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## **INTEGRATED PROGRAMME IN UGANDA**

### **ENHANCED COMPETITIVENESS AND SUSTAINABILITY OF INDUSTRIAL DEVELOPMENT WITH PARTICULAR EMPHASIS ON AGRO-INDUSTRIES AND MICRO AND SMALL-SCALE ENTERPRISES**

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The views and opinions of the team do not necessarily reflect the views of the Government of Uganda and of UNIDO.

This document has not been formally edited.

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The evaluation team would like to thank all persons met and especially all persons involved in planning, realizing the mission and facilitating the evaluation task.  
We hope that some of the proposed recommendations will contribute specifically to the Phase II of the Programme and to the Organisation's efforts in improving implementation of Integrated Programmes.

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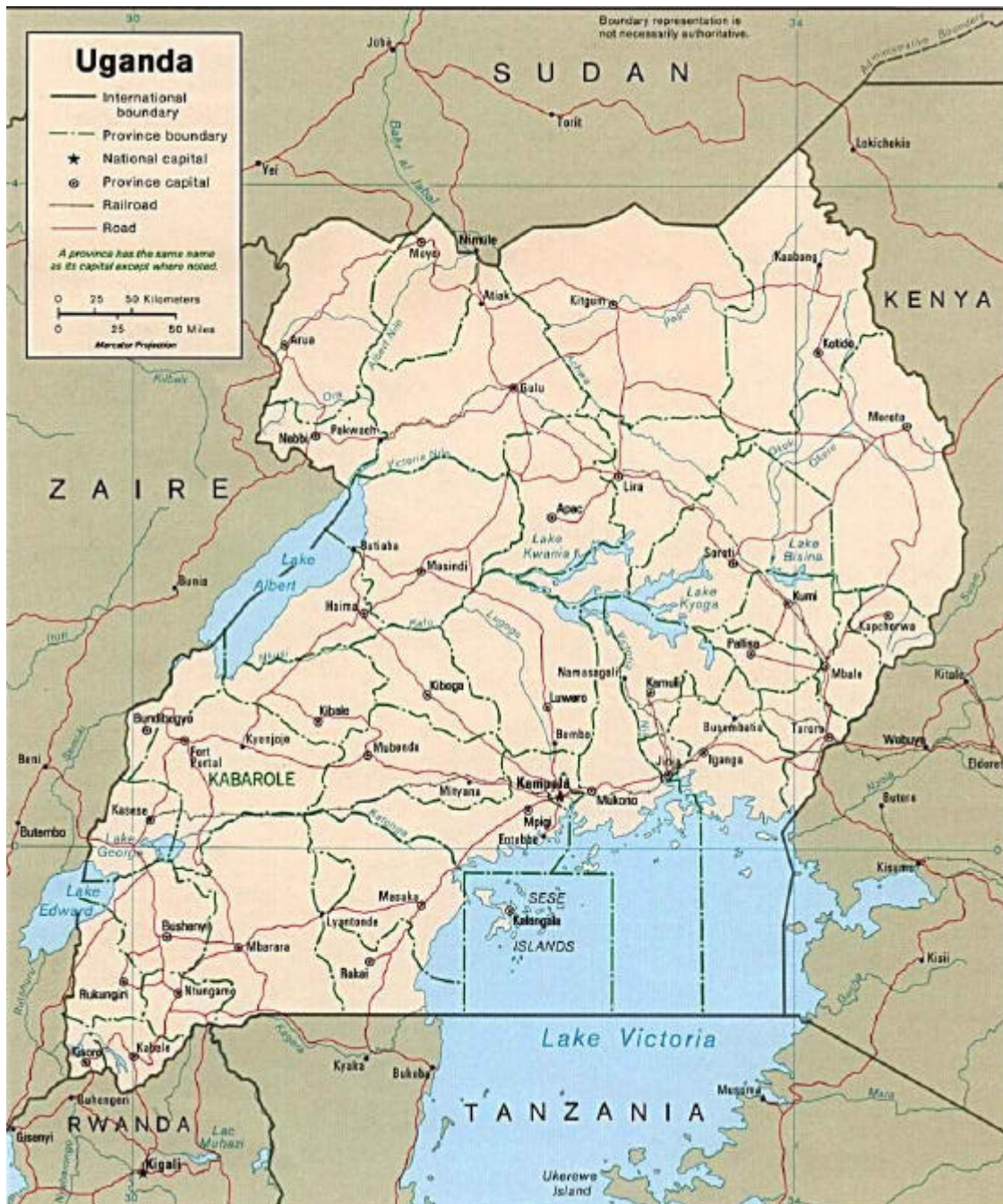
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# MAP OF UGANDA





## **EXECUTIVE SUMMARY**

### **Programme relevance**

- *The UIP addressed key constraints of priority and high relevance for Government policies relating to industrialization, poverty alleviation, competitiveness, linkages with agriculture and the promotion of exports.*
- *The relevance of the approaches pursued in response to the identified constraints varied among components. In general the relevance and the strength of the UIP was that it addressed key policy issues in a practical and pragmatic manner, reaching in certain instances important results.*
- *The UIP can also be seen as a frontrunner within multilateral assistance programmes on productivity, competitiveness and private sector development and has the potential of acquiring increased relevance for complementarities and synergies with other SME and private sector related multilateral programmes (e.g. by the WB, UNDP and the EC).*
- *The UIP provided an indirect contribution to the Millennium Development Goals relating to poverty eradication and reduction of environmental degradation.*

### **Ownership and sustainability**

- *Very strong ownership by Government at highest level was one of the main factors of success.*
- *Committed and motivated counterparts and beneficiaries were the driving force of successful components and prerequisites for success.*
- *The most successful components were those addressing clear-cut constraints identified jointly with the counterparts, addressing needs through approaches adapted to their needs and those having the private sector as the driving force.*
- *Successful components were those of long-term nature and building upon previous projects.*

- *Links with the organized private sector in some cases were weak, either because of the weakness of the relevant association or because of insufficient involvement and interest by the association.*

### **Programme design and formulation**

- *The UIP benefited from experience built in previous assistance. UNIDO knowledge base, good practices, tools and methodologies proved of advantage and counterbalanced to some extent existing design flaws.*
- *The UIP suffered similar design flaws of all other “first generation IPs”, i.e. broad and ambitious objectives, pursuing the production of too many outputs, short formulation phase and weak institutional analysis.*
- *The involvement of the private sector in some components was insufficient.*
- *Sometimes generic approaches were utilized without adapting them enough to local conditions.*

### **Funds mobilization**

- *Excellent results were achieved in funds mobilization. There are good funding prospects for Phase II. MTTI and field programme staff/counterparts are the driving force in FM (Funds Mobilization).*
- *Donor interest and support were provided due to the clear linkages of UIP with PEAP and MTCS as key guiding policy documents as well as complementarity to bilateral programmes.*
- *Reporting to donors by HQs and modalities for seed money allocation require improvements.*

### **Implementation, management and coordination**

- *Implementation features most appreciated by the counterparts and donors were the speed of delivery, the transfer of knowledge, practical experiences and solutions.*
- *International experts had a strong capacity building effect. National experts (all those met by the evaluation team were of high quality) are now working with the counterparts or de facto*

*running the respective components, a clear sign of success and potential for sustainability. However, their more extensive engagement was constrained by inadequate budget appropriated for this input.*

- *Implementation was carried out in a flexible manner, adjusting to changing conditions (e.g. MCP, fish component, NCPC).*
- *The field level coordination and management mechanism is a good practice and can be referred to as a model case for other IPs.*
- *HQs level coordination and interaction was good; the committed and effective team leadership was instrumental for successful activities.*
- *The absence of a UR or a National Representative is a problem with respect to UN system coordination and contribution to policy dialogue.*

### **Synergy and integration**

- *Potential for cooperation among the components was fairly well exploited.*
- *Cooperation among components was arranged primarily in the field*
- *The most frequent form of internal integration was targeting the same counterpart or beneficiaries by two or more components. The resulting synergy effects from this type of integration can be seen in cost saving and increased effectiveness of the developed capabilities.*
- *Coordination with external programmes evolved from “bilateral” contacts at operational (project) level; new areas for coordination and cooperation with other programmes may be derived from a more active participation in UNDAF programmatic activities.*

### **Programme results**

- *UIP managed to achieve significant and statistically verifiable economic and social impact in the fish sector.*

- *Other immediate tangible results at industry level were scattered over several sectors (cleaner production) or over 1500 micro and small industries (MCP). In the coffee sector UIP provided advice but good results in their implementation were achieved through activities of national stakeholders (particularly UCDA) themselves.*
- *Implementation of pilot centres for appropriate technologies in the food sector has not progressed enough to play the anticipated demonstration function yet.*
- *Institution building activities were extensive and achieved good results particularly when they were an integral part of a broader programme (quality and safety infrastructure in the fish sector). Most of the institutional capabilities developed by the UIP managed to generate and meet demand for services (UCPC, TCFC, TEXDA, UBIN). However, in most cases further support is needed to deliver public goods services or to achieve financial sustainability.*
- *Training services of the above institutions or direct training by UIP contributed significantly to the development of human resources in the country. More than 1000 people upgraded their professional skills through training, more than 1500 people participated in short-term training and awareness raising programmes; approximately 8000 students attended lessons in Entrepreneurship Development.*

## **FOLLOW-UP ON RECOMMENDATIONS**

No.	Issue / Component	Recommendations	Comments by responsible body/person	Responsible for decision	Control timeline
1	UIP Phase II: Policy & Practice	In light of the need to strengthen public/private dialogue and in order to make the industrial policy framework of Uganda operational, consider establishing private sector led task forces (MTTI and sector group of UMA) to develop or enhance action oriented strategies and plans for (selected) sub-sectors for which this has not been done so far. In support to the above, strengthening of MTTI should go beyond the activities envisaged in Phase II.		MTTI, UMA	6 months after the start of Phase II
2		Consideration could be given to study the current industrial situation in Uganda using UNIDO methodology for competitiveness analysis and benchmarking (UNIDO score card methodology).		MTTI	6 months
3		Consideration could be given to preparing an SME policy following the Tanzania model. This should be closely linked with the ongoing SME and private sector debate and the activities coordinated by the MTCS Secretariat.		MTTI	6 months
4		Include a regional integration perspective in the policy analysis and strategy.		MTTI	18 months
5		Develop indicators and establish capacities in MTTI for monitoring industrial development progress as contribution to MDG 1 (poverty below 10% in 2017) and to establish indicators for use in monitoring of progress in industry by MTCS. Closely liaise with MDG related exercises being carried out under UNDP leadership.		MTTI	18 months
6		UNIDO Management should consider allocating Regular Budget seed money (programmable resources) to this core issue that might not be able to mobilize donor funding in the short term. The government should provide co-funding in cash or in kind to underline ownership.		EB, MTTI	6 months
7	UIP Phase II: Complementary activities	Cooperate with the MTCS Secretariat in particular with respect to the following ongoing activities: formulation of the Medium Term Competitive Strategy for private sector development, promotion of strategic agro industrial export products, micro-finance for SMEs.		MTTI, Mr. Ouaouich	24 months
8		Link with MTCS related EU and WB Programmes on production, competitiveness and private sector development (according to information gathered by the Evaluation mission, these programmes are at present being formulated).		MTCSS, MTTI, Mr. Ouaouich	6 months
9		Establish linkages with the WB/IFC/APDF micro enterprise initiative on micro-financing and SME enabling environment (follow the cooperation approach of Nigeria where programmatic cooperation is taking place successfully)		MTTI, Mr. Ouaouich	6 months
10	UIP Phase II: Linkages with UNDAF	UIP II to closely link with UNDAF II also considering that the cycles coincide. Private sector development, SMEs, environment and the new post-conflict programme in Northern Uganda are common priority areas. Concrete opportunities for synergies exist in particular at district level, notably the MCP and information networking UIP activities.		MTTI Mr. Ouaouich	9 months
11		UNIDO in consultation with the Government should look into the issue of field representation in Uganda to facilitate the coordination process. The option of nominating a National Representative could be considered on priority basis.		EB	6 months

12	UIP Phase II: Funds mobilization	To optimise FM efforts, an institutional support approach in FM by HQs is needed, in particular in order to establish priorities with respect to core and non-core Phase II activities and to ensure to the extent possible full funding. This will be required in order for the UIP to be implemented as a package and benefit the country with synergy effects.		EB, Mr. Ouaouich	6 months
13		Donors should be involved in the design of Phase II full-fledged documents.		Mr. Ouaouich, Ms. Mambule	On-going
14		Written reporting to donors should be agreed upon with them.		Mr. Ouaouich, Ms. Mambule	6 months
15		UNIDO seed money should be allocated to the extent possible up-front to ensure that strategic and key activities such as policy advice are implemented on priority basis.		EB, FMC, Mr. Ouaouich	6 months
16	UIP Phase II: Impact & Sustainability	Phase II documents should include baselines considering the results of Phase I and quantitative/qualitative result indicators.		Mr. Ouaouich	By IP Doc revision
17		The full-fledged documents for Phase II should be: 1) Fine-tuned and implemented with OPS 2) Focus on the key constraints faced by priority sub-sectors 3) Continue awarding priority to institutional capacity building.		Mr. Ouaouich	By IP doc. revision
18	UIP Phase II: Approach & Core areas	The entry point for Phase II should be the critical issues in the following sub-sectors: food, leather and textile/garments as well as the cross-sector issues relating to rural energy. In the food sector some additional pointed support is planned for the fish and coffee sub-sectors. The main attention should be paid to a limited number of 2-3 sub-sectors, including honey.		Mr. Ouaouich, Ms. Mambule	Before the formulation of project documents
19		The issues to be addressed in the above sectors should be identified within the context of a comprehensive approach covering policy, institutional capacity building, skills improvement, technology demonstrations, (including cleaner production), information, and market development.		Mr. Ouaouich, Ms. Mambule	Before the formulation of project documents
21	Component 1A: Food Industry Sector	Revisit the current status of the on-going legal processing of the food safety policy documents prepared under Phase I and decide what further UNIDO support is needed for this process, if any.		MTTI	6 months
23		Apply the holistic sector approach that proved successful in the fish sector (regulations – institutions – industry association(s) – selected companies – linkage to raw material suppliers). To be able to do this focus on a limited number of sectors (2-3 at most, including honey). Fish and coffee will need pointed interventions only. One of the selection criteria for the new sub-sectors should be availability of a (potentially) strong industry association in the sector.		MTTI, Mr. Ouaouich	6 months
22		Strengthening advisory capacity of UIRI and FOSRI in technology upgrading and cleaner production as an approach preferable to working with companies only; however, in order to avoid overlapping in the IP the capacity building in cleaner production should be handled by UCPC.		MTTI, Mr. Ouaouich	9 months
23		Audits in the fish companies and support towards their ISO certification should be carried-out not by the institutions strengthened in Phase I (UNBS); Phase II may support UNBS in carrying out these audits.		MTTI, Mr. Ouaouich	18 months
24		Similarly, local institutions should carry out training and introduce GMP and HACCP. Phase II should be conceived as "support to ...[local organization] ... in carrying out..." these activities.		MTTI, Mr. Ouaouich	18 months

25		Making pilot centres effective is a complex task; the number 82 seems very ambitious. Consider reduction of the quantity of the non-honey centres and instead focus on the activities envisaged in Phase II that should create a conducive environment for replication (local production of equipment, credit schemes).		MTTI, Mr. Ouaouich	6 months
26		As a follow up to the Memoranda of Understanding, assist UCOFPA in introducing a system monitoring demonstration and training activities of the centres.		MTTI, Mr. Ouaouich	12 months
27		Based on the results of pilot centre operations, elaborate technical and economic data basis for any decision on replication about their performance, including profit and loss figures comprising depreciation of all equipment including that one provided by UNIDO.		MTTI, Mr. Ouaouich	12 months
28	Component 1B: Textile Industry	Conceive Phase II as a possibility for using UNIDO support to address selected problem areas of the textile and garment sectors; in particular consider using Phase II for support in formulation of sector policy.		MTTI, Mr. Lee	6 months
29		TEXDA deserves support but it needs to be linked to an industry association representing the sector and adjust the scope of services to meet the needs of the sector to be identified and agreed upon with the association. Support TEXDA in this process and decide on providing financial support to TEXDA in case of public goods services.		MTTI, Mr. Lee	6 months
30		As a first step liase with an association representing the textile sector (or initiate creation of such an association) in order to ensure ownership of the project for Phase II by industry		TEXDA, Mr. Lee	6 months
31		Once the owner is identified, review the current plan for Phase II and agree with the industry owner on the needs of the sector. Training is further required but Phase II need not be confined to training.		TEXDA, Mr. Lee	6 months
32		Liase also with other important players in the sector, including relevant vocational training organizations as well as Uganda Industrial Research Institute (UIRI), in order to avoid duplication and to review possibilities for cooperation.		TEXDA, Mr. Lee	6 months
33		Prepare a new project document for the implementation of Phase II based on the outcome of this process, including a new and realistic business plan for TEXDA (internalizing costs of national experts).		MTTI, Mr. Lee	6 months
34	Component 1C: Leather Industry	Conceive Phase II as a possibility for using UNIDO support to address selected problem areas of the leather sector; in particular consider using Phase II for support in finalization and implementation of the Hides, Skins and Leather Development Policy. In that context review and follow up recommendations of the evaluation of the previous UNIDO project (phasing out export of raw hides, import levy on second-hand shoes, micro-credit, etc);		MTTI, ULAIA	6 months
35		TCFC deserves support, particularly in view of good results achieved and relatively small financial subsidy needed to sustain the operations. Provide the subsidy from own resources or direct donor support for this purpose;		MTTI, ULAIA,	12 months
36		Establish similar facilities (like TCFC, but on a more modest scale) in 2-4 regions to facilitate access of SMEs in the districts to equipment, training and raw materials.		MTTI, ULAIA, Ms. Calabró	18 months
37		Develop the capability to master export-oriented small-scale (batch) industrial production (as distinct from artisan production), with adequate production planning, work supervision, quality assurance, inventory control, maintenance, etc;		MTTI, TCFC	24 months
38		Analyse the possibility of assisting vocational training institutes in upgrading their training by making it more business-oriented.		TCFC	6 months

39		Extend support to TCFC to include implementation of the above recommendations to TCFC;		MTTI, Ms. Calabró	6 months
		Complement the proposal for Phase II by support to policy formulation and implementation (perhaps using experience and expertise available in ESALIA);		MTTI, Ms. Calabro	6 months
40		In case of prioritising the interventions give high priority to policy formulation, support to TCFC, establishment of regional TCFC and vegetable tanning; improving collection and quality of raw hides and assistance to tanneries should be ranked at a lower level of priority (improving collection and quality of raw hides and skins is a complex task attempted by previous projects without significant success; tanneries are currently running at very low capacity and do not fall in the SME category).		MTTI, Ms. Calabró	12 months
41	Component 2: SME/MCP	Strengthen support to USSIA central office with staff for coordinating, guiding, developing and promoting MCP nation wide.		MTTI, Mr. Hisakawa	12 months
42		Develop an SME policy and include MCP in the policy		MTTI	12 months
43		Establish a corporate image of MCP nationwide through all promotion and managerial means		MTTI	9 months
44		Assist USSIA in implementing the above recommendations		MTTI, Mr. Hisakawa	12 months
45		Assist USSIA in strengthening and refreshing MCP advisers in basic managerial skills.		MTTI, Mr. Hisakawa	6 months
46		Assist USSIA in enriching MCP with women entrepreneurship development		MTTI, Mr. Hisakawa	12 months
47		Assist USSIA in enlarging MCP from the existing 6 districts to nationwide coverage.		MTTI, Mr. Hisakawa	24 months
48		Disseminate the success stories of MCP in Uganda to member states to explore possible new interventions for UNIDO.		Mr. Hisakawa	6 months
49		Strengthen the cooperation within UNDAF via initiatives on private sector development.		MTTI, Mr. Hisakawa	9 months
50	Component 2: SME/EDP	Enrich textbooks to a set of self-contained books to prepare the replication of EDP at schools in countryside		NCDC, Mr. Hisakawa	12 months
51		Systematically train new teachers by those trained already in order to prepare for the needs to be raised by February 2005 in terms of the number of teachers and the updated EC.		NCDC, Mr. Hisakawa	12 months
52		Strengthen NVTI's Upgrading Entrepreneurship Skills Curriculum course and make it synergetic with the future MCP training programme on a regular base		NVTI, Mr. Hisakawa	12 months
53		Support EDP further to complete entrepreneurship curriculum development process up to February 2005 when it is scheduled to roll out to more secondary schools in the country		MTTI, Mr. Hisakawa	12 months
54		Assist national stakeholders of EDP in implementing the above recommendations		MTTI, Mr. Hisakawa	12 months



55		Disseminate the success stories of EDP in Uganda to member states to explore possible new interventions for UNIDO.		Mr. Hisakawa	15 months
56	Component 3A: Investment Promotion	Considering that the generic promotional activities carried out in Phase I did not lead so far to tangible results in terms of promoted investments, it is recommended that Phase II be more focussed and linked with the sub-sector activities carried out under the other IP components. They should be more directly linked to providing support to enterprises to facilitate market access and access to foreign as well as domestic investments. This approach would also be instrumental in facilitating complements and synergies among programme components.			
57		In Phase II UNIDO should continue providing support to UCDA in targeted marketing advisory services (Middle East and Asia) and investment promotion services with focus on joint venture promotion. The budget for Phase II should be revisited in this light and some items such as equipment for pilot coffee companies deleted.			
58	Component 3B: UBIN (Phase II)	Willingness of SMEs to pay for information in the regions outside Kampala is not greater than of those in Kampala. Therefore, stand-alone commercial information services or services with primary focus on information cannot be operated in the regions either. However, given the low level of presence in the regions of ICT services it is relevant for UNIDO to support establishment of such services in these regions, as they will meet some needs of SMEs and, thus, entail a development function. Thus the planned establishment of regional centres as contained in the proposal for Phase II can be viewed as relevant. Without losing information services out of sight it should be fully acknowledged that the centres will have a broader service coverage. Perhaps the term "ICT services" could reflect the reality.		MTTI, Mr. Pruim	6 months
59		In order to support the information component in the regional centres through UBIN it is important for UBIN to have access to the information available in the nodes. Hence establishing the UBIN network and making it operational seems to be a pre-requisite for starting operations in the regions		MTTI, Mr. Pruim	9 months
60		Making alliances in the regions with the MCP and the Private Sector District Promotion Companies (PSDPC) as envisaged in the Phase II proposal is a sound strategy. MCP and USSIA will become the first natural partner for information services, being both target beneficiaries and sources of information and advisory services. PSDPCs will be facing financial problems so that the UBIN centres need to be cautious in selecting the regions and determining the fields of cooperation and division of responsibilities but definitely joining efforts in equipping the office and training staff in providing ICT services is more efficient than operating as similar entities in parallel		MTTI, Mr. Pruim	9 months
61		If an SME policy is formulated consider adopting the principle of subsidizing information services for SMEs		MTTI	12 months
62		Involve the UIP field office and national counterpart in preparation of TOR for all experts and subcontracts and in their selection and ensure their regular reporting to the UIP field office		Mr. Pruim	3 months
63		Once cleared by UNIDO, review the report prepared by Mr. Fernando (Dec 2003) and the recommendations contained therein and based on that elaborate and agree on measures, with a timetable, how to alleviate the management deficiencies and to enhance the marketing activities		UBIN	6 months
64		Review the status of contractual arrangements for establishing a network of nodes and specify measures how to speed up the process and attract as many potential stakeholders to act as nodes as possible		UBIN	9 months

65		Agree on frequency of regular meetings of the Board of Directors and prepare the core agenda for the forthcoming meetings, including monitoring of the timetables mentioned above		MTTI, UBIN	6 months
66		At one of the next Board meetings set performance indicators for the information services to ensure that their volume increases and a certain share in the total turnover is reached. Monitor the indicators and update them, if required, after some experience with operations of the network is acquired		MTTI, UBIN	9 months
67	Component 4:	Provide UNBS with funds (using also donor basket funding) to sustain and upgrade the developed capabilities		MTTI	9 months
68	Uganda National Bureau of Standards	Use public/private platforms to promote the role of UNBS and to extend policy support to NBS in commercialisation of its services		MTTI	9 months
69		Expand commercialisation of services. In the case of services offered by private laboratories avoid competing in terms of price (to avoid market distortion) and focus on client satisfaction in other terms of delivery (promptness, flexibility, etc.)		UNBS	12 months
70		Consolidate and upgrade the achieved results by extending the accredited testing in the microbiology laboratory		UNBS	18 months
71		Develop accredited testing in other laboratories (in particular chemical and metrology)		UNBS	18 m
72		Pursue accredited certification for ISO 9000 and HACCP. In the case of ISO 9000 ask for Government support in clarifying access to BUDS-EDS subsidies		UNBS	24 months
73		Continue support to UNBS in achieving some of the above objectives, particularly those which have direct relation to industry sectors in focus of the Second Phase so that synergy of interventions can be achieved		Mr. Goonatilake	18 months
74	Component 5:	Elaborate institutional arrangements allowing for government subsidies of the public services of UCPC and provide some financial support to strengthen technical capacity (personnel and equipment) at the Centre		MTTI	9 months
75	National Cleaner Production Centre	Involve the Centre in elaboration of policy measures supporting implementation of CP in industry		MTTI	9 months
76		Consolidate the current capacity and develop it further to include policy dialogue, financing and advisory services for ISO 14000;		UCPC	12 months
77		Liase with the UMA unit supporting UMA members in implementation of ISO 14000 in order to review possibilities of sharing experience and cooperation (while acknowledging the fact that there are constraints given by the funding arrangements for ISO 14000 that exist at both UMA and UCPC)		UCPC	6 months
78		Re-examine possibilities of cooperation with the Nakawa Vocational Training Institute, including the possibility of introducing CP in their curricula		UCPC	6 months
79		Continue targeting primarily well established companies with potential for significant CP benefits; extension of the coverage to include micro-scale enterprises needs to proceed with caution and monitoring of efficiency (cost-benefit relation) of such activities		UCPC	12 months
80		Continue support to UCPC in order to achieve the above objectives; the support should include provision of basic portable measuring equipment		Mr. Eisa	12 months
81		Share the experience and lessons learned from the monitoring system and arrangements motivating companies to implement CP with other NCPCs		Mr. Eisa	9 months

## Acronyms used in the follow-up on recommendations

<b>EB</b>	UNIDO Executive Board
<b>FMC</b>	Fund Mobilization and Coordination
<b>MTCSS</b>	Medium term Competitive Strategy Secretary
<b>MTTI</b>	Ministry of Tourism, Trade and Industry
<b>NCDC</b>	National Curriculum Development Centre
<b>NVTI</b>	Nakawa Vocational Training Institute
<b>TCFC</b>	Training and Common Facility Centre
<b>TEXDA</b>	Textile Development Agency
<b>UCPC</b>	Uganda Cleaner Production Centre
<b>ULAIA</b>	Uganda Leather and Allied Industries Association
<b>UMA</b>	Uganda Manufacturers Association
<b>UNBS</b>	Uganda National Bureau of Standards

## INTRODUCTION

The independent evaluation of the Integrated Programme (IP) in Uganda was undertaken following UNIDO evaluation policy. This policy envisages that an in-depth evaluation be carried out during and/or at the end of the programme cycle to determine as systematically and objectively as possible the relevance, efficiency, achievements (outputs, outcomes, and impact) and sustainability of the programme. The evaluation assesses the achievements of the programme against its key objectives, as set in the programme document including the re-examination of the relevance of the objectives, and of the program design. It is also to identify factors that have facilitated or impeded the achievements of the objectives. This further inputs into subsequent phases as regards lessons learned, consolidation of successes and redressing problem areas with modification in design, implementation, strategies or stoppage depending on the findings. The evaluation ensures that the respective participating partners, Government, donors and UNIDO management, follow-up on the report recommendations.

The evaluation was carried out according to the Terms of Reference attached in Annex I. The field mission took place from 7 to 20 of December 2003 and was funded from UNIDO Regular Budget. The evaluation was carried out based on a participatory approach involving all stakeholders, IP team member, counterparts, donor representatives at field level and also with some institutions not directly involved in the project but with potential to impact on or be impacted upon by the project. The list of persons met is attached in Annex II. The evaluation team held some 60 meetings with UNIDO HQs and in the field. In addition to meeting all relevant counterparts and beneficiaries in Kampala the team carried out up country field visits to beneficiaries in 5 towns outside Kampala (Mityana, Mubende, Masaka, Mbarara and Mbale).

The evaluation team reviewed the self-evaluation reports prepared as background information for each IP component and took into account the following evaluations already carried out:

- UNIDO Programmes funded by Austria to Strengthen the Leather Sector in Uganda, 26 October 2002, by R.Temsch and M. Marchich.
- The evaluation carried out by Norway and covering the food industry sub-component, the textile sub-component and the sub-component supporting the Uganda National Bureau of Standards (UNIDO Uganda IP, Review Phase I and Assessment Phase II, dated 15 August 2003, by Erlend A. Sigvaldsen and Angela Katama).

This evaluation covers the IP performance at the programme wide level and identifies policy issues for the consideration of the Government and UNIDO in particular taking into account the upcoming Phase II of the IP. The evaluation reports also separately on each IP component. The already evaluated components have been reviewed mainly in order to identify sustainability issues and update or complement information. Focus is awarded to those sub-components that have not yet been subject to in-depth evaluation.

The evaluation was carried out by:

- Donatella Magliani, Director, Evaluation Group, Office of the Comptroller General, UNIDO, Team Leader
- Sarah Ssonko, National Consultant
- Jaroslav Navratil, Evaluation Consultant
- Weixi Gong, Evaluation Officer, Evaluation Group, Office of the Comptroller General, UNIDO

The Evaluation Team would like to express its thanks to the IP Team in Vienna and in the field for the support provided throughout the evaluation exercise and in particular in organizing the field mission.

## **PART I: PROGRAMME-WIDE EVALUATION**

### **1. Relevance**

***Relevance is the extent, to which the Programme addresses key industrial development constraints, is related to government policies and priorities, the Millennium Development Goals and other International Targets and is related to UNIDO corporate strategy.***

The UIP is of relevance to government development policies, in particular the Poverty Eradication Action Plan (PEAP), the Medium Term Competitive Strategy (MTCS), and the Plan for Modernization of Agriculture (PMA), the Strategic Export Programme (STRATEX) and the Government's industrialization policy, which at the time of the field evaluation mission, was in the process of being issued under a paper entitled "Framework for the industrialization in Uganda 2004-2009".

The PEAP is the main policy framework for poverty eradication. The main goal of the PEAP is to reduce absolute poverty to less than 10% by the year 2017 through economic growth and transformation, good governance and security, increasing the incomes and improving the quality of life of the poor. The PEAP guides sector policies like the PMA which aims at transforming and modernizing agriculture, the MTCS, which relates support mechanisms and strategies for making the private sector the central pillar in increasing incomes and reducing poverty and seeks to stimulate stronger supply response by removing constraints and distortions at micro levels in the economy. The strategic exports programme is designed to promote Ugandan export products and tap new markets. As regards the industrial sector, the goal of the Government is to establish a viable and sustainable industrial sector integrated with the rest of the economy through backward and forward cross-sector linkages. Industrial strategies aim at mitigating the impact of those factors hindering industrialization and rendering industry uncompetitive. These include inadequate skills, inappropriate technologies, limited access to information technology and low quality standards. Industrial policy priority is awarded to creating employment through labour-intensive industries and upgrading productive capacity especially through small-scale enterprises to harness their potential towards poverty eradication.

The UIP was designed with the objective to enhance competitiveness and sustainability of the industrial sector by awarding priority to key agro- industrial sub-sectors and small-scale enterprises. The programme addressed key constraints such as:

- The need to ensure food safety and quality particularly in the fish sub-sector, which are crucial aspects in integrating food industries into the export sector.
- The need to improve the competitiveness of Uganda's manufacturing sector through improved quality standards, the introduction of clean technologies and the integration with agriculture via post harvest operations.
- The need to upgrade skills and technologies in the textile and leather sub-sectors, and to address skills and entrepreneurship development in the SME sector.
- The need to promote investments and information networking.

While the approach and the constraints addressed were all of high relevance and priority, the extent of the results achieved under each of the sub-components and the effectiveness of the approaches followed varied. In certain instances major impact was achieved such as in the case of the fish sub-sector where the UNIDO support was instrumental in helping Uganda achieve the lift of the ban of fish exports to the European Union. In other cases, although priority constraints were addressed, more limited results were achieved due to the type of approach pursued, such as in the case of investment promotion and information networking. The report on the IP components will elaborate on this.

### **Findings:**

- **The UIP addressed key constraints of priority and high relevance for Government policies relating to industrialization, poverty alleviation, competitiveness, linkages with agriculture and the promotion of exports.**
- **The relevance of the approaches pursued in response to the identified constraints varied among components. In general the relevance and the strength of the UIP was that it addressed key policy issues in a practical and pragmatic manner, reaching in certain instances important results.**
- **The UIP can be seen as a frontrunner within multilateral assistance programmes on productivity, competitiveness and private sector development and has the potential of acquiring increased relevance for complementarities and synergies**

with other SME and private sector related multilateral programmes (e.g. by the WB, UNDP and the EC).

- The UIP provided an indirect contribution to the Millennium Development Goals relating to poverty eradication and the reduction of environmental degradation.

## 2. Ownership and sustainability

*Ownership is the extent of counterpart motivation and capability to plan, manage and absorb technical cooperation and provide inputs to achieve and sustain results. Sustainability is the capability to maintain and keep upgrading the results achieved, in particular the organizational capabilities.*

A distinct feature of the UIP was the high degree of involvement and ownership by government at highest levels, including the country's President who took personal interest in the Programme. The Ministry of Industry followed the development and implementation of the programme from close-by ensuring the continuous relevance of activities and adaptation to evolving needs. The reason for such interest was the capability of the UIP to address key policy issues relating to the alleviation of poverty, SME development, competitiveness etc. in a practical manner. The Government also appreciated the speed of delivery of UNIDO services and of response to emerging needs (e.g. fish export crisis, hydropower and rural energy). Value addition was seen in the modalities of implementation that facilitated dialogue and coordination among different stakeholders at Government and institutional level.

As outlined in detail in the components' chapters of the report, the evaluation also observed that counterparts were in general very committed and motivated and that in some instances the beneficiaries themselves were the driving force of successful components (e.g. MCP programme, leather component, food safety). The most successful components were those enjoying the support of the private sector (fish sub-component; MCP) and those that were building upon previous projects (e.g. food quality and safety, leather). However, ownership by the Organized Private Sector (OPS) can be strengthened. A stronger involvement of the apex industry organization, the Uganda Manufacturing Association (UMA), would have been beneficial to the programme in terms of ensuring a higher degree of closeness to and dialogue with the private sector. In other cases the interest existed but the Organization behind the component was weak (e.g. ULAIA, the Leather Association, USSIA).



## **Findings:**

- **Very strong ownership by Government at highest level was one of the main factors of success.**
- **Committed and motivated counterparts and beneficiaries were the driving force of successful components and prerequisites for success.**
- **The most successful components were those addressing clear-cut constraints identified jointly with the counterparts, addressing needs through approaches adapted to their needs and those having the private sector as the driving force.**
- **Successful components were those of long-term nature and building upon previous projects.**
- **Links with the organized private sector in some cases were limited, either because of the weakness of the relevant association or because of insufficient involvement and interest by the association.**

## **3. Programme design and formulation**

The IP document was elaborated first in July 1999 and subsequently revised (complemented by Component 5 and some other activities) in September 2000. To some extent the UIP reflects the weaknesses in design faced by all UNIDO “first generation IPs”. The development objective “to support poverty eradication and faster economic growth through promotion of micro and small enterprises and improved competitiveness and sustainability of agro related industries” was much too broad and remote. This is an inevitable consequence of the fact that the Programme includes 5 components pursuing too many objectives and outputs, i.e. 13 objectives and 41 outputs.

The programme document follows the logical framework but linkages between budget and outputs are not evident thus making monitoring and evaluation of efficiency a difficult task. Issues relating to sustainability and risks are hardly analysed; institutional analysis is weak and the organized private sector has been involved only to some extent in programme formulation.

The design stage has been in several instances too short to enable the identification with the counterparts of all the critical issues to be addressed and the most suitable implementation approach (e.g. post harvest). This led to generic approaches being applied in some cases without sufficient adaptation to local conditions (e.g. non fish food).

Result (success) indicators are vague in many instances.

As outlined in detail under the components' report, there was a major deviation between the original programme document and the activities that were actually implemented (e.g. SME). In some cases implementation has taken place without the support of a project document (e.g. UBIN) or the project document did not deal enough with sustainability (textile).

Despite these weaknesses, positive results could be achieved under most of the components because of the following main reasons.

Many of the components built upon previous assistance (i.e. rural SMEs, Leather, Textiles, support to the bureau of standards, food safety). This implied a good knowledge of counterpart institutions and critical issues to be addressed. Furthermore, UNIDO knowledge base, good practices and tools and methodologies have been of advantage in ensuring that activities of relevance to country/counterparts' needs were implemented successfully despite the above mentioned design flaws.

### **Findings:**

- **The UIP benefited from experience built in previous assistance. UNIDO knowledge base, good practices, tools and methodologies proved of advantage and counterbalanced to some extent existing design flaws.**
- **The UIP suffered of similar design flaws of all other “first generation IPs,” i.e. broad and ambitious objectives, pursuing the production of too many outputs, short formulation phase and weak institutional analysis.**
- **Involvement of the private sector in some components was insufficient.**
- **Sometimes generic approaches were utilized without adapting them enough to local conditions.**

#### 4. Funds mobilization

Table 1 below reflects the funding status (allocation and expenditures) by component and for the overall programme as of 31 October 2003:

**Table 1**  
**Integrated Programme: Uganda**  
**Detailed Breakdown of Financial Data for Each Component**  
**as of 31 October 2003<sup>a</sup> (In US Dollars)**

	Original IP Document (revised in Sept 2000)	PAD (Issued)*	(Actual) Expenditure	Percentage Spent
<b>General (Non-component) Item(s)</b>				
Field Programme Management Unit (UR, JPO, NCP, Secretary and Driver)	249,500	-	-	-
Evaluation Mission	-	41,500	36,685	88.4%
<b>Component I: Agro-related Industries</b>				
Component I A: Food Industry	1,278,000	2,188,963	1,953,912	89.3%
Component I B: Textile Industry	476,000	520,777	520,379	99.9%
Component I C: Leather Industry	905,000	347,544 <sup>b</sup>	345,911 <sup>c</sup>	99.5%
<b>Subtotal</b>	<b>2,659,000</b>	<b>3,057,284</b>	<b>2,820,202</b>	<b>92.2%</b>
<b>Component II: Micro and Small-scale Industries</b>	<b>1,106,000</b>	<b>959,080</b>	<b>927,968</b>	<b>96.8%</b>
<b>Component III: Investment Promotion</b>				
Component III A: Investment Promotion Techn. Mgmt. and Inf. Network	554,000	847,346	799,936	94.4%
Component III B: Joint UNIDO-Italy programme to establish Inv. Prom. Unit	1,000,000	634,389	511,734	80.7%
<b>Subtotal</b>	<b>1,554,000</b>	<b>1,481,735</b>	<b>1,311,670</b>	<b>88.5%</b>
<b>Component IV: Strengthening the Uganda National Bureau of Stand.</b>	<b>250,000</b>	<b>231,296</b>	<b>231,296</b>	<b>100.0%</b>
<b>Component V: Cleaner Production</b>	<b>789,000</b>	<b>908,850</b>	<b>608,876</b>	<b>67.0%</b>
<b>Total</b>	<b>6,607,500</b>	<b>6,679,745</b>	<b>5,936,697</b>	<b>88.9%</b>

\*Given the General Complexity of an IP, it is difficult to assign individual PADs/expenditures on a one-to-one basis to each (sub) component.

Source: UNIDO Database, October 2003.

<sup>a</sup> Exceptions: a) Evaluation mission was undertaken in December 2003 b) Component 1C includes an evaluation of projects implemented prior to UIP (Ref. US/UGA/02/064).

<sup>b</sup> Referring to the footnote 1 b).

The funding sources of the programme are indicated in Table 2 below.

**Table 2**  
**Integrated Programme: Uganda**  
**Detailed Breakdown of Financial Data of Donors**  
**as of 31 October 2003**

Donor / Funding Source	PAD (Issued)*	(Actual) Expenditure	Percentage Spent
Austria	940,377	639,231	68.0%
Denmark Programmable IDF	865,822	812,534	93.8%
Italy	1,188,389	1,046,474	88.1%
Japan	877,000	845,674	96.4%
Norad	1,381,392	1,345,315	97.4%
UNIDO Funding	1,426,765	1,247,469	87.4%
<b>Total</b>	<b>6,679,745</b>	<b>5,936,697</b>	<b>88.9%</b>

\*Given the General Complexity of an IP, it is difficult to assign individual PADs/expenditures on a one-to-one basis to each (sub) component.

Source: UNIDO Database, October 2003.

As shown by the above figures, the programme fared extremely well in terms of funds mobilization as full funding for Phase I was achieved. This is unique comparing the funding situation of the UIP with other IPs.

Donor representatives interviewed by the evaluation team provided a positive feedback on the UIP, which is perceived as a dynamic programme, relevant to country policies (esp. PEAP and MTCS) and complementary to donor programmes (e.g. Japan is focusing on education and vocational training; Norway on private sector development etc.). Field counterparts of UNIDO, with MTTI as the driving force, have played a key role in funds mobilization. Field level information flow with donors is considered good, although written reporting mechanisms require improvements (a point raised in particular by Norway). Reports should appraise donors on whole program rather than only on the components they are funding in order to enable them view the respective components in perspective/ context of the whole program.

UNIDO allocated a relatively large amount of seed money to the programme. As mentioned above, this allocation and subsequent implementation has taken place without backing of a project document, an issue that needs to be addressed by UNIDO management.

## Findings:

- **Excellent results achieved in funds mobilization (FM). There are good funding prospects for Phase II. MTTI and field programme staff/counterparts are the driving force in FM.**
- **Donor interest and support provided due to the clear linkages with PEAP and MTCS as key guiding policy documents as well as UIP complementary to bilateral programmes.**
- **Reporting to donors by HQs and modalities for seed money allocation require improvements.**

## 5. Implementation, management and coordination

Implementation is reported upon in detail under the report by components. At programme wide level it is observed that implementation and delivery of UNIDO services has taken place in an efficient manner with some exceptions. It was also observed that national experts played an important role in implementation but the budget allocated for this input was in some cases limited and constrained their engagement.

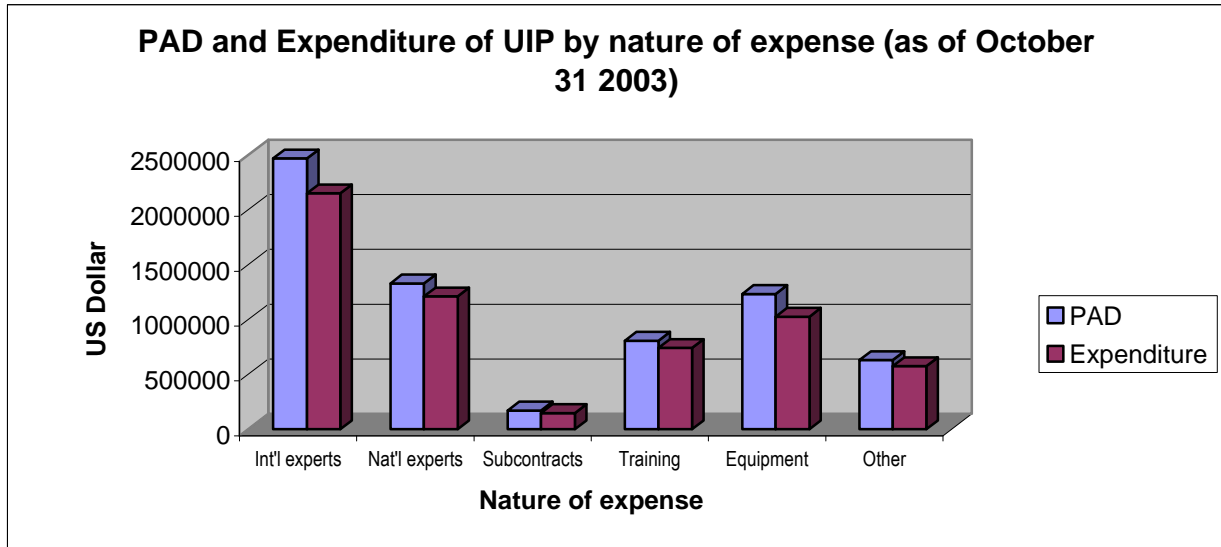
Table 3 and Graph 1 show the allocation of the total issued funds and expenditures by nature of expense as of October 2003. In general, the international (37%) and national (21%) expertise is the dominant share of the overall expenditure, while equipment shares 17% of the total.

**Table 3**

### **Ratio of expenditure of UIP by different inputs as of October 31 2003**

<b>Inputs</b>	<b>Int'l experts</b>	<b>Nat'l experts</b>	<b>Subcontracts</b>	<b>Training</b>	<b>Equipment</b>	<b>Other</b>
<b>% in total expenditure</b>	37%	21%	2%	13%	17%	10%

**Graph 1**



UNIDO inputs complemented with counterparts inputs were used to produce 33 outputs of the UIP for which funding was mobilized. After almost 90% of the funding had been disbursed by 31 October 2003 the level of output production was assessed as indicated in Table 4.

**Table 4**  
**Production of outputs**

Category	Sum of all outputs in each category
<b>MTP</b> (more than planned)	1
<b>AS</b> (As planned)	16
<b>SLP</b> (Satisfactory, though not fully as planned)	11
<b>LTP</b> (Less than planned)	5
<b>IT</b> (In trouble)	0
<b>Total</b>	<b>33</b>

$$\text{Performance ratio} = \frac{\text{MTP} + \text{AS} + \text{SLP}}{\text{Total}} = \frac{28}{33} = 85\%$$

The Field level coordination is a successful feature of the UIP and has proven instrumental in ensuring the delivery of services, the continuous adaptation to changing and emerging needs, the solution of problems, consolidated reporting and monitoring, synergy of activities and relevance of services. Field level staff has also been instrumental in ensuring continuous dialogue with the counterparts, and in particular MTTI as well as dialogue with bilateral donors and field level donor groups. However one important weak point was the fact that Programme staff was not allowed by UNDP policies to participate in interagency coordination and programming groups. This was one of the reasons why the UIP was not particularly successful in coordinating with UNDAF and other interagency activities.

The IP coordination mechanism was paid for by the Programme and consisted of one coordinator, one secretary and two drivers.

In addition, component coordinators (experts and/ or counterpart representatives) were appointed. Regular meeting have been conveyed by the programme coordinator with the component coordinators with the purpose of jointly reviewing progress and identifying scope for inter-component coordination and synergies. This activity led to very useful results that are outlined in the chapter reporting on synergies. At this point it might only be stressed that through this mechanism synergies were created amongst components and useful interaction established as a bottom up approach.

Field level coordination is a prerequisite for ensuring that the IP is implemented according to requirements. The evaluators therefore support the decision to sponsor a coordination mechanism from programme funds. It must however be noted that a uniform policy should be adopted by UNIDO to ensure that the same standards and funding allocation be provided under the different integrated programmes.

In addition to the direct programme coordination, the programme management structure consisted of the following:

- **Technical Committees** of all relevant counterparts and covering the Programme's key areas (food, leather, SMEs, Investment promotion, UNBS, NCPC etc.). The technical committees reviewed reports, expert CVs, progress of activities, funds mobilization issues etc. The success of this mechanism is shown by the high degree of ownership observed during the field mission and the overall satisfaction in terms of counterpart involvement in the decision making process regarding implementation (perhaps with the exception of USSIA that demands a higher degree of involvement in the implementation

of the SME component). This is a good feature of the UIP. It differs from other countries that faced difficulties with respect to counterpart involvement in the decision-making process regarding implementation.

- **Steering Committee** chaired by the Minister of Industry with the participation of business associations, counterparts and donors. The Steering Committee has been meeting twice a year and has been instrumental in ensuring programme monitoring by the stakeholders, sharing of information at high and broad level and ultimately national ownership.

The Team Leader, who held regular, albeit not too frequent team meetings, ensured HQs coordination. The evaluation team observed a good level of interaction coupled with a high degree of independence by the respective component managers, a point that was appreciated by all. Interaction was on the whole good, although a higher degree of synergies could have been achieved at HQs level. In certain cases (e.g. investment promotion and investment promotion unit) the communication between component managers was nil. The commitment and effectiveness of the team leadership was highly praised by the counterparts in the field and was validated by the evaluators. Team leadership was instrumental in particular in ensuring speed of response to emerging needs and ensuring relevance and effectiveness of services.

### **Findings:**

- **Implementation features most appreciated by the counterparts and donors were the speed of delivery, the transfer of knowledge, practical experiences and solutions.**
- **International experts had a strong capacity building effect. National experts (all those met by the evaluation team were of high quality) are now working with the counterparts or de facto running the respective components, a clear sign of success and potential for sustainability. However, their more extensive engagement was constrained by inadequate budget appropriated for this input.**
- **Implementation was carried out in a flexible manner, adjusting to changing conditions (e.g. MCP, fish component, NCPC).**



- **The field level coordination and management mechanism is a good practice and can be referred to as a model case for other IPs.**
- **HQs level coordination and interaction was good; the committed and effective team leadership was instrumental for successful activities.**
- **The absence of a UR or a National Representative is a problem with respect to UN system coordination and contribution to policy dialogue**

## **6. Synergy and integration within the programme and with other bilateral and multilateral programmes**

The concept of integration relates to the following levels:

- Integration with national development priorities (this aspect is addressed in the evaluation report under Relevance)
- Integration within the Programme
- Coordination with UNDAF and other multilateral and bilateral programmes

### ***6.1 Integration within the programme***

Integration of components within the Integrated programme results from cooperation among the UIP team members responsible for delivering UNIDO services and among counterparts supported by these services (interventions). An overview of cooperation among components of the IP is summarized in table 5.

Component 1A (Food) and Component 2 (SME) were the most effective ones in cooperating with other components. There was scope for larger cooperation particularly in the field of investment promotion (for example, neither the UNIDO Project Manager backstopping Sub-component 1 C nor ULAIA were consulted on investment promotion activities going on in the leather sector under the Sub-component 3 B). However, in general the potential for cooperation among the components was fairly well exploited.

The cooperation was arranged primarily in the field, the backstopping officers at HQs were not very much in contact on this aspect of implementation.

The most frequent form of internal integration was targeting the same counterpart (UNBS, MCP Advisers) or beneficiaries (fisheries; trainees in leather and textile). The resulting synergy effects from this type of integration can be seen in cost saving and increased effectiveness of the developed capabilities.

**Table 5**  
**Cooperation among Components**

COMPONENT	1A	1B	1C	2	3A	3B	4	5
1A Food								
1B Textile								
1C Leather		x <sup>a</sup>						
2 SME	x <sup>f</sup>	x <sup>c</sup>	x <sup>b</sup>					
3A Network								
3B IPU								
4 UNBS	x <sup>d</sup>							
5 UCPC	x <sup>e</sup>							

<sup>a</sup> Designing and producing products combining textile and leather (shoes and handbags).

<sup>b</sup> Several leather goods entrepreneurs trained by TCFC (Sub-component 1 C) were trained also by Component 2 as MCP advisers.

<sup>c</sup> 15 MCP advisers were trained by Sub-comp 1 B as textile advisers. Vice versa, these advisers, among others, promoted the training courses of TEXDA among tailors in their regions. The cooperation was initiated and arranged in the field.

<sup>d</sup> The UNBS microbiology laboratory was selected for certification in order to complement support provided by Comp 1A to the fish sector. Quality assurance systems were also promoted particularly in the food sector companies supported by Comp 1A.

<sup>e</sup> UCPC supported (among others) fisheries (Eco-benefit, ISO 14000) and in some cases built on the work done by Comp 1A. However, selection of some fisheries resulted from a previous Global Environment Facility (GEF) project on Lake Victoria and not from coordination among the IP components. One SME supported by Comp 1A in introducing appropriate technology participates in the Eco-benefit programme to test applicability of CP to a very small company.

<sup>f</sup> Very fruitful cooperation was established with the MCP by training directors or managers of the post-harvest pilot centres as MCP Advisers.

## **6.2 Coordination with UNDAF and other multilateral and bilateral programmes**

As explained above the fact that Programme staff was not in a position to participate in interagency coordination and programming groups was one of the reasons why the UIP was not particularly successful in coordinating with UNDAF and other interagency activities. Actual coordination evolved from “bilateral” contacts at operational (project) level and can be compiled as follows:

### **Component 1A (Food):**

**FAO:** cooperation in updating of regulations in the fish sector and in training of fish inspectors

**DFID:** cooperation in carrying out fish icing trials

### **Component 2 (SME)**

**DFID:** coordination of work, discontinuation by UNIDO of activities in SME policy

**UNDP:** consultations on EDP and the Private Sector District Promotion Centres programme

### **Component 3A**

**UIA-UNCTAD:** a workshop on customer care in investment promotion was organized jointly; cooperation in updating an investment guide prepared by UNCTAD and envisaged joint publication.

**UCDA-FAO/CFC:** cooperation in programmes for the enhancement of Ugandan coffee, particularly for Quality Improvement through Prevention of Moulds and Gourmet and Organic Coffee Production.

UBIN sold some information to the World Bank-supported Uganda Development Gateway; long-term (business) cooperation is envisaged. There exist possibilities for cooperation with USAID financed SPEED and IMPACT, EU financed SUFFICE and UNDP-supported Private Sector District Promotion Centres (now reconstituted as Private Sector District Promotion Companies).

Cooperation with some programmes was constrained by their exclusion criteria. For example cooperation of UNBS with the Private Sector Foundation Uganda (PSFU) and UMA in certification of ISO 9000 was not established because UNBS as Government-funded organization is not eligible for subsidies from the PSFU managed Business Uganda Development Scheme – Enterprise Development Support (BUDS-EDS). For similar reasons

there was no cooperation with UMA in the ISO 14000 programme. Political intervention may be needed to open doors for cooperation with these programmes.

New areas for coordination and cooperation with other programmes may be derived from a more active participation in UNDAF programmatic activities.

### **Findings:**

- **Potential for cooperation among the components was fairly well exploited.**
- **Cooperation among components was arranged primarily in the field**
- **The most frequent form of internal integration was targeting the same counterpart or beneficiaries by one or more components. The synergy effects from this type of integration can be seen in cost saving and increased effectiveness of the developed capabilities.**
- **Coordination with external programmes evolved from “bilateral” contacts at operational (project) level; new areas for coordination and cooperation with other programmes may be derived from a more active participation in UNDAF programmatic activities.**

## **7. Programme results**

Overview of results (outputs produced and outcomes and impact achieved) is structured according to the level of intervention as follows:

- policy level
- institutional level
- industry and community level

Besides, results in Human Resource Development are singled out even though in most cases they could be related to the developed institutional capabilities.

In most cases it takes long time for technical cooperation interventions to trickle down and show impact at industry level. The Uganda Integrated Programme is one of the few UNIDO programmes that succeeded in achieving significant impact already during the years of implementation. Two cases are highlighted separately.

### ***7.1 Impact at sector level***

- Lifting of the EU ban on import of fish from Uganda resulted in considerable increase of fish export from Uganda. When the first ban was imposed in 1997, the export plunged from the 1996 peak of almost USD 40 million to USD 28 million. When the ban was finally lifted in October 2000 the export soared to USD 80 million and became the highest export earner in 2002. Approximately 700,000 people are employed by the sector directly or indirectly. The critical role of the UNIDO Integrated Programme in lifting the ban is explained in the report on Component 1A.
- The other area with measurable impact at industry level is cleaner production. The total annual savings by companies that participated in the first two eco-benefits programmes is reported at USD 800,000.

### ***7.2 Results at policy level***

- Significant professional contribution to food safety policy: the National Food Safety Bill and the National Food Safety Strategic Plan of Action were drafted and submitted to the Government; the Food and Nutrition Policy was adopted by the Food and Nutrition Council
- The Government formally approved the incorporation of the Entrepreneurship Development Programme (EDP) in all secondary schools in the public sector nationwide to start in February 2005. This will involve 400,000 students annually.

### ***7.3 Results at institutional level***

- In the fish sector a quality and safety assurance system meeting EU requirements was institutionalised, with inspection authority vested in DFR and with UNBS and Chemiphar accredited to carry out testing for verification of food safety. DFR is now strong and competent enough to discharge its mandate (15 trained inspectors at DFR, 50 inspectors at sites, Manual of Standard Operating Procedures, computer based inspection monitoring system).

- The microbiology laboratory of UNBS (4 staff) obtained international accreditation. Clients are satisfied with quality of services but capacity utilization is still low.
- The metrology laboratory of UNBS was strengthened through advice and training but it still lacks pressure, temperature and force measurement capacity to become a full-fledged metrology laboratory. Similarly the Chemical laboratory was strengthened by advice and training but the laboratory is short of some vital equipment.
- A new Textile Development Agency (TEXDA) was established and acquired capacity to deliver some services, such as training and procurement of raw materials for SMEs; they have also their own production facility and a sales outlet. Training was the most significant service. The production employs approximately 10 people. Professionally the 7 trainers are competent enough to sustain and upgrade the level of training and other services but in financial terms the services are not yet sustainable.
- The Training and Common Facility Centre (TCFC) was strengthened and has become a well-established service organization for the footwear and leather goods sector with 4 professional staff (3 trainers), dedicated management and some procedures in writing (maintenance). Quality brands “Crane Shoes” and “Lambertini” were introduced and promoted. Based on the good reputation TCFC managed to get a number of orders from various organizations and agencies so that their own production became the backbone of their income generating activities. In spite of that financial sustainability of TCFC is still uncertain.
- A new Uganda Cleaner Production Centre (UCPC) was established, with two qualified professionals and methodological tools in place. To cope with the increasing activities the Centre needs strengthening in terms of staff and some basic portable measuring equipment. Capacity to promote cleaner production is well developed; results at industry level are significant and contribute to visibility of UCPC; problem of financing more sophisticated CP technology changes remains unresolved. To continue operations, UCPC needs further financial support.
- The core organization of the Uganda Business Information Network (UBIN) was established. UBIN reached a situation of having 10 staff delivering mainly ICT training and Internet services. While UBIN manages to recover operating costs and financial

sustainability seems possible, it needs improvement (information services still marginal, network not yet operational).

- As elementary institutional framework for the Master Craft Programme (MCP), 7 MCP offices at district level were established. In most cases, MCP district offices are modest one-man shops with basic office equipment, often sharing the office with the branch office of USSIA or Gatsby Fund or both, thus creating better conditions for sustaining operations.
- Namamve Industrial and Business Park was officially opened in January 2002. However, out of apparently 90 companies from 10 countries that expressed interest in investing in the Park, only Coca Cola has invested so far.
- The UIP assisted in establishing three new associations: the Uganda Cottage Food Processors Association (UCOFPA), the Uganda Apiculture Development Organization (TUNADO) and the Women in Textiles Association (WOTA); in the fisheries sector an Association of Quality Assurance Managers was established upon initiative of the managers themselves to sustain the progress achieved.

#### ***7.4 Results in human resource development***

- Over 200 national experts trained in food safety/quality assurance.
- Twenty boat builders were trained how to improve the design and construction of transport boats.
- Out of 102 participants at the MCP Adviser Training Programme, 75 are active as MCP advisers.
- Entrepreneurship Development Programme (EDP) was piloted in 10 secondary schools and one vocational training institution; in the course of this operation 39 teachers were trained and over 8,000 students involved.
- The textile component trained about 300 people, with some additional people trained or at least sensitised by the trainees themselves and by the 15 MCP advisers trained by the project as textile advisers.

- The leather component trained 267 shoemakers and leather goods producers, including 30 women trained in leather goods in two districts; some of the trainees established self-help groups.
- Over 220 professionals from various organizations and 650 entrepreneurs were trained in investment promotion.
- UBIN trained in total 158 people, mainly in M/S Office, accounting and desktop applications.
- More than 400 people were exposed to an awareness raising campaign on ISO 9000, including in-house training in some companies.
- UCPC trained almost 150 people in Cleaner Production (99 in short term training, 49 in training longer than 2 months).

### ***7.5 Results at enterprise and community level***

- 1500 micro and small-scale industries benefited from advice and training by MCP advisers. Summary of a survey sample of 160 assisted companies indicated a profit increase of 50% for small enterprises and 200% for micro enterprises. Besides, 33 self-help groups were formed.
- GMP and HACCP were introduced or are under implementation in all 10 fisheries exporting to EU, 3 fisheries were certified ISO 9000.
- Fish icing was introduced and is practiced as part of Good Handling Practices on board of transport boats and at landing sites. Broader application of good handling practices by the thousands of fishermen still requires considerable promotional effort.
- There has been no follow up by boat builders in construction of the two pilot boats but simplified improvements to minimize leakages were introduced.



- Three companies in the non-fish sectors implemented GMP and HACCP. One implemented a Quality Management System based on ISO 9000 and got certification, while another one started the process.
- Seven small-scale dairy processors implemented GMP and met the regulatory requirements.
- 10 honey collectors and processors were strengthened through some equipment and training and constituted as honey collection centres. However, on the large scale the results in terms of appropriate honey collection, processing and export sales have been modest so far.
- 8 post harvest pilot centres were established, out of which two are operational (tropical fruit driers) and 6 (cereals, beverages, and fruits/vegetables) others are under implementation. The two operational fruit drying companies managed to have the dried fruit certified for EU so that they export a large part of the production to Denmark.
- Several changes in production and marketing of coffee resulted from implementation of UIP recommendations by UCDA:
  - Reintroduction of washed robusta and entering specialized markets; some 300 bags are being exported every month.
  - Revision of the robusta coffee grading system, resulting in higher selling prices.
  - Roasting of coffee abroad; Ugandan coffee is now roasted in 8 countries with Ugandan identity.
  - Trial production of soluble coffee; however, the price is not competitive, local consumption very low and the market competition in the region very tough.
- 14 agreements and several letters of interest were reported at the end of numerous investment promotion missions; 9 business contracts were reported to be under implementation at the time of the evaluation mission.

- In Cleaner production, 20 plants were exposed to an in-depth assessment and implemented numerous improvements resulting in environmental and economic benefits (amounting to annual cost saving in the order of USD 800,000). At the time of the evaluation mission 7 companies were assisted in implementing ISO 14000.

### **Findings:**

- **UIP managed to achieve significant and statistically verifiable economic and social impact in the fish sector.**
- **Other immediate tangible results at industry level were scattered over several sectors (cleaner production) or over 1500 micro and small industries (MCP). In the coffee sector UIP provided advice but good results in their implementation were achieved through activities of national stakeholders (particularly UCDA) themselves.**
- **Implementation of pilot centres for appropriate technologies in the food sector has not progressed enough to play the anticipated demonstration function yet.**
- **Institution building activities were extensive and achieved good results particularly when they were an integral part of a broader programme (quality and safety infrastructure in the fish sector, in particular DFR and UNBS) . Most of the institutional capabilities developed by UIP managed to generate and meet demand for their services (UCPC, TCFC, TEXDA, UBIN) but in most cases further support is needed to deliver public goods services or to achieve financial sustainability.**
- **Training services of the above institutions or direct training by UIP contributed significantly to the development of human resources in the country. More than 1000 people upgraded their professional skills through training, more than 1500 people participated in short-term training and awareness raising programmes; approximately 8000 students attended lessons in Entrepreneurship Development.**

### **8. Issues and recommendations with focus on Phase II**

Considering the advanced stage of implementation of Phase I and the fact that UIP has already started entering Phase II (a programme document “Agro-processing and Private Sector

Development” was prepared in October 2003,) the evaluation considered it useful to look into past experience, evaluation findings and planned activities from an “appraisal” perspective.

Reproduced below are the key issues identified by the evaluation in light of the upcoming Phase II of the UIP and the relating recommendations.

### ***8.1 Issue 1: Policy and practice***

According to the counterparts, donors and as validated by the Evaluation, the UIP strength was its practical constraint-solving approach and the speed of delivery according to needs. The practical experience acquired and that will be continued under Phase II can be optimised and leveraged by feeding it into policy development and implementation. The evaluation identified the need for stronger policy linkages and the potential benefits of including a policy dimension in particular with respect to the leather and textile sub-sectors and the SME component.

The programme document for Phase II does envisage the strengthening of the capacity of the MTTI Department of Industry and Technology in the development of sectoral and sub-sectoral policies, e.g. agro-industrial policies and programmes. The MTTI is envisaged to be strengthened in industrial sector analysis with focus on selected agro-industry value chain analysis and the establishment of an information database including staff training for its operation and update. The evaluation recommends that Phase II go beyond this for the following reasons:

- The President of Uganda when attending the December 2003 General Conference requested UNIDO to assist Uganda in preparing a blueprint on the country’s industrialization.
- The Medium Term Competitive Strategy in place since 2000 and coordinated by the Ministry of Finance is a framework for crosscutting issues for private sector development including among others finance, appropriate trade regimes and investment. The strategy however lacks analysis on how to address the supply side constraints of manufacturing productive capacities at the sub-sector industrial level. The strategy has not performed well in terms of implementation and action is being taken now to speed up implementation, among others through a newly created Secretariat. This Secretariat will coordinate and monitor the MTCS implementation process and interface with donors, government and other stakeholders. The speedy and practical implementation of the MTCS could benefit from practical experiences and industry specific policy advice from

the UIP. MTTI will be expected to formulate sector indicators on which MTCS Secretariat can base the monitoring of progress in the Industrial Sector. UIP could assist in building capacity in MTTI to develop such indicators.

- To date there is no SME policy in Uganda but guidelines. The MTCS includes a section on SMEs. The UIP originally envisaged the drafting of an SME policy, an activity that was subsequently dropped because DFID was supposed to work on this issue. As far as the evaluation could find out, little progress has been made so far in this context. Everybody in Uganda, national and donor representatives alike, stressed forcefully that “SMEs do not have a voice”.
- UNIDO could offer its experience in producing SME specific policy papers. A recent experience in Tanzania, for instance, proved successful and could be used as a model. The policy paper produced with UNIDO support was an interactive process involving considerable consultation and validation with stakeholders and serving the purpose to raise the profile of SME issues in the poverty debate. The Tanzania paper includes 13 policy statements, a strategy for implementation and an action plan incorporating specific “projects” to implement the strategy. This paper is helping the Ministry of Industry a great deal in making its apex industrial policies operational.
- All industry related policy documents stress the need to stimulate local investments in strategic areas and to remove impediments to accessing regional and international markets. As far as the evaluation team could gather, there is a need for deepening the analysis of industrial sectors from a regional integration and benchmarking perspective. UNIDO could offer Uganda its experience and methodologies for studying the industrial situation and identifying the potential of industrial sub-sectors and rating competitiveness based on the UNIDO score card methodology (already tested in Nigeria and other countries).
- Various stakeholders in industry indicated during the evaluation that the micro finance provided under existing schemes is not appropriate for the needs of industry. Also, there are many ongoing activities to streamline the micro finance sector in Uganda. This is therefore the opportune time for UNIDO/ UIP to contribute with advice in this field and to help fill this gap.

- The evaluation identified the need for a stronger involvement of the Organized Private Sector, in particular UMA, in UIP activities. Furthermore, the Managing Director of PTC identified a request for closer cooperation with UMA during a recent mission to Uganda in October 2003. Within this framework the evaluation suggests for instance that the existing sub-sector groups of UMA be utilized in the context of policy formulation and particularly implementation. This would strengthen the private sector orientation of the exercise and support in a concrete manner private/public dialogue.

## **Recommendations**

**The recommendations reproduced below can be implemented as a package or considered one by one for implementation according to government's needs and priorities:**

- **In light of the need to strengthen public/private dialogue and in order to make the industrial policy framework of Uganda operational, consider establishing private sector led task forces (MTTI and sector group of UMA) to develop or enhance action oriented strategies and plans for (selected) sub-sectors for which this has not been done so far. In support to the above, strengthening of MTTI should go beyond the activities envisaged in Phase II.**
- **Consideration could be given to study the current industrial situation in Uganda using UNIDO methodology for competitiveness analysis and benchmarking (UNIDO score card methodology).**
- **Consideration could be given to preparing an SME policy following the Tanzania model. This should be closely linked with the ongoing SME and private sector debate and the activities coordinated by the MTCS Secretariat.**
- **Include a regional integration perspective in the policy analysis and strategy.**
- **Develop indicators and establish capacities in MTTI for monitoring industrial development progress as contribution to MDG 1 (poverty below 10% in 2017) and to establish indicators for use in monitoring of progress in industry by MTCS. Closely liase with MDG related exercises being carried out under UNDP leadership.**

- **UNIDO Management should consider allocating Regular Budget seed money (programmable resources) to this core issue that might not be able to mobilize donor funding in the short term. The government should provide co-funding in cash or in kind to underline ownership.**

### ***8.2 Issue 2: Complementary activities***

The UIP cannot obviously address all the issues relating to SMEs. One of the weaknesses of Phase I of the Programme was the limited direct linkages and synergies with other relevant multilateral and bilateral Programmes. Prospects of impact and sustainability of Phase II can be enhanced by establishing closer linkages with complementary issues that are being addressed by Ministries other than MTTI and other multilateral/bilateral donors. Issues of complementary relevance are in particular those relating to micro financing, mobilization of domestic investments and SME enabling environment. Establishing cooperation will require willingness of the potential partners. The Government should play an active role in promoting cooperation between the UIP and other relevant programmes.

### **Recommendations**

- **Cooperate with the MTCS Secretariat in particular with respect to the following ongoing activities: formulation of the Medium Term Competitive Strategy for private sector development, promotion of strategic agro industrial export products, micro-finance for SMEs.**
- **Link with MTCS related EU and WB Programmes on production, competitiveness and private sector development (according to information gathered by the evaluation mission, these programmes are at present being formulated).**
- **Establish linkages with the WB/IFC/APDF micro enterprise initiative on micro-financing and SME enabling environment (follow the approach of Nigeria where programmatic cooperation is taking place successfully)**

### ***8.3 Issue 3: Linkages with UNDAF***

UIP and UNDAF have been weak in linking with each other under Phase I. The reason is the absence in Uganda of a UNIDO Representative and the fact that programme staff is not allowed

to participate in UN/UNDP coordinated programming and conceptualisation groups. An excellent opportunity for closer cooperation following also new UN mandatory field coordination policies is the fact that UNDAF II process will start in 2004 coinciding with the UIP II cycle.

## **Recommendations**

- **UIP II to closely link with UNDAF II also considering that the cycles coincide. Private sector development, SMEs, environment and the new post-conflict programme in Northern Uganda are common priority areas.**
- **Concrete opportunities for synergies exist in particular at district level, notably the MCP and information networking UIP activities.**
- **UNIDO in consultation with the Government should look into the issue of field representation in Uganda to facilitate the coordination process. The option of nominating a National Representative could be considered on priority basis.**

### ***8.4 Issue 4: Funds Mobilization***

Phase II has been formulated as a framework and conceptual papers prepared and used for mobilizing funds with donors. FM activities have so far taken place mainly at field level with some promising results. The process of mobilizing Trust Funds from bilateral donors should continue also considering that other country level funding modalities such as basket funding or budget support are limited for activities relating to productivity improvements and the manufacturing sector.

## **Recommendations**

- **To optimise FM efforts, an institutional support approach in FM by HQs is needed, in particular in order to establish priorities with respect to core and non-core Phase II activities and to ensure to the extent possible full funding. This will be required in order for the UIP to be implemented as a package and benefit the country with synergy effects.**
- **Donors should be involved in the design of Phase II full fledged documents.**
- **Written reporting to donors should be agreed upon with them in advance.**

- **UNIDO seed money should be allocated to the extent possible up-front to ensure that strategic and key activities such as policy advice are implemented on priority basis.**

### ***8.5 Issue 5: Implementation and management***

There were no serious problems in this field in Phase I (except for coordination with UNDAF dealt with above) but improvements in Phase II can be achieved in creating better conditions for the work of national experts and in standardizing the process of selection of international experts and monitoring their work by the UIP office and counterparts.

#### **Recommendations**

- **Acknowledge the positive role and contribution of national experts and allocate sufficient budgetary resources for their input.**
- **Ensure that the UIP office and counterparts can play a role in reviewing job descriptions, selecting and monitoring work of every international expert.**

### ***8.6 Issue 6: Impact and sustainability***

As outlined in detail under the components' report, the most successful activities were those addressing clear-cut constraints and having private sector associations as a driving force. Good and motivated industry associations are a prerequisite for ensuring sustainability and the achievement of results. Also, successful components were those building upon previous assistance and having a medium to long-term time span (e.g. food quality and safety). The evaluation therefore fully supports the continuation, diversification and deepening of ongoing activities and recommends phasing out only of those components that have achieved the planned objective or which did not prove sufficiently relevant in terms of the approach pursued.

#### **Recommendations**

- **Phase II documents should include baselines considering the results of Phase I and quantitative/qualitative result indicators.**



- **The full-fledged documents for Phase II should be:**
  - **Fine-tuned and implemented with OPS**
  - **Focus on the key constraints faced by priority sub-sectors**
  - **Continue awarding priority to institutional capacity building**

### ***8.7 Issue 7: Approach and core areas of Phase II***

The Phase II programme document is in principle well conceived in terms of contents but its break down along three objectives (capacity of the support framework and human resources – capacity of SMEs – business partnership) is rather unfortunate because it dilutes the sector approach. Besides, in practical terms it is very difficult to adhere to this break down so that under the Support Framework one finds interventions at company level (for example introduction of GMP and HACCP in food factories) and vice versa, the SME objective includes numerous elements of institutional (“support framework”) nature (for example Post-harvest pilot centres, TCFC, TEXDA, the UBIN district business resource centres, etc.).

Recognizing the fact that preparation of the Phase II document advanced to the stage when it would be difficult to introduce radical changes in the structure the evaluation recommends that at least the detailed comments under the respective components provided in Chapter II of this report be considered. As a general observation, the evaluation recommends that a sub-sector approach and focus be followed. Critical issues should be identified within the context of a more comprehensive sector review.

### **Recommendations**

- **The entry point for Phase II should be the critical issues in the following sub-sectors: food, leather and textile/garments as well as the cross-sector issues relating to rural energy. In the food sector some additional pointed support is planned for the fish and coffee sub-sectors but the main and full-fledged attention should be paid to a limited number of 2-3 sub-sectors, including honey.**
- **The issues to be addressed in the above sectors should be identified within the context of a comprehensive approach covering policy, institutional capacity building, skills improvement, technology demonstrations (including cleaner production), information, and market development. The table reproduced below provides a picture of the suggested approach and interventions as they appeared to the evaluators. This is however not a blueprint; it can be modified particularly if**

additional consultations with OPS take place. For more detailed recommendations see the reports on individual (sub) components.

**Table 6**  
**Outline for interventions by UIP Phase II**

	<b>Food (1-2 new sub- sectors)</b>	<b>Honey</b>	<b>Fish</b>	<b>Coffee</b>	<b>Leather</b>	<b>Textile/ Garment</b>
<b>Policy</b>	X				X	X
<b>Institutional CB</b>	X	X			X	X
<b>Skills</b>	X	X	X		X	X
<b>Technology</b>	X	X	X		X	X
<b>Quality/Safety</b>	X	X	X			
<b>Information/Investment promotion/marketing</b>	X	X		X	X	X
<b>Cleaner production</b>	X		X		X	X

## PART II: EVALUATION OF (SUB-) COMPONENTS

### 1. Ranking of (sub-) components by selected criteria

The Integrated Programme consists of 12 distinct Components or Sub-components (further on referred to as Components). In the course of evaluation, the team undertook an effort to rate each of the Components along four criteria, using a numerical scale 1 – 5, with 5 being the best rating value.

The following criteria were selected and applied:

**Relevance:** What is being done:

- Is it actually needed (addressing key constraints actually felt by beneficiaries)?
- Is it related to Government priorities, UNIDO corporate strategy and Millennium Development Goals?

**Ownership:** Motivation and capability of the national partners to plan, manage and use (absorb) technical assistance and provide inputs to sustain the results.

**Results:** Outputs produced, outcomes and impact achieved.

**Sustainability:** Capability of the partners to maintain and keep upgrading the results, in particular the institutional capabilities.

**Table 7**  
**Rating of Components on the scale 1 – 5**  
**according to the above criteria yielded the following results:**

COMPONENT	RELEVANCE	OWNERSHIP	RESULTS	SUSTAINABILITY	TOTAL
1 A Food safety	5	4	4	4	17
1 A Post harvest	4	3	3	4	14
1 B Textile	3	3	4	2	12
1C Leather (TCFC)	4	4	4	3	15
2 MCP	5	4	5	3	17
2 EDP	4	4	4	4	16
3A UIA	3	4	2	4	13
3A UCDA	4	4	3	4	15
3 A UBIN	3	3	3	3	12
3 B IPU	3	2	3	1	9
4 UNBS	5	4	4	3	16
5 UCPC	4	4	5	3	16
<b>Total</b>	<b>47</b>	<b>43</b>	<b>44</b>	<b>38</b>	<b>172</b>
<b>Average</b>	<b>3.91</b>	<b>3.58</b>	<b>3.66</b>	<b>3.15</b>	<b>14.3</b>

It is understood that the rating and resulting ranking is not a scientific exercise. In most cases the rating is not supported by quantitative data or measurable indicators. It may be also argued that aggregating values allocated to different criteria may be questionable. While recognizing all these reservations, the exercise still can serve the purpose of capturing and conveying in a concise way to the readers the consolidated views of the evaluators. (Allocation of the values to Components was discussed first within the evaluation team and thereafter confronted with the field staff.)

It should be also understood that the rating is related to Component interventions, not to the counterpart organizations (for example in case of Comp 3A the rating applies to the UIP support to UIA or UCDA, not to UIA or UCDA as such).

If one takes the rating level 3 on the scale as a proxy for “acceptable” or “neutral”, then the average values indicate that the IP as a whole reached or exceeded this level in all criteria. It is worth noting that particularly Relevance, Results and Ownership could be on average considered as satisfactory.

There are, as apparent, considerable differences among individual components. The highest possible mark for a Component is 20; the lowest possible mark is 5, with the mark 12 (=3x4) indicating a proxy for “acceptable” or “neutral”. The ranking of Components is as follows:

**Table 8  
Ranking of Components**

<b>RANKING</b>	<b>MARK</b>	<b>COMPONENTS</b>
	<b>20</b>	<i>Maximum achievable</i>
<b>1</b>	<b>17</b>	<b>Food safety; MCP</b>
<b>2</b>	<b>16</b>	<b>EDP; UNBS; ECPC</b>
<b>3</b>	<b>15</b>	<b>Leather (TCFC); UCDA</b>
<b>4</b>	<b>14</b>	<b>Post harvest</b>
<b>5</b>	<b>12</b>	<b>Textile; UBIN</b> <span style="float: right;"><i>Neutrality value</i></span>
<b>6</b>	<b>11</b>	<b>UIA</b>
<b>7</b>	<b>9</b>	<b>IPU</b>

From the above table it follows that a great majority (8 out of 12) of Components performed better than “acceptable.” Only two Components performed slightly less than acceptable. (This corresponds with the average Component value 14.3 for the whole IP,

as calculated above.) While recognizing the reservations mentioned above the best overall ranking of Food safety (part of Component 1A) and MCP (part of Component 2) is without any doubt.

As technical cooperation involves many stakeholders, the overall performance of the Components, good or bad, cannot be attributed to only one of them. Besides, the socio-economic framework may be very different from sector to sector. Therefore the overall ranking of Components does not measure performance of any of the stakeholders alone, be it the Component Manager, the UIP office, the counterpart organization hosting the Component, etc.

More analytical insight into the Components is provided in the Component reports in the following part.

## 2. Component 1 A: FOOD INDUSTRY SECTOR

### *Budget (excl. support costs) and expenditures (USD)*

	IP budget		Funding Oct 2003			Expenditures 31 Oct 2003	% of PAD
	Original July-99	Revised Sept-00	PAD	% of budget			
				Orig.	Rev.		
<b>Food safety</b>	1,278,000	1,278,000	2,188,963	143	143	Approx. 1,623,912	89
<b>Technical + CP</b>							
<b>Post harvest</b>							
<b>IP management</b>	249,500	249,500				Approx. 320,000	
<b>Total</b>	<b>1,527,500</b>	<b>1,527,500</b>	<b>2,188,963</b>	<b>143</b>	<b>143</b>	<b>1,953,912</b>	

### 2.1 Funding

#### *Exceeding by far the budget; essential role of Norway*

The Food sub-component is the largest single segment of the Integrated Programme, its budget representing approximately 20% of the whole IP budget, the share in the implementation (expenditures) being even larger (approximately 27%).

As the primary allotment holder for this sub-component is also the Team Leader and there are no separate budgetary allotments for his administrative and coordination activities, it is unavoidable to consider the PADs issued for this sub-component as covering the IP management as well. It can be estimated that expenditures related to IP management include approximately USD 80,000 as office investment (including cars) in the initial phase plus approximately USD 60,000 annual expenditures for coordination (altogether approximately USD 320,000).

Funds mobilization for this sub-component (including IP management) was very successful and exceeded the original budget. This is further accentuated by the fact that one of the three elements of the sub-component (upgrading processing technologies

and introducing Cleaner Production - CP) was later, before completion, taken over by a new Component 5, for which additional funds were mobilized.

Funding was secured primarily (49%) from Norway; the remaining part was funded (per parts, some of it at later dates) from UNIDO resources (regular budget and Danish contribution to IDF). If related to the original budget of the food sub-component alone, the Norwegian funding would amount to 84%. Undoubtedly the Norwegian funding was decisive and instrumental in launching and implementation of the sub-component.

## **2.2 Design**

***Complex structure with several sub-sectors. Rather ambitious, holistic approach (including policy) applied in food safety and fish sector in particular.***

To some extent the sub-component builds on a preceding UNIDO Regional Programme on Application of Quality Principles to the Food Processing Sector, which included Uganda. The sub-component consists of 12 outputs broken down in 3 clusters according to 3 Immediate Objectives:

- Food safety and quality assurance (Outputs 1-7)
- Upgraded and clean technologies (Outputs 8,9)
- Post-harvest and micro-scale processing technologies (Outputs 10-12)

Each cluster deals with institutional framework and demonstrations at company level, the first cluster also with policy level.

In the food quality and safety special attention was awarded to fish and honey, assistance was envisaged also in fruit and vegetables, meat and dairy production. However, the experience from implementation proved that - given the resources and time frame and the need to focus on the fish sector - the design was rather ambitious both in terms of coverage and intended outreach or depth of some interventions. Success was achieved when focusing on the fisheries sub-sector but with the available resources it was difficult to pay enough attention to other food sub-sectors, in spite of the

fact that additional funds were mobilized. Even the second sub-sector selected for special and focused intervention (honey) could not progress as planned.

A managerial drawback of the design (and implementation) is the absence of any instrument which would allow to allocate budget and monitor expenditures per output or, at least, per cluster of outputs (as related to Immediate Objectives).

## **2.3 Implementation**

### ***Considerable use of national expertise as a positive feature***

UNIDO inputs (as reflected in expenditures as of October 2003) consisted mainly of international experts (26%), equipment (24 %), and national experts (22%). In absolute terms the input of national expertise was considerable both in terms of w/m and persons. Use of national expertise is in itself a commendable modality of implementation. Often the national experts were selected from key counterpart institutions/organizations, which may help in building capacity in those institutions.

The above structure applies to the sub-component as a whole. Unfortunately – as mentioned in the paragraph on Design – neither the amount of expenditures nor the break down of inputs can be specified when evaluating below the three subject areas (clusters).

## **2.4 Food safety and quality assurance (Outputs 1-7)**

### **2.4.1 Activities**

***Extensive and diverse activities carried out at policy, institutional and company level; satisfaction of national partners with quality and speed of delivery but in some cases delays occurred.***

In accordance with the project design the activities were carried out at all three levels, with focus on the fish and honey sectors:



- Policy level (Outputs 1 and 2): Several policy documents were prepared in a participatory manner and discussed at workshops with all key stakeholders (see Results). Advisory support was provided to the National Codex Committee in the adaptation of the International Code of Practice. Fish inspection regulations were updated. As stated in the Review of Phase I by the NORAD evaluation team, not all activities were carried out as planned but it can be concurred with their conclusion that the missing activities were ambitious and not really necessary at that stage.
- Institutional level: Activities aiming at capacity building in institutions in charge of food inspection focused on the Department of Fisheries Resources (DFR) and to some extent on UNBS. DFR was supported through expertise, training and some equipment to the full satisfaction of the DFR who particularly appreciated flexibility and speedy delivery by UNIDO and the possibility to have a say in the selection of experts. UNBS was supported through expertise and on-the-job training in auditing ISO 9000 (a larger support to UNBS was provided under Component 4). Some support (training) was extended also to the private laboratory Chemiphar.

Apart from food inspection the IP strengthened also the Fisheries Training Institute in designing fishing and transport boats and in the capability to demonstrate the new technology to boat builders.

- Company level: Assistance in introducing GMP and HACCP focused primarily on the fish factories. The Uganda Fish Processors and Exporters Association (UFPEA) played an important role in the process and as a platform for sharing experience. At a later date and with some difficulties 13 factories were identified in other sectors and sensitised through workshops on these concepts, sometimes with the assistance of the Quality Assurance Managers of the fish companies.
- Honey: The activities started with delay. It turned out it was necessary to generate sufficient data for characterization and standardization of honey. Under the guidance of an international expert over 700 honey samples were collected

for analysis and training was carried out in bee-keeping (colony multiplication, harvesting, etc.) for 16 trainers, in honey quality control (78 participants) and honey analysis in labs (17 participants). Some equipment was provided to 10 honey processors expected to serve as pilot collection centres. TUNADO (The Uganda Apiculture Development Organization) appreciated professionalism of the international expert but they believe that use of local laboratories could have been more cost effective and taken a shorter time than sending samples to Germany. UNIDO is currently working towards establishment of competent laboratories to undertake such analysis locally.

#### 2.4.2 Relevance

***Intervention in the fish sector was the most relevant element of the IP. The intervention in the honey sector was demand driven while in other sectors it needed to raise awareness.***

Food safety and quality are of great relevance both for health of the population and export of food products and thus in full conformity with Government policy of increasing the share of non-traditional export. Focus on the fish sector was prompted by the EU ban on Ugandan fish. UNIDO had been working in this field even before the IP was formulated but timing of this intervention was particularly opportune. Selection of honey is also relevant due to its potential for exports and interest of stakeholders. Support to food safety in the non-fish sectors experiencing no immediate crises seems to have been less demand-driven and even after awareness raising the interest of some companies remained lukewarm.

#### 2.4.3 Ownership

***Very strong national ownership of the programme in the fish sector, a new association in the honey sector competent to play the role, programme in other sectors without industry ownership.***

There were several counterparts for this component, including MTTI, Ministry of Agriculture and Ministry of Health that played an active role in planning and implementation. National ownership of the programme in the fisheries sector was

particularly very strong and discharged mainly by UFPEA and DFR. As the NORAD evaluation report put it, "...it should not be overlook that Ugandans themselves did most of the work necessary to comply with the EU standards". Ownership of the honey sector was rather dispersed for some time but establishment of TUNADO in 2003 strengthened the national ownership of the programme. Programme in the non-fish food companies is owned by MTTI with involvement of some other organizations such as Dairy Development Authority or Ministry of Agriculture but absence of a linkage to an industry association is a weakness.

The project team is aware of this problem. The team assisted in the establishment of TUNADO and development of the strategic plan and policy on apiculture. The dairy sub sector is rather complex because it is comprised of a few big enterprises and very many small-scale enterprises.

#### 2.4.4 Synergy effects resulting from cooperation within and outside the IP

##### ***Good cooperation, particularly by the fish programme, within and outside IP***

Comp 4: UNBS was supported both by Comp 1A and Comp 4 and the support was complementary

Comp 5: some of the fisheries supported under Comp 1A were supported also by UCPC (Eco-benefit, ISO 14000)

FAO: update of regulations and training of fish inspectors

DFID: cooperation in fish icing trials

#### 2.4.5 Results

***Good professional contribution to food safety policy, significant impact on the country's export earnings in the fishery sector, modest results in the honey sector, introduction of GMP and HACCP in other food sub-sectors less satisfactory***

#### 2.4.5.1 Coordination and regulatory framework

- The National Food Safety Bill and the National Food Safety Strategic Plan of Action were drafted and submitted to the Government; the legislative process of review and approval is to a great extent beyond the IP control but – according to the Ministry of Health - it is on-going
- The Food and Nutrition Policy was adopted by the Food and Nutrition Council

#### 2.4.5.2 The fish sub-sector

This is the greatest success of the IP: the EU ban on export of Ugandan fish imposed in March 1999 was lifted in 2000 and the fish export became the highest export earner of the country in 2002. Role of the IP in this success is analysed and described in detail in the report of the NORAD evaluation team (August 2003) and there is, therefore, no need to repeat it here but a few sentences from the report deserve quotation: “That UNIDO succeeded in synchronizing and getting all stakeholders on board is probably one of the greatest feats of the programme...UNIDO was not the only actor involved... However, all interviewed stakeholders – including private enterprises that would have little to gain by undue praise – state that it would not have been possible without UNIDO. UIP identified the problems, drew up a strategy, coordinated the different efforts, and monitored progress. They also provided Uganda with valuable assistance in their dialogue with EU.” This evaluation team can reconfirm this conclusion.

Apart from the impact in terms of export the intervention left behind a quality and safety assurance system meeting EU requirements, with inspection authority vested in DFR, with UNBS and Chemiphar accredited to carry out testing, with GMP and HACCP introduced or under implementation in all 10 fisheries exporting to EU, and 3 fisheries certified ISO 9000. DFR is now strong and competent enough to discharge its mandate (15 trained inspectors at DFR, 50 inspectors at site, Manual of Standard Operating Procedures, computer based inspection monitoring system).

Fish icing was introduced and is practiced as part of Good Handling Practices on board of transport boats and at landing sites but broader application of good handling practices

by the thousands of fishermen still requires considerable promotional effort. It also could not be verified if all of the approximately 200 transport boats use icing.

Twenty boat builders were trained how to improve the design and construction of the boats. There has been no follow up by boat builders in construction of the two pilot boats but simplified improvements to minimize leakages were introduced. Unfortunately transfer of the Fisheries Training Institute under the Ministry of Education weakens the Institute's links with the business world. Thus the upfront fish handling activities still represent a weak link in the production and export chain.

#### 2.4.5.3 Non-fish food companies

Results in introduction of GMP and HACCP in the other sectors (dairy, meat and poultry, fruits and vegetables, bakery products) are less spectacular. To some extent it is due to starting the support later and no previous projects working with them in this field. However, the key factor seems to be lack of motivation due to limited market challenge or pressure by regulatory bodies. In spite of that some results were achieved. Out of the 13 targeted companies three companies (Top Cuts, White Nile Dairies and Dairy Corporation) implemented GMP and HACCP. Top Cuts implemented a Quality Management System based on ISO 9000 and got certification. Dairy Corporation has started implementing a Quality Management System based on ISO 9000. 7 out of 10 small-scale dairy processors that were trained have implemented GMP and met the regulatory requirements and were authorized to process products.

#### 2.4.5.4 Honey

According to TUNADO, UNIDO has been one of the instrumental organizations that have done something to uplift the Agriculture Industry. 10 honey collection centres were established and strengthened through some equipment and training. The quantity and quality of locally processed honey has increased. Locally processed honey competes favourably with imported brands in all super markets. However, on the large scale the results in terms of appropriate honey collection, processing and export sales have been modest so far. Partly it is due to quality parameters of the Ugandan honey some of which are different from the current EU standards (enzymes). The differences are not

detrimental but they need to be acknowledged by the EU and this will take some extra time.

Some honey also contains a taste of smoke, an effect of excessive use of smoke in honey harvesting. To convert bee-hunters into bee-keepers will, however, require long time and extensive effort, given the micro-scale and scattered pattern of these activities.

#### 2.4.6 Sustainability

***Very good prospects for sustainability of results in the fish sector, other sectors need further support***

Several capabilities were developed under this segment and prospect for their sustainability is good because it is in the interest of the stakeholders. Primarily the fish factories are motivated to sustain the quality and food safety systems introduced in their companies. This is also manifested by the factories' appreciation of the role of Quality Assurance Managers and their support to the newly established Association of Quality Assurance Managers. Fish factories are also motivated to exercise pressure on application of good handling practices at landing sites. In fact, in addition to local inspectors supervised by DFR some factories have their own quality control agents at landing sites.

DFR does not have such a direct financial motivation in sustaining the developed capability but it is motivated to prove that they can stand up to the newly acquired tasks. In the last years DFR lost only one inspector.

Outside of the fish sector the capability building has not progressed enough to be sustained and further support is needed.

#### 2.5 Upgraded and clean technologies (Outputs 8,9)

***Some activities were started but no tangible results in upgrading technologies; partly taken over and results achieved in clean technologies under Comp 5 (UCPC)***

The component identified 8 organizations providing advisory services in the food sector but no upgrading has taken place. Also, the component identified 6 companies willing to participate in the programme but actual implementation started only in some of them. Once the Comp 5 (UCPC) was added to the IP the CP-related activities were carried out in cooperation and later on taken over by this component. UCPC obtained the initial and significant impact from the fish processing enterprises (Ngege Ltd, Uganda Fish Packers, Masese Fish Packers and Gomba Fishing Industries). Thus results reported under Comp 5 are to some extent based also on activities started under Comp 1A.

This applies to CP-related technology upgrading. Upgrading processing technologies did not show any tangible results. Without strong ownership by industry association and effective demand by companies the relevance of this output seems questionable.

## **2.6 Post-harvest and micro-scale processing technologies (Outputs 10-12)**

### 2.6.1 Activities

#### ***Limited institution strengthening, focus on pilot centres, their establishment took longer than expected***

Activities diverted to some extent from the activities planned in the original planning document: strengthening of R&D and other institutions involved in extension services for farmers and rural SMEs was not undertaken, to some extent in view of the support extended to them by FAO. Instead one staff from the Kawanda Agricultural Research Institute was recruited as national expert for the project for several months. This, however, is not an adequate substitution for establishing pilot operations in such institutions and training their staff.

Food products with high post-harvest losses and 6 districts with high production of such products were identified by an international expert (himself reserving the right for tolerance due to unreliable survey data). A technology manual for Small Scale Fruit and Vegetable Processing was prepared by an international expert and two other ones were drafted. Partners (usually private companies or NGOs) ready to serve as pilot centres in

the 6 districts were identified, some of them based on their participation in the Master Craft Programme (MCP). Establishing the centres took longer than expected. Most of the equipment had to be imported, a large part of it from a former UNIDO-supported project in Nigeria, because the selected type of appropriate technology is no more on the market.

### 2.6.2 Relevance

***Post-harvest losses is a real problem requiring attention and pilot centres are a relevant strategy but the project did not deal with creating conditions for replication***

The intervention is derived from a very real problem of losses of agricultural products incurred after the harvest and during the initial processing by small entrepreneurs and is based on the assumption that technology is a key to make a change. In this case of micro-processing the technology must be adequate to the scale and affordable (appropriate). Identification of such technologies and their promotion through pilot (demonstration) centres is a relevant strategy but it needs to be complemented/supported by creating conditions for replication to happen (producing the equipment locally, with the capability for repair and maintenance, access to credit for investors, etc.) These problems were not addressed by Phase I.

### 2.6.3 Ownership

***Formal ownership by Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), long-term ownership by the pilot centres and the emerging UCOFPA***

The main counterpart was the Ministry of Agriculture with involvement of some of its agencies (National Agricultural Research Institute, National Agricultural Advisory Services). But the main owners of the programme are those owners of the pilot centres who in the end will also become the owners of the delivered equipment. This was also institutionalised by establishing the Uganda Cottage Food Processors Association (UCOFPA) comprising currently 18 members (including the honey collection centres). Provision of equipment to the pilot centres free of charge could be viewed as market distortion. To reduce this potential effect the Memoranda of Understanding signed with



the pilot centres stipulate certain demonstration and training obligations before the equipment is legally transferred.

#### 2.6.4 Synergy effects resulting from cooperation within and outside the IP

##### ***Very effectively intertwined with the MCP Programme, no cooperation outside IP***

Comp 2 (SME): Very fruitful cooperation was established with the MCP by training directors or managers of the pilot centres as MCP Advisers.

Comp 5 (UCPC): One of the pilot centres (Kasper Food Enterprise) got involved in the Eco-benefit programme to test its applicability on SME

#### 2.6.5 Results

##### ***Two pilot centres operational, 6 under implementation, no replication in Uganda yet***

Not counting the 10 honey collection centres, 8 pilot centres were established, out of which two are operational (tropical fruit driers) and 6 others (cereals, beverages, and fruits/vegetables) others are under implementation. The 2 units were installed in December 2002 and commissioned in February/March 2003. The two operational fruit drying companies (each one with a dozen of employees and buying from 40-50 farmers) were supported by equipment (hybrid drier, vacuum packer, weighing scales and some other small items) and training. With Danish assistance they managed to have the dried fruit certified for EU so that they export a large part of the production to Denmark. Reduced waste and higher export prices probably more than offset the increased operating costs (such as 20 l of fuel per day) but a consolidated profitability analysis (with full depreciation of donated equipment) required for demonstration purposes was not available with the pilot centre. In fact the demonstration function has not become a strong feature of the two centres so far. In one case the owners even were not aware of this task. No replication has been recorded so far except for alleged one case in Rwanda. In one case 4 MCP Advisers reviewed the technology in order to assess its applicability for drying wood, in another case some visitors were interested in copying the traditional technology without the hybrid drier because they could not afford the

investment. The cost of the technology combined with a lack of credit opportunities may be a serious constraint for its replication.

The other pilot centres are still under implementation so that it is premature to assess them. One juice and wine producing couple visited by the evaluation team should become a fruit- and vegetable-processing centre. They demonstrated excellent entrepreneurial capability (they benefited also from MCP training and participate in the Eco-benefit) so that their selection was definitely well justified. However, even in their case the equipment imported from Nigeria (worth USD 15000) and waiting for installation is intended for processes that go beyond their technical knowledge and entrepreneurial experience so that they would have to mobilize other expertise to operate it and use it for training. It may turn out to be an ambitious task. Besides, it will take some time and a lot of promotional effort to produce the equipment locally and reduce its price.

#### 2.6.6 Sustainability

***The pilot centres are most likely going to continue using the equipment for their commercial purposes, the demonstration and training function is envisaged for several years only***

The pilot centres will sustain the profit-making operations with the equipment provided by the project because it is in their interest. The main function of the pilot centres – demonstration of the appropriate technology – will, however, depend on the owners of the centres. The Memorandum of Understanding signed between the owners and the Uganda Cottage Food Processors Association stipulates certain demonstration and training obligations for the centres and makes compliance with them a condition for legal transfer of the equipment (after some years) to the owners of the centres.

### **Recommendations**

#### **Government**

**Conceive Phase II as a possibility for using UNIDO support to address selected problem areas of the food sector; in this context:**

- Revisit the current status of the on-going legal processing of the food safety policy documents prepared under Phase I and decide what further UNIDO support is needed for this process.
- Consider the recommendations of the evaluation mission regarding the current document for Phase II as outlined below.

### **Government and UNIDO (regarding Phase II)**

The current document (proposal) for Phase II contains many relevant elements following up and complementing Phase I. The evaluation team does not intend to negate any of them but based on the lessons learned from evaluation some recommendations are made that may imply some amendments.

### **SPS and TBT infrastructure**

- Apply the holistic sector approach that proved successful in the fish sector (regulations – institutions – industry association(s) – selected companies – linkage to raw material suppliers). To be able to do this focus on a limited number of sectors (2-3 at most, including honey). Fish and coffee will need pointed interventions only. One of the selection criteria for the new sub-sectors should be availability of a (potentially) strong industry association in the sector.
- Strengthening advisory capacity of UIRI and FOSRI in technology upgrading and cleaner production is an approach preferable to working with companies only; however, in order to avoid overlapping in the IP the capacity building in cleaner production should be handled by UCPC.
- Audits in the fish companies and support towards their ISO certification should be carried not by the institutions strengthened in

**Phase I (UNBS); Phase II may support UNBS in carrying out these audits.**

- **Similarly, local institutions should carry out training and introduce GMP and HACCP. Phase II should be conceived as “support to ...[local organization] ... in carrying out...” these activities.**

### **Post harvest pilot centres**

- **Making pilot centres effective is a complex task; the number 82 seems very ambitious. Consider reduction of the quantity of the non-honey centres and instead focus on those activities envisaged in Phase II that should create conducive environment for replication (local production of equipment, credit schemes).**
- **As a follow up to the Memoranda of Understanding assist UCOFPA in introducing a system monitoring demonstration and training activities of the centres.**
- **Based on the results of pilot centre operations elaborate technical and economic data basis for any decision on replication about their performance, including profit and loss figures comprising depreciation of all equipment including that one provided by UNIDO.**

### 3. Component 1 B: TEXTILE INDUSTRY SECTOR

***Budget (excl. support costs) and expenditures (USD)***

	IP budget		Funding Oct 2003			Expenditures 30 Oct 2003	% of PAD
	Original July 99	Rev Sept 00	PAD	% of budget			
				Orig.	Rev.		
Textile SME entrepreneurship	476,000	476,000	520,776	109	109	520,379	99.9

#### 3.1 Funding

***Funding exceeded the original budget; complementary funding by UNIDO***

The sub-component was funded by NORAD (USD 312,221) and complementarily by UNIDO from the Danish contribution to IDF and from the regular budget (USD 208,555).

#### 3.2 Design

***The sub-component comprised primarily direct training, the capacity building element (extension services) did not envisage training services and was not properly defined, particularly in terms of ownership and sustainability***

The Immediate Objective (purpose) aimed at strengthening “national capacity and capabilities in the SME textile sector to successfully manufacture innovative quality products...”. The only output to achieve this purpose was centred on direct training (through project inputs) of 300 women in textile and garment technologies and machine repair, complemented by establishment of an association of SME manufacturers and a unit for extension services (dissemination of information, raw material supply and marketing). The above complexity of the output could have been avoided by splitting it into three outputs, with qualitative and quantitative parameters describing each of them. In the original format the unit for extension services lacked description of basic elements of institutional capacity building (ownership, target group, types of services, sustainability, relation with other sector organizations).

Unfortunately these issues remained unresolved even when a decision was taken in the course of implementation to include training in the services of the unit.

### **3.3 Implementation**

#### ***Direct training by project staff as planned (except for composition of beneficiaries), capacity building activities not systemic***

UNIDO inputs consisted mainly of national experts (USD 231,194), international experts (USD 128, 297) and equipment (USD 120,274) used primarily in the common facility of TEXDA (no allocation of equipment to trainees). The budget line for training shows very small expenditures (USD 5,609).

The extent of national expertise used by the project (expressed in monetary terms) was very high indeed. The reason is that training as the main activity of the project was carried out primarily by national experts. Training courses lasted usually 4 months (handloom weaving, dyeing, printing, tailoring, garment construction and product development).

This was in line with the original project design except the fact that the project did not manage to have trainees primarily from among the business community and a significant part of them were school leavers.

Furthermore, at the early stage of project implementation it was decided to establish the Textile Development Agency (TEXDA) that – in addition to extension services envisaged in the IP document – would also provide training services. This institution building novelty might have required activities and inputs unforeseen in the original IP document and contribute to actual funding and expenditures exceeding the original budget. On the other hand, in spite of increased expenditures some planned activities could not be carried out due to lack of funds, such as the planned visit to Tanzania.

The national experts conducting the training were also exposed to international expertise and, thus, could upgrade their qualifications. This could be viewed as part of institution building processes. The same applies to equipment donated to TEXDA. On the other

hand, as already mentioned under Design, some essential institutional building-up activities were not carried out (demand analysis, market segmentation, elaboration of methodological tools, etc.). Upon initiative of the project in 2003, former trainees (approx. 50 members) that already managed to organise three selling exhibitions established the NGO called “Women in Textiles Association” (WOTA).

### **3.4 Relevance**

***Textile and garment belong to priority sectors but actual relevance of this intervention was reduced due to its “training only” profile and limited success in targeting the right beneficiaries***

The textile and garment sectors are currently not as important for export and GDP creation as they used to be several decades ago but they are still important for employment of women and for poverty elimination. Therefore, support to this sector by the project was potentially relevant particularly for gender-specific poverty reduction. Actual relevance was to some extent reduced due to limited success in mobilizing the targeted group (the business community) for training and due to the fact that the stand-alone (training only) intervention did not aim at addressing other sector-wide issues and refrained from cooperation with other important actors in the sector.

### **3.5 Ownership**

***Strong support by MTTI but ownership by a well established industry association missing***

The project was strongly supported by MTTI acting as Government counterpart who also allocated some funds used for purchase of a building plot. However, the project was not linked to any industry association.

TEXDA, created by the project, was registered as a “company limited by guarantee”. Ownership of the assets (equipment etc.) is not clarified. Formally the ownership of UNIDO inputs (equipment) could be handed over to MTTI but in practical terms this is not a solution for sustainability of TEXDA. To some extent this problem was addressed

by establishing WOTA but WOTA is a fledgling without capability to extend strong backing and, if needed, some financial support to TEXDA. Thus the problem of ownership by industry persists and will have to be addressed.

### **3.6 Synergy effects resulting from cooperation within and outside the IP**

#### ***Good cooperation with Comp 2 (MCP), no cooperation with programmes outside IP***

Comp 2 (SME): Sub-comp 1 B trained 15 MCP advisers as textile advisers. Vice versa, these advisers, among others, promoted the training courses of TEXDA among tailors in their regions. The cooperation was initiated and arranged in the field.

Training was conducted independently of other (vocational) training organizations.

### **3.7 Results**

#### ***Good results in direct training, limited results in capacity building***

The project trained about 300 people almost exclusively in the Kampala region, with some additional people trained or at least sensitised by the trainees themselves or by the 15 MCP advisers trained by the project as textile advisers. Thus in quantitative terms this segment of the output was produced as planned. However, in qualitative terms the output is less satisfactory as the actual target group turned out to be different from the original plan: instead of training primarily existing SME entrepreneurs the trainees were recruited also from among school leavers or other people without their own business. In spite of this weakness some impact of training on the employment and industry was observed as identified through questionnaires filled in and returned to TEXDA by former trainees:

- 55% of the trainees are in business and earning more than before
- Over 20 women set up new businesses
- Two groups of former trainees joint forces and opened up marketing outlets in craft villages
- Approximately 10 women invested in their business approximately USD 2000



- Access to credit was improved so that total credit increased from USD 1500 to 3000

Besides, 15 MCP advisers trained by this Component helped and advised a number of tailors in their districts.

In absolute terms the total impact of direct training is rather moderate and in view of the inputs used the cost-effectiveness is not very high. The project resources were, however, used also for capacity building. TEXDA has acquired some capacity to deliver the following services:

- Training
- Own production
- Procurement of raw materials for SMEs
- Sales outlet.

The strong feature of TEXDA is the dedicated staff of 7 trainers and their entrepreneurial and management capabilities as demonstrated by good monitoring of results of their work. As explained above, training has been the most significant service of TEXDA. The capacity for other services is limited also due to the limited space and its location. The production employs approximately 10 people; another 10 people use TEXDA either for buying raw materials or selling their products or both. Thus, while the core of frequent users of TEXDA appreciates very much its existence, their number is limited to a few dozens.

The main problem of TEXDA, however, is not the insufficient capability to deliver but its relevance, ownership (see above) and sustainability (see below).

### **3.8 Sustainability**

***TEXDA is in professional terms sustainable, in financial terms not sustainable***

Professionally the trainers are competent enough to sustain and upgrade the level of training and other services. In financial terms, however, the services are not sustainable. It is not feasible to recover fully the costs. In the 3 years 2000-2002 the income from

training and production amounting to approximately USD 33,000 could cover expenses excluding trainers/ national experts and rent (approximately USD 29,000). However, if the costs of national experts born by the UNIDO project are included (say USD 150,000 for the relevant 3 years) then the cost recovery plunges down to less than 20% (still disregarding the rent). There are possibilities to increase the income but they can hardly cover all the costs if the present number of trainers is kept or even increased and the trainer's average monthly salary of USD 800 maintained.

## **Recommendations**

### **Government**

- **Conceive Phase II as a possibility for using UNIDO support to address selected problem areas of the textile and garment sectors; in particular consider using Phase II for support in formulation of sector policy.**
- **TEXDA deserves support but it needs to be linked to an industry association representing the sector and adjust the scope of services to meet the needs of the sector to be identified and agreed upon with the association. Support TEXDA in this process and decide on providing financial support to TEXDA in case of public goods services.**

### **TEXDA and UNIDO**

- **As a first step liase with an association representing the textile sector (or initiate creation of such an association) in order to ensure ownership of the project for Phase II by industry**
- **Once the owner is identified, review the current plan for Phase II and agree with the industry owner on the needs of the sector. Training is further required but Phase II need not be confined to training.**
- **Liase also with other important players in the sector, including relevant vocational training organizations as well as Uganda Industrial Research**

**Institute (UIRI), in order to avoid duplication and to review possibilities for cooperation.**

- **Based on the outcome of this process prepare a new project document for the implementation of Phase II, including a new and realistic business plan for TEXDA (internalising costs of national experts).**

**As demonstrated by various programmatic documents prepared by TEXDA, the available national expertise seems to be competent enough to carry out the above process. National experts should be given preference also in preparation of the Business Plan.**

#### 4. Component 1 C: LEATHER INDUSTRY SECTOR

##### *Budget (excl. support costs) and expenditures (USD)*

	IP budget		Funding Oct 2003			Expenditures 30 Oct 2003	% of PAD	
	Original July 99	Rev Sept 00	PAD	% of budget				
				Orig.	Rev.			
<b>TCFC</b>	239,000	905,000	316,017	132	34.5	315,556	99.8	
Hides and skins								
SMEs footwear								
Rural leather								

#### 4.1 Funding

##### *Funding used UNIDO resources only and remained confined to TCFC*

Support to this sub-component follows up a number of previous UNIDO projects in the leather sector which – as a rule - covered all three segments of the sector: hides and skins, tanneries, and footwear and leather products. As the traditional donor for this sector in Uganda (Austria) phased out, the original IP document focused on the footwear and leather products segment only. At a later date an extension of the support to some other segments was again considered and included in the revised IP document but chances of funds mobilization were assessed as low and, thus, the sub-component remained confined to the support to the Training and Common Facilities Centre (TCFC). It was funded by regular budget (USD 130,017) and from the Danish contribution to the general pool of IDF (USD 186,000).

#### 4.2 Design

##### *Design of the funded part well conceived*

Design of the funded part was well conceived, apart from strengthening TCFC proper it included elaboration of a strategy for the leather goods sector, training in rural areas and promotion of locally produced leather products.

### **4.3 Implementation**

#### ***Significant input of equipment, activities aiming at capacity building (TCFC) as well as upgrading selected entrepreneurs***

UNIDO inputs consisted mainly of equipment (USD 146,815 = 46%), international expertise (33%) and in-service training (20%). In monetary terms the input of national expertise was very small (5%). International expertise was targeted both at the TCFC and individual leather goods manufacturers in Kampala and in some regions; the beneficiaries appreciated practical and business-oriented approach of the international expert. The equipment was used primarily for strengthening the TCFC but a small part of the equipment (simple tools) and some raw materials needed for training were handed over to the trainees.

Besides, a study on the gender labour supply skills requirements in the leather sector was undertaken by an international consultant, followed up by gender-specific training of 30 women manufactures in two districts, each training course lasting 3 weeks. Later the basic training was followed up by an advanced training course for some of the former trainees. This gender-oriented activity exceeded the original design.

All training activities, including those carried out with support of the international expert in the regions, were organized by TCFC.

TCFC also carried out extensive promotional campaign to raise public awareness about quality of shoes, participated at a trade fair in Mbale organized by UMA and at a seminar on marketing in Kenya and a study tour to Italy. Some promotional activities were not carried out fully as planned (specialized seminar on marketing in Uganda).

### **4.4 Relevance**

#### ***Necessity to reduce the scope of intervention was a drawback***

The leather sector belongs to the development priorities of the Government. Given the limited funds, focusing on footwear and leather products was appropriate due to the fact

that this segment is the playground for SMEs with potential of mastering mature technologies, employment creation and increasing value added in manufacturing. However, it is a pity that problems of rural vegetable tanning, included in full-scale sub-component, had to be left out and could not be addressed. Normally vegetable tanning is not supported by UNIDO but in this case it was included in the programme in order to assess and meet the requirements of leather craft producers in the upcountry and intervention in this problem area would be relevant. Similarly the project could not address other important issues of the sector (access of SMEs to financing) or support the work of the task force for the formulation of the Hides, Skins and Leather Development Policy.

#### **4.5 Ownership**

***Ownership by industry visible but ULAIA not strong enough to extend financial support; good support by MTTI***

TCFC was established by ULAIA with the support of MTTI, UNIDO and the bilateral assistance of Austria in 1997. Currently it is registered as a “company limited by guarantee”. TCFC still receives some valuable support from MTTI (lease of the premises, funding of a mission of TCFC staff to the districts). ULAIA has three members on the Board of TCFC so that the linkage to industry is very strong. ULAIA, however, is not strong enough in financial terms to extend help to TCFC in case of need.

#### **4.6 Synergy effects resulting from cooperation within and outside the IP**

***Some cooperation in the field, limited but commensurate to actual possibilities***

Comp 1B (TEXDA): designing and producing products combining textile and leather (shoes and handbags)

Comp 2 (SME): Component 2 trained several leather goods entrepreneurs trained by Sub-component 1 C as MCP advisers.

The cooperation was arranged in the field, the backstopping officers at HQs were not in contact on this aspect of implementation.

Neither the UNIDO Project Manager backstopping Sub-component 1 C nor ULAIA were consulted on investment promotion activities going on in the leather (tanning) sector under the Sub-component 3 B.

## **4.7 Results**

### ***TCFC well established and well used; impact confined to beneficiaries***

The TCFC has become a well-established service organization for the footwear and leather goods sector with 4 professional staff (3 trainers), dedicated management and some procedures in writing (maintenance). Premises and equipment are rather modest but they represent an important asset for the TCFC.

TCFC progressed from serving shoemakers only to serving leather goods manufacturers as well. TCFC has the capability to provide the following services to these target groups:

- Training courses in basic and advanced shoemaking and professional leather goods making. Each course lasts several weeks (the newly introduced professional shoemaking course lasts 5 weeks). In total 15 courses were conducted, with 267 participants, including 30 women in leather goods trained also by the international expert in two districts.
- Procurement in bulk of tools and raw materials (5% discount for leather from the Jinja tannery, for example).
- Production of lasts for local shoemakers (five pairs per day); it, however, had to be discontinued due to frequent breakdowns of the machine.
- Production and repair of shoes (almost 3000 pairs so far) and leather goods.
- Renting of the facility (approx 20 – 30 users daily, most of them steady users).

- Renting out some machines (occasional, approximately 10 entrepreneurs/workshops).
- Exhibiting products in the sales outlet of TCFC.

Regular delivery of raw material to the regions complemented by extension services was discontinued due to lack of funds to run it. This leaves SMEs in the districts outside Kampala unattained.

TCFC is well used by beneficiaries and the place is busy, as could be verified by two unannounced visits by members of the evaluation team. The interviewed beneficiaries both in Kampala and in some districts appreciated practical dimension of TCFC services including training and confirmed that TCFC was instrumental in diversification and enhancing quality of their products with subsequent impact on their business and social standing. Though the core group of TCFC users probably does not exceed 20-30, some impact can be expected also in the case of those trained by TCFC, out of which 185 are self-employed and active in business. Two business clusters of 6-8 women each were established from among the women trained in the two districts alone.

For TCFC itself their own production of quality shoes and products seems to be the most important and visible impact. Quality brands “Crane Shoes” and “Lambertini” were introduced and promoted. Based on this good reputation TCFC managed to get a number of orders from various organizations and agencies so that own production became the backbone of TCFC income generating activities.

#### **4.8 Sustainability**

##### ***Good professional and managerial competence but financial sustainability of TCFC questionable***

Professionally the TCFC team is competent to sustain and upgrade the services. The team also demonstrated dedication to their task; even under financially unfavourable conditions the team remained stable. Sustainability in financial terms is questionable:



**Table 8**  
**TCFF: Profit and loss (in USD, approx. 1 USD=2000 USH)**

	<b>2001</b>	<b>2002</b>	<b>Nov 2003</b>	<b>Total</b>
<b>Sales of goods</b>	57958	37703	28250	123911
<b>Cost of sales</b>	-28580	-23967	-26444	-78991
<b>Profit/(loss)</b>	31379	15738	3809	202902
<b>Other income (training, etc.)</b>	16263	7934	6008	30205
<b>Expenses</b>	-38820	-43591	-16487	-98898
<b>Total profit/(loss)</b>	6821	(21921)	(8673)	(23773)

The total sales of goods and other income during the 3 years amounted to USD 154,116 whereas the cost of sales and other expenses amounted to USD 177,880, thus indicating recovery of operating costs at 87%. This in itself would be a very good result for a service organization but it should be recognized that most of the income is generated through production activities. This activity was profit making in all three years, subsidizing the other services, including training. The trend, however, is not improving and this signals that some form of subsidy will be needed also in the future. The more so that the salaries – unlike in other similar cases of UNIDO supported centres – are rather modest and do not allow for reduction.

Activities in training women entrepreneurs in the regions, such as establishment of two business groups, by handing over to them some simple tools and the raw materials not used in the course of training, achieved results. This encouraged them to take up the business challenge but long-term sustainability will require continued contacts. Having a small TCFC replication in the regions with some basic tools and equipment such as skiving and cutting machines would be helpful.

## **Recommendations**

### **Government and ULAIA**

- **Conceive Phase II as a possibility for using UNIDO support to address selected problem areas of the leather sector; in particular consider**

using Phase II for support in finalization and implementation of the Hides, Skins and Leather Development Policy. In that context review and follow up recommendations of the evaluation of the previous UNIDO project (phasing out export of raw hides, import levy on second-hand shoes, micro-credit, etc);

- TCFC deserves support, particularly in view of good results achieved and relatively very small financial subsidy needed to sustain the operations. Provide the subsidy from own resources or direct donor support for this purpose;
- Establish similar facilities (like TCFC, but on a more modest scale) in 2-4 regions to facilitate access of SMEs in the districts to equipment, training and raw materials.

### **TCFC**

- Develop the capability to master export-oriented small-scale (batch) industrial production (as distinct from artisan production), with adequate production planning, work supervision, quality assurance, inventory control, maintenance, etc;
- Analyse the possibility of assisting vocational training institutes in upgrading their training by making it more business-oriented.

### **UNIDO**

Assist in implementation of the above recommendations. UNIDO proposal for Phase II contains most of them and includes some additional activities. In view of that:

- Complement the proposal for Phase II by support to policy formulation and implementation (perhaps using experience and expertise available in ESALIA);

- **Extend support to TCFC to include implementation of the above recommendations to TCFC;**
- **In case of prioritising the interventions give high priority to policy formulation, support to TCFC, establishment of regional TCFCs and vegetable tanning; improving collection and quality of raw hides and assistance to tanneries should be ranked at a lower level of priority (improving collection and quality of raw hides and skins is a complex task attempted by previous projects without significant success; tanneries are currently running at very low capacity and do not fall in the SME category).**

## 5. Component 2: DEVELOPMENT OF MICRO- AND SMALL-SCALE INDUSTRIES

### *Budget (excl. support costs) and expenditures (USD)*

	IP Budget		Funding Oct 2003			Expenditures 30 Oct 2003	% of PAD
	Original Nov. 99	Rev Sept 00	PAD	% of budget			
				Orig.	Rev		
US/UGA/98/D06	1,106,000	Same	82,080	86.7	86.7	82,294	96.7
TF/UGA/99/002			877,000			845,674	

### 5.1 Funding

#### *Effective funds mobilization*

The Governments of Japan (Trust Fund part) and Denmark (US: free programmable part) funded Component 2. The US part was mainly used for start-up activities to develop consensus on project implementation including consultations with national stakeholders.

### 5.2 Design

*The IP document was adjusted due to changing circumstances. The IP component is innovative in addressing two fields UNIDO had not systematically touched upon before. The deletion of the SME policy subcomponent left a gap in the overall efforts of UNIDO and GOU for SME development.*

The original project document planned to produce five outputs, whereas the project actually produced two outputs. The original output 1 (policy) was dropped after a report on administrative environment for Micro and Small Industry (MSI) sector was prepared. The reasons for the deletion of the SME policy part of this component are: 1) DFID designed a project with similar orientation; 2) UNIDO's resources were prioritised.

The other outputs were adjusted as follows: the original output 2 (Master Craftsman Programme (MCP)) and the original output 5 ((Entrepreneurship Development Programme (EDP)) were strengthened and became the two final outputs. The original output 3 was compacted due to resource constraints and eventually incorporated into

EDP and the original output 4 was merged into MCP. At the level of business culture, the design of MCP and EDP shared the same spirit of helping the creation of entrepreneurial culture in Uganda.

The Government of Uganda (GOU) and UNDP originally designed an EDP. By the year 2000, National Curriculum Development Centre (NCDC) with UNDP's technical support had finished developing EDP curriculum for primary education and was ready to proceed with EDP Curriculum for secondary education. However, since UNDP's Country Co-operation Framework under which EDP was being supported had ended, NCDC lacked technical support. UNIDO assisted NCDC and the Nakawa Vocational Training Institute (NVTI) (supported by JICA and under the Ministry of Education and Sports (MOES)) to design and develop EDP curricula for secondary education and vocational training.

### **5.3 Implementation**

***Self-help and self-sustain approach piloted in MCP. Comprehensive approach established and carried out in EDP***

The main UNIDO inputs covered international expertise (experts, UNIDO staff) (62%), national expertise (16%), training (3%) and some equipment (16%). An experienced international expert organized and led the local team (MCP and EDP) in the first implementation year and delivered a convincing performance. Two national consultants continued their work in MCP and EDP, respectively and finished the implementation.

#### **5.3.1 MCP Implementation**

The concept of MCP is based on the principles of promoting self-sustaining, self-help potential. The MCP activities focused on building up technical training and advisory services to improve production skills of Micro and Small-scale Industry entrepreneurs and workers. The implementation approach was as follows: identifying implementation districts (sites), identifying and selecting candidate advisers, training them and certifying the eligible candidates as advisers, facilitating the advisers to disseminate what they had learned to their peer colleagues at a fee base, institutionalising the mechanism at district level and promoting self-help and sustainability of the system by helping others.

Six MCP pilot districts were identified and selected with the recommendation of MTTI. The candidate advisers were selected based on their previous participation in UNIDO training and/or availability of skills. The candidate advisers received two types of free training: an average four-week Industrial Extension Training, a two-week Training of Trainers. In addition, all MCP executives at districts received a three-day training on Essentials on Managing an Association and Support for Self-help activities.

**Table 9**  
**The following institutions conducted technical skills upgrading**  
**(Industrial extension)**

SECTOR	NO. OF PARTICIPANTS	TRAINING INSTITUTION	NO. OF WEEKS
Textile	15	Textile Development Agency (TEXDA)	4
Leather	11	Training and Common Facility Centre	8
Food	22	Midway Centre	3
Metal	19	Nakawa Vocational Training Institute	4
Carpentry	17	Nakawa Vocational Training Institute	4
Electrical	22	Nakawa Vocational Training Institute	3
<b>Total</b>	<b>106</b>		

A total of 102 candidate advisers graduated from the MCP Adviser Training Programme and they were certified as advisers in their own sectors, respectively. Currently, there are 75 active MCP advisers. The MCP advisers have carried out 71 group skills trainings with 856 participants as of the evaluation date.

**Table 10**  
**Allocation of the 71 group skills training courses conducted in the districts**

District	Textile	Metal	Carpentry	Food	Electrical	Leather	Total
Kabarole	4			3			7
Lira	5	2	4	5	1	6	23
Mbarara	6	1		1			8
Mityana		1	4	24			29
Mubende	2						2
Masaka		2	1				
Mbale			2				2
<b>TOTAL</b>	<b>17</b>	<b>6</b>	<b>11</b>	<b>33</b>	<b>1</b>	<b>6</b>	<b>71</b>

Training played a key role in helping the MCP advisers to disseminate what they learned further to entrepreneurs in the same sectors for a small fee. The training of MCP focused on skills in production processes rather than on managerial skills. No doubt, it was correct that the work focused on upgrading skills helping the improvement of the quality of products. The MCP Adviser's Handbook prepared under the project elaborated on both production and managerial skills. Although some managerial skills did help the MCP advisers to calculate costs of their products, the evaluation team found that the managerial knowledge elaborated in the handbook was not fully utilized. This may show a weakness and/or a gap in the application of what advisers learned regarding managerial skills.

Institutionally, the MCP advisers report to district offices of Uganda Small Scale Industry Association (USSIA), Northern Uganda Manufacturers Association (NUMA) and Uganda Gatsby Trust (UGT) in seven towns in six districts. The interwoven efforts of the three counterparts at district level mobilized the support of local governments.

The programme was very well managed and monitored by the national expert working in the UIP office in Kampala but USSIA central office in Kampala was not involved in the management or monitoring of the programme.

### 5.3.2 EDP Implementation

EDP adopted a strategy, that seeks to effectively bring about a cultural and attitudinal change among the youths early enough so that they can grow up to become successful entrepreneurs. The implementation approach is comprehensive and systematic ranging from the entrepreneurship concept, curriculum development and introduction into 10 pilot secondary schools and NVTI, to preparing text books, training teachers, teaching students, establishing real business-like exercises, mobilizing policy supports and finally to becoming a compulsory subject in the Secondary Education System of Uganda.

The implementation of EDP was guided by NCDC, NVTI and MOES. UNIDO international and national consultants for EDP supervised the development process of

the Entrepreneurship Curriculum (EC) for Secondary Schools developed by subject specialists and panellists selected by NCDC. UNIDO also supervised the approval process of that EC through the different curriculum approval organs of NCDC and the MOES. Based on the approved EC, the students textbooks, teachers guides and teachers instructional manuals for all levels of secondary education, i.e. senior 1–6, as well as Instructional Manuals for instructors at NVTI were produced. Developing and making these teaching materials available made EC teachable.

NCDC with the guidance of MOES selected 10 secondary schools to pilot entrepreneurship courses. 27 Teachers from the selected schools undertook an in-service training of teachers (TOT) workshop to become EDP teachers. Awareness building and sensitisation workshops were conducted in all 10 secondary schools. A set of monitoring tools for EC piloting schools was developed and implemented among the 10 schools based on 7 performance indicators.

Regarding vocational training, EDP developed an EC for NVTI replacing its existing business education programme. The corresponding Instruction Manual for NVTI's EC was also developed. 12 Instructors completed a 3 weeks capacity building workshop in entrepreneurship skills teaching.

However, due to resource (money, time and teachers) constraints, the systematic and comprehensive approach was challenged by various factors in the course of EDP implementation. EDP was new in the country. The students textbooks do not have yet had backup reference materials although there have been contain illustrations. The already overloaded school timetable could only manage to allocate one and a half hours a week out of the recommended 4 hours for A Level to EDP and to some extent this discouraged some A Level students from taking it. . Although teachers with background in economics, commerce and accounts subjects were selected and trained by NCDC staff and UNIDO expert, on-job training was not sufficient due to limited monitoring and backstopping follow-up by NCDC and other relevant organs of the MOES. As a result, in some schools, only two Chapters of Form Five textbook had been taught within nearly two semesters. While in other schools, it is reported by the national consultant that the teaching of EDP took off very well.



Change in culture can be achieved step by step through practice. Therefore, according to EDP plan, students in the pilot schools were required to form business clubs in order to experience business games by applying the knowledge gained from their EDP classes. Not all schools facilitated students to do so.

## **5.4 Relevance**

### ***Directly contributing to poverty alleviation and long-term social development***

The MCP programme targeted the entrepreneurs at the grass root level, contributing directly to increasing income and upgrading social status of target beneficiaries, and thus contributing to government policy of poverty alleviation.

The Government's Education White Paper (1992) guided EDP. The main objectives of EDP were: 1) to enable the youths to develop positive attitudes towards entrepreneurship, business and self-employment early enough for them to grow and take up careers in business; 2) to enhance the micro and small entrepreneurs' commitment to a successful business career. Furthermore, the development of EDP was a follow up on the Business Skill Development Programme for unemployed school leavers.

Aware of the relevance of EDP in helping to solve some of the country's youth unemployment and poverty issues, MOES agreed to make entrepreneurship education a compulsory subject for all secondary school students.

## **5.5 Ownership**

***MCP: Strong ownership by the stakeholders at district level, while weak at national level***

***EDP: Strong ownership because endorsement by the Ministry of Education and Sports was mobilized***

The benefits, acquired by USSIA, NUMA and UGT from MCP, have bound the three national stakeholders at district level very closely together. However, there is no central

organ to coordinate MCP at the national level. The three counterparts at district level are not able to provide MCP a corporate image at national level. From a mandate point of view, USSIA should coordinate MCP at national level. However, USSIA has neither the national linkages nor the substantive capacity to realize the required tasks.

The national stakeholders of the EDP component consist of NCDC and NVTT. The Ministry of Education and Sports has backed the EDP continuously.

## **5.6 Synergy effects resulting from cooperation within and outside the IP**

***MCP and EDP complement each other. Strong cooperation with component 1 (Food, Textile, Leather) through MCP advisers. Initial consultation on EDP with UNDP and certain cooperation at MCP district level also with UNDP***

NVTI as a major counterpart of EDP, TCFC as the institution supported by Leather subcomponent and TEXDA as the institution established by Textile subcomponent, provided practice-oriented skills training for MCP candidate advisers, respectively. Some MCP advisers were selected by the Food subcomponent to operate the post-harvest pilot centres.

MCP district offices cooperate to some extent with the Private Sector District Promotion Centres established with the support of UNDP (the Centres make use of the MCP advisers).

Due to the background of EDP, the component manager had consultation with and clearance from UNDP regarding its EDP initiative for primary schools.

## **5.7 Results**

***MCP: 102 trained MCP advisers certified, 7 district offices established and operative, 33 self-help groups formed, 1500 MSIs benefited***

*EDP: a set of student textbook and a set of teacher instructional manuals produced, 10 secondary schools and 1 vocational training institute piloted, 27 EDP teachers in the*

*schools and 12 instructors in the NVTI trained, totally over 8,000 students in secondary schools and annually about 270 trainees at NVTI involved in EDP, endorsement of GOU mobilized and received.*

### 5.7.1 MCP

Institutionally, 7 MCP offices at district level were established with basic office, space, equipment and trained administrative personnel. The meetings of MCP district executives formed a dialog channel between entrepreneurs and local governments due to a broad scope of participants. The MCP has acquired wide recognition in the six project districts as well as in some neighbouring districts due to its well-trained advisers, broad and practical skills-oriented services provided by advisers and specifically due to the visible financial and social benefits. 102 entrepreneurs have qualified as MCP adviser as indicated in Table 11

**Table 11**  
**Distribution of qualified MCP advisers**

<b>District/ Sector</b>	<b>Metal</b>	<b>Electrical</b>	<b>Carpentry</b>	<b>Textile</b>	<b>Leather</b>	<b>Food</b>	<b>Gen Mgmt</b>	<b>Total</b>
Lira	3	3	2	2	2	3	1	<b>16</b>
Masaka	3	1	3	2	2	3		<b>14</b>
Mbarara	2	4	4	2	3	2		<b>17</b>
Mbale	2	2	3	2	0	4		<b>13</b>
Kabarole	1	3	3	3	3	4		<b>17</b>
Mityana	3	3	4	2	1	4		<b>17</b>
Mubende	2	1	2	2	0	1		<b>8</b>
<b>Total</b>	<b>16</b>	<b>17</b>	<b>21</b>	<b>15</b>	<b>11</b>	<b>21</b>	<b>1</b>	<b>102</b>

The benefits that accrued to MCP advisers in most cases were: 1) exposure to new product information 2) exposure to new technologies 3) exposure to basic business development skills 4) developed basic management skills 5) developed production skills. The benefits led to the improvement of MCP advisers' own business and went beyond the MCP community via advisory services. More than 1,500 MSEs, not limited to the members of USSIA and NUMA, benefited from MCP directly in improving production process management as well as development skills in various areas (such as pricing/costing, complex parts in a product, selection of raw materials, subcontracting).

Enthusied and motivated MCP advisers and advisees in various sub-sectors have been generating and promoting various initiatives, e.g. clustering, self-help groups such as 2 metal working entrepreneur groups that created a group-saving programme to help each other in their financial needs and MSIs in Mbarara formed a group to export to Tanzania. 33 self-help groups were established and the number is growing. Other MCP advisers have started skill training for orphans in collaboration with local orphanages.

In order to assess the economic impact of the MCP services, the MCP national consultant conducted a survey based on interviews with 160 MSEs. A summary of the survey outcome provided the improvement figures of profitability, productivity and waste reduction as follows: annual profit increase: 50% for small enterprises and 200% for micro enterprises. General productivity increase: 50% - 150% in the metalworking enterprises, 60% - 250% in tailoring sector, 100% - 360% by carpenters and 100% - 180% by grain mills while wastage decreased by 7%.

In terms of institutional capacity building the results are modest. In most cases, MCP district offices are one-man shops. Most MCP units generate an income from typing on the computer, photocopying and spiral binding by using equipment provided by UNIDO. They also receive a share of the income generated by the MCP advisers. In some MCP district branch/ zone Office it was observed that it took time to find someone to print a document. By checking the documents available, some MCP branches did not keep records of meetings properly. When checking the financial books, some offices failed to produce the basic profit and loss records.

### 5.7.2 EDP

Two curricula were developed: one for the secondary education system and another for vocational education system. 27 teachers from the 10 pilot schools and 12 instructors from NVTI were trained; totally over 8,000 students in the 10 pilot schools and 270 trainees at NVTI have been taught in the EDP curricula annually. A set of six-book textbooks, teacher's guide and instructional manuals for teachers for secondary school curriculum and a set of MCP Adviser's Handbooks for vocational education curriculum were produced, respectively.

The GOU has formally approved the incorporation of EDP in all secondary schools in the public sector nationwide to start in February 2005. This will involve 400,000 students annually. Some schools established business clubs for EDP students to practice their knowledge in campuses. However, there is no concrete number available at this stage.

A workshop on sharing the experiences of the EDP curriculum with specialists in the subject from 12 sub-Saharan countries and East Timor was conducted in November 2003. The conclusion made by those specialists indicated that this EDP programme could be replicable in a large number of countries.

## **5.8 Sustainability**

***MCP: Motivation created through the programme generates economic and social snowball effects on MSIs at the grass root level. The missing central organ of MCP and the weak capacity of the major counterpart at the national level and the inequitable allocation of benefits among advisers and other beneficiaries may hamper sustainability of the results. EDP will be sustainable due to its new position as a compulsory subject in the country's education system as of February 2005.***

### **5.8.1 MCP**

The advisers benefit from participation in the programme due to increase in their own income, MCP publicity and confidence in business. The benefits stimulated all active advisers to pass on the skills they learned. The evaluators noted a genuine desire to sustain the MCP after the project ends.

Highlights on sustainability are: a) the strong ownership of the local stakeholders reduces dependence on foreign assistance, i.e. donors and UNIDO b) demand was generated for the MCP programme within the districts covered and in other districts as well c) visible and concrete benefits gained from MCP have increased trust of the local community on MCP advisers d) MCP advisers trust their own businesses.

Financial sustainability aspects may be described as follows: MCP advisory services are provided to MSI clients for a fee. A portion of the fee is given to the MCP district offices in order to support the operational expenses. The main sources of revenue of the USSIA/MCP offices consists of membership fees, charges for the display of products at the USSIA/NUMA/UGT Products Display Centre, office services, and the MCP fee. Some MCP district offices used the joint district offices of USSIA/NUMA/UGT. Other offices needed to pay rents by their own because the agreements between MCP and USSIA/NUMA/UGT vary from district to district. In general, the rent takes about 30% of the total income. USSIA has not yet contributed anything to MCP sustainability except certain lobbying activities with local governments. The total net income of all 7 MCP district offices is steady increasing from USD 95 in 2002 to USD 2,980 in 2003.

### 5.8.2 EDP

By being incorporated into the mainstream education system, EDP will be sustainable since it will not require extra resources apart from the ordinary government funding for the education system. NCDC will benefit from the royalties on entrepreneurship textbook sales and NVTI will benefit from the new training courses.

The sustainability of EDP is visible. However, the main concern remaining is the transition period from now on to February 2005 when EDP is scheduled to become a mandatory subject and roll out to the rest of the secondary schools nationwide. However, the curriculum and the teaching materials need to be reviewed and revised to mark the completion of EC development work and to prepare for the replication of EDP into the whole country.

## **Recommendations**

### **MCP**

#### **Ministry of Tourism, Trade and Industry**

- **Strengthen support to USSIA central office with staff for coordinating, guiding, developing and promoting MCP nation wide.**

- **Develop an SME policy and include MCP in the policy.**

#### **National stakeholders of MCP, specifically to USSIA**

- **Establish a corporate image of MCP nationwide through all promotion and managerial means.**

#### **UNIDO**

- **Assist USSIA in implementing the above recommendations.**
- **Assist USSIA in strengthening and refreshing MCP advisers in basic managerial skills.**
- **Assist USSIA in enriching MCP with women entrepreneurship development.**
- **Assist USSIA in enlarging MCP from the existing 6 districts to nationwide coverage.**
- **Disseminate the success stories of MCP in Uganda to member states to explore possible new interventions for UNIDO.**
- **Strengthen the cooperation within UNDAF via initiatives on private sector development.**

#### **EDP**

##### **National stakeholders of EDP**

- **Enrich textbooks to a set of self-contained books to prepare the replication of EDP at schools in countryside.**

- **Systematically train new teachers by those trained already in order to prepare for the needs to be raised by February 2005 in terms of the number of teachers and the updated EC.**
- **Strengthen NVTI's Upgrading Entrepreneurship Skills Curriculum course and make it synergetic with the future MCP training programme on a regular base.**

### **UNIDO**

- **Support EDP further to complete entrepreneurship curriculum development process up to February 2005 when it is scheduled to roll out to more secondary schools in the country.**
- **Assist national stakeholders of EDP in implementing the above recommendations.**
- **Disseminate the success stories of EDP in Uganda to member states to explore possible new interventions for UNIDO.**



## 6. Component 3 A: INVESTMENT PROMOTION AND INFORMATION NETWORK

### *Budget (excl. support costs) and expenditures (USD)*

	IP Budget		Funding Oct 2003			Expenditures 31 Oct 2003	% of PAD
	Original July 99	Rev Sept 00	PAD	% of budget			
				Orig.	Rev		
<b>UIA, UCDA</b>	554,000	554,000	554,000	153	153	534,740	96
<b>Information (UBIN)</b>			293,346			265,196	90

### 6.1 Funding

#### *Investment Promotion funded by Italy and funding for the information networking provided by UNIDO*

In the IP document a budget was estimated to cover three interventions relating to support to the Uganda Investment Authority, the Uganda Coffee Development Authority and industrial information services. The first two interventions were funded by Italy in the scope of the original budget for the whole sub-component.

The information component was funded by the UNIDO regular budget recurrently and on annual basis. The first PAD was issued in 1999, the last one in 2003.

### 6.2 Design

#### *Cluster of self contained interventions connected under the label of networking*

Sub-Component 3 A represents a cluster of interventions supporting the Uganda Investment Authority (UIA) and the Uganda Coffee Development Authority (UCDA). In addition it deals with information networking and services (UBIN).

The three components are only loosely and formally connected under the label of a network. In reality the linkages are minimal so that they need to be evaluated individually. In fact it is conceptually not consistent that this sub-component includes the information services but not the establishment of the Investment Promotion Unit (IPU), which is kept separately as sub-component 3 B.

As regards the information services (UBIN) the first drafts of the planning document included capacity building activities but at the final stage of formulation – in order to reduce the total budget – the scope was reduced and only one output was kept in the IP document (Business Plan). Later, the availability of UNIDO seed money funding enabled this project to progress beyond preparing a business plan and to venture into project implementation without backing of a project document.

## **6.3 UIA and UCDA**

### **6.3.1 Implementation**

***UNIDO support provided mainly for studies and promotional activities. High utilization of international expertise***

UNIDO inputs consisted mainly of international expertise (63%) and study tours (24%) while input of national expertise was marginal (less than 3%) and that of equipment negligible. Extensive and high cost inputs of international expertise were called for by the need of highly specialized expertise in the coffee sector and by the involvement of the project in the preparation of a detailed technical design of the Namamve Industrial and Business Park. It is worth noting that the project complied with the counterpart's requirements for a non-standard modality in preparing the design, i.e. the recruitment of international experts from a consulting company instead of sub-contracting the company.

According to the IP document support to UIA was focused on the Namamve Park. Implementation went well beyond that and supported UIA extensively through inward and outward investment missions with focus on Malaysia, India, China, South Africa, France and Ireland. The project also supported the preparation of a survey of foreign investors in Uganda and their perception of the investment climate in the country.

The way the project was implemented is not fully in line with the original programme document that envisaged a strong focus on promoting investments with Italy, the donor country of this component. The change in focus may partially be due to the establishment of a joint UNIDO-Italy Investment Promotion Unit in Uganda with emphasis on Italian investment (component 3 B, reported in Chapter 6 below).

It should also be noted that the original programme document envisaged direct support to Ugandan entrepreneurs in handling and negotiating agreements with foreign partners. This original intention was not adhered to and preference was given to sponsoring investment promotion missions.

Support to UCDA was carried out as planned focusing on the preparation of a strategic plan for the development and promotion of Uganda coffee and image building/market development activities of Ugandan coffee with focus on Japan, China and Southern Europe. All recommendations included in the strategic plan were followed up by UCDA (see Results). This can be viewed as a success and the outcome of the excellent quality of the study (which was verified by the evaluators). However, UCDA was somewhat critical of UNIDO “study” approach and was expecting more support in the actual implementation of the recommendations.

### 6.3.2 Relevance

***Sectors covered of high priority for the Government; approach pursued by the project of limited substantive value added***

The Government awards high priority to investment promotion with emphasis on agro industries. Considering that the UIA is a well established Organization and, according to information provided to the evaluators, a „star performer“ in attracting FDIs within the region, the approach pursued by UNIDO to mainly sponsor investment missions appears to be of a budgetary support more than of capacity building nature. The substantive value added by UNIDO in completing the engineering study and designs for the setting up of the Kampala industrial and business Park is also not evident.

The choice of giving high priority to coffee within the investment promotion component was good considering the important position occupied by coffee in the economic development of Uganda and the government policy to promoting this sector for exports and investments.

### 6.3.3 Ownership

***UNIDO interventions requested from highest level; UIA and UCDA are well-established Organizations driving their activities***

UIA and UCDA are well-established organisations. UNIDO interventions, support in establishing the Kampala Industrial and Business Park and in increasing value added in coffee production, were requested by the Head of State.

### 6.3.4 Synergy effects resulting from cooperation within and outside the IP

***Limited internal synergies; cooperation with UNCTAD, FAO and CFC***

**Internal synergies:** both counterparts of this sub-component (UIA and UCDA) are supported also by sub-component 3 B (establishment of IPU) but there is hardly any communication between the respective component managers. There are however implementation synergies at field level, for instance between UIA and UCDA in promotional activities relating to coffee.

**UNCTAD:** a workshop on customer care in investment promotion was organized jointly; cooperation in updating an investment guide prepared by UNCTAD and envisaged joint publication.

**FAO/CFC:** synergy through UCDA with other multilateral programmes for the enhancement of Ugandan coffee, particularly for Quality Improvement through Prevention of Moulds and Gourmet and Organic Coffee Production.

### 6.3.5 Results

***Studies of good quality led to follow up by counterparts; results of a broad range of promotional activities are mixed***

### ***Namamve Industrial and Business Park***

Based on UNIDO supported engineering study, the government reached an agreement with the European Investment Bank under which the EIB will contribute towards the Park's development. The Park was officially opened in January 2002. Out of apparently 90 companies from 10 countries that expressed interest in investing in the Park, only Coca Cola has invested so far. Due to lack of time and last moment cancellation of meetings, the evaluation team could not discuss this issue in depth with the counterpart. However, according to information collected at field level from several sources, including donor representatives, there is scepticism concerning the possibility of the Park receiving investments as planned.

### ***Investment promotion activities***

Several activities relating to the promotion of investments through inward and outward investment missions and their results are reported. These include:

- A high powdered Asian business mission to Uganda comprising 58 business delegates from Malaysia, Pakistan, India and Korea resulting in 4 agreements reported at the end of the mission;
- One Uganda delegate who was hosted by ITPO Paris and an Investment Promotion mission was held in France and Belgium; no results are reported of these activities;
- An investment promotion mission to Malaysia resulting in the expression of interest by 10 companies to invest in Uganda;
- One investment promotion mission to China and Malaysia; no results reported of the contacts established;
- Investment Promotion Mission to South Africa and India; no results reported on contacts established.

- Participation by UIA in the Strategic Investment Promotion seminar in Dublin, Ireland

The project funded the preparation of two surveys on existing Foreign Investors in Uganda (November 2001 and September 2003) resulting in comprehensive recommendations on how to improve the facilitation of foreign investments in the country.

All the above activities and results are so far only milestones towards the achievement of enhanced investments. There are no tangible results in terms of actual investment recorded so far. Also, the results of UNIDO support in terms of capacity building of UIA are not reported. This might be due to the relatively short time span of the project and to the difficulties to pinpoint the specific results achieved by the UNIDO supported project within the context of the overall activities of UIA. Also, as mentioned above, the evaluation team was not in a position to deepen these points at field level. Despite these limitations, the team observed that the approach pursued by the project was too much based on generic promotional activities to ensure concrete results in terms of actual investment.

### ***Support to UCDA***

A high quality strategic plan for the development of Uganda coffee was produced. The study included a number of recommendations that were all followed up and implemented by UCDA. The implemented recommendations and spin off effects were:

- Reintroduction of washed robusta and entering specialized markets (promotion with UNIDO support). Two model commercial farms have evolved from the project with government and UCDA support and some groups of small scale farmers have formed associations for the production of washed robusta. The spin off effect of activities in this field so far has been that washed robusta is now being produced and some 300 bags are being exported every month. The price realized is twice that of dry robusta. While the activities are promising, there are still major challenges ahead such as marketing, technical advice to the farms to operate the machines and the certification of quality for exports. UNIDO plaid a

role in promoting washed robusta with some success particularly in Japan and Southern Europe.

- Revision of the robusta coffee grading system: new grades 16 and 17 were introduced, which go for a price differential of USD 50 per ton and USD 20 per ton respectively.
- Trial for the production of soluble coffee: in order to demonstrate whether soluble coffee can be introduced in the local market and as recommended by the study a consortium of exporters had trial runs at the TANICA plant in Tanzania using Uganda coffee to produce soluble coffee. The product is now available on the Uganda market under the name of Star Coffee. The evaluation team visited the plant in Uganda, which is packaging the soluble coffee in tins imported from Kenya. The findings were that the price is not competitive, local consumption very low (less than 2% capacity utilization of the plant for the local market) and the market competition in the region very rough. Local production of soluble coffee might be a way to reduce the price but there is a lack of funds and investors for the necessary equipment.
- Roasting of coffee abroad: based on the government's and UCDA's strong and successful efforts, Ugandan coffee is now roasted in 8 countries with Ugandan identity. UNIDO was particularly active in seeking partnerships with China. UCDA with the support of a pre-feasibility study prepared by a reputed consulting company and funded by the UNIDO project is now studying the opportunity to set up an industrial processing, roasting and soluble coffee manufacturing in emerging markets in Asia and the Arab Region.
- Using coffee by-products for biomass: this recommendation of the study is being followed up by UCDA.

As a general observation it should be noted that UCDA making use and following up on all the recommendations of the UNIDO study with some good spin off effects is a proof of success in terms of outcomes and relevance of the project. However, as also outlined

by UCDA management and as envisaged in the original project document, more support was expected from UNIDO in the implementation of the strategic plan.

### 6.3.6 Sustainability

#### ***UIA and UCDA capable of carrying out activities irrespective of UNIDO support***

Both UIA and UCDA are well established and relatively strong Organisations that have the capability of carrying on activities irrespective of UNIDO support. Particularly UCDA proved that they could make full use of the support received and follow up on their own.

### **Recommendations**

#### **To UNIDO programme management and UIA and UCDA**

##### **Support to UIA**

Considering that the generic promotional activities carried out in Phase I did not lead so far to tangible results in terms of promoted investments, it is recommended that Phase II be more focussed and linked with the sub-sector activities carried out under the other IP components. They should be more directly linked to providing support to enterprises to facilitate market access and access to foreign as well as domestic investments. This approach would also be instrumental in facilitating complements and synergies among programme components. The activities envisaged in Phase II Programme Document (strengthening UIA in Investment Promotion; strengthening UIA information system and assisting UIA to develop and manage the Kampala industrial and business park) may entail the same weaknesses of the approach followed under Phase I.

##### **Support to UCDA**

In Phase II UNIDO should continue providing support to UCDA in targeted marketing advisory services (Middle East and Asia) and investment



**promotion services with focus on joint venture promotion. The budget for Phase II should be revisited in this light and some items such as equipment for pilot coffee companies deleted.**

## **6.4 U B I N**

### 6.4.1 Implementation

***The established ICT Company experienced serious start up problems but recovered, original management modality had to be changed***

The Business Plan was prepared in December 1999 with the help of an international consultant who used to be Chief Executive Officer of ITMIN, an ICT firm established with assistance of a UNIDO project in Sri Lanka. The elaboration of the Business Plan was preceded by demand analysis involving a number of firms; the survey results of a sample of 29 SMEs are annexed to the Business Plan.

As mentioned above, the implementation proceeded beyond the original plan of producing a Business Plan only and ventured into its implementation. The Business Plan envisaged establishment of a commercial information network with UBIN as a focal point and numerous nodes linked to it. In October 2000 UBINnet.COM was registered as a limited liability company, with anticipated shareholders from public and private sectors. However, the Business Plan turned out to be too optimistic in terms of scope of activities and expected revenues and was revised in May 2001, downscaling the volume and value of services in the initial years. In February 2002 UBIN was officially launched, with three shareholders (UIA, UCDA, CYBERWORLD (in short: CW)). Upon recommendation of the Business Plan the private company CW (a Cyber café and ICT training business) was selected as the managing agent. This selection was based on the experience and entrepreneurial qualities of the CEO of this company. Unfortunately, the CEO left CW almost immediately for a more challenging assignment. Consecutively, another less experienced CW director took over. The new CEO was less entrepreneurial and, running two companies at the same time, not really interested in generating UBIN business. This resulted in a situation where hardly any income was generated by UBIN during the crucial time of start-up investments and marketing activities. Thus, UBIN was facing

serious problems and in spite of the fact that MTTI provided temporary salary support for the UBIN staff, some staff left so that the effect of the capacity building through study tours was partly lost (except for one staff member). In September 2002 CW left UBIN both as shareholder and managing agent. A national consultant was recruited for producing the third version of the business plan and requested to act as the Chief Executive Officer (CEO). Since that time the situation has consolidated to a great extent so that UBIN during the last year (2003) could pay back some debts and recover operating costs.

In the course of implementation UNIDO spent USD 265,196 (as of 31 October 2003). UNIDO inputs consisted of international expertise (44% delivered through individual experts and 14% through subcontracts), training including study tours (13%), equipment (12%) and national expertise (11%). Unlike in most other components the international expert and the subcontractors were selected and their TOR defined by UNIDO without involvement of the UIP office in the field. The capacity building activities included extensive in house training for UBIN staff and three study tours for UIP and UBIN management. The study tours were organized to UK, Senegal, Switzerland, India, USA and Sri Lanka, some of them co-financed by UBIN staff. The study tour on e-business to Sri Lanka did not include a visit to ITMIN, the frequent reference for UBIN.

#### 6.4.2 Relevance

***Fully relevant only if a meaningful amount of (value-added) information actually sold to SMEs; this is yet to happen. However, commercial information services cannot easily be developed in the short term***

According to the Business Plan, „the development objective ...is to strengthen and upgrade industrial and market activities in Uganda, in particular export activities...” This should be achieved by provision of value-added information, particularly to SMEs, through a commercial information network. Acknowledging the fact that provision of information to SMEs can hardly be commercially viable the concept envisages complementary income through other services. Yet the information services remain as

the primary objective while the other services are made available by other providers<sup>d</sup>, at least in Kampala, where the project operates, and they do not belong to the priorities of UNIDO.

The project is based on the assumption that information is a critical factor for SME development and that SMEs, also in Uganda, are willing to pay for it if packaged in a user-friendly way. This is true only partly. Contrary to the results of the needs analysis in real life the SMEs are hardly willing to pay and their demand for information is rather low. This is confirmed also by the existing providers of information in the country, such as the Uganda Export Promotion Board (UEPB) and the Information Centre of UMA.

In the case of UEPB the members receive information free of charge, non-members pay USD 0,50 per case. Business advisory services to members are also provided free of charge. With approx. 30 inquiries from abroad and 40-60 visits of local people plus numerous visits for photocopying or sending e-mails and faxes the total monthly income amounts to approximately USD 50.

The information centre of UMA consists of a library (20-30 visits per month, income USD 10-15) and an e-centre opened in February 2002, currently equipped with 4 PCs. Visitors (up to 300 per month) use the centre mainly for sending e-mails and browsing on Internet, only some of them (up to 20 per month) ask for assistance in searching for information (usually on markets, raw materials and trade fairs). Monthly income amounts to USD 300 at most.

Feasibility of increasing the fee and income through value-added information, while making use of the nodes whenever possible, is yet to be proven since the project has not reached that stage so far. Relevance of the project can be confirmed only if it actually manages to deliver a meaningful amount of (value added) information to SMEs. This is not yet the case (see Results). In the regions outside of Kampala and large cities the situation seems to be different. Absence of ICT service providers makes introduction of any – not only information - ICT services relevant for SME development.

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<sup>d</sup> In Uganda there are supposedly about 12 firms specializing in website development and about 8 firms specializing in training at the level of UBIN, all operating mainly in Kampala or large cities.

### 6.4.3 Ownership

***Board of Directors active but needs to be extended and meet more often; network – once established – will widen national ownership***

The project started with identification of potential stakeholders and mobilizing their interest to act as nodes of the network. Nine organizations were identified, most of them showed interest but only two of them became shareholders: Uganda Investment Authority (UIA) and Uganda Coffee Development Agency (UCDA). The third shareholder was CW, a private ICT company designated to act as managing agent. Besides, Infocom considered becoming a shareholder as well but the decision was deferred.

The initial interest was encouraging and promised a broad national ownership of the project. However, one of the problems faced by potential stakeholders was their required commitment to setting up a minimum IT infrastructure for the network (estimated at \$6,000 each). Due to lack of funds on the part of potential stakeholders, delays in implementation, management problems of UBIN and demise of CW the interest faded so that currently there remain only two original shareholders (UIA and UCDA). The share contribution of UIA amounted to USD 5000 in cash. UCDA on the other hand made available office space of 180 square meters free of rent for a period of 1 year. Both made their information resources available. The paid up capital was estimated at USD 22000 but due to the losses of 2002 it is a bit lower now.

After the withdrawal of CW the Board of Directors consists of UIA, UCDA and MTTI only. Thus, while at the early stages of the project broad national ownership seemed very likely, the current situation is less spectacular. However, as confirmed by some potential nodes of the network, negotiations about contractual arrangements on sharing or using information among and by network participants are on-going and there are prospects that, once concluded at least with some nodes, the network will not only become operational but also strengthen national ownership of the project.

### 6.4.4 Synergy effects resulting from cooperation within and outside the IP

***Providing training and enterprise Internet services to some UIP components on commercial basis; external cooperation limited***

## **UIP**

UBIN got involved - on commercial basis – in working contacts with UIP management and some UIP components, either through training their staff (TCFC) or maintaining their network and website development (UIP, UCPC) or both (UCDA). Some organizations supported by UIP (UFPEA, UCOFPA) submitted inquiries to UBIN; in one case the inquiry was successfully completed (for a national expert in the Food component).

## **Outside UIP**

**World Bank:** selling some information to the WB-supported Uganda Development Gateway; long-term (business) cooperation envisaged

There exist possibilities for cooperation with USAID financed SPEED and IMPACT, EU financed SUFFICE and UNDP-supported Private Sector District Promotion Centres (now reconstituted as Private Sector District Promotion Companies).

### 6.4.5 Results

***UBIN established, operational and recovering operating costs but needs improvement, information services marginal, network not yet operational***

Since the consolidation process started in October 2002 UBIN reached a situation of having 10 staff, delivering three categories of services (information, training in ICT and Enterprise Internet solutions) and coming close to making a small profit. As a company UBIN managed to survive and this needs to be acknowledged as a success, considering the crises of 2002. The new CEO seems to have contributed significantly to this change in the course of affairs. However, the situation is far from perfect, given the following facts:

- Share of information services in the total income (Oct 2002-Dec 2003) was 1.6 % only; enterprise Internet solutions (mainly websites) accounted for 60%, the rest is training. UBIN records 51 inquiries but many of them got stuck in the initial

stage (“Client yet to pay commitment fee for commencement of project”). In real terms UBIN completed and delivered six information products, one on technology of drying fruits, three on potential markets (one a list of potential importers, not very different from information available at UEPB). Besides, some information was provided to the Uganda Development Gateway, and a consultancy on mushrooms was also provided. One out of the 6 users was a UIP entity.

- Internal management system (including methodological tools, monitoring mechanisms, etc) and marketing of services need improvement (well elaborated in the draft report of Mr. L.P. Fernando, December 2003)
- The salient feature of the concept – the network of stakeholders as nodes with UBIN as the focal point – has not yet been implemented. This constrains particularly the information services.

So far, the main ICT services have not been primarily SME-targeted. In total 158 people were trained, mainly in M/S Office, accounting and desktop applications. Out of the total, 84 were individuals (names available only, employer not indicated) and 74 corporate trainees. The corporate included MTTI, Cotton Development Organization and the Capital Markets Authority. The clients for the Enterprise Internet solutions were also recruited primarily from large organizations (such as hotels, insurance company) and UIP-supported organizations (such as UCPC, UCDA, UIA). To keep the business afloat this orientation is necessary and needs to be accepted particularly in the running in years.

#### 6.4.6 Sustainability

***Sustainability of UBIN as a commercial company not yet certain, but probable, sustainability of information services alone hardly possible so that subsidizing by other services necessary***

One needs to distinguish between sustainability of UBIN as a commercial company and sustainability of its information services. At first sight, sustainability of UBIN as a company looks quite promising: in the last 14 months (till December 2003) the company

earned over USD 60000 and could exhibit net profit over operating costs. However, a few factors of caution need to be considered:

- The operating costs do not include depreciation because most of the equipment was granted by UNIDO (approx. USD 31000) and MTTI. If depreciated, this factor alone would considerably reduce or completely eliminate the profit (depending on the rate of depreciation).
- A considerable part of the income (37%) was not received in the accounting period so that it appears as current assets, MTTI being one of the large debtors. On the other hand UBIN`s current liabilities (debt) are even larger than the current assets.<sup>°</sup> Due to this situation the cash flow was positive, but such a large degree of indebtedness is risky.
- A part of services was provided to organizations supported by UIP and, thus, either paid by UNIDO projects or at least they were benefiting from developing business contacts easily; this advantage is temporary.

Long-term financial sustainability of UBIN as a commercial company will depend primarily on improving the internal management system and making marketing more effective.

UBIN information services cannot be run without the support of the other income generating services which is the only way to develop sustainable information services in the long-run. Therefore, splitting the services into fully independent profit centers without a mechanism of profit redistribution should be avoided. To speed up developing the information services, increased emphasis might be considered to improve the UBIN's operational capacity to deliver specific demand-driven services to SMEs. Moreover, additional efforts should be made to increase SME awareness of the value of commercial information services.

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<sup>°</sup> The largest creditor is the shareholder UCDA (rent); negotiations about converting this debt into shares are envisaged.

## Recommendations

### UBIN (CEO and Board of Directors)

- Once cleared by UNIDO, review the report prepared by Mr. Fernando (Dec 2003) and the recommendations contained therein and based on that elaborate and agree on measures, with a timetable, how to alleviate the management deficiencies and to enhance the marketing activities
- Review the status of contractual arrangements for establishing a network of nodes and specify measures how to speed up the process and attract as many potential stakeholders to act as nodes as possible
- Agree on frequency of regular meetings of the Board of Directors and prepare the core agenda for the next forthcoming meetings, including monitoring of the timetables mentioned above
- At one of the next Board meetings set performance indicators for the information services to ensure that their volume increases and a certain share in the total turnover is reached. Monitor the indicators and update them, if required, after some experience with operations of the network is acquired.

### Government and UNIDO (regarding Phase II)

- Willingness of SMEs to pay for information in the regions outside Kampala is not greater than of those in Kampala. Therefore, stand-alone commercial information services or services with primary focus on information cannot be operated in the regions either. However, given the low level of presence in the regions of ICT services it is relevant for UNIDO to support establishment of such services in the regions, as they will meet some needs of SMEs and, thus, entail a development function. Thus the planned establishment of regional centres as contained in the proposal for Phase II can be viewed as relevant.



**Without losing information services out of sight it should be fully acknowledged that the centres would have broader service coverage. Perhaps the term “ICT services” in the title could reflect the reality.**

- In order to support the information component in the regional centres through UBIN it is important for UBIN to have access to the information available in the nodes. Hence establishing the UBIN network and making it operational seems to be a pre-requisite for starting operations in the regions.**
- Making alliances in the regions with the MCP and the Private Sector District Promotion Companies (PSDPC) as envisaged in the Phase II proposal is a sound strategy. MCP and USSIA will become the first natural partner for information services, being both target beneficiaries and sources of information and advisory services. PSDPC will be facing financial problems so that the UBIN centres need to be cautious in selecting the regions and determining the fields of cooperation and division of responsibilities but definitely joining efforts in equipping the office and training staff in providing ICT services is more efficient than operating as similar entities in parallel.**
- If an SME policy is formulated consider adopting the principle of subsidizing information services for SMEs.**
- Involve the UIP field office and national counterpart in preparation of TOR for all experts and subcontracts and in their selection and ensure their regular reporting to the UIP field office.**

## 7. Component 3 B: Joint UNIDO-Italy Programme to establish an Investment Promotion Unit (IPU)

### *Budget (excl. support costs) and expenditures (USD)*

IPU	IP Budget		Funding Oct. 2003			Expenditures 30 Oct 2003	% of PAD
	Original July 99	Rev Sept 00	PAD	% of budget			
				Orig.	Rev.		
	0,0	1,000,000	634,389	n.a.	63.4	511,733	81

### 7.1 Funding

#### *Funding facilitated through the initiative of the bilateral programme of Italy*

Funded by Italy, from the bilateral segment. The whole budget of the sub-component is appropriated by one project document (TF/UGA/99/001), however, funds are released in three instalments.

### 7.2 Design

#### *Sub-component added in the course of IP implementation but the design pays adequate attention to linkages with other IP components*

The original IP document (1999) did not include this sub-component; it was added to the IP at a later stage (2000) when aligning the initiative of the Italian bilateral agency to establish an investment promotion unit in Uganda to the UNIDO programme in the country. While the sub-component 3 B may appear standing parallel to the sub-component 3 A (which also comprises investment promotion objectives), the outputs of 3 B are explicitly linked to the sector priorities of the Integrated Programme and some activities of the sub-component 3A. Thus, though added at a later stage, the design of the sub-component pays adequate attention to the principle of integration.

### 7.3 Implementation

#### ***Standard promotional and awareness raising activities but limited involvement of national expertise and a long break of activities***

UNIDO inputs consisted mainly of international expertise and training, with modest inputs of equipment and personnel administrative support and very limited use of national experts. The largest part of the international expertise has been realized through the Head of the IPU.

There is a twinning arrangement with ITPO Italy within which the ITPO Italy provides methodological and substantive guidance to the IPU and serves as a gate for contacts with industry in Italy.

Though in principle the IPU is eligible for promotion of investment from any country, due to the bilateral source of funding and for practical reasons (well established contacts with ITPO Italy) the Unit has been promoting investment and cooperation primarily with Italy.

Activities of IPU have been similar to standard activities of an ITPO (awareness raising and training, promotion of individual projects) and can be quantified as follows:

- Number of Ugandan companies registered in the databank: 170
- Number of projects promoted (IIPP prepared) 118
- Number of Ugandan companies sent to Italy 46
- Number of Italian companies visiting Uganda 10.

Implementation has been primarily in the hands of the international Head of the IPU, the unit employed national professionals for a short time only. For one year the Unit was operating without the Head. In combination with the delay in receiving the second instalment this contributed to significant reduction of the activities (IPU was “dormant”).

As regards institutional capacity building, two senior staff were trained through the delegate program and two junior staff also from UIA continue their training within the IPU.

Since that IPU is based within UIA there has been an ongoing collaboration with UIA investment department primarily on resource and information sharing.

Reporting by IPU on activities complied with standard ITPO reporting requirements.

#### **7.4 Relevance**

##### ***Relevance rests in the general need for increased inflow of investment***

The project was donor driven. However, inflow of investment is highly desirable for technology and economic development so that any support in this field has a potential to be relevant for the country. Relevance of this project could have been increased if a credit line had been made available as originally foreseen.

#### **7.5 Ownership**

##### ***Attached to a strong UIA, operating independently but in collaboration***

The IPU was attached to UIA. The international head managed IPU activities.

#### **7.6 Synergy effects resulting from cooperation within and outside the IP**

##### ***Occasional cooperation with other Components***

There has been information sharing with other IP components. This is due to the fact that most components work with micro enterprises and IPU works primarily with small and medium size enterprises.

IPU has also collaborated with the Chamber of Commerce, with PSFU, UMA and Enterprise Uganda.

## 7.7 Results

### ***Contribution to awareness raising and some results in terms of actual business cooperation***

On the basis of activities carried out by the IPU the following results have been reported:

- Number of professionals trained: over 220
- Number of entrepreneurs trained: over 650
- Number of projects concluded: 10

A “concluded project” stands for a letter of intent, not a contract. Out of the 10 projects 9 are already in the process of being implemented. Two projects related to the leather industries, one concerned equipment purchase and the other a commercial relation which lead to an investment from the Italian side. Two other projects are agro-industries based and are having good results in the newly found markets. Another project is in the crocodile farming and is the contract in the process of being finalized. Another project concerning photo processing is already well on its way with the transfer of technical know-how, machinery transfer and brand name. The other project in the coffee sector is also under way and the machinery has already arrived in Uganda. A wood-processing project is in its last stages of implementation and a rose flower-growing project is well established and exporting to its Italian counterpart.

The most effective instrument for establishing cooperation contacts turned out to be trade fairs. The mission of two delegates to ITPO Italy did not produce any significant results. After return from Italy one of the delegates left UIA. Some adjustments should be made in order to make the delegate programme more effective and efficient. Firstly the delegate should report to the Head of the ITPO directly and secondly the delegate should be guided in the initial stages.

## **7.8 Sustainability**

***Institution building activities in UIA might sustain, IPU is a temporary entity***

The project has supported expanding UIA activities and has trained some UIA staff. The project will terminate but capacities built in UIA might be sustainable.

### **Recommendations**

**As the project is going to be phased out there are no recommendations regarding Phase II.**

## 8. Component 4: STRENGTHENING THE UGANDA NATIONAL BUREAU OF STANDARDS (UNBS)

### *Budget (excl. support costs) and expenditures (USD)*

	IP budget		Funding Oct 2003			Expenditures 30 Oct 2003	% of PAD
	Original July 99	Rev Sept 00	PAD	% of budget			
				Orig.	Rev		
UNBS	250,000	250,000	231,296	92.5	92.5	231,296	100

### 8.1 Funding

*Funded by UNIDO (Regular budget)*

### 8.2 Design

*Problem areas well identified but coverage rather ambitious (in relation to resources)*

The five planned outputs (commercialisation of services-assisting in implementation of quality assurance schemes- lab accreditation-MIS-a repair facility) were formulated on the basis of gaps inherited from a previous project and therefore they were well identified but given the limited budget the coverage of the interventions was rather ambitious.

### 8.3 Implementation

*UNBS satisfied with quality of UNIDO inputs and implementation*

UNIDO inputs consisted primarily of international expertise (60% individual experts, 23 % subcontracts) and some equipment (17 %). The structure of inputs was justified by two factors: 1) need to complement by expertise and the equipment inputs provided under the previous project and 2) lack of national expertise in this field, hence dominance of international experts.

Quality of the delivered expertise was good, except for one international expert (language problem).

The process of implementation was smooth. UNBS appreciated that UNIDO procedures allowed for their active role in the selection of experts. They also appreciated efficiency of the UNIDO Project Manager who pushed for speedy decision-making and implementation.

#### **8.4 Relevance**

##### ***Addressing well defined and acute needs***

For the manufacturing sector UNBS is an important element of the quality and safety infrastructure and, thus, trade facilitation. The IP intervention complemented a previous large UNDP funded project so that it was targeted at well-identified gaps in UNBS capabilities. Besides, a part of the intervention (the microbiology lab) was well harmonized with support provided by another Component (1A) in addressing a particularly acute problem of the fish export.

#### **8.5 Ownership**

##### ***Good managerial capability to discharge the ownership function but limited resources to support it by local inputs***

UNBS proved to have human resources to plan, implement and absorb (make use of) technical cooperation. Priority areas for strengthening UNBS are well defined. Unfortunately UNBS is short of funds so that it has problems in supporting its ownership function by adequate material and financial inputs.

#### **8.6 Synergy effects resulting from cooperation within and outside the IP**

##### ***Close cooperation with Comp 1A (Food) only***

Comp 1A (Food): The UNBS microbiology laboratory was selected for certification in order to complement support provided by Comp 1A to the fish sector. Quality assurance



systems were also promoted particularly in the food sector companies supported by Comp 1A.

Cooperation with the Private Sector Foundation Uganda (PSFU) and UMA in certification of ISO 9000 was not established because UNBS as Government-funded organization is not eligible for subsidies from the PSFU managed Business Uganda Development Scheme – Enterprise Development Support (BUDS-EDS).

## **8.7 Results**

### ***Accreditation of the microbiology lab a distinct achievement, but capacity utilization low; other results commensurate to deployed resources***

- The microbiology laboratory obtained international accreditation. It is the first microbiology lab outside South Africa that received such accreditation. (A considerable part of the work, including equipment upgrading, was done under the previous project, this project managed to bring the process to a successful end.) With the present staff of 4 lab technicians it has the capacity of 40 jobs (samples) per day, currently it is actually used at 10% (70-80 samples per month). One of the reasons is said to be the inadequate capability of the chemical laboratory to carry out related testing so that some clients prefer testing facilities capable to do all the tests at one place.
- The metrology laboratory was strengthened through advice and training but it still lacks pressure, temperature and force measurement capacity to become a full-fledged metrology lab. Similarly the Chemical lab was strengthened by advice and training but the lab is short of some vital equipment.
- Under the voluntary Product Certification Scheme a Quality Mark was defined and awarded to several products to testify to consumers their safety.
- More than 400 people were exposed to an awareness raising campaign on ISO 9000, including in-house training in some companies.

- Publicity materials were prepared to raise awareness about UNBS and support commercialisation of its services.
- Support to MIS under this intervention was minimal and the plan of having a repair facility was dropped.

## **8.8 Sustainability**

### ***Sustainability of UNBS beyond doubt, sustainability of project results not assured***

UNBS is too important for the economy to question its existence but this sheer fact alone does not guarantee sustainability of the capacity developed by the project. In fact lack of funds for maintenance and replacement of outdated equipment eroded sustainability of the capacities developed by the previous project (MIS in particular). To avoid such a risk in the case of the microbiology laboratory it is necessary both to increase Government funding and to expand commercial services of UNBS to generate own income. Satisfaction of industry (fisheries) with the UNBS testing services (flexibility, promptness) is a good springboard for this avenue.

## **Recommendations**

### **Government**

- **Provide UNBS with funds (using also donor basket funding) to sustain and upgrade the developed capabilities**
- **Use public/private platforms to promote the role of UNBS and to extend policy support to UNBS in commercialisation of its services.**

### **UNBS**

- **Expand commercialisation of services. In the case of services offered by private laboratories avoid competing in terms of price (to avoid**

market distortion) and focus on client satisfaction in other terms of delivery (promptness, flexibility, etc.).

- Consolidate and upgrade the achieved results by extending the accredited testing in the microbiology laboratory.
- Develop accredited testing in other laboratories (in particular chemical and metrology).
- Pursue accredited certification for ISO 9000 and HACCP. In the case of ISO 9000 ask for Government support in clarifying access to BUDS-EDS subsidies.

#### **UNIDO**

- Continue support to UNBS in achieving some of the above objectives, particularly those which have direct relation to industry sectors in focus of the Second Phase so that synergy of interventions can be achieved.

## 9. Component 5: THE ESTABLISHMENT OF A NATIONAL CLEANER PRODUCTION CENTRE (NCPC)

### *Budget (excl. support costs) and expenditures (USD)*

	IP Budget		Funding Oct 2003		Expenditures 30 Oct 2003	% of PAD	
	Original July 99	Rev Sept 00	PAD	% of budget			
				Orig.	Rev		
NCPC	0,0	789,000	908,850	n.a.	115	608,876	67

### 9.1 Funding

*Funded by Austria, original budget was increased by 15% to extend the scope of activities (ISO 14000)*

### 9.2 Design

*The IP document with standard NCPC services but Business Plan introduced innovative services*

The planning document rightly distinguishes between activities aiming at physical and organizational establishment of the UCPC and services of UCPC. The types of services as outlined in the IP document correspond to the standard set of services carried out by a national cleaner production centre but the subsequent Business Plan introduces some new elements, such as eco-design of products. This is apparently due to influence of twinning arrangements with partner organizations in the donor country.

### 9.3 Implementation

*Smooth and intense implementation with support of an experienced international expert*

UNIDO inputs consisted primarily of international expertise (41%), national expertise (17%) and some equipment (15%). One long-term adviser experienced in supporting NCPCs in other countries delivered the international expertise; the expert contributed to

speedy institutionalisation of the Centre and conducting of its activities. The national experts represent the current staff of the Centre.

Most activities of UCPC have been similar to standard activities of a NCPC and some of them can be quantified as follows:

Awareness raising seminars	27
Requests for technical information processed	10
Plants exposed to quick scans	11
Plants exposed to in-depth assessment	20
Plants supported in implementation of EMS (ISO 14001)	7

Low number of requests for technical information is a common feature for most of the NCPCs and demonstrates both the low demand for CP and low relevance of stand-alone services for technical information.

Besides, the Centre published a number of awareness-raising brochures and promoted incorporation of CP in curricula of universities and services of other organizations. The Centre made an attempt to advise a company on eco-design of its product (paper boxes), rather innovative services not practiced by Centres in other countries, but the company has not yet implemented the new design because this implementation required extra investment.

UCPC designed and implemented an effective system of motivating companies to carry out CP improvements (to renew the CP certificate) and to master CP before introducing ISO 14000. This experience deserves to be studied by other NCPCs of the UNIDO/UNEP network

## **9.4 Relevance**

### ***CP among priority policies of MTTI but demand by industry had to be generated***

As in other countries, potential for CP benefits exists also in Uganda. Establishment and activities of the National Environment Management Authority (NEMA) and some environmental regulations created a favourable policy framework for application of

cleaner production. In spite of that, effective demand of industry for advisory services in CP was rather low. Therefore the Centre has a promotional function to raise awareness about it and, thus, to create demand for services in this field. These UCPC activities contributed also to CP becoming one of the priority policies of MTTI.

## **9.5 Ownership**

***Strong national ownership discharged by the Executive Board and facilitated by competent UCPC management***

Formally the Uganda Industrial Research Institute (UIRI) Centre hosted the Centre, but the Executive Board comprising the key stakeholders including industry representatives (UMA, USSIA and ULAIA), MTTI, NEMA and the Uganda Gatsby Trust are the true owners. A dedicated and competent team led by the UCPC Executive Director facilitated the national ownership.

## **9.6 Synergy effects resulting from cooperation within and outside the IP**

***Linkages with other IP components exist, but usually rather coincidental; cooperation with partners outside the IP adequate except for UMA/PSFU***

Comp 1A: UCPC also supported fisheries and in some cases built on the work done by Comp 1A. However, selection of some fisheries resulted from a previous GEF project on Lake Victoria and not from coordination among the IP components. Besides, one SME supported by Comp 1A in introducing appropriate technology participates in the Eco-benefit programme to test applicability of CP to a very small company.

Comp 1C (Leather): UCPC carried out CP audits in tanneries supported by previous UNIDO projects (the current IP leather component does not cover tanneries).

The Centre is well networked with several national organizations (universities, NGOs) and the two other NCPCs in East Africa (Kenya, Tanzania). Working relations with UMA were manifold. The Director of Training at UMA and Chairperson of the Standards, Energy and Environment Committee successfully participated in the Eco-Benefits

programme and are strong advocates of the CP concept. UCPC participated in the UMA International Trade Fair in October 2003 under the sponsorship of UMA. UCPC has participated in training programmes of UMA by providing resource persons. However, there has been no cooperation with UMA in the ISO 14000 programme. UMA has a unit created with the support of GTZ, which advises companies on ISO 9000 and 14000. Currently 5 companies are advised on ISO 14000, a part of the costs is eligible for reimbursement by the EU funded BUDS-EDS (Business Uganda Development Scheme Enterprise Development Support) managed by the Private Sector Foundation Uganda (PSFU).

## 9.7 Results

***Capacity to promote cleaner production is well developed, results at industry level are significant and contribute to visibility of UCPC; problem of financing more sophisticated CP technology changes remains unresolved***

### 9.7.1 Capacity building and policy environment

The Centre is staffed with two qualified professionals and engages other national experts when carrying out audits and advisory services at industry level. Methodological tools have been developed (training) or are being finalized (manual for Eco-benefits activities). UCPC itself (like NEMA) joined the current programme introducing ISO 14001 in 7 enterprises. However, to cope with the increasing activities the Centre needs strengthening in terms of staff and some basic portable measuring equipment.

On the basis of activities carried out by UCPC the following results in CP capacity building have been achieved:

Persons exposed to long-term training (>2 months)	49
Persons exposed to short-term training	99
Training manuals	3
Consultants holding CP license	14
CP assessors capable to apply the know how obtained	89
Universities and other organizations with CP components	10

So far the Centre has not been involved in drafting policy papers but due to its awareness raising activities and good results at industry level the MTTI included CP among its priority policies. The problem of financing more costly CP options (such as technology transfer from abroad) remains unresolved.

#### 9.7.2 Outcome and impact at industry level

Economic savings and environmental benefits (reduction of waste, efficient use of natural resources such as water, fuel, etc.) are recorded for every company participating in the Eco-benefit programmes and published. Some measures go beyond the standard CP techniques and apply general Good Manufacturing Practices (such as maintenance of equipment) and health and safety measures. The total annual savings by companies that participated in the first two Eco-benefits programmes are reported at USD 800,000. Visit to one of the participating companies (Ngege Ltd.) confirmed high appreciation of the management for the programme and continued implementation of the identified and recommended improvements. This experience need not be valid for all companies and the published benefits may be on the optimistic side. In spite of that the reported data seem to suggest that the outcome (implemented recommendations) and impact (particularly the economic one) are significant. Soon ISO 14000 certification, acquired by some of the companies who participated in the Eco-benefits programme, will likely complement these results.

### 9.8 Sustainability

***In view of good results and visibility UCPC has good chances to attract continued donor and government support; staffing to be strengthened***

In order to be allowed to operate its own account, UCPC was registered as a “company limited by guarantee”. Currently the cost recovery is approximately 25% (excluding the costs of two staff paid as national experts by the UNIDO project). A large part of the services is and will remain public goods; this part will always require financial support. In view of that UCPC strives to become a government-supported institution. Thanks to good results and visibility UCPC has also good chances for support by donors (such as NORAD). In order to cope with the increasing scope of activities and to increase the



critical mass of institutional capability it is desirable to recruit additional professional staff or to extend contractual arrangements with CP consultants capable to support implementation of UCPC activities.

## **Recommendations**

### **Government**

**Continue support to UCPC; in particular:**

- **Elaborate institutional arrangements allowing for government subsidies of the public services of UCPC and provide some financial support to strengthen technical capacity (personnel and equipment) at the Centre**
- **Involve the Centre in elaboration of policy measures supporting implementation of CP in industry**

### **UCPC**

- **Consolidate the current capacity and develop it further to include policy dialogue, financing and advisory services for ISO 14000;**
- **Liaison with the UMA unit supporting UMA members in implementation of ISO 14000 in order to review possibilities of sharing experience and cooperation (while acknowledging the fact that there are constraints given by the funding arrangements for ISO 14000 that exist at both UMA and UCPC)**
- **Re-examine possibilities of cooperation with the Nakawa Vocational Training Institute, including the possibility of introducing CP in their curricula**
- **Continue targeting primarily well established companies with potential for significant CP benefits; extension of the coverage to include micro-**

scale enterprises needs to proceed with caution and monitoring of efficiency (cost-benefit relation) of such activities

**UNIDO**

- **Continue support to UCPC in order to achieve the above objectives; the support should include provision of basic portable measuring equipment**
- **Share the experience and lessons learned from the monitoring system and arrangements motivating companies to implement CP with other NCPCs.**

## LIST OF ANNEXES

### Annex I: Terms of Reference

28 November 2003

#### **Terms of Reference** MID-TERM EVALUATION of INTEGRATED PROGRAMME in UGANDA

##### **The In-depth evaluation**

In-depth programme evaluation is an activity carried out during and/or at the end of the programme cycle, which attempts to determine as systematically and objectively as possible the relevance, efficiency, achievements (outputs, outcomes and impact) and sustainability of the programme. The evaluation assesses the achievements of the programme against its key objectives, as set in the Programme document, including re-examination of the relevance of the objectives and of the Programme design. It also identifies factors that have facilitated or impeded the achievement of the objectives.

##### **Purpose**

The purpose of the Uganda Integrated Programme (IP) in-depth evaluation is to enable the Government, UNIDO and donors:

*To assess the efficiency of implementation: quantity, quality, cost and timeliness of UNIDO and counterpart inputs and activities.*

*To assess the outputs produced and outcomes achieved as compared to those planned and to verify prospects for development impact.*

*To provide an analytical basis and recommendations for the focus and (re) design for the continuation of the programme under a Phase II.*

The evaluation is conducted in compliance with UNIDO policy regarding the evaluation of its integrated programmes.

##### **Method**

*The evaluation will be conducted at two levels: evaluation of selected integrated programme components and evaluation of the programme as a whole.*

*The evaluation will be carried out through analyses of various sources of information including desk analysis, survey data, interviews with counterparts, beneficiaries, partner agencies, donor representatives, programme managers and through the cross-validation of data. While maintaining independence, the evaluation will be carried out based on a participatory approach, which seeks the views and assessments of all parties.*

*All components will be evaluated, making use of the results of previous evaluations, in particular those covering the leather sector (October 2002) and the Food and Textile sub-component (carried out by NORAD in May 2003)*

*Reproduced below is the financial picture of the programme components as of the day that the TOR was prepared:*

Components		Original IP Document	Funded	Expenditure	Percentage %
		(In United States dollars)			
0	<i>Field Prog. Mgmt Unit (UR, JPO, NCP, Secretary and Driver)</i>	249,500	-	-	-
1	<b>Agro-Industries</b>				
1A	<b>Food Industry Sector</b>	1,278,000	2,635,956	2,238,182	85%
1B	<b>Textile Industry</b>	476,000	231,520	231,519	100%
1C	<b>Leather Industry</b>	905,000	136,954	133,731	98%
	<i>Subtotal</i>	2,659,000	3,004,430	2,603,432	87%
2	<b>Development of Micro and Small-scale Industries</b>	1,106,000	1,165,038	1,133,497	97%
3	<b>Investment Promotion and Information Network</b>				
3 A	<b>Investment and Network</b>	554,000	682,710	632,779	93%
3 B	<b>UNIDO – Italy IPU</b>	1,000,000	634,389	507,417	80%
	<i>Subtotal</i>	1,554,000	1,317,099	1,140,196	87%
4	<b>Strengthening the Uganda National Bureau of Standards</b>	250,000	242,828	242,828	100%
5	<b>Establishment of National Cleaner Production Centre</b>	789,000	908,850	605,776	67%
	Total	6,607,500	6,638,245	5,725,729	86%

### **A. Programme-wide evaluation**

The programme-wide (IP) evaluation will address the following issues:

#### *1. Relevance, ownership and participation*

The extent to which:

- The IP was jointly identified and formulated with the central coordinating authority, as well as with the involvement of programme counterparts and their target beneficiary groups.
- A participatory programme identification process was instrumental in selecting problem areas and of counterparts requiring technical cooperation support.
- Industry representatives, where appropriate, were actively involved in the formulation of the programme.
- The IP has a clear thematically focused development objective, which will contribute to goals established by the country, the attainment of which can be determined by a set of verifiable indicators.
- The central national authority has been in a position to effectively lead in the coordination of the programme stakeholders during the preparation, implementation and monitoring of the Programme.
- There is an agreement among the stakeholders that the objectives of the IP are still valid and that the programme supports the country industrial strategy.

#### *2. Programme management*

The extent to which:

- The central national management and overall field coordination mechanisms of the Programme have been efficient and effective.
- The UNIDO HQ based management, coordination, monitoring of its services have been efficient and effective.
- External factors (rules and regulations, procedures, administrative mechanisms, etc.) have impeded the discharge of management responsibilities.

#### *3. Funds mobilization*

The extent to which:

- The central national management and counterparts were able and willing, to contribute (in kind and/or cash) to IP implementation and in taking an active part in funds mobilization. UNIDO HQs and the Field representation paid adequacy and effective efforts in funds mobilization. The IP team and its stakeholders were in a position to participate and influence the process of allocation of seed money.

#### *4. Country level coordination*

The extent to which:

-The IP promotes improved national inter-institutional cooperation arrangements, including public-private sector cooperation and partnerships.

-The IP approach is able to promote coordination with other development cooperation programmes, both bilateral and multilateral ones (in particular UNDAF).

#### *5. Synergy benefits derived from programme integration*

The extent to which:

-Coordination amongst and within components led to benefits (such as cost saving in implementing UNIDO services; increased effectiveness resulting from providing different services to the same target group; increased effectiveness resulting from interventions aiming at strengthening linkages within a system; improved effectiveness due to services provided simultaneously at the level of policies, support institutions and enterprises).

-The transaction costs of the IP (management and coordination of many stakeholders, complexity in funds mobilization, etc.) were commensurate to the benefits of integration.

#### *6. Impact at the programme-wide level (contribution to industrial objectives of the country)*

Assessment of:

-The results achieved so far and whether they reflect discernible progress in economic, environmental and social areas, including gender related issues.

-If the IP has or is likely to contribute to the achievement of the Millennium Development Goals.

-Result indicators were developed and facilitated the assessment of progress towards national and international development targets.

### **B. Evaluation of selected components**

In-depth evaluation of each of the selected components will address the following issues:

#### *1. Ownership and relevance:*

The extent to which:

-The component was formulated with participation of the national counterpart and/or target beneficiaries, in particular the industrial stakeholders.

-The counterpart(s) has (have) been appropriately involved and were participating in the identification of their critical problem areas and in the development of technical cooperation strategies, and are actively supporting the implementation of the component.

A logically valid means-end relationship has been established between the component objective(s) and the higher-level programme-wide objective.

Changes of plan documents during implementation have been approved and documented.

-The outputs as formulated in the IP document are still necessary and sufficient to achieve the component objectives.

-Coordination envisaged with other components within the IP or with any other development cooperation programmes in the country has been realized and benefits achieved.

#### *2. Efficiency of implementation*

The extent to which:

-UNIDO and Government/counterpart inputs have been provided as planned and were adequate to meet requirements.

-The quality of UNIDO services (expertise, training, equipment, methodologies, etc.) were as planned and led to the production of outputs.

#### *3. Effectiveness of the component*

Assessment of:

-The relevance of the outputs produced and how outputs used by the target beneficiaries.

-The outcomes, which have been or are likely to be realized through utilization of outputs.

#### *4. Impact*

-Identify what developmental changes (economic, environmental, social) at the target beneficiary level (industry) have occurred or are likely to occur.

#### Composition of the evaluation team

The evaluation team will be composed of the following:

D. Magliani, UNIDO Senior Evaluation Officer (experience in evaluation methodology, Integrated Programme, UNIDO Policies and Procedures).

Mr. W. Gong, UNIDO Evaluation Officer

-Government nominated representative, well acquainted with industry-relevant institutional framework of the country.

-J. Navratil, Evaluation Consultant (with background in evaluation).

*Members of the evaluation team should not have been directly involved in the design and/or implementation of the programme/projects.*

All members of the evaluation team who are not staff members of UNIDO will be contracted by UNIDO.

UNIDO IP office will support the evaluation team.

Donor representatives from the bilateral donor Embassies will be briefed and debriefed; and will be offered to participate during the evaluation of the components and/or projects they have funded.

## Annex II: Acronyms and Abbreviations

<b>APDF</b>	Africa Project Development Facility
<b>BUDS</b>	Business Uganda Development Services
<b>CB</b>	Capacity Building
<b>CEO</b>	Chief Executive Officer
<b>CFC</b>	Common Fund for Commodities
<b>CP</b>	Cleaner Production
<b>CVs</b>	Curriculum Vitas
<b>CW</b>	Cyber World
<b>DANIDA</b>	Danish Development Agency
<b>DFID</b>	Department for International Development (UK)
<b>DFR</b>	Department of Fisheries Resources
<b>EB</b>	UNIDO Executive Board
<b>EC</b>	European Commission
<b>EC</b>	Entrepreneurship Curriculum
<b>EDP</b>	Entrepreneurship Development Programme
<b>EDS</b>	Enterprise Development Support
<b>EIB</b>	European Investment Bank
<b>ESALIA</b>	Eastern and Southern Africa Leather Industries Association
<b>EU</b>	European Union
<b>FAO</b>	Food & Agriculture Organization
<b>FDI</b>	Foreign Direct Investment
<b>FIMS</b>	Fish Inspection Management System
<b>FM</b>	Fund Mobilization
<b>FMC</b>	Fund Mobilization and Coordination
<b>FOSRI</b>	Food Scientific Research Institute
<b>GDP</b>	Gross Domestic Product
<b>GEF</b>	Global Environment Facility

<b>GMP</b>	Good Management Practices
<b>GOU</b>	Government of Uganda
<b>GTZ</b>	Gesellschaft für Technische Zusammenarbeit
<b>HACCP</b>	Hazard Analysis Critical Control Points
<b>HQs</b>	Head Quarters
<b>ICT</b>	Information and Communication Technology
<b>IFC</b>	International Finance Corporation
<b>IIPP</b>	Industrial Investment Project Profile
<b>IP</b>	Integrated Programme
<b>IPU</b>	Investment Promotion Unit
<b>ISO</b>	International Standard Organisation
<b>ITPO</b>	Investment and Technology Promotion Office
<b>JICA</b>	Japanese International Cooperation Agency
<b>MAAIF</b>	Ministry of Agriculture, Animal Industry and Fisheries
<b>MCP</b>	Master Craftsman Programme
<b>MDG</b>	Millennium Development Goals
<b>MFPEd</b>	Ministry of Finance, Planning and Economic Development
<b>MIS</b>	Management Information System
<b>MOES</b>	Ministry of Education and Sports
<b>MSIs</b>	Micro and Small-scale Industries
<b>MSME</b>	Micro, Small and Medium-scale Enterprise
<b>MTCS</b>	Medium term Competitive Strategy
<b>MTCSS</b>	Medium term Competitive Strategy Secretary
<b>MTTI</b>	Ministry of Tourism, Trade and Industry
<b>NBS</b>	National Bureau of Standards
<b>NCDC</b>	National Curriculum Development Centre
<b>NCPC</b>	National Cleaner Production Centre
<b>NEMA</b>	National Environment Management Authority



<b>NGO</b>	Non-Government Organization
<b>NORAD</b>	Norwegian Agency for International Development
<b>NPC</b>	National Programme Coordinator
<b>NPO</b>	National Programme Officer
<b>NUMA</b>	Northern Uganda Manufacturers Association
<b>NVTI</b>	Nakawa Vocational Training Institute
<b>OPS</b>	Organised Private Sector
<b>PAD</b>	Project Allotment Document
<b>PEAP</b>	Poverty Eradication Action Plan
<b>PFI</b>	Principal Fisheries Inspector
<b>PMA</b>	Plan for Modernization of Agriculture
<b>PSDPC</b>	Private Sector District Promotion Companies
<b>PSFU</b>	Private Sector Foundation Uganda
<b>PTC</b>	Programme and Technical Cooperation Division
<b>SME</b>	Small- and Medium scale Enterprise
<b>SPEED</b>	Support to Private Enterprise Expansion and Development
<b>SPS</b>	Sanitary and Phytosanitary Measures
<b>STRATEX</b>	Strategy for Exports
<b>SUFFICE</b>	Support to Feasible Financial Institutions & Capacity building
<b>TBT</b>	Technical Barriers for Trade
<b>TCFC</b>	Training and Common Facility Centre
<b>TEXDA</b>	Textile Development Agency
<b>TL</b>	Team Leader
<b>TOR</b>	Terms of Reference
<b>TOT</b>	Training of Trainers
<b>TUNADO</b>	The Uganda National Apiculture Development Organization
<b>UBIN</b>	Uganda Business Information Network
<b>UCDA</b>	Uganda Coffee Development Authority

<b>UCOFPA</b>	Uganda Cottage Food Processors Association
<b>UCPC</b>	Uganda Cleaner Production Centre
<b>UEPB</b>	Uganda Export Promotion Board
<b>UFPEA</b>	Uganda Fish Processors and Exporters Association
<b>UGT</b>	Uganda Gatsby Trust
<b>UIA</b>	Uganda Investment Authority
<b>UIP</b>	Uganda Integrated Programme
<b>UIRI</b>	Uganda Industrial Research Institute
<b>ULAIA</b>	Uganda Leather and Allied Industries Association
<b>UMA</b>	Uganda Manufacturers Association
<b>UN</b>	United Nations
<b>UNBS</b>	Uganda National Bureau of Standards
<b>UNCTAD</b>	United Nations Conference on Trade and Development
<b>UNDAF</b>	United Nations Development Assistance Framework
<b>UNDP</b>	United Nations Development Programme
<b>UNIDO</b>	United Nations Industrial Development Organization
<b>UR</b>	UNIDO Representative
<b>USAID</b>	United States Agency for International Development
<b>USSIA</b>	Uganda Small-scale Industry Association
<b>WB</b>	World Bank
<b>WED</b>	Women Entrepreneurship Development
<b>WOTA</b>	Women in Textiles Association
<b>WTO</b>	World Trade Organization

### **Annex III: List of Persons Met**

#### **Ministry of Tourism, Trade and Industry**

Hon. Namuyangu Jenipher J. Byakatonda	Minister of State for Industry and Technology/MP, Pallisa District
Hon. Prof. Edward B. Rugumayo	Minister
Robinah Sabano-Mutimba	Assistant Commissioner for Industry and Technology

#### **Ministry of Agriculture, Animal Industry and Fisheries**

E.F. Nsimbe Bulega	Principal Fisheries Inspector/ Coordinator Fisheries Development Project
Kangave Alice	Principal Entomologist Productive Insects National Honey Expert (UNIDO) (Apiculture)
Sserunjogi	Assistant Fisheries Officer (Kasenyi Landing Site)
Eyodu E. Marun	Head of Fisheries Training Institute Yatch and Boat Building Technology Unit
Abalo Gertrude	Ag. Principal, Fisheries Institute

#### **Ministry of Education and Sports**

Tuzinde Abasi	Principal
Silver S. Olowo	Ag. Deputy Principal Training
Kiwanuka Makumbi	Deputy Principal Administration
Omoo Francis	Head of Section- Electronics
Oteka Albino	Head of Section- Electricity
Mafabi Patrick	Head of Section- Entrepreneurship Development
Mugolobi Fabian	Head of Section- Machining

Mubiru David Head of Section- Motor Vehicle

Masa Namis Head of Section- Welding

**Ministry of Finance, Planning & Economic Development – Medium Term Competitive Strategy Secretariat**

Peter K. Ngategize National Coordinator

Henry P. Mbaguta Senior Economist

**Ministry of Health**

Paul Luyima Asst. Commissioner of Health services & Head Environmental Health

**Austrian Development Cooperation**

Irene Novotny Programme Officer

**Republic of Indonesia**

Abid M. Alam Honorary Consul

**Embassy of Italy**

Vicenzo Camponeschi Economic and Commercial Attaché

Andrea Negri Ag. Head Investment Promotion Programme

Dorcas Nyakana Investment Promotion Unit

**Embassy of Japan**

Katsuki Morihara Second Secretary

**Royal Norwegian Embassy**

Anne Kristin Hermansen Minister Counsellor

Mary Mabweijano Senior Programme Officer

**Royal Danish Embassy**

Tyge Korsgaard Programme Coordinator  
(Danida Private Sector Programme)

**National Curriculum Development Centre**

Grace Baguma	Head of Department Business/Technical NCDC
Sengendo Harry Kamy	Deputy Director NCDC

**Uganda Export Promotion Board**

Noreen B. Kamoti	Trade Promotion Officer
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**Uganda Coffee Development Authority**

Henry Ngabirano	Managing Director
James Luswata	Principal Technical Officer

**Uganda Industrial Research Institute**

Chales G. Kwesiga	Executive Director
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**Uganda National Bureau of Standards**

Terry Kahuma	Executive Director
Ben Manyino	Head Technical Operations Division
Naome A. Wanyama	Head of Common Services Department
David L. Kiragga	Head of Testing Division
Yassin Lemeriga	Standards Officer Metrology
Willy Musinguzi	Senior Standards Officer
Mark Kayondo	Accountant

**SIDA Financial System Development Programme**

Peter Rhode	Programme Director
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**Uganda Manufacturers Association**

Henry Obonyo	Executive Director
Samuel Epedel	Director Information

**Uganda Small-Scale Industries Association**

Vincent Sengendo	Director, Information and Communication
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Joseph Wabomba

National Vice Chairman

**Uganda Leather and Allied Industries Association**

Emmanuel Mwebe

General Manager

**Uganda National Apiculture Development Organization (TUNADO)**

Maria Odido

Chairman

Emmanuel Onega

Vice Chairman

**Uganda Cleaner Production Centre**

Patrick Mwesigye

Executive Director

Ssebagala B.M. Silver

Deputy Director

**Kawempe Muslim School**

Kayiira Mussa

Deputy Head Teacher

Katumba Muhsin

Head of Department  
Teacher of Entrepreneurship Development

**Uganda Business Information Network**

Ignatius Kakembo-Ntambi

Chief Executive Officer

**Ngege LTD**

Matilda Amongin

Senior Quality Assurance Manager &  
Secretary Fish Quality Assurance  
Association

Kasozi

General Manager & Treasurer UFPEA

**Training and Common Facility Centre**

John Byabashaija

Executive Director

Musinguzi

Deputy Director

Emmanuel Mwebe

Treasurer

Atwembembere

Entrepreneur (Shoemaker)  
Atwebembeere Shoe Makers

A. Mugabe

Entrepreneur (Shoe Maker)  
Muhame Shoe

John Asiimwe	Entrepreneur (Leather Goods) SZJ
Abart Bakahumura	Entrepreneur (Shoe Maker) Abart and Brothers Shoe Maker Workshop
Jovia Kamukama	Entrepreneur (Leather Goods)
Grace Tukahebwa	Entrepreneur (Leather Goods)
Deu Kamukama	Entrepreneur (Shoe Maker)
Francis Mugisha	Entrepreneur (Shoe Maker) Mugisha Co.
Samuel Tumwebaze	Entrepreneur (Shoe Maker and Leather Goods) Mirembe Footwear and Leather Arts

#### **Star Café**

Adam Kakande	General Manager
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#### **Prime Coffee Processors**

Vincent Peter Bukenya	Managing Director
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#### **USSIA Mubende District**

Kafeero Bassajjasuubi	MCP Advisor USSIA Chairman
Balyesiima David	Beneficiary MCP
Kyambadde David	Beneficiary MCP
Bukenya Godfrey	Beneficiary MCP
Lwanga C Robert	MCP Advisor
Kyaterekera Mulumba Deo	Beneficiary MCP

#### **Tropical Ecological Food Uganda- Mityana**

Ssekyonga Ivan	Post harvest
Wambuga Jennifer	MCP Advisor - Textile
Lubega Emmy	MCP Advisor- Electrical

Mukalazi David	MCP Advisor- Electrical & Electronics
Lubowa Ahmed Dauda	MCP Advisor- Electrical & Electronics
Kasirye Peter	MCP Advisor
Nakiyaga Florence	Beneficiary MCP

### **Mbale**

Pierre Rwandarugare	Beneficiary
Mungoma Jude Ted	USSIA Mbale Chairman Mbale District
Mukhwana Chrys John G	Chairman Gatsby Mbale
Okanya Beatrice	Beneficiary
Maena Steven	MCP Chairman Mbale
Khaukha Isaac	Beneficiary
Wabomba Joseph	Beneficiary
Ongole James Michael	Beneficiary
Tongi Mohammed	Beneficiary
Serunkuma Muhamad	Beneficiary
Mugala Verias	Beneficiary

### **USSIA Mbarara**

Kimbareeba Fred	USSIA Mbarara
Nabasa Pascal	Beneficiary
Mahirane Kiiza John	Beneficiary
Mugisha Geva	Beneficiary
Bitter Timothy	Beneficiary
Kamukama Gilbert	Beneficiary
Arata	Beneficiary



**Rwebikona Carpenters Association (Old Market) Mbarara**

Yaqub F	Beneficiary
Bamparana D	Beneficiary
Kaliisa S	Beneficiary
Mugerwa Hilaly	Beneficiary

**Masaka Organic Producers Ltd**

Regina Nalubega	Project Manager
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**United Nations Development Programme**

Dan Temu	Deputy Resident Representative
Jane Nimpamyia	Program Officer
Alexandra Karekaho	Assistant Resident Representative

**UNIDO Uganda Integrated Programme**

Jane Mambule	NPC (UIP)
Albert Ssemukutu	MCP Coordinator
Silver Sebagala	Deputy Executive Director (UCPC)
Joyce Rwakasisi	Coordinator Textile Comp.
Sam Balagadde	Coordinator Food Component
Billy Butamanya	EDP Coordinator
Swithin Mutaasa	UBIN

**UNIDO HQs**

Abel John Julian RWENDEIRE	Managing Director, PTC
Ahmidou OUAOUICH	UIP Team Leader, Senior Industrial Development Officer
Aurelia CALABRO	Industrial Development Officer
Yuen-Hoi Lee	Industrial Development Officer

Seiichiro HISAKAWA	Senior Industrial Development Officer
Patrick Jean GILABERT	Industrial Development Officer
Hans PRUIM	Industrial Information Officer
Victor ZAKHARIAN	ITPO Coordinator
Lalith GOONATILAKE	Senior Industrial Development Officer
Mohamed EISA	Industrial Development Officer
Imran FAROOQUE	Field Operation Officer