



Ministry of Foreign Affairs of the Kingdom of The Netherlands

Multi-Annual Country Strategy 2023-2026 Uganda (Condensed Version)

Introduction

This Multi-Annual Country Strategy (MACS) outlines the areas of international cooperation in which The Netherlands wishes to collaborate with Uganda for the period 2023-2026. This document is a condensed version containing the policy priority areas, strategic results and strategic interventions. Where applicable, multilateral and international civil society programmes are included. The resources supporting this strategy are assigned through the annual budget and annual planning cycles. The implementation of this strategy is monitored on a regular basis and adjustments are formalised through subsequent annual plans.

I. Dutch policy goals and strategy with Uganda

A. Overarching policy goal

In the 2022 policy note for Foreign Trade and Development Cooperation [‘Do what we do best’](#) Uganda has been designated as a country with which the Netherlands maintains a broad development cooperation relationship, focussed on multiple development cooperation themes. Uganda is part of the Great Lakes region and the Horn of Africa, which is one of the three focus regions of the Netherlands for development cooperation. Building on the gained experiences the Netherlands will focus on fitting Uganda’s National Development Plan III (NDP III) and Vision 2040 in the fields of Food and Nutrition Security (FNS), Rule of Law (RoL), Sexual and Reproductive Health and Rights (SRHR), Private Sector Development (PSD), and migration. The Netherlands will continue to support the growing interest in doing business with Uganda, as part of the transition towards a broader relationship whereby development cooperation and government to government cooperation is one pillar, next to business to business and people to people relations.

The overall vision of the Netherlands in Uganda is contributing to an inclusive, sustainable prosperous, democratic society, with a resilient population, in line with Uganda’s vision 2040, in a stable region.

B. Strategic results per policy goal

Security and Rule of Law

The *overarching objective* is to enhance the rule of law and access to justice because peace, security and democracy, and a free and fair society, including access to justice for all, are preconditions for development. In this, the position of Uganda within the region is of great importance as well, and political developments in the region will be closely followed by the Embassy.

The Netherlands will work towards increasing people's awareness of their **human rights** and enhancing use of fair and effective formal and informal **justice systems**; strengthening justice institutions to be more independent, fair, effective, accountable and in better coordination; supporting national legislation in conformity with international standards and making local and national governments more inclusive and accountable. With these results the Netherlands will contribute to strengthening the **social contract** between state and society. The Netherlands further aims at enhancing its position as a credible but critical security partner through the cooperation with the Ugandan military (and other relevant security authorities) in order to support Uganda in taking up a role as a trustworthy and accountable security actor, both in- and outside Uganda. Specific focus is placed on capability building, by education & training activities, enhancing the effectiveness of Uganda's contributions to peacekeeping solutions for the region in accordance with the universal principles of the **SDG's**, including human rights standards.

The Dutch interventions under Rule of Law are primarily **people-centered**, addressing the needs and priorities of the Ugandan people and focusing where the need is highest as well as where aid can achieve most impact, in coordination with Dutch-funded interventions in other sectors in Uganda. Existing links with migration and SRHR are already strong and can be further enhanced. Programme coherence with agriculture (land rights) and PSD (commercial justice) will be explored and, where feasible, strengthened. Interventions will **be Prevention of Violent Extremism (PVE)-sensitive** and where possible will target some specific PVE-relevant outcomes, as the context in Uganda warrants continued attention to this.

The Netherlands is a strong and long-trusted partner in the field of rule of law and access to justice. Both **civil society** and government highly appreciate the support the Netherlands has provided over the years, taking the role of a constructive but also critical partner. The Netherlands has in the past years taken a balanced approach to support both the supply (justice providers/government) and demand-side (civil society/population) of justice. In the coming years the Netherlands intends to continue with this approach. This approach will be primarily focused on **improving service-delivery** by justice institutions to address people's justice needs.

As a large donor in the field of justice and governance, the interventions will often be bilateral with government ministries, departments and agencies. Cooperation with like-minded donors will be maintained, including for coordinated (direct) funding to (local) civil society partners. Support will be diversified to include cooperation with UN agencies as well. The cooperation and support will focus on training, capacity building, dialogue, activities and services, but will also consist of bilateral and multilateral advocacy and diplomacy.

Migration

The *overarching objective* of the Netherlands is, in line with the **Global Compact on Refugees (GCR)** principle of burden and responsibility sharing, to support the Government of Uganda (GoU) towards a sustainable refugee response, enabling Uganda to uphold her progressive refugee policy.

Therefore the response needs to tap into the social and economic opportunities arising from refugee influxes and work on improved access to education and learning, enhanced employment and livelihoods opportunities, and increased protection and inclusion, with a special focus on youth. Additionally, access to justice, addressing war-related injuries, **Mental Health and Psychosocial Support (MHPSS)**, and reducing tensions between host communities and refugees remain essential. In this regard enough attention to '**greening**' the refugee response is needed, to make sure that implemented projects do not have an adverse effect on the environment, mitigate tensions between host-communities and refugees on biomass, and hopefully even positively contribute to mitigating and adapting to climate change.

MHPSS of refugees remains a significant area of concern with suicides rates on the rise. Key factors contributing to this include incidents of sexual and gender-based violence (SGBV), trauma from before and during their flee and after arriving at a refugee settlement, extreme poverty, and lack of meaningful access to education and jobs.

The Netherlands provides significant support to the Ugandan refugee response. Through putting the **humanitarian-development nexus** in practice, the Netherlands is able to share lessons learned with other development partners, effectively engage with (local) government, and seek synergies in our programming with other development actors to ensure complementarity instead of duplication.

The Netherlands will pursue a development-oriented approach within the refugee response by undertaking policy dialogues, cooperation with (local) governments, local and international organisations and the private sector. The **localisation agenda** will be supported through working with local actors/responders in particular refugee-led organisations and support groups. Refugees will remain to be included in the work undertaken by the Netherlands for all thematic areas. Additionally, synergies will be sought between the stabilisation work done in the region, and other development partners dealing with the refugee response.

International legal order, human rights and host-country policy

The Netherlands is seen as an important partner in the field of **human rights (HR)** in Uganda, with a focus on freedom of expression (media/journalists), marginalised and vulnerable groups, women's rights and protection of Human Rights Defenders (HRD). The Netherlands will strive to ensure that HR remain high on the agenda as part of the dialogue with the GoU, together with like-minded donors. Given that the shrinking space also affects HRDs, the Netherlands will strive to support their security and safety and give them the tools and support to do their work effectively, both through programs and advocacy.

In order to reduce human rights violations, it is important that the military interventions by Uganda are in line with **international humanitarian law**. To strengthen this principle, the Netherlands will support regional trainings in this field.

Finally, the Netherlands will promote the **international legal order** in Uganda. In Uganda, it is of specific importance to promote the work of the International Criminal Court (ICC) by supporting local knowledge on their work.

Sustainable Trade and Investment

The *overarching objective* is to support the country's economic development and transformation agenda through the fostering of responsible and mutually beneficial trade and investments based on the growth of an empowered, productive and sustainable SME sector that **creates jobs** and facilitates **responsible business practices**. To support this economic transformation, the Netherlands will focus on the following strategic goals:

Increased bilateral trade and investments between the Netherlands and Uganda: the Embassy, RVO, Invest International and CBI will support Dutch companies who want to do business in Uganda. On the one hand, this means sharing information and networks (like the Netherlands-Uganda Trade and Investment Platform), on the other hand, this means brokering financial support and using new and ongoing development initiatives to mitigate risks and better position Dutch private sector. Although most of our services will be demand-driven, special focus and pro-active business development will focus on tourism, ICT, (water)infrastructure, agribusiness (together with the Agricultural Attaché and FNS) and climate. From an overarching perspective, we will continue to strengthen the **Dutch brand** in Uganda by supporting specific events, initiate projects and other initiatives that align with Dutch private sector strengths and interests.

To enhance regional and international exports, the Netherlands continues to support locally established businesses and value chains by connecting them to markets and making them export-ready. This will be done by offering our networks and by brokering existing and to-be-developed financial instruments from our partners and ourselves.

Ugandan MSMEs, especially female owned, will be supported to become investor-ready and drivers of economic growth and job creation. MSME's are essential to drive economic growth and job creation. They will also play an essential role in building and expanding (international) **value chains** and boost the start-up and scale-up climate in Uganda. The strengthening will be done by providing structural business development support, opening valuable networks and facilitate access to finance.

To create an overall **enabling business environment** to drive economic growth and job creation, obstacles such as limited access to credit and legal barriers will be addressed and institutional capacity will be strengthened. This will be done through the newly developed PADEO-approach (that looks at root-causes and solutions), available RVO-instruments, multilateral initiatives and by actively joining the **Team Europe Initiative** Sustainable Business for Uganda (SB4U). Physical obstacles holding back

economic development will be identified and in response projects will be initiated, facilitated and monitored, especially with the aim to create opportunities for Dutch companies and technologies.

Refugee influxes also lead to economic opportunities as refugees boost the local and national economic activities and labour market opportunities, increase agricultural production and businesses. This provides an interesting opportunity for the private sector to engage in the **refugee setting and markets**, while also focusing on education, training and skilling to ensure that those meet the needs of the job market.

Sustainable development, Food Security and Climate

The *overarching objective* is the development of smallholder agriculture, sustainable land use and nutrition. Central in the strategy is the **sustainable increase** in income and **production** of smallholder farmers (SHF) and their increased **resilience** to climate risks and market shocks. In addition attention will be given to improve **nutrition** among Bottom of Pyramid (BoP) consumers including SHF.

Agriculture provides 24% of GDP, employs 73% of working population and 95% of the farmers are SHF. Agricultural yields are low, often 20-30% of the potential. The effects of climate change are more pronounced every year; unpredictable rains, droughts or floods have enormous impact, especially on smallholder livelihoods. Distortion of markets are common, affecting local and regional markets and render SHF vulnerable. Market and climate risks render focus/dependency on single value chains a risky affair.

Improving agricultural production and **inclusive economic development** in Uganda is impossible without SHF. The Netherlands is well-positioned to reach the SHF, based on our existing programmes, experience and lessons learned of the market-lead approach. The Netherlands is furthermore uniquely positioned through the relatively strong interest by the Dutch agribusiness and knowledge institutes in Uganda.

Increasing agricultural productivity and income of SHF needs a combination of strategies that address production, sustainable land use and market development. Building resilience for climate change and market shocks will be core in the strategies, approaches and programs. The programs will seek to enhance inclusive market development and value chain development. Investing in SHF will reduce the risk of depletion of valuable hotspots for biodiversity. Cross-border market-linkages may offer opportunities for SHFs. **Post-harvest losses** (30-40%) require additional attention.

Access to finance for farmers and SME's is a bottleneck for agricultural development, especially for SHF and MSME. Improve access to finance is an important strategy that underpins activities to enhance SHF agriculture. To do so, access to finance innovations will be further developed, in close collaboration with the PSD cluster.

The business climate for small-scale producers and MSME in the agricultural sector is poor. Their position facing market actors, public service providers and policy makers is weak. The Netherlands will continue and expand work with **farmer institutions** to improve SHF position, and with the PSD cluster and agricultural desk to enhance the business climate and connect market actors to developments in the small-scale farmer sector.

As the economy only absorbs 10% of the youth entering the labour market, creating jobs and entrepreneurial development for **youth in the agricultural sector** will remain a component of the FNS portfolio. It offers perspective for both youth and SHF: stimulate youth to build a life around agri-food and provide services and stimulate market demand for SHF.

Local governments (LG) play a crucial role for development in rural Uganda. The Netherlands will look for alternative ways to strengthen LG, for example by results-based cooperation.

Land tenure security is more and more under pressure. Land tenure security is important to stimulate agricultural development and SHF to invest in their land. LG are important actors but lack resources to develop and implement at scale the necessary procedures.

The Netherlands will further develop a three-pronged approach: strengthening **market-based nutrition solutions** and implementation of (sub)national nutrition relevant policies (central) and through household focussed interventions (decentral) in reaction to the growing malnutrition especially

among children and women of reproductive age.

The above presents **opportunities to expand** the program, like for example:

- New focus thematic areas and areas that will be deepened, such as: strengthening of LG (including on land tenure security), strengthening farmer institutions, post-harvest losses.
- A new geographical intervention area for FNS interventions will be opened based on, amongst others, rural poverty, yield gap and market challenges. The lessons learned in other areas and the SHF-focus will be the basis for the interventions.
- Scaling up of successful interventions.

The Netherlands is one of the larger donors in the FNS sector. The Netherlands bases its programmes on Uganda's policy documents and coordinates with local government. The main channels for implementation are NGO's and International Organisations. However, most of the activities will work with the government, especially at local level. The Netherlands will continue to strive for a stronger coordination at central level, also for the benefit of the implementation of programs.

Social Progress: Sexual and Reproductive Health and Rights

The *overarching objective* is the fulfilment of sexual and reproductive health and rights particularly for **young people** and **marginalized groups**.

To ensure Ugandans are increasingly utilising SRH, HIV and GBV services in an environment which promotes and protects SRHR, the Embassy has 4 key objectives: a) increase access to SRHR information and **comprehensive sexuality education** to make safe and informed decisions, b) increase access to SRHR commodities and inclusive, **rights-based**, quality SRH services (public and private), c) improve **SGBV prevention** and response, d) contribute to an **enabling environment** at social, cultural and political level.

The activities will contribute to: reduced maternal mortality, reduced adolescent birth rate, reduced new HIV infection among adolescent girls and young women, reduced unmet need for family planning, increased use of modern contraceptive methods (including emergency contraceptives), decreased number of unwanted pregnancies and ultimately unsafe abortions, decreased prevalence and impunity to SGBV violations (including child marriages).

The following strategies are used to contribute to the key objectives: Freedom of choice for young people will be supported by increasing access to SRHR information and Comprehensive Sexuality Education (CSE). Key interventions are **promoting health through transformation of social and gender norms that negatively impact sexual and reproductive health and rights**, (C)SE for in and out of school youth, and investments in new media and **digital solutions**.

To increase access to inclusive, rights-based, quality (youth friendly) health services, strategies address both the public and private health sector. Health system strengthening includes strengthening **the supply chain** for SRH commodities and last mile distribution; functionalize community health systems; strengthen digital health information systems for data capture and use; continuous quality improvement approach and improve **health governance and accountability** at districts and community level. Private sector interventions focus on access to SRH commodities, including emergency contraceptives, medical and post abortion care.

To improve the enabling environment for (Adolescent)SRHR and marginalized groups, interventions target the policy and institutional level, religious and cultural sectors, and the population at large. Local government departments are supported to apply **a multisector response**, accountability and to develop and implement SRHR ordinances and bylaws. Capacity building of government at central and local level is an integral part of programming. **Social behavioural change** interventions are implemented at community level.

The Netherlands is unique for its strong stand for a **rights-based approach** and courage to advance sensitive topics including (A)SRHR (CSE and youth friendly services), enhancing SRHR of marginalized groups, post abortion care and emergency contraceptives. The Netherlands is recognised as one of the largest donors in the field of SRHR, and is one of few donors leveraging implementation of the national demographic dividend roadmap to push investments towards young people and SRHR.

The Netherlands will collaborate with (youth) Civil Society Organisations (Strategic Partnerships) to build constituency for acceptance of (A)SRHR, to **address gender inequality** as root causes for SRHR violations and to strengthen advocacy and accountability for (A)SRHR.

The bilateral programmes are implemented by multi-partner consortia with UN, (I)NGOs, NGOs, CBOs, PNFP, government institutions in close collaboration with (district) government, and through this strengthen the **localisation and sustainability** agenda. The Netherlands will put emphasis towards multi-sectoral coordination and accountability for SRHR towards government, particularly through the Human Capital Development Programme and the implementation of the demographic dividend roadmap at district level. To tackle fragmentation in the SRHR landscape **joint programming** with likeminded development partners and EU is explored. In reaction to regional developments, cross border programming on SRHR will be explored, particularly to address the impact of border movement on sexual rights violations of refugees.

II. Crosscutting priorities

Gender equality

The Netherlands will contribute to increase **women's economic participation** and opportunities, **gender equality** through the bilateral activities in FNS, PSD and through strategic partnerships. Female entrepreneurship, support to women in small holder farming, women's access to productive assets (including land access and ownership), and integration of gender into workplace policies, will be strengthened.

Women's voice, agency, leadership and representative participation in decision-making processes in public, private and civic sphere will be strengthened through the RoL, SRHR and FNS programs.

Prevention and comprehensive response to SGBV will be addressed through the RoL and SRHR portfolio. Investment will be put into interventions that will create a shift in power and change in unequal gender relations and tackle social and legal barriers that contribute to impunity.

The Netherlands will enable the implementation of the ministry's **feminist foreign policy** through an increased application of the gender policy marker, and by enhanced gender mainstreaming into the activity cycle on all topics; strengthen integration of gender in amongst others policy dialogues, field visits; ensure reporting on progress on gender results.

Climate

Climate adaptation, enhancing resilience of people, businesses and food systems with our support is paramount. Sectors mainly at risk due to climate change are water, environment, agriculture and forestry. The Netherlands will continue to focus on mainstreaming **climate adaptation** in all work areas, with a special focus on FNS and PSD.

An important focus of the Netherlands is to **reduce energy-poverty** and at the same time speed up the **energy transition** by supporting a sustainable renewable energy sector and enhancing access to clean cooking. This also has a positive effect on halting deforestation. In order to realize maximum effectiveness, synergies and cooperation between centrally funded and decentrally funded initiatives need to be intensified, in particular links with humanitarian support (as it also decreases tension between host-communities and refugees), FNS and PSD. Where relevant, possibilities for (de)centralised funding for (new) energy access activities can be explored.

The Netherlands will continue to work with important stakeholders through the strategic partnership on environmental rights, human rights and forestry, and enhance meaningful youth participation in the climate sphere.

Conflict sensitive programming

Conflict sensitive programming is a must in a context like Uganda. At the start of new programs, thorough **context analyses** are required by the implementing partners, which should also reflect on the possible risks of the interventions and the existing tensions in the operating area. When deciding on new activities, the political (economy) context, power structures and tensions between different groups in Ugandan society, like ethnic groups, generations, religious groups and the impact of climate change

should be taken into account. In this it is important that there is not just a **do-no harm approach**, but that we go one step further to continuously monitor the related developments and trends and respond to these by adapting our projects, where necessary.

Youth

Youth are a large and growing group in Uganda, with specific needs and ideas. It will therefore also remain an important focus of the Netherlands to support **meaningful youth participation**, given the demographic context.

Digitalisation

Digital transformation is a major driver to Uganda's Vision 2040, and Uganda aims to build a digitally enabled society that is 'secure, sustainable, innovative and transformative'. Even though the **connectivity** in Uganda is lower than most countries in the region, ICT is the fastest growing sector. The digital economy is positively impacting livelihoods in poor urban households through increased financial inclusion, through the use of mobile money (30 million users in 2022). Despite the many opportunities digitalisation offers, it is important to keep in mind the huge urban-rural **internet gap**, but also the divide in gender and income. The Netherlands will include digitalisation in its programming where possible, like on education and SRHR.

Impact on reaching target groups

In line with Uganda's Vision 2040, we will contribute to an inclusive, sustainable, prosperous democratic society, with a resilient population, in a stable region. Investments in all thematic areas will collectively **contribute to progress** in the following: regional stability, strong civil society, good governance, human rights, sustainable livelihoods, demographic transition, private sector development, climate resilience, and an empowered, healthy and skilled population.

The aim to contribute to inclusivity and equality cuts across all sectors. The MACS particularly focusses on improved conditions for those in the lowest wealth quintiles and those that face constraints for equal access and opportunities, particularly women, youth, farming households, refugees and their host communities.

III. Learning Objectives

Learning activities will contribute to increased contextual insights, adaptive programming and a stronger evidence base of intervention strategies, resulting in more effective and efficient programming. Focus will be on the following areas:

- **Energy and Climate:** In order to inform additional programming and growing ambitions of the Netherlands on Energy and climate, expertise and research to deepen knowledge needed, including strategies to ensure sustainability, handing over and scaling up activities.
- **RoL:** In order to link the Dutch contribution to desired results and minimise the risk of unintended use of Dutch funding, the use of Results Based Financing will be explored.
- **SRHR:** The political and cultural context, particularly on sensitive issues require strong data and evidence for policy dialogue and diplomacy.
- **Regional developments:** Increased engagement with the Ugandan government and military, but also observers and academia to better understand the regional policies of Uganda.

Additionally more strategic learning questions for the Netherlands as a whole, as well as strategies to answer them, will be developed between the Embassy and the respective departments.

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