

1. EXECUTIVE SUMMARY

The year 2008 was another successful year for Uganda Change Agent Association (UCAA) during which most of the planned activities for the achievement of our vision and mission were carried out. It also marked the end of our three-year strategic plan that is titled "Capacity Liberation for Economic, Political and Social Development" for the period 2006 to 2008. In general, it was a successful year for UCAA during which most of the planned activities were carried out for the achievement of our mission to ensure that poor rural men and women are liberated and are able to initiate their own self-reliant economic, political and social development processes in order to contribute to the achievement of our vision of standards of living in poor rural households improved through self-reliant participatory efforts of members of those households.

Activities intended for the stimulation of economic development were carried out that enabled poor rural men and women to work together in self-help development groups through which they are successfully operating their own group savings schemes, their own group credit schemes and earning income from payments of dividends that they receive as a result of their membership in these groups. Individual poor rural men and women were enabled to initiate, invest in and manage their own viable income generating activities.

Activities intended for the stimulation of political development were carried out that enabled poor rural men and women to become consciously awakened, to begin to question why conditions around them are the way they are, to realise the need for them to take responsibility to reverse trends that negatively affect their livelihoods. Change Agents, ordinary women and men, were liberated and were able to stand for office, were elected members of parliament and local councillors.

Activities intended for the stimulation of social development were carried out that encouraged the formation of associations and enabled Change Agents to link poor rural men and women to other service providers and to voluntarily work with thousands of self-help groups. Self-help groups were motivated to establish formal linkages with their respective local administrations. UCAA gender policy was actively implemented ensuring that the knowledge, attitudes and practices of men and women in Uganda were improved with regards to gender issues.

UCAA continued to maintain its asset base and to utilise its assets in a frugal manner. These assets included visible and invisible assets such as full-time paid professional staff, volunteer Change Agents and development workers, financial resources, buildings and land, vehicles, training and office equipment. UCAA membership continued to grow as more change Agents graduated and as more development partners appreciated the work of UCAA.

UCAA was able to generate its own income that contributed 9% of its expenses in the year 2008. UCAA funding partners continued to show confidence and trust in the work of UCAA through their generous financial contributions that contributed to 91% of the income that covered UCAA's expenses in 2008.

UCAA still faced challenges that have the potential of impacting negatively on its work, in the form of negative effects of micro-finance lending institutions, corruption in Uganda, Ugandan's insufficient understanding of the multi-party democratic system of governance, and high levels of illiteracy amongst the majority of Ugandans. However, UCAA is satisfied that its work and that of the Change Agents countrywide is impacting positively on the lives of thousands of poor rural men and women, their families, common-interest self-help groups, communities and our country, Uganda.

Dr. Maggie Kigozi
UCAA Patron

2. INTRODUCTION

2008 was the third and last year of the UCAA three-year strategic plan for 2006-2008. This report, therefore, covers the period from January to December 2008. It is an end of year report detailing UCAA's work during the year 2008 and at the same time it is a progress report indicating UCAA's achievements, so far, in relation to UCAA's three-year strategic plan. In this regard, this report attempts to analyse UCAA's success in 2008 in achieving the set objectives as stated in UCAA three- year strategic period for 2006-2008.

It is worth while to note that the 53 UCAA District Change Agent Associations (DCAAs) and the 220 UCAA branches countrywide are autonomous. These DCAAs and branches carried out their own activities that are not included in the UCAA national plans and budgets and are, therefore, not included in this report. Each of the DCAAs have prepared their own District Annual financial and Narrative Reports and are being discussed and approved during their respective District Assemblies that are being conducted during January to April 2009. In addition, special reports from the DCAAs and branches during the year 2008 were published in 2008 UCAA Newsletter editions.

The UCAA Executive Director prepared this report in close consultation with the UCAA directors and programme officers. This report was approved by the UCAA Board of Directors during their meeting held on 4th April 2009.

A summarised version of this report is being circulated in January through to April to members of UCAA attending UCAA district assemblies for discussion. The summarised version of the report will be presented to the UCAA National Delegates Assembly scheduled for 25th April 2009 for final approval.

Copies of this report will be circulated to all UCAA DCAAs, UCAA Funding Partners, relevant government departments, in particular the District Administrations, members of parliament, and selected NGOs with whom UCAA is networking with internationally and nationally. It will also be published on the UCAA website: www.ucaa.or.ug

UCAA holds a vision that standards of living in poor rural households are improved through the self-reliant participatory efforts of the members of those households. Consequently, UCAA's mission is to ensure that rural men and women are able to initiate and sustain their own self-reliant social, political, and economic development processes.

This report covers UCAA's progress in achieving our mission and contributing to our vision during the year 2008:

3. STIMULATING ECONOMIC DEVELOPMENT IN RURAL AREAS OF UGANDA

Part of UCAA's mission is that poor rural men and women are able to initiate and sustain their own self-reliant economic development processes. Therefore, UCAA is directing its efforts to addressing the situation of the income gap between the rich and the poor and the inadequate access to credit by rural men and women. UCAA is doing this by working towards achieving its objective of poor men and women adopting the culture of saving, and are able to invest in and manage viable income generating activities. UCAA's methodology is that of training change agents who work within their communities to promote positive change.

3.1. Activities that UCAA carried out in 2008 for Stimulating Economic Development

During this reporting period, the year 2008, UCAA carried out the following training activities in order to equip change agents with the knowledge and skills for economic development:

3.1.1. Change Agent Training (CAT) Courses – UCAA planned to conduct 9 CAT Courses to train at least 200 Change Agents during 2008. the planned 9 CAT Courses were successfully conducted in the districts of Moyo, Apac, Katakwi, Kapchorwa, Bugiri, Kiboga, Mpigi, Rukungiri and Masindi, training a total of 213 community leaders (114 female and 99 male) as Change Agents. In addition, Jinja and Lira District

Change Agent Associations, requested UCAA for partial sponsorship for them to conduct CAT courses in Amolatar and Jinja for the members of their self help groups. These courses were successfully conducted training an additional 43 community leaders (20 female and 23 male) as Change Agents. In addition, on contract from DanChurchAid in Rakai, UCAA successfully completed two CAT Courses in Rakai district training a total of 48 community leaders (21 female and 27 male) as Change Agents. Therefore, during 2008, UCAA conducted a total of thirteen CAT Courses that trained a total of 304 community leaders (155 female and 149 men) as Change Agents. The duration of each of the courses was 44 days of residential training that were divided up into four 2-week residential training workshops that were separated by three 4-week periods of fieldwork. The participants of these CAT Courses contributed to the costs of their training by paying UCAA a training fee of Ush 40,000/= each. The course content for these courses covered the following major topics: communication, facilitation, poverty analysis, gender issues, development theory, conscientisation and the work of the Change Agent, working with groups, group funds, cashbook accounting, double-entry bookkeeping, savings and credit schemes and income generating activities.

UCAA has succeeded well in the training of Change Agents in relation to the targets of its three-year strategic plan, which stipulates that during the three-year period UCAA will conduct 30 CAT Courses that will train at least 600 Change Agents. Ten of the courses were conducted in 2006 training a total of 243 Change Agents; eight were conducted in 2007 training a total of 219. Therefore, at the end of 2008, UCAA had conducted 29 of the planned 30 courses for the three-year strategic period training 682 above the targeted 600 Change Agents. It is important to note that at the end of 2008 and since the beginning of the CAT Programme in 1991 a total of 166 CAT Courses had been conducted training a total of 3,875 Change Agents in Uganda. Of these trained Change Agents, 51% (1,965) were men and 49% (1,910) were women.

Sadly, 6 % (214) of them have since passed away. Of the deceased Change Agents, 109(51%) of them were female and 105(49%) of them were male.

3.1.2. Training of Trainers (TOT) Course - UCAA planned to conduct one course in 2008 to train at least 20 Trainers of Trainers. This course was successfully conducted training a total of 18 Change Agents (4 female and 14 male) as Trainers of Change Agents. The duration of the course was 22 days of training in the form of two 11-day residential workshops that were separated by a period of four weeks. The participants of this course contributed to the costs of their training by paying UCAA a training fee of Ush 200,000/= each. The course content included all aspects of the organisation, facilitation and management of residential CAT Courses. UCAA has succeeded well in the training of trainers in relation to the targets of its three-year strategic plan, which stipulates that during the three-year period UCAA will conduct 3 TOT Courses that will train at least 60 Trainers of Change Agents. In 2006, one course was conducted training a total of 25 Trainers of Change Agents, in 2007; another course was conducted training a total of 24 Trainers of Change Agents. Therefore, at the end of 2008, UCAA had conducted 3 of the planned 3 courses for the three-year strategic period training 67 more than the targeted 60 Trainers of Change Agents.

It should be noted that at the end of 2008 a total of 368 UCAA Trainers of Change Agents had been trained. Ten of these are Kenyans who were trained on contract and are, therefore, not available to UCAA. Therefore, at the end of 2008, a total of 358 Ugandan Trainers of Change Agents had been trained. Sadly, 23 of the Ugandan Trainers have since passed away. Seven of the Uganda Trainers are now full-time paid UCAA staff members and so are unavailable to conduct CAT Courses. Another 107 of the Ugandan Trainers are also unavailable to conduct CAT Courses organised by UCAA, because they are either in full-time employment with other organisations or have migrated outside of Uganda or are in Uganda but have lost touch with UCAA. Therefore, there are a total of 220 active trainers of Change Agents that are available to form the training team that can facilitate CAT Courses in the following Ugandan languages: Acholi, Alur, Ateso, Dhopadhola, Kakwa, Kumam, Kupsabiny, Lango, Lhukonzo, Lubwisi, Lufumbira, Luganda, Lugabara, Lugwere, Lumasaba, Luruli, Samia, Lusoga, Madi, Ngakarimojong, Rukiga, Runyankole, Runyoro and Rutooro.

3.1.3. Training of Community Leaders in Self-Reliant Participatory Development Methodologies (SRPD Training Courses) – In 2008, UCAA had an income deficit and so during the planning seminar, it was resolved that UCAA should encourage its branches and DCCs to mobilise funding and to conduct SRPD courses and that UCAA will conduct these courses on contract and consultancy basis. In 2008,

therefore, the UCAA DCCs and Branches mobilised resources locally and were able to sponsor 16 SRPD courses that trained a total of 357(164 male and 193 female) as community Agents of Change. However, UCAA did not progress well in the training of Community Agents of Change in relation to the targets of its three-year strategic plan, which stipulates that during the three-year period UCAA will conduct 150 SRPD Training Courses that will train at least 3,000 Community Agents of Change. Therefore, at the end of 2008, UCAA had successfully conducted 113 of the planned 150 courses training 2,712 of the targeted 3,000 Community Agents of Change.

In addition, in 2008, on contract request from Basic Needs UK in Uganda, UCAA conducted six SRPD courses in Kampala, Hoima, Masindi,(Bulisa), Katakwi, Kaberamaido and Soroti for formally mentally ill persons that trained a total of 178(81 female and 97male) community Agents of Change. A detailed analysis of participation in these courses by region and by district, including the self-help groups whose members participated is available on request from the UCAA Secretariat.

3.1.4. Management Training Courses for Community Leaders – UCAA planned to encourage its branches and DCCs to mobilise local resources for them to conduct Management training courses in 2008. UCAA DCCs and Branches successfully conducted 22 courses that trained 703 community leaders of which 60% (419) were female and 40% (284) were male. The duration of these courses was two days of residential training covering such topics as: what management is, roles and responsibilities in management, planning, factors that lead to successful implementation of planned activities, resource mobilisation and leadership. To some extent, UCAA has done well in conducting management training courses in relation to the targets of its three-year strategic plan, which stipulates that during the three-year period UCAA will conduct 150 Management Training Courses that will train at least 3,000 community leaders in management. Therefore, at the end of 2008, UCAA had successfully conducted 125 of the planned 150 courses training 3,306 of the targeted 3,000 community leaders. A detailed analysis of participation in these courses by region and by district including the counties covered can be availed on request from the UCAA Secretariat

3.1.5. Accountancy Training Courses for Community Leaders – UCAA planned to encourage its branches and DCCs to mobilise funding and to sponsor Accountancy Training Courses for the members of the self help groups that they are working with in 2008. UCAA branches and DCCs successfully conducted 18 courses that trained a total of 517 community leaders of which 58% (302) were female and 42% (215) were male. The duration of these courses was three days of non-residential training covering such topics as: bookkeeping – including creating and managing income and expenditure accounts, calculation of net worth, making a chart of accounts, raising receipts and payment vouchers, the accounts journal, ledger accounts, financial statements, processing vouchers, fixed assets, expenditure remittances, finding errors, goods-in-stock accounts, generating trial balances and end-of-year closing of accounts. A detailed analysis of participation in these courses by region and by district including the counties covered can be availed on request from the UCAA Secretariat.

UCAA through its branches and DCCs has also progressed well in conducting accountancy training courses in relation to the targets of its three-year strategic plan, which stipulates that during the three-year period UCAA will conduct 150 Accountancy Training Courses that will train at least 3,000 community leaders in accountancy. Therefore, at the end of 2008, UCAA had successfully conducted 118 of the planned 150 courses training 2,890 of the targeted 3,000 community leaders.

3.1.6. Auditors Training Course – UCAA planned to encourage its branches and DCCs to mobilise funding and to sponsor one Auditors Training Course to train at least 20 Change Agents as auditors. However, in 2008, West Nile and East Central regions mobilised local resources and conducted two auditors training courses that trained a total of 30 Change Agents as auditors.

UCAA has not progressed well in conducting auditors training courses in relation to the targets of its three-year strategic plan, which stipulates that during the three-year period UCAA will conduct 3 Auditors Training Courses that will train at least 60 Change Agents as Auditors. In 2006, UCAA successfully conducted one course training 17 Change Agents as Auditors; In 2007 UCAA did not succeed in conducting one Auditors Training Course.

Therefore, at the end of 2008, UCAA had conducted 3 of the planned 3 courses training only 47 of the planned 60 Change Agents as auditors.

It is worth while to note is that at the end of 2008, UCAA had trained a total of 225 Change Agents as Auditors of which 59% (116) were male and 41% (79) were female. Sadly, seven of them (3 male and 4 female) have since passed away. Another eight of them (4 male and 4 female) are now full-time staff members of UCAA. Of the 180 living Change Agent Auditors, excluding those fully employed by UCAA, 167 are active and are available to assist UCAA in carrying out internal audits of the books of accounts of UCAA branches and DCAAs. In addition, these trained auditors are utilising their skills in assisting self-help development groups and other civil society organisations.

3.1.7. Fundraising Training Courses for Self-help Groups and CBOs – UCAA planned to conduct six Fundraising Training Courses to train at least 120 Fundraisers. However, the during the 2008 planning seminar, after closely analysing the participants in the previous UCAA subsidised Fundraising Courses noted that these courses were not being accessed by UCAA's ultimate target group, members of self-help groups that Change Agents are working with. In consideration of UCAA's 2008 income budget deficit, the seminar decided that UCAA should not conduct this course as a subsidised course, but that UCAA should offer it on contract and consultancy basis. In addition, UCAA also planned to encourage its branches and DCCs to mobilise funding and to sponsor fundraising training courses for the members of the self help groups that they are working with and other CBOs. UCAA did not succeed well in conducting fundraising training courses in relation to the targets of its three-year strategic plan, which stipulates that during the three-year period UCAA will conduct 18 Fundraising Training Courses that will train at least 360 Fundraisers from at least 40 districts of Uganda. In 2006, UCAA successfully conducted 5 courses training 85 fundraisers. In 2007 and 2008 UCAA did not conduct any fundraising training course Therefore, at the end of 2008; UCAA had successfully conducted only 5 of the planned 18 courses training only 85 of the targeted 360 fundraisers.

Of note is that at the end of 2008, UCAA had so far trained a total of 271 Fundraisers of which 202 are UCAA trained Change Agents covering 41 districts of Uganda.

3.1.8. Business Training – During 2006 to 2008 UCAA planned to develop a Business Training Package and during 2007 to 2008 conduct at least 12 Business Training Courses that would train at least 240 community leaders in business skills. The draft package was developed. However, the UCAA Programme Department is of the opinion that those who would access this training course would be similar to those that accessed the UCAA Fundraising Courses in the past, men and women who are not part of UCAA's ultimate target group. In consideration of UCAA's 2008 income budget deficit the UCAA Board of Directors decided that UCAA should not conduct this course as a subsidised course, but that UCAA should offer it on contract and consultancy basis. In addition, UCAA also planned to encourage its branches and DCCs to mobilise funding and to sponsor Business training courses for the members of the self help groups that they are working with and other CBOs. UCAA did not succeed in meeting its target in conducting business training courses in relation to the targets of its three-year strategic plan. In 2006, 2007 and 2008 UCAA did not conduct business training courses. Therefore, at the end of 2008, UCAA had not conducted any of the planned 12 courses.

3.1.9. Financial Management Training Course – UCAA planned to conduct six regional Financial Management Courses to train at least 120 development workers in financial management skills. However, similar to the Fundraising Training Courses and Business Training, the Programme Department advised that those who would access these trainings would not be UCAA's ultimate target group. In consideration of UCAA's 2008 income budget deficit the UCAA Board of Directors decided that UCAA should not conduct this course as a subsidised course, but that UCAA should offer it on contract and consultancy basis. UCAA also planned to encourage its branches and DCCs to mobilise funding and to sponsor financial management training courses. In 2008, on contract request from Oxfam, UCAA conducted one Financial Management training course in Kotido for their clients that trained a total of 25(23 male and 2 female) representatives of the development organisations in Kotido district. UCAA did not progress well in conducting financial management training courses in relation to the targets of its three-year strategic plan which stipulates that at least 20 men and women will annually complete a financial management training course. In 2006 and 2007, UCAA did not conduct financial management training courses.

Therefore, at the end of 2008, UCAA had conducted only one financial management training courses.

3.1.10. Modular Tailor Made Training Courses – On request and sponsorship from School for International Training USA, in November UCAA hosted a team of six students from America. UCAA facilitated half -day session for these students on self-reliant participatory development methodologies with reference to grassroots development. One of the students decided to do her field work study with UCAA. This student also had the opportunity to observe the training of UCAA Trainers of Change Agents and to visit with the Change Agents training courses, branches and self help groups that the Change Agents of the Central region are working with to find out how the knowledge from Change Agent Training had been applied in a rural community.

3.2. Impact Analysis: UCAA's Success in Stimulating Economic Development

UCAA subscribes to the school of thought that economic development is a process in which an individual, community or nation mobilises and manages the factors of production, especially capital in the form of savings and credit, and invests these factors in productive activities intended to provide an increasing surplus; some of which must be reinvested in order to ensure sustainability. UCAA has evidence to show that this can be achieved by eliminating the human causes of poverty (lying in the behaviour or mentality of the individual, including misdirected priorities, dependency thinking, insufficient awareness, insufficient skills and knowledge and insufficient cooperation) and the development of a savings and investment mentality.

The work of UCAA, therefore, is to train Change Agents who will effectively assist poor men and women in establishing successful self-help groups. UCAA trains Change Agents to encourage these groups to begin their own savings and loan schemes. UCAA trains Change Agents to conscientise men and women who form groups to appreciate that they will use their group savings to provide investment loans to individual group members, instead of their members borrowing from micro-finance institutions that will charge them very high interest rates. UCAA trains Change Agents to be able to teach group members the necessary bookkeeping skills required to successfully administer such schemes. UCAA trains Change Agents to act as consultants who advise poor rural men and women to acquire the necessary skills and knowledge that will ensure that their investments in income generating activities are viable. This includes the Change Agents transferring to poor rural men and women such technical skills as, bookkeeping (cash book accounting and/or double entry bookkeeping), record keeping (minutes, etc.), feasibility and viability analysis before these poor rural men and women undertake a particular income generating venture.

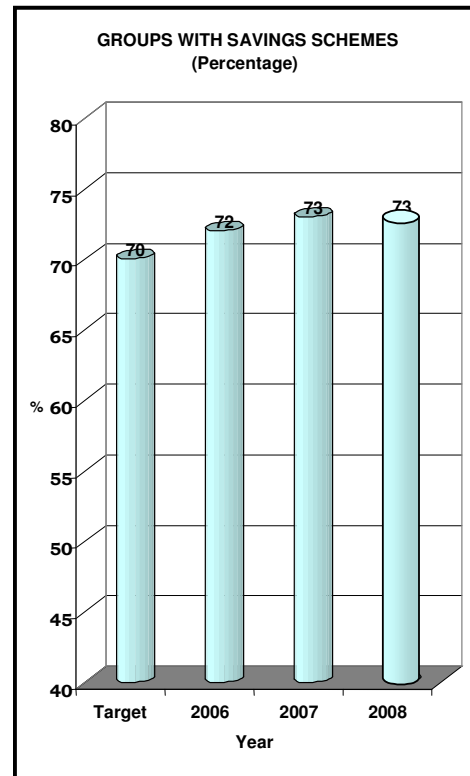
UCAA set the following impact indicators as a means to measure its success in stimulating economic development processes during its strategic period of 2006 to 2008 and at the end of 2008 UCAA's progress in achieving these indicators is as follows:

Note: The statistics in this analysis are based on voluntarily submitted reports from 47% (2,348) of the self-help groups that UCAA trained Change Agents are working with, voluntarily submitted reports from 35% (1,273) living UCAA trained Change Agents, and impact assessment reports of 1,644 members of the 98 self-help groups that are voluntarily participating in UCAA's impact assessment programme.

3.2.1. Operational Savings Schemes – That by December 2008 at least 70% of the self-help groups that Change Agents are working with have their own internal operational savings schemes.

Of the 2,348 self-help groups that submitted reports in 2008 to UCAA, 73% (1,704) of them reported that they had their own internal operational savings schemes. These groups reported member savings of Ush 1,456,711,000/= (approximately EUR 597,013). Therefore, the average savings per group were Ush 854,877/= (approximately EUR 350). UCAA has met its target in achieving its impact indicator on internal savings schemes. In 2006, of the 1,749 groups reporting, 72% had their own internal savings schemes, in 2007, of the 1,814 self help group reporting, 73% had their own internal savings scheme. Therefore, at the end of 2008, UCAA had achieved and suppressed its target of at least 70% of groups successfully operating their own internal operation savings schemes.

It should be noted, however, that even though, overall, UCAA met its target of self-help groups operating their own internal savings schemes, UCAA did not meet its target in some of its operational areas. UCAA did not meet its target in 3 regions as follows: the Northern Region, East Central Region and Central Region where, respectively, only 59%, 59% and 53% of the groups reported having operational savings schemes. The UCAA Programme Officer responsible for Northern Region explained that she is of the opinion that the culture of saving in the north is being destroyed by many NGOs operating in the area that are giving out material grants, cash grants and other donations. The members of the groups are now used to free things from humanitarian NGOs operating in the region. The UCAA Programme Officers responsible for the big Central Region explained that they were of the opinion that many of the men and women in the big Central Region have not saved with their self help groups because most of them have joined the mushrooming Savings and Credit Cooperatives Organisations (SACCOs) in anticipation of getting money from Bonna Bagaggwale Programme (prosperity for all).



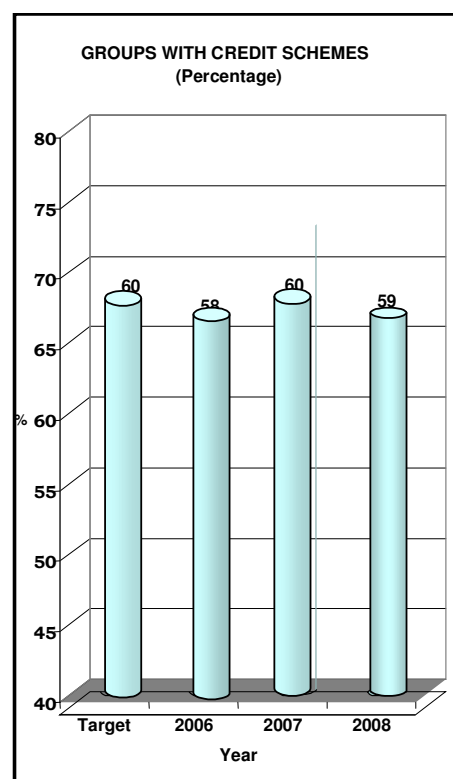
3.2.2. Operational Credit Schemes – That by December 2008 at least 60% of the self-help groups that Change Agents are working with have their own internal operational credit schemes.

Of the 2,348 self-help groups reporting in 2008, 59% (1,390) of them reported that they had their own internal operational credit schemes.

These groups reported a total of 20,627 outstanding loans that were valued at over Ush 1,558,486,000/= (approximately EUR 638,724). Therefore, the estimated loan size was Ush.76, 000/= (approximately EUR 31). UCAA did not achieve its impact indicator on internal credit schemes in 2008. In 2006, of the 1,749 groups reporting 58% had their own internal credit schemes and in 2007, of the 1,814 self help groups reporting, 60% had their own internal credit scheme. Therefore, at the end of 2008, UCAA had achieved 59% of the targeted 60% of groups successfully operating their own internal operation credit schemes.

During the year 2008, of the 1,644 members of self-help groups that participated in the UCAA impact assessment, 97% (1,599) of them reported that they had borrowed money during the year. Of these members, 39% (645) of them reported that they had borrowed money from the savings and credit schemes operated by their own self-help groups. The others, 32% (524) reported that they had borrowed from Microfinance Institution, and 16% (264) reported that they had borrowed from the Bank, and, 13 % (224) reported that they have borrowed from friends and lastly 12 % (195) reported that they have borrowed money from the family members.

The majority 39% (645) of the members that borrowed money during the year reported that they utilised their loans productively and that they had benefited from the loans that they took.



HOW MEMBERS WHO BORROWED UTILISED THEIR LOANS

	NUM	%
Invested in Business Ventures (trading, shops, buying commodities and produce for re-sale)	618	47
Invested in agriculture or farming as a business (buying farm inputs and animals for breeding for re-sale)	75	6
Invested in the purchase of fixed assets (construction or purchasing of houses and buying land)	139	10
Utilised for consumption (paying school fees, medical bills and to solve household problems)	494	37

It should be noted, however, that even though, UCAA did not meet its target of self-help groups operating their own internal credit schemes, in some of the UCAA operational regions, the percentage were above the target but the overall percentage was brought down by the following regions: Northern Region, East Central Region and Central Region where, respectively, only 32%, 50% and 34% of the groups reported having operational credit schemes. The UCAA Programme Officers responsible for these regions explained that they are of the opinion that self-help groups have been discouraged from running own credit schemes because some members have defaulted, resulting into relaxation of other members. In addition, they explained that the increasing cost of living for example high prices of food items left them with no funds to save. Other Programme Officers explained that because of the mushrooming village

banks that charge lesser percentage as compared to saving and credit schemes, the members choose to utilise the village banks. For example, village banks in South Western Uganda charge 2.5% per month and self help groups charge above 10% per month. Poor past experiences where some office bearers have misappropriated the credit funds and influence of other NGOs that give handouts to masses were some of the reasons cited for the self help group's failures to initiate operational credit schemes.

3.2.3. Poor Rural Women and Men Engaged in Income Generation – That by December 2008 at least 60% of members of self-help groups that Change Agents are working with have their own viable income generating activities.

Of the 84,665 members that were reported by the 2,348 self-help groups reporting in 2008, 48% (40,442) of them reported that they had their own viable income generating activities. These members reported total profits of Ush 1,554,242,000/= (approximately EUR 636,984) during the year. Therefore, the profits per member were on average Ush 38,431/= (approximately EUR 16). The members reported 11,449 income generating activities that they were engaged in during the year 2008.

MEMBERS' INCOME GENERATING ACTIVITIES

	NUM	%
Agriculture (crop farming, animal rearing, poultry keeping and fisheries)	5,871	51
Petty Trade and Capitalists	4,576	40
Artisanship	573	5
Professionals	252	2
Dividends from savings and Credit Schemes	139	1
Transport and Communication	38	1

UCAA did not meet its target in achieving its impact indicator on members of self-help groups engaged in income generation. In 2006, of the 58,065 members of self-help groups reporting 36% were engaged in income generation and in 2007 of the 61,290 members of the self-help groups reporting 46% were engaged in income generation activities. Therefore, at the end of 2008, UCAA had not achieved its target of at least 60% of members of groups having their own viable income generating activities.

The following explanations have been given by the UCAA Programme Officers as to the possible reasons as to why UCAA was not able to meet its target of members of self-help groups engaged in income generation: 1) There was a problem of food scarcity in almost all parts of Uganda last year as a result of poor rainfall due to climatic changes therefore, resulting into poor harvests. So the little food harvested was left for consumption. 2) Most of the people in the northern region have been living in satellite camps of internally displaced people due to the insecurity caused by the activities of the Lords Resistance Army and so they were not able to engage in income generating activities, 3) some of the members of the self-help groups are engaged in income generating activities, but they are not willing to disclose their activities and their net profit, 4) Inadequate capital to start to start up and sustain income generating activities, 5) Lack of commitment on the side of members for joint ventures and cultural practices that influence peoples, 6) subsistence farming overruns since labour force has reduced due to universal primary education and limited participation of men in home cores .

3.2.4. Change Agents Engaged in Income Generation – That by December 2008 at least 75% of Change Agents have their own viable income generating activities.

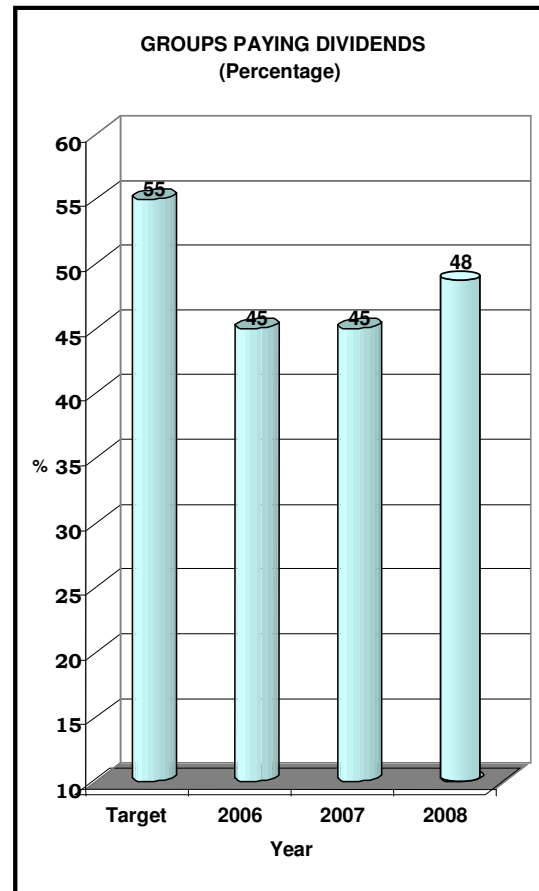
Of the 1,273 Change Agents that submitted census forms in 2008 to UCAA, 88% (1,121) of them reported that they had their own viable income generating activities. These Change Agents reported 2,298 income generating activities that they were engaged in. The majority, 53% (1,213), of the activities were in the category of agriculture (crop farming, animal rearing, fisheries and poultry). The other activities were 26% (592) in petty trade and capitalist, 8% (193) in artisanship, 3% (71) professionals, another 10% (229) in dividends from savings and credit schemes and the remaining. UCAA has achieved and suppressed its impact indicator on Change Agents engaged in income generation. In 2006, of the 1,035 Change Agents reporting 81% were engaged in income generation. In 2007, of the 1,080 Change Agents reporting 84%

were engaged in income generation. Therefore, at the end of 2008, UCAA had achieved its target of at least 75% of Change Agents successfully engaged in viable income generating activities.

3.2.5. Groups of Poor Rural Women and Men Sharing Dividends – That during 2006 to 2008 at least 55% of self-help groups that Change Agents are working with pay out dividends to their group members annually.

Of the 2,348 self-help groups reporting in 2008, 48% (1,124) of them reported that they had paid cash dividends to their members during the year. They reported having paid total cash dividends of Ush 680,894,000/= (approximately EUR 279,055). Therefore, on average the dividends paid out per group were Ush 290,000/= (approximately EUR 118). In 2006, of the 1,749 self-help groups reporting 45% reported sharing dividends and in 2007, of the 1,814 self help groups reporting 45% reported sharing dividends. Therefore, at the end of 2008, UCAA had not achieved its target of at least 55% of groups sharing dividends.

The following explanations have been given by the UCAA Programme Officers as to the possible reasons as to why UCAA was not able to meet its target of self-help groups sharing dividends: 1) Some of the groups paid out dividends in kind and they do not quantify it in monetary value when it is in kind, some groups save but they do not separate income from interest gained on the credit, therefore, no dividend realised and shared. 2) some of the groups have, on behalf of their individual members, invested the funds that should have been paid out as dividends, but they did not include these funds as dividends that were paid out.



3.3. Challenges Facing UCAA in Stimulating Economic Development and Proposed Solutions

To a great extent, most of the assumptions that UCAA made, on which the success of its programmes depended during this reporting period held true as follows: Political and economic stability prevailed generally in Uganda. The political and economic situation in Uganda continued to permit and encourage independent group development activities except in the Acholi region but the situation has also improved. UCAA enjoyed continued support from both local and national authorities in Uganda. UCAA trained Change Agents continued to work on a voluntary basis at self-help group level. However, some of UCAA’s assumptions, to a significant extent, did not hold true and, therefore, continue to pose the following challenges to UCAA:

3.3.1. Negative Effects of Micro-Finance Lending Institutions (MFLIs) – One of the assumptions that UCAA holds, on which its success in stimulating economic development processes depends upon, is that the activities of MFLIs do not destroy the culture of saving. UCAA recognises the vital role the MFLIs play in enabling poor rural men and women to access loans which have the potential to be utilised for income generation and, therefore, improving the incomes of these men and women. UCAA is worried that, to a great extent, the MFLIs operate in such a way that does not promote individual savings, but rather they encourage individuals to borrow funds for non-income generating purposes, such as home improvement loans, paying school fees, weddings, and funerals and for servicing other loans etc. There are reports of poor rural men and women who borrowed funds from MFLIs for non-income generating purposes and have ended up in a vicious cycle of being in debt as they borrow from one MFLI to pay the debt of another

MFLI. In addition, it is often the case that MFLIs do not take the time to educate their clients on how the interest on the loans is calculated. Therefore, in most cases clients take the loans without appreciating the cost of taking these loans. Arguably, the fact that MFLIs make funds readily accessible to poor rural men and women to utilise for non-income generating purposes, the MFLIs provide false comfort to their clients that hinders them from saving for a 'rainy day'.

In addition, unfortunately, the Government of Uganda's programme titled "Bonna Bagaggawale" literally meaning "Prosperity-for-All" that was launched in 2007 is posing more challenges to UCAA's efforts in encouraging the culture of saving. The UCAA Programme Officers have reported that this programme has not taken off well. This is because in some regions the Savings and Credit Cooperative Societies (SACCOs) under this programme have been formed on political grounds, whereby they are mostly headed by the supporters of the National Resistance Movement Organisation party that is currently the ruling party of Uganda. In addition, the Prosperity-for-All Programme is being viewed in the rural areas as a programme for grants from government as opposed to a savings and loan scheme. This can be attributed to the fact that this programme was first announced during the 2006 presidential campaigns. Arguably, unintentionally, this programme is promoting dependency thinking as opposed to self-reliance, in that the people are waiting to be rewarded for voting 'correctly'. In addition, the design of the programme is based on the top-down approach that failed cooperatives in Uganda in the past.

During 2008, UCAA actively campaigned against the negative practices of micro-finance lending institutions. UCAA officers participated as discussants on radio programmes during which they discussed the impact of micro-finance lending institutions on the lives of the poor, their business and communities, in particular the interest rates and repayment schedules. UCAA officers decried the negative effects of micro-finance lending institutions during UCAA activities, such as district assemblies, district programme planning meetings and visits with groups. During the certificate award ceremonies of UCAA courses, UCAA officers took the opportunity to discourage the hundreds of participants at these ceremonies from borrowing money for non-income generating activities, in particular for school fees. UCAA officers encouraged poor rural men and women to adopt a culture in which they save for school fees. In April 2008, the UCAA Executive Director invited Dr. Ezra Suruma, former Minister of Finance, Planning and Economic Development and Hon. Salim Saleh, State Minister for Microfinance to come and present a paper on Bonna Bagaggawale (prosperity for all programme) at the UCAA annual National Development Forum. They all accepted and in deed, they presented their papers on the programme.

UCAA has been committed to its continued campaign on discouraging poor rural men and women to form their own savings and credit schemes. At every opportunity, during UCAA activities, whilst participating in media events, and other forums, UCAA officers have continued to decry the negative effects of the activities of MFLIs. This is in the hope of saving poor rural men and women from becoming victims of the scourge of the negative effects of MFLIs.

In addition, UCAA through its training programmes will continue to facilitate processes through which poor rural men and women become conscientised about the unnecessary waste of resources on misdirected priorities such as expensive funerals, weddings and Christmas feasts. This is in the hope that they will be able to save their resources and re-direct their priorities and, therefore, be in the position where they are not forced by circumstances to borrow from MFLIs for non-income generating purposes.

3.3.2. Corruption – Corruption is still endemic throughout all levels of government and, unfortunately, this is a big challenge to UCAA because Change Agents countrywide are hindered from participating in policies because of kick backs at all levels. Some Change Agents have faced resistance especially from districts officials because what they advocate for is contrary to what is on the ground. Corruption has crippled the economy. It is generally felt that, even though government has vowed to fight corruption, the political will is lacking. Practical examples are in the Police department where someone commits an offence with evidence and gets arrested but you will see him out the following day. In addition, the same applies to the Judiciary whereby, court prosecutors help criminals to make defensive statements so as to win the case in court. Corruption is also still rampant in the Procurement system especially in the Local Government whereby, you find an item in the open market costing Ush 10,000/= but in the procurement and the disposal act it is valued at Ush 25,000/= giving room to the tendered and the supplier to hike the costs and steal the money meant for the poor rural man and women to come out of poverty. The diversion, mismanagement and stealing of funds intended for assisting poor rural men and women to come out of

poverty is perhaps one of the worst weapons of mass distraction in Uganda. Vital services such as free schooling and medical care are not provided because the funds intended to do so were diverted or stolen. Therefore, the poor rural men and women are caught up in a cycle of poverty in which they have to borrow from MFLIs to pay school fees and medical treatment.

Throughout the year 2008, UCAA officers continued to encourage poor rural men and women, in particular the Change Agents, to fight corruption at the level of their own communities. There is evidence that UCAA is making progress in this area. UCAA received reports that Lekuru Ephemias, Change Agent and former Board Member for West Nile region has been elected as a Board member of Regional Civil Society Organisation called MAYANK (Moyo, Arua, Yumbe, Adjumani, Nebbi and Koboko) to monitor corruption cases in the Local Governments of West Nile. The Organisation was officially launched late last year with their office at Arua by Royal Danish Ambassador to Uganda.

UCAA is committed to continuing its efforts in encouraging poor rural men and women to interest themselves in government programmes so that they can ensure that government funds are properly utilised. UCAA will continue to train and equip poor rural men and women with skills such as bookkeeping, auditing, etc. that can enable them to interpret financial reports and identify financial malpractices. UCAA is convinced that one of the most effective ways of fighting corruption is by laying the foundation for the poor rural men and women to be able to reject it and rise up against those who perpetuate it.

4. STIMULATING POLITICAL DEVELOPMENT IN RURAL AREAS OF UGANDA

It is part of UCAA's mission to ensure that poor rural men and women are able to initiate, manage and sustain their own self-reliant political development processes. UCAA, therefore, is directing our efforts to address the situation of the social exclusion of poor men and women where large sections of the Ugandan population are unable to productively participate in intellectual debates on policies that affect their livelihoods. UCAA is addressing this issue by facilitating processes that are enabling men and women at the grassroots to participate in leadership and decision-making organs and processes in their communities. The training courses described in the previous section of this report were instrumental in conscientising the men and women that participated in them. During these courses, the participants acquired skills in leadership, decision-making, accountability and transparency.

In addition, UCAA carried out the following activities that ensured that poor men and women acquired the necessary leadership skills and the confidence to participate in leadership positions and decision-making organs in their communities, through experiential learning and through their participation in UCAA decision-making organs:

4.1. Activities UCAA carried out to Stimulate Political Development Processes

4.1.1. District Assemblies – UCAA planned to hold district assemblies in districts in which there are registered District Change Agent Associations (one per district) in accordance with the UCAA Constitution. During the first four months of the year, before the National Delegates Assembly, UCAA held 53 District Assemblies. The attendance at these assemblies was 1,505 participants, of which 63% (954) were UCAA Full Members (change agents), 11% (166) were UCAA Associate Members (Community Agents of Change), 2% (29) were UCAA Working Partners and 24% (356) were guests. Of the Full Members who attended 49% were male and 51% female and of the Associate Members who attended 57% were male and 43% were female. These assemblies were chaired and led by ordinary rural men and women, UCAA Full Members serving on the District Coordinating Committees of their respective DCAAs. They were assisted by the UCAA Programme Officers. The guests at these assemblies included members of parliament and district officials who officiated as guests of honour, and representatives of other development organisations. Participants at these district assemblies received and reviewed all the UCAA National documentation (reports, plans, budgets, proposed amendments to the UCAA Constitution, etc.) the National Delegates Assembly was going to discuss, they made recommendations and instructed their elected delegates accordingly. Each of these assemblies elected two delegates (one male and one female) to represent it at the National Delegates Assembly. UCAA had progressed well in conducting district assemblies in relation to the targets of its three-year strategic plan, which stipulates that during the three-year period UCAA will conduct at least 50 district assemblies annually, in accordance with the UCAA

Constitution. In 2006, UCAA successfully held 52 district assemblies, in 2007, UCAA successfully held 53 district assemblies. Therefore, at the end of 2008, UCAA had successfully held the targeted 50 district assemblies per year for the three years of the three-year strategic period.

4.1.2. UCAA National Delegates Assembly (NDA) – As planned, UCAA held its National Delegates Assembly on Saturday, 26th April 2008. This assembly was chaired and led by ordinary rural men and women, UCAA Full Members, serving on the UCAA Board of Directors. They were assisted by members of UCAA staff. Attendance at this assembly was 121 participants, including 98 district delegates, 5 guests and 16 UCAA staff members. Of the 98 district delegates, 44% were female and 56% were male. The National Delegates Assembly amended the UCAA Constitution, elected a new Board of Directors, and approved the UCAA annual reports for 2007 and UCAA plans and budgets for 2008. Details of the proceedings and resolutions of this assembly are included in the minutes of this assembly that are available on request from the UCAA Secretariat. The minutes of this assembly were circulated to all UCAA branches and DCAAs (one copy each), to the UCAA Board of Directors, and to the UCAA Secretariat staff. UCAA has progress well in conducting NDAs in relation to the targets of its three-year strategic plan which stipulates that during the three-year period UCAA will conduct 3 annual NDAs, in accordance with the UCAA Constitution. In 2006 and 2007, UCAA successfully held a National Delegates Assembly. Therefore, at the end of 2008, UCAA had successfully held 3 of the targeted 3 assemblies.

4.1.3. Board of Directors – The UCAA Constitution, Article 6, Section 1, Sub-Section f, stipulates that “The tenure of office of the members of the UCAA Board of Directors shall be one year. However, the Vice Chairperson, Vice Secretary and Vice Treasurer shall normally be elected to the positions of Chairperson, Secretary and Treasurer respectively after serving one year in the former position, if re-confirmed by a majority of District Delegates from their respective regions”. Indeed, in accordance with the UCAA Constitution, in April, the UCAA NDA elected a new UCAA Board of Directors. The 2008/2009 UCAA Board of Directors is composed of four women and five men. UCAA planned to hold monthly meetings of the Board of Directors and these meetings were successfully held. During these meetings, the Secretariat presented to the Board progress reports on membership, fundraising and Advocacy, programme, finances and personnel. The members of the Board of Directors, particularly the Treasurer and Vice Treasurer, inspected and carried out monthly internal audits of the six sets of UCAA Regional Accounts and the UCAA National Accounts. As expected, the members of the Board of Directors carried out inspection visits to selected UCAA programme activities. UCAA met its target in ensuring that its Board of Directors is functional in relation to the targets of its three-year strategic plan which stipulates that during the three-year period UCAA will hold 36 monthly meetings of its Board of Directors and that the members of the Board of Directors will supervise the work of the Secretariat. In 2006, 2007 and 2008, UCAA successfully held 12 meetings of its Board of Directors. Therefore, at the end of 2008, UCAA had successfully held 36 of the targeted 36 meetings.

4.1.4. Planning Seminar - As planned, in June, UCAA held a five-day review and planning seminar (using the Logical Framework Analysis), in order to review its performance and draw up detailed 5-year strategic plan for 2009-2013. The outcomes from this planning seminar were utilised to develop a detailed UCAA Plan and Budget for the year 2009. The attendance at this seminar was 29 participants, including 9 UCAA Board of Directors, 9 other Change Agent Regional Representatives and 10 UCAA staff members. UCAA has met its target in ensuring that it holds participatory annual planning seminars in relation to the targets of its three-year strategic plan for which stipulates that during the three-year period UCAA will hold 3 annual review and planning meetings. In 2007, UCAA held a planning seminar. Therefore, at the end of 2008, UCAA had successfully held 3 of the 3 planned annual seminars.

4.1.5. Branch Assembly- Coordination between the National Association and the members/branches/DCAAs continued as planned through branch Assembly (1 per branch per year). UCAA successfully visited 218 Branch Assemblies (one for each of the 220 branches that have registered with UCAA). The 218 Assemblies brought together the 1,698 branch and DCAA members (787 female and 911 male), and the UCAA Programme Officers. UCAA met its target in ensuring that it holds participatory branch Assembly in relation to the targets of its three-year strategic plan which stipulates that during the three-year period UCAA will hold one Assembly per Branch annually.

4.1.6. Branch Visits - During the second quarter of the year, the UCAA Programme Officers carried out visits to 99% (218) of the 220 UCAA branches that were registered with UCAA at the time. These visits

were instrumental in generating data that provided UCAA with the reality of the functioning of its branches on the ground. It also gave the UCAA programme Officers opportunity to meet the Change Agents and encouraged them to continue to work with self help groups. Some of the data generated from these visits is utilised in this report. UCAA has met its target in ensuring that Programme Officers conduct branch visits in relation to the targets of its three-year strategic plan which stipulates that during the three-year period UCAA programme officers will annually conduct one branch visit per branch per year. In 2007, UCAA programme officers visited 76% (175) of the branches that were registered at the time. In 2008, UCAA successfully visited 218 branches.

4.1.7. Practical Leadership Training – As planned UCAA ensured that all the trainees at all the CAT Courses described in the previous section had the opportunity to practice holding the position of chairperson, secretary and timekeeper. UCAA also ensured that UCAA sponsored courses were co-facilitated by Change Agents who are rural men and women. This is in fulfilment of UCAA's strategic plan.

4.1.8. Participation of UCAA Branches and DCAAs in Government Planning and Budgeting – As planned the UCAA Programme Officers actively encouraged the UCAA Branches and DCAAs to participate in the planning and budgeting seminars of their respective sub-counties and district administrations. During the year, UCAA received reports that at least 45% (24) of its 53 DCAAs had participated in various meetings of their respective sub-county and district administrations. They participated in planning and budgeting meetings for government programmes such as the National Agriculture Advisory Development Services (NAADS), Prosperity for All Programme, Budgeting Conferences, and other development oriented programmes. UCAA did not meet its targets encouraging its DCAAs to participate in government meetings as stipulated in its three-year strategic plan which stipulates that at least 50% of its DCAAs participate in government meetings in their respective districts and/or sub-counties. The UCAA programme Officers gave an explanation that most of the DCAAs officials are also members of Local councils and leaders of other NGOs/CBOs and they normally attend this meeting in different capacities but not as DCAAs.

4.1.9. Accessing Civic and Voter Education Material – During the year, UCAA accessed books and posters inform of grant in kind from Basic Needs UK in Uganda, Foundation for Human Rights initiatives, noted, Kabarole Information Centre, Uganda Revenue Authority, Mental Health Uganda and Civil Society Capacity Building Programme, which it distributed free to Change Agents. UCAA has met its target in accessing and distribution of civic education materials in fulfilment of UCAA strategic plan for 2006 to 2008.

4.1.10. Accessing National Policy Documents – UCAA continued selling the Local Government Act, to its members. However, UCAA did not perform well in accessing national policy documents in relation to the targets of its three-year strategic plan which stipulates that at least 100 copies of at least 3 national policy documents will be purchased and re-sold. In 2006, UCAA purchased, in bulk, 100 copies of the Local Government but to date; some copies are still in stock because most of the Change Agents got their copies freely from the Local Government. Basing on the above experience, UCAA decided not to purchase the remaining 2 national policy documents. Therefore, at the end of 2008, UCAA had only purchased 100 copies of one of the targeted three national policy documents.

4.1.11. National Development Forums (NDFs) – UCAA planned to hold a national development forum during 2008. In April, UCAA held a forum on the topic "Is Bonna Bagaggawale (Prosperity for all Programme increasing dependency or promoting self reliance?". Attendance at this forum was 98 development workers, majority of whom were Change Agents. Notable participants at this forum included Dr. Ezra Suruma, Minister of Finance, Planning and Economic Development and Hon. General Salim Saleh, the state Minister for Micro Finance. Other notable participants included representatives from Bread for the World, Concerned Parents Association, Mukono District NGO Forum, African Business Foundation and Basic Needs UK in Uganda.

The three keynote presenters were Dr. Suruma, Minister of Finance, Planning and Economic Development, Hon. General Salim Saleh, State Minister for Micro Finance and Ruth Namusubo, Change Agent, rural woman from Iganga district. The forum was moderated by UCAA Programme Officer for South Western Region. This forum received massive press coverage on radio, television and print media.

Therefore, UCAA met its target in the three-year strategic plan which stipulates that during the three-year period UCAA will conduct at least 3 NDFs attended by a total of at least 300 participants. In 2008, UCAA held one forum that was attended by 98 development workers. As at the end of 2008, UCAA had conducted 3 of planned development forums that were attended by 338 participants.

4.1.12. Registration of DCAAs with District Administrations - UCAA planned to ensure that the respective District Administrations formally register and recognise its DCAAs. UCAA continued to subsidise the required registration fees. By the end of 2008, UCAA had received confirmed reports that 64% (34) of its 53 DCAAs were registered with their respective District Administrations. UCAA is encouraging and supporting the registration of its DCAAs in order that these DCAAs and UCAA branches are effective in representing their members and communities in major district meetings, e.g. district planning and budgeting meetings. Indeed, some of the DCAAs that are registered with their respective district administrations were awarded service contracts by their district administrations to provide training to rural men and women in various subjects under government programmes such as Prosperity for all, Functional Adult Literacy, Northern Uganda Social Action Fund (NUSAF) and National Agriculture Advisory Development Services (NAADS). To some extent, UCAA has made some progress in ensuring the registration of its DCAAs with district administrations as stipulated in its three-year strategic plan which stipulates that during the three-year period 100% of its DCAAs are registered with the Community Development Officer of their respective district administrations. It is worth noting that the remaining DCAAs 36 % (19) have reported that they have already submitted their papers for the renewal of their registration at their respective District Local Government offices in 2008.

4.1.13. District Coordinating Committees (DCCs) – All the DCAAs has a DCC composed of at least one representative per branch of the branches in its district. UCAA expects these DCCs to coordinate and promote the work of the Change Agents and branches of UCAA in their respective districts. One of the roles of the DCCs is to raise funds locally for district-based activities. UCAA planned to subsidise four meetings per year per DCC and it did so. However, UCAA did not achieve its target in getting its DCCs to meet monthly as is stipulated in its three-year strategic which stipulates that at least 90% of its DCCs successfully hold monthly meetings. In 2006, 2007 and in 2008, none of the DCCs held monthly meetings. Most of the DCCs only held a maximum of six to eight meetings in 2008 of which four were paid for by UCAA. Our Programme Officers who are in touch with the DCCs members reported that the DCCs were unable to meet on a monthly basis as planned because of the increase in the transport costs.

4.1.14. District Sign Posts – UCAA has been encouraging its DCAAs to put up signposts providing their contact information. UCAA planned to subsidise the costs of making signposts for newly formed DCAAs. During this reporting period, members of UCAA did not form any new DCAAs. By the end of 2008, UCAA had received confirmed reports that at least 55% (29) of its DCAAs had put up and were maintaining their sign posts.

4.1.15. Development Forums – throughout the year 2008, UCAA received confirmed reports that 42% (22) of its 53 DCAAs (DCCs and branches) conducted 79 development forums utilising resources that they themselves mobilised locally. These development forums were similar to the national development forum, though more focused at district, sub-county and community level. These forums provided a total of 2,283 poor rural men and women that participated in them with an opportunity to have their voices heard. The topics of discussion at the majority (36) of these forums were on economic development issues, such as income generating activities, group funds, selection of enterprises, savings and credit schemes, resource mobilisation, production and marketing. The topics of the other forums were on social development issues (28) such as domestic relationship, role of parents in educating children, family planning, sanitation and hygiene (15) such as leadership and government programmes. As stipulated in the UCAA three year strategic plans, UCAA did not meet its target in encouraging its DCAAs and branches to hold mobilise funds locally and to hold development forums. Where else the strategic plan stipulates that at least 70% of DCAAs each hold at least one development forum annually. In 2006, only 46% (24), 2007, 49 % (26) and 2008 42 % (22) of the DCAAs reported that they had held development forums using their internally generated funds.

4.1.16. DCAA Publicity Material – UCAA planned to produce and distribute district publicity material. The UCAA Programme Officers produced and distributed: District Information Sheets and The State of the

Regions Reports in which each of the districts in the region were publicised. Even though it was originally planned that UCAA would produce quarterly district bulletins for each of its DCAAs, due to their heavy workloads the Programme Officers could not find the time to produce them. However, UCAA is satisfied that the district information sheets, state of the region reports and the UCAA quarterly newsletters are adequately publicising the work of its DCAAs.

4.1.17. DCAAs Own Income Generation – UCAA planned to and encouraged its DCAAs to initiate own income generation (branch contributions, savings and credit schemes, governmental service providing contracts, etc.). One of the ways in which UCAA encouraged its DCAAs to mobilise resources locally was by discontinuing UCAA's financial support to DCAAs for conducting development forums. Of the Ush 37,455,558/= reported DCAAs income, only 50% (18,614,860) was reported to have been provided by UCAA. The remaining, 50% (18,840,698/=) of the DCAAs income was locally mobilised by the DCAAs themselves from fees, sales and grants. UCAA has met its target as stipulated in its three-year strategic plan that at least 40% of each DCAA's income is locally generated by the DCAA. In 2006, 59% of the DCAAs income was locally mobilised by the DCAAs themselves. In 2007, 71% of the DCAAs income was also mobilised locally by DCAAs themselves.

4.2. Impact Analysis: UCAA's Success in Stimulating Political Development Processes

UCAA subscribes to the school of thought that political development is a process in which the people of a community or nation democratically participate in political decision-making at the community level and in the election of their own representatives to higher levels so that decisions are made at the appropriate level, that accountability is increased, and corruption and favouritism eliminated. This is achieved through the elimination of the human causes of poverty and the development of unity and cooperation. UCAA through the activities described in this section and the previous section above, equipped poor rural men and women (change agents) with skills that helped these men and women to throw off the debilitating burden of personal disempowerment and motivated them to actively participate in decision-making processes that affect their lives.

UCAA set the following impact indicator as a means to measure its success in stimulating political development processes during its strategic period of 2006 to 2008 and at the end of 2008 UCAA's progress in achieving this indicator was as follows:

4.2.1. Election of Change Agents in Local Councils – That during 2006 to 2008 at least one third of Change Agents are elected Local Councillors at all levels (village, sub-county, municipal and district).

As at the end of the year 2008, of the 1,080 Change Agents reporting, 44% (479) reported that they are elected councillors. It is worth noting that of the Change Agents that are elected councillors 233 are female and 246 are male. The majority, 51% (246) are elected councillors at village level (elected 2001), 20% (96) at parish level, 25% (119) at sub-county level, and the remaining 4% (18) at district level.

One of the Change Agent who was elected district councillor is Doreen Odongtho, Vice Chairperson LCV for Nebbi District and one of the executive members and Secretary for Gender, Labour and Elderly, Disability and Community Services. She gave her testimonies as follows:

“Immediately after the Change Agent Training course which I attended in 1996, I gain a lot of popularity in my Sub country, Parombo which stimulated me to join politics in 1998 and contested for women Member of Nebbi District Local Government representing Parombo and Akuoro Sub counties which I won. In 2001 again, I again contested for the same post and I won with a big margin. In 2006, I was re elected unopposed and then I became the Vice chairperson LCV for Nebbi District. Change Agent training has helped me to build my political carrier by equipping me with the skills and knowledge. I always feel proud to associate and identify myself with UCAA which has become part and partial of my life. Therefore, I am advising my fellow citizens of Uganda to join UCAA so as to realise tremendous transformation in their lives”.

As at the end of 2008, UCAA had not achieved its target as stipulated in its three-year strategic that at least 50% of the Change Agents are elected local councillors. The UCAA Programme Officers have

explained that this is so, because some change agents prefer to be community development workers other than political leaders, since politics has become commercialised in Uganda and multi-party politics is challenging and some change Agent do not want to take sides in the Multiparty politics due to political violence. They also explained that most change agents will continue to pull out because they have been trained to fight dependency syndrome and spending money for politics is misdirected priority.

4.3. Challenges Facing UCAA in Stimulating Political Development

4.3.1. Insufficient Understanding of Multi-Party Democratic System of Governance - One of the assumptions that UCAA holds, on which its success in stimulating political development processes depends upon, is that Uganda's return to multi-party politics does not lead to greater sectarianism in Uganda. To a great extent this assumption is not holding true.

Uganda's return to the Multi-Party System has the potential to and to some extent is being utilised to nurture tensions amongst different groups of people, especially sectarianism (tribal and religious). Cases in point are the following situational reports given by the UCAA Programme Officers on how Uganda's return to the multi-party democratic system of governance is impact communities in their regions:

The Programme Officers gave explanations that the Change Agent are not willing to participate in the Multi Party democratic system of government because it involves a lot of intimidation. In addition, there is a misguided belief amongst members of parliament and the electorate, in general, that whilst debating in parliament the members of parliament may not articulate their own personal views, but that they must only articulate the expressed views of the party that they belong to. Therefore, to a great extent, the members of parliament are gagged and are not effectively representing their constituencies, since they are restricted from articulating opinions independent of their respective political party, even though they may be of special interest to their respective constituencies. Indeed, organisations such as the Uganda Joint Christian Council that are involved in governance monitoring are actively lobbying against practices in the individual parties that are gagging members of parliament.

UCAA subscribes to the school of thought that the participation of people in all aspects of their community is the true form of democracy. That they participate in contributing to the economic, social and political developments in their community is what determines whether they are a developed people and that their community is a developed one. This is as opposed to only measuring development in terms of the gross domestic product (GDP), for example. The measurement using the GDP does not take into consideration the proportion of the population that participated in generating and consuming the GDP. Development should work towards strengthening collective personality in which the men and women within a family, group or nation freely and richly express themselves. UCAA is committed to continue operating as a model association that allows for the members of its target group to genuinely participate in its governance. UCAA is convinced that the best way to teach good governance is through experiential learning. UCAA is committed to continue maintaining its character as a non-sectarian, non-religious and non-political association that does not discriminate in its membership on the basis of gender, ethnicity, religion or political differences.

4.3.2. High levels of Illiteracy – Perhaps the biggest challenge faced by UCAA, as we move further down to the grassroots, is the very high levels of illiteracy. Thousands of rural women and men are unable to read and write and are, therefore, unable to access UCAA training programmes, other development programmes, and to participate in decision making organs in their communities. During 2008, UCAA actively advocated for and pleaded with parents to send their children to school. UCAA's strategy of utilising Community Development Assistants and Sub-County Chiefs as its External Field Assessors is paying off, because in the process, these leaders have discovered that most of the members of self-help groups that the change agents are working with are illiterate. UCAA's advocacy in this area is bearing some fruit because some of the Change Agents who are working with those self help groups have connected to the Local Government Functional Adult Literacy classes. UCAA is hopeful that the government's Universal Primary Education programme will go a long way in mitigating this challenge in the future. However, in the meantime, UCAA has translated our key training materials to 14 Ugandan languages and we have training teams that are able to deliver training in the various Ugandan national languages. At every opportunity UCAA will advocate for more functional adult education programmes

intended to assist rural men and women to learn how to read and write, either in the Ugandan languages and/or in the official language of Uganda, which is English.

5. STIMULATING SOCIAL DEVELOPMENT IN RURAL AREAS OF UGANDA

It is part of UCAA's mission to ensure that poor rural men and women are able to initiate, manage and sustain their own self-reliant social development processes. UCAA, therefore, is directing our efforts to addressing the situation in which a large number of rural men and women in Uganda have a high level of dependency thinking, have accepted their social condition and are in apathy, and they despise themselves and think that they are inferior. In addition, UCAA is directing our efforts in addressing the situation of gender inequality. UCAA is doing this by facilitating processes that are enabling men and women at the grassroots to acquire psychologically emancipated attitudes.

The training courses described under the section of Economic Development above were instrumental in providing an opportunity to the rural men and women who participated in those courses to go through a process of conscious awakening. The participatory way in which the UCAA courses were organised by giving the participants the responsibility of making decisions on some aspects of the course organisation enabled the participants to realise their own abilities.

In addition, during 2008, UCAA carried out the following activities that led to a situation in which social capital was mobilised through the active participation of poor rural men and women in self-help groups through which they are initiating and sustaining their own self-reliant social development processes:

5.1. Activities UCAA carried out to Stimulate Social Development Processes

5.1.1. Nurturing the Volunteer Spirit - UCAA in fulfilment of its three-year strategic plan continued to encourage change agents to work voluntarily with self-help groups in their communities in order to promote positive change in their families and communities. One of the ways in which UCAA is promoting the volunteer spirit is through the UCAA Award of Merit to those outstanding Change Agents and other agents of change who make a significant contribution to the achievement of UCAA objectives. In April, during the National Delegates Assembly, the following Change Agents were awarded the UCAA Award of Merit: Ocamodek Albert of Kaberamaido, Bugiri Bulesa Branch, Hon. Tindamanyire of Bushenyi, Soroti DCAA and Northern Uganda Social Action Fund. UCAA included the details of the citations for these recipients in the 64th edition of its Newsletter published in 2008. UCAA has also posted these citations on its website.

In addition, UCAA annually recognises the volunteer work of hundreds of Change Agents by awarding these Change Agents certificates of recognition for their loyal service to UCAA for either 5 years, 10 or 15 years. During January to April, during the District Assemblies, the UCAA Board of Directors and the guests of honour at these assemblies presented the certificates to those that qualified.

In addition, UCAA is running competitions amongst its branches and amongst its DCAAs. UCAA annually judges its branches on 16 aspects including: registration with UCAA, payment of membership fees to UCAA National (full members, associate members and working partners), branch meetings, branch membership fees, branch accounts, attendance at District Development Forums, implementation of Small Group/Sub-County Development Forums, branch income generating activities, branch savings and credit schemes, branch consumer unions, attendance at District Assemblies, collection of UCAA monitoring forms). UCAA awards branches that achieve 150 points and above certificates of achievement. UCAA also awards prizes to the branches with the highest points in each of the nine UCAA Programme Regions prizes. UCAA also awards prizes to the three branches with the highest points in the whole country. The top three branches for the year 2007 were: Kiboga Town, Mayuge Central, and Lira Central and during the National Delegates Assembly they received their prizes.

UCAA judges its DCAAs on 7 aspects including: registration with UCAA, meetings of the District Coordinating Committees, accounts of the District Coordinating Committees, holding of District Development Forums, representation at UCAA Programme Branch Visits, attendance at functions of respective District Administrations and establishment of district offices. UCAA awards prizes to DCAAs that achieve 100 points and above certificates of achievement. UCAA also awards the DCAAs with the highest points in each of the nine UCAA Programme Regions prizes. UCAA also awards prizes to the

three DCAAs with the highest points in the whole country. The top three DCAAs for the year 2007 were: a, Lira, Kiboga and Soroti, and during the National Delegates Assembly, they received their prizes.

5.1.2. Register of Development Groups – UCAA in fulfilment of its three-year strategic plan for 2006 to 2008 continues to maintain registers of all self-help groups that Change Agents are working with. UCAA continued to up-date its registers in order to ensure that they have factual up-to-date information on these groups that UCAA can utilise for advocating for and with these groups. At the end of 2008, there were a total of 5,047 groups that were registered with UCAA.

5.1.3. Advocacy – UCAA has continued to advocate on and to raise consciousness on the negative effects of the activities of micro-finance lending institutions. UCAA's progress in advocacy in this area is articulate in the previous section of this report on stimulating economic development. In addition, the UCAA Programme Officer in Charge of South Western Region has conducted a research on the effectiveness of rain water harvesting as a strategy to reduce the workload of women in Busheyi district. Some of the findings of this research were: 1) Construction of water tanks requires structures like permanent and semi- permanent houses. Though rainwater harvesting is looked at as a solution to the reduction of workload of women, necessary structures are not available in every family 2) Income levels of most households limit the existence of the required structures for tank constructions. There are households with structures but income levels had gone down or taken by other expenses like education that construction of tanks is not thought of irrespective of knowing its value; and 3) since harvesting water directly reduces the workload of women, some men are not committed to contribute to the project. By the fact that majority are financial controllers in the household. The project is not speeding up in most communities. The findings also revealed that most of the households' heads are participating less actively in rainwater harvesting because they hope that ACORD and Local Government will give support. Women have not started strong income generating activities except cultural and handcraft groups. The study therefore, indicated that that there was inadequate understanding on the side of some men on how rainwater harvesting reduces the workload of a rural woman. His finding shows that there is need to fill this gap. Despite the above shortcomings reported, the findings also revealed achievements of rainwater harvesting. Respondents reported some positive benefits as follows: Child get time for revision instead of running many rounds to the wells for water, allocating extra time on gardening, hiring of water fetchers no longer costing families having tanks, hygiene improved because of effective water supply and workload of water fetchers (women) reduced. Indeed, the findings of this research were published in the 63rd edition of the UCAA Newsletter.

UCAA has achieved its target in its advocacy work in relation to the targets of its three-year strategic plan which stipulates that during the three-year period UCAA will advocate on at least three development issues of importance to self-help groups that Change Agents are working with.

5.1.4. Publishing UCAA Newsletter – UCAA planned to publish four quarterly editions of the UCAA newsletter during 2008 and it did so by publishing the 62nd, 63rd, 64th and 65th editions of its newsletter. The themes for these editions were on the LC1 and LC2 elections, family income, the kind of training microfinance clients should receive, and how inability to read and write can affect development. For the 62nd edition, 2,700 copies were printed and for each the other three editions, 2,660 copies were printed. Copies of these editions were circulated to UCAA members, UCAA funders, members of parliament, district administrations, relevant central government departments, and other NGOs. UCAA is progressing well in publishing editions of its newsletter in relation to the targets of its three-year strategic plan which stipulates that during the three-year period UCAA will publish 12 quarterly editions of its newsletter. Therefore, at the end of 2008, UCAA had published 12 of the targeted 12 editions.

5.1.5. Maintaining the UCAA Website: www.ucaa.or.ug – UCAA in fulfilment of its three-year strategic plan continues to maintain its website on which information on the work of UCAA, the Change Agents, the groups that the Change Agents are working with is published and through which the views of rural men and women are being accessed worldwide. In addition, in 2008 UCAA took the initiative to redesign its website.

5.1.6. Collaboration with Media Houses – UCAA received media coverage in the year 2008 informs of at least 12 photo stories and short stories published in the following national newspapers: Rupiny, Daily

Monitor, Orumuri, The New Vision and Etop. During 2008, the work of the Change Agents received mention in at least 106 radio programmes broadcast by various national radio stations.

Television coverage - the UCAA National Delegates Assembly, National Development Forum received wide television coverage on Uganda Broadcasting Corporation (UBC) Television, Record Television, Top Television and the work of UCAA was publicised in three other television programme on UBC Television and one on African Magic Television. In addition during the year 2008, the work of UCAA was publicised to hundreds of development managers, scholars and government representatives at 25 national conferences at which the UCAA staff members represented UCAA and also made presentations. A detailed UCAA media catalogue is available on request from the UCAA Secretariat in Kampala.

Therefore, UCAA did not meet its target in its collaboration with media houses in relation to the targets of its three-year strategic plan which stipulates that during the three-year period UCAA will have its work publicised in at least 60 newspaper articles and at least 350 radio programmes. In 2007, the work of UCAA was publicised 16 newspaper articles and 107 radio programmes. Therefore, at the end of 2008, the work of UCAA had been publicised in 53 of the targeted 60 newspaper articles and 333 of the targeted 350 radio programmes. However, we received reliable information from the UCAA Programme Officers that most of the media houses are very expensive of which UCAA can not afford. Therefore UCAA was able to use the one that they can afford only.

5.1.7. Fostering Relations with Local Government – throughout the year, UCAA continued to encourage its branches and DCAAs to participate in national events organised at district and sub county levels in fulfilment of its three-year strategic plan. During 2008, UCAA branches and DCAAs reported that they had participated in national events held in their respective districts as follows: Mayuge Change Agents in NRM Day, Lira and Kapchorwa Change Agents in the Women's day, Arua Change Agents in Anti-corruption week, Lira and Mbale Change Agents in Labour Day, Mpigi Change Agents in International Safe Motherhood Day, Lira, Mayuge, Arua and Bushenyi in Independence Day celebrations and Kampala Change Agents in 16th Annual book week festival. During the District Assemblies and Branch visits, UCAA Programme Officers continued to remind and encourage Change Agents to encourage the self-help groups that they are working with to foster formal linkages with their sub-county and district administrations.

5.2. Impact Analysis: UCAA's Success in Stimulating Social Development Processes

UCAA subscribes to the school of thought that social development is a process in which a community or nation mobilises through taxation and manages through their political structures resources required to establish and sustain its own social services such as education, health, transport and communications, water supply, etc. UCAA is convinced that through group action, rural men and women have a better chance of making progress in ensuring that their communities attain social development. UCAA has evidence to show that the Change Agents, for whom UCAA has facilitated a conscientisation process, are in turn doing the same at group level for thousands of rural men and women. These Change Agents are encouraging gender equality and cooperation of rural men and women through participation in self-help groups. UCAA continued to promote its simple gender policy of equal participation for both men and women in all UCAA structures and training activities.

UCAA set the following impact indicators as a means to measure its success in stimulating social development processes during its strategic period of 2006 to 2008 and at the end of 2007 UCAA's progress in achieving these indicators is as follows:

5.2.1. Formation of Associations – That by December 2008 Change Agents will have initiated the formation of at least 50 associations.

Throughout the year 2008, UCAA received reports that Change Agents initiated the formation of 140 associations countrywide. UCAA has met its target in achieving its impact indicator on Change Agents engaged and initiating the formation of associations. By the end of 2008, UCAA had achieved and surpassed its target of Change Agents initiating the formation of at least 50 associations by December 2008. An example of the Association formed in 2008 out of four self help group is Mushunga Development Association (MUDA). It has a membership of 150 (88 men and 62 women). The association members meet monthly and have satisfactory books of accounts. Their major activities are: savings and credit, food

security and homestead improvement. They reported that thirty loans were given out in 2008 totalling to Ush 4,520,000/= at an interest rate of 3% per annum. The association has a total value of assets worth Ush 1,500,000/=. The association was formed on the initiation of Kyabakama Ephraim, change Agent, Bushenyi district.

5.2.2. Linking Poor Rural Women and Men to Service Providers – That during 2006 to 2008 Change Agents link at least 150 self-help groups that they are working with to other service providers

During the year 2008, UCAA received reports that Change Agents linked at least 433 self-help groups to other service providers. A detailed analysis of the self-help groups that were linked by Change Agents is available on request from the UCAA Secretariat in Kampala. UCAA has achieved its target as stated in its impact indicator on Change Agents linking self-help groups to other service providers. At the end of 2008, UCAA had achieved and surpassed its target of Change Agents linking at least 150 self-help groups that they are working with to other service providers.

5.2.3. Change Agents Voluntarily Working with Self-Help Groups – That During 2006 to 2008 at least 90% of Change Agents will be voluntarily actively engaged with self-help groups.

During 2008, UCAA trained Change Agents reported that they were in contact and working with a total of 3,284 self-help development groups that had a total membership of 84,665 of which 38% (32,127) were men and 62% (52,538) were women. The 1,080 Change Agents that submitted census forms to UCAA during 2008 reported that they put in a total of 347,625 hours voluntarily doing their change agent work. Indeed, 70% (889) of the Change Agents reported that they were actively engaged with self-help groups and that they had assisted these groups to carryout their own group self-evaluations. UCAA did not meet its target. However, we are convinced that many of our Change Agents are actively engaged with self help groups but they don't fill and submit the UCAA monitoring forms. Some of the Change Agents are fully employed by the Government and other Civil Society Organisations and they do not have time to work with self help- groups.

5.2.4. Formal Linkages of Self-Help Groups with Local Administrations – That during 2006 to 2008 at least 70% of the self-help groups that the Change Agents are working with have formal linkages with their respective sub-county administrations and/or their respective district administrations.

In 2008, UCAA received reports that 26% (617) of the self-help groups that Change Agents are working with are formally registered with their respective district authorities. UCAA did not meet its target in ensuring that at least 70% of the Self help groups that the Change Agents are working with have formal linkages with their respective district administration. The UCAA Programme Officers explain that many self-help groups have not got any clear benefits of their registration and so they prefer to register for government programmes like Functional Adult Literacy, NAADS and NUSAF where they reap immediate financial benefits. In addition, the UCAA Programme Officers are of the view that some of the groups fail to raise registration fees required, but some simply neglect to either renew their registration, or register with the authorities in their respective areas of operation.

5.2.5. Gender Balance in Leadership of Self-Help Groups – That during 2006 to 2008 at least 50% of leaders of the self-help groups that Change Agents are working with will be women.

During the year 2008, of the 7,012 leaders, including chairpersons, secretaries and treasurers, reported by the self-help groups, 59% (4,137) were women. UCAA has met its target in achieving its impact indicator of gender balance in the leaders of self-help groups that Change Agents are working with. In 2006, of the group leaders reported, 60% were women and in 2007, of thee leaders reported 58% were women. Therefore, at the end of 2008, UCAA had achieved and surpassed its target of at least 50% of the leaders of self-help groups that Change Agents are working with are women.

5.2.6. Gender Balance in Education of Children – That during 2006 to 2008 at least 50% of children of the members of self-help groups that Change Agents are working with that are in higher education will be female.

During 2008, the self-help groups reported their members were supporting a total of 108,490 children in primary education of which 50% (54,267) were female. They reported that a total of 53,109 children of their members had completed primary school of which 49% (26,030) were female. They reported that their members were supporting a total of 35,549 children in secondary school of which 47% (16,753) were female. They reported that their members were supporting a total of 11,487 children in higher institutions of learning of which 43% (4,979) were female. They reported that their members were supporting a total of 3,925 children in university of which 44 % (1,735) were female. UCAA did not meet its target in achieving its impact indicator of female children being supported for higher levels of education. The UCAA Programme Officers explain that, in general, this is so because most of them get pregnant at an early age and some parents give up on their girl children. In addition, cultural influence where some girls still reason that they have to marry at the expense of their education and some religious practices which prohibited girls to be sent to school and instead they are given for marriage. Drop out of girl child is still high due to increasing cost of living. Girls leave school to come and supplement family labour and income generation. In 2008, UCAA has tried network with other organisations that are working in the area of advocacy for girl child education, with the view of urging them to campaign to change the negative attitude of not supporting girl children education.

5.2.7. Gender Balance in UCAA's Immediate Beneficiaries – That during 2006 to 2008 50% of all participants on UCAA sponsored courses will be women.

Of the 1,808 immediate beneficiaries that participated in the training courses (change agent training courses, training of trainers courses, self-reliant participatory development training courses, management training courses and accountancy training courses) that were sponsored by UCAA and its DCAAs in 2008, utilising the external grant funding from its funding partners and DCAAs own income, 57%% (1,032) were female. UCAA has met its target in achieving its impact indicator of gender balance in participants in UCAA sponsored courses. In 2006, of the 3,961 beneficiaries 51% (2,035) were women and in 2007, of the 3,885 immediate beneficiaries, 53% (2,042) were women. Therefore, at the end of 2008, UCAA had achieved and surpassed its target of ensuring that 50% of participants in UCAA sponsored training courses are women.

5.2.8. Gender Balance in UCAA Governance – That during 2006 to 2008 at least 50% of participants in UCAA decision-making organs will be women.

Of the 910 participants in the UCAA decision-making organs (national delegate's assembly, board of directors, officers of district coordinating committees, officers of branches, and the UCAA Secretariat) in 2008, 51% (468) were female. In 2006, of the 787 participants in UCAA decision making organs 47% (366) were female and in 2007, of the 918 participants in UCAA decision making organs 47%(433)were female.

Therefore, in 2008, UCAA has met its target in achieving its impact indicator of gender balance in the participants in its decision-making organs. In 2006-2007, the gender imbalance was in favour of men because most of the leaders of UCAA district coordinating committees and branches were male dominated but in 2008, UCAA made a lot of sensitization and therefore encouraging women to participate in UCAA decision making organs.

6. UCAA's PERSONNEL (FULL-TIME PAID PROFESSIONAL STAFF)

UCAA planned to have a cadre of 23 full-time paid staff members during 2006 to 2008. However, UCAA has a total of 25 staff positions that are approved by its National Delegates Assembly. In June, UCAA held an annual planning seminar in which its Secretariat was also part of the discussion. This seminar recommended that UCAA should fill in the position of an Advocacy Officer in order to better handle its advocacy workload. In September therefore, UCAA filled its position of Advocacy Officer through the recruitment of Pedun Gladys who has worked with UCAA since May 2006 when she joined as a volunteer. In February, UCAA Board of Directors decided not to renew the employment contract of Mafabi James as Programme Officer for Eastern Region and Aduto Margaret was recruited as the new Programme Officer for Eastern Region. In addition, in September, the UCAA Board of Directors decided not to renew the employment contract of Oyaro Hallan as Programme Officer Northern. UCAA has contracted Apio Christine Immaculate as the New Programme Officer for Northern. One of the four UCAA drivers, Abdul Owor ended his employment contract with UCAA in December 2007 in order to take up employment with an international NGO in Sudan. In December, UCAA completed the process of recruiting two new drivers to fill the two vacant positions of the two UCAA drivers. By the end of the year, UCAA had filled 24 of the 24 staff positions for the year 2008.

There were no major changes in the UCAA personnel and by the end of 2008 UCAA had filled 24 of the 24 staff member positions with full-time paid staff members.

7. UCAA's OTHER HUMAN RESOURCES (VOLUNTEERS, CHANGE AGENTS, AND DEVELOPMENT WORKERS)

UCAA also had access to the following trained Change Agents and UCAA members who assisted the UCAA Secretariat in implementing the approved UCAA programmes of 2008.

Full Members - As of 31st December 2008, there were a total of 3, 765 living Change Agents and of these Change Agents 49% (1,791) of them were female and 51% (1,862) were male. Of these Change Agents, 62% (2,073) of them were UCAA Full Members. Of these who were Full Members of UCAA, 49% (1,013) were female and 51% (1,060) were male. Of the UCAA Full Members, 62% (2,075) of them were fully paid up members, after having paid their membership fees (Ush 5,000) to UCAA for 2008. It is worth noting that since the provision of Life Membership was set up, 8% (161) of the Full members have paid Life Membership Fees. Sadly, eight of those who had paid Life Membership have since passed away. The membership of 5 of those that had paid life membership fees was terminated because of their misconduct. At the end of 2008, therefore, there were a total of 153 living Full Members who are Life Members. Of the Life Full Members 52% (84) were female and 48% (70) were male.

Associate Members - By the end of 2008, a total of 193 Community Agents of Change had joined UCAA as Associate Members. Of these, 39% (75) were female and 61% (118) were male. It is worth noting that one of the male Associate Members have paid Life Membership Fees to UCAA.

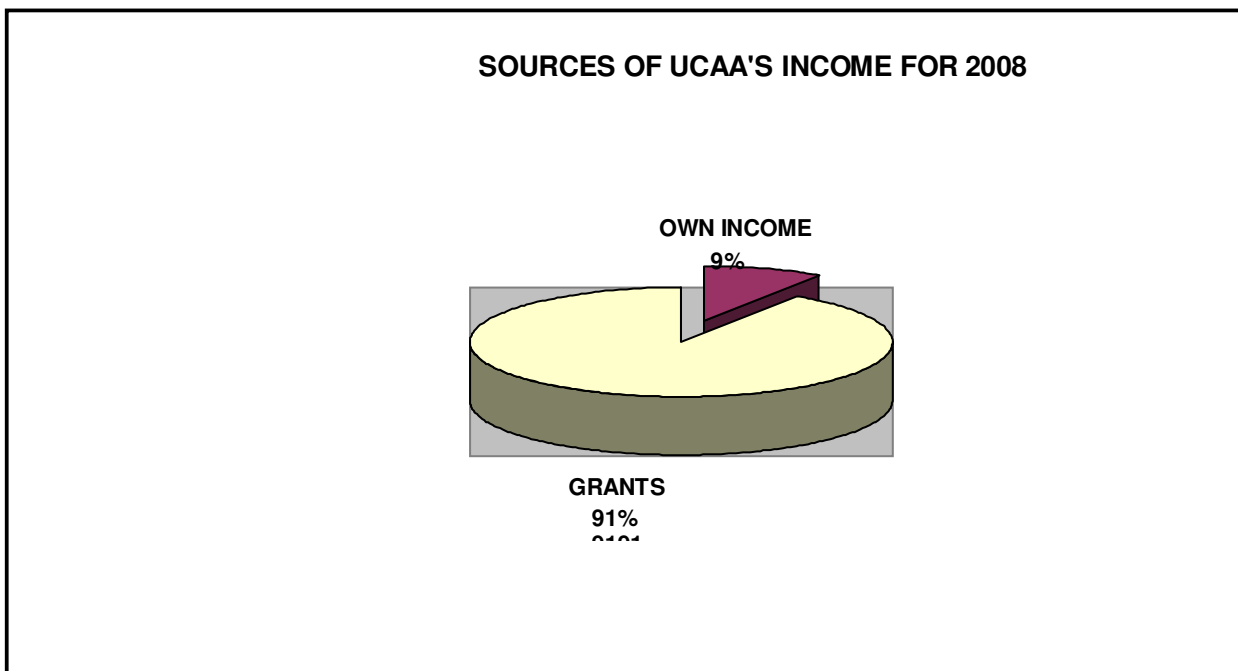
Working Partners - By the end of 2008, UCAA had a total of 71 Individual Working Partners and 8 Institutional Working Partners. Of the individual working partners, 41% (29) were female and 59% (42)

were male. It is worth noting that 24 of the Individual Working Partners (16 male and 8 female) have paid Life Membership fees and that 3 of the Institutional Working Partners, Quaker Peace and Service, Concern Worldwide – Katakwi and Enhancement of Universal Primary Education in Kampala (EUPEK) Project have also paid Life Membership fees.

8. UCAA’s FINANCIAL RESOURCES

In general, the year 2008 was a good year for our Association. This is because we managed to obtain all of the funds that we required for the implementation of all of our plans for the year. We were able to raise 112% (Ush 876,188,567/=) EUR 359,094 of our budgeted income for the year.

8.1. Expenditure – UCAA’s total annual expenditure for the year 2008 was Ush 773,889,009/= (EUR 317,167) against a budget of Ush 852,097,700/= (EUR 349,220). Of note is that 1.73% (Ush 13,397,000/=) EUR 5,491 of the annual expenditure was on capital expenses for the purchase of the following fixed assets: Inverter system batteries, blackboards computers and accessories.



8.2. UCAA’s Own Income – During 2008, UCAA generated own income totalling Ush 80,824,289/= (EUR 33,125) against an annual budget of Ush 95,390,000/= (EUR 39,094). This income was generated from net income from contracts and consultancies that UCAA undertook, profits on sales of UCAA training materials and items, training fees, membership fees, participation fees, local donations, advertising income, rent of shops, hire of UCAA equipment and vehicles, interest income, sale of fixed assets. Therefore, in 2008, UCAA contributed its own total income of Ush 81,026,289/= (EUR 33,207), which was 9% of the total income that covered its annual expenses for 2008. A detailed breakdown of UCAA’s own income is contained on page 4 of UCAA’s Audited Financial Statements for the year ended 31st December 2008 that was prepared by UCAA’s external auditors, Carr Stanyer Sims & Co., which UCAA will send together with this report to all its funding partners. In addition, UCAA has prepared a funding grid that together with this report it will send to its funding partners showing which sources of funding covered which expenditures.

8.3. External Grant Funding – UCAA is indebted to all our funders: ICCO - Netherlands, HIVOS - Netherlands, Danish Church Aid - Denmark, Bread for the World – Germany, Finnish Church Aid – Finland and Quaker Hilfe – Germany who together granted UCAA a total of Ush 795,162,278/= (EUR 325,886) for our programmes in the year 2008, against our annual budget for external grant funding of Ush 716,558,000/= (EUR 293,671). Therefore, in 2008, our funding partners contributed 91% of the total income that covered UCAA’s annual expenses for 2008.

A detailed breakdown of external grant funding is contained on page 11 of UCAA’s Audited Financial Statements for the year ended 31st December 2008 that was prepared by UCAA’s external auditors, Carr

Stanyer Sims & Co., which UCAA will send together with this report to all its funding partners. In addition, UCAA has prepared a funding grid that together with this report it will send to its funding partners showing which sources of funding covered which expenditures.

8.4. UCAA Reserve Funds – UCAA appreciates that, because of the nature of our work and of our target group, it is quite unlikely that UCAA can ever become financially self-sufficient. UCAA will continue to require external financial assistance in the long term. Since the Government of Uganda has the burden of servicing a high external debt and does not have the culture of providing NGOs with funding, UCAA, like most Ugandan NGOs, will continue to be dependent on external grant funding. However, UCAA is putting in efforts to diversify its funding base and to build reserve funds from our own internally generated income. We are struggling to build up the necessary reserves from our own income that can be invested meaningfully without interfering with the implementation of UCAA programmes. In 2008, progress was made as follows:

8.4.1. Programme Fund: At the end of 2007, the unrestricted UCAA Programme Fund had accumulated to Ush 26,325,809/= (approximately EUR 10,789) from the accumulated surplus of UCAA income from the previous years. At the end of 2008, the UCAA Programme Fund was valued at Ush 119,174,152/= (approximately EUR 48,842).

8.4.2. Endowment Fund: At the end of 2008, this fund which is composed of funds that UCAA has set aside for investment had grown to Ush 1,034,737/= (approximately EUR 424). During 2008, UCAA invested funds in a Uganda shilling interest earning fixed deposit account with Centenary Rural Development Bank earning UCAA total interest income of Ush 1,034,737/= (EUR 424).

8.4.3. Publicity (Chairperson's) Fund: This is a small fund to which members of the UCAA Board of Directors make monthly contributions during their meetings. These funds are set aside for the Board to utilise for publicity activities at their discretion. At the end of 2007, this fund was valued at Ush 136,000/= (approximately EUR 55). During 2008, the UCAA Board of Directors made contributions to this fund totalling Ush 277,000/= (EUR 114), therefore increasing the fund to Ush 413,000/= (approximately EUR 169). However, during the year, the UCAA Board of Directors authorised the transfer of Ush 202,000/= (approximately EUR 82) of these funds to income, in order to cover the costs of the study tour that the UCAA Board of Directors took to Jinja Busede Branch of UCAA, the source of the Nile and Bujagali Falls in Jinja. At the end of 2008, therefore, this fund was valued at Ush 211,000/= (approximately EUR 86).

8.4.4. Life Membership Fund: At the end of 2007, this fund, which is composed of life member fees paid by UCAA members, had grown to Ush 8,033,190/= (EUR 3,292). During 2008, UCAA invested these funds in a Uganda shilling interest earning fixed deposit account with Centenary Rural Development Bank earning total interest income of Ush 200,749/= and, therefore, increasing this fund to Ush 8,233,939/= (EUR 3,374). During the year, other UCAA members paid life membership fees to UCAA adding a total of Ush 550,000/= (EUR 225) to this fund, therefore, increasing it to Ush 8,783,939/= (approximately EUR 3,600). However, during the year, the UCAA Board of Directors authorised the transfer of Ush 840,000/= (EUR 344) of these funds to income in order to cover the annual membership fees of the living UCAA Life Members who had paid their life membership fees prior to 2008. At the end of 2008, therefore, this fund was valued at Ush 7,943,939/= (approximately EUR 3,256).

8.4.5. Staff Gratuity Fund: UCAA has a staff policy that empowers the UCAA Board of Directors to give gratuity payments to staff members leaving UCAA after having successfully fulfilled their employment contracts. UCAA, therefore, is setting aside funds in the event that the Board of Directors choose to give a gratuity payment to a departing staff member. At the end of 2007, this fund had accumulated to Ush 5,503,172/= (EUR 2,255). During the year, UCAA made additions of Ush 1,807,866/= (EUR 740) to the gratuity fund to reflect the period of service for each staff member, therefore, increasing this fund to Ush 7,311,038/= (approximately EUR 2,996). However, during the year, UCAA made a gratuity payment valued at Ush 328,958/= (EUR 134) to Abdul Owor, a former UCAA Driver, for his service to UCAA. This gratuity payment, therefore, reduced this fund to Ush 6,982,080/= (EUR 2,861) at the end of 2008.

9. UCAA BUILDINGS AND LAND

UCAA continues to own and maintain Change Agent House located on Plot 30 Rashid Khamis Road in Kampala in which the UCAA Secretariat and the UCAA Central Region Offices are housed. UCAA leased Plot 30 Rashid Khamis Road for 49 years effective 1st January 2002. In addition, UCAA continues to sub-lease a plot of land (12m x 12 m) from the Uganda National Farmers Federation on which another Change Agent House is built at the Agriculture Show Ground in Jinja. At the end of 2008, the UCAA auditors valued the UCAA land and buildings at a book value of Ush 79,271,817/= (EUR 32,488). UCAA continues to rent offices in Arua for its West Nile Region Office, Lira for its Northern Region Office, Mbale for its Eastern Region Office, Fort Portal for its Western Region Office and Mbarara for its South-Western Region Office.

10. OTHER FIXED ASSETS

By the end of 2008, UCAA owned three Toyota Hilux Four Wheel Drive Double-Cabin Pick-ups that it utilises for the implementation of its countrywide programmes. The fourth car that had become very old and could not function well had been sold off and the proceeds collected used as a deposit for the purchase of the new vehicle, a double cabin pick – up, at the authorisation of the UCAA Board of Directors. This new vehicle has since been purchased in January 2009. At the end of 2008, the UCAA auditors valued these motor vehicles at a book value of Ush 61,210,383/= (approximately EUR 25,086). UCAA owns an assortment of computers and computer accessories that its officers are utilising in the implementation of its programmes. At the end of 2008, the UCAA auditors valued the UCAA computers and accessories at a book value of Ush 17,995,052/= (EUR 7,375). UCAA also owns an assortment of office furniture, office equipment and training equipment that it utilises in the implementation of its programmes. At the end of 2008, the UCAA auditors valued this furniture and equipment at a book value of Ush 24,039,618/= (EUR 9,852).

11. MONITORING AND EVALUATION

11.1. Programme Internal Monitoring: During the year, UCAA circulated its two internal monitoring tools as follows: Change Agent Census Form to all trained change agents to complete and return to UCAA, and the Group Self-Evaluation Report Form (GSE Form) to groups that change agents are working with to fill and return to UCAA. A total of 1,273 (34%) of the 3,653 Change Agents living in Uganda completed and returned Census Forms to UCAA during 2008. Similarly, a total of 2,348 (46%) of the 5,043 groups registered with UCAA completed and returned GSE Forms to UCAA. Indeed, the impact analyses contained in this report are based on the data from these forms that were completed and returned to UCAA.

11.2. Programme External Impact Assessment: During the year, the UCAA contracted External Field Assessors (EFAs) carried out their fourth annual assessment visits to the 25 groups that UCAA selected and the External Field Assessors first visited during 2005. In addition, the UCAA contracted EFAs carried out their third annual assessment visits to the 44 groups that UCAA selected and the External Field Assessors first visited during 2006. In addition, UCAA contracted External Field Assessors carried out their second annual assessment visits to another 29 groups that Change Agents who were trained during 2007 CAT Courses are working with. Indeed, some of the data generated from these assessments is utilised in the impact analyses contained in previous sections of this report. The list of the contracted EFAs is available on request from the UCAA Secretariat in Kampala. Of note is that of the 23 EFAs that UCAA has contracted, 83% (19) are community development officers or assistants employed by District Administrations.

During the year 2008, in April, an external consultant was contracted with the help of Hivos, one of the UCAA funding partners to appraise UCAA's impact assessment tools. The terms of reference for the appraisal of UCAA's impact assessment tools include: 1) Evaluate the effectiveness of UCAA's impact assessment tools in providing the relevant information on the progress of the individual members of self-help groups as well as the self-help groups that UCAA trained change agents are working with; 2) Evaluate the effectiveness of UCAA's electronic data registers in processing, storage, retrieval and analysis of the impact assessment data collected; 3) Evaluate the effectiveness of the human capacity of the Secretariat to collect and process the impact assessment data; 4) Evaluate the ability of the external field assessors contracted by UCAA to collect the information and 5) Evaluate the quality of the data and form an opinion as to whether the impact assessment tool is an effective replacement of external

evaluations as experienced by UCAA. The recommendations of this exercise were used by UCAA as a basis for drawing up its five-year strategic plan for the period 2009 to 2013.

12. CONCLUSION

UCAA is satisfied that during 2008 we were able to carry out most of our activities as planned and that we moved in the right direction in contributing towards the achievement of our mission of poor rural men and women able to initiate, manage and sustain their own self-reliant social, political, and economic development processes; and vision of standards of living in households of poor rural men and women improved through the self-reliant participatory efforts of members of these households.

UCAA has evidence to show that the volunteer work of its trained Change Agents is impacting positively on the lives of thousands of poor rural men and women countrywide. Indeed, during 2008, of the 74,006 members of self-help groups that responded to the survey of whether their standards of living (SOL) had improved during the year, 69% (51,384) of them indicated that they felt that their SOL had improved. Similarly, of the 1,644 members of self-help groups participating in the UCAA External Impact Assessment, 70% (1,156) indicated that their SOL had improved during the year. These members that were assessed indicated that their SOL had improved in the following areas as follows: 68% (789) of the members felt their SOL had improved in the area of improved households items, 67% (775) in the area of acquiring livestock, 46% (528) in the area of improved business, 27% (313) in the area of improved recognition, 20%(227) in the area of acquiring land, and 10% (125) in improved transport equipment.

We are grateful to our funding partners for their continued valuable financial support, without which UCAA would not be able to carry out our programmes. UCAA is also indebted to our funding partners for their moral support that provides us with the motivation to go on.

UCAA is also grateful to the relevant government departments and other development agents who are supportive of our work.

UCAA recognises the invaluable efforts of our volunteer change agents countrywide, who continue to invest their time and other resources in facilitating processes that are empowering rural men and women at the grassroots. Without those committed rural men and women and all those men and women who are working hard to bring themselves out of poverty UCAA would have no reason to exist.

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