











About Youth Forward

The Youth Forward initiative is a partnership led by The MasterCard Foundation, Overseas Development Institute, Global Communities, Solidaridad, NCBA-CLUSA and GOAL. Its focus is to link young people to quality employment or to start their own businesses in the agriculture and construction sectors in Ghana and Uganda. The Youth Forward Learning Partnership works across the initiative to develop an evidence-informed understanding of the needs of young people in Ghana and Uganda and how the programme can best meet those needs. The Learning Partnership is led by the Overseas Development Institute in the UK, in partnership with Development Research and Training in Uganda and Participatory Development Associates in Ghana.

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Cover photo: Workers in Karamoja, Uganda. Kaarli Sundsmo/USAID CC.

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Acronyms and abbreviations

ARCC African Resilience to Climate Change NDP II Second National Development Plan BIT NGO Bertelsmann Stiftung non-governmental organisation CIA Central Intelligence Agency NRM **National Resistance Movement** DAC **ODA Development Assistance Committee** Official Development Assistance DFID **OECD UK Department for International Development** Organisation for Economic Co-operation and Development **DSIP Development Strategy Investment Plan PEA** political economy analysis **DYNAMIC** Driving Youth-led New Agribusiness and Microenterprise **PRDP** Peace Recovery and Development Plan for Northern **EAC East African Community EU-EOM European Union Election Observation Mission UBoS** Uganda Bureau of Statistics **GDP** gross domestic product UN **United Nations** GNI gross national income **UNDESA UN Department of Economic and Social Affairs IDP** internally displaced person UNDP **UN Development Programme** LC local council **UPFYA** Uganda Parliamentary Forum on Youth Affairs **LRA** Lord's Resistance Army US **United States** MIT Massachusetts Institute of Technology Y.E.T.A. Youth Employment Through Agriculture Member of Parliament MP YLP Youth Livelihood Programme **NAPYE** National Action Plan for Youth Employment

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Executive summary

Understanding the historical, social, political and economic context within which a development programme operates is vitally important. Context can influence the implementation and outcomes of an intervention, and identifying key contextual factors can help us interpret how and why different changes take place over time.

A political economy analysis (PEA) is a tool used to understand context, through the systematic exploration of the social, political, economic, cultural foundations and rules within which individuals and institutions operate. A PEA examines the distribution of power and wealth between different groups and individuals, and the processes that create, sustain and transform these relationships over time.

Using an Overseas Development Institute (ODI) PEA framework (Tembo, 2012), this paper explores, and seeks to understand, the context that will be influential in determining the implementation efforts and outcomes of the Youth Forward initiative in Uganda.

Youth Forward focuses on economically disadvantaged young people, aged 15-24, living in Ghana and Uganda who are low income (living on less than \$2 a day), out of school, unemployed or underemployed and moving through a transition point in their life (e.g. seeking their first job, marriage, becoming head of household). The programme also recognises that young women face particular social and economic challenges that require tailored interventions.

This paper first establishes the underlying cultural, political, economic and geographical factors, which still bear influence on Uganda today. This allows for the identification and exploration of contemporary economic and political developments. It then identifies key stakeholder groups with influence on the initiative's progress, to locate entry points for Youth Forward to influence and shape local dynamics.

The Uganda context

Post-conflict legacy of poverty and divisions

Uganda's pre-colonial kingdoms and their co-optation into the colonial state laid the foundations for the divisions and conflict that have plagued post-independence Uganda. While independence was achieved through largely peaceful means in 1962, this was followed by years of violence and civil war. The victory of the National Resistance Movement in 1986 and the peace it established was short-lived, as conflict broke out again in northern Uganda. Lasting

peace was re-established in the region only in 2007. These conflicts have left a legacy of poverty, poor infrastructure development, mental health problems and divided communities in northern Uganda.

Uganda's political system is best described as a 'hybrid regime' in which the formal institutions of a democracy are super-imposed on traditional or authoritarian leadership systems. The National Resistance Movement, and in particular President Museveni, continues to dominate the political landscape. Constitutionally guaranteed rights of association have recently come under threat from oppressive legislation, the media is only partially free and governance indicators are deteriorating. Civil society has had only limited success in mitigating these trends. However, political leaders seem to be aware of the needs of young voters, and there is some reason to believe that the government will attempt to address their economic needs, even if they were disenfranchised in the course of the elections.

Economic progress and potential

The country's economic history has been largely shaped by its landlocked location on the equator; the country has remained largely agrarian, exporting unprocessed primary products to the world market, while importing manufactured and processed goods. To this day, about 70% of Uganda's population work in the agriculture sector, largely in subsistence farming. Its geographic disadvantage in accessing work markets is aggravated by human-made barriers – borders and poor infrastructure – which have more recently been tackled, with some promise of success, by the East African Community. Its natural resources have made it an attractive tourist destination, and, as the country establishes its reputation as a safe destination, this sector is expected to grow.

Despite this, Uganda has made remarkable progress economically in the past 25 years. Starting from a very low base, it has been one of the best performing economies globally, registering consistent gross domestic product growth rates of between 5% and 10%. Good health, education and agricultural policies mean this has translated into falling poverty rates. Northern Uganda, however, has not benefited from this to the same degree. The economy has been growing and shifting away from agricultural production, but there is a need for further structural transformation and a shift in exports from unprocessed to processed or manufactured goods in order to stimulate further growth. In the longer term, exploitation of oil

reserves may also further economic development, if these are well managed.

Uganda faces a number of significant challenges that could endanger these successes: foremost among these are the very high rates of population growth, which may see the population multiply fivefold to 203 million by 2100. Given that there is already considerable pressure on arable land, an agrarian population of this size would be unsustainable in Uganda. Climate change and the possibility of shorter and less reliable rainy seasons compound this problem. The discrepancies between northern and southern Uganda, if they persist in this context, have the potential to fuel further conflict. These factors increase pressure on government to ensure the regulatory situation is as conducive to private sector growth and development as possible and that land rights and tenure issues are given due consideration.

Implications for Youth Forward

Given complex political and economic developments, it will be imperative that the Youth Forward initiative builds strong local relationships and is aware of national political dynamics. Low levels of democracy could pose a risk to the programme, particularly if the current trend of limiting opposition activism and controlling the work of non-governmental organisations continues.

Northern Uganda remains precarious owing to the recently ended conflict and the potential for conflict spill-over from the region. In this context, the influx of large numbers of refugees and the return of internally displaced persons could increase tensions over land and communal resources. Climate change is likely to aggravate existing shortages and therefore tensions. However, the economic environment of northern Uganda is largely favourable, given efforts by the government to ensure macroeconomic stability and to improve infrastructure in the north. That said, absence of market regulations and quality control could pose a problem to the initiative, and is certainly an area where relationship-building and policy engagement is necessary.

1 Introduction

1.1 Background and purpose

This report uses the same framework as 'Political Economy Analysis: Understanding the context of the Youth Forward initiative in Ghana', therefore the first two sections are almost identical.

Political economy analysis (PEA) is the systematic exploration of the social, political, economic, cultural foundations and rules within which individuals and institutions operate. It examines the distribution of power and wealth between different groups and individuals, and the processes that create, sustain and transform these relationships over time. PEA can help us better understand how formal institutions and informal norms, incentives, values and ideas shape political action and development outcomes (DFID, 2009). Consideration of these factors is often tacit, implicitly guiding people's decisions and action. PEA helps in explicitly identifying potentially influential contextual factors and analysing them in a systematic way.

This analysis aims to characterise the context in which Youth Forward in Uganda is taking place in order to identify key factors that could influence its implementation, and to guide where and how the initiative can maximise its impact. As such, the paper focuses specifically on issues relevant to youth livelihoods in the areas and sectors where the initiative is operating. The primary audiences of this paper are the Youth Forward implementing partners and The MasterCard Foundation.

PEAs are also important documents for the Youth Forward's Learning Partnership as they present the broader context within which sector analyses are situated as well as a baseline against which evaluation activities can be gauged. This overview may also be relevant for other programmes working on similar issues and areas.

The PEA is complemented by a separate analysis of the agriculture sector in Uganda, and analyses of youth education, employment and financial behaviour in the Uganda National Panel Survey. In addition, the PEA is supplemented by alignment, interest and influence matrix analyses, which go into greater depth regarding the key stakeholders for each consortium in the wider initiative. Similar political economy, sector, national survey and alignment, interest, influence matrix analyses have been conducted to inform Youth Forward activities in Ghana.

Together, this information can help managers and staff better understand variation in the different sectors and contexts in which the initiative is operating.

This paper is not intended to be exhaustive and final; given the dynamic nature of political and economic processes, the analysis will be updated on a periodic basis to reflect the changing context in which the Youth Forward consortia work. This first report provides a baseline of sorts, describing the context at the outset of the initiative. As programme implementation progresses, new issues may emerge that involve institutions, incentives and ideas that have previously been unexplored.

1.2 Overview of the Youth Forward initiative

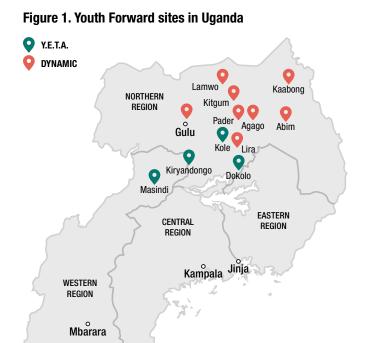
Launched in 2015, the Youth Forward initiative uses a multi-component approach to engage with multiple, specialised organisations (including the private sector, governments, financial service providers, youth-serving organisations and youth themselves) to enhance the employability of young people. It focuses on helping economically disadvantaged young people transition into quality employment or starting their own businesses in the growing agriculture and construction sectors in Ghana and Uganda. Four consortia, comprising 28 organisations, are implementing this five-year \$74 million initiative, in partnership with The MasterCard Foundation. Youth Forward implementing partners are made up of international non-governmental organisations (NGOs), youth associations, financial service providers, educational institutions, family planning NGOs and business associations.

In Uganda, the Youth Forward initiative aims to reach over 174,000 youth in 12 districts in Northern and Western Uganda (Figure 1). The Driving Youth-led New Agribusiness and Microenterprise (DYNAMIC) consortium is working towards strengthening key agri-systems that will enable the market to create and sustain employment opportunities for economically disadvantaged youth in the northern region of Uganda, in Gulu, Lira, Pader, Agago, Abim, Kitgum, Lamwo and Kaabong districts. The Youth Employment Through Agriculture (Y.E.T.A.) consortium provides economically disadvantaged youth of 15-24 years, who are out of school, with organisational, technical and

¹ Other reports can be accessed at www.odi.org/projects/2787-youth-forward-learning-partnership

foundational skills, support in launching commercially sustainable agricultural enterprises in Masindi, Kiryandongo, Dokolo and Kole districts, and facilitates increased access to financial services.

As the overall design, target groups and implementing partners have been established this paper seeks to characterise the context in which Youth Forward operates to help inform discussions about opportunities and constraints that may affect implementation and the achievement of intended results.



2 A framework for conducting political economy analysis

As the introduction noted, PEA is the analysis of the social, political, economic, cultural foundations and rules that determine the context within which any programme intervention takes place. This analysis identifies and characterises the formal rules and informal norms that create the incentives and affect capacity of key actors, the relationships between them, and how processes of political bargaining play out. It can show where potential opportunities and bottlenecks to youth employment and entrepreneurship might be, and provide guidance on how to work these institutions, rules and actors in order to take advantage of the opportunities and overcome the challenges. Analysing these factors can also provide the basis for understanding what might stimulate collective action by social groups (e.g. youth associations) to demand better services from their governments; and how informal local institutions influence development outcomes (Unsworth and Williams, 2011).

2.1 Steps involved in a political economy analysis

A political economy analysis involves five interrelated steps:

- 1. Establish the underlying foundational factors. This covers the history of the formation of the state, the basis of the economy (especially public revenue), the roots of the social, political, cultural and economic structures in which fundamental public decisions are made and the country's geography and geostrategic position in relation to other countries. These are the factors that fundamentally shape the social, political and institutional landscape, and therefore also the scope for constructive state–society bargaining and the institutional arrangements for organising collective action.
- 2. Identify key factors that shape the 'rules of the game'.

 This step refers to the formal rules and informal norms

- ('institutions', North, 1990) that create the incentives and affect the capacity of key actors, the relationships between them and how processes of political bargaining play out.² These are critical in influencing opportunities for different groups, including youth, to mobilise and engage in collective action that promotes development over the medium term.
- 3. Identify key stakeholder groups or game changers. The idea here is to find the main influencers in a given context. As such, 'game changers' is a politically derived category, rather than a traditional stakeholder analysis that mentions everyone benefiting from or affected by a given programme or activity.
- 4. Explore engagement dynamics. These pertain to the behaviour (formal and informal) of various actors around specific governance issues, including policy issues. This, too, is based on exploration of the rules of the game but focuses mainly on observable behaviour in action rather than on rules.
- 5. Establish institutional patterns and decision logics. Then, from these, find entry points or room for manoeuvre, towards the desired changes. In other words, from the analysis of 1) who the main actors are and 2) what their behaviours are, we can analytically reach some conclusions around what might be the most useful way to intervene in the context and around the issue, in order to achieve the desired outcomes.

Figure 2 shows how a PEA context analysis would proceed. The figure is circular in nature in order to make the point that, because contexts change, this analysis needs to be done on an on-going basis: issues identified as important rules now might not be important next year; actors that are game-changers now might not be game-changers next year. General elections, such as the election in February 2016, can result in many changes in context. The Youth Forward theory of change sits within this broader context, represented in the middle of the circle.

² This is explored in further detail in Section 4, 'Current political, economic and regulatory environment'.

Toundational factors/wider dynamics

Decision logics/institutional patterns

Desired change (i.e. in 5 years)

Ultimate change
(i.e. in 5 years)

Inputs

A Engagement dynamics

Figure 2. A conceptual map of the five steps in conducting a political economy analysis

Source: Tembo (2012).

Institutions, rules and actors may be formal or informal. By formal, we are referring to official regulations, legislation, policies and organisations, like the Constitution, national and sector development plans or government ministries, departments and agencies. By informal, we mean norms, customs, behaviours and relationships that are not written down or enshrined in law, but that influence the way individuals and institutions act. For example, in many rural areas elders resolve land disputes instead of courts.

Across these dimensions, foundational factors are often the slowest to change. Rules and norms may be relatively fixed or institutionalised but can be susceptible to change over the medium term. The final three dimensions – key actors, their engagement dynamics and decision logics may be more malleable in the shorter term, and therefore may offer windows of opportunity for change.

Subsequent sections discuss the first three of these five dimensions. Section 3 covers foundational factors. Section 4 identifies key factors that structure the space within which people can move. Section 5 characterises key stakeholder groups relevant to the Youth Forward consortia; accompany alignment, interest, influence matrix analysis presents the specific actors themselves and the engagement dynamics among them. Based on these sections and an analysis of institutional patterns (step 4), the paper concludes in Section 6 by discussing the implications of these factors for the Youth Forward consortia, identifying potential opportunities and challenges in relation to improving economic opportunities for youth.

2.2 Data sources and analysis

Information for this analysis comes from national and international documents and statistics, and grey literature. Initial themes were presented to Youth Forward implementing partners and discussed in an in-person workshop in December 2015. This discussion elicited

additional factors in the national context that could affect programme implementation, and helped us interpret key trends and themes.

3 Foundational factors

This section discusses the factors that fundamentally shape the social, political and institutional landscape in Uganda. These include the history of the formation of the state, the basis of economy, the roots of the country's social, political, cultural and economic structures and the country's geography. Section 4 covers the current political, economic and regulatory environment and relevant development, youth livelihood and agriculture policies.

3.1 Historical, cultural and political foundations

Uganda has a history of being ruled by strong kingdoms. The largest of these are the Buganda, Acholi, Bunyoro, Toro, Ankole and Busoga kingdoms, which together covered most of the territory that is contemporary Uganda. These kingdoms were run along patriarchal and clan lines and had established strong governance systems at the local level prior to colonial rule (BTI, 2014; The Cross-Cultural Foundation of Uganda, 2012). The British Empire turned Uganda's kingdoms into the indirect implementers of colonial rule.

As traditional leaders were charged with implementing rigid, conservative and unpopular colonial mandates – including tax collection – they became a divisive institution that left the country in a politically precarious position at independence (Mamdani, 1996). The colonial government heavily regulated the marketing of cash crops, allowing only traders of Asian origin access to intermediary positions in the tea and coffee trade. This fuelled racial tensions, which persisted after independence (Henckaerts, 1995). These kingdoms were abolished as an official form of governance after independence in 1962, Museveni subsequently reinstated them in 1993.

Uganda is made up of a number of ethnic groups today, with the six biggest being the Baganda, Banyonakole, Basoga, Bakiga, Iteso and Langi. Together, these account for slightly more than half of the population. Uganda's colonisation coincided with a period of missionary zeal, and one of the legacies of British colonial rule is a largely Christian society: 85% of Ugandans are Christian, 12% are Muslim and 3% are Hindu, Jewish, Baha'i or other (US Department of State, 2013).

Colonial rule depended on and exacerbated existing ethnic divisions in Ugandan society. Reinforcing the division between Northern and Southern Uganda was a key strategy of the British colonial regime, and the north was intentionally underdeveloped, rendering it a reserve of cheap, unskilled labour that was used largely for military

purposes (Doom and Vlassenroot, 1999). In the south, on the other hand, economic growth and education were fostered, resulting in a considerably wealthier and more educated population. As a result, colonial policy rendered the ethnic group of the Baganda the economic and political elite and created the reputation of northern ethnic groups being 'natural' warriors (Mamdani, 1996). These divisions were carried over into post-independence Uganda, fuelling armed conflict, discussed further below.

Uganda achieved independence through peaceful means in 1962, but was subsequently plagued by years of ethnic and political violence. The transition to independence did not create a sense of national unity, and multi-party democracy was abolished a mere seven years after independence, precipitating a long period of civil war and ethnic conflict. One of the major points of contention in post-independence politics was the appropriate role of traditional kingdoms in the new political system (Johannessen, 2006). President Milton Obote abolished the traditional kingdoms and appropriated their powers for himself. Idi Amin deposed Obote in a military coup in 1971, creating a brutal military regime that resulted in the deaths of 300,000 people, largely in the northern region, which had supported Obote. He also expelled the 580,000 individuals of Asian origin who made up the majority of Uganda's traders (Henckaerts, 1995). Amin – in turn – was ousted in 1979 by the Tanzanian army and Ugandan exiles, and Milton Obote once again ruled Uganda. However, the period of political instability, violence and general economic deterioration continued (Roberts, 2014). Table 1 highlights key events in Uganda's political history.

The National Resistance Movement (NRM) brought peace to southern and parts of northern Uganda in 1986 and has ruled the country ever since. President Yoweri Kaguta Museveni, the NRM's leader, declared Uganda a one-party system with the justification that this was the only means of sustaining peace. The one-party political system led to the decentralisation of governance structures. Between 1986 and 2006, the Museveni government used the NRM to mobilise citizens and to undermine the desire to form political parties. 'Resistance councils', which later became local councils, were established for local-level decision-making. Similar local government structures remain to this day, undermining the role of political parties in local governance (Mushemeza, 2007). Museveni also once again afforded kingdoms and traditional leaders a 'non-political' role, beginning in 1993, including the resolution of land disputes (Johannessen, 2006).

The focus on stimulating inclusive economic growth further reduced the potential for future violence and conflict (World Bank, 2007). Multi-party democracy was reintroduced in 2006, after approval in 2005 of a constitutional amendment that removed the two-term limit for the office of president, paving the way for a system of autocracy by the ballot box.

Northern Ugandans, especially the Acholi people, did not feel Museveni's new government represented their interests. The Lord's Resistance Army (LRA) - a rebel group founded in 1980 - fought for the interests of the Acholi people. The rebel leader, Joseph Kony, claimed the group's mission was to overthrow the government and to rule Uganda based on the Ten Commandments. The LRA was known for abducting and coercing children to fight using extremely brutal measures, including forcing them to commit atrocities against their own communities (Ehrenreich, 1998). The LRA was defeated in Northern Uganda in 2007, and retreated to the Democratic Republic of Congo, and eventually Central African Republic, where it is currently operating. The conflict has left lasting scars, including an enormous mental health burden carried by young people exposed to violence (Andersson, 2007; Bolton et al., 2007), as well as the potential for further violence, as remnants of the LRA remain active in Congo, the Central African Republic and Southern Sudan (Le Sage, 2011).

The NRM eventually brought peace to northern Uganda and established a 'hybrid' political system, in which democratic institutions have been imposed on and compete with personalised and autocratic power structures. In a 2005 referendum, the restoration of multi-party democracy in Uganda was supported by a majority of voters, and the first multi-party elections were held in 2006. Many observers hoped this would result in a true democratic transition, in which power would be allocated and tempered through the ballot box. However, as in many other countries, the introduction of formal democracy and the holding of regular presidential and parliamentary elections proved insufficient to bring about a full democratic transition. Instead, the transition has been incomplete and, in the absence of strong supervisory institutions, the NRM's ruling elite and their desire to maintain power have gradually undermined some aspects of the democratic system. As Ottaway writes, hybrid regimes are 'ambiguous systems that combine rhetorical acceptance of liberal democracy, the existence of some formal democratic institutions and respect for a limited sphere of civil and political liberties with essentially illiberal or authoritarian traits' (Ottaway, 2003: 3).

Hybrid regimes have a number of distinctive characteristics that determine how power and authority are exercised as well as the overall stability of the political regime. Most importantly, as democratic systems depend on widespread consensus, spanning the elite and the electorate at large, regimes that lack this precondition – where the rules of the game remain disputed – tend to be

relatively unstable (Levitsky and Way, 2005). Relatedly, where democratic institutions are weak, power is more likely to be personalised and usually is invested in the president, who delegates very little of his authority (Rocha Menocal et al., 2008). Where the president's power is threatened through the ballot box, this often results in the reversal of democratic gains and concerted efforts by the political elite to weaken democratic institutions further. Competitive politics may foster corruption and clientelism, rather than political or ideological debates that allow the electorate to choose their leadership based on their policy ideas (ibid.). In Uganda, the hybrid nature of the political system coexists with a number of other challenging structural conditions. Arguably the most important of these are the colonial legacy of ethnic division and the post-independence conflict in northern Uganda. As a result, the strongly personalised and centralised leadership of Museveni and the clientelist nature of his rule exist within a militarised state that is also troubled by ethnic divisions. In recent years, this has resulted in a reversal of a number of political freedoms and efforts to prevent legitimate political opposition (these are discussed in further detail below).

3.2 Geography, natural resource and economic foundations

These cultural and political factors both influenced and were shaped by Uganda's geography and economy.

Uganda's economy has traditionally been largely agrarian and shaped by its tropical climate. It is estimated that, nationally, over 70% of land is suitable for agriculture: 34% is arable land, 11% is used to grow permanent crops and 26% is permanent pasture (CIA, 2016). The southern and central part of the country has a mostly equatorial climate, with two dry seasons (December to February and June to August). The north, on the other hand, is semiarid and has only one cropping season (ibid.). The major subsistence crops are plantains, cassava, sweet potatoes and maize; coffee is the major export. Tea, cotton and tobacco also represent important cash crops. Livestock production is a significant part of livelihoods in Uganda. Despite its potential, agriculture in Uganda is characterised by reliance on rainfall, low productivity, low fertiliser use, lack of access to input and output markets, poor land tenure systems and unenforced policies.

Uganda is richly endowed with natural resources, on which the country's economy relies heavily upon. These include fertile soils, adequate rainfall, forests, lakes and rivers and mineral deposits, including oil and natural gas. The livelihoods of the majority of Ugandans are reliant on natural resources and their subsequent management. There has been significant misuse and mismanagement of such resources, including reduced forest cover resulting from increasing demand for agricultural land and fuel, drainage of wetlands and swamps and reduced soil fertility. Environmental and natural resource mismanagement and

degradation are a result of increased population pressure and ineffective or unenforced management and policies.

Table 1. Key dates in Uganda's political history

1962 Uganda gains Independence. 1966 Milton Obote ends Buganda's autonomy and promotes himself to the presidency. 1971 Milton Obote overthrown in coup led by army chief Idi Amin. 1972 Amin orders Asians who were not Ugandan citizens – around 60,000 people – to leave the country. 1979 Tanzania invades Uganda, unifying the various anti-Amin forces under the Uganda National Liberation Front and forcing Amin to flee the country; Yusufu Lule is installed as president, but is quickly replaced by Godfrey Binaisa. 1980 Binaisa is overthrown by the army and Milton Obote becomes president after elections. 1985 Obote is deposed in a military coup and is replaced by Tito Okello. 1986 NRA rebels take Kampala and install Yoweri Museveni as president. 1993 Museveni restores the traditional kings, but without political power. 1994 The new Constitution legalises political parties but maintains the ban on political activity. 1996 Museveni returned to office in Uganda's first direct presidential election. 2000 Ugandans vote to reject multi-party politics in favour of continuing Museveni's 'no-party' system. 2001 Museveni wins a second term in office. 2002 Sudan and Uganda sign an agreement aimed at containing the LRA, active along common border. The army evacuates more than 400,000 civilians caught up in the fight against the cult-like LRA, which continues its brutal attacks on villages. 2004 LRA rebels kill more than 200 people at a camp for displaced people in the north. 2005 Parliament approves a constitutional amendment, which ends presidential term limits. Voters in a referendum overwhelmingly back a return to multi-party politics. 2010 Museveni wins his fiorth presidential election. 2011 Museveni wins his fiorth presidential election.	Year	Event	
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Uganda's location places it at a disadvantage in terms of accessing world markets. Uganda is land-locked, and the distance between Kampala and Mombasa (the nearest port, in Kenya) is 1,145 km. Transport costs are exceptionally high in the region, given the poor state of infrastructure and inefficient border crossings.3 As a result, Uganda's exports have been limited to relatively high-value, nonperishable crops, particularly coffee, tea and raw tobacco (MIT, 2016). It has also slowed the development of the manufacturing sector, as imported capital goods are more expensive (Byiers et al., 2015). While Uganda does have some cobalt, iron and gold deposits, these are exported in relatively small quantities.

The history of conflict slowed economic growth in the post-independence era until the early 2000s. The political violence and instability that lasted until 1986 left the economy in a precarious state. According to the World Bank, 'by 1986 Uganda was a heavily under-capitalised, closed subsistence economy with failed public services and severe price distortions' (World Bank 2007). Museveni introduced a number of reforms to address these issues, following pressure from the international financial institutions (BTI, 2014). These included devaluing the currency, moving to a floating exchange rate, liberalising domestic prices, stimulating private investment and competition and privatising a number of parastatals (World Bank, 2007). Reforms yielded positive results, with average gross domestic product (GDP) growth rates of 6.8% (and 3.5% per capita) throughout the 1990s. This accelerated to 7.1% (3.7% per capita) during the 2000s, several times the average for sub-Saharan Africa (World Development Indicators, 2016).

Source: BBC (2016a).

According to recent surveys by the Uganda Revenue Authority and the Rwanda Revenue Authority, the average time taken in the transportation and clearance of cargo from Mombasa to Kampala has dropped from over 18 days to less than 5 days, and costs have decreased from \$5,200 to \$4,200 (Busuulwa, 2014).

4 Current political, economic and regulatory environment

These historical, cultural, political, geographic and economic factors serve as the foundations on which contemporary institutions and policies are built. This section analyses the formal and informal institutions that create incentives and affect the capacity of key actors, the relationships between them and how processes of political bargaining play out.

4.1 Current political environment

The NRM, and in particular President Museveni, continues to dominate the political landscape. In keeping with a hybrid regime, a large number of governance contradictions characterise political processes in Uganda. While freedom of speech is nominally upheld, journalists are regularly arrested when they are too critical of the NRM (Arinaitwe, 2016). Similarly, while Ugandans were largely allowed to vote for the candidate of their choice in the parliamentary and presidential elections of February 2016, the intimidation of political opponents and the fusion of the NRM and the state, as well as the widespread use of patronage, meant the 'elections fell short of meeting key democratic benchmarks' (Commonwealth Observer Group to Uganda, 2016).

The presidential election of February 2016 demonstrated the imperfections of Uganda's multi-party system and the extent to which the playing field has been skewed in the incumbent's favour. The campaign period was largely peaceful but the superior resources of the NRM, along with unbalanced media representation by the state broadcaster and harassment and intimidation of the opposition, as well as irregularities on election day and an Electoral Commission that was firmly under the control of the incumbent, meant the election was not free or fair (EU-EOM, 2016). There were a number of skirmishes in Kampala during the campaign period and on election day, and anecdotal evidence suggests young people in particular wanted to see change through the ballot box (Mwesigwa, 2016). As a result, the situation remains tense, as many voters feel disenfranchised and the main opposition party's leader, Kizza Besigye, was charged with treason when he

organised and broadcast his inauguration as president in protest at the results (BBC, 2016b).

Traditional leaders, like other organs of the state, are deeply embedded in NRM patronage networks. By law, traditional leaders are prohibited from joining or participating in partisan politics and engaging in international relations. They are meant to operate under the auspices of the Ministry of Local Government and local chiefs, and to play a critical 'non-party political' role in resolving land disputes and providing access to justice in communities (Republic of Uganda, 2011a). In reality, the state pays traditional leaders a stipend and they receive regular gifts from the president himself – and so they have not maintained the neutrality to which they are constitutionally bound. There are a number of examples of traditional leaders campaigning for Museveni in the run-up to the 2016 election (e.g. The Monitor, 2016).

Young voters are an important political constituency and are tied into the clientelistic networks of the NRM-dominated state. As 75.7% of the population is under 30 years of age (UBoS, 2016), it comes as no surprise that most candidates included youth-specific policies in their programmes. The NRM's manifesto (NRM, 2016) states that young people are among the interest groups that require special attention and envisions generating economic opportunities for them by investing in skills training and creating an enabling environment for their employment and entrepreneurial activities.

Programmes designed for young people are being used to ensure their loyalty to the NRM and Museveni, particularly during important times in the election cycle. One example of such a programme is the Crime Preventers programme, which recruits mainly young people with the stated aim of providing policing services in their communities. However, these recruits have been used to bolster attendance at political functions and to demonstrate against opposition parties. Their loyalty is bought by providing them with a sense of self-worth gained from a socially valuable activity in areas where unemployment is extremely high and by distributing small rewards for services rendered (Tapscott, 2016).

Constitutionally guaranteed rights of association have recently come under threat. Uganda's Constitution guarantees 'the right of every Ugandan to engage in peaceful activities to influence the policies of government through civic organisations' (Republic of Uganda, 1995). However, this right to organise politically has been curtailed by the Non-Governmental Organisation Bill of 2015, which claims that the rapid growth of NGOs has led to 'subversive methods' of influence that undermine their accountability and transparency. The Bill gives an autonomous NGO Board the right to register, regulate, coordinate and monitor NGOs and to prohibit those engaging in any activities deemed prejudicial to the interests of Uganda and the dignity of the Ugandan people. International organisations have criticised the law for obstructing the ability of NGOs to provide healthy opposition to government policies and laws (Civicus, 2015).

Additionally, civil society organisations tend to be co-opted into donor agendas, meaning they are less representative of Ugandan voices (Moncrieff, 2004). Moreover, the Public Order Management Bill further restricts rights to freedom of expression and peaceful assembly by introducing substantial restrictions and administrative burdens for organisers (Article 19, 2013), and has been used to restrict Besigye's and Mbabazi's gatherings before elections (Batre, 2015).

Civil and political rights are limited, the media is only 'partially free' and governance is deteriorating. In 2015, Freedom House classified Uganda as 'not free' in terms of political and civil rights. The only sub-Saharan African countries to rank lower than Uganda were the Central African Republic, Chad, South Sudan, Sudan, and Somalia (Freedom House, 2015). BTI (2014), while mentioning that 'freedom of expression is generally exhibited in the media, and reporting is surprisingly open and critical, points out that the state closely observes the media and Museveni continues to threaten critical media houses by claiming their activities are detrimental to Uganda's development. Additionally, the Ibrahim Index of African Governance found that Uganda's governance had deteriorated significantly in recent years owing to the limitations the NRM had imposed on the freedom of association of the political opposition (BTI, 2014; Mo Ibrahim Foundation, 2015). Protests held in response to arrests of the opposition leader have been met with tear gas, and the government is currently drafting a law that will restrict media freedoms further (The Monitor, 2016).

Uganda remains heavily aid-dependent despite efforts to reduce reliance on external resources. Net official development assistance (ODA) from the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) countries has amounted to around 7% of gross national income (GNI) in recent years (DAC, 2016). Around 19.2% of the government budget in fiscal years 2014-2015 was funded by foreign aid, down from 30% in 2008-2009 (Kakembo,

2014). Yet this still leaves the economy very vulnerable to disruptions in aid flows, which can result from disputes over government policies. The signing into law by the President of the Anti-Homosexuality Act in 2014, for example, resulted in the temporary withholding of aid by the US (Biryabarema, 2014). Another risk factor is the increase in widespread corruption, which may result in reduced aid flows (BTI, 2014). For a country as heavily aid dependent as Uganda such disruptions can result in severe macroeconomic instability.

Northern Uganda enjoys relative stability as the government of Uganda strives to restore peace, recovery and development following years of conflict. However, the end of the conflict on Ugandan territory meant nearly 2 million internally displaced persons (IDPs) were able to return to their homes. The origins of armed conflict in Uganda are linked to ethnic mistrust created by colonial rulers who recruited labourers from Northern Uganda to work on plantations in Central and Southern Uganda, while civil service employment was reserved for the people of Central and Southern Uganda. This resulted in economic division and disparity between Northern and Southern Uganda. Other conflict drivers in northern Uganda include competition over natural resources; youth exclusion; poor local governance; inadequate post-conflict reconciliation and transitional justice processes; generational and gender conflicts; perceptions of neglect over service delivery and infrastructure; IDP return and reintegration challenges; environmental degradation and natural disasters; and tension between traditional structures and local government (Advisory Consortium on Conflict Sensitivity, 2013). The government of Uganda launched the Peace, Recovery and Development Plan for Northern Uganda (PRDP) to address the region's various conflict and vulnerability challenges. This aimed to support political dialogue on peace and reconciliation; promote growth and prosperity; establish political, security and development links; and mobilise resources to address gaps in response to the conflict (Republic of Uganda, 2007).

4.2 Current economic environment

Starting from a very low base, Uganda has been one of the best-performing economies in the past 25 years. Uganda's GDP has more than quadrupled in the past quarter century. Economic growth really took off after 2000 and peaked in 2011, with an annual increase of 10%. Since then, it has slowed somewhat, to just below 5% in 2012-2014 and 5.9% for financial year 2014/15. The outlook for 2016 is promising, with estimates suggesting a 6.5% increase (Rwabizambuga et al., 2015). Despite this, Uganda is still one of the poorest nations in the world, and is classified as a low-income country. It has set its sights on gaining lower-middle-income status by 2020 and aspires to middle-income status by 2040 (Republic of Uganda, 2015a).

Figure 3. GDP and GDP per capita growth (1990 is base year and equals 100)

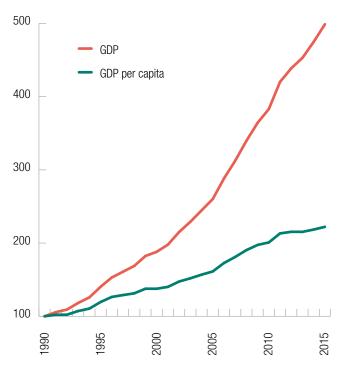
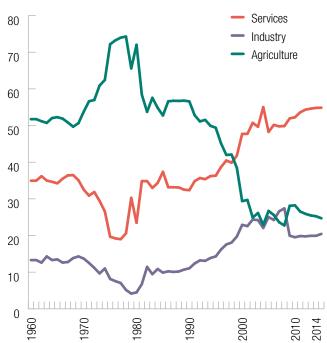


Figure 4. Value added of agriculture, services and industry, 1960-2014 (% of GDP)



Source: World Development Indicators 2016.

Economic growth has translated into falling poverty rates. Since 1997, government policies, as reflected in the National Development Plan, have focused on ensuring growth rates result in poverty reduction (Byiers et al., 2015). As a result, poverty rates have fallen: 56% of Ugandans lived below the national poverty line in 1990, 31% in 2005 and only 20% in 2012. Further, the poverty gap has decreased by almost two thirds, meaning that those still living below the poverty line are better off. Between 1990 and 2013, life expectancy at birth increased from 45 to 58 years, while mean years of schooling of adults almost doubled, from 2.8 to 5.4 years. Over the same period, the mortality rate decreased from 111 to 42 deaths per 1,000 live births (Byiers et al., 2015). Reflecting its low starting point, despite this progress the UN still ranks Uganda as a low human development country (UNDP, 2015).

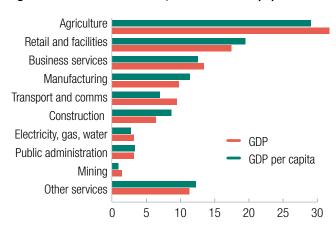
Rapid economic growth has been accompanied by a relative decrease in the role of agriculture in the economy. In the 1980s, 55% of GDP was produced in the agriculture sector and this had decreased to below 30% 20 years later. Over the same period, the share of services increased by over 15 percentage points and the share of industry by over 10 percentage points. Nevertheless, agriculture remains the biggest sector in terms of employment, accounting for around 70% of the employed, while services account for 20% and industry for around 5% of GDP. Future growth will depend on the diversification of the economy and on the establishment of export sectors, as well as substantial increases in the productivity of agriculture

to feed the growing population. In the recent election, Museveni promoted the 4-acre model as a means of moving agriculture from subsistence to commercial farming by improving productivity and marketing. The model advocates that each farm should use 1 acre each for cash crops, fruit, dairy and food crops. Farmers with less than 4 acres are encouraged to engage in poultry and piggery and in growing high-value crops such as vegetables (NRM, 2016).

Uganda is growing as a tourist destination. Tourism directly employs 3.4% of the population and has significantly contributed to foreign exchange, to constitute 23.9% of Uganda's total exports in 2012. There has also been an increase in GDP contribution, from 7.6% in 2010/11 to 9.0% in 2011/12 (Republic of Uganda, 2015). Again, the economic benefits of this have largely accrued to southern Uganda. However, the north may be able to host more tourists in the future if stability is maintained.

Uganda has a trade deficit caused by the composition of its imports and exports. In 2014, Uganda was a net importer, with exports amounting to \$2.34 billion compared with \$6.03 billion, and a total GDP of \$27 billion. This is because the majority of Uganda's exports are unprocessed primary products, while its imports consist of refined petroleum and processed and consumer goods (such as palm oil, cars and telephones) (MIT, 2016). However, the range of Uganda's exports has increased since the 1980s, when 70-80% of export (and half of government) revenues came from coffee. In the 2000s the importance of coffee was much smaller, given the decrease

Figure 5. Contribution to GDP, 2009 and 2013 (%)



Source: Rwabizambuga et al. (2015).

in international coffee prices and disease, and fish, maize, cut flowers and processed foods made up a bigger share of exports (Byiers et al., 2015). Coffee nevertheless remains the main export product, followed by raw tobacco, refined petroleum, fish fillets, cement, tea and cocoa (Figure 6). Neighbouring countries are among the biggest recipients of Ugandan exports, and India, China, Kenya, the United Arab Emirates and Japan are the top import origins.

The East African Community (EAC) is gradually dismantling human-made barriers to trade. Geographic barriers to trade have been aggravated since independence by high tariffs and inefficient border crossings. These have historically not only rendered the transport of goods to Mombasa even more expensive but also inflicted unnecessary delays. Kenya, Uganda and Tanzania (and later other neighbouring countries) have tried to revive the EAC in the past two decades, and integration is gradually progressing. For example, a common market was introduced in 2010 from which Uganda stands to benefit (Yabara, 2012). Members' own interests have hindered the process; recently, Tanzania has been blamed for slowing progress. However, it is expected that the recent appointment of Tanzania's new president, John Magufuli, will reinvigorate the process (Akampurira, 2016).

To date, Uganda has not been able to exploit and export its oil reserves. There are an estimated 6.5 billion barrels of oil around Lake Albert, which could generate up to \$2 billion in annual revenue for more than 20 years (Shepherd, 2013).⁴ However, it remains unclear how the estimated cost of \$4 billion will be financed, and so extraction has not begun. The long-debated question of whether the oil pipeline will run through Kenya to the port of Lamu or through Tanzania to Dar es Salaam (Kuo, 2015; Ochieng, 2015; Zirulnick, 2015) was decided in favour of Tanzania only at the time of writing of this

report (Musisi and Muhumuza, 2016). It is unlikely, therefore, that oil exploration will have a significant impact on the Ugandan economy in the next five years or so.

Inequalities, both between the North and the South and between rural and urban areas, persist and continue to threaten national stability. Historically, southern Uganda is more developed because of its climate, stronger governance structures and colonial history. The war in the north of the country was both caused by and contributed to these persistent disparities. Development indicators between 1992 and 2013 show noticeable progress in the central and western regions, with poverty reduction of 90% and 84%, respectively. In the same period, the eastern region achieved a 58% reduction in poverty and the northern region only 39% (Rwabizambuga et al., 2015), with substantial chronic poverty (see Kaduru, 2011 for a discussion). Inequalities within the north also increased between 2005 and 2012 (Byiers et al., 2015). Discrepancies in development also exist between rural and urban areas, and the reasons for these differences are similar to those for regional disparities: access to markets, unequally distributed infrastructure and access to education and health.

Climate change will have a detrimental impact on Uganda's agricultural economy. The expected increase in temperatures and variability of rainfall will increase the frequency of extreme weather events like rainstorms and flooding and may reduce the yields of a number of crops. While they predict no change in the average annual rainfall, it is projected that the dry season running from December to February will receive more rain, which may negatively impact tree crops like coffee and activities such as drying or storage. LTS International points out that, if no action is taken, climate change may lead to 'increased food insecurity; shifts in the spread of diseases like malaria; soil erosion and land degradation; flood damage to infrastructure and settlements and shifts in the productivity of agricultural and natural resources' (LTS International, 2008: 3). Box 1 describes the consequences for Uganda's primary crops.

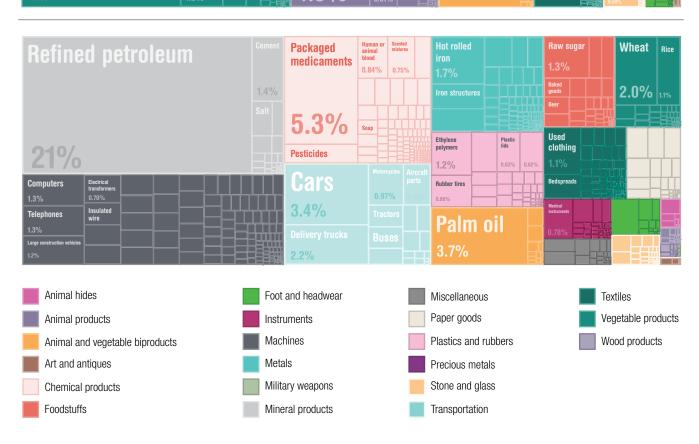
4.3 Current regulatory and policy environment

The system of governance in Uganda has gradually become more decentralised, with the central government still directly responsible for defence, law and order, citizenship, foreign relations, taxation, national plans, land, mines, water resources and national parks. However, decentralisation has not led to true independence of local government institutions, as their funding streams are largely supplied by central government. Some have argued that this has, in fact, allowed central government greater control over local political dynamics (e.g. Golooba-Mutebi, 2008). The local government system is based on the

⁴ As a comparison, state revenues were estimated for 2012/13 at \$4.5 billion and development aid for 2010 at \$1.7 billion (Shepherd, 2013).

Other Other Coffee Raw tobacco Cocoa Soap live oily seeds beans 1.4% plants 3.3% 5.6% 2.6% 2.7% Corn Raw sugar 1.7% 1.5% 1.3% 2.5% 4.0% Dried 20% Fish fillets 1.4% Rice Tea Raw cotton

Figure 6. Structure of Uganda's exports (top) and imports (bottom), 2014



Source: MIT (2016).

district as a unit under which are lower local governments and administrative units. Annex A provides an overview of the composition and leadership of each of the local government administrative units.

Uganda's regulatory environment is improving but more needs to be done. The World Bank's Doing Business Index ranks Uganda 122nd out of 189 countries, ahead of Burundi and Tanzania but behind Rwanda and Kenya (World Bank, 2015a). Uganda was classified an 'improving' country, climbing from 135 the previous year. It ranked particularly low in access to electricity, dealing with construction permits, starting a business and trading across

borders, but received relatively good marks for access to credit and enforcing contracts (ibid.).

Land tenure is insecure and weak institutions hamper the administration and management of land. As only about 20% of land is registered to an owner, 80% is vulnerable to land grabbing and expropriation without adequate compensation and cannot be used for collateral. It is estimated that over 50% of formal legal disputes are related to land, even though many disagreements are resolved through informal institutions (World Bank, 2015b). The Bank estimates that land disputes result in the loss of between 5% and 11% of potential output (ibid.).

Box 1. Consequences of climate change for the main eight crops in Uganda

Coffee. Rising temperatures and erratic rainfall increase the risk of disease and pest infestations in coffee.

Rice. Two major rice diseases (blast and bacterial leaf blight) affect rice yields and are significantly aggravated by weather conditions such as higher temperatures, air humidity or soil moisture.

Maize. Aflatoxin contamination represents a serious threat to the marketing of maize and will likely worsen if dry season rainfall increases.

East African Highland Banana (matooke). While matooke is less vulnerable to increasing temperatures than coffee is, the potential impact of pests and diseases on the crop is significant.

Beans. Beans are vulnerable to fungal and viral diseases when excessive rain falls during critical growing periods.

Multiple grains. Erratic rain could increase post-harvest storage losses of crops typically dried in the sun (e.g. maize, beans, coffee, rice, etc.), as a result of increased pests and rotting.

Sorghum. Coupled with irregular precipitation, increased temperatures could result in the proliferation of striga, a parasitic weed that affects sorghum and is prevalent in areas with degraded soils.

Sweet potatoes and cassava. Both crops grow well at temperatures much higher than current ones, but are also vulnerable to pests and disease.

Source: ARCC (2013: 7).

4.4 Demographic trends

The population growth rate is one of the highest in the world and will put severe pressure on national resources in the next 85 years. The growth rate has remained around 3% per year, meaning the population has increased from 5.2 million in 1950 to approximately 34.63 million today, with young people (aged 15-24) accounting for 20.6% in 2014 (UBoS, 2016). Youth labour force growth has recently outpaced population growth, and is estimated at 5.7% annually (Hausmann et al., 2014). According to UN estimates, the population is expected to continue growing

and will reach 62 million by 2030, 100 million by 2050 and 203 million by 2100 (UNDESA, 2015). Uganda is among 10 countries in the world where the population is expected to increase five-fold by 2100. Population growth puts severe pressure on land in largely agrarian economies: Uganda already has a population density of 194 people per square kilometre of arable land, compared with 80 in Kenya and 116 in Ghana (World Bank, 2015b). This translates into over four people per hectare of arable land, up from two in 1960, even though the area of land under cultivation more than doubled over that period (Hausmann et al., 2014).

Box 2. Relevant policies and national development strategies

The Second National Development Plan (NDP II) is one of a series of six plans mapping out progress towards the 'Ugandan Vision 2040', which includes reaching middle-income status by 2040 (Republic of Uganda, 2015a). Key elements of the plan that are particularly relevant for Youth Forward include increased access to financial services and farm inputs; strengthening regulation and safety standards for agricultural products; development of early warning systems to prevent and mitigate shocks such as drought or pests; strengthening farmer group formation; promotion of time- and labour-saving commodities targeting women farmers; and improving agricultural markets and value addition for 12 prioritised commodities.

The Peace Recovery and Development Plan for Northern Uganda (PRDP) is the government's comprehensive development framework aimed at eradicating poverty and improving welfare levels in this region, with which all development actors – governmental and non-governmental – are expected to align their interventions. It aims to elevate northern livings standards to the 'national average level', and covers 55 districts and nine municipalities in the Greater North. The Department of Pacification and Development in the Office of the Prime Minister oversees its activities and implementation.

The Youth Livelihood Programme (YLP) is the key national initiative targeting young people aged 15-30. It aims to provide youth with marketable vocational and entrepreneurial skills, as well as life skills, relevant knowledge and information for positive attitudinal change and financial support through credit and savings groups (Ministry of Gender, Labour and Social Development, 2015). However, the programme has experienced some difficulties because of overwhelming demand for its services, coupled with budgetary constraints and low technical capacity in some districts.

The Uganda National Action Plan for Youth Employment (NAPYE) contributes to the implementation of the Uganda National Employment Policy (Republic of Uganda, 2011b) and outlines actions needed for engaging young people in gainful employment, equipping them with entrepreneurship skills and attitudes and increasing their participation in local governance and decision-making processes. NAPYE creates a mechanism to ensure state and non-state policies, programmes, projects and initiatives are adequately coordinated in order to meet the employment needs of young people, including the most vulnerable (Ministry of Gender, Labour and Social Development, 2014).

The Agriculture Development Strategy Investment Plan (DSIP) defines the agriculture sector development agenda with the objectives of 1) increasing rural incomes and livelihoods and 2) improving household food and nutrition security. The plan has four immediate objectives: 1) enhanced factor productivity in crops, livestock and fisheries; 2) sustainable development of markets for primary and secondary agricultural products in Uganda and the region; 3) favourable legal, policy and institutional frameworks to facilitate private sector expansion and increased productivity along the entire value chain; and 4) providing a supportive environment that is accountable and innovative (Ministry of Agriculture, Animal Industry and Fisheries, 2010).

Source: ARCC (2013: 7).

5 Key stakeholder groups

The previous sections provide a brief overview of the history and contemporary political and economic context in Uganda. This section identifies the key stakeholder groups affecting the environment within which young people and the Youth Forward initiative work. Separate alignment, interest, influence matrix analyses developed by each consortium describe specific actors and their alignment with, interest in and influence on the Youth Forward initiative.

5.1 The executive

Uganda has a strong executive that dominates the legislature. The role of Parliament remains marginal and is largely limited to approving policy reforms generated by the executive, rather than engaging in policy formulation. As noted earlier, President Museveni and the NRM retain their strong hold on power and decision-making on in important aspects of policy. Uganda has a total of five youth MPs in the Ninth Parliament, one from each of four regions, and one female youth representative, whose role is to represent young people. However, given the weak nature of Uganda's Parliament and their affiliation with the NRM, they have very little independence and cannot effectively represent young people. Among the bodies that could potentially affect the executive and act as a platform to mainstream youth issues is the Uganda Parliamentary Forum on Youth Affairs (UPFYA). This is an advocacy platform in Parliament with 78 MPs that effectively and meaningfully represents youth issues through legislation, budget appropriations and oversight (UPFYA, 2016).

5.2 Technocrats, civil servants and ministries

The policy environment is, to a large degree determined at the highest political levels, often by the president himself. Nevertheless, technocrats and civil servants in central ministries are involved in refining and implementing these policies. Those of importance to Youth Forward in Uganda, with its focus on agriculture, include the Ministry of Finance, Planning and Economic Development, the Ministry of Agriculture, Animal Industry and Fisheries, the Ministry of Trade, Industry and Cooperatives, the Ministry of East African Community Affairs, the Ministry of Local Government, the Ministry of Gender, Labour and Social Development and the Ministry of Education, Science, Technology and Sports.

5.3 Local government administration

The local government administration includes the following stakeholders: chief administrative officer, chair of the Local Council V, residence district commissioner, secretary production, district veterinary officer, district agriculture officer, district production officer, district probation officer, district planner, district commercial officer and youth focal person. Of particular relevance is the district chairperson – who chairs the district assembly – and the chief administration officer – who is charged with implementing the assembly's decisions, represents an important actor in rural Uganda.

5.4 Youth representative bodies

Uganda's National Youth Council Act makes a provision for every village to have a youth council that will represent and make binding decisions on behalf of the village's young people. There is also a National Youth Council, which has the mandate to 'organise' young people to participate in and contribute to the national development project. However, the council relies so heavily on the state for funding that it has not managed to maintain its independence and its leadership has to be approved by and aligned with the NRM (Larok et al., 2010).

5.5 Non-governmental organisations and faith groups

NGOs and faith groups are fundamental to the organisation of public life in Uganda. Faith is a strongly held value to be demanded alongside other rights, such as the protection of freedom of conscience, expression, movement, assembly and association (Republic of Uganda, 1995, Article 29). Political parties were originally formed based on religious affiliations, but they have changed to forming based on other persuasions and identities. Religious groups have also been influential in public debates on the issue of homosexuality (Sadgrove et al., 2012).

Given how young Uganda's population is, many religious and non-governmental organisations work with young people, even if their target group is not defined in terms of age. Among the more important organisations for Youth Forward will be NGOs that provide credit or extension advice to farmers, as well as organisations that have influence over and responsibility for young people, such as parents' associations.

5.6 Traditional leadership institutions

Charged with keeping traditions and land management at the local level, traditional leaders and kingdoms are important for any initiatives taking place in rural Uganda. These institutions are important representatives of the state and often of the NRM – despite their involvement in the latter being prohibited by law – and so are able to influence Parliament and local government as well as facilitating access to land (BTI, 2014).

5.7 International financial institutions, multilateral agencies and bilateral donors

International financial institutions, multilateral agencies and bilateral donors have considerable influence over government policy through bilateral engagement and donorled sector working groups. The government has frequently followed donor or international agency advice – whether it was convinced of the quality of this advice or not – given the economic importance of aid to Uganda's economy. The international financial institutions determine the overall size of the government's budgetary envelope, while multilateral and bilateral agencies tend to be more active in influencing sectoral policies. The World Bank is a very influential donor in the agriculture sector, given its importance to the economy. A number of bilateral donors are involved in youth policy and youth engagement programmes.

5.8 Private sector

The private sector is a very broad collection of stakeholders, including financial service providers, agroinput dealers, produce traders and processors, all of whom are key actors in the agriculture sector.

6 Implications for the Youth Forward initiative

Within the broader foundational and institutional context, and based on the previous analysis of key stakeholder groups, this section discusses an initial set of implications of these factors for Youth Forward, identifying potential opportunities and constraints for implementation and achievement of intended results.

Youth Forward aims to address some of Uganda's pressing challenges, including the problems caused by the demographic profile and the resultant high unemployment rates, low skill levels among smallholder farmers and young people, low levels of development of industry and services and the unique post-conflict environment of northern Uganda. The demand for youth livelihood programmes exceeds the government's administrative and technical capacity, even though the political will to address these problems is evident in the policy landscape. With careful relationship-building and engagement of local and national institutions and individuals, Youth Forward can help complement government efforts. Through its varied approaches to market development and youth involvement, Youth Forward will also have lessons, experiences and policy suggestions to share with the government and other youth and agriculture initiatives. The initiative could increase its influence with other players in the sector by building relationships with youth representation structures, including youth councils at the village level, as well as the National Youth Council.

Low levels of democracy pose a risk to the programme. As discussed, hybrid regimes tend to be relatively unstable, and civil and political rights are restricted in Uganda. Election monitors declared that the 2016 election was not free and fair, and there is not much confidence among the electorate, and young people in particular. It is unclear precisely how the NGO Bill will be implemented, but it could potentially have detrimental effects on some of the implementing partner organisations. Developments vis-à-vis the NGO Bill should be followed closely. Youth Forward is therefore working in a potentially politically precarious environment, where their target group – namely, young people – are disenfranchised and the government is responding by further limiting political freedoms.

The political situation in northern Uganda remains precarious, even though peace has now been established in northern Uganda. There have been cross-border skirmishes in those areas close to South Sudan. Should the political

situation not stabilise, there is the possibility of further conflict. The inflow of refugees and the return of IDPs could put additional pressure on limited Youth Forward and natural or community resources, hindering the initiative's progress.

Decentralisation and traditional leadership institutions provide a complex but rich environment for building local relationships. District assemblies and local structures provide opportunities both to engage with national and local policies and to find solutions that are youth-friendly and support market-development initiatives. Given the informal nature of these institutions, they can provide a less complicated means of accessing policy-makers and a way of working around the challenges facing young people. However, local councils are embedded in patronage networks and suffer from a democratic deficit, which means they are not always responsive to local needs and requests.

The proliferation of NGOs at the grassroots level provides the initiative with opportunities to build alliances but is also a potential threat in terms of unhealthy competition, duplication and misalignment. Examples include organisations that may still be promoting 'hand-outs' instead of 'hand-ups', so making it harder to implement a market facilitation and training approach.

The economic environment of northern Uganda offers opportunities for Youth Forward. If stability is maintained, the fast-growing economy offers a good environment for agriculture to flourish and for the initiative's participants to move from subsistence to more intensive modes of farming. The fact that the economy has been largely liberalised and price controls are minimised can be a double-edged sword: on the one hand, price fluctuations, particularly for inputs, can make agricultural production precarious for farmers with limited resources. However, this also provides arbitrage opportunities, including post-harvest handling and processing of agricultural produce as well as trade and storage. The initiative can use these to help move young people up the value chain. The accompanying analysis of the agriculture sector explores these issues in further depth.

The lack of regulation poses a problem for economic activity in Uganda. Limited certification and quality control means inputs vary in quality. Fake products, particularly chemicals, seeds and other agricultural inputs, are abundant on the market and often undistinguishable from real products. This affects agricultural productivity.

Exporting or producing exports can be very difficult for farmers when government or private sector institutions cannot reliably certify the quality of their products. On the upside, this gives producers a competitive advantage if they are able to establish relationships of trust with their customers and clients or make private sector arrangements for their products to be certified.

Access to land and poor tenure security could cause problems for Youth Forward partners. The issue of land access and productivity is crucial for the initiative as both consortia in Uganda focus on agriculture. Availability of land and different land tenure systems affect the opportunities available to youth and the type of enterprises they are likely to select. Existing land pressures are likely to become worse over the course of the initiative, given 3% per year population growth and the continuing influx of returnees. As traditional leaders hold a great deal of influence and control over land, Youth Forward needs to pay specific attention to its relationships with them and their willingness to support young people's agriculturalbased enterprises. There is also the potential for conflict within communities, as outsiders settled in northern Uganda in the course of the conflict and now occupy land for which they do not have secure tenure and to which other community members may feel they are not entitled.

It is unclear whether young people are interested in working in the agriculture sector. Agriculture is central to Uganda's development agenda, but young people are increasingly migrating to urban areas, where access to services is better and there are different livelihood options. If young people are not interested in agriculture or they feel it does not provide opportunities for meaningful livelihoods, this could have significant implications for Youth Forward recruitment and implementation efforts, and for youth outcomes. The Learning Partnership will conduct research to better understand how young people relate to careers in agriculture.

Northern Uganda is very vulnerable to the effects of climate change. These changes may exacerbate pressures on land, as increasing temperatures and reduced rainfall may reduce yields or make some land unusable. The programme should include climate change mitigation techniques (such as soil moisture and temperature management) and consider the potential impact of climate change on all activities, and these should be included in curricula.

Taken together, the political and economic context in Uganda provides both opportunities and constraints for Youth Forward and its youth participants. The political environment and recent NGO Bill restrict organisations' room for manoeuvre; increasing pressures for land, climate change and the lack of regulation on input quality may adversely affect economic activity. At the same time, the fast-growing economy and opportunities to engage with district assemblies and local leadership structures offer the potential to expand economic options for young people. Building strong local relationships and being aware of national political dynamics will be key to implementation efforts.

Annex A. Local government structures in Uganda

Administrative unit	Composition	Leadership
Village	Lowest political administrative unit, usually consists of 50-70 households, with a population of between 250 and 1,000 people.	Run by a Local Council (LC), and governed by a Local Council I (LC1) chairperson and nine other executive committee members.
Parish	Composed of a number of villages.	LCII committee, made up of all from the village LCIs in the parish.
		LCIIs are largely involved in settling land disputes and mobilising the community for various activities.
		Run by a parish chief – a government employee who provides technical leadership.
Sub-county (In towns, a sub-county is called a division)	A number of parishes.	Run by sub-county chief on the technical side, and an elected LCIII chairperson and executive committee.
		An LCIII, like a parliament, consists of elected councillors representing parishes, other government officials in health, development and education and NGO officials in the sub-county.
County (Municipality in major towns)	Several sub-counties	Each county is represented in parliament by an elected MP. LCIII executive committee members of all sub-counties constitute the LCIV, who then elect an LCIV executive committee from among themselves.
		LCIV have limited powers except in municipalities.
District	Several counties and municipalities.	Led by and LCV chairperson and his executive. Has an elected LCV council with representatives from sub-counties, which debates budgets and bylaws; and
	This is the basic unit of a local government, responsible for major functions and services such as education, trade, hospitals, construction of feeder roads, water supplies, agricultural extension, community development, etc.	technical staff in the district led by the chief administrative officer appointed by the central government. The district has heads of various departments.

Source: Mugabi (2004); The Guardian (2009).

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