

PREFACE

Terms of Reference: 'To assess the task of rehabilitating the Uganda economy, and to recommend on priorities, with particular reference to immediate needs for technical and financial assistance.'

This report is the outcome of an urgent appeal by the Uganda National Liberation Front Government to the Commonwealth Secretariat that a team should visit Uganda to report on the requirements for rehabilitating the economy, concentrating on the period of rehabilitation in the next 18-24 months, not on the emergency needs for relief which would largely have been met by the time we reported. The report was requested by the end of June.

2. The Commonwealth Secretariat reacted rapidly. This was due to the high priority accorded the project by the Secretary-General, Mr. S. S. Ramphal. The Managing Director of the Commonwealth Fund for Technical Co-operation (CFTC), Mr. David Anderson, immediately contacted the prospective Leader and Deputy Leader of the Team and with the help of Mr. Michael Faber and an Executive Assistant, Miss Jeanne Schoenberger, started to recruit a group possessing the necessary professional skills and width of experience, drawing on the assistance of a number of Commonwealth Governments. Most of those approached responded positively, despite considerable personal inconvenience.

3. The timetable reveals the pace at which the team was brought together and had to set about its task:

April	11	Liberation of Kampala.
April	23	The UNLF Government approaches the Secretariat for assistance.
May	1	Mr. David Anderson visits Kampala to discuss the project.
May	21	Team assembles at Marlborough House for briefing by the Secretary-General and his officials.
May	22	Team leaves London.
May	23	Briefing session in Kampala with senior officials.
May 24 -		
June 8		Collection of material in Kampala and on safari.
June 9 - 16		Writing and discussion of first draft.
June 17 - 21		Revision of draft.
June 21		Team leaves for London.
June 23 - 28		Discussions with Secretary-General and his staff; final editing process.
June 27		Informal discussions on draft report with Mr. Sentongo at Marlborough House.
June 29		Report signed and delivered to the Secretariat.

4. The entirely understandable pressure for an early report meant that we were not able to analyse conditions as thoroughly as we would have liked. Moreover, papers on particular sectors either by outside agencies or Ugandan officials are rare and, if available, usually well out of date. The rapid deterioration of the administration during the Amin regime brought also a decline in the quantity of statistics and their quality. The expansion of magendo (or 'black' and 'grey' markets) meant that increasing fractions of production and distribution, imports and exports, escaped the networks of statistical collection. Moreover, many key documents are missing, destroyed or dispersed in the war and the subsequent looting. Telephone communication is still poor, even between departments in Kampala and others in Entebbe, and road journeys often difficult. In the central ministries there is a scarcity of information about the

current situation - the state of equipment, the size of inventories - whether estates, factories, offices, hospitals, trains, etc. are actually functioning.

5. Nevertheless, despite these difficulties, we were able to make a very wide range of contacts, and to collect a good deal of data ourselves. Government ministers, officials and private citizens, though themselves usually greatly overloaded, put a great deal of time at our disposal, showing by their action the importance they attached to the Mission. Dr. Kisamba Mugerwa of the Ministry of Finance was appointed our Liaison Officer and helped us make these contacts. An Inter-ministerial Technical Co-ordination Committee had been set up by the Government before our arrival, chaired by the Permanent Secretary, Ministry of Finance, Professor P. S. Mulema, and consisting of senior officials from almost every ministry. This Committee has six sub-committees, composed as follows:

<u>Sub-committee</u>	<u>Chairman</u>	<u>Ministries and other bodies</u>
1. General Economic	Mr. G.W. Lutaya-Kanya	Finance, Planning and Economic Development; Foreign Affairs; Commerce and Industry; Statistics Department; Planning Division; Bank of Uganda; East African Development Bank.
2. Infrastructure	Mr. J. Bushara	Land, Works, and Local Government; Regional Administration; Natural Resources; Posts and Telecommunications; Electricity Board; Railways Corporation; Uganda Tourist Development Corporation; Uganda Airlines.
3. Agriculture	Mr. G. W. Gowa ¹	Cooperatives and Marketing; Agriculture; Animal Resources; Planning Division; Uganda Tea Authority; Uganda Development Bank; National Tobacco Corporation; Uganda Tea Growers Corporation; Uganda Central Cooperative Union; East African Development Bank.
4. Industries	Mr. A. Katumba	Commerce and Industry; Labour; Wood Industries Corporation; National Textiles Board; East African Development Bank; Uganda Development Corporation; Uganda Commercial Bank; Uganda Cooperative Bank.
5. Building Materials	Dr. A. Lubega	National Reconstruction and Rehabilitation; Forestry Department; Cement Corporation; Steel Corporation; East African Development Bank.
6. Manpower Public Services	Mr. S. L. Serwanja	Public Service; Planning Division; Education; Management Training and Advisory Centre; Makerere University; Industrial Training; Labour, Finance, Planning and Economic Development; Commerce and Industry.

¹ Mr. Gowa organised two safaris for us.

6. We met the whole Committee on our first morning and the sub-committees within the next couple of days. We were thus provided with early and thorough briefing and were each able to make appointments at once with our counterparts. Rarely has a group of foreign advisers been able to get off to a faster start. We continued to meet these sub-committees from time to time during our stay, and the report incorporates much material provided by their members, including papers prepared specially for our joint enterprise - often handwritten because of shortage of typewriters. We were asked to work jointly with officials on a number of current policy issues, especially in the field of finance, which brought us directly into contact with day-to-day problems.

7. We were able to visit 20 out of 23 local districts altogether, and the following centres, apart from Kampala and Entebbe:

Bushenyi, Fort Portal, Gulu, Hoima, Jinja, Kabale, Kasese, Katwe, Kilembe, Lira, Mbarara, Mbale, Masaka, Masindi, Soroti and Tororo.

In the rural regions and districts, as well as in the capital, we had many valuable interviews with officials and others, and received much written material.

8. We were naturally unable to cover the whole economy between us. However, we were fortunate to be able to obtain assessments of the position in particular sectors from experts based locally - Dr. Samuel Kigundu, Dean of the Faculty of Technology, Makerere University; Dr. V. K. Kyaruzi, Regional Secretary, Commonwealth Regional Health Secretariat, Arusha; and Mr. Stanley Joseph, CFTC Industrial Expert on Technical Assistance, the last named working with us throughout our visit.

9. Useful information was also provided by groups which were working on aspects of rehabilitation, sponsored by UNDP, UNESCO, the European Economic Community, the British Ministry of Overseas Development and the Crown Agents.

10. We also obtained very willing and considerable support from the East African Development Bank through the courtesy of the Regional Manager, Mr. F. Tibeita. The Bank provided us not only with secretarial staff and offices but also with the results of their own research. Mr. Twinomusinguzi, Director of Research, and his Research Manager, Mr. Manda, put the services of the Division at our disposal. Special mention must be made of Mr. Mike Byarugaba, who acted as our Administrative Officer for the final three weeks. We also received professional help from the following research staff at the Bank: Mr. Lawrence Gitta, Mr. Swahib Mkwawa, Mr. Ayen Omara and Mr. Wanale Wamala.

11. The Commonwealth Secretariat continued this support when we were in the field. Miss Ruckia Hamisi was assigned as Secretary to the Team, but she is an economist and the term 'Secretary' was used in a substantive rather than administrative sense; she took a very full part in the Team's work. The administration was at first in the hands of Miss Carolyn McAskie who arrived shortly before the team as a whole. Her energetic work and sound judgment did much to help the team get off to such a good start, and she continued as Administrative Officer until relieved by Mr. Byarugaba. Miss Anne Mittelholzer came out and joined the Team early in June doing hard and valiant work, which continued in London, to see the report through its various drafts.

12. There were altogether seven secretaries, apart from Miss Mittelholzer:

Miss Monica Majara)	
Mrs. Maureen Lugalambi)	from the East African Development Bank.
Mrs. Connie Otaala)	
Miss Judith Luninze)	
Miss Margaret Okello)	from the Faculty of Agriculture, Makerere,
Miss Theresa Wunyi)	(by courtesy of the Dean, Professor J. S.
Miss Gertrude Kigonya)	Mugerwa).

We owe a special debt to Miss Majara who worked tirelessly as the organiser of this pool, which ran through almost two complete drafts in 12 days (sometimes more than two), averaging in fact more than 30,000 words a day (equivalent in length to a novella). The dedication of the group, in coming to work on the last day, some on foot, through demonstrating crowds and gunfire, was admirable.

13. We were conveyed around Kampala and, in some cases, the rest of Uganda, by drivers from Blacklines Tours who worked for long hours: Mr. Samuel Kiwanuka, Mr. Esau Bugengaria, Mr. David Musisi, Mr. Ephraim Kagumire, Mr. Cassius Kanizio and Mr. Joseph Jooga.

14. The whole report and papers were edited and retyped expeditiously at the Commonwealth Secretariat, under the supervision of Miss McAskie during the week starting Saturday June 23. The editing was carried out by Mrs. Zoe Mars of the Institute of Development Studies. Typing and reproduction were organised by Miss Lorna McLaren and carried out by her and the following team:

Miss Shireen Gunasekera
Miss Julie Meadows
Miss Charlene Lee Ling
Mrs. Sheree Herdman
Miss Sheila Runghen
Mr. M. Jasimuddin

15. This report is supported by papers on the various sectors, prepared by individual members of the Team and consultants. Whilst efforts have been made to avoid inconsistencies through the use of an initial common framework and each paper being discussed both with the Team Leader and with the Team as a whole, it should be understood that each is put forward on the responsibility of whoever has signed it.

16. In the interest of comprehensive coverage an attempt was made to include almost all sectors, but there were some which could only be studied rather superficially. As has been pointed out above, time was short and data were scarce, so it will be appreciated that our conclusions should generally be considered preliminary and subject to cross-checking of facts and deeper analysis.

17. Details of equipment for projects in some sectors, and of personnel needs, where not included in annexes to sector papers, are lodged with the Secretariat.