRM with votes and speeches. NRM
members should not fail in this simple task. If the system of primaries is not fair as some members are beginning to say, NRM can review it after the coming general elections. The Organisation could, instead, go for a system where all card carrying members vote using the state polling station as the venue. However, the concept of independent candidature should be discouraged because it does not resolve the old problem of multiple NRM candidates splitting the vote in any given electoral unit.
Chapter One

Good Governance

Good governance is now recognized as a prerequisite to the achievement of sustained economic and social development. Specifically, good governance is centred on the legitimacy of government to lead based on the consent of the citizenry; accountability and obligation of government to answer for its conduct; the competence and effectiveness of government to formulate policies and implement them; the respect for human rights and the rule of law to guarantee security of persons and their property, reliable and independent judiciary with competent court system; provision of a viable and conducive economic environment for individuals and groups to participate and achieve their development ends. NRM is committed to good governance as a fundamental goal for national development.

1.1 The End of the Reign of Terror and Search for Peace

1.1.1 Achievements

In the 20 years of the National Resistance Movement government, Uganda has registered tremendous progress in all aspects of life. A strong foundation has been laid for now to build on to achieve the total transformation of Ugandan society.
The period from Uganda’s Independence, (1962 – 1986) had erased the rule of law and constitutionalism. Freedom of expression, of the press and the right to life were grossly abused. It is estimated that under the regimes of Idi Amin and Apollo Milton Obote, over one million Ugandans were brutally tortured and killed by state agents while over 500,000 Ugandans from the West Nile region lived in exile in Congo and Sudan.

Until 1986, Ugandans had last voted in a somewhat free election in 1962. From 1971 up to 1986, few nights had gone by without terror, fear and anxiety caused by drunken, indisciplined, armed government soldiers.

After 20 years of the NRM administration, it is common to hear peasants still expressing their gratitude for the peace ushered in. They say: “Wakili, twebaka ku tulo” (At least we can sleep at night!). Some groups have been, recently, trying to cover up their roles in this shameful past saying: “Everybody killed people; UPC killed, Amin killed and NRM killed. Hence, we are all, democratically, killers.” NRM rejects this position. Yes, some individuals in the NRA/UPDF have killed people extra-judicially. They are, however, as sure as sunshine follows darkness, punished once they are identified. What are the records on this issue in the last 19 years? 23 soldiers executed for killing people; 123 condemned to death but the sentence not yet carried out and 20 sentenced to long term imprisonment exceeding 10 years. NRM challenges UPC and those who were in Idi Amin’s regime to produce even one case of appropriately punishing a state agent that killed human beings extra-judicially during those regimes’ tenure of power (1962 – 1986) – a period of 24 years.
NRM is, therefore, not part of the Killers League (KL). Where NRM reconciles with killers, it is done systematically and legally such as under the Amnesty Law.

### 1.1.2 Way Forward

*NRM shall maintain peace throughout Uganda and work for the total annihilation of terrorist groups from the country.*

### 1.2 NRM and the Advent of Democracy

#### 1.2.1 Achievements

Since 1986 when NRM took control of state power, it has built credibility in systematic and coherent, good governance.

- NRM government has been successful in drawing Ugandans into the sphere of civilized politics more than ever before, enfranchising and empowering the people and building a robust and vibrant grassroots-based democratic culture.

- NRM has been largely successful in eliminating sectarianism from the Ugandan body politic and relegating ethnicity-based political association to a bygone era. The shameful sectarianism promoted by colonialism, nepotism and the negative characteristics of backward pre-industrial societies are now an issue of the past.

- NRM Government is credited for being the first post-independent Ugandan government to bring about
a real measure of freedom of expression, freedom of association, freedom of worship, a free press and the right of political association without persecution. These attributes have promoted a vibrant culture of intellectualism and free political debate.

- NRM restored the vote to the disenfranchised people of Uganda and empowered, in a very special way, formally marginalized groups: the women, the youth, the disabled and the workers. They are now part of the decision making process right from Local Councils to the districts, Cabinet, and Parliament.

- NRM re-introduced the ‘One person, One vote’ system, and reforms in the electoral process to make voting free and fair. Presidential, Parliamentary and Lower Council elections are now held regularly. The most recent electoral reform has been the implementation of photographic registers to eliminate multiple registrations and vote rigging.

1.2.2 Way Forward

- NRM will continue the process of democratisation in all aspects of the Ugandan society.

- NRM shall continue to support women, youths, People With Disabilities (P WDs), workers and the elderly to participate in policy and decision making at all levels. Affirmative Action shall be promoted in all organs of the NRM. Education of the girl-child, Functional Adult Literacy (FAL) as one of the major areas of the Beijing Platform of Action shall be entrenched in the NRM policies.
NRM shall support workers through organisations of workers and shall take all possible measures to create employment for all. The NRM shall ensure the protection and promotion of workers' rights.

1.3 Defence and Security

Since 1986, Uganda has made tremendous headway in the management of national security and defence. Key milestones include the development of improved civil-military relations following the NRM’s ascension to power in 1986; the establishment of a legal framework for intelligence activities in 1987; the promulgation of a new Constitution in 1995 which clearly defined roles for the security focuses; the establishment of the National Security Council in 2000; and the UPDF Act in 2005.

1.3.1 Achievements

During the 2001 election campaigns, NRM leadership promised Ugandans that a professionalised army would be consolidated. The Movement government has made progress in this field although there is still unfinished business. Many officers and Non-Commissioned Officers (NCOs) have now been trained and many more are still doing internationally certified courses in specialized areas like artillery, air force, infantry, and tanks. Additionally, the army’s 30 senior-most officers underwent a full year’s course at Kimaka, in Jinja. Today, a total of 10,826 officers have passed through leadership courses of Officer Cadets, Officer Basic Course (OBC) and Senior Non-Commissioned Officer
(SNCO) courses which are basic leadership courses in the Army. By 1971, the Uganda Army had only 400 officers. Besides, Uganda has now advanced to a bi-service defence force, with Land forces and Air force. This enables the country to deal with tasks promptly and effectively.

During most of this time, the Army has not been properly housed. The soldiers have been staying in “mama-ingia pole” huts. The government concentrates on paying salaries of soldiers, providing health care, training and buying equipment for the Army — both lethal and non-lethal. Since four years ago, however, the Ministry of Defence has been re-building barracks and Army Academies using permanent materials. Accordingly, Kabamba School of Infantry has been constructed, Karama Armoured Welfare school, Kakiri 1st Division Headquarters, Kasenyi PGB Training Wing, Hima 507 Brigade Headquarters, etc. The NRM government is, finally, moving on the accommodation of the Army in permanent buildings.

1.3.2 Way Forward

- NRM approach to protecting national interests shall be holistic and comprehensive in nature, involving all the policy instruments available to the government. This includes the diplomatic machinery, social and economic policies, legal and constitutional instruments, and the security forces.

- NRM shall combine responses to immediate threats with long-term strategies to either deter or prevent potential security threats from arising.
• *Defence as a major component of security in Uganda will continue to be improved through modernisation and professionalisation of UPDF.*

• *The NRM Government will implement the recommendations of the Defence Reform as articulated in the Defence White Paper.*

1.4 Constitutionalism

A constitution consists of a set of rules creating, structuring, and defining the limits of government authority as well as the organs of the state and conferring on them powers to work. It therefore consists of a structure of relationships; sets how the government should operate, the rights and responsibilities of individual citizens and how government and individuals relate in public life.

1.4.1 Achievements

Since the NRM took over power, common attributes of constitutionalism have been realized.

• Separation of powers – The organs of government are divided into three: the Executive, Legislature and Judicial organs. The executive has powers to deal with war, peace, and agreements. The Legislature is responsible for formulation of laws and the Judiciary is responsible for the arbitration and imposing penalties for breaches.

• Since 1986, the NRM government has improved the working of the Executive, developed a
representative and free Parliament, and built an independent Judiciary.

- Procedures for electing, appointing and replacing government officials have been defined, put in place, and followed.
- Entrenchment of the rule of law whereby governance is carried out according to law.
- Guarantees of human rights and responsibilities of citizens. The NRM Government has ensured that citizens exercise their rights while law and order is maintained.

### 1.4.2 Way Forward

- *The NRM Government shall protect the Constitution, promote the culture of constitutionalism and the rule of law.*

- *NRM shall further strengthen the institution of Parliament.*

- *The NRM shall cooperate with civil society organisations in promoting the culture of constitutionalism and the law in Uganda.*

### 1.5 Human Rights, Justice, Law and Order Sector

#### 1.5.1 Achievements

**Human Rights**

Human rights and freedoms are well defined and enshrined in the Constitution of Uganda. These rights
and freedoms are the legal and constitutional claims due to every citizen and person in Uganda irrespective of any other consideration. They are centred on the right to life, dignity, equal rights, non discrimination and affirmative action to vulnerable persons. Under the NRM administration, Ugandans have enjoyed their rights and freedoms.

**Police**
Besides the professionalisation of the army, the NRM government has tremendously modernised the Police Force, expanding it through the recruitment of graduates.

The level of discipline in the Police Force has improved drastically. Discipline is now the most publicised virtue in the Force. Ugandans may recall that the government instituted a Commission of Inquiry under Lady Justice Julia Sebutinde to investigate corruption in the Police Force. As a result of its recommendations, the government is restructuring and transforming the Force to give it capacity to do a better job.

Construction work to uplift the face of the Police is ongoing: 13 new police station structures have been completed, while 8 structures are under construction nearing completion.

**Prisons**
The NRM government has recruited and trained 1,100 warders/wardresses since 2002. Thirty five vehicles, including a bus, for transporting prisoners to various courts have been purchased.
There has been a reduction in the period spent on remand from 5 years to less than 18 months for capital cases. We have also reduced the number of persons on remand beyond constitutional period from 39% to 1% for serious offences and from 23% to 10% for petty offences.

Prisoners’ accommodation has been enhanced through construction and renovation of various prisons e.g. Mbarara, Kotido, Namalu, Amita, etc. Eight female wings have been created in prisons in Tororo, Kigo, Jinja, Fort Portal, Arua, Gulu, and Mbarara and more efforts are being made in this field.

**Justice**

Under the NRM government, the number of Judicial officers rose as follows:

<table>
<thead>
<tr>
<th></th>
<th>1986</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Judges</td>
<td>15</td>
<td>48</td>
</tr>
<tr>
<td>2. Registrars</td>
<td>5</td>
<td>16</td>
</tr>
<tr>
<td>3. Chief Magistrates</td>
<td>18</td>
<td>29</td>
</tr>
<tr>
<td>4. Magistrates G.I</td>
<td>30</td>
<td>105</td>
</tr>
<tr>
<td>5. Magistrates G.II</td>
<td>417</td>
<td>169</td>
</tr>
</tbody>
</table>

The salaries of Judges have risen from Shs. 24,552/= (equivalent to US$ 2,728) per annum to Shs. 31,680,000/= (equivalent to US$ 17,124) per annum.

**1.5.2 Way Forward**

- *NRM shall protect and promote human rights and freedoms as enshrined in the Constitution of the Republic of Uganda.*
• The NRM shall defend and promote all human rights and freedoms as contained in the United Nations Conventions Covenants and Treaties and the regional human rights treaties which have been signed and ratified by Uganda.

• NRM shall work tirelessly to improve human rights, justice, law and order. In this regard, NRM shall continue to promote the independence of the Judiciary and the observance of constitutionalism.

Government raised the salary of Judges, making them, at that time, the best paid public officials. Many years have now passed. The NRM government is going to review the salaries of the Judicial Officers so that Uganda can attract and retain adequate numbers of competent personnel.

The Magistrates Grade II is being phased out; lay magistrates are being laid off through the professionalisation of the Bench.

On the Police and Prisons, NRM shall recruit and train more personnel, equip them and direct resources towards their improved welfare, especially housing.

1.6 Fighting Corruption

When the Movement government assumed leadership of the country, there were seven major forms of corruption and criminality:
- Extra judicial killings,
- Extortion of money at road blocks,
- Looting of personal property by army personnel and armed security personnel,
- Poaching in national parks by army personnel,
- Open bribery,
- Air supply, embezzlement, over-invoicing, and
- Abuse of office.

1.6.1 Achievements

The overt forms of corruption were eliminated as soon as the Movement came to power because all that was required was a disciplined army and a strong, political will.

However, there are still challenges with some forms of corruption of the covert type: embezzlement, bribery, over-invoicing and a few other white-collar crimes, which require a new type of cadreship and institutions. The principal people to fight this form of corruption are the public officials. These are the accounting officers: the Permanent Secretaries, the Chief Administrative Officers (CAOs) and Town Clerks in the districts.

The Movement government introduced the Inspectorate of Government to guard against corruption. In the recent constitutional amendments, a special court has been created to deal expeditiously with corruption cases. The Constitution has been amended to give power to the Central Government, Public Service
Commission to have disciplinary powers over the CAOs in the districts. The investigation capacity in the police is being improved through training.

In addition, a procurement and disposal system with qualified procurement personnel in government, has been introduced in government, which was not in existence until two years ago.

Under the NRM government, the following legislation has been successfully taken:

- Established a Directorate of Ethics and Integrity, headed by a Minister directly under the President’s Office in 1998.


- Enacted, in 2003, a Public Finance Act to provide for greater control of Parliament over utilisation of public resources and to ensure that the Executive is fully accountable to Parliament and the people of Uganda.


Furthermore, specific cases have been investigated by Commissions of Inquiry and action taken in accordance with the recommendations:

- Commission of Inquiry into the Police Force, 1999-2000;
• Commission of Inquiry into the Purchase of UPDF Helicopters – 2001;
• Commission of Inquiry into the Alleged Exploitation of DRC’s Natural Resources – 2001;
• Commission of Inquiry into the Global Fund is ongoing.

1.6.2 Way Forward

• NRM shall implement a zero-tolerance policy on corruption.
• NRM will examine the issue of corruption holistically by looking at the legal and structural approaches in the fight against it. This is possible because of two reasons: First, the NRM defeated worse forms of corruption and criminality; secondly, its effort in URA already shows that it is possible to defeat this covert type of corruption.

Other Anti-Corruption interventions underway include:
• The Leadership Code Amendment Bill;
• The Amendment of the Prevention of Corruption Act;
• The enactment of the Freedom of Access to Information Bill; and
• The enactment of the Whistle Blower/Qui Tam Bill.

NRM will defeat corruption, as was the case in URA through cadre identification, cadre development and cadre placement. The cadres are, initially, identified on account of their education and integrity. They are, then, trained, tooled and deployed to take appropriate action.
1.7 Decentralization of Power

1.7.1 Achievements

The NRM government has given people at the grassroots a real taste of power and a good measure of authority in the management of public affairs by devolving more power from the Central Government to the Local Governments through the policy of decentralization. There is now a functioning and fully responsive system of local governance. Through the Local Council structures there is now a well-entrenched and deeply rooted local administration that nobody can take away from the people. It is because of this power to govern themselves and the success it has brought in the management of local issues that people have been demanding new districts for themselves.

In their days, the colonialists, in disregard of the diversities of our languages and culture, mistakenly, grouped together into districts people of different cultural orientation. In some districts, there are multiple languages which complicate the choice of the language to use in primary schools and district councils. This, together with the need to bring the services closer to the people, is why NRM leadership created new districts amid opposition from uninformed outsiders. NRM Government still recognises cultural identity as an integral part of national identity. The Local Government Act had given a lot of powers to the Chief Administrative Officers (CAOs) and Local Councilors to the exclusion of Central Government, and yet almost all the money to the districts comes from the centre. This has promoted a lot of corruption. However, the
Constitution has now been amended to enable the Public Service Commission to intervene in districts and punish wrong-doers. This corruption in tender awarding, doing shoddy work in building schools and Health centres, conflict of interest, etc will end.

1.8 Regional Tier

1.8.1 Achievements

The desire by some regions, notably Buganda, to have regional government, was not in contradiction with the Movement principle of giving power to the people. The question was: “What powers should be given to regional governments, relative to the districts and sub counties?”

The solution was to cede some powers from the central government to the regional governments without diluting the powers that had already been decentralised. This was achieved in the constitutional amendments recently passed by Parliament.

1.8.2 Way Forward

- Starting July 2006, those areas that want regional governments will be free to have them. The NRM government shall ensure that the regional tier achieves the desired objectives by making necessary laws and committing adequate funds for the tier to operate.
1.9 Transition from Movement to Multiparty

1.9.1 Achievement

The referendum which was held in July 2005 was to decide whether or not to open up political space. It was intended to allow the disgruntled within the Movement to go and politically organise independently. Those who were constrained by their conscription into the Movement are now free and the Movement is more consolidated.

1.9.2 Way Forward

- The people of Uganda, who have had bitter experiences under the multiparty system, were at first apprehensive of this new move. NRM will ensure a continued strict observance of law and order. NRM will not allow the country to plunge into the chaos of the past.

- NRM will maintain the newly created special division in the Police Force to deal with political discipline, particularly use of bad language in politics, bribery, sectarianism, vote rigging, etc.
Chapter Two

Quality of Life

The mission of NRM is to transform Uganda from a poor peasant society into a modern, industrial, united and prosperous society. This calls for a fundamental change and a metamorphosis of society, its psychology, attitudes, discipline, knowledge-base; and competences in the application of science and technology for improved productivity.

Of all the domains central to transformation, none exceeds education as it is a major component of improving the quality of life.

2.1 Transformation of Uganda through Education

2.1.1 Achievements

*Universal Primary Education (UPE)*

The Movement liberated Uganda by introducing Universal Primary Education (UPE). Under this programme, the following have been achieved:

- Increasing the number of classrooms from 28,000 when UPE started in 1997 to 75,228 classrooms to date.
- The pupil-teacher ratio has improved from over 100:1 in 1997, to 58:1 in 2001, to 54:1 to date.
• The pupil-classroom ratio has reduced from 98:1 in 2001 to 50:1 in 2005.
• The enrolment of the girl-child under UPE has gone up from 3,372,881 in 2001 to 3,644,364 in 2005.
• Total enrolment in primary schools has gone up from 2.5 million to 7.7 million children.

In spite of all these efforts, the NRM government is concerned about the drop out percentage, which is largely a result of socio-economic and cultural reasons and will positively respond to this challenge.

The NRM believes, “Bano baana ba Ggwanga” – the children belong to the nation and must be educated and developed for the transformation of our society.

**Secondary School Education**
Secondary school enrolment has increased from 122,868 in 1986 to 855,346 students in 2005, of which 487,277 are male and 368,069 are female. In public and government-aided schools, enrolment is currently 427,598.
To date, government is grant-aiding 840 schools in 760 sub-counties leaving a deficit of 240 sub-counties without government-aided secondary schools and 60 sub-counties with completely no secondary school.

NRM government is looking towards grant-aiding the other 240 unaided government secondary schools so that each sub-county has got, at least, one government aided secondary school. Besides, we are encouraging the private sector to take advantage of the liberalised policy environment to build more private schools for those who can afford.

In addition to the above, a total of 20 seed schools have been constructed and commissioned since 2002 and teachers have been recruited and posted to these schools. Construction of another four schools is in advanced stages.

**Grant-aiding community schools:** In order to provide physical facilities for secondary education, the government has to date grant-aided 196 community schools since 2001 to bring the total number of both public and government-aided secondary schools to 840 in 760 sub-counties in each of the 240 sub-counties which do not have a secondary school.

**Capitation grant to secondary schools**
Hitherto, in a bid to enhance access to post primary education, the NRM government has made capitation grants to government secondary schools. Shs18,000 is paid for each student per term. A total of Shs 6.5 billion is spent every financial year on capitation grant for secondary school students.
**Fees for children whose parents live in IDP camps.**
In addition, a total of 47,700 students are benefiting from a bursary scheme that contributes Shs 47,000 each for school fees for children whose parents live in IDP camps in war ravaged areas. A total of Shs 3bn is available in the budget for this purpose.

**Bursary scheme for needy but bright students.**
Furthermore, three years ago, government introduced the secondary education bursary scheme for needy but bright students attending secondary education. Two students from each sub-county in the country are nominated every year for this scheme. To date, close to 5,500 students are benefiting from this bursary scheme at a cost of Shs 270,000 per year per student. This financial year 2005/06, 1.6bn has been provided in the budget.

**Polytechnics**
A total of 16 polytechnics have been established through conversion of existing education institutions and are now operational; yet another four are under construction and to be finished by the end of 2005. The established Polytechnics are the following:
1. Bobi – Gulu
2. Obye – Kitgum
3. Lumino – Busia
4. Ssanje – Rakai
5. Rutuungu – Sembabule
6. Hakitengya – Bundibugyo
7. Mbale – Mbale
8. Gombe – Wakiso
9. Bbowa – Luwero
10. Olio – Soroti
11. Kihiihi – Kanungu
12. Rukore – Kabale
13. Kadogo – Mbarara
14. Mubende – Mubende
16. Pacer - Nebbi

A new business curriculum for Business Education at all levels has been developed and training workshops conducted. Hitherto, several Uganda Colleges of Commerce have enjoyed special support such as solar power installed at UCC Pakwach; a Library at UCC Tororo; and Aduku and acquisition of more land for expansion at UCC Soroti. An ICT component was added on the curriculum for business education for these colleges.

**University Education**

Government liberalised university education, thereby increasing the number from one state university to 18 universities including private ones. As a result, university enrolment has increased from 6,579 in 1986 to 57,000 currently. This shows an increase of 866%
university enrolment, set against the times when even the qualified students would drop out of school because there were not enough universities to absorb the big numbers. There are now greater opportunities for university education for many Ugandans.

**Career Guidance**

Part of the cause of unemployment among the youth is lack of career guidance. Many sons and daughters of Ugandans at university do courses which are not marketable. In this respect, government has directed the Ministries of Education and Public Service to provide career guidance, aware of the fact that there is need to guide children in schools to capitalise on acquiring skills in courses which are marketable. For instance, people who do science-oriented courses are more easily absorbed into the job market than their counterparts in other courses.

2.1.2 **Future Programmes**

- **NRM shall come up with a law which will compel all school going-age children to attend and keep in school until they complete Primary Leaving Certificate.** NRM government will pay particular attention to the quality of UPE.
- **Introducing Universal Secondary Education (USE):** NRM Government will introduce Universal Secondary Education starting with senior one in January 2007 and then continue progressively to all four years from Senior One to Senior Four. The intake is estimated to be 300,000, absorbing all the 2006 PLE candidates, as well as those of 2004 and 2005 who dropped out of school owing
to lack of fees. This step is important because the pressure on parents is, easily, observable whenever leaders go up country. When we introduce USE, in the first year we will recruit 9,000 teachers in secondary schools, thus USE will create more jobs.

- The number of teachers trained under TDMS (Teacher Development Management Systems) has increased from 10,145 in 1995 to 18,145 in 2005. **Salaries for primary school teachers** have been raised from Shs 100,000 in 2001 to Shs 150,000 per month in 2005. NRM target is to increase it to Shs 200,000.

- NRM is proposing a **progressive scheme for teachers’ remuneration**. This will be based on a system of salary bands to allow appropriate financial reward upon promotion, based on qualification, experience and seniority.

- NRM will **regulate Private schools** including the secondary ones. In particular, the government shall ensure that they pay a decent wage to teachers and they observe labour laws – including security of tenure of jobs.

- NRM intends to **build more Vocational schools and Polytechnics**. The aim is to have one vocational school per sub-county. The programme of implementing this target will be to have, at least, one per district, then one per constituency and eventually one per sub-county. In addition to training in the old skills of brick laying, metal work, carpentry, ceramics, etc., the curriculum will
now also include food science and technology, industrial chemistry and computer science so that we propagate these job empowerment skills. After spreading the vocational schools to all sub-counties, the NRM government will establish a Polytechnic per region – South-west, Mid-west, Buganda, Busoga, Bugisu-Bukedi, Teso-Karamoja, Lango-Acholi and West Nile.

- NRM introduced the science education policy so as to build a strong foundation for the transformation of our country. Science and technology are a sine qua non for any country’s development. We are therefore going to assist equip at least one secondary school laboratory in every Sub-county.

- NRM government shall uphold its commitment to expand university education in a qualitative and quantitative manner. In this regard, NRM will start a University in Eastern Uganda.

- NRM government will implement the already initiated policy guideline on career guidance.

- The Gulu Comprehensive School for traumatized children shall be equipped.

### 2.2 Health Sector

The health of all Ugandans has always been a matter of high importance and priority. NRM is deeply committed to addressing health needs of the population in all aspects.
2.2.1 Achievements

**HIV/AIDS**
Uganda is regarded as a success story in the fight against HIV/AIDS, owing to the political will, empathy and proximity to the people. NRM leadership traversed the country talking to school children and adults alike, telling them to Abstain from sex for those who were not yet married; advocating for Being faithful among spouses; and the use of Condoms for those who could neither abstain nor be faithful. This approach, commonly known as ABC, has helped reduce AIDS prevalence from 30% in the early 90s to about 7%. Currently, 75,000 people are receiving Antiretroviral (ARV) treatment. All districts currently have the capacity to deliver Prevention of Mother to Child Transmission (PMTCT) services with 846 health workers trained on strategies for PMTCT. Out of the pregnant mothers who test HIV positive at PMTC sites, 56% receive single dose Nevirapine.

![IMPROVED IMMUNIZATION](image)
**Immunisation**
In the strategy of preventative healthcare, the NRM government took the lead in encouraging parents to have their children immunised against killer and debilitating diseases. Through community approach, the NRM government has improved immunisation coverage from 30% in 1986 to 89% in 2005, beyond the target of 80%.

**Infant mortality**
Consequently, infant mortality has been reduced from 120 deaths per 1,000 children in 1986 to 80 per 1,000 now. It is now common to find children’s wards in hospitals empty, owing to immunisation.

**Accessibility to Health Services**
The NRM policy is to have a hospital fully equipped with an operating theatre, a doctor, doctor’s house, and a multi-purpose vehicle (ambulance) in each of the 214 parliamentary constituencies. Already, there are 62 district and referral hospitals, which serve the constituencies where they are situated. This, therefore, creates a gap of 152 constituencies which require Health Centre IVs. Thirteen Health Centre IVs have been completed and commissioned, 68 have been completed and equipped and are operational but have not yet been commissioned. 35 Health Centre IVs have been completed but not yet equipped; and construction of 31 is in final stages, with construction of 5 health units at their initial stages. At sub-county level, 730 Health Centre IIIs have been constructed and at parish level, 1,055 Health Centre IIs have also been constructed.
Malaria Eradication
Major progress has been registered in implementing the national integrated malaria prevention and control strategies. Chloroquine Monotherapy was replaced by adopting treatment of chloroquine and sulphurdoxine/Pyrimethamine. New strategy for Home-Based Management of Fevers (HBMF), and HOMAPAK were successfully designed and introduced, covering the whole nation. Together with that, is the significant improvement in the supply of anti-malarial drugs. Insecticide Treated Nets (ITNs) were scaled up through partnerships, while implementation of Intermittent Treatment in Pregnancy (IPT) has greatly improved.

Close drug sensitivity surveillance at 7 sentinel sites resulted into a new medicine treatment policy. The new treatment policy, which is Artemether/Lumefantrine (COARTEM) as the first line medicine for uncomplicated malaria and Artesunate + Amodiaquine as the alternative. 15 million doses of COARTEM are to be disbursed. As the new policy becomes operational during the Health Sector Strategic Plan (HSSP II), central government has stepped up political commitment and increased awareness through local authorities and external partners.

2.2.2 Future Programmes

Malaria
In the next five years, NRM will work towards eradication of malaria. In the past, the programme targeted expectant mothers to whom mosquito nets have been distributed. NRM target is to eradicate malaria through provision of mosquito nets and DDT spray in
highland areas. In order to achieve this, NRM government will supply 18 million nets to 80% of the population. The other 20% can afford them on their own. Over a period of five years it will cost Shs 90 billion to give free treated mosquito nets to 80% of the population and another US$ 40 million to cover spraying in the highland areas.

NRM government shall continue to waive taxes on sanitary pads with a view to making them affordable.

**Health Insurance**

In order to further improve on delivery of better health services, NRM government will introduce Social Health Insurance and Community Health Insurance to protect the formal and informal sectors against expenditure on catastrophic incidences. Through health insurance, government and private sector employers and employees will pay monthly premiums on health insurance so that when the employees or members of their families fall sick they simply go to clinics of their choice as long they are part of the scheme; and the management of the health insurance fund will be responsible for the payment of the medical bills of the patient. The advantages of this scheme are:

- The contributions will be pooled and, therefore, healthy members will subsidize the less healthy. In a similar vein, the lowly paid will benefit from contributions of those that are highly paid.
- The health insurance scheme will provide security against catastrophic health expenditure in case of severe illness.
- When members pool their contributions, they will
have the power to negotiate for the health package and the providers they desire.

**Health Workers**

Although the government is building a lot of health centres, there are a lot of complaints from the population regarding the absenteeism of health workers and lack of drugs. The perception is that the health workers are absent because they are busy with their own clinics and that the drugs of the government clinics are pilfered and taken to these private clinics. This is a damaging perception to the image of the government. The practice of health workers leading a dual existence emerged during the bad times of Idi Amin when the salaries of public servants lost meaning on account of inflation. When NRM came into government, it was realised that it was not fair to insist that the health workers only concentrate on government clinics and close their own because the salaries they were getting were totally inadequate. NRM government, however, has improved their salaries over this period and the practice of dualism will be reviewed.

Being everywhere and nowhere is not a good practice. One hears of Health workers organizing home visits. Such thinking will lead to the medical services being overstretched. It is better to have a comprehensive medical team at the Sub-county. This should comprise: a medical assistant, a midwife, a nurse, a specialist on HIV/AIDS and a dispenser. This means that all health issues will be dealt with, initially, at the sub-county.

NRM will complete the **construction of Health Centre**
IVs, which are already under construction so that each Parliamentary constituency has a hospital with a doctor, theatre, and a maternity ward. NRM will also continue with the programme of constructing Health Centres at sub-county and Parish levels. All these health centres will be equipped with the necessary health personnel and essential drugs.

2.3 Water Sector

Lack of convenient, affordable access and reliable quantities of clean, safe water and sanitation services to some Ugandans is unacceptable to the NRM government. Consequently the NRM government will ensure increased access to clean and safe water and promote its sustainable use.

2.3.1 Achievements

The Movement government has made remarkable achievements in the water sector. In the urban areas, access to clean, safe water has improved from 15% in 1986 to 65% to date. In the rural areas, access to clean
safe water has improved from 10% in 1986 to 61% today. This means that 90% of LCIs have a single water source, which translates into a clean water source within a radius of 1.5 Km against the radius of 5 Kms in 1986.

Major achievements in the rural areas so far include: 22,121 springs protected, 10,923 shallow wells constructed, 17,827 deep boreholes constructed, 5,800 old boreholes rehabilitated, 54 gravity flow schemes and with 12,000 taps. Provision of safe water in the villages has supplemented immunisation in reducing disease, which has resulted into women and youth moving shorter distances to collect water. 4,500 rainwater harvesting tanks were constructed and distributed, and 6,000 ecological sanitation latrines constructed.

**NRM Government, under the urban water sub sector, has constructed piped water in the following urban centres:**

Ntungamo, Mirama hill, Rwashamaire, Rwahi, Rwentobo, Ruhaama, Rwenanuura, Mahyoro, Matany, Migera, Mitooma, Muhanga, Rubuguri, Ryakarimira, Hamurwa, Kabirizi, Karengyere, Semuto, Serere, Kibibi, Kanyantorogo, Ishasha, Buhunga, Bugongi, Kashenshero, Kaberebere, Bwizibwera, Biharwe, Rwentuha, Kyabugimbi, etc. etc.

Piped water systems for the following towns are under construction:
Ssembabule, Aduku, Hoima, Mubende, Bwijanga, Bujenje, Kyatiri, Kitwe, Kabwohe-Itendero, Rwebisengo, Ciforo, Nyadri, Nyapea, Kachumbala, Muyembe, Bulanga, Rushere, Kitagata, Kazo, Ishongororo, Migera, and others.

National Water and Sewerage Corporation
The National Water and Sewerage Corporation, now covers 19 towns with a total population of 2.34 million. Other achievements include:

- The service coverage of the NWSC water supply system has increased from 16% in 1986 to 68% in 2005.
- Unaccounted for water has been reduced from 65% in 1986 to 30% in March 2005, which signifies more water available to the ever growing urban populations;
- Total connections were under 10,000 in 1986 and have risen to 135,000 in 2005;
- The NRM has embarked on installation of new water kiosks to cater for the poor communities who buy a jerrycan of water at Shs 100. We have now embarked on providing water to people living
in slum areas in Kampala who will be buying a jerrycan at Shs 20 each.

- The ongoing construction of new Gaba III Plant will produce an additional 80 million litres of water per day and meet the needs of Greater Kampala up to 2014.
- NRM government will merge the Kampala Entebbe water mains to cover the fast growing hinterland of the two urban centres.
- Rehabilitation and expansion of Gulu Water Supply and Sewerage system, is ongoing to cater for water supply for the population up to 2010.

**Water for Production**

- Water for production has increased from 28,000 million litres per annum in 1986 to 60,000 million in 2005.
- NRM government has committed funds for the rehabilitation of irrigation schemes at Mobuku, Doho, Olweny and the provision of water for the most water stressed districts.
- Mobuku, Olweny and Doho show that Uganda’s most favoured status in terms of both water resources and terrain, can be utilized to create limitless agricultural potential by eliminating the two droughts in a year \[akanda and ekyanda (in Runyankore/Rukiga), Ekyeeya (in Luganda); Oro (in Luo), Elifu (in Lugbara), Cieng (in Dhopadhola), etc.\] These two dry spells account for a total of four months in a year. Even with these four dry months, Uganda’s capacity is limitless in agriculture. However, these can also be eliminated. The huge water resources, next to high hills and mountains, mean that all the
engineering was done long ago by God. Look at L. Kyoga and the Karamoja hills such as Iriri; Nile with Akokoro; L. Kyoga with Nakasongola; L. Kakyereera with Nyabushozi, etc.

2.3.2 Future Programmes

- NRM plan, in the next five years, is to increase access to clean, safe water to 72% and sanitation coverage to 60%.
- NRM shall expand NWSC services to cover all municipalities and major urban centres.
- Piped water systems for the following towns have been tendered. Construction is expected to begin in January 2006. Iganga, Mpigi, Mityana, Apac, Kigumba, Pakwach, Nebbi, Kaberamaido, Sironko, Soroti.
- Piped water systems for the following towns have been tendered: Rwimi, Hima, Katouvu, Nagongera, Buhimba, Kangulumira, Kalongo, Pabbo, Namagera, Nankoma, Masafu, Nakapiripirit, Kagadi, Mayuge, Nakaseke, Paidha, Kamwenge, Koboko, Ngara, Kaabong, Kumi, Abim, Namalu, Kotido, Suam, Moroto, Kakumiro, Kigorobya, Kiganda, Kibaale, Aboke, Loro, Nankoma, Buwama, Nakaloke, Magamaga, Villa Maria, Kyegegwa, Amuria, Nazigo, Kilembe, Kamdini, Anaka, Atiak, Kanungu, Yumbe, Sanje, Kazo.
- NRM is in the process of designing the water supply systems of the following towns: Kiruhuru, Isingiro, Butaleja, Karenga, Manafwa, Bukwa, Anyekete, Namutamba, Bulisa, Nyadri, Amuru, Pajule, Patongo, Atiak, Buliisa Kabaale (Masaka), Mpugwe, Magale, Sipi, Otuboi, Kalaki,
Kyakabadima, Nyabweru, Kayabwe, Namasagali, Kasambira, Namwendwa.

- NRM shall pursue all appropriate technologies including rain water harvesting to ensure that there is adequate, safe and clean water for use by the population.
- All district headquarters and growth centres shall be provided with piped water systems.
- NRM shall implement a bulk water supply strategy pumping water from large water sources.
- **Livestock**: NRM government has completed designs for the construction of 100 valley tanks in the cattle corridor to give 1,000 million cubic metres of water. An extra 1,960 million cubic metres of water will be provided under the Livestock Improvement Project during the next five years of NRM government.
- **Irrigation**: NRM Government has embarked on a Bulk Water Supply Strategy in drought shaken areas of Bukanga, Kiruhura (Nyabushozi), Kooki, Kakuuto, Kabula, Nakasongola, South Bukholi and Nakapiripirit. The strategy is to supply water for irrigation, livestock and domestic supply.
- Over all, NRM is to redouble efforts to build capacity in water management systems at community levels.

### 2.4 Housing Sector

Housing is a major stimulus to economic growth and has multi-sectoral linkages involving building materials, utilities etc. NRM government has promoted improvement of housing.
In 1986, when the NRM took power, there was a housing crisis in Kampala. Ugandans feared to put up houses under the Obote regime for fear of losing their lives; and the high inflation rate was not conducive for investment. When many Ugandans returned from exile after the take over, there was an acute shortage of houses for rent.

2.4.1 Achievements
To circumvent the high rent, proposals were floated for government to invoke powers vested in the Rent Control Board to control rent; however, government rejected the idea, allowing private real estates developers, to meet the increasing demand for houses, which solved the housing shortage.

As a result the housing sector in Kampala has developed; what used to be seven hills are now 21 hills and rent has generally come down. The Uganda Household Survey of 2002/03 indicates Kampala as having 264,000 housing units with a backlog of 66,000 housing units.

Type of Roof
Houses with iron roofs have been on the steady increase as follows:
- In 1992/3, 37% of the houses in Uganda were roofed with iron sheets. This increased to 48% in 1995/6; 57% in 1999/2000 and 63% in 2002/3.
- In the same periods of comparison, grass thatched houses have reduced from 61% in 1992/3 to 52% in 1995/6; 42% in 1999/2000 and 35% in 2002/3.
Type of Wall
Mud and pole walls have reduced while use of bricks has increased as follows:

- Houses with bricks increased from 22% in 1992/3 to 30% in 1995/6 to 40% in 1999/2000 and to 51% in 2002/3.
- Houses with mud and poles reduced from 71% in 1992/3 to 66% in 1995/6; and to 56% in 1999/2000, reducing further to 46% in 2002/3.

Type of Floor
There has been an increase in the number of houses with cemented floors and a reduction of earth floors as follows:

- In 1992/3 houses with cement floor were 15%, increasing to 17% in 1995/6. Cemented houses further increased to 22% in 1999/2000 and 24% in 2002/3.
- On the other hand, houses with earth floor reduced from 85% in 1992/3 to 82% in 1995/6; 78% in 1999/2000; and further to 73% in 2002/3.

Source: Uganda National Household Survey; UBOS
2.4.2 Way Forward

NRM shall continue to improve the housing conditions of the people of Uganda. NRM shall prioritise housing development and **home ownership** as a strategic economic sector. This will be done with a view to making it possible for many working Ugandans to own their own homes. It is important because:

- Housing is a strong engine for economic growth;
- Home ownership is the basis of social security;
- Home ownership is a highly effective instrument for the mobilisation of long term domestic savings;
- Home ownership is the basis of household capital accumulation;
- Housing encourages the growth of many upstream and downstream economic activities: taxes for government, direct and indirect employment, transport, manufacturing, services etc.
- Home ownership is the basis of political stability by helping citizens develop a stake in the country.

The young people and the middle-income earners have no capacity to build houses of their own, while the mortgage industry is not highly developed. In order to make it possible for the young and middle-income earners to own houses, they need mortgage facilities to borrow funds to buy houses and pay back the loans over a period of time. However, mortgage firms are poorly capitalised and cannot lend out, to their satisfaction. In the early ‘90s, government raised Shs 30b from the sale of pool houses to senior civil servants and is going to **capitalise Housing Finance Company** with these funds. This will be supplemented with
another 50% raised from the shareholders, which means that Housing Finance company will have Shs 60 billion.

In the short run, this will enable real estate developers to engage in organised housing which the middle income earners can buy on mortgage by borrowing from Housing Finance Company and other mortgage firms.

In the long run, the NRM government will do the following to promote the housing sector:

- **Pay for the development of public goods** in planned estates (water, sewerage, electricity and roads). If real estate developers incur the cost of developing these public goods, government will refund their costs of doing so;
- Identify and promote **pilot projects** for the development of large scale, planned residential areas;
- Make **mortgage finance** affordable by making interest payments on mortgages tax deductible;
- Play a leading role in mobilisation of **long-term finance** to support the development of a robust mortgage market;
- Ensure that **NSSF** plays a leading role in providing long-term funds to support home ownership and in the development of a secondary mortgage market;
- **Review the taxes** on home ownership with a view to making home ownership affordable;
- Ensure that leaders of the city and municipalities and towns enforce **proper planning** including roads, and plot numbers on each house.
With the consolidation of security in the country and stabilisation the economy, NRM government plans to make it possible for every Ugandan to own a decent house.

**Urbanisation**

NRM government shall buy land and **build low cost houses for the urban poor** who live in slums. The Namuwongo project will be completed by rehabilitating the following roads:

- Namuwongo Road;
- Bukasa Road;
- Kisugu Road;
- School Road;
- Main Access Lower Road; and
- St. Barnabas Road.

Rehabilitation work will commence at the beginning of January 2006, and the contract period is estimated at six months i.e. January-June 2006. The rehabilitation works are estimated at a cost of about Shs. 1 billion. Furthermore, NRM shall create a special Conditional Grant to help urban authorities deal with the **repair of roads, garbage collection and street lighting**.

**2.5 Transport Sector**

NRM government’s main objective has been to improve access to transport services in the rural and urban areas and by so doing contribute to poverty eradication. Of paramount importance is the improvement the quality and safety of the transport system; improve economic performance of the transport sector so that
Uganda is effectively connected to the countries in the region, efficiently accesses the sea ports and is linked to the rest of the world by air.

2.5.1 Achievements

Roads
NRM government has made tremendous improvements on the road infrastructure since 1986. In 1986, total national road network (Trunk) was 7,900 Km. Of the 1900 Km that had been tarmacked only 6% (114) was in fair condition. The remaining 1,786 Km was in a poor motorable state. The 6,000 Km of gravel roads were in dire need of repair and so were the 22,000 Km of district (Feeder) roads and 1,500 Km of urban roads. About 30,000 Km of community roads had become footpaths.

All the National roads have been reconstructed/rehabilitated and the network increased from 7,900 km to 10,500 Km. The length of the tarmac roads has been increased from 1,900 Km to 2,700 Km by upgrading 800 km of gravel roads to tarmac throughout the country. These roads included Pakwach-Nebbi-Arua, Mityana-Mubende-Kyegegwa-Kyenjojo-Kagorogoro, Mbarara-Ibanda, Sironko-Kapchorwa, Kyotera-Rakai, Iganga-Tirinyi-Mbale, Kyotera-Mutukula, Ntungamo-Kagamba-Rukungiri, Kibuye-Zana and Gayaza-Kalagi among others. A further 400 Km of tarmac roads will be added to our National road network when the on-going road projects for Busunju-Kiboga-Hoima, Karuma-Olwiyo-Pakwach, Kafu-Masindi, Rukungiri-Ishasha and Kampala Northern Bypass are completed.
In addition to rehabilitation of National roads, district roads have also been rehabilitated and the network expanded from 22,000 Km in 1986 to over 30,000 Km to date. Districts (except the new ones) have been provided with road units for maintenance. Most urban roads (including Kampala City) have been reconstructed and have increased from 1,500 Km in 1986 to over 3,000 Km to-date.

In addition to reconstruction and up-grading of roads, over 85 new bridges have been constructed throughout the country.

**Railway Transport**
- The Kampala-Malaba railway line has been rehabilitated to improve the speeds.
- The Tororo-Soroti line which had been suspended for many years has been re-opened.
- Uganda Railways Corporation hauled 850,000 tonnes in 2004 compared to 667,000 tonnes in 2000.

**Water Transport**
In addition to the ferry services that are provided by the NRM government on Bukakata-Luku, Wanseko-Panyimur, Laropi-Umi, Masindi Port-Kungom, Kiyindi-Buvuma and Nakiwogo-Kyavubu, a new Passenger/cargo ship (MV Kalangala) has been built to provide efficient service between the district of Kalangala and the main land.

**Air Transport**
In the last 15 years the NRM government has made major improvements at Entebbe International Airport.
This has resulted into the increase of passenger traffic from 84,990 in 1986 to 360,000 in 1999 and over 500,000 to date. Cargo traffic has also increased. In addition, upcountry aerodromes at Arua, Kasese, Pakuba, Gulu, Kisoro and Kidepo have been rehabilitated.

2.5.2 Future Programmes

Roads
The NRM Government will make major investments in the Transport Sector that will cover upgrading and tarmacking of National Roads targeting connecting each district headquarter to the Capital with a tarmac road.

Over 30 bridges (including design of a new bridge across the Nile at Jinja) will be constructed and more ferry services introduced. Major rehabilitation of Urban, District and Community roads will be carried out. The Greater Kampala Transport Master Plan will also be implemented and the city decongested of vehicular traffic.

In addition to decongesting vehicular traffic, NRM shall tackle the problem of flooding in areas such as Kalerwe, Bwaise, Lubigi, Kyambogo, Industrial area and other areas.

- National Roads for upgrading to tarmac include: Gayaza-Zirobwe-Wobulenzi, Matugga-Semuto-Kapeka, Soroti-Dokolo-Lira, Atiak-Moyo, Kabale-Kisoro-Bunagana/Kyanika, Fort-Portal-Bundibugyo, Masaka-Bukakata. Other roads earmarked for designing for upgrading to tarmac include Muyembe-Moroto-Kotido, Arua-Koboko,

- Funds for some of the above roads have already been secured, while negotiations for the funding of the remaining roads are in advanced stage of conclusion.
- The first five years of the Ten Year District and Urban Roads Development Programme will be implemented. This includes upgrading of over 5,000 Km of district roads to National Road status.

**Railways**

- Finalising Joint concessioning of Uganda Railways and Kenya Railways which will attract investment into the railway, improve efficiency and reduce transport costs of our exports and imports.
- Re-opening of the Soroti-Gulu-Packwach line.
- Extending the line from Pakwach to Koboko via Arua and in partnership with the Government of Southern Sudan to Yei.

**Water Transport**

- Develop an efficient transport system for Islands in Lake Victoria: Kalangala, Buvuma, and Sigulu Islands.
- Additional ferry services shall be provided at Lwampanga/Namasale, Bukungu/Muntu, Nabuganyi/Mbulamuti and Obongi.
• In line with the National Transport Master Plan, the NRM government shall develop an Inland Container Port (ICP) near Kampala.

Air Transport
• Future programmes for Entebbe International Airport will include a new cargo centre, terminal building improvement, development of an airport free trade zone/commercial centre (implementation of which is planned through privatisation or other modes of concession) and installation of a new radar.
• For the upcountry airfields the development for the entry/exit airfields shall include improving and upgrading some elements of Arua, Kasese and Soroti aerodromes. The development programme for the other upcountry sites will include improvement of airfields at Jinja, Tororo, Adjumani, Moyo and Nebbi. Two more airfields have been designated as part of the airfield network (Ntungamo new airfield and the existing Yumbe airfield).

2.6 Power Sector

The NRM government recognises the power sector as being critical to its mission of transforming Uganda from a peasant society into a modern, industrial and prosperous society. Power is an engine for growth in many ways such as transforming raw materials into final products, operating machinery for manufacturing and agro-processing, lighting, running offices and other
mechanised equipment, communication technology, refrigeration and many others.

2.6.1 Achievements

As all Ugandans have noted, there is a new wave of electricity shortages, commonly known as load-shedding. The government had overcome this load-shedding when it repaired the old Jinja plant that was only producing 60 megawatts in 1986 back to its original capacity of 150 megawatts and up-graded it to 180 megawatts. Government, then, built a new one on the East Bank of the Nile that can produce 200 megawatts if the water in the river is enough.

The plan then was to build three new dams: Bujagali-250 megawatts, Kalagala 450 megawatts and Karuma-150 megawatts. Investors for all the three had been identified: AES — Bujagali, Norpark — Karuma and the Egyptians for Kalagala. The plans, however, were opposed by two players: the sixth Parliament of Uganda influenced by elements that, later, emerged as Parliamentary Advocacy Forum (PAFO) and, then, FDC and by the so called “donors”. The “donors” were using the false arguments about the size of the demand. They were saying that if Uganda built two or three new dams at ago, she would face a new danger of ‘too much electricity’. This was a false position and the government said so. The MPs were misusing the 1995 Constitution to meddle, negatively, in the work of the Executive.
Indeed, many hours were spent meeting Parliament to no avail. This delayed the AES agreement for seven years. Eventually, AES developed its own problems. However, if it had not been for the obstruction of Parliament, by the time AES developed problems, the dam would have been largely constructed. Even with the collapse of the AES arrangement, the Government of Uganda would have been able to quickly finish the dam. That would have given the country an extra 250 megawatts by now. The current deficit is between 20-30 megawatts (during the day) and between 120-130 megawatts (during the peak). This deficit, however, is owed to the growth in population and growth in small scale industries that have exerted demand on the current electricity generation. This deficit, therefore, obscures the actual growth in electricity generation.

**Power Extension**
The NRM government has obtained credit and grant funds from development partners and used internal financial resources for the extension of power to the areas indicated below:

**Completed Power Projects**
Projects accomplished by the NRM Government include:

**District Headquarter Schemes**
1. Lira- Apach-Kigumba/Kiryandongo-Masindi;
2. Arua- Nebbi and Vurra Customs;
3. Masaka-Sembabule;
4. Heavy fuel oil generator in Arua: A heavy fuel oil generator has been installed by a private developer WENRECO with a grant from government. This has increased power supply
in Arua and Nebbi districts from 4 to 18 hours per day. The long-term solution of power for the West Nile region is the construction of the mini hydro power station at Nyagak. A contract for construction has been awarded and construction is expected to begin in January 2006.

Since 2001 the NRM government has executed 232 rural electrification schemes using locally generated funds amounting to Shs 16.48 billion from the tariff.

**Schemes to Support Productive Areas**
Various schemes targeting productive areas have been implemented using financial resources from the tariff. These include:

1. Kaweri Coffee Farm Madudu in Mubende;
2. Mwese Lemon Grass Project in Ntungamo;
3. Kikumbi Mixed Farm and Kikumbi Dairy Farm in Mubende;
4. Bukalabi Farm;
5. Buwanuka Agro Processing;
6. Katosi landing site;
7. Lumino/Majanji and Kiyindi landing sites;
8. Tiira Gold mine; and

**Projects under Implementation**

**District Headquarters**
With the Swedish International Development Agency (SIDA) support to the tune of US$ 10 million, four large rural electrification projects targeting district headquarters of Kyenjojo, Bundibugyo and Pader will
be implemented. The work has already commenced. The projects are:

- Fort-Portal-Bundibugyo-Nyahuka;
- Rugombe-Kyenjojo-Kattoke-Nyantungo;
- Corner Kilak-Pader-Kalongo-Patongo-Abim; and
- Namayemba-Namutere.

From the Capital Development Budget allocation of Shs 20 billion in this financial year, six large rural electrification schemes covering the districts of Kanungu, Kibaale, Kaberamaido, Katakwi, Nakaseke and Apach are being executed. The projects are as follows:

- Rukungiri-Kayonza-Kanungu;
- Kakumiro-Kibale-Kagadi-Muzizi and Kagadi-Mabaale;
- Katine-Kalaki-Bululu and Luwala-Kaberamaido-Kabulubulu -Ochielo/Okile Port, Luwala-Otuboi-Obalang-Anyara and Tiriri-Acuna-Orungo;
- Soroti-Katakwi;
- Ayer-Loro-Kamudini-Minakulu; and
- Kapeka-Kivumu-Butalangu, district headquarters-Wakyato.

Community Schemes
At present, 96 community schemes with funds generated locally from the tariff and from the levy imposed on bulk transmission power sales amounting to over shs 9.5 billion have been implemented.

Concessions on Public-Private Partnership
Four power distribution concessions on a public-private partnership basis with government grants as indicated below will be executed:
- Bwera and Bunyaruguru concession by Kilembe Investment Company Ltd;
- Mbarara-Kikagati-Kabuyanda-Kitwe;
- Kyotera-Mutukula and Masaka-Bukakata-Kalangala; and
- Kiganda-Mubende-Kyegegwa and Kakumiro-Kibale-Kagadi;

**Renewable Energy Projects**

*Kisizi Mini-grid Project*
- Power generation from a 294 KW mini-hydro power plant and local distribution in the sub-county of Nyarushanje, Rukungiri District.
- Project cost – US$ 690,000; subsidy – US$ 420,000.
- Contract has been signed.

*Kakira Cogeneration Project:*
Construction of a 19 MW generation plant from bagasse by Kakira Sugar Works is in progress. Government has given a subsidy to the project in order to buy down the tariff. Kakira will use 7 MW and sell 12 MW to the grid.

**2.6.2 Future Programmes**

Government has renegotiated with Funding Agencies *Bujagali project* and construction work is expected to begin in July 2006.

*NRM will implement 190 schemes on a Public-Private Partnership with funds from Energy for Rural Transformation Programme (ERT).*

*Complete construction of Nyagak Hydro Power station.*
Buseruka hydro Power Project: Studies have been completed for the generation of 10 MW hydropower at Buseruka by Hydromax Ltd. Construction is scheduled to commence in April 2006.

Mt Elgon Power Company Ltd.: This company has gone into joint venture with Boving Fouress Engineering Group of India for developing at least 12 MW from five sites in the Mt Elgon ranges for export to the grid. Studies on the sites are on-going.

Norwegian Power Group (NOR): The group has accomplished a study to generate 5MW from Waki, Masindi District and 10 MW from Bugoye, Kasese District and construction is scheduled to commence in May 2006. The Group is also assessing the viability of Muzizi and Nengo Bridge.

Projects Planned for Medium-Term Implementation

District Schemes

- Extension of electricity to Karamoja region as phase II of Corner Kilak-Abim project to supply power to Kotido and extension of Soroti-Katakwi project as phase II to Moroto and Katekekile limestone project and Nakapiripirit.
- Extension of Gulu- Adjumani-Moyo line.
- Extension of the West Nile distribution concession to cover Pakwach, Koboko and Yumbe districts.
- NRM government’s current policy is to take electricity to every site having an industrial investment. In the medium term, we shall take electricity to every district headquarters. We shall
follow this with electricity to every county headquarters and/or Constituency Health Centre IV. When we complete our programme of building new hydro power stations, we shall take power to every sub-county headquarters. Under our agreement with UMEME, houses within a radius of one kilometer of an electric pole are to be connected to the electric grid. We have got a programme to use solar energy to reach areas where it may be difficult to immediately supply hydro power.

- **Geothermal energy exploration** programme is being undertaken in Kibiro, Hoima District, Buranga, Bundibugyo District and Katwe, Kasese District, in order to produce additional electricity from that natural steam.

### 2.7 Environment

The NRM government is fully committed to the national aspiration regarding environment. The focus will be placed on environmental conservation, regeneration and sustainability.

#### 2.7.1 Achievements

The following achievements have been realised with regard to environmental protection and conservation:

Ecosystems management action plans at district, sub-county and community levels have been developed in the districts of Mbarara, Bushenyi, Kapchorwa, Nebbi,
Yumbe, Arua, Moyo and Adjumani with limited implementation of:

- Sensitization on policies;
- Selection of ecosystem sites;
- Ecosystem planning and training;
- Ecosystem inspection.

Fourteen districts have completed development of District Environment Action Plans (Rukungiri, Kisoro, Kanungu, Masindi, Nakasongora, Kabale, Tororo, Busia, Mbale, Kasese, Mbarara, Bushenyi, Arua and Kapchorwa).

Sub County environment action planning has been completed in Kibaale, Yumbe, Hoima, Gulu, Lira, Sironko and Kapchorwa in a total of 542 sub-counties.

Parish environment action planning is being done in sixteen districts in a total of 2,513 parishes.

Rigorous campaign of monitoring compliance and enforcement of wetland regulations is ongoing especially in Kampala, Mukono and Wakiso districts.

Gazetting of vital wetlands whose services and products cannot be replaced by any other means is ongoing e.g. Nakivubo wetland in Kampala. However, some of the distortions relating to wetlands need time to sort out. There is need to compensate the enchroachers because they were misled by past governments, for instance in Kabale.

### 2.7.2 Future Programmes

- **Pursue policies to ensure a clean and safe environment.**
• **NRM government will enforce deliberate policy to effect afforestation** on all bare hills in the country in a bid to protect our environment. Schools should also, as a matter of policy, engage in tree planting to protect the environment and supplement their fuel needs. School children should be active participants in tree planting.

• *The evictions from forest reserves*, however, shall be suspended until the review of the whole policy on forest reserves has been completed. What were these forests for? Were they for ecological resources or only as sources of wood and timber? Where a forest reserve is for ecological resources, it must be upheld. If it was, on the other hand, merely for wood and timber, there is need for more flexibility.

• *The other imperative is bio-diversity*. It is a must to protect those plants, mainly, for medicinal resources.

### 2.8 Information Communication Technology

World over, the way of carrying out business is changing at a very high speed with Information and Communication Technologies (ICTs) taking centre stage. Both government and the private sector have no alternative other than to move in that direction and adopt the use of ICTs.

NRM recognizes the potential and enabling element of ICTs as a tool for social and economic development. It is NRM’s belief that ICTs should be utilised to simplify
government service delivery, bringing transparency, accountability, and making credible timely information available to all citizens and providing services in an efficient and cost-effective manner for both public and private sectors.

ICTs are important for the following reasons:

- Improve government service delivery and convenience to citizens;
- Empower public access to information/records in possession of the state or public body, to enable them to effectively scrutinize and participate in government decisions that affect them;
- Improve the quality of life for disadvantaged communities, promote gender equality and minimise the national digital divide;
- Strengthen good governance, broaden public participation and promote democracy;
- Facilitate commerce and services for businesses online;
- Enhances economic growth through making competitiveness possible, increasing trade and investment;
- Create opportunities, empowerment and promotion of rural development by provision of access to local and global markets;
- Facilitate research and development.

2.8.1. Achievements

The following achievements have been realised with regard to ICT:
• Political will and commitment in support of ICT;
• The National ICT Policy was adopted by government in 2003;
• There are some legislative and regulatory framework in place such as the Communications Act 1997 and the Rural Communications Development Policy 2001;
• Uganda has one of the most deregulated Telecom markets in Africa with a highly rated regulator (UCC);
• ICT trade liberalisation policy that has helped the proliferation of ICT usage in the country;
• NRM government abolished taxes on computers and software;
• Mobile tele-density is improving at a very impressive rate and a wider spectrum of Internet service options is available to the citizens today;
• There are several initiatives that are promoting ICT in schools and rural areas, e.g. SchoolNet, Uganda Connect (uConnect) and many others;
• NRM Government has integrated ICT into education curricula at all levels;
• Legal reforms are underway that will provide a conducive legal framework for electronic transactions;
• Different government departments have deployed varying Information Systems to enhance government service delivery e.g IFMS, LoGICs, ASYCUDA, EMIS, HMIS;
• Rural Communications Development Project – Addressing Universal Access Issues (Public pay phones, Internet Point Of Presence, Tele-centres, District websites, ICT Vanguard Institutions ) across the country;
Parliamentary Communication and Management Information System – Easing both internal and external communication and data/information sharing;

The ending of the monopoly to the satellite gateway will make it easy to use the internet. Up to July 2005, the government had given a monopoly to UTL and MTN as a way to attract private telephone operators. This policy enabled the country to move from 28,000 telephone lines in 1986 to 1.5 million telephone lines to date.

2.8.2 Way Forward

NRM shall undertake the following:

- Develop ICT infrastructure to enable connectivity to schools, Health centres, agricultural extension units and administration and commercial centres throughout the country;
- Provide access to a telephone for every 1,200 people in the rural areas by the year 2010;
- Address privacy and security issues related to ICT implementation;
- Support the private sector in investing in outsourcing services for data entry and call centre enterprises with an option of having their own gateways;
- Integration of ICTs into the national planning framework and putting ICTs under one political leadership to ensure maximum synergy, harmonised policy and laws and regulations;
- A review and updating of Ugandan laws for protecting intellectual property rights,
especially as they relate to proprietary information;

- Rapid action to resolve the **cost and quality of electronic connectivity** within the existing licensing agreements;
- Review and adjust **public investment policies** insofar as they relate to the promotion of ICTs by Ugandan firms and external investors;
- NRM shall support the development of e-government and e-commerce.
- NRM shall support and provide **e-learning** educational technologies;
- Provide a reliable UBC radio and TV signal to every part of Uganda.
Chapter Three

The Economy

Macro-economic stability and growth is a cornerstone for any positive effort to overcome poverty and achieve prosperity for all Ugandans. It is the single most important factor influencing domestic savings, job creation and long-term political stability. NRM has a record of performance in this field which is unmatched by any of the contesting parties in this election.

3.1 The Movement’s Economic Gains

3.1.1 Achievements

On the side of the economy, the Movement government has made truly giant strides. It embarked on privatisation and liberalisation of the economy with emphasis on private sector-led growth as an engine of development. A majority of the parastatals which were limping and draining government funding have been privatised. Due to poor management and corruption, government money was not always put to good use hence draining the national budget. This problem has been addressed, for instance through privatisation, significantly reducing the level of direct subsidies from Shs 19 billion in 1994 to Shs 9 billion in 1998. The companies that were privatised are now paying taxes to government.

Uganda can now boast of the following economic gains:
- Inflation has been reduced from 240% in 1986 to an average of 6% over several years.
- High GDP growth rates averaging 6.5% per annum, over the last 19 years.
- The contribution of the services sector to GDP has increased from 15% in 1986 to 40.6% in 2000/01 and 43.3% in 2004/05.
- The high growth rate of the industrial and services sectors have reduced the overall contribution of agriculture to GDP from over 50% in 1986 to 36.4% in the year 2004/05. This is a positive step towards the transformation of the economy from predominantly agricultural to industrial and services-based economy.
- Tax revenue collection has increased from Shs 44 billion in 1986 to 1,877.2 billion in 2004/05, thereby increasing its share of GDP from 4.5% in 1986/87 to 14% in 2004/5.
- Telephone lines have increased from 26,000 in 1986 to now 1,495,000 mobile lines and 87,513 fixed lines.
- To date, NRM government has licensed 148 FM radio stations of which 145 are operational, with coverage across the whole country, serving almost all dialects.
- Television broadcasting has increased from 1 station in 1986 to 7 stations to date.
- All the districts of Uganda now have Internet Access.
- NRM government has reduced poverty from 56% in the 1990s to 34%. About two years ago, poverty levels rose to 38% due to unforeseen circumstances in the world market. This mild regression is still being evaluated. Some
economists believe it is inaccurate. The leadership of the Movement has correctly and consistently illuminated the path forward at every stage of our struggle.

- **Liberalisation of the marketing of crops**, e.g. cotton, coffee. Farmers used to have problems of selling their commodities on credit to marketing boards. This is now history as they sell on a cash basis to private buyers.

- The NRM Government fully **liberalised the current and capital account** and the selling and buying of foreign exchange. With licensed forex bureau operators open to all, there is no longer fervent need to apply for allocation of foreign exchange to Bank of Uganda, thus no need for ‘Kibanda’ as in the past.

- There has been significant **expansion of real estate construction** in all the towns and districts of Uganda.

- **Industrial growth** rate, which was 0.6% in 1986, had reached 7.1% per annum by 2002. Industry as a percentage of GDP was 6.8% in 1986, rising to 18.9% in 2002, beating the 9% target of the first two five year plans after independence. Industry as a share of GDP now stands at 20.4%.

- **Availability of essential commodities**: Ugandans will recall the scarcity which existed before the advent of NRM, which had led to some people being allocated chits to purchase the scarce goods, which they, in turn, ended up hoarding and selling at exorbitant prices (*okusamula*). Other Ugandans had resorted to smuggling (*magendo*) of the scarce commodities.
These practices are now a thing of the past because of the widespread availability of all commodities. The goods which were in scarcity with zero production levels are now being produced locally.

For example the following “Essential” Consumer products were Produced in Uganda in 2004.

- Sugar: 193,151 tonnes
- Beer: 111,886 million litres
- Soft drinks: 111,381 million litres
- Textiles: 10,091 million sq. metres
- Cement: 656,714 tonnes
- Edible oil: 55,970 million litres
- Laundry soap: 76,447 tonnes
- Milk: 1.13 billion litres

Source: UBOS

- In the Human Development Report of 2005, Uganda was reported to have graduated from Low Human Development group to a Medium Human Development group. The report further notes that life expectancy has improved from 43 years in 2000 to 45.7 in 2004. Literacy rates have gone up from 65% in 1997 to 70% in 2003, with more than 68% of the population aged more than 10 years and above being literate. This is an impressive achievement.

- On the other hand, the recent IMF Mission that visited Uganda, in their Press Release No. 05/241 of 26th October 2005, noted that “Uganda’s balance of payments position is strong”, and agreed that “Uganda is well placed to graduate from IMF financing” as poor country.
Uganda’s Non-Traditional Exports

The value of non-traditional exports has been increasing, highlighting their potential as a source of foreign exchange. The value of non-traditional exports increased from US$ 39.4 million in 1992/93 to US$ 253.2 million in 2000/01. In 2000/01 non-traditional export earnings were higher than traditional exports by US$ 81.3 million. The ratio of coffee exports has been steadily reducing, signifying a steadily growing diversification of the export sector. The following figures illustrate this:

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tonnes (USD ‘000)</td>
<td>Tonnes (USD ‘000)</td>
<td>Tonnes (USD ‘000)</td>
</tr>
<tr>
<td>Fish</td>
<td>25,525 (87,945)</td>
<td>26,301 (87,477)</td>
<td>31,808 (103,277)</td>
</tr>
<tr>
<td>Maize</td>
<td>59,642 (10,609)</td>
<td>60,298 (13,724)</td>
<td>90,576 (17,896)</td>
</tr>
<tr>
<td>Beans</td>
<td>10,753 (3,283)</td>
<td>18,070 (5,235)</td>
<td>26,233 (8,968)</td>
</tr>
<tr>
<td>Sesame</td>
<td>1,380 (510)</td>
<td>4,504 (2,183)</td>
<td>4,283 (2,788)</td>
</tr>
<tr>
<td>Flowers</td>
<td>4,504 (17,828)</td>
<td>5,637 (22,080)</td>
<td>6,092 (26,428)</td>
</tr>
<tr>
<td>Hides</td>
<td>20,049 (9,810)</td>
<td>18,565 (4,926)</td>
<td>18,502 (5,409)</td>
</tr>
<tr>
<td>Cocoa</td>
<td>1,626 (2,023)</td>
<td>4,328 (7,001)</td>
<td>5,155 (6,801)</td>
</tr>
<tr>
<td>Soap</td>
<td>7,594 (3,434)</td>
<td>11,399 (5,554)</td>
<td>16,281 (7,708)</td>
</tr>
<tr>
<td>Electricity</td>
<td>26,468 (16,279)</td>
<td>21,748 (13,580)</td>
<td>19,310 (11,877)</td>
</tr>
<tr>
<td>Gold</td>
<td>7,117 (60,342)</td>
<td>3,779 (38,446)</td>
<td>3,969 (61,233)</td>
</tr>
</tbody>
</table>

Source: Bank of Uganda

The NRM Manifesto 2006

Prosperity for All
3.2 The Financial Sector

NRM government regards access to affordable financial services with a diversified and widening range of financial products to all Ugandans as critical to economic growth. A well functioning financial system helps in mobilising savings, allocating credit, facilitates payment services and diversifies risk in the economy. NRM government has made considerable efforts to make the financial sector efficient and effective.

3.2.1 Achievements

Financial Sector Reforms
The banking industry has been strengthened in many important respects over the last few years. This has been achieved through tightening prudential regulations on the banking system, increased frequency of on-site inspections and surveillance and improvement of supervision. New prudential regulations have been introduced to increase the minimum capital requirements for financial institutions.

For example, the minimum paid up capital requirement for commercial banks was increased to Shs. 4.0 billion in January 2003 while Credit Institutions are required to have a minimum of Shs. 1.0 billion. The enhanced capital is intended to provide a cushion for losses and act as a safeguard to depositors’ funds. Most banks have successfully fulfilled these requirements. The enforcement of prudential regulations has also been improved.

A Revised Financial Institutions Act was passed by
parliament in 2003. It aims at further strengthening the prudential regulations. This statute strengthens licensing and delineates corporate governance requirements for the financial sector, strengthens restrictions on lending to insiders and large loan exposures and introduces a requirement for mandatory prompt corrective action to be imposed on distressed banks. This will ensure that banks are prudently managed and that the safety of deposits is not jeopardised through mismanagement and fraud. The law includes provisions on corporate governance, which spell out clearly the duties and stringent management controls for the key players in the risk management process. The eligibility to audit a financial institution is restricted to accountancy firms.

There has also been an improvement in the variety of financial services, and the level of bad debts has been significantly reduced from 50% in June 1995 to 8% in September 2001. In an attempt to further increase efficiency and reduce transaction risk in the financial sector, an electronic cheque clearing system has been inaugurated.

**Growth in Financial Savings**

Private sector savings in the banking system, although still low, have maintained an upward trend. Total private sector deposits rose from Shs. 1,153.8 billion in September 2000 to Shs. 1,246.7 billion in September 2001, representing an increase as a share of GDP from 13.3 to 13.5. Savings and certificates of deposits rose from Shs. 350.1 billion in September 2000 to Shs. 379.1 billion in September 2001. There has also been a growth in total assets of the banking system from
Shs 1,942.7 billion to Shs 2,194 billion, i.e. from 20.7% to 23.8% of GDP. The sector has witnessed a significant increase of transactions in both the domestic money market and foreign exchange markets. A central depository system has been set up in the Bank of Uganda to facilitate and support inter-bank shilling transactions.

*Micro-finance Outreach*
Government has embarked on expanding microfinance outreach to serve many Ugandans excluded from the formal banking sector.

*Insurance sub-sector*
In the insurance sub-sector more effective supervision and regulation has been undertaken to ensure that insurance companies are financially sound, comply with the insurance statute and that the interests of policy holders are protected. As a result, the licenses of two local companies were revoked for failure to meet the minimum statutory paid-up capital.

*Private and Public Sector Partnerships*
The government privatisation programme has been an important element of private sector development and its regular consultations with the private sector associations as well as non governmental organisations (NGO’s) and grass root organisations have increased confidence and mutual trust and consolidated the partnership between government and the private sector.

**3.2.2 Way Forward**

- **Pension**: Social Security, pension and provident
funds usually represent important sources of long-term capital in an economy. Pensions, in particular, defined contribution schemes such as the National Social Security Fund (NSSF) will, therefore, play an important role in the financial sector basically because they hold long-term funds, which can be invested in long-term productive assets. Substantial policy analysis has been done taking into account the interests of various stakeholders and reforms will be announced in the near future to improve the management and investment of these funds for the benefit of the contributors of these funds.

- NRM government will strengthen the insurance sub-sector, with necessary amendments in the Insurance Statute, 1996 and the Motor Vehicle Insurance (Third Party Risks) Statute of 1988 in which proposals are under consideration by the Ministries of Finance and of Justice and Constitutional Affairs.

- Development of Uganda’s Capital Markets: NRM will introduce Preferential Tax regime to encourage companies to list on the stock exchange. This reduces the costs associated with the preparations to list on the stock exchange. With more listed companies, the public have greater opportunities to buy shares in successful companies. Increased public participation will create a need for brokerage firms which will take it upon themselves to increase public awareness of the availability of these financial instruments. These brokerage firms act as intermediaries
between private customers and the companies in which they own shares.

- **Leasing, hire purchase, equity funds and venture capital** will be emphasised.

- The restructuring of the Uganda Revenue Authority (URA), will be followed with the **streamlining of the taxation system** and sensitising of the business community on tax valuation and tax payment methods so that the taxpayer knows what is required of him or her in the process of paying tax.

### 3.3 Commerce

It is generally accepted that commerce and trade can raise per capita income, living standards and provide employment. NRM has provided a conducive policy environment for promoting commerce and trade in the country.

#### 3.3.1 Achievements

The liberal economic policies government has been implementing have created an enabling environment for importers and exporters to conduct business without undue restriction. However there are problems that still need to be resolved. Some of these problems relate to the high costs of borrowing, high transport costs from Mombasa and Dar es Salaam ports, transit delays and other trade-related inconveniences.
3.3.2 **Way forward**
- *Talks have been initiated with the government of Kenya to improve the efficiency of the Mombasa harbour, to eliminate problems like thefts of merchandise and to reduce delays in clearing and forwarding.*
- *The concessioning of the Kenya-Uganda railway will improve the operation of railway transport, reduce the transport charges and the transiting period.*

3.4 **Agriculture**

3.4.1 **Achievements**

Uganda has 16.7 million hectares of cultivable land, which is 86% of the total land area. Of this, only 5.20 million hectares (31.1% of total cultivable land) is currently under cultivation. Cultivable land not utilised is 11.5 million hectares.

*Rural Household Economy*

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households engaged in agriculture</td>
<td>3,833,485</td>
</tr>
<tr>
<td>Households mainly depending on subsistence farming (smallholders)</td>
<td>3,490,098</td>
</tr>
<tr>
<td>Households engaged in medium and large farming enterprises</td>
<td>343,387</td>
</tr>
<tr>
<td>Households with an informal enterprise</td>
<td>3,841,859</td>
</tr>
</tbody>
</table>
Land Utilisation Structure:

**Stratum**

<table>
<thead>
<tr>
<th>Stratum</th>
<th>Area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plantations hardwoods</td>
<td>18,682</td>
</tr>
<tr>
<td>Plantations softwoods</td>
<td>16,384</td>
</tr>
<tr>
<td>Tropical high forests (normal)</td>
<td>650,150</td>
</tr>
<tr>
<td>Tropical high forests (degraded)</td>
<td>274,058</td>
</tr>
<tr>
<td>Woodlands</td>
<td>3,974,102</td>
</tr>
<tr>
<td>Bush lands</td>
<td>1,422,395</td>
</tr>
<tr>
<td>Grasslands</td>
<td>5,115,266</td>
</tr>
<tr>
<td>Wetlands</td>
<td>484,037</td>
</tr>
<tr>
<td>Subsistence farmlands</td>
<td>8,400,999</td>
</tr>
<tr>
<td>Commercial farmlands</td>
<td>68,446</td>
</tr>
<tr>
<td>Built up areas</td>
<td>36,571</td>
</tr>
<tr>
<td>Water</td>
<td>3,690,254</td>
</tr>
<tr>
<td>Impediments such as rocks, etc.</td>
<td>3,713</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>24,155,057</strong></td>
</tr>
</tbody>
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*Source: NEMA (2003); NBS (2002)*
Agricultural zoning

In order to take advantage of the American, European, Japanese and Chinese markets, government is encouraging farmers to engage in more than one economic activity of high value and which has a regional and international market from which they will earn enough income.

The purpose of zoning is to link agriculture with processing and the markets. The NRM government has started on the project of Bonna bagaggawale by launching agricultural zoning in Luwero with about 1,000 families. The NRM shall soon expand in other areas.

The country was mapped into ten (10) agricultural production zones as summarised below:

Agricultural Zones:

1. North Eastern Dry lands - Moroto, Northern Kotido and Eastern Kitgum. (Gum Arabica, simsim, apiculture, goats/skins, beef cattle/hides, ostriches, sunflower, fruits, dairy products);

2. North Eastern Savannah Grasslands - Pader, Kitgum, Eastern Lira, Katakwi, Northern Sironko, Northern Kapchorwa, Nakapiripirit, Southern Kotido (apiculture, beef cattle/hides, goats/skins, simsim, cassava, pulses, sunflower, fruits, dairy products, cashew nuts, pigs, fish ponds);

3. North Western Savannah Grasslands - Adjumani, Western Nebbi, Arua, Moyo, Yumbe, Northern Gulu, Northern Apac, Western Lira (spices, tobacco, apiculture, cotton, pulses, simsim, robusta coffee, fruits, cashew nuts, milk);
4. Para Savannahs - Eastern Nebbi, South-Western Gulu, Western Masindi (spices, fisheries, cassava, apiculture, beef cattle/hides, goats/skins, cotton)

5. Kioga Plains - Kayunga, Kamuli, Iganga, Northern Bugiri, Tororo, Northern Busia, Southern Mbale, Pallisa, Kumi, Soroti, Kaberamaido, Southern Lira, Southern Apac (Fisheries, apiculture, maize, pulses, beef cattle/hides, cassava, goats/skins)


7. Western Savannah Grasslands - Hoima, Kiboga, Southern Luwero, Mubende, Kibaale, Kyenjojo, Kabarole, Kamwenge, Southern Kasese (robusta coffee, tea, apiculture, maize, bananas [brewing], beans, beef cattle/hides, dairy cattle, silk, etc.);

8. Pastoral Rangelands - Eastern Masindi, Nakasongola, Northern Luwero, Central Kiboga, Southern Mubende, Western Mpigi, Western Masaka, Western Rakai, Sembabule, Eastern Mbarara, Southern Ntungamo, Northern Bundibugyo (beef cattle/hides, dairy cattle, goats, spices, apiculture, citrus, pineapple, mangoes, silk);

9. South Western Farmlands - Western Mbarara, Bushenyi, Northern Ntungamo, Rukungiri, Northern Kanungu (Robusta coffee, Tea, Dairy Cattle/Hides, Fisheries, Bananas [Dessert], Vanilla, Tobacco, fruits);

Promotion of Coffee

- Coffee growing has been introduced in non-traditional coffee regions in the Mid-North and Eastern Uganda.

- Lowland arabica, Bushenyi arabica, is being introduced in the traditional robusta coffee areas.

- Arabica coffee has been introduced in highland areas in the districts of Kisoro, Kabale, Rukungiri and Kanungu.

- Medium and large coffee plantations have come up. A case in point is the Kaweri Coffee Plantation in Mubende district, which has nearly 2,000 hectares under coffee. Other such initiatives are in the districts of Masaka, Luweero, Mukono, Bushenyi and Mbarara.

- Wet Processing: 16 units of wet processing machines which produce value added coffee at farm level were imported into the country under the Strategic Intervention Programme (SIP) and allocated to progressive farmers and farmer groups on a lease arrangement with DFCU bank. Nine (9) units out of these have been installed to completion. Four additional washing stations (units) were imported into the country by the private sector and 3 old ones have been rehabilitated in the arabica areas of Mt. Elgon. The market has accepted Uganda washed robusta coffee and it fetches a premium of up to $300/tonne above the conventional coffee. Production of washed robusta coffee is targeted at 4,500 tonnes/
year, an equivalent of US $ 1.35 million in revenue.

**Coffee produced for specialty markets**
- Coffee for specialty markets includes: Organic coffee, shade grown, fair-trade and washed robusta.
- Over 20,000 farmers have been certified as organic coffee farmers in the districts of Bushenyi and Luweero for robusta coffee and in Kapchororwa and Nebbi for arabica.
- Quantities of organic coffee in the past 4 years averaged 6,500 bags and attracted a price premium of around $ 250/tonne.
- A local certification body, UgoCert, was formed to cut down on conversion and certification costs.
- Uganda has received recognition as a major organic coffee origin in Africa.

Since 2001, and for the first time in 100 years, Uganda coffee has been processed. Uganda is, therefore, involved in value addition to coffee where more than six brands have now been developed for overseas markets through joint ventures.

**Establishment of Soluble Coffee Processing Plants in Uganda**
The governments of Uganda and Libya are jointly setting up a soluble coffee plant in Kampala at the Namanve Industrial Park estimated at a value of US$25 million and TATA group of companies are also setting up another one in Jinja, early 2006. Mt Elgon Coffee
Ltd is putting up a roasting plant in Tororo for exporting to its sister company in Denmark. The three firms when operational will process only 20% of the coffee produced. Their annual output will be 15,000 tones of instant coffee earning the country about US $ 90 million in exports. These coffee-processing companies will create about 1200 new jobs. NRM’s target is to attract more processing plants so that all Uganda’s coffee is processed. This will enable the country to earn about US $2 billion from processed coffee instead of the present US $110 million.

**Domestic consumption**
In addition to coffee consumed in hotels and restaurants, other specialised coffee shops have grown from only one that existed in 2001 to five today. All these coffee shops have developed their local small roasting capacities and brands.

**Tea**
The following has been achieved in the tea sector:
- 500 ha of the abandoned 800 ha have been rehabilitated;
- 300,000 tea cuttings were imported;
- Nursery operators were assisted to raise 9 million tea cuttings;
- 22.6 million tea seedlings were distributed to 9,844 farmers in the tea growing districts;
- All the four small holder factories expanded that processing facilities;
- By 1986, Uganda was exporting 3,335 metric tonnes worth US$ 4.0 M. In 2004, Uganda exported 35,260 metric tones of tea, earning US $ 38.3 M.
3.4.2 Way forward

The NRM government shall continue to promote coffee growing, processing and marketing.

3.5 Employment

3.5.1 Achievements

NRM has implemented different policies aimed at increasing the number of jobs available to the young people joining the employment market. The new investments in manufacturing, construction, transport and communications have resulted into tens of thousands of jobs. The best example are the investments by MTN, Celtel and UTL. These have resulted into a wide distribution of people employed as phone dealers/repairers, sellers of airtime, etc.

3.5.2 Way Forward

- NRM Government shall diversify its new jobs creation programme into new areas. Over the next five years, thousands of new jobs shall be created in new investments in ICT, call Centres and externalisation of labour. Under these new initiatives, Ugandans shall be free to choose to work from any part of the world.

- The NRM shall also continue to persuade investors to set up new enterprises in Uganda. The new thrust in deepening decentralisation (up to the parish level) shall result into new employment opportunities for the expanded demand for different services in every parish of Uganda.
3.6 Household Incomes and Transformation of Rural Communities

Deepening Decentralisation

NRM government decentralised administrative power to the district and sub-counties. This was meant to bring services nearer to the people by focusing all activities of socio-political and development to the sub-county. Government has achieved tremendous success in infrastructure; schools, roads, health centres, provision of water. What is remaining is to increase household incomes to more affluent levels.

3.6.2 Future Programmes

In order to improve household earnings, NRM will sensitisie the farmers to shift from subsistence production and produce high value crops for the market. The NRM government will carry out market research to establish what is on demand on the international, regional and local markets and encourage the farmers to produce those crops which have a market but also have high returns. When the rural communities engage in high value crops like fruits, their earnings will increase accordingly. The problem at the moment is that a majority of the people (68% of the households) are in subsistence production. Apart from a few plantation farms and large scale farmers who produce for the market, a majority of the farmers don’t link their production with markets.

In order to achieve this, the NRM government has drawn up a plan to decentralise administrative functions to the
parish level for improved organisation and management. This increase in decentralisation will drive production and transformation of the communities. The transformation process will aim to achieve the following objectives:

- Re-orient production and increase productivity;
- Provide Microfinance Services;
- Develop Markets and Marketing Channels;
- Improve Community infrastructure;
- Establish better standards for Parish Communities.

**Increased Productivity**

To uplift household standards of living, there must be an increase in household incomes, which shall be increased as a result of increased agricultural activity. Agricultural activity shall be increased by improved farming methods, improved seeds, and engaging in production of crops or activities which fetch a high value especially to those with small holder farms who need intensive farming to maximise income earned. We, therefore, need to re-orient agricultural production away from traditional subsistence agriculture toward commercial, high returns production.

**Microfinance**

Sourcing of farm inputs shall require micro credit. Therefore, NRM government shall bring microfinance services at that level. In many cases farmers want to engage in a crop which requires inputs like spraying, buying of improved seeds and paying for labour, which money most farmers don’t have. The farmer in this category will be linked with microfinance agricultural loans payable after harvest. We shall use SACCOs
(Savings Credit cooperative organisations) whereby the saver is linked with the lender and borrower. The three become one person. Hence, no incentive for taking advantage of one another. That was the problem of the private micro-finance agencies.

**Marketing**

Increased outputs shall require markets and market information; therefore, NRM shall establish marketing agencies e.g. cooperatives, Farmers Associations and private companies. Already the business community is exporting various non-traditional items to the West. NRM government will link these exporters with the farmers so that farmers are encouraged to produce what is on demand and what the exporters are interested in exporting. The other alternative is to encourage local processing industries to process what is produced locally so that the producer has a guaranteed market.

**Community Infrastructure**

NRM government shall focus on providing the basic infrastructure for the community in order to facilitate production and marketing. This will in turn improve the standard of living. The basic infrastructure shall include the following:

- A primary school per parish
- Electricity
- Road infrastructure network
- Safe water source
- Water for production
- Health Centre
- A Community Development Centre
- Land for urbanisation
- Telecommunications
The Transformation (Change) Agent
In order to achieve fast results in transforming the society along the proposed strategy, a trained cadre shall be appointed to drive and motivate development at each Parish. This shall be a multi-purpose cadre that shall act as a proactive catalyst for the much-desired social economic transformation in Uganda, one that shall be equipped with the skills that shall reshape and transform the attitudes of the people at the grassroots, posturing them towards development. The transformational (change) Agents will be trained in the following:

- Policy;
- Microfinance systems;
- Co-operatives savings and marketing;
- Farming methods and farm planning;
- Extension knowledge;
- Model home structure/layout and management;
- Community development skills;
- Environment and environmental issues;
- Project evaluation and business;
- Social metamorphosis.

Children as Change Agents
Primary school children can be effective change agents in society by passing on information and practices not only to their peers but also to their parents and guardians. In addition to being favourably listened to by adults, young children can pester their parents into changing practices and habits.

At Primary level, children will be trained in simple but applicable skills at school which they would in turn pass on to their parents and guardians.
For instance, children will be trained in rain water harvesting from school roofs and using the water to carry out simple irrigation of flowers and vegetable gardens at school. In such a way the children get trained in gardening as a hobby. They will also be exposed to basic environmental issues, afforestation, garbage and garbage sorting habits, fish farming (aquarium and aquaculture), basic computer skills, hygiene and good nutrition.

This will be achieved via child-to-child and child-to-parent education.

**Model community**

In the short and medium term the NRM government will implement this strategy by establishing one parish in every constituency which will serve as pilot model demonstration in the area. One focal point model farmer in each village from the focal parish will be identified and facilitated to serve as a demonstration for the village model.

As a motivator, performance competitions will be held each year by the villages (estimate). The winner will represent the parish at sub-county and this will be scaled up in the long term to reach the national level.

### 3.7 Value Addition

Uganda needs to consolidate private sector export-led growth and diversification of exportable products through value addition. In order to take advantage of the international markets, Uganda must stop exporting
raw and primary materials. Uganda should instead add value to our products and export them as finished products.

**Cotton**

Focusing on cotton, there are six activity levels involving cotton: growing, ginning, spinning, weaving, finishing and tailoring. According to present-day prices, Uganda gets US $1.20 per kg. of lint cotton. If cotton was spun into yarn, the earnings would go up three times ($3.60). If the yarn is woven into fabric, the earnings will go up six times ($7.20) compared to the price of lint cotton. If Uganda makes garments, the earnings will go up ten times ($12.00) compared to the price of lint cotton. Besides, when Uganda exports lint cotton, all these job levels are exported: spinning, weaving, finishing and tailoring. This export of raw-materials is, therefore, the curse of Africa. By exporting all these jobs, it means that the African purchasing power remains very low. If you have no job, you do not earn income. If you have no income, you cannot buy. Therefore, a country of jobless people is a country of a miniscule market. Since the Africans have been busy exporting jobs and money on every kilogram of raw material they export, they are, in effect, unacknowledged, ignorant “donors”.

**Coffee**

Last year, Uganda exported 3m bags of coffee and earned only US $ 115 million. If Uganda had exported this coffee as a finished product, she would have earned US $ 2.25 billion! Ugandans, therefore, donate all the would-be earnings from coffee by selling it in a raw form.
**Fruits and processing**
Due to Uganda’s geographica! position, the fruits are sweet and can compete well on the world market. However, Uganda cannot have the quantities and quality required due to lack of zoned areas for particular fruits. The NRM leadership has been talking to the big fruit processors in Denmark who have helped the country to identify the fruits which we can compete favourably. These are: passion fruits, mango, guavas, bananas, lime, jack fruit (ffene), organic oranges and red beet roots. The NRM shall be making strategic intervention based on the agricultural zones as was the case with coffee. The NRM leadership is already negotiating with M/S Orana of Denmark and other established fruit houses with a view to attracting them to invest and start processing the available quantities as we build enough acreage to meet their demand. East African Federation is the minimum we can do at the moment.

**Way Forward**
- As a way of promoting investments, NRM will support investments in the textiles, fruit and coffee processing.

- NRM government will also capitalise Uganda Development Bank to support long-term investments in processing of raw materials into finished products. This way NRM government will create more jobs and earn more income.
3.8 Ugandans in the Diaspora

The NRM government acknowledges and appreciates the committed contributions of Ugandans living in the Diaspora. These countrymen and women contributed US$ 800 million to the economy in 2004/2005 alone.

The Uganda Constitution has been amended to allow for dual citizenship for all Ugandans living abroad. They are no longer required to denounce their Ugandan citizenship in order to acquire that of another country.

We shall put in place a mechanism to enable all Ugandans in the Diaspora to participate in the electoral process while abroad. This would help increase their involvement in the decision making process.
Chapter Four

Regional Integration and International Relations

4.1 East African Federation

Ugandans will recall the former East African Community, which broke up in 1977; and they would not want a repeat of the past.

The partners have since revived the East African Community and are working towards a political federation. This federation is very important for market reasons, among others. One cannot produce, sustainably, without a large market. There are what are called fixed costs and variable costs. Fixed costs are incurred in order to acquire fixed assets (building, machinery, installing electricity, water and telephones, etc). Suppose a person uses US $10 million to build a stadium, that stadium is now his or her fixed asset. Whether there is one sporting activity in that stadium in a month or three sporting activities per day, a person will have already spent the US $10 million, which he or she must earn back. The more paying sporting activities one has in that stadium, the better for his or her cash flow. That business arithmetic runs throughout all business permutations.

The Road-master factory, for instance, started making bicycles in Uganda in 1995. If they are selling about 80,000 bicycles a year, they will make handsome profit.
Uganda consumes about 150,000 bicycles a year. It is this demand, in big quantities, that stimulates large-scale expansion at factory or business level. It is these large markets that stimulated phenomenal growth in the USA companies; even before they dominated the world markets, they used the huge USA market to grow (e.g. General Motors, etc).

In Uganda, milk per capita consumption is 40 litres and beef per capita consumption is 3.6 kilograms. Yet, the World Health Organization (WHO) recommended levels are: 210 litres of milk per annum; 50 kilograms of white meat and 30 kilograms of red meat per annum. On account of this under consumption, Uganda, currently, has got a big over-production problem of milk, which will be easily absorbed in the wider East African market.

Since the markets of the individual African countries are small, the NRM must ensure the integration of the African market as part of our struggle to create stimuli for growth. NRM supports, unswervingly, the formation of the East African Community. The East African area, including Rwanda and Burundi, has a combined population of about 104 million. Although this is not a very big market, it is, better than the existing one.

In the area of Regional Co-operation and the spirit of the East African Community, Uganda should secure its own niche as the education hub of the region. This would be relatively easy to achieve given the fact that all the countries in the region already hold the
education provided in Uganda in high esteem and many of their peoples are pursuing their education in Uganda. Uganda is currently earning about US$ 11m from foreign students studying in Uganda.

Economic reasons apart, there are strategic reasons that compel Ugandans to work for the East African Federation. The greatest threat to Black people in the last 500 years has been slave trade and colonialism promoted by imperialists. They were able to conquer Africa because she was fragmented into too many kingdoms and chiefdoms. The same mistake is being repeated today. It is difficult to guarantee our future the way we are fragmented. The other races have gone to the moon. Militarily they dominate land, air and sea. They are now trying to dominate space. Africans are simply seated here watching. This is new treason against the Black people.

4.2 Integrated African Market

The individual markets of African countries are small. If Africa is to reap from economies of scale, there is need to integrate Africa into a single market.

The unity of Africa will make the continent bargain successfully in global political economy. Experience has shown that it is difficult to influence international regimes and the rules that are designed and implemented under such systems when a continent is fragmented.
Way Forward
Under the NRM government, Uganda shall continue being a very active member of the African Union.

The NRM government shall support policies aimed at integrating the African market.

4.3 Attraction of Investors

4.3.1 Achievements

Through attraction of investors, more jobs will be created for our children. Uganda Investment Authority (UIA) was set up by the NRM government to encourage investors into the country, thereby creating jobs. As a result, they have licensed several projects. A business survey carried out in 2001/02 established the existence of 160,883 businesses; however, the total employment of those businesses was only 444,118 people and had an average size of only 2.8 people. That shows the urgency of attracting Big Investors to create more jobs. For instance, if one per cent of those businesses were as big as Kakira Sugar Works employing 6,500 people, total employment would be over ten million.

4.3.2 Way Forward

- Incentives shall be given to attract Big Investors. In addition to tax incentives, NRM shall provide land serviced with basic infrastructure and utilities.

- In addition to the Namanve Industrial Park, the
NRM government shall build the Jinja Industrial Park.

- The NRM shall continue to implement measures geared towards reducing the cost of utilities which form a big component in the production cost.

- In addition to Namanve and Jinja, the NRM government shall build industrial parks in the major towns and shall, then, promote their utilisation by investors.

4.4 Foreign Relations

4.4.1 Achievements

Under NRM government, Uganda’s relations with neighbours and the rest of the world have been at their best since independence. Uganda did not achieve this on account of compromising her sovereignty but expressing her interests unequivocally at all levels. At the regional level, Uganda has enjoyed fraternal relations with Kenya and Tanzania, culminating into the rebirth of the East African Community. Uganda contributed to the elimination of genocide in Rwanda and the re-establishment of peace in Burundi, the Democratic Republic of Congo and Somalia. Outside the Great Lakes Region Uganda has contributed substantially through diplomatic and other channels under the umbrella of the African Union, Commonwealth and the United Nations.
4.4.2 Way Forward

The NRM government shall:

- Continue her policy of **peaceful, friendly relations** with all countries, especially her neighbours on the basis of respect for each other and mutual benefit.

- Promote the **fast tracking of the creation of one East African Government** by 2013.

- Promote the **speedy economic integration** of Africa through COMESA, the African Union.

- In conjunction with other states, especially through South to South co-operation, strive for a more **equitable global economic relationship** through World Trade Organization (WTO); Commonwealth, and other institutions.
Chapter Five

Strategic Interventions

During the next five years, the NRM government will implement the following strategic interventions.

5.1 Rehabilitation of War/Conflict Ravaged Areas

5.1.1 Achievements

**Northern Uganda Social Action Fund (NUSAF)**
The Northern Uganda Social Action Fund (NUSAF) is a 5-year development project funded by the World Bank and the Government of Uganda in an effort to ensure that communities in the North are able to “catch-up” with the rest of the country in the development processes.

In an attempt to address this anomaly and support the North so that it can participate more in mainstream development, government decided to adopt the Social Action Fund (SAF) approach as a mechanism for bridging this “development gap”. Social Action Funds (SAFs) represent a paradigm shift from conventional development planning because they **put communities at the forefront of planning and management of development interventions to improve their livelihoods**. It is a transitory tool, a financing mechanism used to intensify interventions for quicker and larger response.
As the security situation has stabilized in Lango and Teso areas, the NRM government has now started on the process of resettling the people from the IDP camps back into their homes.

5.1.2 Way Forward

Recovery and Development Plan for War Ravaged conflict Areas

- The NRM government, in conjunction with development partners, is preparing a Comprehensive Recovery and Development Plan (RDP) that provides the broad framework for short, medium and long-term actions. This plan aims to consolidate on-going programmes so that new initiatives are complimentary to existing ones, for synergy and focusing on strategic issues identified on the basis of conflict prevention, management/mitigation and resolution. The plan makes a deep analysis and mapping of the conflicts and socio-economic and political factors affecting development in the regions. The goal of the RDP is to achieve Peace, Recovery and Development in the war ravaged areas of Luwero Triangle, Kasese-Bundibugyo-Kabarole, North, Karamoja, Eastern Uganda and the West Nile region.

- The NRM government shall address the issues of armed pastoralism and its ramifications by completing the disarmament exercise side by side with a special programme for the transformation of Karamoja.
• The NRM government shall adopt the resolutions of the Munyonyo West Nile Development Conference for the MAYAN districts in conjunction with our development partners.

5.2 Land Management

5.2.1 Achievements

The 1998 Land Act, protected both the lawful occupants and the bonafide occupants on land. It also provides for Land Tribunals comprising local people to resolve land disputes. The law decentralises land management from the central government and puts it under district Land Boards appointed by the elected district leaders. In order to respect the ownership of land by landlords it provides for a nominal rent of Shs 1,000 for the person paying this rent to recognise that the land title is with the landlord.

5.2.2 Way Forward

There is an impasse between landlords and bibanja holders as the landlords cannot use their land profitably and the bibanja holders have no money to buy the land they occupy. In order to resolve this impasse, NRM is going to expand the land fund to pay off the landlords, at market prices and allocate and process land titles for the bona fide bibanja holders. The government has already started on this exercise and it shall be streamlined, and expanded to benefit more landless families. All this is on the willing buyer, willing seller basis.
5.3 Markets

5.3.1 Achievements

The NRM government has been at the forefront and very instrumental in campaigning for market access for our produce. This is because the social transformation of our villages will fundamentally depend on access to foreign markets. Our past efforts have resulted into America opening its huge market to sub Saharan Africa through African Growth Opportunities Act (AGOA), Everything but Arms (EBA), the Japanese and Chinese markets. With the opening of these markets to us, Ugandans needed to be ‘woken up’ to take advantage of those markets. The government decided to support Tri-Star Apparels to export garments to the US. This company is employing 2,000 Ugandans. Other people who did not see the significance of supporting Tri-Star vehemently opposed it. Uganda needs a visionary leadership to mobilise the rural people to produce for the markets that NRM has been fighting for.

5.3.2 Way Forward

The NRM government shall pursue policies and programmes aimed at accessing and exploiting foreign markets.
5.4 Tackling Rural Poverty

5.4.1 Achievements

On fighting poverty in the rural areas, NRM embarked on sensitizing the population to engage in more than one high yielding crop or activity. The NRM government has been encouraging them to engage in fruits like oranges that fetch at least Shs12m per acre per annum. The NRM government has already succeeded in Bonna Basome; and it will succeed in Bonna Bagaggawale (Prosperity for All). NRM shall specifically help both youth and women groups by assisting them to produce for the market. This year, government has specifically allocated Shs. 8 billion in the budget to assist farmer groups to produce for the market.

5.4.2 Way Forward

- **NRM is looking at** assisting at least 10 nucleus farmers in each sub-county and spread to others over a period of time.
- **The NRM government shall also design specific programmes to assist youth groups** in the villages that are engaged in brick laying, stone crushing and selling various merchandise on markets along the main roads.
- **The outreach programme**, where there is already US $ 18m, shall be used to assist some of these youth who are not organised into saving and credit associations and need some grants to help them take off.
5.5 Tackling Urban Poverty

5.5.1 Achievements

In the urban areas, NRM government is encouraging various social groups like boda boda, market and other vendors, wheelbarrow pushers, those in Tonninyira Mukange (evening roadside vendors) and highway market vendors to access credit to improve on their incomes. This will be the cornerstone of the NRM programme in the next term. Micro-finance will be available through Savings and Credit Co-operative Societies (SACCOs).

Another pertinent issue to be addressed is over taxation by the local governments. For instance, it took the intervention of the Central Government to stop boda boda riders from being charged Shs10,000 per month. The people in markets are overcharged through exorbitant empooza; daily dues.

5.5.2 Way Forward

- NRM is examining all these local taxes with a view of abolishing them like it did with graduated tax so that concentration is on indirect tax through Uganda Revenue Authority. A person selling in a market should pay rent for the stall and not the daily dues (empooza) on each item they sell.
- Government shall develop properly facilitated worksites and market places to accommodate people currently utilizing roadsides and other temporary sites. These include: people with midaalas, roadside markets like Kasubi,
Kalerwe, Kawempe, etc; car washers, and artisans like carpenters and metal workers.

5.6 Property Rates

5.6.1 Way Forward

Government shall *remove property rates* from owner-occupied and tax only those residential houses that are being rented out to tenants, as well as other commercial properties. The people do not have to be unduly taxed for their houses in which they reside, just because of ownership, as long as the houses do not fetch rental income.

5.7 Microfinance

5.7.1 Achievements

In 1996/7 the NRM government started the *Entandikwa* scheme, which was supposed to be a revolving fund for lending to poor people at very low interest. A total of Shs 9 billion was put into the scheme, but a majority of borrowers never paid back. Since the Local Councils who were supervising this scheme feared to ask voters to pay back for fear of losing votes, the government changed from using LCs and opted to use microfinance institutions which are privately managed. NRM government mobilised a total of US$ 151.2 million from the World Bank, ADB, and other sources; part of this money has been lent to several private microfinance institutions.
There have been outcries from upcountry on the high interest rates as well as lack of access to microfinance.

5.7.2 Way forward

- **NRM is determined as well to improve on the accessibility of microfinance** through savings and credit co-operative organisations at sub-county and later at parish level. In sub-counties where these institutions already exist, NRM government will help them in training and will lend them money for onward lending to their members. In sub-counties where such institutions do not exist, government will sensitize the people and help them to set them up.

- There are also saving and credit societies organised by **civil servants** especially teachers to enhance their earnings. These too will be eligible to access microfinance from government.

- In the future, NRM government will **organise youth in various trades** like bodaboda, wheelbarrow pushers, newspaper vendors and vendors in the markets etc. to organise themselves into savings and credit societies through which they will access microfinance.

5.8 Tourism

Uganda is the home of a wide diversity of unusual physical features, endowed with unique ecosystems, with stable and mild climatic conditions all year round. This coupled with well developed communities and vibrant cultures and traditional institutions that date
far back into history and the high degree of hospitality of the Ugandan people, the country is inevitably the best tourist destination for millions seeking reassurance from Mother Nature. This has enabled the country to increase the tourist traffic by 265% in the last five years.

5.8.1 Achievements

The World Tourism and Travel Council, an international assessor, predicted that Uganda would generate US$ 839.9m from tourism in 2005, expected to account for 9.2% of GDP, generating 420,064 jobs, totalling 7.3% of employment. In 2004, tourism accounted for 64.1%, as Uganda’s leading foreign exchange earner, registering a 75.15% increase. This increase is attributed to the steady rise in tourist arrivals since 1999, estimated at an annual rate of 24.7%. Uganda has moved from 192,754 tourists in 2000 to 512,378 in 2005.

Following the recent Marshal Promotion on CNN within a short time Uganda will be the ultimate destination in Africa. NRM shall mobilise the private sector to invest in the Hotel industry.

5.4.2 Way forward

The following shall be done in order to fully exploit the tourism endowments:

1. The NRM shall make the shores of Lake Victoria and the banks of the River Nile major leisure and holiday resorts so that people from all parts of the
world can come and enjoy abundant beauty.

2. Establish viable linkages with the districts and sector stakeholders to effectively mainstream Tourism, Wildlife, Museums and Monuments into Districts plans, programmes and activities.


4. Provision of investment incentives for tourism infrastructure and services shall be established through:
   - Tax holidays, and;
   - Access to affordable credit financial schemes.

5. Registration, classification and grading of tourist accommodation facilities.

6. Implement the Memorandum of Understanding with Peoples of Republic of China, as well as other bilateral Development Partners in Tourism.

7. Active promotion, marketing and image enhancement of Uganda as tourist destination, domestically, regionally and internationally.

8. Strengthen the Uganda Tourist Board (UTB) by enactment and implementing of the Tourism Bill.


10. Upgrading of access roads that are critical to the performance of the key tourist products.

11. Development of Heritage Sites;
Kampala Heritage Trail.

12. Work with authorities in **re-designing** and establishment of City, Municipality and Townships on code(s) of
   - facilitation of tourists and general public
   - public infrastructure condition, and tour circuits.

13. Up grading of **Rwenzori Mountain** Climbing facilities.

14. Re-designing and upgrading of access to Special Tourist Attractions;
   - **Source of Nile**, and;
   - **Bujagali Falls**

15. Revision of **Tourism Master Plan**.

16. Divestiture of **Antiquities and Museum** into an Agency.

17. As a strategy to attract tourists, young people can be trained not only as tourist guides, but also as **translators** to cater for the non-English speaking visitors from Japan, china, etc.;

18. Adequate **funding to security agencies** in order to guarantee peace and stability.

### 5.9 Minerals

#### 5.9.1 Achievements

From the year 2001 to 2004, mineral production in Uganda was as follows:
Cobalt
971 metric tonnes of cobalt were mined and processed by Kasese cobalt Company.

Limestone
969,032 metric tonnes of limestone were mined in Tororo and Kasese and consumed by Tororo and Hima cement factories.

Gold
An average of 6.0Kg of gold is mined by Busitema Mining Company. Several other firms were granted exploration licences in central, Western and South Eastern Uganda.

Wolfram
72 metric tonnes were mined by M/S Krone Ltd in Nyamiliro, Kabale.

Iron Ore
M/S Kigezi Steel Company is to develop Muko iron ore and potential reserves of 2.5 million tonnes have been established in Butare, Kabale.

Vermiculite
5,340 tonnes of vermiculite ore have been produced and exported by M/S Canmin from Namekhara, Mbale.

Petroleum
Government has been successful in attracting oil companies to invest in the country in the sub sector of petroleum exploration over the last five years.

In addition to Heritage Oil Gas Ltd. (Heritage) which was licensed in 1997, Hardman Petroleum Africa Pty
Ltd. (Hardman) of Australia was licensed for exploration Area 2, the Northern Lake Albert Basin, in October 2001. Heritage in partnership with Tullow Oil Ltd. were awarded a second license for Exploration Area 1, the Pakwach Basin in July, 2004. In September 2005, Neptune Petroleum of UK was licensed for Exploration Area 5, the Rhino Camp Basin. Therefore, out of the five Exploration Areas of the country, four have now been licensed, and efforts are underway to license the fifth, which is the Lake Edward-George Basin.

Hardman and Heritage, the companies licensed in Exploration Areas 2 and 3 respectively, have jointly acquired over 2,000 line Kilometres of seismic data in the area around Lake Albert. Heritage drilled three exploration wells on the Turaco Prospect during 2002, 2003, and 2004 respectively. The deepest of the wells reached a total depth of over 2.5 Km. Although the Turaco Prospect was found to contain natural gas, this gas was found to be heavily contaminated with carbon dioxide and therefore rendering the prospect non-commercial. Heritage is now evaluating other prospects in the area before continuing with the drilling programme. In the meantime, Hardman, the licensee for Exploration Area 2, commenced exploration drilling of the Mputa Prospect in the Kaiso-Tonya area in Hoima district during December, 2005. Hardman is planning to drill a second well in the same area during 2006.

Government has continued to strengthen the Department of Petroleum Exploration and production through provision of high quality training and equipment. Over 20 professionals have now been trained and laboratories set up to interpret seismic data.
and analyse data acquired during drilling. This department promotes petroleum exploration and monitors the work undertaken by the oil companies in the country. 

See map

5.9.2 Future Undertakings

Government will continue to encourage oil companies to invest in the search for commercial reserves for oil and gas in the country with a view to achieving production as early as possible.

Phosphates

We have waited for too long to get private sector operators to invest in the phosphates project in Tororo. NRM shall use state resources to develop this multi-million dollar project; it needs US$ 125 million. Private sector is better placed to do this investment. If, however, they do not come, NRM shall do it using a combination of state and Ugandan private sector funding.

The NRM shall carry out a nationwide mapping of Uganda’s mineral resources, in order to create wealth, employment and revenue to the benefit of the indigenous citizens, government and investors.

5.10 Revenue Collection

5.10.1 Achievements

In order to implement its dynamic policies, and programmes, government requires revenue both at the central and local levels. Recent policy changes on
taxation and revenue collection combined with demands for greater and improved all round service delivery makes it imperative that NRM evolves a new bold and innovative system of revenue collection.

In light of this, NRM government has already taken measures to improve revenue collection through the Uganda Revenue Authority (URA). In addition, the NRM government shall, working closely with the local governments, the Local Government Finance Commission, and other stakeholders, undertake measures aimed at raising revenue.

5.10.2 Way Forward

NRM government shall pursue policies aimed at increasing national revenue collection to 20% of GDP.

5.11 Inventors and Innovators

5.11.1 Achievements

There is need for an official agency and legislation to protect and assist local innovators, inventors, scientists and researchers. The NRM government is already assisting some of Uganda’s scientists, like Dr. Muranga and Dr. Kyamuhangire, Dr. Nambatya in developing their research products.

5.11.2 Way Forward

Government shall assist viable inventors and innovators in patenting their findings, developing prototypes, and commercialising them.
5.12 Human Resource Development in Government

Several measures have hitherto been taken to improve the quality of the human resource in the public service. The NRM is aware that the quality of its achievements is largely determined by the input of the civil service. NRM shall pay special attention to:

- Developing an efficient, well trained and motivated service;
- Improvement of the remuneration of the civil service;
- Promoting an entrepreneurial service that is sensitive to the needs of the private sector;
- Responsiveness and sensitivity to the needs of the public in public service delivery;
- Pride and integrity in the performance of duties;
- Keeping private and public interests separate, and demonstrating values of political neutrality and honesty.

5.13 Consolidation of a Shared Vision

Uganda has been independent for the last 44 years, but has not transitioned into a developed state; this scenario is a common phenomenon in many parts of the African continent. Why? The problem has been the lack of a correct vision and wrong economic strategies. Under the import substitution strategy, the African economies attracted few industries, producing for small markets of small populations and poor people.
To add insult to injury, even the few industries that were set up, were state owned. Furthermore, many African countries, including Uganda, nationalised all that was privately owned, yet no attempts were made towards adding value to raw materials! Those strategies condemned us to exporting raw materials and unprocessed goods, whose prices are always fluctuating with adverse consequences. The NRM government, however, diagnosed these problems which were not only affecting Uganda, but Africa at large and provided the following prescriptions for Uganda:

1. Liberalisation;
2. Privatisation;
3. Campaign for world markets;
4. Attraction of investors;
5. Value addition;
6. Tourism, and;
7. Promotion of the private sector export led growth.

There is fear especially among the investors and the business community that the country would slide back on the economic successes if Uganda lost direction on visionary leadership. This is exacerbated by certain forces who talk an anti-investment language, with some promising to repossess what has been privatised. NRM should, therefore, take advantage of the next five years to consolidate a correct and shared vision so that in future this fear of Uganda sliding back on economic achievements doesn’t arise.
Conclusion

The current political pluralism in Uganda has, in effect, given freedom to other political groups to go and politically organise on their own; thus allowing the Movement to consolidate and, therefore strengthen its management position.

NRM now is in a position to continue building on the strong foundation laid so far in terms of macro economic management, infrastructure and provision of services in all sectors. NRM will continue to consolidate the achievements and carry out rural transformation through modern methods of farming and the production of high value crops for the market with particular emphasis on value addition.

NRM policies will focus on the core pillars of development:

**Good Governance**
NRM shall ensure that the country is not plunged back into chaos under the multiparty system and continue providing a good environment to attract investors and promote private sector growth.

**Economic management**
NRM shall continue to ensure macro economic stability, and it shall target attaining high economic growth rates under the strategy of private sector-led, export-oriented growth with emphasis on value addition to exports to increase the earnings and create jobs for youth. NRM
will support and promote applied market-oriented research geared towards adding value to Uganda’s products.

**Education**
NRM shall ensure the effective implementation of compulsory UPE, the vocationalisation of education at all levels, and the continued education of the girl-child as well as the marginalized groups. NRM shall introduce Universal Secondary Education, and continue promoting university education. NRM shall also ensure that Uganda becomes the educational hub of the region by ensuring high quality education and encouraging more private investment in the education sector.

**Health**
NRM shall continue to intensify the immunisation programme to attain 100% coverage. The fight against malaria shall continue with short-term measures such as the provision of mosquito nets and the spraying methods until malaria is eradicated. NRM shall continue to consolidate the gains in bringing health services nearer to the population and also introduce health insurance.

**Agriculture**
NRM government shall ensure the production of high quality and quantities of agricultural produce with a focus on value addition with the view of capturing the lucrative external markets.

**Infrastructure**
NRM shall continue to build the infrastructure such as roads, schools and hospitals, and shall attract more
investment by the private sector in these areas. NRM shall expand the Energy and Mining, Communications and the Water sectors. Furthermore, NRM shall pursue the promotion of ICTs to increase the competitiveness in the globalised economy.

**Development Finance**
NRM government shall capitalise the Uganda Development Bank with a view of pursuing long-term borrowing especially in the processing of raw materials and the Housing Finance Company for mortgage financing to the housing sector. NRM shall further encourage the private sector to invest in mortgage financing. Similarly, NRM government shall avail microfinance with low interest rates to organised groups, organisations and Savings and Credit co-operatives.

**Tourism**
As the country continues to promote the tourism industry by giving incentives such as tax holidays and tax exemptions on hotel inputs, NRM government shall, in addition, set up a special fund for those who wish to invest in the tourism and hospitality business.

**Defence and Security**
NRM shall continue to professionalise and modernise the army and the police for the security and defence of the country in line with the tenets of the East African Federation. Working closely with both and the Sudan government and the SPLM/A, NRM government will continue to pursue the remnants of LRA until there is total peace in Northern Uganda as the government resettles people in IDP camps back into their homes.
**Environment**
NRM shall continue to implement a strategy of afforestation and reforestation by involving all the local administration, and formulate a policy that will ensure that school children become active participants in tree planting and other environmental issues. NRM shall promote the use of bricks as an alternative use to charcoal and wood fuel, with a purpose of slowing down the destruction of our forests.

**Integration**
The NRM government shall continue all efforts at regional co-operation and integration in pursuance of bigger market, collective voice and therefore greater bargaining power; effective use of shared resources and infrastructure, as well as collective defence strategy. NRM shall continue to be at the forefront in the promotion of regional groups like EAC, COMESA, IGAD, etc, while maintaining Uganda’s commitment to the observance of human rights and freedom of all the African people. In particular, we shall work for the East African Federation around the Amosi Wako Report.

**Monitoring and Evaluation**
NRM shall strengthen monitoring and evaluation of all projects and programmes and all other manifesto aspects to ensure their effective implementation.

*In the General Elections, NRM is fielding Mr. Yoweri Kaguta Museveni as its Presidential candidate. It is also fielding Parliamentary candidates in all constituencies of Uganda (including all special interest groups) and candidates for local governments at all levels.*
NRM appeals to the people of Uganda for your vote in order to consolidate what we have achieved and guarantee continued peace, stability and transformation to achieve Prosperity for all.

A VOTE FOR NRM IS A VOTE FOR PROSPERITY AND TRANSFORMATION IN A PEACEFUL AND STABLE UGANDA.
Profile of the NRM Presidential Candidate

Yoweri Kaguta Museveni became President of the Republic of Uganda on January 29, 1986 after leading a successful five-year liberation struggle. He went to the bush with 26 other young men and organised the National Resistance Movement and National Resistance Army (NRM/NRA) to oppose the tyranny that previous regimes had unleashed upon the population.

After victory, he formed a broad-based government that helped to unite the country’s political groups.

Previous to the struggle of 1981-1986, Museveni had been one of the leaders in the anti-Amin resistance of 1971-1979 that had led to the fall of that monstrous regime.

Museveni, who has been politically active since his student days at Ntare School, Mbarara, in South West Uganda, studied political science at the University of Dar es Salaam, graduating in 1970 with a Bachelor of Arts degree in Economics and Political Science.

After Idi Amin’s coup in 1971, Museveni was instrumental in forming FRONASA (the Front for National Salvation). Fronasa made up the core of one of the Ugandan fighting groups which, together with the Tanzanian People’s Defence Forces, ousted Amin’s regime in April 1979.
The NRA was unique in Africa

In the governments that succeeded Amin, Museveni served briefly as Minister of Defence, Minister of Regional Co-operation and Vice-Chairman of the Military Commission. In December 1980, the country’s first general elections in 20 years were held but they were rigged by Milton Obote’s Uganda People’s Congress party. During the election campaign, Museveni had warned that if the elections were rigged, he would fight Obote’s regime and on February 6, 1981, he launched the guerrilla struggle. He went to the bush with only 26 guns and organised the National Resistance Army (NRA) to oppose the tyranny that Obote’s regime had unleashed upon the population.

The NRA (now renamed the Uganda People’s Defence Forces) is unique in Africa for being the only guerrilla force to take over power without much external support and without having a rear base in a neighbouring country. Its main camps were based only 20 miles from the capital, Kampala. This demonstrated how the NRA leadership was, in extremely difficult circumstances, capable of achieving sophisticated levels of organisational discipline and techniques for managing both soldiers and civilians.

Early Political Awareness

Yoweri Kaguta Museveni was born in 1944 during the Second World War and his name was taken from the Abaseveni, who were Ugandan servicemen in the Seventh Regiment of the King’s African Rifles into which many Ugandans had been drafted.
He was born in a peasant pastoralist background in Ankole, western Uganda. As the peasants in his home area were nomads, their children did not go to school and modern ideas about animal husbandry, hygiene and health care did not percolate through to them.

In addition, they were exploited and oppressed by land policies, such as ranching schemes, which displaced them from their traditional lands. Such policies were instituted by the British colonialists and supported by local collaborator chiefs and, later, by neo-colonialist independence politicians.

Owing to his background and his early determination to fight against political and social injustices, Museveni decided in 1966 to lead a campaign mobilising the peasants in northern Ankole to fence their land and refuse to vacate it. The campaign was largely successful and his political awareness and activity became more focused during the three years (1967 to 1970) he spent at the University of Dar es Salaam. His wide reading covered Fanon, Lenin, Marx, Rodney, Mao, as well as liberal Western thinkers like Galbraith. These writers shaped his intellectual and political outlook.

Compared to other universities in the region, Dar es Salaam had a very good, progressive atmosphere which gave the students a chance to become familiar with pan-Africanist and anti-colonialist ideas. This was due to the Pan-Africanist views and policies of Mwalimu Julius Nyerere, the President of Tanzania. Nevertheless, many professors and lecturers were right wing in their views and this often brought them into conflict with the radical students.
The dissatisfaction with the stance of the lecturers in 1967 led Museveni, Eriya Kategaya, James Wapakhabulo, Joseph Mulwanyamuli Ssemwogerere, John Kawanga, all from Uganda, Charles Kileo and Salim Msoma from Tanzania, Kapote Mwakasungura from Malawi, Adam Marwa and Patrick Quoro also from Tanzania, John Garang from Sudan, Andrew Shija from Tanzania, and many students from other African countries, to form a self-help ideological study and activist group known as the University Students African Revolutionary Front (USARF). Every Sunday they would hold a class, invite speakers of their choice, enrich their ideas about the evolution of society, and discuss topics dealing with the production and distribution of wealth.

USARF was composed of students from Kenya, Zambia, Malawi, Zimbabwe, Ethiopia, Sudan, Tanzania and Uganda and Museveni was elected its chairman for the whole time he was at the university. USARF identified closely with African liberation movements, especially Frelimo in Mozambique, which the Front supported, for instance, by producing pamphlets for their publicity work. Other members of USARF were to become politically active and influential both in Uganda and elsewhere in Africa.

Pragmatic, Nationalist Politician

Although President Museveni is a man with very strong convictions, his political vision on how to lay a foundation for reconciliation and national harmony enabled him to accommodate ideas that were often opposed to his. One of his greatest contributions to the politics of Uganda, therefore, has been to spearhead a policy of reconciliation after two decades of social
and political turmoil. Under his leadership, the Movement government has ended the vicious circle of vengeance and hatred that had ruined the country. People from different tribes, religions and political allegiances can now co-exist in harmony.

He accepts this heterogeneity as a matter of course because it mirrors the social spectrum of Ugandan society. He formed a broad-based government and demonstrated to Ugandans that although they had different political, social and religious backgrounds, they had a lot in common and a common destiny, contrary to the divide-and-rule tactics previous politicians had used to fragment Ugandan society.

He took pains to explain that the typical Third World problems of poverty, illiteracy, disease and general backwardness had nothing to do with one’s religion or ethnic origin. The NRM’s guiding Ten-Point Programme, which was debated and agreed upon under his chairmanship in 1984 during the bush war, basically set out to redress the political and social wrongs that were inflicted on the Ugandan people for two-and-a-half decades. He says: “The National Resistance Movement has an unwavering commitment to the respect of human rights and the sanctity of life. We waged a protracted war against tyranny on a platform of restoring personal freedoms and the amelioration of the socio-economic conditions of our people – that is the cornerstone of our programme.”

He has typically taken a very independent political stand and says: “We take from every system what is best for us and we reject what is bad for us. We do not judge the economic programmes of other nations
because we believe that each nation knows best how to address the needs of its people. The NRM is neither pro-West nor pro-East – it is pro-Uganda”.

In July 1990, President Museveni was elected the Chairman of the Organisation of African Unity for the year 1990/91. As he said in his acceptance speech, this was a vote of confidence in the efforts of the National Resistance Movement to build a just society with a democratic and economically viable future for the nation. The general consensus both at home and abroad, however, was that his election was a vote of confidence in the man himself. It showed that after only four-and-a-half years in office, he was already an international statesman of considerable standing.

*A new Constitution for Uganda*

When the National Resistance Movement came to power in 1986, it started working methodically towards taking Uganda back to the constitutional road from which it had been diverted by past regimes. A Constitutional Commission was instituted to gather views from Ugandans throughout the whole country. After two years’ work traversing the whole country gathering the people’s views, the Commission produced a report from which a draft constitution was extracted. A Constituent Assembly was elected and tasked to debate, enact and promulgate a new constitution.

When the Constituent Assembly was opened on May 18, 1994, President Museveni challenged the delegates: “We must ensure that our political institutions spring from our social structure. If we are to develop, we must evolve institutional models which will liberate us from
our backwardness. We must modernise our societies and lay the foundation for industrialisation. We cannot modernise, industrialise or develop without creating an appropriate institutional framework within which to work. It is the historic responsibility of this Constituent Assembly to set our country on the path to development and prosperity.”

Although the law entitled him, as President, to address the Constituent Assembly on any issue he wished, he deliberately refused to influence the proceedings. As a result, no individual or political faction can dub the new constitution a ‘Museveni’ document. This was a great contribution to the constitution-making process.

Delegates arrived at decisions either by consensus or majority vote. However, he advised delegates to combine flexibility on contentious issues by distinguishing between subjective demands and the objective realities that faced the country. The process culminated in the promulgation of a new constitution on October 8, 1995. Museveni says: “The NRM has been like a political doctor trying to solve the problems of Uganda. In order to treat a disease, however, you must, first of all, diagnose the illness.” Ugandans agree that the new constitution went a long way towards healing the political and social ills from which Uganda had suffered since independence. It also laid a firm foundation for the stability of the country for generations to come.

First Directly Elected President

In 1996, Museveni offered himself as a candidate for President in the first general elections since the abortive attempt of 1980. Two other candidates, including Paulo
Ssemwogerere, the veteran opposition leader who had been a minister in the NRM government for 10 years, opposed him. Museveni won a landslide victory – with more than 75% of the vote – and became the first directly elected President in the history of Uganda.

Museveni has initiated dramatic programmes that are destined to transform the lives of Ugandans forever. Grassroots-based programmes in health, safe water provision and mass education have replaced the colonial and post colonial programmes that did not address the needs of the majority of Ugandans. Museveni has maintained hard-nosed macro-economic stabilisation policies that have controlled inflation below 6% over the last 14 years. Consequently, the GDP of Uganda has doubled over the 20 years that the Movement government has been in power. Absolute poverty has reduced from 56% in the 1990s to 38% currently. School enrolment in primary schools has jumped from 2.5 million to 7.7 million children; and universities have grown from one in 1986 to 18 by 2001.