



**The Path to Sustainable and
Inclusive Development: Rethinking
Uganda's Parish Development Model
Realization Strategies**

**Janet Amito
George William Masha
Benard Cankara
Davis Byaruhanga**

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Bernard Ochan

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Efficacy Methodology Limited

P. O. Box 102888, Kampala

Plot 21, Ntinda Road

Email: info@efficacymethodology.org

Website: www.efficacymethodology.org

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List of Acronyms

AfCFTA	African Continental Free Trade Area
CDOs	Community Development Officers
COVID-19	Corona virus 2019
GDP	Gross Domestic Product
MGLSD	Ministry of Gender, Labour and Social Development
MNDP	Malaysian National Development Programme
MoFPED	Ministry of Finance, Planning and Economic Development
MoICT & NG	Ministry of Information and Communications Technology and National Guidance
NAADS	National Agricultural Advisory Services
NABARD	National Bank for Agriculture and Rural Development
NDP	National Development Plan
NUSAF	Northern Uganda Social Action Fund
OWC	Operation Wealth Creation
PAP	Poverty Alleviation Programme
PDM	Parish Development Model
PEAP	Poverty Eradication Action plan
SACCO	Savings and Credit Cooperative Organization
UBOS	Uganda Bureau of Statistics
UNICEF	United Nations Children's Fund
UNIDO	United Nation Industrial Development Organization
UWEP	Uganda Women Entrepreneurship Programme
YES	Youth Entrepreneurship Scheme
YLP	Youth Livelihood Programme

1.0 Introduction

The global poverty index stagnated at 7.8% in Sub-Saharan Africa before the emergence of COVID-19 pandemic. The World Vision (2021)¹, reported that since 1990, more than 1.2 billion people had risen out of extreme poverty. However, the gains are projected to reverse significantly due to the pandemic. At the end of 2020, it was estimated that over 97 million people were dragged back into extreme poverty globally, a statistic that continue to deepen (World Bank, 2021)².

The COVID-19 pandemic has unleashed a heavier economic disaster on Africa, in contrast with other continents that secured vaccines earlier. According to Hendrix (2021)³, there are currently

490 (36%) million Africans living in extreme poverty, an increment from 481 million in 2019. In East Africa, poverty levels have remained significantly high, with Burundi at the peak at 72.9%, Rwanda (40.5%), Uganda (34.5%), Tanzania (33.9%) and Kenya at 26.3% (Statista, 2021)⁴. In the wake of these double-digit poverty indices, countries have focused on poverty alleviation through various programmes, as guided by the SDGs 1.

2.0 A Critical Review of the State of Poverty in Uganda

In Uganda, poverty continues to guzzle the populace. According to Global Finance (2021)⁵, Uganda is ranked 24th among the poorest nations in the world, with GDP (PPP) per capita at only \$2,574. A World Bank study done

¹ World Vision report (2021). Global Poverty: Facts, FAQs, and How to Help. <https://www.worldvision.org/sponsorship-news-stories/global-poverty-facts>

² World Bank (2021). Updated Estimates Of The Impact Of COVID-19 On Global Poverty: Turning The Corner On The Pandemic. <https://blogs.worldbank.org/opendata/updated-estimates-impact-covid-19-global-poverty-turning-corner-pandemic-2021>

³ Hendrik, H. (2021). African Countries Continue To Have The Highest Poverty Rates In The World.

<https://www.developmentaid.org/#!/news-stream/post/84943/highest-poverty-rates-in-africa>

⁴ Statista (2021). Extreme Poverty Rate in East Africa. <https://www.statista.com/statistics/1200550/extreme-poverty-rate-in-east-africa-by-country/>.

⁵ Global Finance (2021). Poorest Countries in the World. <https://www.gfmag.com/global-data/economic-data/the-poorest-countries-in-the-world>

in 2020 revealed that more than a third of Ugandans live on less than \$1.90 and one in every five people live in extreme poverty (World Bank, 2020)⁶.

For the last two decades, especially with the launch of PEAP in 1997, Uganda has adopted several poverty alleviation policies and programmes (Fan, et al., 2008)⁷. Such programmes include; NAADS, NUSAF, Northern Uganda Poverty Rehabilitation Program, Rural Farmers Scheme, Entandikwa, Uganda Women Entrepreneurship Programme (UWEP), Operation Wealth Creation (OWC), Youth Entrepreneurship Scheme (YES), Youth Livelihood Programme (YLP), EMYOOGA and the most recent the Parish Development Model. Unfortunately, all these programmes attained marginal performance, while others suffered from miscarriages. In light of all these poverty eradication

programmes, poverty statistics are still alarming in the country.

A study by UBOS (2021)⁸ indicates that the Acholi sub-region has a higher poverty index, followed by Busoga in the East and Karamoja in North Eastern Uganda. According to UNICEF (2020)⁹, the multidimensional poverty index indicates a more audacious picture, and there is a sharp poverty disparity between the rural (55%) and the urban (23%) in Uganda. Furthermore, several Uganda sub-regions differently experience poverty hiccups. For instance, Bukedi stands at 78% while West Nile takes 76%; Karamoja (76%), Bugisu (72%), Acholi (69%), Busoga (61%), Teso (50%) and Kigezi (49%) suffer from the lion share of multidimensional poverty in Uganda (UNICEF, 2020).

⁶ World Bank (2020). Uganda Economic Update Recommends Expanding Social Protection Programs to Boost Inclusive Growth.

⁷ Fan, S., & Zhang, X. (2008). Poverty Reduction Strategy Paper: Uganda's Poverty Eradication Action Plan, Summary and Main objectives. African Development Review-Revue African De Development, 20(3), 466-496.

⁸ UBOS (2021). Poverty Statistics in Uganda: Latest Update.

⁹ UNICEF (2020). Uganda's Multidimensional Poverty Profile. <https://www.unicef.org/esa/media/6146/file/UNICEF-Uganda-Multi-dimensional-child-poverty-2020.pdf>

3.0 The Bottlenecks to Preceding Programmes

The common denominator underpinning the miscarriages in Poverty Alleviation Programme (PAPs) in Uganda has been; bureaucracy, embezzlement, rusty conceptualization and implementation, lack of sustainability plan, weak market linkages, politicization and fault lines in the legal framework, especially the Presidential Initiatives. According to Transparency International (2017)¹⁰, Uganda was ranked 151st out of 176 as the most corrupt country in the world in 2017. A recent report in 2021 by MGLSD¹¹ indicated that the YLP experienced related challenges, including low technical capacity in some Local Governments, deliberate refusal by youth leaders to repay the loaned funds, deliberate violation of guidelines by some stakeholders such as CDOs and Sub County Chiefs, diversion of funds for unintended

¹⁰ Transparency International (2017). Corruption Perceptions Index 2016, 2017.

¹¹ MGLSD (2021). Youth Livelihood Programme Report Updated.

ventures among others. These incessant challenges continue to manifest in several PAPs in Uganda and could be asymptomatic in the newly enrolled Parish Development Model (PDM), if not pre-checked.

Regrettably, these challenges have not been fully assessed and addressed, prior to the government of Uganda's swift move to endorse the parish development model.

4.0 Conceptual Background of the Parish Development Model

On January 30th, 2020, the Parliament of Uganda approved the NDP III (2020-2025) with the principal objective of increasing household income and improving the quality of life of citizens. These seem to have been a precursor for the rashly initiated PDM. PDM is the latest presidential innovation aimed at addressing poverty right from the parish level. According to MoFPED (2021)¹², the PDM is a strategy for

¹² MoFPED (2021). Ministry of Finance, Planning and Economic Development: Parish Development Model.

organizing the public to engage in activities and interventions that accelerate wealth creation and employment generation at the parish level considered as the lowest economic planning unit.

In line with this argument, the government has allocated UGX200 billion targeting 10,594 parishes and each parish expected to receive UGX30 million. The funds are expected to contribute to the elevating 10,460 households out of poverty. However, recently in August 2021, President Yoweri Kaguta Tibuhaburwa Museveni made a policy pronouncement that suggested that the PDM funds be increased to UGX 100 million for each parish every financial year (MoICT & NG, 2021)¹³.

<https://www.finance.go.ug/sites/default/files/press/Hon.%20MoFPED%27s%20Statement%20at%20the%20NBM%20Launch.pdf>

¹³ MoICT & NG (2021). Ministry of Information and Communications Technology and National Guidance: President wants Shs 100m per year for every Parish Model. Uganda Media Centre, Kampala. Friday, August 20, 2021.
<https://www.mediacentre.go.ug/media/president-wants-shs-100m-year-every-parish-model>

According to MoFPED (2021), the model centres on seven pillars; value chain development, infrastructure and economic service, financial inclusion, social services, community data, governance and administration and mindset change. The Ministry of Local Government is responsible for the implementation of the PDM through the parish monitoring committee, and thirty percent to cover special interest groups (Women, Youth etc).

The implementation process shall commence by recruitment of 5000 parish chiefs and training communities on mindset change which is critical for transformation from subsistence to commercialized agriculture. The programme will be sustained through a revolving strategy of loaning at the parish SACCO. However, according to the MLGSD (2021)¹⁴, the youth livelihood programme (YLP) funds which had earlier adopted an analogous approach, registered low re-payments as some youth failed to remit their

¹⁴ MLGSD (2021). Ministry of Local Government and Social Development: Youth Livelihood Programme

instalments which challenge the merits of PDM revolving funds.

5.0 Global Comparative Review and International Best Practice of the Model

In contrast to Malaysia and South Korea that emerged out of extreme poverty through the implementation of synonymous framework like the PDM, Uganda's PDM suffers from weakness in conceptualization and scanty research. In Malaysia, for instance, their government developed several poverty eradication programmes for farmers. According to Dardak (2017)¹⁵, the Malaysian National Development Programme (MNDP), which centred on two underpinnings; (i) eradicating absolute poverty relied highly on generated data and classification of societies that were faced with absolute poverty and (ii) restructuring the society to remove economic imbalance. This strategy was pursued to eliminate

¹⁵ Dardak Adu Ruzhan (2017). Malaysian Government Initiative in Alleviating Poverty in Agricultural sector.

race and regional imbalance with the economic function of poverty alleviation and was a bountiful success in 1991.

Similarly, Fiszbein and Schady showed the effectiveness of cash transfers, but it is associated with personality and financial discipline among the beneficiaries. Cash transfers can only eliminate poverty depending on the magnitude of the funds (Fiszbein & Schady, 2009)¹⁶. In Ecuador, for instance, despite being a developing country, cash transfers at zero interest amounting to 0.7% of the GDP, supported poor households to generate substantial impact. Coupled with the above, in South Korea, between 1961 to 1979¹⁷ extension to each of the nation's 33,267 villages with 335 bags of cement, a half ton of iron rods and a building plan under the project new

¹⁶ Fiszbein & Schady (2009). Cash Transfer Help Households Eradicated Generational Poverty: Inter-America Development Bank.

¹⁷ Asia Foundation (2015). South Korea's New Village Movement. <https://borgenproject.org/new-village-movement-korea/>

village movement¹⁸ after the war, yielded profound positive impact. Although it was projected that South Korea would take 100 years to recover, within only 9 years, rural income nearly sextupled from a household average of 225,800 won to 1,531,800 won. Thatched huts gave way to tiled houses across the country. This saw a decline in rural poverty from 27.9 percent before the program to 10.8 percent after. Surprisingly, women gained a more prominent place in the local economy, making the program gender sensitive, as Uganda's PDM ought to be (Asia Foundation, 2015). This progress was realized because of their R&D policy direction¹⁹ which is divergent from what drives Uganda's PDM agenda.

¹⁸ Sung, H. J. (2018). Understanding Korea's Saemaul Undong: Theory, Evidence, and Implication. Seoul Journal of Economics.

¹⁹ UNIDO (2019). Developing countries can learn from South Korea's research and development experience <https://www.unido.org/news/developing-countries-can-learn-south-koreas-research-and-development-experience>

6.0 Conclusions and Policy Recommendations

The triumph of the PDM will largely depend on how government swiftly fine-tunes its implementation plan and appreciate the gaps exhibited in the previous programmes. Thus, we provide the following policy recommendations.

- i. Government should not ignore the link between population growth and poverty reduction. According to the World Bank (2020), Uganda's GDP will need to grow by eight percent to attain a lower-middle-income status owing to the high population growth rate. Therefore, appreciation of the regional population variations in funds distribution at the parish level is necessary. Other relevant variations include; demographic differences, socio-cultural settings of these communities and keen attention to the activities they dominantly engage in. Additionally, the rural-urban

settings variation and the size of the parishes should be a priority.

- ii. Increase the allocation of funds to the parishes as suggested by the President. In the Malaysian case, evidence showed that poverty reduces if the magnitude of the cash is high (Fizsbein and Schady, 2009). Currently, each parish is estimated to receive only 30 million per year, which is insignificant given the parish population size versus the cost of transforming into commercial farming that the programme promises. Therefore, it is only realistic that figures are immediately upwardly revised to make the desired impact on the economy.
- iii. Recognition of regional poverty variation statistics is significant. Regions like Busoga, Karamoja, Acholi, Lango and West Nile have higher poverty indexes than other regions (UBOS, 2021). The realization of this reality will create a regional economic

parity, as was the case in Malaysian National Development Programme (Dardak, 2017).

- iv. Revive cooperative unions to create a sustainable and stable market linkage for agricultural products. The re-establishment of cooperatives will play a vital in the success of the PDM, as they have had a historical success story of supporting socio-economic development in the 1960s. Cooperatives also created a market system that allowed agricultural products to thrive and raised local demands. In addition, the global disruptions caused by the COVID-19 pandemic, which resulted in the closure of borders even in light of the AfCFTA should ring a bell on the need to re-establish cooperatives unions. This initiative will be pivotal for market stability, storage and post-harvest handling which are critical for commercialized agriculture that is being

promised by the Parish Development Model.

- v. Develop a legal framework that harmonizes all the presidential poverty alleviation initiatives. The lack of a legal implementation framework greatly affected Operation Wealth Creation (OWC). A proper implementation framework would be a benchmark for the outside-in implementation strategy of the programme. In addition, Byarugaba (2021)²⁰ opines that both Emyooga and PDM have similar conceptual parameters and differ only on facets of beneficiaries. This means that amalgamating them into a single programme under a legal framework would create a more feasible, realistic and enriched programme. Ideally, organizing the PDM's implementation when merged with Emyooga would be better for

stakeholders to do oversight monitoring and attain sustainable accountability which would curb down corruption as was with the case of NABARD in Malaysia.

To recapitulate, the Parish Development Model is a good approach that will spur rural transformation if it is implemented in appreciation of the above policy recommendations.

²⁰ Byarugaba, B. (2021). Reimagining Emyooga Programme, Parish Development Model. <https://www.redpepper.co.ug/2021/08/benjamin-byarugaba-reimagining-emyooga/>

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