

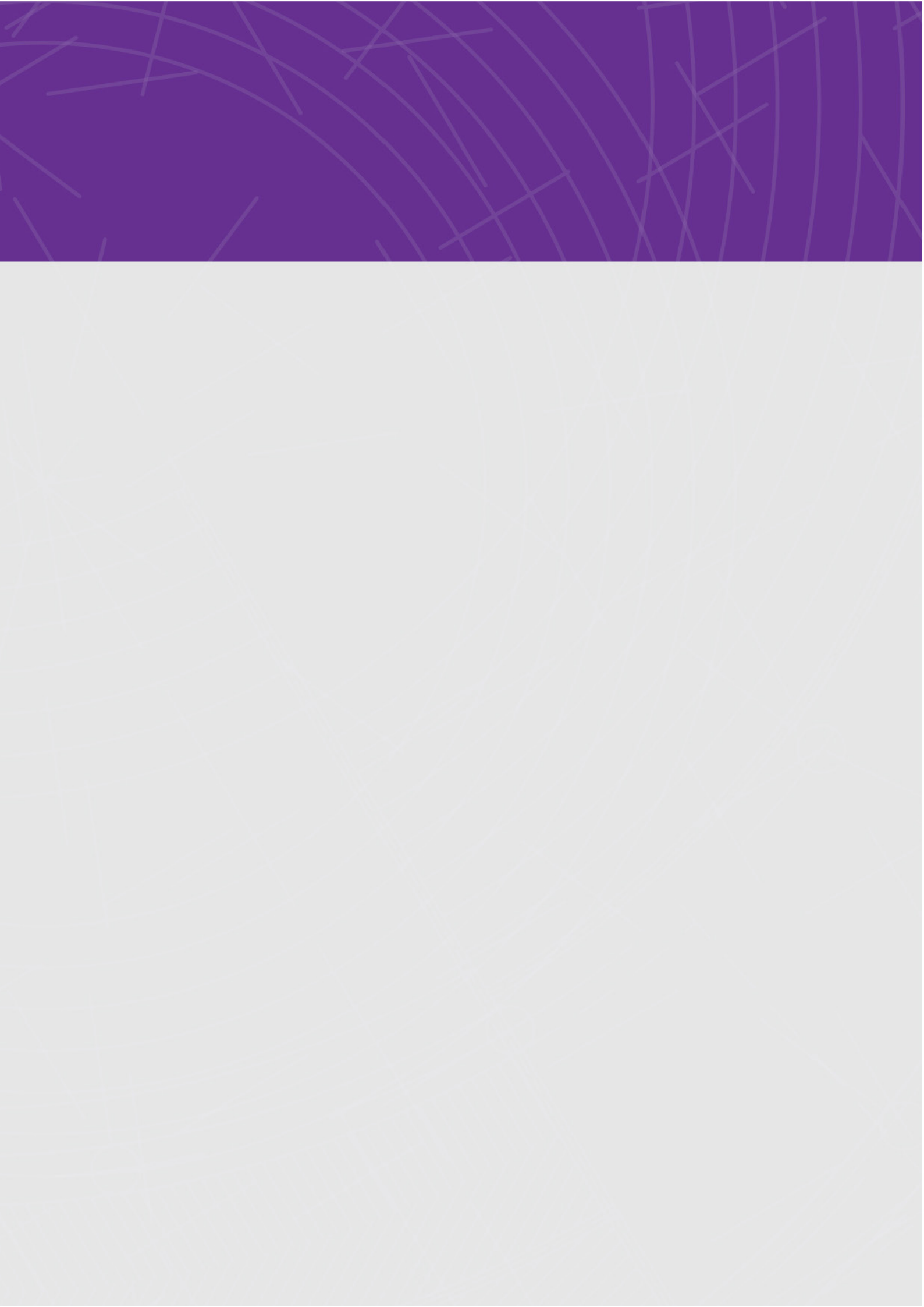


# IS THE PARISH DEVELOPMENT MODEL A PANACEA?

CSO Position Paper:  
Challenges and Opportunities

May 2022





## **ACKNOWLEDGMENTS**

This Position Paper was developed by the Uganda National NGO Forum (UNNGOF) in collaboration with the Advocates Coalition for Development and Environment (ACODE), the Development Network of Indigenous Voluntary Associations (DENIVA) and the Civil Society Budget Advocacy Group (CSBAG).

We would like to acknowledge the technical staff at these organizations and the Parish Development Model Secretariat for their invaluable contribution to this paper.

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## LIST OF ABBREVIATIONS AND ACRONYMS

ABCD	Area-Based Commodity Development
BDS	Business Development Services
COMESA	Common Market for Eastern and Southern Africa
CSO	Civil Society Organisations
EAC	East African Community
FY	Financial Year
KCCA	Kampala City Council Authority
LCI	Local Council One
LCII	Local Council Two
LED	Local Economic Development
LGA	Local Government Act
LGs	Local Governments
MAAIF	Ministry of Agriculture, Animal Husbandry and Fisheries
MICT &NG	Ministry of Information, Technology and National Guidance
MoFPED	Ministry of Finance, Planning and Economic Development
MoLG	Ministry of Local Government
NDPIII	National Development Plan Three
PDCs	Parish Development Committees
PDM	Parish Development Model
PDM SACCO	Parish Development Model Savings and Credit Cooperative
PPCP	Public-Private-Community-Partnership
SACCO	Savings and Credit Cooperative Societies
SDG	Sustainable Development Goals
UBOS	Uganda Bureau of Statistics
UGX	Uganda Shillings
UWEP	Uganda Women Entrepreneurship Programme
YLP	Youth Livelihood Programme

## EXECUTIVE SUMMARY

This paper is a summary of the Civil Society's position on the implementation of the Parish Development Model that was launched in February 2022 as the government's multi-sectoral strategy to create socio-economic transformation by transforming 39% of Ugandan households that are stuck in the subsistence economy into the money economy.

The overall objective of this paper is to assess the Parish Development Model and identify key concerns for redress towards the achievement of its goals and objectives. The Specific Objectives of the paper are; i) to assess the mechanisms and structures for the implementation of the PDM. ii) to identify policy processes that need to be fast-tracked to enable the implementation of the PDM, and iii) to identify existing opportunities within the PDM and entry points for Civil Society Organizations.

The writing of this paper relied heavily on the review of several pieces of literature, including different implementation guidelines produced and disseminated by the Ministry of Local Government and Ministry of Agriculture, Animal Husbandry and Fisheries, as well as the Ministry of Gender, Labour and Social Development. Other documents reviewed include; Uganda's Third National Development Plan, the Local Economic Development (LED) Policy (2014), National Budget Framework Papers, National Financial Inclusion Strategy (NFIS 2017 - 2022), the National Co-operative Policy (2011) and the Local Governments Act (1997 as amended), among others. The reviewed documents provided background and the policy foundation as well as the existing institutional infrastructure for the implementation of the Parish Development Model.

This paper responds to the realisation that, whereas the recently launched Parish Development Model is an ambitious strategy that can potentially reduce poverty levels among the population, there are several emerging concerns that need to be addressed by the Government of Uganda if this strategy is to achieve its intended goals and objectives. The paper discusses the strategy in terms of its positive attributes and possible shortcomings and makes several recommendations for improvement.

## A. POSITIVE ATTRIBUTES OF THE PDM

The implementation of the PDM will contribute to already existing government programmes and other frameworks. For instance, there is a clear linkage between the Parish Development Model and the Local Economic Development approach in Uganda. The government, through the Ministry of Local Government, prioritised the PDM as a flagship implementation approach for local economic development across the country.

Secondly, the PDM, through its seven pillars, will contribute to the realisation of the SDGs 1, 2, 3, 4, 5, 6, 8, 10 and 12. Lastly, the 3rd pillar (financial inclusion) resonates with the National Financial Inclusion Strategy (2017-2022). This strategy intends to: i) reduce Financial Exclusion and Access Barriers to Financial Services; ii) develop the credit Infrastructure for growth; iii) build out the digital infrastructure for efficiency; iv) deepen and broaden formal savings, investment and insurance Usage; and v) empower and protect individuals with enhanced financial capability.

It is important to note that loans from the Parish Revolving Fund will have an interest rate of Inflation Rate+ 1% compared to a surcharge of 5% under the Youth Livelihood Programme and a Service Fee of 5% under the Uganda Women's Empowerment Programme. This implies that the citizens will have access to a cheaper source of capital finance for their agricultural investments. As such, it can be observed that the PDM is pro-poor, and its affirmative action for special groups (women, youth and Persons with Disabilities) makes it more desirable.

## B. SUMMARY OF KEY ISSUES AND RECOMMENDATIONS

Despite its positive attributes, there are a number of shortcomings that this paper has identified with the PDM. These relate to the conceptualisation of the model, budget allocations, the PDM SACCOs, readiness of the stakeholders, level of attention to climate change issues, commodity markets, and infrastructure development, among others.

### Conceptualisation of the PDM

- a) The LGA did not envisage a parish or ward with powers and responsibilities that have currently been bestowed by the PDM. This explains the light responsibility that the law had prescribed for this administrative structure. However, the PDM requires the parish or ward to take up more responsibility than the existing law prescribes.
- b) Much as the Sub-County or Division, the lowest local government, still have roles like facilitating planning, supervision of extension services and providing technical support to the PDM, they do not shoulder the largest responsibility in the implementation of the PDM. Most of the responsibility has been shifted to the Parish Development Committees –a voluntary administrative structure with no planning, budgeting, legislative and oversight powers. This is a distortion of the decentralisation framework and what was envisaged in NDP III, which focused on strengthening the sub-counties/Divisions to enhance socio-economic transformation.

- c) **Inadequate Infrastructural Capacity.** In FY 2021/22, the Government allocated UGX 200 billion for the PDM, which supported the recruitment of the Parish Chiefs across the country and the establishment of the PDM Secretariat. However, most Parish chiefs do not have offices to operate from.
- d) There is a lack of coordination between technical officers and political leaders regarding the selection of beneficiaries under the pillar of Agriculture Value Chain Development (Production, Processing and Marketing). The paper observes that the current messages being delivered by political leaders and other stakeholders who are attempting to mobilise the community are not in sync with the current provisions in the guidelines developed and disseminated by MAAIF.

### **Recommendations**

- i) The role of the Parish in the implementation of the Parish Development Model will be different from that ascribed to the Parish in the Local Government Act as a mere administrative unit. This will require an amendment to the LGA to make the Parish a Local Government with powers to plan, budget, monitor and provide oversight.
- ii) In order to revamp the parishes, there is also a need to undertake a skill mapping of parish chiefs, review and appropriately change the human resource structure of the parish, given that the PDM requires technical staff at this level who were not part of the HR structure of the Local Governments.
- iii) The composition of the Parish Development Committees should include members from other political parties where they exist. This, therefore, requires a review of the implementation guidelines.
- iv) Given the many responsibilities given to the Parish Development Committee in implementing the PDM, there is a need to provide some sort of compensation or facilitation to enable them to do their work.
- v) There is a need for clear messaging about the target beneficiaries of the Parish Development Model to align with the operational guidelines of the Ministry of Agriculture, particularly on Pillar 3 (Financial Inclusion).



### The PDM SACCOs

- a) There are major concerns regarding Enterprise Groups that have to be supported under the PDM, especially the groups that existed before the implementation of the PDM. i) The existing groups may not be aligned to enterprises that are earmarked for each district; ii) The purpose of the existing groups may not be aligned to the goals of the PDM; iii) The likelihood of the emergence of ghost groups; iv) The possibility that new groups will be formed and disbanded after receiving and sharing the money among members, a practice that has been common with UWEP and YLP.
- b) The provision of extension services under the PDM is a responsibility that has been mainly bestowed upon the PDM SACCOs. This may be a costly responsibility for the SACCOs, given the operational costs involved. Second, most district local governments have one extension officer that is unable to provide extension services for the entire district.
- c) With regard to production, bulking and marketing, this paper observes that due to the lean staff structure of the PDM SACCO, it will be difficult to have the resident capacity to undertake this function.
- d) The PDM SACCO has been given other mandates beyond the financing function, which include; facilitating production at the household level, marketing the products and providing business development services that may be difficult to fulfil.
- e) The SACCO requires specialised staff to provide the prescribed services. However, the resources provided for the recruitment of staff at the LG level for implementation of the PDM did not provide for such staff. Also, the responsibility centre for the recruitment and deployment of SACCO staff is unclear.
- f) The accountability mechanisms for the SACCO management are not clear. The principle of accountability in the PDM is key since the Government is committing large sums of funds for its implementation.
- g) The model proposes the Chief Administrative Officer as the Accounting Officer for the Parish Revolving Fund, which will operate at the Parish level where the Parish Chief is both the administrative head and Accounting Officer as mandated by section 69 of the Local Government Act. The proposal to have the Chief Accounting Officer as the Accounting Officer will undermine the principle of Transparency and Accountability. This guideline needs to be revised and clarified on who the Accounting officer should be given the huge amounts of funds involved.

### **Recommendations**

- i) There is a need for awareness-building among communities to enable them to embrace the program even before it is rolled out. This will contribute to its successful implementation as any form of resistance would have been handled at the onset. The community needs to be adequately prepared about the benefits of this program, their communities, selection of beneficiaries, enterprise group formation, formation of SACCOs, functioning of the SACCOs, and distribution and repayment of the revolving fund, among other issues.
- ii) The guidelines on the PDM SACCO should be revised to clarify who the accounting officer of the SACCO should be given the huge amounts of funds involved.

### **Budget Allocation**

- a) For FY 2022/23, Government has programmed UGX 100m per parish to be released under the financial inclusion pillar. The financial inclusion pillar has been allocated a total of UGX 1,050 bn. The 2nd Budget call circular (FY2022/23) instructed all accounting officers of Ministries and Agencies in charge of the seven pillars to rationalise and budget for the PDM activities under their jurisdictions as no specific resources will be allocated.
- b) The method of determining the budget allocation of resources assumed a “one size fits all,” which did not pay attention to the unique needs of each district. Several concerns arise with this approach which include; a) some districts have relatively higher populations than others and are likely to have relatively more enterprise groups; b) some districts with a higher incidence of poverty should have received some affirmative intervention under the PDM; c) hard to reach districts, districts emerging out of conflict, districts prone to disasters, districts riddled with insecurity that should have been given special consideration for their unique needs.
- c) Apart from the financial inclusion pillar, there is no information on the total cost of the implementation of the PDM.

### **Recommendations**

- i) The Ministry of Finance should reconsider the criteria used for budget allocation to include the population sizes of the local governments, accessibility of the local government, and levels of poverty rather than just depending on the number of parishes or wards.
- ii) There is a need to establish the total cost for implementing the PDM and align the costs to the targets.
- iii) There is a need to identify new sources of funds to fill the existing resource gaps. Government can engage other stakeholders like development partners, the private sector and CSOs to make resource commitments to the implementation of the PDM beyond other resources mobilisation strategies.
- iv) The MoPED should provide and disseminate guidelines (through both electronic and print media) for the utilisation of the PDM funds for each pillar for all the local governments and other Ministries, Agencies and Departments.

### **Readiness of Stakeholders**

- a) While the central government agencies are in high gear to start implementation of the interventions under the PPDM, it has been established that not all stakeholders are ready to start actual implementation. The level of readiness of the stakeholders to implement the PDM has raised several issues including dysfunctional or non-existent structures that are central in the implementation of PDM.
- b) Failure to recruit key staff in local governments. Despite the government providing the necessary resources to all districts to recruit parish chiefs, 80 per cent of them did not comply with the 30<sup>th</sup> September 2021 deadline. Additionally, qualifications specified by the MoFPED guidelines were not being adhered to by some districts when carrying out recruitment.
- c) There has been limited constructive engagement with the private sector and other non-state actors on the different roles they can play in the implementation of the model. This is likely to result in disjointed interventions that will lead to duplication and wastage of resources. Also, the PDM is a top-down approach that was developed and approved at the central government level without due consultation with the intended beneficiaries and local stakeholders. This is likely to present challenges relating to ownership and active participation of beneficiaries and low levels of responsiveness to citizen needs.

### **Recommendations**

- i) The Ministry of Local Government should ensure the Parish Chiefs and other technical officers have permanent offices where to domicile. This would ensure their permanent presence in the parishes of their jurisdiction and easy access to technical services by members of the community. The local government budgets should consider the provision of offices for technical staff in the parish.
- ii) The mobilization of communities to embrace the Model across all LGs including the LC 1 structure must be prioritized to level the ground for the smooth implementation of the program. This mobilisation should include sensitisation on the formation of enterprise groups and their relevance in the access of resources under the PDM SACCO.
- iii) There is a need to fast-track the establishment and training of the Parish Development Committees at the Parish Level to enable the kick of activities like community mobilisation and formation and registration of enterprise groups.
- iv) All the relevant MDAs should fast-track the finalisation and dissemination of operational guidelines so that local governments can be able to spend resources allocated for activities under the PDM.
- v) Government should identify other private sector players to supplement Enterprise Uganda in supporting enterprise development under the PDM.

### **Climate Change Mitigation and Resilience**

Not much attention is given to climate change issues yet the PDM is largely an agri-business strategy for improving the livelihoods and welfare of 39% of the households which should be expected to be alive to the negative impacts that climate change would have on its success. However, the different PDM implementation guidelines developed by MoLG and MAAIF have not provided for a deliberate strategy to mainstream climate change mitigation in the implementation of the different pillars of the Model.

### Recommendations

The following recommendations should be considered to ensure that the PDM achieves its intended goals and objectives given that it focuses on the agriculture sector which is most affected by climate change:

- i) The MoLG and MoFPED should prioritise resources to support local governments to develop and enforcement of ordinances on climate change mitigation. The PDM, therefore, provides an opportunity to not only promote the enactment of such ordinances and bylaws but also enforce their implementation.
- ii) The MAAIF should scale up its efforts to mainstream climate change in agriculture.
- iii) The Ministry of Energy and Mineral Development should fund and promote renewable energy sources.
- iv) The guidelines for PDM implementation should be revised to emphasise smart agriculture at the LG level.
- v) The Climate Change Department and Department of Meteorology should ensure there are adequate climate information services and early warning systems to help farmers plan their farming activities preferably in the local dialect.
- vi) The MAAIF and MoLG should promote and encourage highly adaptive and productive crop varieties in drought-prone, flood-prone, and rain-fed crop farming systems to increase resilience to climate change.
- vii) The MAAIF and NARO should widely promote eco-friendly farming techniques such as climate-smart agriculture.
- viii) The OPM should ensure that climate change-related indicators are included in the monitoring and evaluation framework for the Parish Development Model.

## 1. INTRODUCTION

Poverty remains a big challenge in Uganda with the proportion of poor persons at 20.3%. The absolute number of persons living in poverty in rural areas is 7 million compared to 1.3 million persons in urban areas. The subsistence economy remains dominant with 39% of households in Uganda being in the subsistence economy constituting 3.5 million households of which 56% are in purely subsistence farming<sup>1</sup>. Poverty prevalence has been exacerbated by the effects of the COVID-19 pandemic, with proportions of persons falling below the poverty line during COVID-19 being 21.9% from 18.7% before the COVID-19 pandemic.

Uganda's long-term development strategy (Vision 2040) aims to transform the country's society from a peasant to a modern and prosperous one. To drive this goal, the government undertakes medium-term development strategic plans. The current NDP III (2020/21 – 2024/25), for example, aims to increase household incomes and improve the quality of life of Ugandans.

This is expected to be achieved through resource-led industrialization. Successful resource-led sustainable industrialization seeks to enable value addition in key growth opportunities such as agriculture, Information and Communication Technology (ICT) and minerals. This is expected to trigger the much-needed structural change and the eventual movement of labour from low-paid agriculture to relatively better-paid industrial employment.

### 1.1. BACKGROUND TO THE PARISH DEVELOPMENT MODEL (PDM)

The Parish Development Model (PDM) is a multi-sectoral strategy to create socio-economic transformation by transforming, into the money economy, the 39% of Ugandan households that are stuck in the subsistence economy, using the parish/ ward as the epi-centre for development. It underscores the whole Government approach in ensuring increased production, processing and marketing, infrastructure and service delivery at the grassroots level. The PDM is an NDP III implementation mechanism by both the State and Non-State Actors to achieve inclusive development at the parish level in a coordinated and participatory manner<sup>2</sup>.

The parish is the optimum size administrative unit through which government can reach every household and ultimately every individual. The parish development model will thus be an instrument for the improvement of income and welfare at the household level<sup>3</sup>. This development model is considered a timely programme to effectively execute Vision 2040 by transforming Uganda's society from a typical peasant to a more modern one. The parish plan will focus on income-generating activities, sustainable food production and nutrition, improving health and education outcomes etc.

The goal of the PDM is to increase household incomes and improve the quality of life of Ugandans with a specific focus on the total transformation of the subsistence Households (both on-farm and off-farm, in rural and urban settings) into the money economy, as well as eradication of poverty and vulnerability in Uganda<sup>4</sup>.

The overall objective is to increase the effectiveness of the interaction between the Government and its people and to accelerate the realization of the Government’s long-term goal of Socio-economic Transformation.

### 1.2. SCOPE OF THE PDM

The design of the Parish Development Model revolves around 7 pillars as presented in Table 1

**Table 1: Pillars of the Parish Development Model**

Pillar 1	Agriculture Value Chain Development (Production, Processing and Marketing)
Pillar 2	Infrastructure and Economic Services
Pillar 3	Financial Inclusion
Pillar 4	Social Services
Pillar 5	Community Mobilisation and Mindset change
Pillar 6	Parish-Based Management Information System
Pillar 7	Governance and Administration

In terms of geographical coverage, it is expected that the Parish Development Model will cover the entire country. It will be implemented in 146 districts, 2184 sub-counties/towns/municipalities, 10,594 parishes and 70,626 villages<sup>5</sup>. Given that resources will be distributed per parish/ward; each district will receive resources (under the revolving fund) aligned to the number of parishes or wards in that particular district.

### 1.3. OBJECTIVES OF THE PAPER

The overall objective of this paper is to assess the PDM and identify key concerns for redress towards the achievement of its objectives. More specifically the paper seeks to achieve the following:

- a) To assess the mechanisms and structures for the implementation of the PDM.
- b) Identify policy processes that need to be fast-tracked to enable the implementation of the PDM.
- c) To identify existing opportunities within the PDM and entry points for Civil Society Organizations' contribution and engagement.

## 2. METHODOLOGY FOR PAPER

The preparation of this paper has largely relied on a literature review. Several secondary sources have been used including the Guidelines produced by the Ministry of Local Government, Ministry of Finance, Planning and Economic Development and Ministry of Agriculture, Animal Husbandry and Fisheries, and Ministry of Gender, Labour and Social Development.

Other documents reviewed included the NDP III, the Local Economic Development (LED) Policy, National Budget Framework Papers, National Financial Inclusion Strategy (NFIS 2017 - 2022), the National Co-operative Policy, 2011 and the Local Governments Act, among others.

The reviewed documents provided background and the policy foundation as well as the existing institutional infrastructure for the implementation of the Parish Development Model. The paper also benefited from conversations amongst a few stakeholders including informal interactions with the PDM secretariat.

## 3. THE POLICY CONTEXT

The implementation of the Parish Development Model is founded on an existing policy framework. Key among these include; The National Microfinance Policy (2008); The National Co-operative Policy (2011); The National Payment Systems Act (2020); National Payment Systems Regulations (2021); The National Financial Inclusion Strategy (NFIS 2017 - 2022); The Strategy for Financial Literacy (2013); and the Private Sector Development Strategy (2017).

There are Other Key Legal, regulatory and policy frameworks to which this Pillar is aligned including The Public Finance Management Act (2015); the Local Governments Act Cap-243; the Agent Banking Regulations (2017); the Mobile Money Guidelines (2013); the draft Financial Sector Development Strategy; the draft National Agriculture Finance Policy & Strategy; and the National Payment System (NPS) Policy Framework<sup>6</sup>. This paper further identifies some policy and international frameworks that the PDM directly contributes and the details of these have further been presented in sections 3.1, 3.2,3.3 and 3.4.



### 3.1 The Parish Development model and the NDP III

The NDP III provides for the revitalization of the Sub- County as the planning unit and the parish as the implementation unit for the full realisation of the NDPII objectives. Subsequently, the government through the Ministry of Local Government prioritised the Parish Development model as a flagship implementation approach for local economic development across the country.

The PDM is an extension of the whole-of-government approach to development as envisaged under NDP III, with the Parish as the lowest administrative and operational hub for delivering services closer to the people and hence fostering local economic development.

The PDM has seven Pillars i.e. (1) Production, Storage, Processing and Marketing; (2) Infrastructure and Economic Services; (3) Financial Inclusion; (4) Social Services; (5) Mindset change; (6) Parish Based Management Information System and (7) Governance and Administration.

There is a clear linkage between the PDM and the Local Economic Development approach in Uganda<sup>1</sup>. Essentially, the Parish Development Model operationalizes the LED policy. Local Economic Development for Income Generation is particularly mentioned in the PDM as pivotal to; a) Supporting the mobilization and formation of cooperatives as well as farmer groups; b) Training and building capacity of cooperatives and farmer groups; c) Delivery of services such as the construction of community access roads, housing, and supplies; d) Provision of capital and loanable funds; e) Provision of technical services such as extension; f) Provide offtake opportunities for the citizens, and g) Employ the citizens.

The PDM should therefore take advantage of the lessons, and existing milestones from the implementation of LED to cause socio-economic transformation.

### 3.2 Parish Development Model and the SDGs

The implementation of the PDM will contribute to the realization of the SDGs targets. The different pillars will contribute to different SDGs as shown in Table 2. Accordingly, if implemented well, the PDM will significantly contribute to the attainment of the SDGs enumerated above.

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1 See the Local Economic Development Policy (2014).

**Table 2: PDM and Sustainable Development Goals**

Pillar of the PDM	Corresponding SDG
Pillar 1: Agriculture Value Chain Development (Production, Processing and Marketing)	<ul style="list-style-type: none"> <li>• SDG1: End poverty in all its forms everywhere</li> <li>• SDG2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture);</li> <li>• SDG8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</li> <li>• SDG12: Sustainable consumption and production patterns;</li> </ul>
Pillar 2: Infrastructure and Economic Services	<ul style="list-style-type: none"> <li>• SDG1: End poverty in all its forms everywhere</li> <li>• SDG8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</li> </ul>
Pillar 3: Financial Inclusion	<ul style="list-style-type: none"> <li>• SDG1: End poverty in all its forms everywhere</li> <li>• SDG5: Achieve gender equality and empower all women and girls</li> <li>• SDG10: Reduce inequality within and among countries</li> </ul>
Pillar 4: Social Services	<ul style="list-style-type: none"> <li>• SDG3. Ensure healthy lives and promote well-being for all at all ages</li> <li>• SDG4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</li> <li>• SDG6: Ensure availability and sustainable management of water and sanitation for all</li> </ul>
Pillar 5: Community Mobilisation and Mindset change	<ul style="list-style-type: none"> <li>• SDG1: End poverty in all its forms everywhere</li> <li>• SDG10: Reduce inequality within and among countries</li> </ul>
Pillar 6: Parish-Based Management Information System	<ul style="list-style-type: none"> <li>• SDG1: End poverty in all its forms everywhere</li> <li>• SDG10: Reduce inequality within and among countries</li> </ul>
Pillar 7: Governance and Administration	<ul style="list-style-type: none"> <li>• SDG1: End poverty in all its forms everywhere</li> <li>• SDG10: Reduce inequality within and among countries</li> </ul>

### 3.3 PDM and the National Financial Inclusion Strategy

The PDM, particularly Pillar 3 resonates with the National Financial Inclusion Strategy (2017-2022). This strategy intends to: i) reduce Financial Exclusion and Access Barriers to Financial Services; ii) develop the credit Infrastructure for growth; iii) build out the digital infrastructure for efficiency; iv) deepen and broaden formal savings, investment and insurance Usage; and v) empower and protect individuals with enhanced financial capability<sup>7</sup>.

Just like the PDM, the strategy recognises that If large increases in financial inclusion are to be made, the demographic and geographic make-up of the country suggests there should be a focus on particular groups of people. These priority groups include women, residents of rural areas, and youth.

The strategy among other activities sought to i) Strengthen financial sector skills by improving curricula for insurance, banking, pensions, MFI and SACCO practices; ii) Strengthen the capacity and systems of SACCOs and MFIs to help women, rural communities and others access and use affordable financial services. The PDM, therefore, will be instrumental in contributing to the realisation of the targets for Uganda's financial inclusion strategy.

### 3.4 The Parish Development Model and Regional Development Program

The Government under the NDP III shifted from the sector-wide approach to a program-based approach, where the regional development program was propagated. The program contributes to the four NDP III objectives: Enhance value addition in key growth opportunities; Consolidate and increase the stock and quality of productive infrastructure; Enhance the productivity and social well-being of the population, and strengthen the role of the state in guiding and facilitating development.

The goal of the regional development program is an affirmative program for the poorest sub-region to accelerate equitable, regional economic growth and development. The key results to be achieved over the next five years are to reduce poverty by improving household incomes and welfare through employment and wealth creation, especially targeting the 39% of households still outside the money economy in the lagging regions of Uganda as indicated in Table 3.

**Table 3: Regions covered by the Regional Development Programme and Poverty reduction Targets**

No.	Sub-region	Baseline (FY2016/17)	FY2019/2020	Target (FY2024/25)
1.	Karamoja	60.2	65.7	42.1
2.	Bukedi	43.7	34.7	25.8
3.	Bugisu	40.9	13.2	23.5
4.	Busoga	37.4	29.4	19.1
5.	West Nile	34.9	16.9	26.0
6.	Acholi	33.4	67.7	18.3
7.	Teso	25.1	21.9	19.7
8.	Bunyoro	17.4	9.8	6.3

Source: NPA (2021). NDP III Regional Development Programme Implementation Action Plan and UNHS (2021)

This programme focuses on accelerating poverty reduction in these regions that are lagging behind the national poverty line by, providing affirmative actions. In addition to affirmative actions, interventions from other programmes will be employed to address: **i)** heavy reliance on subsistence rain-fed agriculture using rudimentary technology as the only economic activity; **ii)** unexploited natural resources in these sub-regions; **iii)** poor transport network; **iv)** low access to grid electricity<sup>8</sup>.

The regional development programme has striking similarities in terms of objectives and interventions. The regions listed in Table 3 above, however, will also be covered by the PDM given that it covers all the districts, cities, and urban areas in the entire country. The Regional Development Programme and the Parish Development Model raises concerns over the lack of coordination of government programme and duplication with consequent resource wastage.

## 4. DISCUSSION OF KEY ISSUES TO CONSIDER

### 4.1. The conceptualisation of the Model

The conceptualisation of the PDM considered the Parish as the fulcrum for the implementation of the interventions under the Model. It places a lot of responsibility on the Parish Chief as the highest technical officer at that level, Assistant Community Development Officers and the Parish Development Committee.

There are several concerns about the conceptualisation of this structure which are as follows:

- a) **The Administrative Structure:** According to the Local Governments Act (LGA), the Parish is an administrative unit<sup>9</sup> whose original role in the local government structure was to be a mere supportive structure administratively linking the local governments to the villages<sup>2</sup>. The LGA had envisaged the parish or ward with light responsibility limited to supportive functions to the lower local governments including the sub-county and the divisions. Further, this Parish or ward has no budget and has been manned by one technical officer, the parish chief. The Parish Chief/ Town Agent will be responsible for preparing, coordinating and managing Parish action plans, budgets and reports.

The LGA did not envisage a parish or ward with powers and responsibilities that have currently been bestowed by the PDM<sup>3</sup>. This explains the light responsibility that the law had prescribed for this administrative structure. However, the PDM requires the parish or ward to take up more responsibility than what the existing law prescribes.

Much as the Sub- County or Division which is the lowest local government still have roles like facilitating planning, supervision of extension services and providing technical support to the PDM, they do not shoulder the largest responsibility in the implementation of the PDM. Most of the responsibility has been shifted to the Parish Development Committees –a voluntary administrative structure that has no planning, budgeting, legislative and oversight powers, which is a distortion of the decentralisation framework and what was envisaged in NDP III that had focused on strengthening the sub-counties/Divisions for enhancing socio-economic transformation.

There has been limited consultation of the LGs in the design of the guidelines for the implementation of the PDM. This will have negative implications on ownership, monitoring and oversight on the part of local Governments.

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2 See Section 45 of the Local Governments Act

3 See Section 48, 49 and 50 of the LGA

- b) Inadequate Infrastructural Capacity:** In FY 2021/22, the Government allocated UGX 200 billion for the PDM which supported the recruitment of the Parish Chiefs across the country and the establishment of the PDM Secretariat, development of the PDM guidelines. As a result, 93% i.e., 9,847 posts have been filled<sup>4</sup>. The PDM Guidelines have been developed by the Ministry of Local Government and attendant Ministries, Departments and Agencies (MDAs) leading on each pillar, and the Secretariat is undergoing establishment. However, the majority of the Parish chiefs do not have offices to operate from. Since PDM full operations are to commence in FY 2022/23, 1st July 2022, Government needs to provide guidance on sharing infrastructure within existing infrastructure in LGs through a guideline as they prepare to gradually avail specific office spaces for Parish Chiefs that do not have Offices.
- c) The Parish Development Committees (PDCs).** The implementation of the PDM envisages that in every Parish there shall be a Parish Development Committee composed of seven (7) members as shown in Table 4. Also, PDM will largely depend on Parish Development Committees. These committees in many local governments have either been dormant or non-existent.

**Table 4: The Membership of the PDC**

S/N	Members	Remarks/Position
1	Chairperson - LC II	Chairperson
2	Parish Chief	Secretary
3	Secretary for Women Affairs	Member
4	Secretary for Youths Affairs	Member
5	Secretary for Persons with Disabilities Affairs	Member
6	Chairperson of the Ruling Party at the Parish	Member
7	Opinion Leader	Member

Source: MoLG (2021). *PDM Implementation Guidelines*

<sup>4</sup> Budget Committee Report on the NBFP FY2022/23

This paper has established that there are several issues about the PDCs who are the foot soldiers for the implementation of the model. These include the fact that the parish Development Committee is a voluntary committee that has been given a lot of responsibilities without compensation.

- d) **Selection of Beneficiaries.** Under the pillar on Agriculture Value Chain Development (Production, Processing and Marketing) the MAAIF<sup>5</sup>, posits that it will be implemented in conjunction with other PDM Pillars especially Pillar 3- PDM Financial Inclusion and Pillar 6- Mindset Change and Community Mobilisation. The guidelines by MAAIF also note that there will be income-generating activities (enterprises) to be supported at every Parish. The existence of income-generating activities shall be reinforced by the right business mindset and capabilities. Communities will undertake initiatives in agribusiness or agriculture that provide earnings and enable them to create wealth.

Further, there will be an elaborate process to select beneficiaries in subsistence households that will be carried out using the wealth ranking tool. Thus, the Production, Storage, Value addition and Marketing Pillar will target the subsistence households who are the most disadvantaged. These subsistence households shall then be supported to form/join common Enterprise Groups. It is important to note that this conceptualisation is pro-poor given that it will target the poorest of the poor in every community. However, this provision in the guidelines does not tally with the current messaging by political leaders and other stakeholders who are making attempts to mobilise the communities<sup>6</sup>.

- e) **Groups to be supported:** There are two categories of enterprise groups to be supported.

**Category 1** – the already existing common Enterprise Groups. The PDM will work with households that are organised in strong already registered Enterprise Groups. For purposes of the PDM, Enterprise Groups shall include existing Village Savings and Loans Associations, farmers' groups, farmers' associations, existing SACCOs (except Emyooga SACCOs), self-help groups, and parish-based traders' associations etc.

However, the model proposes facilitating community groups with Parish Revolving Fund (PRF) under a single enterprise and a credit manager which might not be feasible. This is because the model doesn't specify the structural and legal mandate within which the facility and its administrator shall be regulated.

**Category 2** – new Enterprise Groups which are non-existent. The Parish Chief supported by local experts (including the CDO, extension staff, and private sector experts) will guide the group formation process professionally to create sustainable groups for the implementation of the PDM.

5 MAAIF (2022). Parish Development Model: Operational Guidelines. Ministry of Agriculture, Animal Husbandry and Fisheries (MAAIF), Entebbe.

6 Daily Monitor (2022). Parish Model Opens Cracks among Leaders. Daily Monitor February 24, 2022. [www.monitor.co.ug](http://www.monitor.co.ug)

There are major concerns on the criteria for selecting enterprise groups including i) The existing groups may not be aligned to enterprises that are earmarked for each district; ii) The purpose of the existing groups may not be aligned to the goals of the PDM; iii) The likelihood of ghost groups is like to emerge with the already existing groups; iv) there will be a possibility of forming new groups to get money and the groups disband after receiving and sharing the money, a practice that has been common with UWEP and YLP.

#### 4.2. Budget Allocation /Financing of the Model

The Cabinet Sub-Committee on the PDM allocated UGX 490bn to cater for all the parishes/wards in the country. However, during the appropriation of the budget for FY 2021/22, Parliament reduced the resources for the PDM from UGX 490bn to UGX 200bn; of which UGX 182.5bn was appropriated to Local Government Votes and UGX 17.5bn to Central Government Votes<sup>7</sup> as summarized in Table 5.

**Table 5: Appropriated Funds of PDM for FY 2021/22 by Parliament**

	Revolving Fund	Admin Costs	Staff Costs	Gadgets and Tools	Training	Sub-Totals
District Local Governments	125.39	10.50	28.79	17.83		182.52
KCCA	1.17	0.10	0.27	0.17	-	1.70
UBOS	-	4.00	-	0.00		4.00
MoLG		2.98		-		2.98
MICT&NG				8.80		8.80
Total	126.56	17.58	29.06	26.8	0	200

Source: MoFPED, June 2021

<sup>7</sup> MoFPED (2022).



The government sent to each parish UGX 17 million in the financial year 2021/22 and later increase it to UGX 100 million per parish in the FY 2022/2023<sup>8</sup>. For FY 2022/23, Government has programmed UGX 100m per parish to be released under the financial inclusion pillar. The financial inclusion pillar has been allocated a total of UGX 1,050 bn.

The 2<sup>nd</sup> Budget call circular (FY2022/23) instructed all accounting officers of Ministries and Agencies in charge of the seven pillars to rationalise and budget for the PDM activities under their jurisdictions as no specific resources will be allocated<sup>9</sup>. This paper observes that apart from the financial inclusion pillar, there is no information on the total cost for the implementation of the PDM.

**Method of determining budget allocations:** The allocations per district or City for the revolving fund were based on the number of Parishes in each of these administrative entities. Districts like Kasese, Sironko, and Yumbe will receive over UGX 2bn each for the revolving fund. There are districts like Wakiso, Isingiro, Namisindwa, and Kagadi, that will receive UGX 1,194 bn, 1,564 bn, 1,947 bn and 1,803 bn. Some districts will receive less than UGX 0.5bn. The allocation of these resources assumed a “one size fits all” strategy without paying attention to the unique needs of each of the districts.

Several concerns arise with this methodology including; i) Some districts have relatively higher populations than others that are likely to have more enterprise groups. The resources allocated to them may not be adequate for all the enterprise groups, ii) Some districts have had high precedence of poverty and these should have received some affirmative intervention under the PDM, and iii) There are hard-to-reach districts, districts emerging out of conflict, prone to disasters, and districts riddled with insecurity that should have been given special consideration for their unique needs.

### 4.3. The PDM SACCOs

For the implementation of this Pillar 1, Agriculture Value Chain Development (Production, Processing and Marketing), households that are not in any groups will be supported to form common Enterprise Groups that are self-driven and self-directed. Group formation will happen when these individuals with common problems/needs get together.

As such, subsistence households shall be integrated into common enterprise groups (Enterprise Groups) that are engaged in a common income-generating activity within their locality i.e., at the Village/Cell and the Parish/Ward levels.

8 MoFPED (2022). The Second Budget Circular on Finalisation of the Budget for Financial Year 2022/23. February 2022. <https://www.finance.go.ug/sites/default/files/press/THE%20SECOND%20BUDGET%20CALL%20CIRCULAR%20ON%20FINALISATION%20OF%20THE%20BUDGET%20FOR%20FINANCIAL%20YEAR%202022-2023.pdf>

9 MoFPED (2022). The Second Budget Circular on Finalisation of the Budget for Financial Year 2022/23

Enterprise Groups shall be registered at the sub-county. These may include farmers' groups, associations, community-based groups, Agri-traders' groups etc. A special type of cooperative called the 'PDM SACCO' shall be formed by the Enterprise Groups in the parish to coordinate and mobilise households into viable enterprises and link them to quality inputs, insurance, payment systems, tailored Business Development (including business development services), guaranteed markets (mainly through contracts with value chain leaders), grants, appropriate loan financing and savings.

Each PDM SACCO shall be constituted by Enterprise Groups in a given parish. Each Enterprise Group in the parish shall therefore be a member of the PDM SACCO for it to benefit from Government Programmes. There shall be only one PDM SACCO per Parish. The PDM SACCO is expected to operate a self-sustaining business model while discharging the functions.

**Extension service provision:** Some of the major challenges that have affected the agriculture sector have been low availability and application of productive and genuine agricultural inputs, declining soil quality, limited coordination of research and development, inadequate farmer training and limited reach of extension services to boost on-farm production<sup>10</sup>. One of the planned interventions under the PDM to remedy some of these challenges is the provision of tailored business development services and extension services.

The PDM SACCO under the Business Development Services function is expected to provide business support services that include mentorship, hand-holding/coaching, extension services and other advisory services. The concerns that emerge from this kind of arrangement include i) The responsibility of providing extension services to the PDM is heavy that the PDM SACCOs may not be able to shoulder given the operation costs that may be involved and ii) Most district local governments have one extension officer who is unable to provide extension services for the entire district.<sup>11</sup>

**Production, Bulking and Marketing:** The PDM SACCO under its marketing function is supposed to collect and disseminate market information; promote collective marketing; collaborate with the production unit in guiding members in the selection of viable enterprises to focus on during production i.e., producing for the market; community bulking and storage; post-harvest training; negotiating prices; quality management; Records of produce; premarket training.

- o The observation of this paper is that given the lean staff structure of the PDM SACCO, it may not be possible to have the resident capacity to undertake this function and therefore should be ceded to the sub-county structure.
- o Also, the PDM SACCO has been given other mandates beyond the financing function which include; facilitating production at the household level; marketing the products and providing business development services.

10 See MAAIF (2022). Parish Development Model: Operational Guidelines

11 MoFPED (2022). 2nd Budget Call Circular, February 2022.

- o The SACCO requires specialised staff to provide the prescribed services. The resources provided for the recruitment of staff at the LG level for implementation of the PDM did not provide for such staff.
- o The responsibility centre for recruitment and deployment of SACCO staff is not clear. This should practically be a responsibility of the governance structure of the PDM SACCO.
- o The accountability Mechanisms for the SACCO management are not clear. The principle of accountability in the PDM is key since the Government is committing large sums of funds for its implementation.  
The model proposes the Chief Administrative Officer as the Accounting Officer for the Parish Revolving Fund which will operate at the Parish level where the Parish Chief is both the administrative head and Accounting Officer as mandated by section 69 of the Local Government Act. The proposal to have the Chief Accounting Officer as the Accounting Officer will undermine the principle of Transparency and Accountability.

#### 4.4. Infrastructure Development

The PDM priorities infrastructure development under Pillar 2 (Infrastructure and Economic Services). The quality of infrastructure at the Parish level will have a significant contribution to the effective delivery of the Parish Development Model. Therefore, pillar 2 focuses on supportive infrastructure needs of the community to improve livelihoods, such as community access roads, water for production, internet access and connectivity, ICT, markets, and electricity<sup>10</sup> among others.

This paper makes some observations on the nature of existing infrastructure within the local governments that the implementation of the Parish Development Model should pay attention to:

- a) A road user satisfaction survey conducted by the Uganda Road Fund in 2019 revealed that local governments had the lowest overall service provision rating in 2019 compared to Kampala City Council Authority (KCCA) and Uganda National Roads Authority.<sup>11</sup> Local government leaders attributed the failure of the road equipment to improve the quality of roads to many factors such as breakdown of the equipment, inadequate funds to meet the maintenance costs, and poor workmanship, among others.<sup>12</sup> Such a state of road infrastructure will affect the transportation of the product from the production centres to the markets.

- b) Uganda is one of the countries in the World that is still experiencing low electrification rates.<sup>13</sup> Nearly 60 per cent of the population in urban areas and 18 per cent of rural had access to electricity in 2016.<sup>14</sup> In 2019, the World Bank noted that 41.3 per cent of Uganda's population had access to electricity with 70.85 per cent of the urban population and 31.8 per cent of the rural population having access to electricity.<sup>15</sup> Given that the biggest proportion of resources under the PDM will be invested in rural areas, increasing rural electrification is central to the success of the Model interventions especially value addition and delivery of services.
- c) The government of Uganda has been investing in Market infrastructure aimed at improving market access through projects such as the Project for the Restoration of Livelihood in the Northern Region (PRELNOR), Community Agriculture Infrastructure Improvement Programme (CAIIP) and Markets and Agricultural Trade Improvement Programme (MATIP) among others.  
Given that PDM will be implemented in tandem with other government programs, it is worth noting that there was no specific fund from the UGX 200 billion appropriated for the PDM by the parliament of Uganda that was directly allocated for the development of market infrastructure in each of the 10,595 parishes in Uganda.
- d) A study revealed that ICT access and affordability are still a challenge for large sections of the population such as the poor, rural populations, women, and PWDs. Recently, the parliament appropriated UGX 8.8 billion for the fiscal year 2021/22 for the Ministry of ICT under Parish Development Model<sup>16</sup> to cater for gadgets and tools. This is a commendable step but it does not cater for the connectivity needs of the local governments.

#### 4.5. Prioritisation of Pillars

Allocations for the PDM as per table 3 seem to have prioritised the revolving fund which falls under Pillar 3, Financial Inclusion. The interventions under this pillar are intended to promote savings and investment by households in activities with the potential for generating a production surplus. The specific interventions include; the establishment and capitalisation of the Parish Revolving Fund to be distributed through PDM SACCOs.

The paper has made some observations on the issues of prioritization which include:

- More priority has been given to Pillar 3, particularly the Revolving Fund where leaders at all levels of government are informing people of the resources that will be sent to the parish for people to utilize and improve their welfare. The popularizing of this revolving fund however has not been accompanied by adequate preparation of the local governments and communities, especially regarding the modalities of its implementation.

- The other pillars of the PDM like Agricultural Enterprise Development, Community mobilization and mindset change, Parish Based Management information systems and Governance and administration have not been given much attention, yet the success of Pillar 3 depends on these.
- Pillar 3 has been over-politicized. There are so many political undertones that have been attached to the revolving fund. The politicization of such initiatives has always curtailed many governments development program where people have construed them as a token<sup>12</sup>. PDM will be no exception if not de-politicized.

### 4.6. Readiness of Stakeholders

The readiness of the stakeholders to implement the PDM has raised several issues including dysfunctional or non-existent structures that are central in the implementation of PDM. The Parish has been designated at the centre of action in the implementation of the Parish Development Model. Each Parish is supposed to be headed by a Parish Chief who was mandated to support communities to develop Parish Development Plans in a participatory process and also elect a Parish Development Committee (PDC) to ensure the implementation of the laid-out plan.

It's imperative to note that the revolving fund under the financial inclusion pillar of the PDM is planned to be operated under SACCOs at the parish level. In this arrangement, each parish is required to have an approved and functional Parish SACCO for lending funds from the Parish Revolving Fund to eligible households in a parish.

Currently, Local Governments do not have functional Parish Development Committees (PDC) which are responsible for providing oversight roles to the Parish Chief; and most of them have no offices for the parishes<sup>17</sup>. Thus, the state of readiness or preparedness of the Local Governments to roll out this Model in the wake of the weak and dysfunctional governance structures; the non-existence of PDM SACCOs in most areas raises some red flags about the readiness of the local governments.

This is further exacerbated by the absence of enterprise groups from which the PDM SACCOs are expected to emerge. Further, community mobilisation and organisation the foundation upon which the implementation of the model is supposed to be built has not yet been undertaken. This has caused information asymmetry across the country about the implementation modalities of the model. Such structural gaps, therefore, are more likely to cause challenges in the implementation of the PDM.

<sup>12</sup> See Daily Monitor (2022). How the Parish Development Model Will Work. Daily Monitor, February 25, 2022. [www.monitor.co.ug](http://www.monitor.co.ug)

Each Pillar of the PDM is supposed to have an operational Manual. At the time of compilation of this paper, only five (5) guidelines out of seven (7) had been completed and available to the public. Particularly, the manuals for pillars on Social Services and Infrastructure and Economic Services are not available in the public domain. Districts received money under the Sector Conditional Development grants (non-wage) and Sector Development Grant to finance the implementation of the planned development components under the PDM at the Parish Level. However, in some districts like Hoima, Luwero, Kyotera, Butebo and Kitgum among others the PDM funds have remained unspent awaiting the finalisation of the operation guidelines by the MoLG and putting in place all the necessary local PDM structures<sup>13</sup>.

**Recruitment of Staff in LGs:** Several local governments are still recruiting Parish Chiefs. Further, there are inadequate wage ceilings in some districts which restrict the recruitment of key staff for departments with unfilled positions. Despite the government providing the necessary resources to all districts to recruit parish chiefs, 80 per cent of them did not comply with the 30<sup>th</sup> September 2021 deadline. Some districts were recruiting not following the qualification guidelines specified by the MoFPED. This is, sometimes, coupled with delays from the public service commission to approve the positions.

Also, Government has been undertaking training for the Parish Chiefs, and Parish Development Committees but this is not yet completed. Additionally, the majority of the Parish chiefs don't have offices to operate from. Lastly, there are wage shortfalls for some local governments where the funding available is not is insufficient to cater for all the parish chiefs yet all local governments have been instructed to ensure 100% recruitment<sup>14</sup>.

**Private Sector and other Non-state Actors:** The Non-State Actors including the private sector and CSOs are expected to play a very critical role in the implementation of the Parish Development Model as indicated in Implementation guidelines.<sup>15</sup> The roles they are expected to play range from direct service provision, advisory services, budget support, research and advocacy among others.

There has, however, been limited constructive engagement of the non-state actors on the different roles they can play in the implementation of the model. This is likely to result in disjointed interventions that will lead to duplication and wastage of resources.

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13 Billions for Parish Development Model Funds Lying Idle in District Accounts. <https://businessfocus.co.ug/billions-for-parish-development-model-funds-lying-idle-in-district-accounts/>

14 See MoFPED (2022). 2nd Budget Call Circular, February 2022.

15 See MoLG Guidelines on the Implementation of the PDM.

**Inadequate Capacity of Service providers for PDM Implementation:** Under Pillar 3 of the PDM on financial inclusion, Enterprise Uganda is the leading agency tasked to provide business development services. These include; Entrepreneurship skills training centred on profitability, Enterprise identification and selection, business planning, time management, business modelling, business management, risk management, mastering the numbers, bookkeeping, goal setting, and implementation.

These services will need to be provided to different enterprise groups in the 10,954 parishes and 2,148 sub-counties across the country. However, the capacity of Enterprise Uganda to provide Business Development Services is low given that its physical coverage and staffing are too thin on ground to meet this huge demand. As such, the assignment will be overwhelming for them to enable the many groups under the PDM to benefit from their services.

**Mobilisation of Beneficiaries:** The success of the PDM will largely depend on how the target beneficiaries, citizens in subsistence agriculture, understand the interventions under the model and how to participate and improve their welfare. The target beneficiaries should clearly understand government interventions and responsibility and what is required of them to be part of the interventions under the PDM. The pillar on mindset change would be instrumental in preparing the citizens about the need to shift from subsistence to agri-business and how it will be done.

This paper has observed that the citizens that are targeted by the PDM have not been adequately prepared to participate in the interventions of this Model. The citizens have limited or no knowledge on how the beneficiaries will be selected and who qualifies to benefit and who does not. They know little beyond the revolving fund that has been so much hyped by the political leaders. They also have limited or no knowledge about their responsibilities and obligations.

#### 4.7. Climate Change Issues

Uganda like the rest of the world and being a developing country is vulnerable to the negative effects of climate change which threaten national economic development, fragile ecosystems and people's livelihood<sup>16</sup>. According to the ND-GAIN index (2019) which summarizes a country's vulnerability to climate change; Uganda is ranked 167 out of 182 nations<sup>17</sup>. This denotes that Uganda is highly vulnerable to climate change as well as inadequately prepared to deal with the impacts because of its over-dependence on natural resources<sup>18</sup>

16 CCD. (2018). Climate Change Department. Retrieved from Climate Change Department: <http://ccd.go.ug/>

17 <https://gain-new.crc.nd.edu/country/uganda>

18 Mubiru, D. N., Radeny, M., Kyazze, F., Zziwa, A., Lwasa, J., Kinyangi, J., & Mungaibi, C. (2018). Climate trends, risks and coping strategies in smallholder farming systems in Uganda. (T. V. Huysen, J. Hansen, & A. Tall, Eds.) ELSEVIER, 22, 4-12. doi: <https://doi.org/10.1016/j.crm.2018.08.004>

Further, the climate change impact assessment report by the Ministry of Water and Environment (2015) observes that; if no adaptive actions are taken to address climate change impacts, annual costs could be in the range of US\$3.2 - 5.9 billion within a decade, with the biggest effects being on the water, energy, agriculture, and infrastructure.

Climate change-related risks such as prolonged dry seasons, poor seasonal distribution of rainfall as well reduced rainfall, increasing diseases, and pest incidences, reduced water sources, bush fires, hailstorms, changes in crop flowering and fruiting times affect agricultural production and lead to poor yields, reduction in crop varieties<sup>19</sup>. In addition, an economic analysis commissioned by the Government of Ugandan in 2015 predicated that due to climate change, production of coffee will halve by 2050 hence leading to an economic loss worth \$1.2 billion<sup>20</sup>. Similar impacts are predicted for tea and cotton yet they are also among the 18 commodities prioritised by the PDM<sup>21</sup>.

Therefore, PDM is largely an agri-business strategy for improving the livelihoods and welfare of 39% of the population, prioritising the development of 18 commodities considered to be highly marketable locally and internationally. It would be expected that the implementation would consider the negative impact that climate change would have on the success of the PDM. However, the different PDM implementation guidelines developed by MoLG and MAAIF have not provided for a deliberate strategy to mainstream climate change mitigation in the implementation of the different pillars of the Model.

## 5. OPPORTUNITIES FOR CSOs TO ENGAGE

- a) **Participate in the Review of the Parish Development Model Policy:** On 21<sup>st</sup> April 2022, the Minister of Local Government, Hon. Raphael Magyezi laid on the table the Parish Development Policy<sup>22</sup>. This was after the members of the Committee of the Local Government of Parliament asked that there is a need for policy that will ensure the operationalisation of the PDM. The model for example addresses five critical elements of livelihood enhancement; human, natural resources, social finance and physical assets however the missing link is sustainability. The CSOs can review the policy and provide input.
- b) **Contribute to the National Budget Process:** This is an appropriation period for the national budget where CSOs can give input to influence the outcomes. Already, while reviewing the Budget Framework paper, there were some loopholes cited by some MPs in regard to the PDM.

19 Amumpiire Anna and Phoebe Atukunda (2021). Integrate Climate Resilience Strategies in the Parish Development Model. Local Governance Briefer, ACODE. [https://www.acode-u.org/vol/article/issue5\\_A6.pdf](https://www.acode-u.org/vol/article/issue5_A6.pdf)

20 OXFAM. (2008). Climate Change and Poverty Impacts In Uganda. . Kampala Uganda: OXFAM.

21 Amumpiire,A. and Atukunda.P,. (2021).

22 New Vision (2022). Parliament to debate Parish Development Model policy. NewVision, March, 2022. Available at: <https://newvisionapp.page.link/ce5jiECwPH1n6LVA7>



One member of parliament said, *“We know the parish model is supposed to drive this economy supporting those below the poverty line, but we have just been going through the National Budget Framework Paper and there are already gaps with funding of the parish model. This should match with the available resources,”* said Hon Jane Avur Pacuto (NRM, Pakwach district)<sup>23</sup>.

CSOs can scrutinize the budget and ensure the funding that was set for the model is actually what has been budgeted for. The review of the allocations to the PDM for the FY 2022/23 would be a step in the right direction to establish whether there are any increases in budget allocations between this FY 2021/22 and 2022/23 in specific intervention areas of the PDM.

In addition, there is a need to follow up on the operationalisation of 716 newly created Sub counties and town councils and to ensure that funds for these newly created lower local governments are appropriated by Parliament and available in the national budget.

**c) Contribute to the Review of the Parish Based Management Information System.**

The PDM will among other things establish a Parish Based Management Information System (PBMIS). The Ministry of Information Communication, Technology and National Guidance was charged with the responsibility of spearheading Pillar 5 (Community Data) of PDM which involves setting up the Parish Development Management Information System (PDMIS) to; **i)** validate information on the beneficiaries, **ii)** evaluate the livelihood and standards of living of people and **iii)** track the progress and performance of the different pillars so as to report the real-time implementation of the programme. The CSO can review PDMIS to ensure that the data captured has welfare indicators that speak to value for money and is available to stakeholders.

**d) Participation in Governance Structures of PDM.**

Involvement in the governance structures of PDM will be of paramount importance to CSOs; the inter-institutional PDM technical committees, PDM policy committee, and working groups premised on the seven pillars. It is important that the CSOs advocate for membership on these different committees and working groups so that they influence the implementation, give policy guidance and share experiences with the members of the groups as well as implementers.

**e) Capacity Building for Different Stakeholders.**

CSOs would be very instrumental in the capacity building of different stakeholders who will be involved in the implementation of the model;

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23 Parliament sets date for detailed debate on Parish Development model : <https://www.parliament.go.ug/news/5667/president-launch-parish-development-model-next-week>

- o Capacity building of local governments on legislation especially how they can draft ordinances and enact them all of which have been challenges for local governments. Of key concern would be climate change ordinances which would be instrumental in implementing Pillar 1 of Production, marketing and storage. Legislation on redundancy since Ugandans have been ranked as a community that is not interested in work.
- o Raising awareness of the community members on the PDM and how it works, group formation and cooperative development.
- o Mind-set change of the direct implementers; PDC, and parish chiefs.
- o Development of IEC materials for the sensitisation of PDM.
- o Agricultural extension and education to farming households including business management training and access to finance.

**f) Increasing Advocacy Efforts.** In terms of advocacy, CSOs would be instructive in advocating for issues such as; the inclusion of all value chain actors (women, youth, PWDs and smallholder farmers) in the model; secondly, the revival of the cooperative movement and fully support them including the establishment of parish cooperative associations.

In terms of production costs, advocacy could focus on issues such as reducing the costs of electricity tariffs, affordable interest loan rates, reducing government borrowing, reducing taxes along the value chain, price stabilisation, distribution of the finances to parishes according to populations and not a one size fits all.

**g) Opportunities in the PDM Guidelines:** There are different opportunities for CSO participation in the implementation of the PDM as stipulated in the Guidelines for the implementation of the Parish Development Model. These opportunities are presented in Table 6.

**Table 6: Opportunities for CSOs in the Implementation of the PDM**

**Opportunities for CSOs' Participation in the Implementation of the PDM**

- Provide capacity development, information provision and knowledge sharing that is beneficial to the PDM
- Mobilisation of the Communities as they implement their social and economic programmes,
- Hold policy dialogues and multi-stakeholder initiatives on development-related issues in the Community.

- 
- Mobilize resources for Agricultural and Non-Agricultural Services;
  - Train and create awareness on PDM Pillar implementation;
  - Undertake other complementary activities that support Value Chain Development; such as Storage, Transport, Drying, Marketing etc.;
  - Participate in Planning, Monitoring and Evaluation of PDM Pillar activities.

- 
- Support the mobilisation and formation of cooperatives as well as farmer groups;
  - Help to train and build the capacity of cooperatives and farmer groups.
  - Support infrastructure Services such as the construction of Community access roads, housing, renewable energy, etc;

- 
- Construction and maintenance of health facilities;
  - Establishing and carrying out sensitisation on water and sanitation facilities;
  - Construction and maintenance of Pre-primary, Primary and Secondary Schools

- 
- Investing in a modern environment and natural resources products and services e.g., production of environmentally friendly cooking stoves etc.
  - Increasing awareness of Sustainable use and Management of Environment and Natural Resources;
  - Mobilising Farmers and Farmer Groups to employ Sustainable Farming Practices.
-

## 6. CONCLUSIONS AND POLICY RECOMMENDATIONS

The Parish Development Model (PDM) is an ambitious strategy that has the potential to reduce poverty levels among the population. The targeting of the poor by the Model is a good indicator of the promotion of inclusive and pro-poor growth. The PDM is an all-inclusive, systematic and deliberate approach to providing affirmative action for special interest groups (women, youth, elderly, and persons with disability).

For example, the SACCOs under the Parish Development Model will lend funds from the Parish Revolving Fund to individual households or household collectives at a concessional interest rate [inflation + 1%]. This is intended to ensure that there is no loss of value of money. Its credit is lower than that of existing initiatives. Loans from the Parish Revolving Fund will have an interest rate of Inflation Rate+ 1% compared to a surcharge of 5% under the Youth Livelihood Programme and a Service Fee of 5% under the Uganda Women's Empowerment Programme<sup>24</sup>.

This implies that the citizens will have access to a cheaper source of capital finance for their agricultural investments. Its affirmative action for special groups (women, youth and Persons with Disabilities) makes it more desirable. It is consistent with the current affirmative policy of the Government where the parishes will allocate 30% of the money from the Parish Revolving Fund to household enterprises by women<sup>25</sup> while another 30 per cent of the Parish Revolving Fund, has been earmarked for youth. Also, while forming enterprise groups, it is expected that at least 30 % of the group members are women and 30% are youth<sup>26</sup>.

The effective implementation of the Model will fulfil the national development targets of the NDP III and at least 10 of 17 Sustainable Development Goals. This requires that the Government of Uganda addresses some of the existing gaps identified and considers some of the recommendations presented in this paper. This will require an adequate resource envelope, functional, accountable and responsive government structures; active citizen participation and the active involvement of civil society organisations as intermediaries for effective improved delivery of the interventions of the model. The following recommendations are considered very key.

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24 See Ministerial Policy Statement on PDM (2021).

25 See Ministerial Policy Statement on PDM (2021)

26 MAAIF (2022). Parish Development Model: Operational Guidelines. Ministry of Agriculture, Animal Husbandry and Fisheries (MAAIF), Entebbe.

### 6.1. The conceptualisation of the Model

- a) The role of the Parish in the implementation of the Parish Development Model will be different from that assigned in the Local Government Act (1997 as amended) as a mere administrative unit. This will require an amendment to the LGA, to make the Parish a Local Government with powers to plan and budget, monitor and provide oversight. It also implies that the human resource structure of the Parish has to change given that the PDM requires technical staff at this level who is not an original part of the HR structure of the Local Governments. This will require a review of the staff structure at this level.
- b) In order to revamp the parishes, there is also a need to undertake a skills mapping of parish chiefs, review and appropriately change the human resource structure of the parish given that the PDM requires technical staff at this level who may not be part of the HR structure of the Local Governments.
- c) The composition of the Parish Development Committees should include members from other political parties where they exist. This requires a review of the implementation guidelines.
- d) Given the many responsibilities given to the Parish Development Committee in the implementation of the PDM, there is a need to provide some sort of compensation or facilitation to enable them to do their work.
- e) There is a need for clear messaging about the target beneficiaries of the Parish Development Model. On several occasions, the political leaders' messages to the community do not resonate with the operational guidelines of the Ministry of Agriculture, particularly on Pillar 3 (Financial Inclusion)

### 6.2. Budget Allocations

- a) There is a need to establish the total cost for implementation of the PDM and align the costs to the targets.
- b) The Ministry of Finance should reconsider the criteria used for budget allocation to include the population sizes of the local governments, accessibility of the local government; and levels of poverty rather than just depending on the number of parishes or wards.

- c) There is a need to identify new sources of funds to fill the existing resource gaps. Government can engage other stakeholders like development partners, the private sector and CSOs to make resource commitments to the implementation of the PDM beyond other resources mobilisation strategies.
- d) The MoPED should provide and disseminate guidelines (through both electronic and print media) for the utilisation of the PDM funds for each pillar for all the local governments and other Ministries, Agencies and Departments.

### 6.3. Prioritisation of the Pillars

- a) All pillars under the PDM should be given due attention so that there is no selective implementation of some at the expense of others.
- b) There is a need to de-politicise Pillar 3 on Financial Inclusion, especially the revolving fund. Lessons from other previous programmes indicate that politicisation of such well-intentioned programmes generates negative results and diminishes chances for success.

### 6.4. Readiness of Stakeholders

- a) The MoLG should fast-track the training of the PDCs and other stakeholders in local governments.
- b) The Ministry of Local Government should ensure the Parish Chiefs and other technical officers have permanent offices where to domicile. This would ensure their permanent presence in the parishes of their jurisdiction and easy access to technical services by members of the community. The local government budgets should consider the provision of offices for technical staff at the parish.
- c) The MoLG and MGLSD should fast-track the community mobilisation and mindset change pillar to ensure mobilisation and sensitisation of the intended beneficiaries. This would be critical for the meaningful and active participation of the citizens.
- d) All the relevant MDAs should fast-track the finalisation and dissemination of operational guidelines.
- e) Government should identify other private sector players to supplement Enterprise Uganda in supporting enterprise development under the PDM.

### 6.5. The PDM SACCOs

- a) There is a need for awareness-building among communities to enable them to embrace the program even before it is rolled out. This will contribute to its successful implementation as any form of resistance would have been handled at the onset. The community needs to be adequately prepared about the benefits of this program to communities, selection of beneficiaries, enterprise group formation, formation of SACCOs, functioning of the SACCOs, and distribution and repayment of the revolving fund among other issues.
- b) The mobilization of communities to embrace the Model across all LGs including the LC 1 structure must be prioritized to level the ground for the smooth implementation of the program. This mobilisation should include sensitisation on the formation of enterprise groups and their relevance in the access of resources under the PDM SACCO.
- c) The guidelines on the PDM SACCO should be revised to provide clarity on who the accounting officer of the SACCO should be given the huge amounts of funds involved.
- d) There is a need to fast-track the establishment and training of the Parish Development Committees at the Parish Level to enable the kick of activities like community mobilisation and formation and registration of enterprise groups.

### 6.6. Climate Change Mitigation and Resilience

The following recommendations should be considered to ensure that the PDM achieves its intended goals and objectives given that it focuses on the agriculture sector yet it's the most affected by climate change:

- a) The Ministry of Local Government and the Finance, Planning and Economic Development should prioritise resources to support local governments to pass and enforce ordinances on climate change mitigation. The PDM, should, therefore, provide an opportunity to not only promote the enactment of such ordinances and bylaws but also enforce their implementation<sup>18</sup>.
- b) The Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) should scale up its efforts to mainstream climate change in agriculture. Given that agriculture provides the main livelihood options for most residents of most parishes, the implementation of the PDM provides a compelling case for mainstreaming climate change adaptation and mitigation in agricultural sector policies and plans.

- c) The Ministry of Energy and Mineral Development should fund and implement biogas, energy-saving stoves, solar and other renewable energy sources. This would provide more resources for creating various incentives to enhance clean and renewable energy (clean cooking technologies) to reduce deforestation for wood fuel and charcoal and also reduce the vulnerability of women and girls to indoor pollution and abuse as they trek long distances to fetch firewood.
- d) The Climate Change Department and Department of Meteorology should ensure there are adequate climate information services and early warning systems to help farmers plan their farming activities preferably in the local dialect. The government needs to invest in meteorology and ways to disseminate the resulting reliable data promptly. Arrangements with media such as local radio stations as well as agricultural extension workers to communicate that data and to advise farmers in real-time are critical.
- e) The Climate Change Department should be an integral part of the PDM operationalization. The Department can support the implementation of climate change strategies in collaboration with the other key Ministries Departments and Agencies like the Ministry of Local Government.
- f) The Ministry of Agriculture, Animal Industry and Fisheries, and the National Agricultural Research Organisation should widely promote eco-friendly farming techniques such as climate-smart agriculture. In addition, adaptation interventions should be tailored to specific regions and crop varieties.
- g) The Office of the Prime Minister should ensure that climate change-related indicators are included in the monitoring and evaluation framework for the Parish Development Model<sup>19</sup>.



## ENDNOTES

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