

Evaluation of Irish Aid's Uganda Country Strategy Programme 2010–2014

Final Report: Executive Summary

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Executive Summary

Introduction

The purpose of this evaluation of Irish Aid's Country Strategy Paper (CSP) was to provide an independent, evidenced-based assessment of the performance of the CSP for the period 2010–14, as well as to identify lessons learned as an input into the design of the next CSP and to inform programming more broadly within Irish Aid. The evaluation took place in three phases (inception, fieldwork and reporting), with the fieldwork taking place between 26 October – 8 November 2014, including field visits to two sub-regions of the country: Karamoja and Busoga.

Context

Uganda is the second most populous land-locked country in the world, with a population of 34.9 million. Despite a drop in numbers below the poverty line of USD1 per day, from 56.4% in 1992/1993 to 19.7% in 2013, the country remains one of the poorest in the world. The country has experienced a marked increase in income inequality over the same period. Poverty is concentrated in rural regions, particularly the north. It is particularly severe in Karamoja, a geographically, economically and socially isolated area in the north east of the country. Over 80% of its one million inhabitants live below the poverty line.

The main drivers of economic growth are services, especially telecommunications, wholesale and retail trade. Natural resources are becoming a key potential driver of growth in Uganda, with major discoveries of oil found in the Western region. Social indicators in Uganda have improved, but the country is unlikely to meet all the Millennium Development Goals. Access to health and education varies notably across regions, and HIV and AIDS continue to affect a significant proportion of the population.

The political context in Uganda is becoming less favourable to civil society voices. Violence and discrimination against marginalized groups is also a concern in Uganda and inequalities still persist in women's rights and gender equity. Women are vulnerable to gender-based violence, which is still high, estimated at 56%. Furthermore, corruption is an increasing challenge in Uganda, with a worsening position in Transparency International's Corruption Perception Index and a number of high-profile procurement scandals. In November 2012, the discovery by the Ugandan Office of the Auditor General of the misappropriation of EUR 11.6m (including EUR 4m of Irish funds) of donor funds¹ in the Office of the Prime Minister, led to the suspension of funding to Government. This incident seriously damaged the

¹ Funds intended for the Peace, Recovery and Development Plan for support to Northern Uganda, including Karamoja

confidence of all donors, including Irish Aid, in using government systems and created tensions between donors and the Government of Uganda.

Irish Aid in Uganda

Uganda has been a partner country for Irish Aid since 1994, with Ireland also having strong connections with Uganda through the presence of Irish missionaries, dating back to the early 1900s. While Ireland has been a relatively small donor, it has gained respect through its sustained presence and historical linkages between the two countries.

The 2010-2014 CSP

The goal of the Irish Aid Country Strategy Paper 2010-2014 in Uganda was to reduce chronic poverty and vulnerability in Uganda in line with the Ugandan National Development Plan. The three key areas of support under the CSP were social service provision (education, HIV/AIDS, and gender-based violence), governance and promoting economic opportunities. The CSP sought to combine support to and learning from strong engagement in Karamoja with national-level assistance.

Following the October 2012 fraud in the Office of the Prime Minister, Irish Aid suspended funding to Government across the programme. A complete review of Ireland's way of operating in Uganda was conducted, and an Interim Programme was put in place for 2013 and subsequently extended for 2014 and 2015. The main areas of focus that had been part of the CSP were retained, although some sub-components/projects which had been receiving funding through government systems were discontinued.

A total annual budget of EUR 32m was originally approved for each year of the CSP, with funding to be disbursed through various financing modalities. Following the fraud, budget adjustments were made, which reduced the actual monetary contribution to the CSP to approximately half of the originally anticipated value. Up until 2012, much of Irish Aid funding was channelled through Government (46%). Following the fraud, the budget was revised, with annual budgets of EUR 12.5m in 2013 and EUR 21m in 2014. The channels of delivery also changed, with the majority of Irish Aid funding provided through fund management agents (70%).

Evaluation Findings

Findings on the design of the CSP

The original CSP design was relevant in terms of priority areas, but still broad. The focus on poverty, economic development, and governance reflected a combination of Government of Uganda, beneficiary and Irish Aid priorities. The CSP was true to the central priority of Irish Aid's support in developing countries, namely to address the plight of the most vulnerable. It also took account of the key cross-cutting issues, with the exception of environmental challenges. However, the CSP did not sufficiently take

into account indications that the Government was moving in a direction of less transparency in its engagement with donors and showing increasing signals that there was an overall weakening of Uganda's governance structures.

Assessment of the Implementation of the CSP and Results of Irish Aid's Work

At the output level, the **social services component** which included a focus on completion and retention rates in education, increased access to quality HIV prevention services, and addressing gender-based violence, produced tangible and widely acknowledged results in all three areas.

A combination of complementary activities in education (focusing on access and quality and including the important support to bursaries in Karamoja, Ireland's area of concentration) have increased access to education, contributed to improved quality of teaching, and changed attitudes towards education, in particular of girls. Prevention work in HIV/AIDS has been sustained through Irish Aid's contribution and used to fill gaps as donor priorities have changed. It has also leveraged better coordination. Innovative work in gender-based violence has been taken up by other organisations and has increased access to service provision.

The move from working mainly through government systems to a combination of management agents and working through NGOs following the fraud was relatively smooth in this component. However, it had an impact on the scope of the education construction work (which had to be downscaled) and resulted in the discontinuation of selected education interventions which targeted quality and were implemented directly by the Government of Uganda. The choice of an NGO as management agent for the work with the Ministry of Gender, Labour and Social Development was challenging in practice and the reverse accountability (of a ministry to an NGO) had consequences for the relationship between the two parties.

The **governance sector** was most hit by the suspension of funding through government systems, which were the main channel of delivery of support. Despite this changed context, the sector has seen strong areas of progress. For the first time, Government of Uganda started preparing a consolidated government annual performance report under the Office of the Prime Minister.

A strong aspect is linkages that have been established between different service providers in the government sector, and between civil society and various government institutions, which has contributed to better access to rights and justice for the Ugandan people. This is very visible in Karamoja. The Justice Law and Order Sector and community policing registered some success, in particular in terms of improved services, security, referral of cases and changed attitudes at local levels.

The establishment of the Democratic Governance Facility enabled civil society organisations to continue to have strategic input into the governance sector and human rights, although it has also increased competition between civil society

organisations. The FINMAP financial management programme has been seen as delivering solid results with progress noted in improved budgeting and scrutiny by Parliament, as well as in strengthening the integrity of the Integrated Financial Management System. The gender and equity budgeting support led to positive results in the Karamoja sub-region with increased budget allocation for maternal and child health by district local governments.

Economic opportunities component was a new area. Some of the initiatives were in domains where Irish Aid had little experience. Irish Aid put in place programmes that were ambitious in scope, poorly designed, and which for a variety of reasons faced challenges in implementation. This resulted in practice in a loose combination of initiatives without explicit coherence. The engagement with Traidlinks which sought to respond to a new Irish Aid institutional priority did not produce the expected results. The livelihoods programme in Karamoja led to some positive changes but faced challenges in implementation and was far too short to be able to bring about durable change.

Developments in social protection have, however, been positive. There has been a strong shift in Government's attitude and commitment towards social protection. The social protection pilot successfully tested a new model of social protection involving grants to the elderly and provided valuable lessons for going to scale. A social protection policy is in place and has been approved at the highest level of Government. Irish Aid has also supported some valuable research and studies around the oil industry through International Alert, contributing to informing a crucial national debate.

Relevance, effectiveness, efficiency and sustainability of the Irish Aid engagement

The original CSP was broadly relevant but should have made tighter choices in reducing the number of areas of intervention and being more cognisant of the signs of broader change in the political economy. The OPM fraud justifiably triggered a strong reaction. However, a more detailed risk analysis and contingency planning at the outset of the CSP might have allowed Irish Aid to send a strong signal to the Government of Uganda in a way that involved less collateral damage to the programme. The changes following the OPM fraud shifted the balance towards greater civil society involvement and involved greater reliance on the use of management agents. This ensured continuity of a number of key activities and contributed to an enhanced civil society role which, while desirable, put pressure on the Government-civil society relationship. In the case of management agents, the choice was probably inevitable, given the lack of alternatives, to ensure continuity.

Irish Aid has been effective in highlighting the plight of the vulnerable at national level, particularly relating to Karamoja, and has helped develop strategies for addressing issues of poverty and gender-based violence. Irish Aid's long-term commitment to education during a period of over ten years was identified by the evaluation as the

single most effective input for addressing the goals that Irish Aid is committed to. Irish Aid has also been effective in a number of other areas, including gender-based violence, HIV/AIDS, and social protection. However, Irish Aid has also missed opportunities and made choices that undermine its effectiveness. It chose to engage broadly in complex areas, such as livelihoods and economic opportunities, where it had little experience.

Irish Aid's work was affected by the OPM fraud with the adjustments to the programme following the fraud, including the changes in implementation modalities and the annual approach to CSP programming for the latter three years of the CSP, reducing Irish Aid's effectiveness and efficiency in achieving the originally anticipated outcomes.

Despite the current year-on-year approach, there are several elements of the programme which have good prospects for achieving long-term sustainability. The Karamoja bursary programme has made an important impact and is likely to continue to do so.

Conclusions

The CSP design reflected the priorities of beneficiaries, the Government of Uganda and Irish Aid, and also a more streamlined approach, with clearer linkages between financial investment and policy dialogue, and greater focus on chronic poverty and vulnerability. However, it was overambitious, did not sufficiently respond to a changing environment, and was not sufficiently prioritised.

The OPM fraud and the subsequent changes resulted in a CSP that consisted of two very different phases. These changes impacted on the effectiveness and likely sustainability of some programmes in the second phase. Challenges in the second phase arose because of uncertainty about the medium-term continuity of the Irish Aid programme, short planning periods and more elaborate internal processes. At an external level, the programme was affected by a reducing coherence among donors.

Overall, Irish Aid has contributed to some very important inroads into reducing poverty and promoting asset creation, expanding access to social services (including in terms of justice) and generating greater awareness around gender and gender-based violence. This has been due to (i) the important social capital that Irish Aid has built up over time, building on Ireland's acknowledged neutrality and openness; (ii) Irish Aid's consistent focus on vulnerability, on the poor and the marginalized; (iii) the focus on Karamoja, an area which has very significant challenges, which is difficult to understand, and hard to reach; (iv) the quality of its technical inputs through an experienced, strong, and highly competent locally recruited team in some of the key domains where it intervenes; and (v) an effective combination of its aid and diplomatic engagement, with the work in HIV/AIDS and social protection being good examples of a whole of Embassy approach. Irish Aid's commitment to providing educational opportunities in Karamoja has been important, whereas the economic opportunities

component has been disappointing, with the exception of social protection. The management of the Traidlinks partnership has been a heavy burden for the Embassy.

Recommendations

Scope of the programme

In the next CSP Irish Aid should be both strategic and modest in terms of what it takes on. Durable impact can be achieved through sustained investment in some of the basic ingredients for development, e.g. access to education. While such interventions might not always be as politically interesting as those in other areas, they reflect areas of strength that Irish Aid has had, as well as a modest approach to the contribution that Irish Aid can make.

Irish Aid should use the coming year and the findings of this evaluation to make decisions on how to reduce the level of ambition of its programme, focusing on depth rather than breadth. This would ensure that Irish Aid can a) capitalize on its comparative advantage; b) build on progress made so far; and c) continue to make a difference over the next CSP period. In the opinion of the evaluation team, areas that lend themselves to this include gender-based violence, education, justice, law and order, HIV/AIDS, and social protection. Irish Aid's role in influencing should continue to be central in the next CSP. This approach is also compatible with continuing to take a special interest in Karamoja.

Anticipating and managing risks

A more structured risk assessment as part of the CSP design and planning process and a better system for monitoring and reporting changes during implementation should be put in place by HQ and explicitly implemented for the next Uganda CSP. This will ensure that the evolving environment is given more attention and is taken into account in design and implementation. This should follow the principle of containment, with the aim of ensuring that risk incidents in particular areas of the programme do not necessarily jeopardise every component of the programme (the "fuse box" principle).

Sector priorities and modalities

Irish Aid should continue its engagement in the justice, law and order sector and in governance. Governance and fiscal management are crucial in contributing to poverty alleviation. Irish Aid's continued support to the Office of the Auditor General has been important in this respect, together with the activities in the justice sector. However, the effectiveness of these activities is currently constrained by the modalities that are being used.

Irish Aid should review in the coming period how other donors have worked with modalities that strengthen government systems and develop a strategy, in close consultation with HQ, that considers a cautious and conditional engagement in government systems while introducing essential

safeguards in areas that are critical to the governance and the fiscal management agenda and that are complementary to the efforts of other like-minded partners.

Given the critical state of the HIV/AIDS response, and Irish Aid's acknowledged added value, Irish Aid should continue to play a lead role in the HIV/AIDS response with a view to increasing financial participation by the state and other actors from a social responsibility perspective. This evaluation recommends an even stronger shift to advocacy/technical support that focuses on increasing Government and private sector participation in the funding of the HIV/AIDS response and that envisions a reduction in the proportion of donor funding in the medium term – with strong engagement from the diplomatic and trade dimensions of the Embassy's role. In addition, Irish Aid may want to consider a limited number of 'gap filling' activities that are conditional to performance and complementary to areas of priority.

Irish Aid has played a unique and important role in addressing gender-based violence. This work is producing promising results and should continue to be part of the next CSP.

Karamoja

Continued engagement in Karamoja should be an important component of the next CSP. This should focus on continuing work in areas where Irish Aid's support has been successful and where Irish Aid has comparative advantage, in line with the overall focus of the CSP as under the preceding recommendation.

Irish Aid should develop a strategy for strengthening coordination, for joint planning, and for bringing about synergies in Karamoja – an area where it could envision a lead role, given its convening power, acknowledged neutrality and deep understanding of the context. Support to Karamoja should include strengthening the Karamoja office, research to support decision-making, and giving the office more responsibility for technical supervision and support. Support to bursaries for Karamojong pupils should be an important focus of the programme in Karamoja.

Policy influence

The Embassy should make influencing priority agendas and areas that it has close affinity to a central aspect of the next CSP. The year 2015 can be a useful preparatory year for developing a strategy/advocacy plan for this and for identifying areas of focus. This evaluation has shown how Irish Aid very effectively combined its diplomatic and development agendas, and the unique social capital that it has, to engage with difficult and thorny issues, and has made progress on them. This thinking should capitalise on a strong engagement with the Embassy in Nairobi around ways to further advance the Africa Strategy and ensure that Irish Aid's engagement in Uganda is informed by regional trends and issues.

Economic opportunities

Irish Aid should review its engagement in the economic opportunities agenda critically in light of the findings of this evaluation. The scope of its engagement under economic opportunities should be scaled down to its current engagement in social protection and the continuation of the work that has been done through International Alert around conducting studies and disseminating findings, which would feed into the priority areas of the next CSP and does not necessarily have to be part of an economic opportunities agenda. Should continue engagement in economic opportunities be part of the next CSP, the Embassy should give priority to strengthening its internal capacity through careful analysis and design, which is realistic about where Irish Aid can add value, and through ensuring that the human resource and financial implications of any proposed engagement are adequately taken into account.

Irish Aid should rethink the engagement with economic development / opportunities to focus on actions that are complementary rather than direct interventions in the sector. This could include further strengthening and expanding Irish Aid's work around gender and gender-based violence, given the particularly negative impact of expanding oil and other natural resource extraction on women, as well as continuing its advocacy and research role on the impacts of oil and natural resource extraction on specific regions and aspects of development based on experience under the current CSP. It could also play a supporting role as an Embassy to ensure that Irish businesses that wish to engage in Uganda are aware of the context.

Irish Aid should consider commissioning, early on in the new year, a further independent evaluation of Traidlinks, if further information for decision-making is required. Any continued support to Traidlinks under the next CSP should also be funded and managed from Dublin. This would be entirely coherent with the fact that Traidlinks was conceived at HQ level as a pilot programme that happened to be set in Uganda and would make it more feasible for the Embassy to have a role which is coherent with its level of responsibility.

Aid coordination

Engaging with the efforts to enhance coherence among donors and to rebuild relations with Government that reflect a new type of relationship given the evolving context should be an important priority for the next CSP. Irish Aid's contribution as a unique and highly respected partner in Uganda that is close to Government and its global role as a leader in aid effectiveness are important assets that can add value to these efforts.

Lesson learning

Developing capacity internally for lesson learning, and re-engaging more strongly in monitoring, should be a key activity in 2015 in preparation for the new CSP. The findings from such lesson learning and monitoring will be important inputs into the dialogue with other donors.