Support to the Implementation of Components of the Development Initiative for Northern Uganda

OVERALL GOAL

Consolidate stability in Northern Uganda, reduce poverty and under-nutrition and strengthen the foundations for sustainable and inclusive socio-economic development

The general objective of this project is aligned with the overall objective of the Development Initiative for Northern Uganda (DINU), hence the United Nations Capital Development Fund (UNCDF) is implementing activities across the three specific objectives of the DINU programme, namely: Food Security, Nutrition and Livelihoods, Transport Infrastructures, and Good Governance.

Specifically, UNCDF:

- Runs a funding facility for agribusiness SMEs involved in value addition to improve access to finance for agro processors through development grants, loans and guarantees.
- Supports rehabilitation of district and community access roads in target districts to connect local and regional markets and improve the access of local communities to jobs and social services.
- Manages a funding facility for target local governments to help them invest in local infrastructure for climate change adaptation and economic empowerment of women and young people.
- Strengthens the capacities of local governments to fulfil their core mandates

Project Duration: 48 months

Funding:
European Union: EUR 25,862,174,
UNCDF: EUR 352,174

Partners:
- Ministry of Works and Transport,
- Ministry of Local Gov’t,
- Local Gov’t Finance Commission,
- Uganda Local Gov’t Association,
- Urban Authorities Association of Uganda,
- Private Sector Foundation Uganda,
- Uganda Development Bank.

Beneficiaries:
The programme will benefit citizens of 38 districts with a total population of over 7 million people, including civil society organizations, and small and mediumsized business.
### RESULTS AREA 1

**Improved access to finance for SMEs engaged in agricultural value addition**

- Providing seed capital to incubation projects through grants, loans and guarantees
- Business Development Services
- Project preparation and structuring services

### RESULTS AREA 2

**Improved stock and quality of the district road assets and improve local service delivery for road assets**

- Rehabilitation and upgrading of priority districts and community access roads within 4 priority districts (Amudat, Adjumani, Abim, Moyo).
- Support districts and communities in road maintenance

### RESULTS AREA 3

**Increased local fiscal space and improved local services delivery**

- Strengthen capacities of Local Governments in public financial management
- Strengthen capacities of mandated local government units to efficiently mobilise and equitably allocate and utilise local revenues and resources
- Structured partnership with Associations of Local Authorities and key relevant institutions.
- Support and strengthen local governments’ upward accountability.
- Support the reform and pilot implementation of Government of Uganda’s own annual performance assessment framework for local governments.
- Incentivise performance of local governments and to stimulate community involvement.

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**United Nations Capital Development Fund (UNCDF)** is the UN’s capital investment agency for the world’s 48 least developed countries. With its capital mandate and instruments, UNCDF offers “last mile” finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development.

By strengthening how finance works for poor people at the household, small enterprise, and local infrastructure levels, UNCDF contributes to SDG 1 on eradicating poverty and SDG 17 on the means of implementation. By identifying those market segments where innovative financing models can have transformational impact in helping to reach the last mile and address exclusion and inequalities of access, UNCDF contributes to a number of different SDGs.

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**About DINU**

The Development Initiative for Northern Uganda (DINU) is a Government of Uganda integrated program financed by the European Union. It is being implemented in 38 districts of Acholi, Karamoja, Lango, Teso and West Nile for a duration of six (6) years (2017-2023).

The overall supervision is with the Office of the Prime Minister through local government in partnership with a wide range of stakeholders.

DINU supports interventions in three specific interlinked sectors:

1. **Food Security, Nutrition and Livelihoods**
2. **Transport Infrastructures**
3. **Good Governance**

Key implementing partners including UNCDF, UNICEF, GIZ and Trademark East Africa have been identified to undertake these interventions according to their specialisations.

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**Contact:** UNCDF: Dr. Jenifer Bukokhe Wakhungu | DINU-UNCDF Program Manager jenifer.bukokhe@uncdf.org