



UGANDA DEBT NETWORK

ANNUAL REPORT 1998



Launching Jubilee 2000 Uganda Campaign

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UGANDA DEBT NETWORK

Uganda Debt Network is an advocacy and a lobbying coalition of Uganda NGOs, institutions and individuals formed out of concern that:

- ♦ Civil society in Uganda was not participating actively in the advocacy to reduce Uganda's debt burden
- ♦ While 20% of export revenue was being spent in debt service, less than 3% of the recurrent expenditure was being spent in health and less than 10% on education
- ♦ Issues of policy formulation in Uganda were a monopoly of donors and government. Civil society had no input.

Objectives:

- ☐ To be a forum for members to discuss the Uganda debt and its impact on social development
- ☐ To promote research, discussion of research findings, publication and dissemination of information on the impact of debt on development
- ☐ To carry out advocacy and lobbying activities on debt issues for social development
- ☐ To promote public awareness, interest and participation in responsible and sound management of national debt and debt relief
- ☐ To encourage and promote networking and other linkages with all actors and allies concerning the Uganda debt and development
- ☐ To liaise with government on sound and responsible management of multilateral, bilateral and commercial loans so as to promote development.

Since its formation, the network has become:

- A focal point for critical advocacy issues,
- A facilitator of civil society organisations for advocacy and lobbying
- An effective advocacy and lobbying NGO
Uganda Debt Network spearheads the Jubilee 2000 Uganda campaign for debt cancellation.

Message from the Chairperson

I want to start by congratulating all members, supporters, and sponsors of UDN for completing the year 1998. I also wish to thank all of you wholeheartedly for the support and encouragement you have given for the continued growth of the network. The network has made great strides and achievements since its formation just over three years ago. When we first started in February 1996 we were only about 25 members. Today, our membership has grown to over 60 registered members plus numerous supporters who actively participate in our programmes. The membership of Uganda Debt Network is composed of organisations, institutions and individuals. In addition we have developed collaborative relationships with the major institutions including the private sector, religious institutions, youth and students associations, the trade unions and others. These institutions have contributed to the success of the network in its activities.

We have been able to establish a viable organisation capable of influencing national, regional and global events. As most of you now know, UDN is highly regarded both locally and internationally.

In 1997 we established a secretariat. We opened an office at UCIL House, UMA show Grounds in Lugogo where we operated for one year. In June 1998 we transferred our office to Plot 424 Mawanda Road Kamwokya. We have also developed a documentation unit that includes books, journals and newsletters on debt and related subjects. The unit includes documents published by Government, local and international organisations and development agencies. Our offices are now equipped with computers, e-mail and Internet thanks to our sponsors.

However, thanks should also be reserved for all the members, supporters and sponsors of the network who have put in an extra effort when called upon. Without them our work both in the executive committee and at the secretariat would have been very difficult. Their continued support and active participation in the activities and programmes was very instrumental in the development of the network.

The network carried our numerous activities and has grown from an ad.hoc organisation to a full-fledged registered NGO. The network is now in the process of registering with the Registrar of Companies as required by the law. The organisation is to develop a three-year advocacy programme that will seek to build on the achievements, successes and experiences derived over the last three years.

Once again, allow me to thank each one of you for the continued support.

Joseph Okune
Ag. Chairperson

Message from Coordinator

It is over three years since Uganda Debt Network was formed. Three years is not a long time in organisation's life. Judging by the number of achievements, the network has made tremendous progress in many areas. Three years ago, UDN was an ad hoc organization. Today it is a fully-fledged registered NGO. The issue of debt was obscure three years ago. Now it is not only a household and national issue, it is also an international one. The network has in such a short time managed to put the debt issue at the centre of policy planning.

The campaign for debt relief under the Highly Indebted Poor Countries (HIPC) Initiative sponsored by the World Bank and IMF that was launched in 1996 has been very successful indeed. Uganda became the first country to qualify for debt relief of US\$ 350 million (NPV). The World Bank and IMF agreed to front-load their share of debt relief over the next six years. Unfortunately although over 32 countries in Sub-Saharan Africa are eligible for debt relief only a handful including Uganda have been able to qualify.

The government has, however, committed itself to spending the savings from debt relief in the priority areas in the Poverty Eradication Action Plan (PEAP). The priority areas include education (UPE), health (PHC), agriculture, roads, water and sanitation. These are the areas in the social sector that have been starved of resources. Consequently, expenditure in education as a percentage of total budgetary expenditure exceeded 20% in the financial year 1997/98 compared to less than 8% in the previous financial year.

Uganda Debt network is an active supporter, and participant in the Jubilee 2000 global debt cancellation campaign. The launching of the Uganda campaign would not have succeeded had it not been for the dedication and commitment of the members, supporters and sponsors of Uganda Debt Network. Most of you put in a lot of time, energy and resources to ensure the success of the activities of the network. We hope that you will continue to render the same services in the coming year.

Jubilee 2000, has become a global movement encompassing all continents of the world in the last two years. The response by ordinary people to participate in the demand that creditors unconditionally cancel debts of poor Third World Countries is slowly reaching a decisive stage. At the G7 meeting in Birmingham in June, Creditors agreed to consider the debt burden of Third World Countries as a serious issue and to take the necessary steps to reduce it. At the moment steps are being taken to review the HIPC initiative and to make it applicable to more deserving countries. However, the process is too slow thus diminishing the purpose of debt relief.

With your continued support, we in the secretariat are dedicated to serve the network and help it to grow as a strong and effective advocacy organisation in Uganda.

Zie Gariyo.
Coordinator.

MEDIA ADVOCACY CAMPAIGN: January – December 1998

Highlights

■ President Clinton's Visit to Uganda

(March 23 - 24, 1998)

US President Bill Clinton visited Uganda from March 24th-25th, 1998 as part of his five nation African tour that took him to Senegal, Ghana, Uganda, Botswana and South Africa. During the visit, Uganda Debt Network carried out an intensive media campaign to highlight the issues of external debt burden of Third World Countries including Uganda. Forty thousand (40,000) copies of a four page newspaper insert was published and circulated in and outside the country. Among the targets for circulation also included higher institutions of education, Government Departments, embassies and other critical groups. The insert included an open sign-on letter to President Yoweri Museveni urging him to ensure that issues of debt relief were put on the agenda during discussions with President Clinton.



President Clinton's visit provided a great opportunity for UDN to carry out one of the largest media and public information campaigns on the external debt burden of Third World Countries and Uganda in particular. Uganda Debt Network urged President Clinton ***"to take a firm decision and provide the leadership to other World leaders to ensure that debt relief is provided without delay so as to free resources for investment in the social sector and for poverty eradication"***. In addition a press statement was produced and published in the three major newspapers. The media campaign received a lot of reactions from various sections of the civil society, donors and government. The then Minister of Finance, Hon. J.S Mayanja Nkanji wrote on behalf of Government ***"to put on record the government's***

appreciation of your efforts in supporting our case for multilateral debt relief..." The outcome of this was that the World Bank accepted to front load its share of the debt relief of over US\$ 350 million (NPV) for Uganda over six years and the Government of Uganda set up a Poverty Action Fund, to mobilize additional resources from debt relief and donors for investment in the social sector. The poverty Action Fund had by December 1998 mobilised over shs. 60 billion from debt relief and donors for spending on Primary Education, Primary Health Care, Agricultural extension, rural roads etc.

The media campaign attracted other commentaries calling for cancellation of Uganda's external debt and to consider the matter of Uganda's crushing debt. Many commentators supported UDN's position and that of the entire NGO community that the debt relief was too small. One commentator in the Monitor newspaper of 24th March, 1998 noted that it was being reduced from being "unbearable to being merely back breaking." Since the media campaign, the issue of the external debt burden has been firmly put on the national agenda.

Uganda Debt Network is also concerned that, however, little the savings from debt relief should not be put to waste. Network members therefore are being mobilised to monitor the utilisation of the money to ensure that it reaches its targets and achieves the intended objectives. The Poverty Action Fund is publicly accounted for in the quarterly meetings attended by government, donors, the media and civil society representatives. UDN is the lead agency for NGOs. ■

■ **Launching of
The Jubilee 2000
Uganda Campaign**



On October 30th, 1998 Jubilee 2000, the world wide campaign for debt cancellation of external debts of Third World Countries, was launched in Uganda at the International Conference Centre. The Occasion was presided over by the Mrs. Janet Museveni, wife of President Museveni.

The colourful ceremony attracted over 1500 people who included a number of dignitaries including Religious Leaders, Cabinet Ministers and other Government Officials, Members of Parliament and NGO leaders. The launching was also attended by university students, school children, their teachers and members of the general public from all over Uganda.

In her presentation Mrs. Janet Museveni called upon the creditors *"to heed the voices of the civil societies in the Third World, that while we pledge to fight for transparency, accountability and democracy in our systems, you will meet us halfway by doing what only you have the power to do to release the poor peoples of the world from their burden of debt, in the spirit of Jubilee."*



Prior to the launching day, extensive media and publicity campaigns were arranged. Various newspaper articles were published, radio and television interviews were arranged and various people involved in the organisation of the event were interviewed. Some media officials supported the campaign and provided free airtime to publicise the event. The preparations for the ceremony were undertaken by an organising committee of over thirty persons representing various sections of civil society such as religious institutions, NGOs, academic and other educational institutions.

A number of NGOs and other supporters of

Jubilee 2000 campaign provided funding and other resources and put in a lot of time for the big occasion. Heads of educational institutions mobilised school children and students to participate in the activities.

The launching of this campaign emphatically put the issue of debt on the national agenda. A number of messages and statements were read by the representatives of the following:

- Uganda debt Network
- The Chairperson Jubilee 2000 Uganda Campaign
- The Bishop of Bukedi Diocese
- Uganda Joint Christian Council
- Uganda Muslim Supreme Council
- National Organisation of Trade Unions
- Uganda National Farmers Association
- Uganda National Students Association
- Uganda Women's Network
- Uganda Manufacturers Association
- Various drama groups

Uganda Debt Network presented a paper on "Uganda's External Debt Burden: Its Impact on Social and Economic Development - Civil Society Perspective" (Copy available at the Secretariat).

The launching was extensively covered by the local media and was given widespread publicity. The newspapers produced a number of articles. Television and Radio stations provided coverage. As a result of the launching, public discussion and commentaries on the external debt burden and its implications for social and economic development progressed.

The launching ensured that Uganda Debt Network had fulfilled the commitment made at the Afrika campaign launch in Accra in April 1998 to develop a national campaign in Uganda. It also ensured that the Uganda campaign



It also ensured that the Uganda campaign became part of international Jubilee 2000 movement. (The launching ceremony can be accessed on video from the UDN secretariat).

The presence of the First Lady was a boost to the young campaign and showed that sections of government and influential citizens are willing to use their position to urge for respite for the poor from debt bondage.

■ **Visit of the UN Secretary General, Kofi Anan**

The UN Secretary General visited Uganda from 8 to 9 May, 1998. UDN issued a press statement that was produced in the local press calling upon the Secretary General to:

- Bring the issue of the external debt burden of all poor countries to the General Assembly for debate and resolution.
- Offer leadership of the United Nations and encourage all the world governments to commit themselves to resolving the debt crisis.
- Urge creditor countries to support the Jubilee 2000 campaign for debt cancellation
- Encourage African Governments to open dialogue with Civil Society in their respective countries and among themselves to form a united stand against unjust, insensitive economic systems controlled by the creditors.

■ **Archbishop Carey's Visit**

The Archbishop of Canterbury, Dr. George Carey, visited Uganda from May 8th to 14th, 1998. During the visit UDN and the Church of Uganda

Provincial Secretariat issued a statement urging him to use his visit to highlight the issue of external debt burden of Third World countries on the agenda. The Archbishop's visit increased the awareness of a large section of Ugandans on the debt campaign.

■ **Presentations**

On June 2nd, 1998 UDN was invited to make a presentation at the Uganda Joint Christian Council Annual conference attended by church leaders from Catholic, Anglican and Orthodox Churches.

- On June 4th, 1998 UDN made a presentation at the Pre-Lambeth Anglican Bishop's Conference.
- During both meetings, declarations were issued supporting the Jubilee 2000 global debt campaign and the declarations have now been published as UDN documents and have been widely circulated.

■ **Research**

The following researches were commissioned by UDN:

"Contractual Processes as a Factor contributing to Uganda's Debt Burden" The draft paper is expected in the early part of 1999 and will be discussed by all stakeholders.

"Budgetary Policies & Public Expenditure in the Social Sector in Uganda" (The research was jointly carried out with Uganda Women's Network (UWONET).

Networking

UDN has now established networking relations with various regional and international organisations and agencies since its formation in 1997. At the national level, the network has developed linkages with Religious and Academic institutions, Grassroots Organisations and other civil society actors. Some Members of Parliament have become members of the network in their individual capacity.

■ International and Regional Meetings Attended

Conference	Venue
Jubilee 2000 Afrika Campaign Launch	Accra, Ghana, April 1998
EURODAD Conference	Rome, Italy, November 1998
Jubilee 2000 International Policy Conference,	Rome Italy, November 1998
Review of HIPC's Workshop,	Maputo, Mozambique
AFRODAD Planning Workshop	Harare, Zimbabwe

UDN has developed partnerships with AFRODAD, Jubilee 2000, Christian Aid UK, Balance, OXFAM International, EURODAD, 50 Years is Enough among others.

■ The Documentation Unit

The unit hosts a variety of strategic reading and audio-visual resources. Over 150 books were purchased locally. Some journals and other publications are received as part of information exchange with our partners. Some of the publications include:

- Human Development reports
- Background to the Budget
- World Development Reports
- Statistical Abstracts
- Bank of Uganda Reports

Information Exchange

The following documents were published and circulated:

Publication	Copies
President Clinton's Visit to Uganda: Media Advocacy Report No. 1, 1998.	1,700
"Budgetary Policy and Public Expenditure in the Social Sector", Review Report No.1, 1998	1,000
Annual Report 1997	10,000
Briefings, Articles and Adverts	70,000 12 Articles 7 adverts
Brochures, Updates, Declarations etc.	Over 10,000

Operating Environment

UDN has therefore established itself as the foremost national network whose input is continuously sought by Government for policy planning.

- UDN was invited to participate in the Medium Term Budgetary Expenditure Framework Workshop in May 1998 for planning and other budgetary issues. This is a process that until recently was closed to the public.
- UDN was invited to attend the closed Consultative Group Meetings in December 1998;
- UDN is the NGO focal point for the Poverty Action Fund, a mechanism setup by Government to mobilise savings from debt relief and donors for spending in the social sector;

The invitation by Government to these important policy meetings is a recognition of the usefulness of the input of staff and members in the policy planning process. It has also meant that the demands on UDN have increased thus stretching the capacity of the network. ■

Governance

■ Membership

UDN membership has grown from 25 to over 60 organisations and individuals. There is no formal membership recruitment at the moment. Most members enter voluntarily. Membership is also categorised as registered and paid-up members or active members, who support and participate in UDN campaigns. The active supporters are at the moment the heart of the Jubilee 2000 campaign.

■ Executive Committee

Ag. Chairperson :	<i>Joseph Okune</i>
Vice Chairperson:	<i>Vacant</i>
Secretary:	<i>Zie Gariyo</i>
Treasurer:	<i>Maude Mugisha</i>
Members:	<i>Stella Sabiiti</i> <i>C. Lwanga-Ntale</i> <i>Perucy Ntambirweki</i>

■ Staff

Zie Gariyo

Co-ordinator

Kennedy Tumutegyeize

Research & Policy Officer

Ann Kamyia

Campaign Manager, Jubilee 2000

Nancy Stella Amony

Programme Secretary

Stella Kyakuhaira

Accounts Assistant

Allen Ruhangataremwa

Volunteer

UDN's 3-Year Strategy 1999-2001

Uganda Debt Network is to develop a three year advocacy program for the period 1999 – 2001.

The programme will seek to consolidate UDN's achievements over the last three years and to integrate the activities the network is already working on. To achieve its objectives, become an effective advocacy organisation and have impact at all levels, UDN intends to utilise the following strategies:

- ♦ Policy analysis and research.
- ♦ Information dissemination.
- ♦ Mobilisation of grassroots people.
- ♦ International networking.
- ♦ Building coalitions and focus groups
- ♦ Monitoring and evaluation of development programs.

These strategies will be operationalized by strengthening the institutional and organisational capacity of the secretariat. UDN will recruit and train a number of key staff and will also undergo strategic planning to develop its advocacy programme. UDN will also undertake a vigorous exercise to raise financial resources to run its programmes. In particular Corporate and individual sources of funding will be explored.

A Development Trust Fund will be established and every year, a fundraising activity will be undertaken to raise resources for the Trust Fund.

Balance Sheet December 31, 1998

	1998	1997
Fixed Assets	11,612,221	9,662,078
Current Assets		
Prepayments	5,100,000	0
Cash and Bank Balances	<u>27,097,962</u>	<u>12,244,014</u>
Net Assets Employment	<u>32,197,962</u>	<u>12,244,014</u>
Total Assets Employment	<u>43,810,183</u>	<u>21,906,092</u>

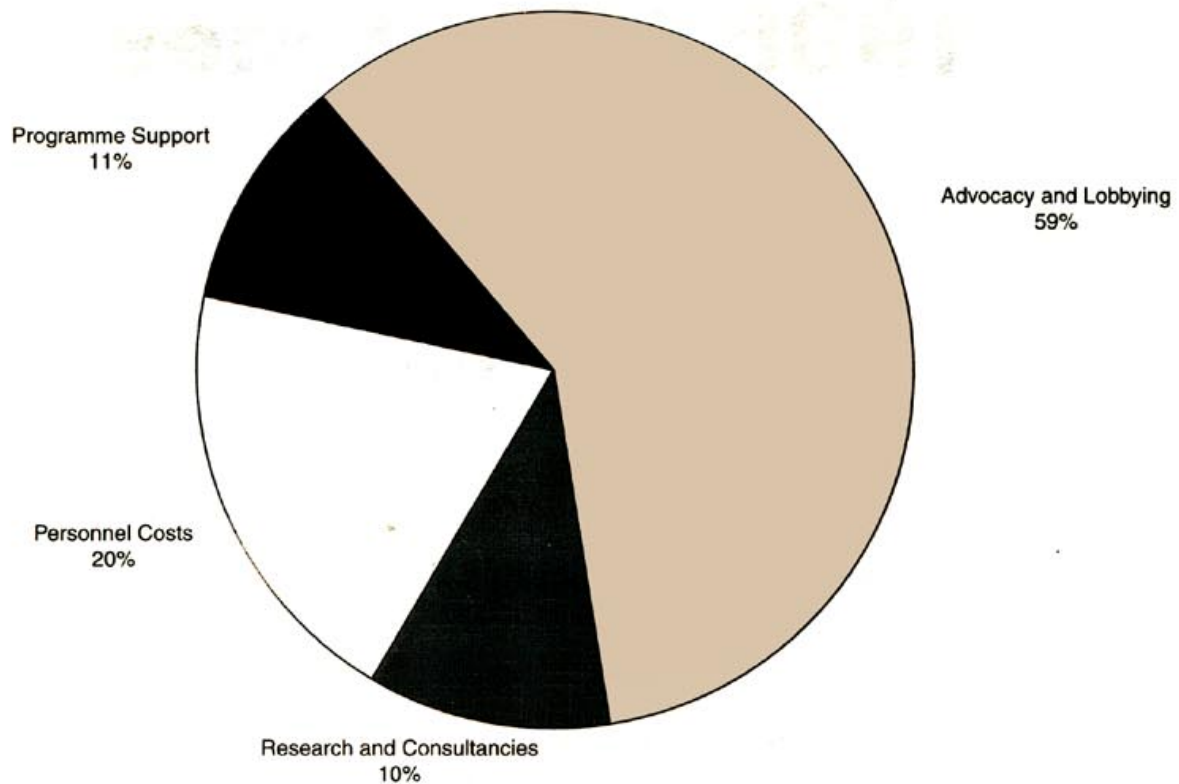
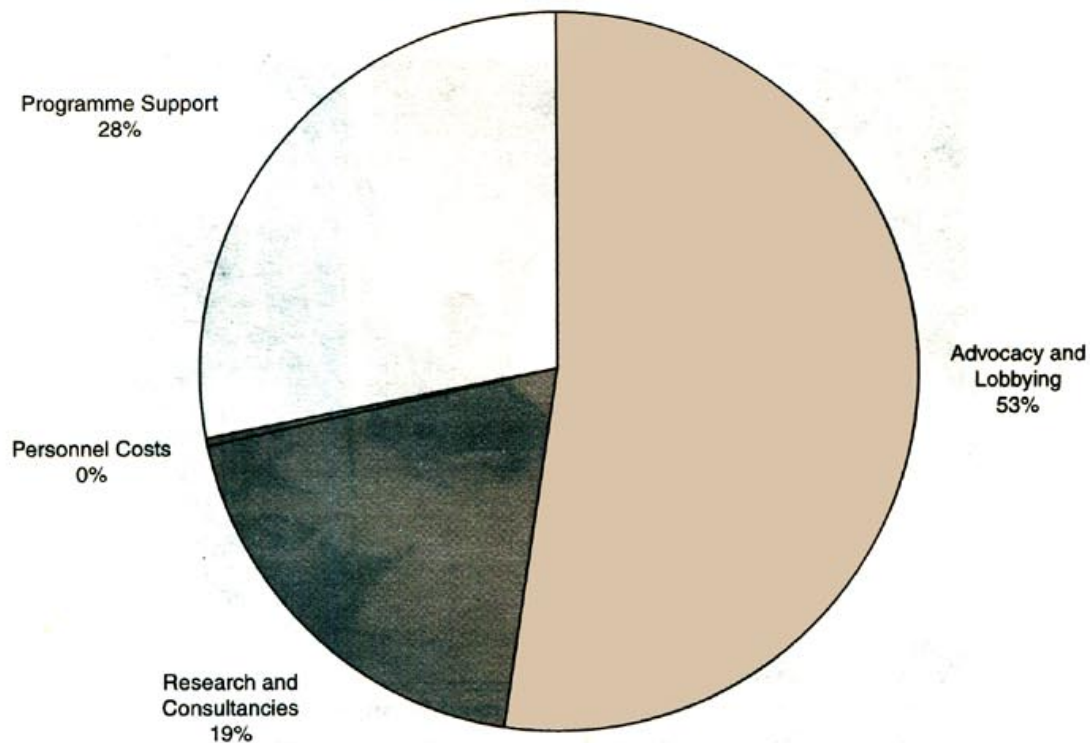
Income and Expenditure Statement

	1998	1997
Revenue (Ushs)		
Grants received	95,497,192	49,672,410
Membership Subscriptions	865,000	65,000
Other Revenue	359,500	222,300
	<u>96,721,692</u>	<u>49,959,710</u>
Expenditure (Ushs)		
Advocacy & Lobbying	41,690,809	13,273,980
Programme expenses		
Consultancies & Research	7,263,000	4,918,200
Personnel Costs	14,404,000	0
Programme Support	7,541,250	7,232,650
Total expenditure	<u>70,899,059</u>	<u>25,424,830</u>
Net Surplus for the year	<u>21,904,092</u>	<u>21,906,092</u>
Balance (Accumulated Fund)	<u>43,810,183</u>	<u>21,906,092</u>

1998 Donors/Amounts Received

HIVOS	32,085,416	Core Support
MS Uganda	16,340,000	Information
AFRODAD	9,380,000	Core Support
OXFAM	7,532,000	Core Support
COOPIBO	5,000,000	Core Support
SNV Uganda	3,000,000	Media Advocacy
Diocese of Vienna	2,830,426	Jubilee 2000
EURODAD	2,269,300	Travel
Catholic Relief Service	1,500,000	Jubilee 2000
Action Aid Uganda	1,050,000	Jubilee 2000
Save the Children Fund	1,000,000	Jubilee 2000

*** UDN extends sincere thanks to all the above for their generous contributions*

UDN'S PROGRAMME EXPENDITURE, 1998**UDN'S PROGRAMME EXPENDITURE, 1997**

1998 Milestones

Media Campaigns:

- President Clinton's Visit
(23-24 May)
- Kofi Ana's Visit
(8-9 May)
- Archbishop Carey's Visit
(8-14 May)

Launching:

- Jubilee 2000 Uganda Campaign
(30 Oct.)



Savings from Debt Relief can be used to improve Health Services.
(Patient in Kisoro Hospital where Malaria was rampant in early 1998).

Mission

To advocate for
reduced and sustainable debt
levels, accountability and
effective use of national
resources for the benefit
of all the people of
Uganda

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