

Integrating sustainability into PRSPs: the case of Uganda

SUMMARY

The Ugandan Poverty Reduction Strategy emerged from the Government's revision of its National Poverty Eradication Action Plan. It has strong national ownership and political commitment. Drafting was an iterative and participatory process. But a number of important poverty-environment links were overlooked in an early draft. DFID funded international and national consultants to assist the Ugandan National Environment Management Authority (NEMA) to strengthen their engagement in the drafting process, articulate the poverty-environment linkages, and lobby those leading on the process to strengthen integration of the environment and long term sustainability into the PEAP, to improve the achievement and sustainability of the intended outcomes. This has resulted in a strengthened PEAP and is reflected in the approved Poverty Reduction Strategy. DFID is now funding further technical assistance to ensure that these issues are also reflected in the implementation. As the process develops, and there is adherence to the principles of strategic planning for sustainable development, it is anticipated that this will increasingly move the PEAP towards a sustainable development strategy.

1. LESSONS LEARNED

- **Building on existing strategies.** This is one of the underlying principles of the Poverty Reduction Strategy (PRS) approach. In the

case of Uganda, an independently developed national plan for poverty eradication provided the basis of its PRS. This increased country-ownership of and commitment to the ongoing process.

- **Convergence of strategies.** A PRS which adheres in practice to its underlying principles and integrates issues of environmental sustainability can be more closely aligned to a strategy for sustainable development. Such principles include: high level political commitment, genuine country-ownership, and a comprehensive and integrated approach which addresses issues of longer-term sustainability.
- **Environmental sustainability.** If reductions in poverty are to be maintained in the longer term, the integration of environmental issues is crucial. This is particularly so in Uganda where 80% of the population are directly or indirectly dependent on the agricultural sector. This integration is entirely possible without overloading the process.
- **Supporting the process.** The provision of a very modest input of technical assistance at the right time, can have a powerful influence on the content of a Poverty Reduction Strategy Paper (PRSP). Ensuring that commitments in the paper are carried through in practice may require additional support. In Uganda's case such technical assistance has led to an improved PRSP and an approach which will improve its implementation.

Governments worldwide have agreed that there should be a national strategy for sustainable development (nssd) in the process of implementation in all countries by 2005. An nssd has been defined as a "strategic and participatory process of analysis, debate, capacity strengthening, planning and action towards sustainable development". DFID is committed to assisting countries in the development of nssds

- **Importance of government institutions.** A strong and well-connected government institution is needed to champion long-term sustainability at the planning stage and into implementation. It requires the capacity to engage effectively in the process and influence policy and decision makers. The effectiveness of this institution may be determined by its position in the government structure.

2. BACKGROUND

In 1997, the Government of Uganda (GoU) launched a Poverty Eradication Action Plan (PEAP) to transform Uganda into a modern economy. From the beginning, it was stated that economic growth must be sustainable.

The PEAP envisages the creation of an enabling environment for rapid and sustainable economic growth and structural transformation. It recognises the need to strengthen good governance and security, as well as the importance of poverty eradication. Two groups of actions are listed:

- Those which directly increase the ability of the poor to raise their incomes.
- Those which directly improve the quality of life of the poor.

The PEAP advocates poverty eradication through agricultural modernisation, employment creation and industrialisation. It is stated that “poverty eradication will depend on economic growth; although redistribution would reduce poverty, it would not by any means eliminate it. While poverty has many dimensions beyond low incomes, it cannot be removed without raising incomes.”

Re-orientation of rural communities from subsistence farming to commercial agricultural is

the main method of raising incomes identified. Uganda’s economy relies heavily on the agricultural sector which currently accounts for about 43% of the gross domestic product (GDP), and provides the main source of livelihood for over 80% of the Ugandan population. The Plan for the Modernisation of Agriculture (PMA) was developed as a critically important and principal instrument for implementation of the PEAP.

Uganda key facts

Population (1997)	20.3 million
GDP per capita (US\$) (1997)	\$330
Proportion of population living below \$1 a day (1988-96)	69.3%
Infant mortality (rate by 1000 live births) (1997)	99
Safe water (% of population with access) (1990-97)	42%
Biodiversity (% of land area protected) (1996)	9.6

Source: DFID, *Statistics on international development, 1999*

3. CONVERGING STRATEGIES

In early 2000, the PEAP was revised to take account of work undertaken since 1997, including the PMA, the Ugandan Participatory Poverty Assessment Project (UPPAP), the work of the Poverty Monitoring Unit (PMU), the Poverty Status Report (PSR) and the establishment of the Poverty Action Fund (PAF). During the revision process, the IMF agreed that the PEAP would be accepted as Uganda’s Poverty Reduction Strategy Paper (PRSP).

One means of assessing whether Uganda’s PEAP may be closely aligned to a strategy for sustainable development is by looking at whether it addresses and adheres to the principles of strategic planning for sustainable development, around which there is a convergence of thinking¹. The table below indicates the extent of coverage:

¹ These principles are set out in the DFID Briefing Paper “Strategies for sustainable development: can country-level strategic planning frameworks converge to achieve sustainability and eliminate poverty?”, September 2000 and are similar to the “characteristics” for nssds used by the UN Division for Sustainable Development. Many are also shared by the principles which underlie the Poverty Reduction Strategy and the Comprehensive Development Framework.

APPLICATION OF KEY PRINCIPLES FOR STRATEGIC PLANNING FOR SUSTAINABLE DEVELOPMENT TO THE PEAP

PRINCIPLES OF STRATEGIC PLANNING FOR SUSTAINABLE DEVELOPMENT	YES	PARTIAL	NO
• People-Centred	✓		
• High level political commitment & influential lead institution		✓	
• Process and outcome orientated	✓		
• Country-led and nationally-owned	✓		
• Building on existing processes and strategies	✓		
• Comprehensive and integrated		✓	
• Participatory	✓		
• Incorporating monitoring, learning and improvement	✓		
• Awareness of future needs		✓	
• Targeted with clear budgetary priorities	✓		
• Capacity consistent		✓	

4. CONSULTATION AND PARTICIPATION

One of the important aspects was the participatory nature of the PEAP revision process. This is outlined below as one example of convergence between the principles of strategic planning for sustainable development and the practice of developing a PRSP

The PEAP revision was conducted in a participatory and iterative manner. The main features of this were:

- Guidance by a Steering Committee which had representation from all sector working groups, line ministries, Civil Society and NGOs.
- The establishment of a Civil Society Poverty Task Force as an information and feedback link between communities and the Steering Committee.
- Preparation of a Participatory Action Plan to ensure that all stakeholders contributed effectively to the drafting process.
- Regional consultation meetings with district officials.
- Meetings and sectoral briefings with parliamentary sessional committees.

- Donor consultation via Donor Consultative Group meetings.
- Two 2-day consultation workshops with a wide range of stakeholders.
- Incorporation of feedback from written responses and contributions.
- Incorporation of the output from related participatory processes such as UPPAP.

5. INTEGRATING SUSTAINABILITY

A paper by local consultant Dr Yakobo Moyini in September 1999 argued that environmental issues related to the modernisation of agriculture had not been taken into consideration adequately in the PMA, and that the revised PEAP would probably suffer the same deficiencies. In response, DFID agreed to provide technical support to the NEMA for the “mainstreaming” of environment and sustainability into the PEAP and the PMA.

Early drafts of the PEAP contained little recognition of environmental issues and long term sustainability. Whilst there was an overall objective of sustainability, there was no indication of how this should be achieved. Similarly, whilst agricultural modernisation was proposed as the main agent for poverty

eradication, there was no indication that implementation of the PEAP would therefore be dependent upon good management of the country's natural resource base. Rectifying these omissions developed greater awareness of the links between these issues and the health, vulnerability and livelihood security of poor people.

POOR PEOPLE AND THE ENVIRONMENT

Uganda's annual growth rate projections are based on sound management of the natural resource base. However, there are linkages between growth, poverty and environment which could threaten the sustainability of these growth rates. Such linkages include:

- forest destruction, soil erosion, land degradation, pest diseases and water pollution having a detrimental impact on yields of fish and export crops such as coffee and bananas;
- the viability of Lake Victoria, which provides economic services in terms of agriculture, fisheries, transport and hydro-power is under extreme pressure;
- as availability of water and fuelwood decreases, the poor must spend more time and effort in meeting daily needs rather than in productive activities;
- inadequate and inequitable management of water resources increases tensions and conflict between cattle herders and agriculturists, for example in the Karamojang area.

OPPORTUNITIES FOR STRENGTHENING THE SUSTAINABILITY OF THE PEAP

NEMA identified a number of issues for integration into the PEAP. These included:

- **Economic** - opportunities for the use of fiscal measures to encourage sustainability, either as incentives (e.g.

reductions in tax on bottled gas or solar energy equipment) and disincentives (e.g. tax on charcoal).

- **“Win-win” opportunities** should be sought, e.g. waste recycling, which reduces pollution, reduces disposal costs, and reduces consumption of resources, whilst providing employment/income for the poor.
- **Education** - the integration of environmental education, awareness and information in environmental management, including the conduct of demonstration projects.
- **Energy** - a critical issue that required further consideration in the PEAP (see box below).
- **Environmental Health** - the need to increase awareness of the relationship between water supply, drainage, sanitation and health. For example, environmental health problems affect poor people's ability to work
- **Improved governance** - clarification of tenure and the creation of property rights which can lead to improved natural resource management; but the poor can also be disadvantaged by the privatisation of land (losing access to sources of water, fuelwood, fish or game)
- **Increased knowledge and awareness** - for example in sustainable natural resource management, so that rural communities take responsibility for stewardship of the natural wealth. Raising awareness of the impact the environment has on the poor; the poor are particularly affected by declining environmental considerations. Environmental degradation can prevent poor people from using social services such as schools or clinics due to time and opportunity costs - services to which they would otherwise have access.
- **Sustainable agriculture** - the sustainability benefits from greater diversification;

awareness of, measures to promote, the protection of the national land bank from soil erosion; the value of advice to farmers on environmentally sustainable low input production methods.

- **Sustainability of programmes** - i.e. the need to determine the impact and sustainability of programmes before engaging in government funding, e.g stock replacement programmes
- **Transport** - the value of water and rail transport and the potential for reducing fuel use and pollution and providing affordable transport for poor people and their goods

THE PEAP AND THE ENERGY SECTOR

Fuelwood accounts for 96% of domestic energy supply in Uganda. The government is committed to a programme of gradual substitution of fuelwood for rural electrification. Costs mean that it will take a long time for rural electrification to have a significant effect on fuelwood usage. NEMA identified the need for a more comprehensive energy provision strategy which would be sustainable, adequate and affordable. This might include consideration of the use of alternative local renewable energy sources (wind, solar); use of more efficient technology; use of fiscal measures to encourage sustainable energy provision and use of alternative fuels (kerosene, bottled gas).

ENGAGING IN THE PROCESS

NEMA worked with local and international consultants to produce a series of amendments and additions that were presented at the various consultation workshops, and as a result, incorporated into the strategy. In addition, lobbying meetings were held with key players in the PEAP process. Of particular importance was the establishment of a dialogue within the Ministry of Finance, Planning and Economic Development. Many of the inadequacies with respect to sustainability were due simply to a lack of awareness. These were gladly incorporated when their merits were understood,

indicating the importance of lobbying by local institutions of both those leading on the PEAP and key line ministries. Other parts of the Ministry of Water, Lands and Environment submitted their own PEAP amendments once the influence of the NEMA initiative became known. The integration of these issues is moving the PEAP closer to a strategy for sustainable development.

THE OUTCOME

In March 2000, a synthesis of the main features of the GoU PEAP was accepted by the IMF as a PRSP. This document is a good example of how environmental integration can be achieved. It also demonstrates that with commitment the integration of long term sustainability into PRSPs is entirely possible without overloading the process. The need to cost environmental interventions is identified, however some environmental related policy goals do not appear in the annex setting out PEAP goals, targets and indicators. Overall as the process develops, it is hoped the PRSP can increasingly reflect a sustainable development strategy.

6. IMPLEMENTATION

Integrating environmental sustainability into the PEAP was the first step. Ensuring that this is reflected in implementation will be equally important.

A strategy was developed with NEMA to enable them to begin to address these implementation issues and to maintain the momentum stimulated by the above support. This strategy was designed specifically to improve implementation of the PEAP rather than simply avoid or minimise environmental damage. Two categories of environmental issues were addressed.

1. The intense effects of individual development projects or initiatives. Two approaches were recommended:
 - the strengthening of the project review process in relation to PEAP i.e. by the development of EIA and SEA guidelines; and

- the building of linkages and dialogue between NEMA and stakeholders in PEAP, particularly the agriculture and energy private sectors.

2. The extensive effects of broader urban and rural development which the PEAP is expected to deliver. The following were recommended:

- education, awareness and technical support for environmental planning and management at local level, working closely with the Districts and line ministries;
- the conduct of demonstration projects, and the preparation and dissemination of case studies on sustainability and good environmental management;
- the production of various high quality promotional/educational materials and the provision of GIS services and products; and
- the monitoring of indicators of sustainability (with PMU and the Uganda Bureau of Statistics: UBOS).

7. INSTITUTIONAL CAPACITY AND SUSTAINABILITY

Technical assistance will be required by NEMA to undertake the proposed strategy. Such assistance will need to include strengthening of NEMA's own capacity. Some elements are already being supported (e.g. development of sectoral EIA guidelines by USAID) but there is the need for additional support from other donors. DFID is likely to continue its support to the GoU to implement environmental commitments in the PEAP. The World Bank has been supporting NEMA over a number of years and is about to commence a second phase of funding. While external support may be needed in the short term there are issues of institutional

sustainability that need to be considered for the longer term.

If the "mainstreaming" of environment is truly successful, environment and sustainability may disappear as distinct topics because their principles will have been incorporated within all the sectoral development plans. However, there will be no financial support for the championing of sustainable development if it is invisible. In the circumstances, NEMA has led the preparation of an Environment Sector Programme covering all of the environmental activities within its parent Ministry, concerning environmental policy and protection, forestry, wetlands and meteorology. Whilst not all departments are happy with the presentation, this does at least provide a vehicle for the commitment of government funds. There is a concern that if support for sustainability issues is left purely to the donors, then the government may not have real commitment to the espoused principles.

The continued promotion of sustainability within a PRSP as outlined above, requires a strong and well-connected institution to act as champion. Whilst NEMA is the authority charged with the development of national environmental policy and co-ordination of environmental affairs, its position is not ideal. Similar institutions in other administrations are often located under the office of the Prime Minister or President in order to provide independence and authority. However, NEMA falls within Uganda's Ministry of Water, Lands and Environment. In this position, it lacks the power to influence other parts of government, whilst involving itself directly in environmental issues which could be better delegated. In the circumstances, a programme of institutional support to NEMA, including a review of its position within the government structure, would be beneficial. NEMA has provided some technical support to Environmental Liaison Units (ELU) within line ministries, which can be seen as a potential method of "mainstreaming." However, these ELUs will need to strengthen their own position within their ministries before they are able to exert any significant influence over their sectoral colleagues.

8. CONCLUSION

Uganda has been able to build successfully on the existence of its country-owned poverty eradication strategy to meet the external requirements for a PRS. Drafting was an iterative and participatory process which is still continuing. Targeted assistance at the right time helped to strengthen the process, content and approval as a PRSP.

If reductions in poverty are to be maintained in the longer term, the integration of environmental issues into a country strategy is crucial. This is particularly so in a country like Uganda where 80% of the population are dependent on the agricultural sector. Originally a number of poverty-environment links were overlooked but this has been rectified by the engagement of environmental agencies and civil society organisations into the process.

A PRS that adheres to certain principles can become more closely aligned to a strategy for sustainable development. Integration of environmental and long term sustainability consideration will help strengthen the process, improving the delivery and sustainability of the intended outcomes. As the process develops and there is increasing adherence to these principles, it is hoped that Uganda's PEAP can increasingly reflect a sustainable development strategy.

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