

## Data Sheet

<b>USAID Mission:</b>	Uganda
<b>Program Title:</b>	Economic Development
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	617-007
<b>Status:</b>	Continuing
<b>Planned FY 2005 Obligation:</b>	\$16,051,000 DA
<b>Prior Year Unobligated:</b>	\$1,500,000 DCA
<b>Proposed FY 2006 Obligation:</b>	\$13,976,000 DA
<b>Year of Initial Obligation:</b>	2002
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** USAID assistance to expand rural economic growth seeks to increase commercial agricultural production, strengthen capacity in the private sector and expand and diversify Uganda's export base. It will also increase access to rural financial services, enhance the sustainable use of natural resources, and improve food security. USAID/Uganda is a major implementer of the Initiative to End Hunger in Africa (IEHA).

### Inputs, Outputs, Activities:

**FY 2005 Program:** Increase Agricultural Productivity (\$9,188,000 DA). USAID will seek to raise the rural incomes of 180,000 households by increasing the productivity and marketing of food and cash crops (e.g., cotton, coffee, vanilla, oilseeds, basic grains, bananas, and dairy products). The activities will involve the development and transfer of improved agricultural technology and practices (including biotechnology), the establishment and strengthening of producer organizations, improvements in input delivery, and the development of competitive agricultural and rural enterprises. This will be accomplished by working at all levels of the commodity value chain, from production through exports. USAID's competitiveness and rural financial services activities also have a strong agriculture focus. USAID is in the process of awarding a contract to implement a commercial aquaculture activity, and will extend its dairy development program. Principal contractors and grantees: Chemonics, Development Alternatives, Inc. (DAI), Land O' Lakes, and the International Food Policy Research Institute (IFPRI) (prime).

Increase Private Sector Growth (\$950,000 DA). USAID will provide technical assistance and training to help Uganda develop a strong trade policy and investment strategy and strengthen the ability of stakeholders in key sectors (e.g., coffee, cotton, fisheries, grains, oilseeds, cut flowers, dairy, and tourism) to organize and collaborate as "competitive clusters." By working together to identify and overcome barriers to competition in target markets, the stakeholders in these markets will increase sales volumes and exports. Activities will also promote an understanding of international trade agreements, enhance Uganda's negotiation skills through training workshops, position Ugandan products to attain differentiation within specific markets, and make strategic information on trade positioning accessible to the private sector. Principal contractor: Chemonics (prime).

Strengthen the Financial Sector's Contribution to Economic Growth (\$1,700,000 DA; \$1,500,000 DCA). USAID will support the expansion of rural financial services and savings mobilization in rural areas, and will expand commercial credit through a Development Credit Authority program with approximately five commercial banks and one microfinance deposit taking institution (MDI). Activities will promote an increase in access to financial services for both agricultural and non-agricultural enterprises. Principal contractors: Chemonics and DAI (prime).

Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$4,213,000 DA). USAID will seek to reduce the threat to fragile ecosystems and biodiversity in Uganda through a combination of conservation, environment management, and enterprise development. The focus will be on improving land management and promoting the sustainable use of natural resources in Uganda's fragile and overpopulated districts of southwestern and western Uganda. USAID will fund training for farmers and resource users in topics such as soil conservation, land management, agro-

forestry, and value added processing. Assistance will be provided to initiate and sustain income-generating activities, including sustainable timber harvesting, and the environmentally sustainable agricultural production in the communities bordering threatened ecosystems. Direct efforts will also be undertaken to protect biodiversity, including protection of the tropical highland habitat of Uganda's rare mountain gorilla population. Principal contractors and grantees: DAI (prime), and African Wildlife Fund and IFPRI (subs).

Increase Food Security of Vulnerable Populations (P.L. 480). USAID's food aid will address the need for greater availability, access, and utilization of food at the household and community levels. Partners will work directly with 120,000 rural households to increase the production of targeted food and cash crops for domestic consumption and for sale to local and regional markets. Additionally, over 60,000 people affected by HIV/AIDS will receive a monthly direct distribution package of corn-soy blend and vegetable oil. Prime grantees: ACDI/VOCA, Africare, Catholic Relief Services (CRS), World Vision, and Save the Children (SAVE).

**FY 2006 Program:** Increase Agricultural Productivity (\$8,114,000 DA). USAID will expand efforts to increase the production of key food and cash crops (including coffee, cotton, basic grains and oilseeds, vanilla, and bananas). USAID will continue its dairy development and biosafety/biotechnology development programs. Improved aquaculture production systems will be tested under local conditions and demonstrated to Ugandan producers. Principal contractors: Chemonics, DAI, and TBD.

Increase Private Sector Growth. Although no FY 06 funding will be committed to this component, USAID will continue using FY 05 funds to provide technical assistance and training to help Uganda to improve its trade competitiveness in selected subsectors. Same as above.

Strengthen Financial Sector's Contribution to Economic Growth (\$1,900,000 DA). USAID will continue to provide support for the expansion of rural financial services and savings mobilization in rural Uganda. Principal contractors: Chemonics and DAI.

Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$3,962,000 DA). USAID will expand its efforts to protect the biodiversity and fragile natural resources of southwestern Uganda by promoting resource conservation and environmentally sustainable income-generating opportunities for local populations. Principal contractor: DAI.

Increase Food Security of Vulnerable Populations (P.L. 480). USAID's PL 480 Title II program will continue to focus food security activities for the rural poor. Principal grantees: same as above.

**Performance and Results:** USAID interventions to improve agricultural productivity have benefited over 165,000 households through the establishment of over 10,000 technology demonstration sites. The consumption of processed milk and other dairy products has increased by 1.5 million liters above what was consumed in 2003 (23.8 million liters); and cluster working groups to foster export competitiveness have been formed for the cotton, coffee, cut flowers, grains, and dairy sectors. In terms of biodiversity conservation, a recent census found that the mountain gorilla population is at its highest level since in the 1960s, with 380 gorillas registered. Over 2,400 farmers were trained in the use of improved agro-forestry technology; and 81,000 tree seedlings were distributed for timber, medicinal, and pole production. The number of borrowers in USAID-assisted institutions increased from 202,979 in 2003 to 212,657 in 2004. The number of savers also increased from 302,210 in 2003 to 335,103 in 2004; and the volume of savings increased from \$13.7 million to \$16 million over the same period. The number of new farm enterprises created as a result of USAID-funded activities in 2004 is 15,760. The P.L. 480 Title II program currently assists 68,762 HIV/AIDS-affected beneficiaries of whom 69% are children, 21% are women, and 10% are men. The incomes of this program's beneficiaries are expected to increase by 40% by 2008 as a result of USAID's efforts to increase agricultural productivity; strengthen the private sector and increase trade and investment; expand rural financial services; promote natural resource management and biodiversity conservation; and enhance food security.

## US Financing in Thousands of Dollars

Uganda

	DA	DCA
617-007 Economic Development		
<b>Through September 30, 2003</b>		
Obligations	31,899	975
Expenditures	5,554	405
Unliquidated	26,345	570
<b>Fiscal Year 2004</b>		
Obligations	17,716	0
Expenditures	16,912	234
<b>Through September 30, 2004</b>		
Obligations	49,615	975
Expenditures	22,466	639
Unliquidated	27,149	336
<b>Prior Year Unobligated Funds</b>		
Obligations	0	1,500
<b>Planned Fiscal Year 2005 NOA</b>		
Obligations	16,051	0
<b>Total Planned Fiscal Year 2005</b>		
Obligations	16,051	1,500
<b>Proposed Fiscal Year 2006 NOA</b>		
Obligations	13,976	0
Future Obligations	15,183	0
Est. Total Cost	94,825	2,475