

## Chapter 12

# Income-Generating Activity Programme, Uganda

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### 12.1 Context

The Government of Uganda recognises both the significant role that women play in combating poverty and contributing to economic growth. It also understands the systematic barriers they face in terms of access to economic opportunities such as public and private sector employment, and to resources such as land, credit or skills training.<sup>1</sup> Efforts to address such gender inequalities have been integrated into a wide range of Uganda's development initiatives. The current National Development Plan, for example, states that 'gender issues, negative attitudes... cultural practices and perceptions' serve as a major constraint to socioeconomic development (Government of Uganda 2010). The Government of Uganda has put in place several institutional mechanisms, such as the inclusion of gender equality targets across all national development plans, the establishment of gender officers in each ministry office and at the local government level, as well as the creation of several policy and legal frameworks that consistently emphasise the key role that women play in poverty reduction and wealth creation (Government of Uganda [no date]).

### 12.2 Key institutional actors

The Ministry of Gender, Labour and Social Development (MGLSD), established in 1989, is the national women's machinery (NWM) responsible for all projects dealing with the social and economic development of women, including women's access to economic opportunities. MGLSD has gender officers in different ministries and local district offices that are responsible for mainstreaming gender equality across development and poverty reduction programmes.

MGLSD works in collaboration with the National Women's Council (NWC), an autonomous body established in 1993 that provides a forum for women to participate in decision-making on the country's development. NWC also operates as a channel to provide social programmes to women.

Together, MGLSD and NWC collaborate with a wide range of civil society organisations and private sector partners to increase the economic resources available to women. For example, organisations such as the Private Sector Foundation and Ugandan Women Entrepreneurs Association Limited deliver capacity-building workshops and training for women entrepreneurs (Government of Uganda [no date]).

## 12.3 Theory of change

Despite the strong policy and organisational frameworks in place, the government recognised that additional measures needed to be taken to shift women out of the subsistence agricultural sector and into wage employment, specifically through entrepreneurship initiatives. In 2003–04, the government undertook an examination of different policies relating to women and economic development, and decided to focus its attention on improving the role women play in the country's wealth creation. Following this, MGLSD and NWC developed a specific initiative to support women's economic opportunities – the Income-Generating Activity (IGA) programme.

The purpose of the IGA programme is to increase the knowledge and entrepreneurship skills of women, in order to have a positive effect on women's economic opportunities and income levels, especially in rural areas. The theory of change underpinning this initiative is that by providing economic opportunities, entrepreneurship knowledge, skills and resources, women's income will increase, thereby enabling them to meet their basic needs and provide for healthcare and the education of their children.

## 12.4 Social institutions and discriminatory norms

MGLSD and NWC recognised that specific social institutions and discriminatory norms must be challenged for programmes such as IGA to be successful and for women's economic empowerment to be achieved. This required addressing gender-related barriers that limit women's economic empowerment opportunities.

**Formal laws, policies and accountability:** As noted above, the government has adopted a number of formal frameworks in support of women's economic participation and empowerment. Since the Commonwealth Plan of Action for Gender Equality began in 2005, key policies implemented to address Ugandan women's economic participation include the Uganda National Gender Policy (2007), the National Action Plan on Women (2007) and the Uganda Land Bill (2009), which contains several gender-specific clauses to address spousal consent in the sale of land. Most recently, increasing the economic resources of women was targeted in the National Development Plan of 2010/2011–2014/2015.

Alongside this, disparities in education have traditionally decreased women's ability to participate in vocational or business development training, which in turn impacts their livelihood opportunities. In the education sector, affirmative action programmes are now in place to boost women's educational opportunities, including, for example, incentives for girls to attend tertiary institutions, including technical training institutions.

**Women's access to resources and opportunities:** Women face constraints accessing resources, including credit, land, financial capital, business development services, training and other technical support. MGLSD and NWC have addressed this by implementing projects aimed at increasing women's access to resources, such as the IGA programme. Other programmes – such as the Community Driven Development programme (which provides financial and technical resources for communities to implement development initiatives) or the National Agricultural Advisory Services

programme (which provides agro-business and capacity training to women in agriculture) – increase women’s access to financial support and business support services (Government of Uganda [no date]). In agricultural sector-wide approaches, budgeting provisions have been made to address gaps identified in sector gender analysis (e.g. funding for technologies that can easily be adopted by women).

**Women and men’s consciousness:** Ugandan women face challenges at the household level, with men often retaining power over economic decision-making. The IGA and related programmes have built up women’s capacity in financial and business decision-making. There is preliminary evidence demonstrating that this may have had an influence on decision-making by women at the household level. See examples below of how the work of NWC and IGA demonstrate shifting attitudes on the roles and capabilities of women in economic activities.

**Informal cultural norms and exclusionary practices:** MGLSD and NWC have tackled the structural barriers women face in furthering their economic potential. Resources such as grants or technical support help to challenge informal cultural norms on appropriate roles and employment for women, which have contributed to discriminatory practices in terms of their accessing financial services, credit or training. By shifting perceptions about women’s work beyond the household economy, and by building women’s incomes, confidence and capacities, these programmes are contributing to new norms for women’s decision-making roles and power at the household and community levels.

## 12.5 Strategies

Implemented by NWC, the IGA programme provides technical and financial resources to women in two primary ways:

- Direct income support is provided to women by the NWC Secretariat, which is responsible for dispersing IGA funding to NWCs at the district level. The grant process is then administered through District Women’s Councils (DWCs). These grants, which benefit registered women’s groups, support a range of income generating activities, including poultry and pig farming, goat rearing, handicrafts, tailoring, and fruit growing and processing. In 2012–13, the IGA programme was able to work with 71 DWCs across each sub-region in Uganda.
- In addition to financial resources and tools, the IGA programme also equips beneficiaries with entrepreneurship skills and enterprise management training in order to improve their respective IGA performance throughout the grant process.

### **Box 12.1 Sukut Women’s Farmers Group**

In the Kween District of Uganda, many women face economic hardships, with social barriers preventing them from accessing credit, land and other resources. To increase women’s income generation, Sukut Women’s Farmers Group was awarded a grant of US\$2,500,000 (US\$831) from the NWC. Group members

used this grant money to start a salon business. After buying and installing a solar panel at the house of one of the members, the group now provides salon services to the wider community. A mobile phone-charging service was also introduced at the salon, costing US\$500 per phone. With the money accrued from these services, the group has started a credit fund for members, lending within the group at a 5 per cent interest rate per month. Due to the access they have to funds, members have gone on to pay for education for their children, to meet their family health needs and to buy fertiliser for their crops.

Source: Mangusho (2013).

## 12.6 Outcomes to date

According to NWC and MGLSD, the IGA programme has demonstrated results at many levels – the individual, community and systemic (policy, institutional) levels. As of 2013, more than 71 District Women’s Councils had received grants – with approximately 213 women’s groups benefitting from IGA (Government of Uganda [no date]). Individual members within these groups have increased their access to financial resources and sources of income. Additionally, women involved in the programme have developed capacity in business and entrepreneurship skill sets (Government of Uganda [no date]). Not only have personal incomes and sources of livelihoods increased, but also this training has developed the self-confidence of women to engage in wider economic activities (Mangusho 2013).

At the community level, many women are experiencing changes within their households. As women’s economic contributions to their families have increased, relationships between married couples have improved and women have reported less dependence on their husbands for support (Mangusho 2013).<sup>2</sup> Additionally, due to their ability to access funds, women are now able to meet the basic social needs of their families, including healthcare and education for themselves and their children.

### Box 12.2 The IGA programme in action

*‘I started this business to develop myself... Self-employment was always my dream because I saw others gain from it, gained independence from their husbands and I wanted to be like them.’*

–Shillah, woman entrepreneur

### Box 12.3 Mon Kok Awara Awara women’s group

Mon Kok Awara Awara is a women’s group in the county of Chua in Kitgum District, with 31 members. After receiving an IGA grant from the NWC, the

group developed a revolving fund. Each member receives a loan of US\$100,000 to be paid back in three months at a 5 per cent interest rate. Because of access to these funds most members of the group have become involved in retail businesses or goat rearing. As a collective, the group has also invested in groundnut and *simsim* (sesame) cultivation. As one of the beneficiaries described to NWC, IGA has improved local lives in several ways. Each woman in the group was able to boost her business due to the grant. The extra income was then invested back into her business or used to start other small businesses. For example, one participant took the money she had made from her fish selling business and went on to start a second business rearing goats. Due to this income, women beneficiaries have also been able to pay school fees for their children.

*Source:* Muwanga, S and R Mutesi (2013).

Beyond impacts seen at the individual and community levels, the IGA programme has challenged the social and institutional norms that act as barriers to women's inclusion in economic development programmes. Across the country, women face difficulties accessing formal banking structures for credit, or engaging in wage employment beyond subsistence agriculture. The IGA has allowed women to access technical and financial support to overcome some of these obstacles. This has also led to increased engagement by women in political structures. For example, NWC reports that as women become more aware of their economic contributions to their communities, they have gone on to increase participation at various levels of government, particularly through local councils (Government of Uganda [no date]).

## 12.7 Lessons learned and the way forward

The IGA programme has demonstrated that women can meaningfully contribute to and benefit from economic growth, if they are equipped with the skills and resources needed for success. It has also demonstrated that income-generating support can lead to spill-over effects for women's empowerment, such as increasing self-confidence, decision-making power and influence on the wider economic activities of communities.

The IGA programme has generated a number of lessons that may be of relevance to other Commonwealth countries:

- IGA programmes are more likely to be effective if they are combined with capacity building and enterprise management training grants, which build women's skills to implement and sustain income-generating projects.
- In programme design it is important to ensure that income-generating grants reach the poorest populations (Namatovu, Dawa, Katongole and Mulira 2012).<sup>3</sup> This end can be supported through rigorous gender-based analysis, which includes attention to the multiple forms of discrimination (e.g. race, religion and ethnicity) that impact women's experience of poverty.

- Even within a country, there are a variety of factors influencing women's ability to respond to and benefit from programmes such as the IGA. In the Ugandan context, for example, the particular socioeconomic context experienced by women in the north (which has been disproportionately affected by conflict spanning two decades, from the mid-1980s) requires linking women's economic empowerment initiatives to the Northern Uganda Social Action Fund programme (NUSAFII).<sup>4</sup> This programme was established as a tool and funding mechanism to assist the north to catch up with the rest of the country.
- Qualitative data on the programme's outcomes for women provides rich and powerful stories of change. However, there is a need for strong monitoring and evaluation mechanisms to track IGA impacts over time, and to capture the sustainability of income-generating projects after the grant comes to an end.

The case study also demonstrates the importance of integrated strategies working at multiple levels to tackle the structural barriers to women's economic participation and empowerment. Programmes such as IGA need to be supported by strong policy frameworks across government, as described above. Particularly important is the issue of women's access to land and land ownership – well known to be a major barrier to women's economic empowerment worldwide. Currently, women's ownership of land in Uganda is at 16 per cent. Some private sector and civil society organisation (CSO) partners have begun to address this issue with programmes such as the DFCU Women in Business Bank, creating programmes specifically aimed at improving women's access to formal services and credit (Namatovu *et al.* 2012). These new partnerships demonstrate potential areas for further collaboration that should be pursued in future.

Gender bias in agricultural markets also constrains women through:

- Inadequate technological advancement in areas of agricultural production, particularly gender-appropriate innovation.
- Lack of skills and technology for value addition (which further limits women's ability to secure a good return from their productive activities).
- Lack of organised women's marketing groups or associations, to enable women farmers to gain a fair market price.

A focus on facilitating women in the agricultural market value chain should be promoted as a strategy for increasing their economic participation and empowerment.

Similarly, in spite of some progress, other sociocultural norms beyond those related to women's land ownership and agricultural markets continue to hinder women's access to resources. For example: disparities in basic education levels between men and women decrease the ability of women to participate in vocational or business development training, which is needed to support entrepreneurial initiatives; women continue to face challenges at the household level over economic decision-making; and women's household/family responsibilities and high fertility rates continue to serve as a barrier to their full participation in economic empowerment programmes.

Finally, as NWM points out, there are still gaps in the extent to which gender sensitive programmes and plans for poverty reduction and economic empowerment are fully

integrated across all sectors. For example, the Ministry of Finance, Planning and Economic Development is responsible for allocation of funds so NWM is unable to influence resource allocation for sectors, which undermines its ability to monitor gender mainstreaming in those sectors. More departmental collaboration would help effective gender promotion and monitoring of results in programmes that support poverty eradication and economic empowerment.

## Notes

- 1 In waged employment, women make up only 39 per cent of the public sector and 29 per cent of private sector workers. The majority of women in non-agricultural work are employed in micro- or small enterprises. Although 30 per cent of Ugandan women open businesses, the majority of these are in the informal economy. For those in the wage economy, men's wages are approximately double those of women. See: UNDP Uganda (2013), Kabarungi (2014), and Coffey International (2014).
- 2 While the data available did not provide evidence of resistance from husbands to women's new found economic empowerment, as is sometimes the experience in similar contexts, it will be important for further IGA programmes to continue to monitor this closely.
- 3 It was found that income support at the district level often went to well connected women and established entrepreneurs.
- 4 For full analysis of the specific factors shaping women's economic empowerment in northern Uganda, see Ahikire, Madanda and Ampaire (2012).

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