



Integrated Country Strategy

Uganda

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1. Chief of Mission Priorities

Over the past decades, Uganda has been one of our more reliable partners in East Africa. From Somalia – where Uganda is the largest troop contributor to the African Mission in Somalia (AMISOM) – to the Great Lakes region, Uganda has largely shared U.S. interests in combating terror and promoting stability. Yet Uganda confronts significant threats and opportunities over the mid-term that could affect its political and development trajectory and by extension, U.S. national interests. Uganda’s long-term potential to advance our joint interests hinges on its ability to maintain domestic stability. That domestic stability is already facing daunting challenges, including extreme demographic pressure, steadily-declining democratic governance and legitimacy, deep economic fault lines, and the real risk of exogenous threats emanating from troubled neighbors.

Over the next five years, we expect that Uganda's population will grow by approximately five million people. Half of the population currently is under the age of fifteen. More than 60 percent of Uganda’s population lives on less than \$2/day, according to the World Bank. Sixty-seven percent of children who start primary school do not finish. Girls often are forced to drop out due to child marriage and early pregnancy. While Uganda’s annual GDP growth historically has averaged seven percent, growth rates currently have dropped closer to five percent due to a variety of factors, including endemic corruption, unreliable power, inadequate transportation infrastructure, and insufficient public investment in Ugandans’ health and education. Many university-educated Ugandans are either out of work or underemployed.

Uganda’s government also continues to close space for political and civic discourse. In December 2017, Uganda’s parliament voted to amend the constitution to remove presidential age limits, clearing the way for President Yoweri Museveni to continue standing for election. In addition, in the run-up to this vote, security forces used force against peaceful protestors and members of parliament, and prevented and violently dispersed public demonstrations. The government routinely continues to restrict freedom of expression, assembly, and speech. These actions call into question the government’s commitment to rule of law, the protection of basic liberties, and democratic governance. Uganda faces real threats, but it also can capitalize on important opportunities. Uganda sits on 1.4 billion barrels of recoverable petroleum reserves and could benefit from more than \$18 billion in foreign direct investment before 2025 in mid- and upstream development of this asset. A U.S.-led consortium recently won the right to develop a \$3 billion refinery, and U.S. Mission Uganda will work to leverage this success into further involvement of U.S. companies in Uganda’s energy and infrastructure sectors. Uganda consistently ranks as one of the most entrepreneurial countries in the world, according to

private indices that track business start-ups per capita. Its young, English-speaking population is becoming increasingly urban, and internet usage has increased in recent years to 40 percent of the population, according to data from the Uganda Communications Commission. The government is investing heavily in roads and power infrastructure, which could help drive future growth, if managed properly. The Uganda Peoples' Defense Forces (UPDF) remains one of the most professional and battle-tested forces in the region and Uganda's political and military leadership is committed to battling terror both within and beyond Uganda's borders.

The next five years, therefore, represent a potential turning point for Uganda. A rapidly growing population deprived of political or economic agency could drive domestic instability, transforming Uganda from a source of regional stability to an exporter of fragility in an already troubled part of the world. Alternatively, wise and equitable management of the country's expected oil wealth and a greater opening of the political space to allow young people and women to have a voice in setting the country's future could help improve services, increase economic activity, and set Uganda on a course toward middle-income status.

Through the strategy laid out in this document, U.S. Mission Uganda aims to make this second scenario more likely. In line with the National Security Strategy, we will look to advance American security and prosperity by working with Uganda to help ensure that its government and people can better partner with us toward these aims. Our programming and diplomatic engagement aims to make Uganda's institutions stronger and more accountable; its economy more vibrant, inclusive, and open to U.S. investment; and its people more empowered to assert their rights and access economic opportunity. The Mission will continue to safeguard our military-to-military relationship and provide the assistance required to ensure that Uganda can play a positive, stabilizing role in the region. Our Consular services support each and every one of these activities, promoting legitimate travel to the United States, preventing fraud and crime, and responding to the needs of U.S. citizens in Uganda. The Mission cannot achieve this ambitious strategy if it does not care for and enhance its human and physical resources. The Mission will prioritize upgrading its telecommunications platforms, addressing space limitations within the Chancery, and nurturing an environment that boosts morale and empowers employees and eligible family members alike to participate in advancing U.S. interests in Uganda.

2. Mission Strategic Framework

Mission Goal 1: Promote effective governance and build more accountable and inclusive institutions to ensure Uganda remains a reliable partner in promoting regional security.

Mission Objective 1.1: Uganda's public institutions are stronger and more inclusive, accountable, and transparent; Ugandans are more empowered to advocate for protection of their rights and access to government services.

Mission Objective 1.2: A stronger U.S.-Uganda partnership in combatting internal and transnational threats and managing crises results in improved national and regional stability.

Mission Goal 2: Uganda's education, health, and economic development improve.

Mission Objective 2.1: Increase community and household resilience in select areas and target populations. (USAID CDCS Development Objective (DO) 1)

Mission Objective 2.2: Improve productivity and achieve a sustainable demographic trajectory for economic growth and development. (USAID CDCS DO 2)

Mission Objective 2.3: Support local, regional, and national systems to become more accountable and responsive to Uganda's development needs. (USAID CDCS DO 3)

Mission Goal 3: Develop an export market for U.S. goods and services by promoting sustainable and inclusive economic growth in Uganda.

Mission Objective 3.1: Improve Uganda's economic climate and support regional integration to increase international trade and investment.

Management Objective 1: Align existing infrastructure, facilities and human resources to support Mission goals and objectives more effectively.

3. Mission Goals and Objectives

Mission Goal 1 Promote effective governance and build more accountable and inclusive institutions to ensure Uganda remains a reliable partner in promoting regional security.

Description and Linkages: Mission Uganda's Goal 1 combines the Africa Joint Regional Strategy Goals 1 and 3: Advance Mutual Peace and Security Interests and Strengthen Democracy, Human Rights and Good Governance. When Uganda is a more open and inclusive country and has a government and institutions that uphold human rights and democratic principles, it will be a stronger partner on security within and outside its borders. Mission Uganda will work with the Government of Uganda, civil society organizations and other actors to increase respect for human rights, improve transparency in governance and ensure freedom of the press. Through programs targeting key Ugandan institutions such as the police and the military, the Mission will increase Uganda's adherence to democratic principles. A more democratic Government of Uganda will be better able to partner with the United States on preventing and countering violent extremism at home and improving regional security and countering transnational threats.

Mission Objective 1.1 Uganda's public institutions are stronger and more inclusive, accountable, and transparent; Ugandans are more empowered to advocate for protection of their rights and access to government services.

Justification: Uganda's stability, as well as its ability to be a reliable security partner for the United States, depends upon the quality of its democratic institutions and governance. The 2016 elections faced several challenges, falling short of standards for free and fair elections. Space for freedom of expression and diversity of political thought is shrinking, with journalists and civil society under threat. Despite new efforts at reform, Uganda continues to grapple with corruption, which undermines service delivery and public trust. Challenges persist in equal access to public services, including healthcare access. These issues could give rise to violence in the absence of strong mechanisms to address grievances. More effective, transparent, inclusive, and accountable democratic institutions will help ensure that Uganda remains a stable and effective regional partner for the United States in the long term. Failure to achieve this Mission Objective risks continued democratic backsliding and weak service delivery, undermining Uganda's development trajectory and political stability.

Mission Objective 1.2 A stronger U.S.-Uganda partnership in combatting internal and transnational threats and managing crises results in improved national and regional stability.

Justification: Uganda is situated in an unstable region, surrounded by countries with weak governance, internal political strife, increasing violence, and little capacity to maintain security. Porous borders and large refugee flows are ripe opportunities for extremist ideology to take root and spread. Uganda's military has demonstrated effective operational capabilities and contributed to regional peacekeeping operations, and our continued assistance in helping Uganda develop capable, effective, and well-trained security forces that respect human rights is critical to provide stability in Uganda and throughout the East Africa region.

Mission Goal 2 Uganda's education, health, and economic development systems improve. (USAID CDCS Goal)

Description and Linkages: Goal 2 is designed to help Uganda improve inclusive education, health, and economic growth that meets the needs of a rapidly growing population, and continues to play a positive, stabilizing role in the region, which is critical to U.S. national security objectives and Joint Regional Strategy (JRS) goals. Strengthened health, market, and governance systems and sustained, equitable economic growth will position Uganda to achieve its aspiration of transitioning to a modern and prosperous country, thus moving towards ending the need for foreign assistance. Given Uganda's role as a key strategic partner for the United States, particularly with regard to combating terror and promoting regional stability, activities listed under Goal 2 support a whole range of critical and targeted development efforts aimed at making Uganda a long term U.S. partner. Also, achievement of results under Goal 2 will promote accountable, transparent, and responsive governance—critical interventions under JRS Goal 3: Strengthen Democracy, Human Rights, and Good Governance.

Mission Objective 2.1 Increase community and household resilience in select areas and target populations. (USAID CDCS DO 1)

Justification: Thirty-seven percent of Ugandans live in chronically poor households where people live on less than \$1.25 a day. The Multidimensional Poverty Index (MPI), compiled by the Oxford Poverty and Human Development Initiative (OPHI), which measures poverty in terms of education, health, and standard of living (electricity, sanitation, water, etc.), reports that almost 90 percent of Ugandans live in or are vulnerable to multidimensional poverty. Ugandan systems of governance, education, health, and economic development are fragile. Much of Uganda's population is vulnerable to external shocks and stresses including poor health, natural resource shortages, climate variability, and poverty, which makes it unequipped to withstand future crises. Risks associated with not achieving this Mission Objective include

the continuing need for the U.S. government to spend millions of dollars annually on humanitarian assistance, as well as domestic support for Uganda's long tradition of welcoming refugees eroding, leading to perhaps domestic and/or regional conflict.

Mission Objective 2.2 Improve productivity and achieve a sustainable demographic trajectory for economic growth and development. (USAID CDCS DO 2)

Justification: Uganda's population is one of the youngest and fastest growing in the world. The population surge is a barrier to social and economic transformation. The population doubled to nearly 40 million between 1993 and 2015. The population will likely double again to 80 million by 2040. Uganda also hopes to achieve middle-income status by 2040. The population is on track to swell to 105 million by 2050. Over 78 percent of the current population is under 30 years old. This demographic shift is likely to outpace the economic gains and overwhelm services. A risk associated with not achieving this Mission Objective is that population growth will far outstrip both economic growth and government investment in basic services, likely increasing poverty levels, and increasing the risk that vulnerable youth will subscribe to extremist or violent ideologies.

Mission Objective 2.3 Support local, regional and national systems to become more accountable and responsive to Uganda's development needs. (USAID CDCS DO 3)

Justification: Effective systems drive sustainable development. Ugandan systems should deliver high-quality services and support social and economic development. However, Ugandan systems lack funding and patronage is still a challenge. Systems can improve with better links between citizens and the state, district and national government and private and public actors. The U.S. government can support stronger systems that deliver services for the Ugandan people by acting across multiple levels and institutions. A risk associated with not achieving this Mission Objective is that it will inhibit the Ugandan government's achievement of results in all sectors, and, more importantly, constrain broader efforts to achieve our two countries' shared priorities.

Mission Goal 3 Develop an export market for U.S. goods and services by promoting sustainable and inclusive economic growth in Uganda.

Description and Linkages: Goal Three links with Pillar Two of the National Security Strategy by promoting a free, fair, and reciprocal economic relationship with Uganda. The Mission will promote U.S. prosperity by linking more U.S. businesses to commercial opportunities in Uganda through trade missions. We will also promote more transparent and effective economic

governance to ensure U.S. firms have a fair and level playing field as they compete in Uganda. Finally, we will support Ugandan Small-to-Medium Enterprises (SME) by linking them to U.S.-manufactured goods that will help them move up the value chain while also promoting U.S. exports.

Mission Objective 3.1 Improve Uganda's economic climate and support regional integration to increase international trade and investment.

Justification: Sustainable, inclusive economic growth is important for domestic and regional stability – and to U.S. economic opportunities in and with Uganda - but the Government of Uganda (GOU) must overcome real challenges to growth. Continuing endemic corruption, financial mismanagement, and increasing political repression undermine Uganda's development into a prosperous and stable trading partner for the United States. Uganda also has one of the highest population growth rates in the world, which overwhelms effective delivery of government services and crowds out opportunities in the private sector that could lift millions out of poverty. Uganda will not be able to address our interests in security, governance, health, and education issues without a strong, well-integrated economy operating on good governance principals.

4. Management Objectives

Management Objective 1 Align existing infrastructure, facilities and human resources to support Mission goals and objectives more effectively.

Justification: Facilities and staffing are insufficient to provide proper Congressionally-mandated program oversight, now, and into the future. The New Office Annex (NOX) and Support Annex Project (SPX) will address non-collocation concerns, will relieve some overcrowding in the Chancery and will accommodate some projected agency growth outlined in the 2018 Mission Resource Request (MRR) as well as the M/PRI 2019 projected right sizing report. However, this solution arrives four years late, not coming online until 2021. The project still fails to address a critical expansion of the Classified Access Area, which post can only address through a separate follow on project, and does not address at all the warehouse needs.