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**Republic of Uganda**

**Country Strategic Opportunities Programme**

**2021-2027**

**Addendum**

**Management's Response to Member States' Comments**

Executive Board — 132<sup>nd</sup> Session  
Rome, 19-21 April 2021

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For: **Information**

Comments from India	Management response
We appreciate the management for preparing Uganda's Country Strategic Opportunities Programme 2021-2027 and acknowledge the envisaged strategic objectives in the document.	We acknowledge, with thanks, the comment from India.

Comments from Canada	Management response
Appreciate continued focus on the poorest regions in the country (Northern and Eastern Uganda). We appreciate the targeting strategy and focus on smallholder farmers, women and youth. How has IFAD considered the further inclusion of indigenous peoples in development of this COSOP? What further opportunities can be explored?	The Republic of Uganda does not have a separate classification for indigenous peoples as its constitution recognizes all ethnic groups as indigenous, as explained in the SECAP background study (we kindly refer you to paragraphs 23 and 25 of appendix IV of the country strategic opportunities programme [COSOP]). However, further opportunities will be explored during project/investment elaboration to ensure minority and marginalized groups are reached and able to participate.
We noticed some of the other COSOPs have more information regarding ongoing project portfolio. We suggest adding more information on ongoing project portfolio and planned projects.	We will strive to ensure that all COSOPs provide the same level of information pertaining to the ongoing portfolio. For the Uganda COSOP, the information on the ongoing portfolio and planned investments is presented in paragraph 4 of the executive summary and in table 1 of the main document.
We welcome the intent to include overarching strategies to address women's workload and the provision of time- and labour-saving technology, with value chain specific strategies to be developed. We would also welcome further detail in the COSOP on how IFAD plans to engage with governmental and non-governmental stakeholders to advance gender equality in its operations under the Government Policy and Institutional Framework section.	Appendix IV (SECAP background study) of the COSOP includes the targeting strategy for the inclusion of women (paragraphs 74, 76, 86, 88 and 90, and table 2). Specific activities regarding women, and IFAD's engagement with governmental and non-governmental stakeholders, will be addressed in new investments during design. In Uganda, IFAD has experience working with civil society organizations to apply household mentoring methodologies that enhance gender equality and empowerment. Of particular importance is the Gender Action Learning System methodology, which ensures gender balance in value chain development initiatives (table 2 in appendix IV of the COSOP). All these tools will be used, as appropriate, in project design and implementation.
We encourage disaggregation of people centred indicators by gender, age and socio-ethnic group, and would suggest further consideration of intersectionality in the results management framework, including for example persons with disabilities.	The COSOP results framework presents the overall indicators that will be further disaggregated in the context of the new investment projects. The COSOP indicators will then be updated in the annual COSOP results review (CRR).
The Evaluation indicated that IFAD's design approach, while consultative, would have benefited from greater analysis of the political and economic context. Has IFAD ensured adequate analysis of these aspects (ex: political	The COSOP design did take into account an in-depth analysis on the economic and political context. This notwithstanding, during the annual COSOP CRR and the new investment designs, these important aspects will be updated and assessed as regards the impact of new investments and of the overall country programme.

Comments from Canada	Management response
<p>situation, human rights)? We would encourage increased collaboration with development partners operating in Uganda as a practical measure to monitor and deal with risks moving forward, and welcome expected partnership opportunities already identified with the UN Country Team, RBAs and UN Agencies.</p>	
<p>Can IFAD elaborate on mitigation measures being taken regarding the issue of child labour in agriculture? The Appendix indicates that while Uganda has made progress in efforts to eliminate child labour, enforcement challenges and gaps remain.</p> <p>Targeting performance. The new COSOP refers to a number of different target groups: poor smallholder households with the potential to engage in economic activities; women and youth interested in engaging in productive enterprises; rural groups; and small- and medium-scale value chain players. In addition, the new country programme will devote attention to the inclusion of the most vulnerable target populations, including women, youth and persons with disabilities, according to the third strategic objective.</p>	<p>Child labour: allow us to kindly recall that all IFAD investments are guided by the updated SECAP, which include a new standard (standard 5, paragraphs 15-17) on labour and working conditions, and which address child labour separately. Issues pertaining specifically to child labour will be comprehensively assessed during new project designs. IFAD will collaborate operationally with the Food and Agricultural Organization of the United Nations and the International Labour Organization in integrating approaches that address child labour. Project design and delivery mechanisms will ensure that mitigation measures, including redress processes, are included in all project implementation manuals. Staff capacity of project management units and of implementation partners will be built up to promote approaches that discourage use of child labour and ensure that relevant by-laws are enforced. Regarding targeting performance, new project designs will specifically include targeting mechanisms to include all categories of vulnerable people. They will also promote engagement with suitable partners to reach out to special groups such as persons with disabilities.</p> <p>Targeting performance: we confirm that the new COSOP will indeed support a range of target groups and devote attention to the most vulnerable populations. Targeting performance will be carefully monitored through the monitoring and evaluation frameworks of all new investment projects.</p>

Comments from France	Management response
<p>France welcomes the Country Strategic Opportunities Programme 2021-2027 for the Republic of Uganda.</p>	
<p>We invite Management to provide more information on the envisioned selected value chains. A careful analysis needs to be undertaken as some value chains (such as small ruminants, pork or poultry) could contribute more significantly than others to the empowerment of women and young people. Moreover, the structuration of the downstream of these selected value chains will be important to ensure value creation and new commercial outlets.</p>	<p>This is duly noted, and new investments will consider these factors in accordance with the Government of Uganda's priorities. In discussions with the Government of Uganda during development of the COSOP, several value chains were considered. Livestock (including small ruminants) and aquaculture value chains have been highlighted in the COSOP for the Twelfth Replenishment of IFAD's Resources (IFAD12) and IFAD13 financing cycles given their ability to empower smallholder farmers, enhance rural household incomes, increase opportunities for women and youth, build resilience and expand employment prospects within the agriculture service sector. As the IFAD team approaches design of the new investments, a final decision on the selection of the community/communities to be included will become more clearly defined.</p>

Comments from France	Management response
<p>We welcome the recommendations on innovation, knowledge management, adaptation to climate change and mobilizing national public stakeholders and funding. We strongly encourage their integration in the design of future projects.</p>	<p>This is duly noted, with thanks. We would like to confirm that these recommendations will be taken into account in the design of new investment projects.</p>

Comments from Germany	Management response
<p>The proposed IFAD Country Strategic Opportunities Programme 2021-2027 follows a balanced approach, building upon lessons learnt from the current programme. The prioritized agricultural sectors (vegetable oil production and livestock) under Strategic Objective 1 are known to have a strong negative climate impact. In this regard, activities under Strategic Objective 2 towards minimizing negative effects on climate change as well as the promotion of climate-smart production systems are of very high importance.</p> <p>The envisaged proportion of domestic co-financing for the two new planned projects focusing on livestock and aquaculture is significantly higher than the domestic co-financing agreed in the majority of past IFAD projects.</p> <p>Germany welcomes IFAD's Country Strategic Opportunities Programme for Uganda which is in line with Uganda's national development strategy.</p> <p>We appreciate the programme's focus on increased agricultural productivity, value addition and the inclusion of smallholder farmers especially in the less developed northern and eastern parts of Uganda.</p> <p>However, the prioritized agricultural sectors – vegetable oil production and livestock - have a strong negative climate impact. It is therefore of high importance that these negative impacts are addressed and that climate-smart productions systems are developed.</p>	<p>This positive appreciation of the COSOP is duly noted, with thanks. The new investments will consider all potentially negative climate impacts, in alignment with the Government of Uganda's priorities. In discussions with the Government, during the development of the COSOP, several value chains were considered. Livestock (including small ruminants) and aquaculture value chains have been highlighted in the COSOP for the IFAD12 and IFAD13 financing cycles due to their ability to: (i) empower smallholders (ii) enhance household incomes; (iii) increase opportunities for women and youth; (iv) build resilience; and (v) widen employment prospects within the agriculture service sector. At the time of the conceptualization and design of new investment projects, a final decision on the selection of the commodities for value chain development will become more clearly defined.</p> <p>Comprehensive climate risk screening will also be undertaken, in line with IFAD's SECAP guidelines, to inform investment selection and integrate both climate change adaptation and mitigation measures. With respect to the vegetable oil production sector, environmental aspects are being carefully monitored. Climate impacts are also minimized through capacity-building for smallholders, control of pests and diseases, rehabilitation of degraded lands and support to enrichment planting in buffer zones. Monitoring protocols to establish actual emissions are also included.</p>

<p>With regard to the involvement of small and medium-scale private sector companies, Germany would appreciate to learn how domestic co-financing is set to be organized and ensured in such a way that timely project delivery is ensured.</p>	<p>During the investment design process, stakeholder consultations enable the Uganda country team to explore the private sector's appetite for participation in different aspects of the investment. This is then translated, as precisely as possible, into monetary terms in the design document. Once implementation begins, the opportunities identified during design are followed up, based on the Government of Uganda's procurement methodology, which will allow integration within the investment either through single sourcing or through competitive procurement. The agreements emerging from this process are time- and resource-bound, making for efficient and effective project delivery.</p>
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Comments from France	Management response
<p>We take note with appreciation of the Country Strategy and Programme Evaluation report for Uganda, the second carried out by IOE after the one conducted in 2013. We appreciate its main findings and support the recommendations and follow-up measures reflected in the Agreement at completion point signed by Management and the Government. We expect these to be fully integrated in the next COSOP for the period 2021-2027, especially with respect to expanding the value chain approach (recommendation 1), enhancing the strategic targeting of women and youth (recommendation 3) and mainstreaming</p>	<p>The recommendations of the country strategy and programme evaluation (CSPE) have guided the formulation of the new COSOP. Indeed, while the CSPE and COSOP were developed independently, they were prepared in tandem so that the emerging CSPE recommendations could be well articulated within the new COSOP.</p> <ul style="list-style-type: none"> <li>• In terms of expanding the value chain approach, in discussions with the Government of Uganda during development of the COSOP, several value chains were considered. In this regard, livestock (including small ruminants) and aquaculture value chains have been highlighted within the COSOP for the IFAD12 and IFAD13 financing cycles. These are specifically chosen for their potential to engage smallholders, including women and youth. In the course of the conceptualization and design of the new investment projects, a final decision on the selection of commodities for value chain development will emerge more clearly.</li> <li>• In order to enhance the strategic targeting of women and youth, specific interventions will focus on: (i) gender equality and women's empowerment through their increased access to decision-making, assets (especially land tenure rights), finance and skills; and (ii) creating opportunities for youth empowerment in relevant value chains such as transport, trade and processing, as well as in off-farm rural employment through access to capital, skills and assets.</li> <li>• In terms of climate adaptation and mitigation, comprehensive climate risk screening will also be undertaken, in line with IFAD's SECAP guidelines, to inform investment selection and integrate both climate change adaptation and mitigation measures.</li> </ul>
<p>With respect to the latter, we note in paragraph 10 to 12 of document EB 2021/132/R.16/Add.1 that "The second strategic objective in the new COSOP addresses the issues of climate adaptation and mitigation by ensuring a strengthening of environmental sustainability and climate change resilience of poor rural people's livelihoods and economic activities and enterprises" and that "The SECAP, within the new COSOP, addresses specific challenges in potential value chains that for consideration over the next two investment periods. It also provides recommendations and the required additional assessments at the time of project/programme</p>	<p>The reference document used in the COSOP is the currently submitted Nationally Determined Contribution (NDC) 2016. However, consultations, conducted during COSOP development provided an indication of the ambitions and related targets to be articulated in the updated NDC for submission ahead of COP26. To ensure that the targets in the updated NDC are taken into account in the implementation of the new COSOP, climate change risk analyses will be undertaken for proposed new investments in order to inform the measures regarding climate change adaptation and mitigation. The climate risk analyses will include a climate change institutional and policy-level review, which entails identification of the priorities and targets that the project activities will address. We are thus pleased to confirm that the reference document for future IFAD-financed investments in Uganda will be the updated NDC.</p>

Comments from France	Management response
<p>development, to ensure that all measures also contribute to the climate change adaptation and mitigation targets set out in Uganda's Nationally Determined Contributions (NDC)". Could Management indicate whether this strategic objective of the new COSOP for 2021-2027 is to be understood with reference to the current NDC submitted by Uganda on 21/09/2016 or to a new or updated NDC to be submitted by Uganda ahead of COP26 in November 2021 in Glasgow?</p>	