JICA Country Analysis Paper For the Republic of Uganda

Japan International Cooperation Agency
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JICA Country Analysis Paper JCAP) is a paper in which countries are analyzed by JICA, as a development assistance agency, from the viewpoint of development and is to be utilized in considering and providing effective cooperation to ODA recipient countries. JCAP provides information from the viewpoint of development for the government of Japan in formulating aid policies such as "country assistance policy". It is also noted that actual cooperation and projects to be implemented shall be considered and determined in accordance with policies of the government of Japan, and budget of each fiscal year, etc.

Summary

The Great Lakes region of Africa (Uganda, Rwanda, Burundi, and the Democratic Republic of the Congo) and the Greater Horn of Africa region (Uganda, Djibouti, Ethiopia, Kenya, Somalia, Sudan, Eritrea) experienced conflict in the 1990s. Located at a juncture between these two regions, Uganda holds a key to stability in East Africa and serves as a logistics hub for trade along the Northern Corridor.

The government of Uganda has renewed its National Development Plan (NDP) every five years. The current NDP (2020/21 to 2024/25), or NDPIII, is aimed at increasing household incomes and the quality of life of Ugandans. Toward this objective, the government is seeking to achieve the following strategic goals: enhancing value addition at major growth opportunities; strengthening the private sector toward job creation; consolidating production infrastructure quantitatively and qualitatively; raising Ugandan productivity and improving social welfare; and intensifying the nation's role as the leader and promoter of the country's development initiatives. Under the NDP, the country's economy has been enjoying growth almost every year since 2000 (at the average GDP growth rate of 5.9%). As a result, Uganda was listed as a lower-middle income country in the 2024 UN Human Development Report.

JICA has provided assistance for Uganda over decades. In 2021, the Ugandan Parliament adopted a resolution for commending the contribution, making JICA the first recipient of such a citation. Uganda's economic growth is stable. However, the country's Human Development Index and other metrics showing the degree of societal development remain lower than the sub-Saharan average. The country's population is growing faster than the speed of infrastructure development, which has caused a lack of medical and other social services, safe water, and food. It is significant that we assist Uganda in areas where Japan has relative advantages, such as roadway infrastructure, electricity infrastructure, and rice cultivation. Japanese expertise will help resolve some social issues facing Uganda today.

The Japanese government developed a Country Assistance Policy (for Uganda) in September 2023. This Policy places a focus on solving Uganda's lack of infrastructure, social services, and food security stemming from the rapid population growth. These issues are identified as material by the Ugandan government in NPDIII. Japan's Country Assistance Policy also emphasizes the importance of mitigating the impact of receiving refugees on Ugandan host communities and natural environment in the path of building peace in East Africa. With all these matters of focus in mind and also based on our basic policy of "assisting economic growth to reduce poverty and regional inequalities," we will conduct assistance programs shown in the three-tier structure below.

Basic policy: Assisting economic growth to reduce poverty and regional inequalities		
Area of focus	Development targets	Assistance programs
Improving environments for economic growth	Developing high-quality economic infrastructure	"Improving Traffic and Transport Networks"
		"Improving Power Supply"
		"Urban Development and Urban Environment Management"

Developing industries	Raising rural incomes	"Promoting Rice Cultivation"
and upgrading industrial infrastructure	Raising the private sector's competitiveness and increasing the capacity to create jobs	"Developing the Private Sector and Promoting Employment"
Improving accessibility to and	Building a resilient healthcare system	"Improving the Healthcare System"
the quality of social services	Improving accessibility to safe water	"Improving Water Quality and Public Sanitation"
Building peace and stability in East Africa	Building social stability and peace in areas prone to and afflicted by conflict	"Developing Areas Prone to and Afflicted by Conflict"
Other		"Improving Science and Mathematics Education of the Junior-High School Level" "Environmental Protection and Climate Change Measures" Other

List of Abbreviations

Abbreviation	English	Japanese
AfCFTA	African Continental Free Trade Area	アフリカ大陸自由貿易圏
AfDB	African Development Bank	アフリカ開発銀行
ВОР	Base of the Pyramid	年間所得が購買力平価ベースで、 3,000 ドル以下の低所得層
CARD	Coalition for Africa Rice Development	アフリカ稲作振興のための共同体
COMESA	Common Market for Eastern and Southern Africa	東南部アフリカ市場共同体
COVID-19	Novel Coronavirus	新型コロナウイルス
DRC	Democratic Republic of the Congo	コンゴ民主共和国
DX	Digital Transformation	デジタルトランスフォーメーション
EAC	East African Community	東アフリカ共同体
GDP	Gross Domestic Product	国内総生産
GHG	Greenhouse Gas	温室効果ガス
GRF	Global Refugee Forum	グローバル難民フォーラム
IGAD	Intergovernmental Authority on Development	政府間開発機構
IMF	International Monetary Fund	国際通貨基金
NDC	Nationally Determined Contribution	国が決定する貢献
NDP	National Development Plan	国家開発計画
NWSC	National Water and Sewerage Corporation	国家水衛生公社
ODA	Official Development Assistance	政府開発援助
PEAP	Poverty Eradication Action Plan	貧困撲滅行動計画
SAIFI	System average interruption frequency index	平均停電回数
SDGs	Sustainable Development Goals	持続可能な開発目標
SPR	Sector Performance Report	セクターパフォーマンス報告書
TICAD	Tokyo International Conference on African Development	アフリカ開発会議
UHC	Universal Health Coverage	ユニバーサル・ヘルス・カバレッジ
WDI	World Development Indicators	世界開発指標
5S-KAIZEN- TQM	5S-KAIZEN-TQM (5S: Sort, Set, Shine, Standardize, Sustain) - Total Quality Management	5S・カイゼン包括的品質管理

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Chapter 1. Uganda's Development Policy and Plan, Major Development Issues, and Sector Analysis

1.1 Uganda's Development Policy and Plan

In 1997, the Ugandan government formulated the Poverty Eradication Action Plan (PEAP), the forerunner of the National Development Plan (NDP). The PEAP was succeeded by PEAP II in 2000 and PEAP III in 2004 until replaced by the NDP in February 2010. During the thirty years from 2010, the NDP serves as the top development strategy on which every national budget expenditure should stand, and gets renewed every five years. The PEAP's priority was the elimination of poverty and the improvement of social services, whereas the NDP's is reform of the economy aimed at generating returns, mirroring the country's shift in focus to economic growth. The Ugandan government's development policy is aligned with the NDP (which is currently in phase III covering the period from 2020/21 to 2024/25) and with the country's Vision 2040, and is also designed to respond to the agenda of the East African Community (EAC) and SDGs.

The objective of the current NDPIII is to increase household incomes and the quality of life of Ugandans, and the following strategic goals are set for the objective: enhancing value addition at major growth opportunities; strengthening the private sector toward job creation; consolidating production infrastructure quantitatively and qualitatively; raising Ugandan productivity and improving social welfare; and intensifying the nation's role as the leader and promoter of the country's development initiatives. A program-based approach is employed for NDPIII. Instead of key projects, NDPIII comprises the following 18 programs, which are designed to achieve comprehensive growth, job creation, and industrialization for sustainable prosperity. (NDPII comprised the five key projects of agriculture, tourism, minerals/petroleum/gas, infrastructure, and human resources.)

- 1) Agro-industrialisation programme
- 2) Mineral Development Programme
- Sustainable Development of Petroleum resources
- 4) Tourism Development Programme
- 5) Climate Change, Natural Resources, Environment, and Water Management
- 6) Private Sector Development Programme
- 7) Manufacturing Programme
- 8) Integrated Traffic Infrastructure and Services Programme
- 9) Energy Development Programme
- 10) Digital Transformation Programme

- Sustainable Urbanization and Housing Programme
- 12) Human Capital Development Programme
- 13) Innovation, Technological Development and Transfer Programme
- 14) Community Mobilisation and Mindset Programme
- 15) Governance and Security Programme
- 16) Public Sector Transformation Programme
- 17) Regional Development Programme
- Development Plan Implementation Programme

Uganda's GDP is expected to grow at an annual rate of 6.2 to 7.0% during the period of NDPIII. The country is targeting to increase its GDP per capita from US\$920 to US\$1,301 and to decrease the poverty rate from 21.4% to 14.2%.

Table 1. NDPIII's GDP and Sector Targets

		2019/20	20/21	21/22	22/23	23/24	24/25
Average real GDP growth rate per year (%)		6.30	6.20	6.00	6.50	6.88	7.00
Compound annual growth	Agriculture, forestry, and fisheries	1.65	1.61	1.55	1.66	1.75	1.78
rate (%)	Manufacturing and construction	1.79	1.80	1.76	1.94	2.08	2.15
	Services	2.86	2.80	2.69	2.90	3.04	3.08

(Source: NDPIII)

1.2 Uganda's Major Development Issues

Uganda's economy has been growing almost every year since 2000 (at the average GDP growth rate of 5.9%). As a result, the country was listed as a lower-middle income country in the 2024 UN Human Development Report. Contributors to this economic growth include the country's public investment focused on infrastructure and demographic dividend. The working-age share, which started increasing around the mid-2000s, is expected to peak during the period from the 2020s to 2050s, and the average population growth rate during the last ten years is higher than 3%. With crude oil production at Lake Albert starting in 2025, the economy is expected to enjoy a growth rate of nearly 7%. However, Uganda still needs to:

- ➤ Improve its traffic/transport and electricity infrastructure as well as the system to operate, maintain, and manage the infrastructure, in order to facilitate and stabilize the distribution of goods and energy sources, which is integral for Uganda, a landlocked country, to achieve economic growth;
- ➤ Improve its agricultural productivity and profitability as well as to raise the incomes of low-earning farmers (Agricultural income only accounts for 24% of the country's GDP, even though some 60% of its workforce are engaged in agriculture. With fertile soil and ample rainfall, the country has an environment suitable for agriculture.); and also needs to create industries that will offer 300,000 jobs each year, particularly for young people (Their rate of unemployment is higher than 4%, a dire situation):
- ➤ Improve the accessibility to and quality of social services in order to ensure basic safety and security for every citizen; (The country's social sector remains unimproved, as is seen in the poverty rate, Gini coefficient, electrification rate, food insecurity rate, and rate of access to basic water services, all of which are below the African average. Healthcare services for mothers and children and those to tackle infectious diseases also need to be improved.)
- ➤ Enhance its support for refugees as well as Ugandan host communities to ensure peaceful coexistence between the two. (Some counties have a larger population of refugees than Ugandans.)

1.2.1 Infrastructure (Traffic and Transport)

[Issues] The ratio of paved roads is low, and budgets are too tight to improve roads.

Development of traffic and transport infrastructure is placed under NDPIII Goal 3 (Consolidating production infrastructure quantitatively and qualitatively). The Ugandan government is seeking to build a safe, sustainable, seamless, and comprehensive intermodal transport system in order to reduce the average travel time per kilometer inside the Greater Kampala Metropolitan Area (within

a 20 km radius from the center of Kampala) from 4.1 min/km to 3.5 min/km by the end of the fiveyear NDPIII period. Other targets set for the Goal 3 include reducing cargo transport costs, extending the total length of paved roads from 4,971 km to 7,500 km (by the end of the NDPIII period), increasing the average lifespan of infrastructure, and reducing transport accidents.

Being landlocked as Uganda is, approx. 96% of its cargo and passenger transport is done on land. However, the ratio of paved roads to all roads is about 4%, and the ratio of paved national roads to all national roads is about 24%, with both being lower than the African average paved-road ratio of 47% (The African Development Bank Group, or AfDB). Traffic congestion in the capital city of Kampala is becoming more and more severe, causing disruption in social and economic activities and requiring the city to spend 24,000 man-hours a day to manage traffic flow.

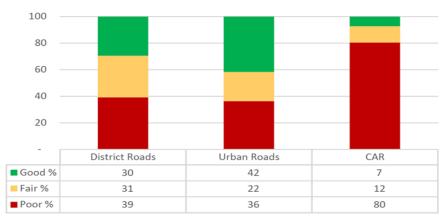
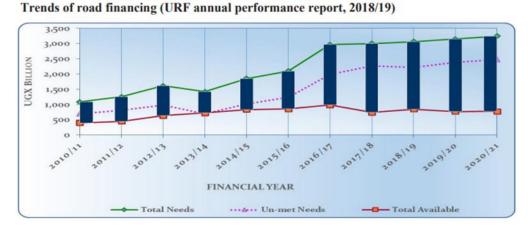


Figure 1. The Status of Road Improvement by the Type of Roads

(Source: Consultancy Services for Updating the Third Phase of the Road Sector Development Programme; compiled without including community access roads and national roads)

Even during the COVID-19 pandemic, Uganda placed its highest priority on improving traffic and transport infrastructure. The largest portion of the budget is allocated for the initiative. However, the amount of US\$1,340 million does not suffice even to maintain and manage existing roads and bridges, let alone to construct new roads. The latest budgets for the initiative have remained around just under 20% against the needed amount.

Figure 2. Changes in Budgets Allocated for Road Improvement



(Source: NDPIII)

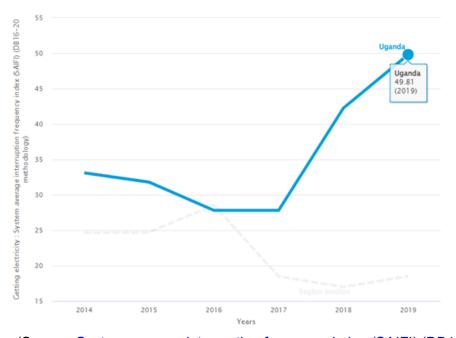
Uganda's improvement of its traffic infrastructure on the international corridors (the Northern Corridor and the Kampala-Juba Corridor) and inside and outside the city of Kampala is expected to improve logistics networks in East Africa and thus contribute to economic revitalization in this region of Africa. The Ugandan government needs to plan its land-transport infrastructure development in such a manner as to optimize the lifecycle cost of those transport roads. More specifically, the government needs to optimize not only the cost for the process from construction to demolition, but also the cost for maintenance and management, besides introducing a preventive maintenance measure that will help reduce the necessity for large-scale repair work. Furthermore, the land-transport infrastructure development needs to properly create jobs and drive the country's economy in multiple aspects. (It will require 1,374 to 2,027 workers/km according to an estimate by Japan Society of Civil Engineers.)

1.2.2 Electricity

[Issues] There is a lack of electrical substations and transmission lines, causing frequent power outages and exposing electrical systems or equipment to unstable voltages. The electrification rate is also low.

The country's needs for electricity are increasing along with its population growth. Since 2010, the amount of power generated, particularly that of hydroelectric power, has kept increasing. Meanwhile, Uganda is short of substations and transmission lines. Frequent power outages and unstable voltages have obstructed efforts to develop industries and attract investments. Uganda's System Average Interruption Frequency Index (SAIFI) was 49.81 times in 2019, which was significantly higher than the sub-Saharan average of 18.47 times. Development of the electricity sector is placed under NDPIII Goal 3 (Consolidating production infrastructure quantitatively and qualitatively). The government is seeking to increase the ratio of people with access to electricity from 24% to 60% by the end of the five-year NDPIII period, decrease the ratio of biomass energy used for cooking from 85% to 50%, increase transmission capacity, and improve the reliability of power grids.

Figure 3. System Average Interruption Frequency Index
System average interruption frequency index (SAIFI) (DB16-20 methodology)



(Source: System average interruption frequency index (SAIFI) (DB16-20 methodology)

The country's electrification rate is lower than the sub-Saharan average. As of 2022, the rate was 72% in urban areas, 36% in rural areas, and 47% across the country. The low level of electrification is one of the factors that have made it difficult for people living in rural areas to stably receive education, healthcare, and other social services. Promoting electrification in rural areas will help reduce poverty, deforestation, and greenhouse gas emissions, and also help reduce economic inequalities between urban and unelectrified areas.

Source: World Development Indicators

50

2014

2016

2018

2020

2022

Access to electricity (% of population)

Access to electricity, rural (% of rural population)

Access to electricity, urban (% of urban population)

Figure 4. Changes in Electrification Rates in Uganda

(Source: World Development Indicators (WDI))

Being a member of the Eastern Africa Power Pool, Uganda is selling electricity to Rwanda and buying it from Kenya.

Uganda needs to raise the capacity and performance of electrical substations and transmission lines to achieve economic progress and improve living environments.

1.2.3 Urban Development

[Issues] Slums are formed in urban areas due to the rapid population increase and its resultant unplanned urban sprawl. The informal urban growth is also causing a lack of basic infrastructure and public social services.

The rate of population growth in the suburbs of the capital city of Kampala is higher than 8%. The rapid population increase has caused unplanned urban sprawl outside the city of Kampala and also outside the Nansana Municipality, the second largest city after Kampala. More than 60% of Kampala's population live in slums. Slum areas account for 11% of this capital city's total area, and are expanding into the neighboring suburbs of Kampala (Project for Integrated Urban Development Master Plan for Kampala Special Planning Area). Urban development is placed under NDPIII Goal 4 (Raising the productivity of people and improving social welfare), and the government is seeking to decrease the ratio of people living in slums or other urban informal settlements from 60% to 40% by the end of the five-year NDPIII period.

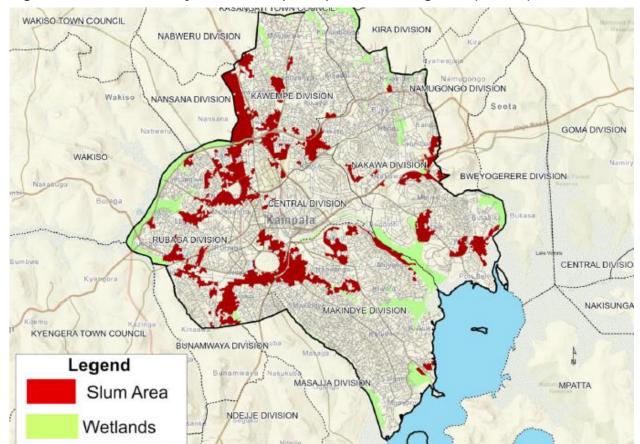


Figure 5. Urbanization beyond the Kampala Special Planning Area (in 2021)

(Source: Final Report on the Project for Integrated Urban Development Master Plan for Kampala Special Planning Area)

The poor sanitation level of urban areas is worsening due to the flawed water and sewage system and improper waste treatment, exposing residents to a higher risk of infectious diseases. It is estimated that even in 2040 some part of the expanding metropolitan area will have no access to water supply. In response to the situation, JICA launched the Project for Integrated Urban Development Master Plan for Kampala Special Planning Area and has since assisted the Ugandan government in constructing new or additional water purification plants and laying new water lines toward the target of securing the water supply capacity of 88L/person/day for the entire Kampala Metropolitan Area by the end of fiscal 2050. (Project for Integrated Urban Development Master Plan for Kampala Special Planning Area)

The Kampala Metropolitan Area needs to be developed in light of the country's population growth (2.8% according to the World Development Indicators 2023) and the density of the population in the metropolitan area (9,610 people/km² according to the Census 2024) and in such a manner that the area will have a resilient and sustainable urban structure and infrastructure.

1.2.4 Agriculture

[Issues] Sixty percent of Uganda's working population are engaged in agriculture. Not many of them, however, are skillful farmers. There is no established system for distributing agricultural produce. Agricultural productivity and profitability are low. So are the incomes of farmers.

Approximately 60% of Uganda's working population are engaged in agriculture. The country's

agriculture sector accounts for about 24% of GDP and 33% of total exports. With fertile soils and ample rainfall, the country's land is suitable for agriculture by nature. Despite that, its agricultural production is low in both terms of efficiency and yield, indicating high needs for technical assistance. Amid the population growth, Uganda's daily dietary energy supply per person has been on the decline since 2013, falling below the East African average. The country needs to raise its agricultural productivity and increase food production. Development of the agricultural sector is placed under NDPIII Goal 1 (Enhancing value addition at major growth opportunities), and the government is seeking to increase the real agriculture GDP growth from 3.8% to 6.0% by the end of the five-year NDPIII period.

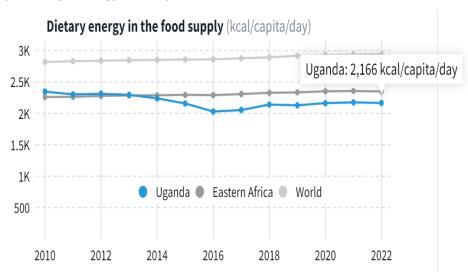


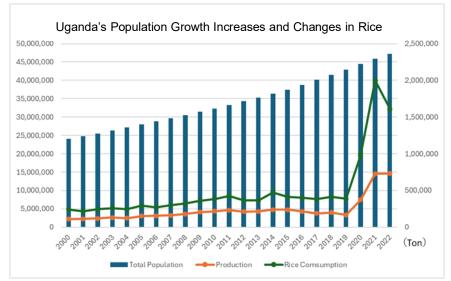
Figure 6. Daily Dietary Energy Supply per Capita

(Source: FAOSTAT)

Rice is designated as a crop of importance by the agriculture industrialization program of NDPIII, and Uganda is a target country of the Coalition for African Rice Development (CARD). Rice consumption in Uganda is increasing at a rate faster than production, making the country an importer of rice from Tanzania and other countries. In 2022, rice imported from Tanzania accounted for approx. 2.4% of all rice imported in terms of monetary amount. Demand for rice in Uganda is expected to increase along with population growth and urbanization. In order to meet the growing demand and in light of food security, the country should increase its domestic rice production.

Research on rice cultivation and the construction of irrigation infrastructure for rice production will also help the country better respond to the increasing drought risk due to uncertain rainfall caused by climate change. However, Uganda needs assistance to introduce and spread eco-friendly rice cultivation or productive irrigated rice production. The country also needs to improve its agriculture management and marketing system for rice and horticultural crops.

Figure 7. Uganda's Population Increases and Changes in Rice Production and Consumption (Years 2000 - 2022)



(Source: FAOSTAT)

1.2.5 Development of Private Sector Industries

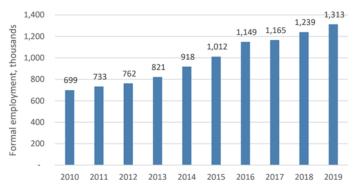
[Issues] Job opportunities are getting scarce because of population growth. Many of the existing industries are immature and are not globally competitive.

Uganda is seeking to highly intensify its existing and yet immature industries and increase their global competitiveness through high-value addition, with a view to ensure sustainable economic growth and also to become a semi-developed country by the end of the five-year NDPIII period. The country's business start-up rate of micro small and medium enterprises (MSMEs) is high. On the other hand, few of them sustain. Not many Ugandan MSMEs are accredited with international quality assurance certification (only 11.6% of them are so certified, half the level of Kenya, according to NDPIII), indicating the necessity to improve technological and entrepreneurial proficiency as well as labor skills (NDPIII).

Development of the private sector industries is placed under NDPIII Goal 2 (Strengthening the private sector toward job creation). The employment situation is severe particularly for young people. The country is seeking to decrease the unemployment rate of young people from 13.3% to 9.7% by the end of the five-year NDPIII period. It is estimated that Uganda needs to create 300,000 jobs each year. However, the country does not have an industry that is emerging or growing enough to absorb such employment needs. The government is seeking to increase the ratio of workforce in rewarding and respectable jobs from 34.5% to 55.0% by the end of the five-year NDPIII period.

Figure 8. Changes in the Number of Employed People

Figure 2. Formal employment, 2010-2019



Source: UBoS Labour Market and Earnings Database and author's estimates for 2017-2019

(Source: <u>Uganda Bureau of Statistics Labour Market and Earnings Database and author's</u>
estimates for 2017-2019)

Being landlocked as it is, Uganda has a geographic disadvantage as a manufacturer. It is hence important to develop, apart from the manufacturing sector, the country's ICT sector. This industry, when developed, will benefit and advance businesses in other areas, such as healthcare, agriculture, and urban transport, to name a few. The country's ICT sector is rather underdeveloped, with only a limited number of people having access to ICT services and with many having neither knowledge nor skills on ICT. In order to address this situation, the government is seeking to increase the Internet penetration rate from 25% to 50% by the end of the five-year NDPIII period. Wider Internet penetration and the better-developed ICT industry will lead to job creation.

Uganda should make better use of entrepreneurs with innovative ideas in its effort to resolve its social issues, and foster the potential of such entrepreneurs as industrial development drivers in the future. According to the 2017 Global Entrepreneurship Monitor, Uganda is the most entrepreneurial country in the world, with more than 50% of young people (including those in informal sectors) involved in starting up a business. The strong entrepreneurial spirit of Ugandans was observed in a startup business plan contest held by JICA in July 2020: as many as 460 Ugandan startups applied for the contest, making Uganda the country with the second highest number of applicants among the 19 African participant countries. Since Uganda has many smart people with a strong command of English, the country's industrial development will progress. According to NDPIII, however, almost all startups in the country fail within two years because of the owner's limited capability as an entrepreneur, a lack of skilled workers, and limited resources for marketing an innovation. Enabling startups to grow and thrive calls for assistance for enhancing technical skills, including know-how on productivity and profitability.

Uganda needs to build a comprehensive and strategic environment for industrial development and promotion, and that will call on the Ugandan government to take both tangible and intangible measures (i.e., measures for building ICT infrastructure, including data centers, and spreading the use of communications devices, as well as measures for developing human resources, building business ecosystems, activating industry-government-academia collaborations, enhancing cyber security, and improving taxation and other laws or regulations).

1.2.6 Health

[Issues] Demand for health care services has been increasing along with the country's population

growth, raising concern over the health system that is getting overburdened and financially strained. The current healthcare system is not robust enough for universal availability.

Development of the healthcare sector is placed under NDPIII Goal 4 (Raising the productivity of people and improving social welfare). Human resources development in the healthcare sector among all other sectors is one of the country's national development programs. Uganda is seeking to increase Ugandans' use of basic sanitation facilities and decrease the maternal mortality, the mortality rate of under-five infants, and the rate of deaths due to malaria and AIDS by the end of the five-year NDPIII period (Malaria: from 13% to 6%; AIDS: from 5% to 2%). The country's national development program defines that improving the healthcare system and increasing medical-care delivery at all medical institutions are vital to improve the health of citizens.

Figure 9. Causes of Deaths in 2021 across Uganda

Top causes of death

Malaria 38.5

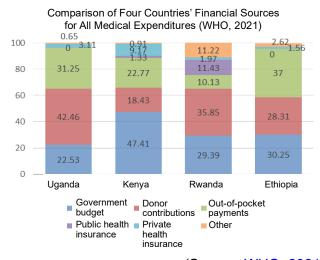
HIV/AIDS 38

Lower respiratory infections

Preterm birth complications

Tuberculosis 30.1

Figure 10. Financial Sources for All Medical Expenditures



(Source: <u>WHO, 2021</u>) (Source: <u>WHO, 2021</u>)

Uganda's average rate of population growth for the latest five years is 3.15%, the seventh highest in the world (WDI). The rapid population growth is causing an increase in demand for medical services. As a consequence, the healthcare system is getting overburdened and financially strained, resulting in an increase in out-of-pocket expenditures. Uganda immediately needs to establish, by making best use of its limited medical resources, a healthcare system that is capable of continuously providing decent medical care for all citizens, while at the same time developing human resources who will support such healthcare system. Moreover, healthcare inequalities between urban and rural areas and also between socially-disadvantaged and affluent people are widening. In order to achieve the NDPIII target of increasing the Universal Health Coverage (UHC) index from 44 to 60 by the end of the five-year period, the country needs to implement an initiative for enabling equitable accessibility to basic healthcare services, including for maternal and child health in particular, and for improving the quality of those services.

We believe that using the past "assets" (the Japanese 5S-KAIZEN-TQM quality improvement approach and Japan's regional core hospital system) will be effective to enhance the healthcare system, improve the quality of medical services and facilities and equipment, and develop healthcare professionals.

Acholi 45.8 Karamoja 55.7 rtality Rate [<5Y 30.0 - 40.5 Lango 50.2 50.6 - 60.0 ഞ്ഞ 30.6 59.9 Bukedi Buganda Kampala 49.8 39.6 Ankole 58.7

Figure 11. Mortality Rate of Under-Five Infants by the Country's Regions

(Source: <u>UDHS</u>, 2022)

1.2.7 Water Sanitation

[Issues] Rural areas do not have enough water supply plants, and those plants that exist are not properly maintained or managed. Urban areas are getting short of water infrastructure because of the population growth.

United Republic of Tanzania

Development of the water sanitation sector is placed under NDPIII Goal 4 (Raising the productivity of people and improving social welfare). Water supply by house connection remains a rarity in rural areas, and people living in those areas are still highly reliant on water wells or public fountains. Water supply coverage in rural areas is 75% (NDPIII), but the operation rate of water supply plants is as low as 85% (SPR2020), indicating the necessity to improve the system for more properly maintaining and managing those plants. For instance, no proper asset management system is in place: there is no ledger to manage water supply plants and service customers in rural areas covered by a water supply service, and there is no complete ledger to manage water supply plants in service-covered districts in Kampala (Final Report on Information Gathering and Verification Survey on Uganda's City Environment). Moreover, the rapid population growth in urban areas is causing a lack of water infrastructure and services despite the development effort in progress. The National Water and Sewerage Corporation (NWSC), which is in charge of water supply in urban areas, is working hard to expand its service coverage districts and increase the service capacity. However, they are finding it difficult to optimize their effort because of a shortfall in human resources. Improving this situation calls for continually developing and assigning personnel with needed skills (Final Report on Information Gathering and Verification Survey on Uganda's City Environment). Another issue facing the NWSC is the high ratio (34%) of non-revenue water (the ratio of unbillable water, such as water leaked from pipes and water not charged for due to meter errors) in their service coverage districts.

In both urban and rural areas, needs for hand-washing sinks and clean water supply have been growing since the COVID-19 pandemic. It is crucial for the country to improve the sanitation environment in order to prevent the spread of infectious diseases and control water-borne diseases.

Figure 12. Changes in Water Supply Coverage in Rural Areas

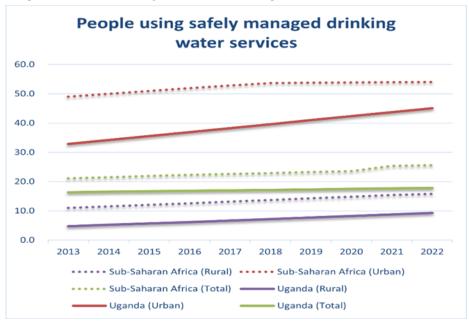


(Source: VOLUNTARY NATIONAL REVIEW REPORT ON THE IMPLEMENTATION OF THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT)

The government is seeking to increase the rate of safe water accessibility in rural and urban areas from 70 and 74% to 85 and 100%, respectively, by the end of the five-year NDPIII period, with a view to achieve the water supply coverage of 100%, one of the Vision 2040 goals.

Increasing and maintaining the coverage of safe and sustainable water and sanitation services will involve improving the operation rate of water supply plants in both rural and urban areas and enhancing the NWSC's capability and capacity to run and manage the business.

Figure 13. Changes in Accessibility to Safe Drinking Water



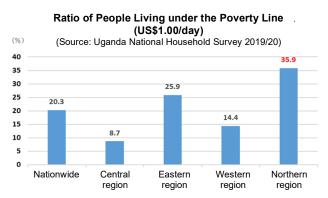
(Source: WDI)

1.2.8 Peacebuilding

[Issues] There are economic inequalities between northern Uganda and the rest of the country, due to impact from past civil war, the influx of refugees, and natural disasters.

The economy of the Northern Region has been growing sustainably thanks to support from the Ugandan government and donors. However, there are still economic inequalities compared to the southern regions, as the Northern Region has been more influenced by past civil war, the influx of refugees, and droughts among other natural disasters. As for the continuous influx of refugees, the Ugandan government expresses concern about overburden on host communities, describing it as a threat to economic growth and natural resources in NDPIII. Meanwhile, the government is expected to leverage refugees for the country's economic growth. Given the high poverty rate of host communities and that refugees are more likely to receive support from donors, the Ugandan government should make sure that host communities will benefit as much as refugees from any of its refugee support initiatives. Otherwise, social tensions could emerge between refugees and their hosts. In addition to providing refugees and their Ugandan hosts with access to social infrastructure needed for their security, the Ugandan government needs to work on raising the livelihoods of the two and also improving their quality of life (by, for instance, implementing an initiative to better manage the forests and other natural resources in those communities). Moreover, the central government of Uganda needs to incorporate its refugee support plan into the local government's development plan, and also needs to increase the capabilities of local officials who will execute the integrated development plan.

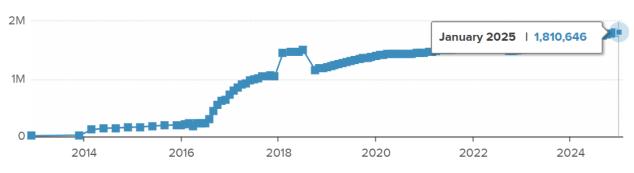
Figure 14. Ratio of People Living under the Poverty Line (US\$1.00/day)



(Source: Uganda National Household Survey 2019/20)

Figure 15. Changes in the Number of Refugees and Asylum-Seekers by Month

Total refugees and asylum-seekers by month



(Source: Office of the Prime Minister, UNHCR, Government)

The Ugandan government has demonstrated leadership in refugee support initiatives. For instance, the government co-chaired the Second Global Refugee Forum (GRF) and co-hosted the preceding ministerial meeting with the Intergovernmental Authority on Development (IGAD) and EAC. An influx or efflux of refugees can influence the security and economy of multiple countries. Therefore, the Ugandan government should seek involvement of regional intergovernmental organizations and neighboring countries in its treatment of refugees, and should address the issue from the perspectives of the Great Lakes region and the Greater Horn of Africa region.

1.3 Uganda's Progress toward SDGs

Uganda considers most of the 17 SDGs as material. The country, however, has failed to meet many targets, although some improvement can be seen in the child mortality rate and a few other indicators. The poverty rate has remained nearly flat. The country's progress toward SDG 15 (Life on Land) is even evaluated as "descending", a grade requiring a more dedicated effort. Uganda has a high probability of achieving the targets for SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action) by 2030, while having a near-zero likelihood of achieving other targets.

OVERALL PERFORMANCE AVERAGE PERFORMANCE BY SDG 100-STATUS OF SDG TARGETS (%) 90-COUNTRY **RANKING** 80-70-60-50G COUNTRY 40-SCORE 30-20-10-SDG DASHBOARDS AND TRENDS Challenges remain SDG achieved Decreasing → Stagnating 1 On track or maintaining SDG achievement Moderately improving Information unavailable

Figure 16. Uganda's Progress toward SDGs

(Source: Sustainable Development Report 2024)

Chapter 2. Uganda's Major Development Issues JICA Should Tackle, and Sector Derivation

2.1 Significance of Assisting Uganda

Japan's economic assistance for Uganda via ODA started in the late 1960s. In 2005, a technical cooperation agreement was signed between the two countries to smoothen bilateral technical assistance. At least partly owing to our assistance over the last decades, Uganda's economy has been growing in recent years. Meanwhile, the country's Human Development Index and other social development indicators remain lower than the sub-Saharan average. The rate of population growth has been higher than the speed of infrastructure development, causing a lack of medical and other social services, safe water, and food. It is significant that we assist Uganda in areas where Japan has relative advantages, such as roadway infrastructure, electricity infrastructure, and rice cultivation. Japanese expertise will help resolve some social issues facing Uganda today. Our assistance is meaningful in the following aspects as well.

2.1.1 East Africa's Stability and Development

Located at the juncture between the Great Lakes region (Uganda, Rwanda, Burundi, and the Democratic Republic of Congo) and the Greater Horn of Africa region (Uganda, Djibouti, Ethiopia, Kenya, Somalia, Sudan, and Eritrea), Uganda serves as a logistics hub for trade on the Northern Corridor and the Nile Corridor, thereby supporting East Africa's economies, particularly those of other landlocked countries in the region. Assisting Uganda will lead to the prosperity of East Africa, not only because of the country's location of geopolitical importance, but also because the country is a member of the EAC and the Common Market for Eastern and Southern Africa (COMESA) and a signatory of the convention for the establishment of the African Continental Free Trade Area (AfCFTA).

2.1.2 Reducing Inequalities between the Northern Region and the Southern Part of the Country

Uganda, even before and also after its independence from Britain, was giving preferential treatment for the southern part of the country. As a result, the Northern Region has been less developed and has remained short of basic social infrastructure. Moreover, civil war afflicted the Northern Region more severely, deteriorating poverty in the region and further widening social disparities from southern regions. Uganda is accepting refugees from neighboring South Sudan and DRC. No conflict has been observed between refugees and host communities. However, burden on host communities and on their natural environment is becoming an issue, particularly in the Northern Region. Having a traffic network leading to South Sudan, the Northern Region has a geographical potential as a distribution hub. Assisting the Northern Region will contribute to human security, stability, and prosperity in East Africa.

2.1.3 Collaboration with Japanese Companies and Municipalities

Uganda is one of the most Japan-friendly countries in the world. Japan's past technical assistance has earned Ugandans' trust in Japanese technology, as seen in the Ugandan government's appreciation expressed in high-level occasions, including when President Museveni participated in the Fifth Tokyo International Conference on African Development (TICAD V) and when President Tanaka of JICA visited Uganda in 2014. We should proactively share information with Japanese companies for the purpose of providing Uganda with high-quality and spot-on technical assistance.

We have worked with Nippon Signal Co., Ltd. to introduce and install traffic lights in Kampala. From 2012 to 2014, we conducted a "Preparatory Survey for a BOP Business Aimed at Preventing Infectious Diseases through a New Type of Alcohol Disinfectant" with Saraya Co., Ltd. We also worked with the city of Izumisano, Osaka Prefecture, toward the city's conclusion of a sister city agreement with Gulu, the capital of the Northern Region. The city of Izumisano became the first Japanese municipality in sisterhood with an African city.

Our continued assistance for Uganda will help the country's self-directive and sustainable development and strengthen the bilateral relationship between Uganda and Japan. Our assistance for Uganda has been and will be in line with Japan's Development Cooperation Charter and in alignment with JICA's assistance policy declared throughout the TICAD process.

2.2 JICA's Assistance Policy

2.2.1 Infrastructure (Traffic and Transport)

We will provide financial assistance for the development of roads or bridges in the Northern Corridor and the Kampala Metropolitan Area, if the development requires the use of Japanese technology. We will also explore a way to intangibly assist the country in the effort to improve its road maintenance and management system. We will deliver traffic signals to Kampala as per the Kampala City Traffic Control Improvement Plan. We will seek to launch other co-projects with Nippon Signal and other Japanese companies who are planning to make a foray into African markets (e.g., a project to provide Uganda with other traffic devices for free, a project to help Uganda improve its traffic rules and safety regulations).

Our plan is in alignment with "Traffic and Transportation" on the JICA Global Agenda (JGA) and "Building a Global Network," "Road Asset Management" and "Roadway Traffic Safety" in the cluster strategy.

2.2.2 Electricity

We are hoping to help improve Uganda's capabilities to operate, maintain, and manage its power substations and transmission lines through the use of Japanese high-quality technology. In addition to thoroughly implementing the ongoing "Kampala Metropolitan Transmission System Improvement," we will conduct a fact-finding survey on power supply, with a view to enhance the competitiveness of the Northern Corridor through international interconnectors. We will also push forward with our study for an electrification project through the use of a free financial aid or private-sector investment. (This project will include development of off-mini-grids.)

Our plan is in alignment with "Resources and Energy" in the JGA and "Enhancing the Electrical Substation Network" in the cluster strategy.

2.2.3 Urban Development

Through "Task Force Project for Integrated Urban Development Master Plan for Kampala Special Planning Area (working title)" and other technical assistance, we will increase the city's urban functions and enhance its resilience and help develop capabilities that will support economic growth. We will seek proactive involvement of the Ugandan government and other donors in the formulation of priority projects (particularly in the area of infrastructure development) of "Integrated Urban Development Master Plan for Kampala Special Planning Area." Meanwhile, we will work on improving urbanization issues facing the city, mainly through financial assistance.

Our plan is in alignment with "Urban and Regional Development" in the JGA and "Urban Management and Community Building" in the cluster strategy.

2.2.4 Agriculture

Uganda is one of the hub countries for CARD Phase 2. We will work on an eco-friendly rice cultivation project and on an initiative involving the private sector aimed at improving the country's seed supply chains. We will assist the country in building modern irrigation facilities (or renewing existing ones) and in establishing and widely introducing a system to sustainably manage and maintain those facilities, with a view to help the country achieve stable rice production and adapt to climate change. We will continue to send our agricultural planning advisors to Uganda's planning bureau of the agriculture ministry. The agricultural planning advisors will facilitate the implementation of our assistance projects, help the central government institutionalize agricultural planning processes, and offer advice on measures for making the effects of our assistance last long.

Our plan is in alignment with "Agriculture and Rural Development" in the JGA, "Promoting Rice Cultivation in Africa" in the cluster strategy, and the JICA Africa Food Security Initiative.

2.2.5 Development of Private Sector Industries

We are hoping to continue with our assistance for startups, particularly those in the ICT sector, toward job creation for young people. Through the ongoing project, we will strengthen industry groups, raise the branding power of the global digital industry, and increase and intensify opportunities for matchmaking between Ugandan job applicants and Japanese companies (and train Ugandan participants in the Japanese language and other skills), with a view to increase job opportunities for young Ugandans and also help solve the shortage of labor in Japan. Based on findings from our past projects, we will look for a comprehensive assistance project that will contribute to the Digital Transformation Roadmap, an execution plan developed toward the Digital Uganda Vision. We will study the feasibility of DX as a mainstream strategy, including the possibility of offer-type assistance. Moreover, we will study the feasibility of a long-term training or other assistance projects aimed at developing human resources specialized in mining, one of the country's leading industries.

Our plan is in alignment with "Private Sector Development" in the JGA and "Support for Entrepreneurs toward Creation of Business Innovations" in the cluster strategy.

2.2.6 Healthcare

We will continue with the project aimed at solidifying the healthcare system and improving the quality of medical services, mainly those that are delivered at regional core hospitals. To that end, we will use our "assets," or to be more specific, our expertise accumulated through the two-decade-long infrastructure improvement assistance for regional core hospitals and our know-how on human resources development based on the 5S-KAIZEN-TQM approach. Moreover, in light of the current situation where medical expenditures are hugely reliant on out-of-pocket payments, we will formulate a project that will help reduce growing medical inequalities and boost equitable accessibility to high-quality medical services. We will leverage long-term and short-term Knowledge Co-Creation programs and JICA Overseas Cooperation Volunteers and will also collaborate with the private sector to develop healthcare professionals and improve the quality of medical services toward the establishment of a comprehensive healthcare system.

Our plan is in alignment with "Public Health and Medical Care" in the JGA and "Improving the Diagnosis and Therapy Capabilities of Core Hospitals" in the cluster strategy.

2.2.7 Water Sanitation

We will extend our assistance field beyond rural water supply to include urban water supply. In rural areas, we will help organize and establish a system for sustainably maintaining and managing water supply plants and will verify the system. (We will also verify bill collections by a private-sector outsourced company, besides verifying the sustainability of the maintenance and management system.) We will also provide assistance aimed at increasing the coverage of water supply services and promoting the use of digital technologies (a prepaid bill collection system, etc.) in rural areas. In urban areas, we will support the NWSC to enhance its capabilities as a water supply corporation (including its capability to train other water supply operators). Under the ongoing technical assistance "Project for Enhancing the Capability of Regional Water and Sewage Training Hubs," we have and will organize the Executive Forum for Sub-Saharan Water Supply Corporations, with hope that this international conference will lead to the formulation of a project covering a wider range of African regions.

Increasing the accessibility to safe water will also help Ugandans take a protective measure against the increasingly escalating heat due to climate change.

Our plan is in alignment with "Natural Environment Conservation" in the JGA and "Supporting the Growth of Water Supply Corporations" in the cluster strategy.

2.2.8 Peacebuilding

We will conduct assistance activities using a multi-sector approach for the aim of realizing peaceful coexistence between refugees and host communities and improving their quality of life and human security, all the while carefully ensuring that those activities will not trigger conflict between regions inside the country or between people with different attributes. More specifically, we will enhance the administrative capabilities of the Refugee Bureau in the Office of the Prime Minister and other central government functions as well as those of the local government prone to influence from refugees. We will also help improve the livelihoods of refugees and host communities through an agriculture-related assistance project, improve their quality of life (including that in the aspects of nutrition, genders, and disabilities), and work on sustainable management of resources in host communities. We will assist refugee-receiving areas in meeting the increasing demand for public services due to the influx of refugees, and we will also organize sport and other events that we consider conductive to peaceful coexistence between refugees and their hosts. In the meantime, we will pursue potential financial assistance (including comprehensive grant aids) and overseas loans or investments from private sectors.

Our plan is in alignment with "Peacebuilding" in the JGA and "Fostering Trust through the Enhancement of Local Administrative Capabilities," "Promoting Humanitarian, Development and Peace Nexus" in the cluster strategy.

2.3 Changes in the Assistance Policy

2.3.1 The Current Assistance Policy for Uganda

We have been seeking to help improve the economic and social infrastructure of communities in the West Nile sub-region that are being influenced by their receipt of refugees from South Sudan and DRC and to help increase the resilience of those communities through the use of our know-how from our past assistance projects. The ongoing programs have been conducted for the following four high-priority objectives: (1) improving environments for economic growth; (2) increasing rural incomes; (3) improving living environments (healthcare and water supply); and (4) building peace and social stability in the Northern Region and refugee-receiving areas.

2.3.2 Necessity to Review the Assistance Policy in Light of the Latest Issues

Uganda's NDPIII is aimed at increasing household incomes and the quality of life of Ugandans. Toward this objective, the Ugandan government is seeking to achieve the following strategic goals: enhancing value addition at major growth opportunities; strengthening the private sector toward job creation; consolidating production infrastructure quantitatively and qualitatively; raising Ugandan productivity and improving social welfare; and intensifying the nation's role as the leader and promoter of the country's development initiatives. The Japanese government's Country Assistance Policy (for Uganda), which was revised in September 2023 preceding the JCAP, specifies its high-priority objectives as follows: (1) improving environments for economic growth; (2) developing industries and upgrading industrial infrastructure; (3) improving accessibility to and the quality of social services; and (4) building peace and stability in East Africa. Japan's Country Assistance Policy (for Uganda) is in line with Uganda's NDPIII, and we have reviewed our ongoing programs so they become in alignment with these two.

2.3.3 The Updated Assistance Policy (Three-tier Structure)

We will seek to solve the issues recognized as material in NDPIII. More specifically, we will assist the country in tackling the lack of infrastructure, social services, and food security associated with its population growth. Moreover, we will assist the country in building and keeping peace in refugee-receiving communities, mitigating the burden of receiving refugees, and improving the overburdened natural environment in those communities. Based on our basic policy of "assisting economic growth to reduce poverty and regional inequalities," we will conduct assistance programs shown in Table 2 below.

Table 2. Three-tier Structure (The current and updated versions)

[Current]

Basic policy: Support for Poverty Reduction and Reduction of Regional Disparities Through Economic Growth			
Priority Area	Development Agenda	Assistance programs	
Establishing the Environment to	Promotion of Economic Growth	Transportation and Traffic Network Improvement Program	
Attain Economic		Power Supply Enhancement Program	
Growth		Vocational Training and Education Enhancement Program	
Increasing Income	Raising Income in Rural Area	Rice Promotion Program	
Through Rural Development		Livestock Promotion Program	
Improving Living	Improvement of Health Service	Health Service Strengthening Program	
Condition (Health and Water Supply)	Domestic Water Supply	Rural Water Supply Improvement Program	
Realizing Social Stability in Northern	Social Stability and Peacebuilding in Northern Region and Refugee	Northern Region Support Program	

Region and Refugee-Hosting Areas	Hosting Areas	
Other		Secondary Science and Mathematics Education Enhancement Program Environmental and Climate Change ProgramOther

[Updated]

Basic policy: Support for Poverty Reduction and Reduction of Regional Disparities Through Economic Growth			
Priority Area	Development Agenda	Assistance programs	
Establishing the Environment to	Creating a high-quality economy Developing infrastructure	Transportation and Traffic Network Improvement Program	
Attain Economic		Power Supply Enhancement Program	
Growth		Urban Development and Urban Environment Management	
Developing	Raising Income in Rural Area	Rice Promotion Program	
industries and upgrading industrial infrastructure	Raising the private sector's competitiveness and increasing the capacity to create jobs	Developing the Private Sector and Promoting Employment	
Improving accessibility to and the quality of social services	Building a resilient healthcare system	Improving the Healthcare System	
	Improving accessibility to safe water	Improving Water Quality and Public Sanitation	
Building peace and stability in East Africa	Social Stability and Peacebuilding in areas prone to and afflicted by conflict	Developing Areas Prone to and Afflicted by Conflict	
Other		Secondary Science and Mathematics Education Enhancement Program Environmental and Climate Change Program Other	

The programs in the table above are designed to help Uganda achieve some SDG targets. To be more specific, we will improve, through the use of Japanese technology, bridges and the traffic and transport system mainly in the North Corridor and the Kampala Metropolitan area (SDG 9), and will improve the capabilities to run and maintain electrical substations and transmission lines in order to secure stable power supply (SDG 7), and will pursue a form of urban development that will increase the resilience of communities and support economic growth (SDG 11). We will enhance our assistance for the Agriculture Ministry's development of a policy and strategies with a view to increase rice production and improve the productivity (SDGs 1 and 2), and will also enhance our support for startups and ICT enterprises with an eye to strengthen the private sector (SDG 8). We will increase our assistance for regional core hospitals to help the country establish a comprehensive healthcare system and build a robust system to deliver medical services of decent quality (SDG 3). Moreover, we will partner with the NWSC in an initiative to share our expertise on water supply with other African countries, besides helping Uganda organize and establish a system for maintaining and managing water supply plants to increase the country's accessibility to safe water (SDG 6). Toward the realization of human security (SDG 16), we will seek to ensure peaceful coexistence between refugees and host communities and improve their quality of life.

Chapter 3. Matters to Consider in Conducting Assistance

We have provided assistance for Uganda to help the country improve its environments for economic growth, develop industries, enhance infrastructure, and increase the accessibility to and the quality of social services. The decades-long assistance aimed at realizing human security in the country was recognized, as mentioned earlier, by the Ugandan Parliament in 2021. We remain committed to the human security initiative, all the while paying attention to the following matters.

3.1 Gender

Uganda, where the proportion of women aged 20-24 years who married at age 18 or under is as high as 34% (WDI 2016), is seeking to improve the Gender Inequality Index from 0.523 (2017) to 0.5 by 2025. We must take into consideration that 1.4 million of 1.8 million refugees living in Uganda (nearly 80%) are women or children. Our female football competition named the TICAD CUP is intended not only to foster community solidarity, but also to empower women. In our technical assistance project for "Promotion of Sustainable Rice Farming Development Project", we encourage female participants to organize a female-only group of farmers and predesignate the proportion of female participants in the program. In "Northern Uganda Farmers' Livelihood Improvement Project, Phases 1 and 2", we will ask participant farmers to receive an educational program entitled "Gender Issues and Being Thoughtful to the Socially Disadvantaged" with an eye to reduce gender and other inequalities in society. We will also take care of the empowerment and social participation of people living in rural and remote areas, low-income people, children, and people with a disability and will thereby encourage the country to create an inclusive society.

3.2 Disability

According to the 2024 Census, 3.4% (approx. 1.42 million) of Uganda's total population aged 2 years and over have a disability. (According to WHO, about 15% of the world's population has a disability, although it is highly likely that the number of people with a disability in the world is not accurate.) The Ugandan government ratified the Convention on the Rights of Persons with Disabilities of the United Nations in September 2008, and enacted the Mental Health Act of 2019, the People with Disabilities Act of 2020, and the revised Children Act of 2016 as comprehensive legal frameworks for protecting and promoting the rights of people with a disability. However, negative stigma and attitudes toward disabilities remain persistent even to an extent that the Committee on the Rights of Persons with Disabilities of the United Nations mentioned it in the Concluding Observations in 2016. The Committee pointed out a lack of understanding toward the rights of people with a disability and the government's limited support for their social involvement. We will pursue a disability-mainstreaming initiative to promote the rights of Ugandan people with a disability. More specifically, we will ensure that they will be involved in all of our assistance projects as either benefit recipients or executors.

3.3 Climate Change and Biodiversity

Uganda's <u>National Adaptation Plan for the Agricultural Sector NAP-Agri</u> is aimed at increasing the resilience of the agricultural sector against impacts from climate change through coordinated interventions for enhancing sustainable agriculture, ensuring food and nutrition security, improving livelihoods, and achieving sustainable development. The country's <u>Health-National Adaption Plan</u> is aimed at making its medical care services more sustainable and resilient against climate change.

We are expected to provide assistance in line with these Plans. In the area of agriculture, we are expected to develop or conduct research to develop an eco-friendly yet productive rice variety and cultivation technique.

Uganda, as announced in its Nationally Determined Contribution (NDC), is targeting to reduce its domestic GHG emissions by 24.7% to 112.1 metric tons by 2030. However, this target is achievable only when the country receives financial and technical assistance for the reduction of 18.8% (out of the 24.7%) from international society. The Ugandan government is expecting that assistance from JICA will help the country achieve this NDC reduction target. More specifically, the government is hoping that "Project for the Reconstruction of Karuma Bridge" will reduce traffic time and help reduce GHG emissions, that "Kampala Metropolitan Transmission System Improvement" will reduce transmission loss and help reduce GHG emissions at a rate of approx. 5,000 metric tons/year, and that "Sustainable Natural Resources Management and Enhanced Refugees-Host Co-existence Project in the West Nile Sub-Region" will help reduce GHG emissions through the sustainable use of firewood and other natural resources (apart from helping coexistence between refugees and their hosts).

In the "Promoting Regional Cooperation for African Grey Parrots Conservation in Entebbe (JICA Partnership Program)," we will seek to enhance the function of the African Grey Parrot Conservation Center and will thereby seek to establish a case model for conserving this bird species as well as raising the livelihoods of local residents.

3.4 Continued Implementation of Yen Loan Projects

According to the IMF's Debt Sustainability Analysis, Uganda's overall debt and external debt risks are rated moderate. We have the following three on-going yen-loan projects aimed at helping the development of roadway and electricity infrastructure: "Construction of a New Bridge Across River Nile at Jinja Project", "Kampala Flyover Construction and Road Upgrading Project." and "Kampala Metropolitan Transmission System Improvement Project". Besides formulating projects in the areas of traffic/transport, electricity, water supply, and ICT based on the aforementioned "Project for Integrated Urban Development Master Plan for Kampala Special Planning Area," we will continuously and proactively gather information, conduct surveys and research, and formulate projects in areas of agriculture outside the metropolitan area and peacebuilding as well, if there are needs for yen-loan projects in those areas.

3.5 Collaboration with JICA Overseas Cooperation Volunteers

Thirty-one JICA Overseas Cooperation Volunteers were dispatched to Uganda as of January 31, 2025. Their grassroots activities, such as those as a Water Security Action Team in the water supply area and those for improving the healthcare system at regional core hospitals, will provide synergy to our technical and other assistance projects in the same areas, even if the collaboration between the two is loose. Good use should be made of our long relationship with Nakawa Vocational Training Institute and our other "assets," for the activities of Overseas Cooperation Volunteers in the education area. By seeking soft collaboration with Overseas Cooperation Volunteers in all the areas of our projects, we will increase the impacts of JICA's assistance activities for Ugandans.

End

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