



THE REPUBLIC OF UGANDA



BMAU G&E BRIEFING PAPER (9/19) October, 2019

Gender and equity mainstreaming: Is the industrialization sub-sector on track?

Overview

Uganda has made strides to mainstream gender and equity into policy and planning as provided for by the Uganda Gender Policy (2007). The National Industrial Policy (2008) implementation strategy looks at promotion of gender equality for transformative industrialization. The Second National Development Plan (NPD II) and Vision 2040 envision a transformed Ugandan society from a peasant to a modern and prosperous country within 30 years. This transformation was to be driven mainly by the service and industry sectors in regards to percentage contribution to GDP, projected at 58 and 31% respectively by 2040.

Industrialization can significantly contribute to poverty reduction and shared prosperity through: support of Medium, Small, Micro Enterprises (MSMEs), construction of common user facilities and industrial infrastructure and this is expected to increase the share of manufactured exports from 4.2 to 50% by 2040. The government of Uganda has created many avenues to ensure support to MSMEs and availability of a skilled labour force. Implementing of policies that address gender and equity to promote broad social investment, as well as women's access to skills, entrepreneurial capacity, infrastructure and innovation is key in fostering the desired industrial growth. However, people from marginalized communities and women are often excluded from employment, common user facilities, technology transfer and development in the manufacturing sector.

This policy brief highlights progress made by selected programmes under the industrialization sub-sector during FY2018/19 in addressing gender and equity issues.

Key Issues

- ★ Sectoral interventions largely focus on equity issues than gender.
- ★ Limited availability of requisite skills among women and vulnerable groups for industrial and trade development
- ★ Regional inequalities in access to industrial support and services especially in Northern Uganda.
- ★ Lack of sector gender and equity disaggregated data to guide planning and budgeting.
- ★ Most agencies do not have customized gender and equity policies.

Background

The government has been funding interventions related to industrialization through the following ministries, departments and agencies (MDAs): Ministry of Trade Industry and Cooperatives (MoTIC), Ministry of Finance, Planning and Economic Development (MFPED), Ministry of Gender, Labour and Social Development (MGLSD), Uganda Development Corporation (UDC), Uganda National Bureau of Standards (UNBS), Uganda Industrial Research Institute (UIRI).

The government of Uganda (GoU) through different initiatives has promoted the transformation from peasant to industrial economy with more focus on equity and less of gender equality. Hence, there are still significant gender inequalities. Therefore advancing gender and equity mainstreaming is essential to attain a modern and prosperous country.

Gender and equity commitments for FY 2018/19

The gender and equity issues under the industrialization sub-sector include limited: availability of requisite vocational and technical skills among women and vulnerable groups for industrial and trade development; support towards Medium, Small, Micro Enterprises (MSMEs) to create employment; and enforcement of standards to ensure high quality of local and imported products and improved market information flow.

The Industry sub-sector did not have a specific gender and equity budget for FY2018/19. The programmes are assessed for gender and equity sensitivity.

Physical performance

Industrial and technological development programme

The Government through the different agencies planned to construct common processing facilities to increase the incomes of target groups by providing ready market for their fresh produce and promote value addition and development of the related linkages.

The Rural Industrial Development Project (RIDP) is an initiative of the MoTIC aimed at creating functional value addition facilities, development of collective marketing infrastructure, development of incubation facilities and employment creation. The RIDP supported eight SMEs with value addition equipment from different regions of the country. In addition the project supported seven SMEs to acquire quality certification and trained 12 members of Kabale Municipality Modern Beekeepers Association out of the planned 160 from all parts of the country. One SME - Bevron Investments Limited was able to acquire a quality certification mark during the FY 2018/19 while others were at varying levels of progress.

1 Kijukizo carpentry hub limited, MBK general agencies, Lusaze modern agricultural solution coop society, Zigoti clays community organization, Tropical honey cooperative society, Nakirebe farmers' cooperative society, Nampunge cereal farmers' cooperative society and Agribusiness and real estate's investments.

The factory is located in Kanungu district and is fully owned by 5,617 small scale shareholders (tea farmers).

Table 1: Regional distribution of MSMEs supported by RIDP

| Region | Training | Q mark certification | Value addition equipment |
|----------|----------|----------------------|--------------------------|
| Central | - | 1 | 5 |
| Eastern | - | 3 | 1 |
| Western | 12 | 3 | 1 |
| Northern | - | - | 1 |

BMAU Field findings

The UDC under the MoTIC commissioned 3 factories in the different regions of the country: Kabale Tea Factory, Kisoro Tea Factory and Soroti Fruit Factory. The three factories created a total of 200 direct jobs. The Soroti Fruit Factory is supposed to enhance incomes of fruit farmers in Teso sub region by adding value to oranges and mangoes grown in the sub-region to produce ready to drink fruit juices and concentrates. By July 2019, the factory was not fully operational. The UDC also procured a CTC machine for Kayonza Growers' Tea factory and supplied tea seedling to Nebbi/Zombo tea farmers.

Quality Assurance and Standards Development programme

During the FY 2018/19, UNBS undertook product and management systems certifications in an attempt to improve the quality of locally manufactured products so that they are able to access regional and internal markets. A new regulation was enforced in FY 2018/19 that makes it mandatory for products covered by compulsory standards to be certified before accessing markets. The UNBS issued 1,350 product certification permits, trained 847 SMEs to build capacity in standards.

UNBS decentralised its certification services to regional offices in Gulu (North), Mbale (East) and Mbarara (West) effective August 2018. In order to protect the consumers and marginalized communities from sub-standard products, the agency carried out 6,646 market outlet inspections, verified 798,850 weights and weighing instruments and calibrated 3,538 weighing instruments.

Table 2: Regional performance (%) of the quality assurance services

| Region | Verification of weights | Verification of weighing instruments | Market inspections | Certification permits |
|--------------|-------------------------|--------------------------------------|--------------------|-----------------------|
| Central | 53.3 | 82 | 71.4 | 88 |
| Western | 12.2 | 7 | 9.8 | 7.8 |
| Eastern | 32.4 | 8 | 13.2 | 2.6 |
| Northern | 2.1 | 3 | 5.6 | 1.6 |
| Total | 100 | 100 | 100 | 100 |

Development policy and investment promotion programme

The United States African Development foundation (USADF)

The overall project objectives are to:

- i) promote the development of farmer cooperatives, producer associations, smallholder agricultural producers, small scale agri-business (SSAs) and SMEs in Uganda and;
- ii) increase their market competitiveness, with a particular focus on the development of underserved and marginalized community groups and enterprises.

During FY2018/19, the African Development Foundation through the MFPEP supported eight cooperative societies to: construct storage and processing facilities, procure and install agro-processing equipment, provide working capital, technical and administrative assistance. The supported cooperatives were from different regions of the country and had a membership of 10,749 males and 8,406 females. The cooperatives were supported to develop guiding documents such as human resource manuals, HIV policy and executive committee (operations) manuals. The cooperatives dealt in different enterprises as shown in Table 3.



Installed rice processing equipment at Manafa Basin Rice Growers' Cooperative supported by USADF

Table 3: Regional distribution of cooperatives supported by USADF

| Region | Number | Enterprise |
|----------|--------|---------------------------------|
| Eastern | 5 | Coffee, rice, cassava and maize |
| Northern | - | - |
| Central | 1 | Rice, maize and beans |
| Western | 2 | Coffee |

Author's compilation

Institutional mechanisms to streamline gender and equity

The MoTIC, UNBS, UDC do not have customized gender and equity policies, they instead use the National Gender Policy, the Public Service Standing Orders (PSSO) and instructions issued from time to time, to manage staff conflicts, grievances and sexual harassment. The UDC and UNBS use the Human Resource Manual (HRM) on gender equality during staff recruitment and promotions. The Soroti Fruit Factory and Kayonza Grower's Tea Factory have PWDs and gender policy in place. Most of the buildings for the agencies under the sub-sector had ramps and elevators to enable access by PWDs. The buildings had separate toilet facilities for both men and women. However, with the exception of the UNBS, the other agencies did not have toilet facilities for PWDs and demarcated breastfeeding facilities. The Soroti Fruit Factory and UNBS had demarcated staff resting areas whilst without supporting infrastructure such as chairs.

Conclusion

The overall sub sector institutional arrangements largely addressed equity issues and less of gender concerns. To that effect, the sector is not on track in fostering gender equality.

The commissioned factories by UDC are expected to offer ready market for farmers' fresh produce and offer employment to improve livelihood especially in rural communities, however all factories were operating at limited capacity due to inadequate raw materials, lack of working capital, among others.

The UNBS stepped-up market surveillance activities, opened up regional offices to bring services closer to the underserved public. However, the agencies and cooperatives do not have customized or standalone gender and equity policies. There were few interventions if any, targeting the marginalized communities in the Northern region.

Recommendations

- The MoTIC and sector players should support women entrepreneurs to address challenges they face in doing business.
- The MoTIC and UNBS should enhance support towards MSMEs to acquire quality certification and train in industrial and entrepreneur skills. This will improve the human capital and competitiveness of the Ugandan products both locally and regionally.
- The MoTIC should revise the guidelines for selection of RIDP beneficiaries to include marginalized communities especially in the Northern region.
- The MoTIC should conduct gender-equity focused sectoral value chain studies to generate disaggregated statistics in relation to industrialization, including the informal sector.
- The government should enforce compliance to physical infrastructure accessibility by PWDs.
- The MoTIC should revise the National Industrialization policy to explicitly include gender and equity mainstreaming.
- The MoTIC and sector agencies should provide accessible, affordable and quality child care facilities and services for workers.

References

- The Uganda Gender Policy (2007).*
- Uganda Vision 2040, "A transformed Ugandan society from a peasant to a modern and prosperous country within 30 years" (2009).*
- The National Industrial Policy, "A Framework for Uganda's Transformation, Competitiveness and Prosperity" (2007).*
- Annual Budget Monitoring Report FY 2018/19.*

FOR MORE INFORMATION, CONTACT

Budget Monitoring and Accountability Unit
(BMAU)
Ministry of Finance Planning and Economic
Development.

Plot 1-12 Apollo Kaggwa Road
P.O Box 8147, Kampala
www.finance.go.ug