

1. EXECUTIVE SUMMARY

Uganda Change Agent Association (UCAA) has successfully completed two of the three years of its current three-year strategic plan that is titled "Capacity Liberation for Economic, Political and Social Development" for the period 2006 to 2008. The year 2007 was the second year of this strategic plan. 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 and our vision. UCAA's mission is 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. UCAA's vision is that standards of living in poor rural households improved through self-reliant participatory efforts of members of those households.

UCAA carried out activities intended for the stimulation of economic development 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 that contributed to increasing their incomes at household levels.

UCAA carried out activities intended for the stimulation of political development 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 found the confidence to stand for office, were elected members of parliament and local councillors and are effectively representing their constituencies.

UCAA carried out activities intended for the stimulation of social development 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. The 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.

There was a major change in the UCAA leadership which saw Lucy Akello Ayena take over on 1st September as Executive Director from Norah Owaraga who left to further her career after successfully completing her four-year contract.

UCAA continued to maintain its asset base and to utilise these assets in a frugal manner. These assets included full-time paid professional staff, volunteer Change Agents and development workers, financial resources, buildings, land, vehicles, training and office equipment. UCAA was able to generate its own income that covered 14% of its expenses in the year 2007. UCAA funding partners continued to show confidence and trust in the work of UCAA through their generous financial contributions that contributed to 86% of the income that covered UCAA's expenses in 2007.

UCAA faced challenges that are 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 nation, Uganda, at large. UCAA liberated the capacities of thousands of poor rural men and women and the standards of living in the households of these men and women improved through their own efforts.

Dr. Maggie Kigozi
UCAA Patron

2. INTRODUCTION

The current three-year strategic plan (2006 to 2008) for Uganda Change Agent Association (UCAA) is titled "Capacity Liberation for Economic, Political and Social Development".

The year 2007 was the second year of this strategic plan. This report, therefore, is of two purposes. It is an end of year report detailing UCAA's work during the year 2007 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 contains analysis comparing UCAA's performance in 2007 to UCAA's performance in 2006 and a projection to what extent UCAA will be able to achieve its set targets for the three-year period 2006 to 2008.

It is important to note that the 53 UCAA District Change Agent Associations (DCAAs) and the 202 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 has prepared its own annual reports that are being discussed and approved at the respective UCAA district assemblies that are ongoing from January to April 2008. In addition, special reports from the DCAAs and branches during the year 2007 were included in the four editions of the UCAA Newsletter that were published during the year.

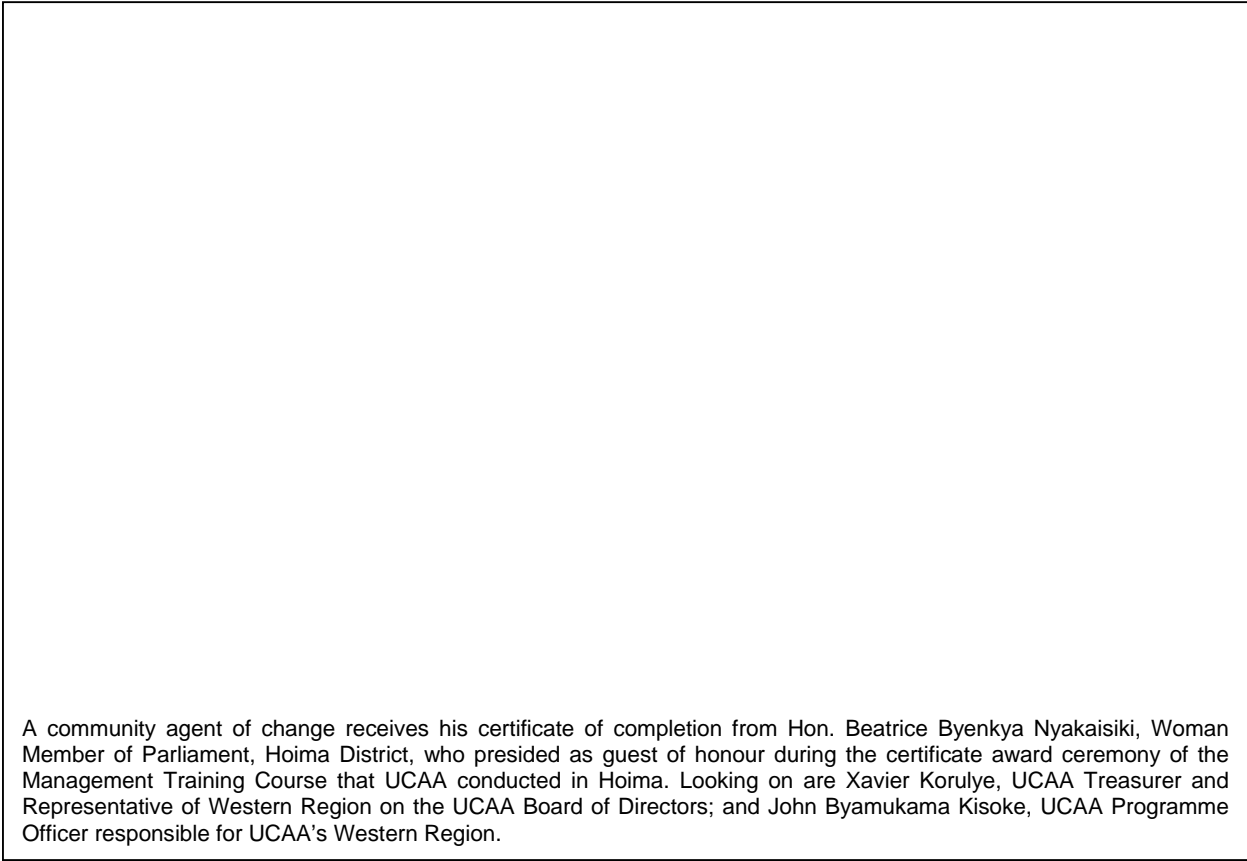
Norah Owaraga, former Executive Director, was contracted by UCAA to prepare this report, which she did in close consultation with the UCAA directors and programme officers. This report was approved by the UCAA Board of Directors during their meeting held on 8th March 2008.

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 26th April 2008 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 details UCAA's progress in achieving our mission and contributing to our vision during the year 2007:

3. STIMULATING ECONOMIC DEVELOPMENT IN RURAL AREAS OF UGANDA



A community agent of change receives his certificate of completion from Hon. Beatrice Byenkya Nyakaisiki, Woman Member of Parliament, Hoima District, who presided as guest of honour during the certificate award ceremony of the Management Training Course that UCAA conducted in Hoima. Looking on are Xavier Korulye, UCAA Treasurer and Representative of Western Region on the UCAA Board of Directors; and John Byamukama Kisoke, UCAA Programme Officer responsible for UCAA's Western Region.

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 2007 for Stimulating Economic Development

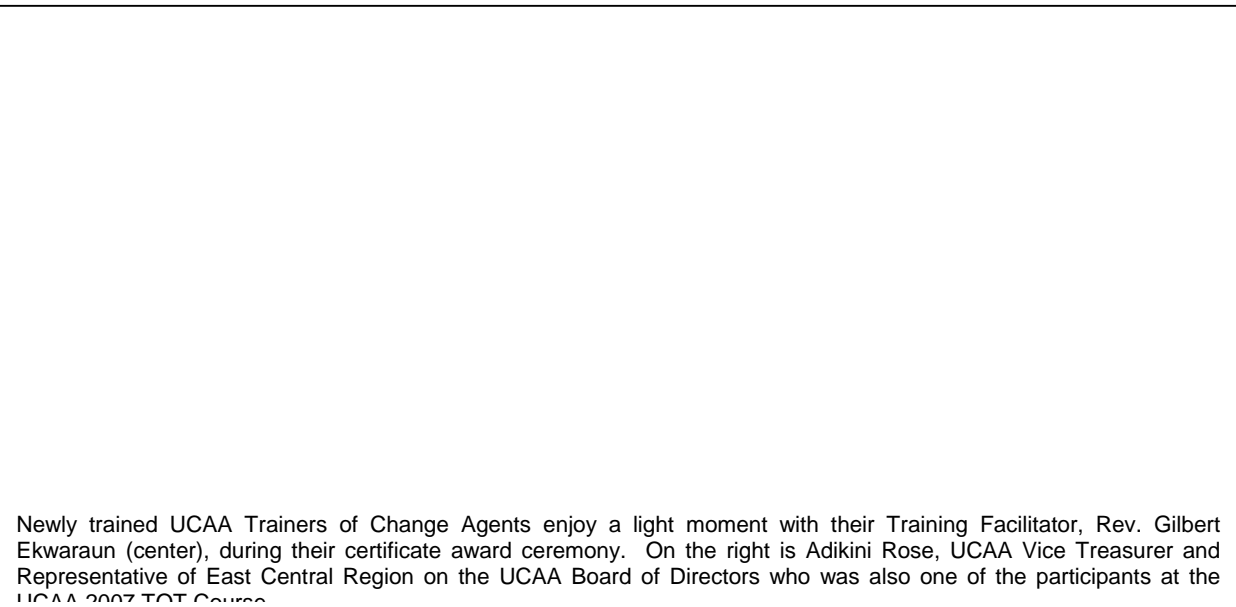
During this reporting period, the year 2007, UCAA carried out the following training activities in order to equip change agents with the knowledge and skills for economic development:

3.1.1. Change Agent Training (CAT) Courses – UCAA planned to conduct 10 CAT Courses to train at least 200 Change Agents during 2007. Eight of the ten planned CAT Courses were successfully conducted in the districts of Yumbe, Pader, Mbale, Mayuge, Wakiso, Rakai, Kanungu and Bundibugyo, training a total of 183 community leaders (91 female and 92 male) as Change Agents. In addition, Bukonzo Joint Cooperative Micro-Finance Society Ltd., an association that the Change Agents of UCAA Bukonzo East (Kasese) Branch initiated the formation and are working with, requested UCAA for partial sponsorship for them to conduct a CAT course in Kasese for their members. This course was successfully conducted training an additional 24 community leaders (13 female and 11 male) as Change Agents. In addition, on contract from CONCERN in Katakwi, UCAA successfully completed the CAT Course it began in Amuria in late 2006 training a total of 19 community leaders (9 female and 10 male) as Change Agents. Therefore, during 2007, UCAA conducted a total of ten CAT Courses that trained a total of 216 community leaders (113 female and 113 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 30,000/= 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 is progressing 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. Therefore, at the end of 2007, UCAA had conducted 18 of the planned 30 courses for the three-year strategic period training 426 of the targeted 600 Change Agents. The remaining twelve courses will be conducted in 2008 and will train at least 240 Change Agents. Of note is that at the end of 2007 and since the beginning of the CAT Programme in 1991 a total of 153 CAT Courses had been conducted training a total of 3,888 Change Agents in Uganda. Of these trained Change Agents, 51% (1,986) were men and 49% (1,902) were women.

The two planned CAT course that were not held were supposed to have been held in Kotido and Kalangala Districts. However, due to the increased insecurity in Karamoja, UCAA decided to cancel the course that was supposed to be held in Kotido. Preparations for UCAA to conduct a CAT Course in Kalangala were made, but only 4 of the 25 selected trainees turned up for the 1st workshop and so this course was also cancelled. Investigations reveal that the responsible UCAA Programme Officer neglected to conduct the final selection workshops for the Kalangala CAT Course and this explains why the turn up was low.



Newly trained UCAA Trainers of Change Agents enjoy a light moment with their Training Facilitator, Rev. Gilbert Ekwarau (center), during their certificate award ceremony. On the right is Adikini Rose, UCAA Vice Treasurer and Representative of East Central Region on the UCAA Board of Directors who was also one of the participants at the UCAA 2007 TOT Course.

3.1.2. Training of Trainers (TOT) Course - UCAA planned to conduct one course in 2007 to train at least 20 Trainers of Trainers. This course was successfully conducted training a total of 24 Change Agents (13 female and 11 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 150,000/= each. The course content included all aspects of the organisation, facilitation and management of residential CAT Courses. UCAA is progressing 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. Therefore, at the end of 2007, UCAA had conducted 2 of the planned 3 courses for the three-year strategic period training 49 of the targeted 60 Trainers of Change Agents. The remaining one course will be conducted in 2008.

Of note is that at the end of 2007 a total of 350 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 2007, a total of 340 Ugandan Trainers of Change Agents had been trained. Sadly, 23 of the Ugandan Trainers have since passed away. Eight of the Uganda Trainers are now full-time paid UCAA staff members (Executive Director, Programme Director and six Programme Officers) 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 202 active trainers of Change Agents of which 53% (107) are male and 47% (95) are female that are available to facilitate CAT Courses. The trainers that are available are able to form training teams that can facilitate CAT Courses in the following Ugandan languages: Acholi (13), Alur (6), Ateso (15), Dhopadhola (6), Kakwa (7), Kumam (3), Kupsabiny (4), Lango (19), Lhukonzo (10), Lubwisi (4), Lufumbira (5), Luganda (21), Lugabara (5), Lugwere (3), Lumasaba (6), Luruli (1), Samia (4), Lusoga (13), Madi (20), Ngakarimojong (4), Rukiga (7), Runyankole (8), Runyoro (9) and Rutooro (10).

3.1.3. Training of Community Leaders in Self-Reliant Participatory Development Methodologies (SRPD Training Courses) – UCAA planned to conduct 50 SRPD Training Courses to train at least 1,000 Community Agents of Change during 2007. UCAA, through its DCAAs, successfully conducted 45 SRPD Courses that trained 1,108 Community Agents of Change, of which 54% (601) were female and 46% (507) were male. The duration of each of the courses was 28 days of training that were divided up into fourteen 2-day non-residential training workshops. The course content for these courses was similar to that of the CAT Courses, however, the depth and breadth of the discussions during these courses was not as extensive as for the longer residential training courses. 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. In 2007, UCAA had an income budget deficit and so the UCAA Board of Directors decided that the remaining 5 planned SRPD courses for the year should not be held. However, UCAA is progressing 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. In 2006, UCAA successfully conducted 52 SRPD courses that trained a total of 1,247 Community Agents of Change. Therefore, at the end of 2007, UCAA had successfully conducted 97 of the planned 150 courses training 2,355 of the targeted 3,000 Community Agents of Change. It is planned that in 2008 UCAA will aggressively market and offer the remaining 53 courses to other organisations on contract basis. UCAA also plans to encourage its branches and district associations countrywide to mobilise local resources for them to conduct SRPD courses.

In addition, in 2007, UCAA received reports that its Bushenyi DCAA mobilised resources locally and sponsored another one SRPD Training Course that trained another 25 Community Agents of Change (13 female and 12 male).

3.1.4. Management Training Courses for Community Leaders – UCAA planned to conduct 50 Management Training Courses that would train 1,000 community leaders in 2007. UCAA successfully conducted 52 courses that trained 1,325 community leaders of which 52% (693) were female and 48% (632) 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. 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 is progressing 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. In 2006 UCAA successfully conducted 51 courses that trained 1,278 community leaders. Therefore, at the end of 2007, UCAA had successfully conducted 103 of the planned 150 courses training 2,603 of the targeted 3,000 community leaders. It is planned that in 2008 UCAA will aggressively market and offer the remaining 47 courses to other organisations on contract basis. UCAA also plans to encourage its branches and district associations countrywide to mobilise local resources for them to conduct management training courses.

Margaret Kihika, is one of UCAA's trainers of trainers of Change Agents. She is also an elected Local Councillor and is the Deputy Mayor of Fort Portal. In 2006, she was among the five recipients of the UCAA Award of Merit for amongst others, using the Change Agent Methodology, in her participation within Fort Portal Municipal council and to some extent the Mayor has adopted aspects of the methodology. The Mayor now behaves like a Change Agent!! Here she makes a contribution during the UCAA National Delegates Assembly.

Yasinta Nyamahunge, is one of UCAA's trainers of trainers of Change Agents. In 2004, she was among the five recipients of the UCAA Award of Merit for amongst others, being instrumental in maintaining linkages on behalf of UCAA and the Change Agents of Hoima with other NGOs, other development actors and the district administration in Hoima. Yasinta was instrumental in enabling the change agents of Hoima to be contracted by the Hoima District Administration, to participate in the mobilization of community groups for the CHAI HIV/AIDS initiative in Hoima. Yasinta acts as a valuable strong link of UCAA and the change agents of Hoima District with the Community Development Office of Hoima District and the Hoima District NGO Forum.

3.1.5. Accountancy Training Courses for Community Leaders – UCAA planned to conduct 50 Accountancy Training Courses to train at least 1,000 community leaders during 2007. UCAA successfully conducted 50 courses that trained a total of 1,221 community leaders of which 52% (631) were female and 48% (590) were male. The duration of these courses was three days of 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 is progressing 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. In 2006, UCAA successfully conducted 50 courses training 1,160 community leaders in accountancy. Therefore, at the end of 2007, UCAA had successfully conducted 100 of the planned 150 courses training 2,381 of the targeted 3,000 community leaders. It is planned that in 2008 UCAA will aggressively market and offer the remaining 50 courses to other organisations on contract basis. UCAA also plans to encourage its branches and district associations countrywide to mobilise local resources for them to conduct accountancy training courses.

3.1.6. Auditors Training Course – UCAA planned to conduct one Auditors Training Course to train at least 20 Change Agents as auditors. However, the UCAA Programme Department after a detailed analysis of the already trained UCAA auditors concluded that UCAA had enough trained auditors to fulfil its auditing requirements for 2007. In consideration of UCAA's 2007 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 is not progressing 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.

Therefore, at the end of 2007, UCAA had only conducted one of the planned 3 courses training only 17 of the planned 60 Change Agents as auditors. It is planned that in 2008 UCAA will aggressively market and offer the remaining two courses to other organisations on contract basis. UCAA also plans to encourage its branches and district associations countrywide to mobilise local resources for them to conduct auditors training courses.

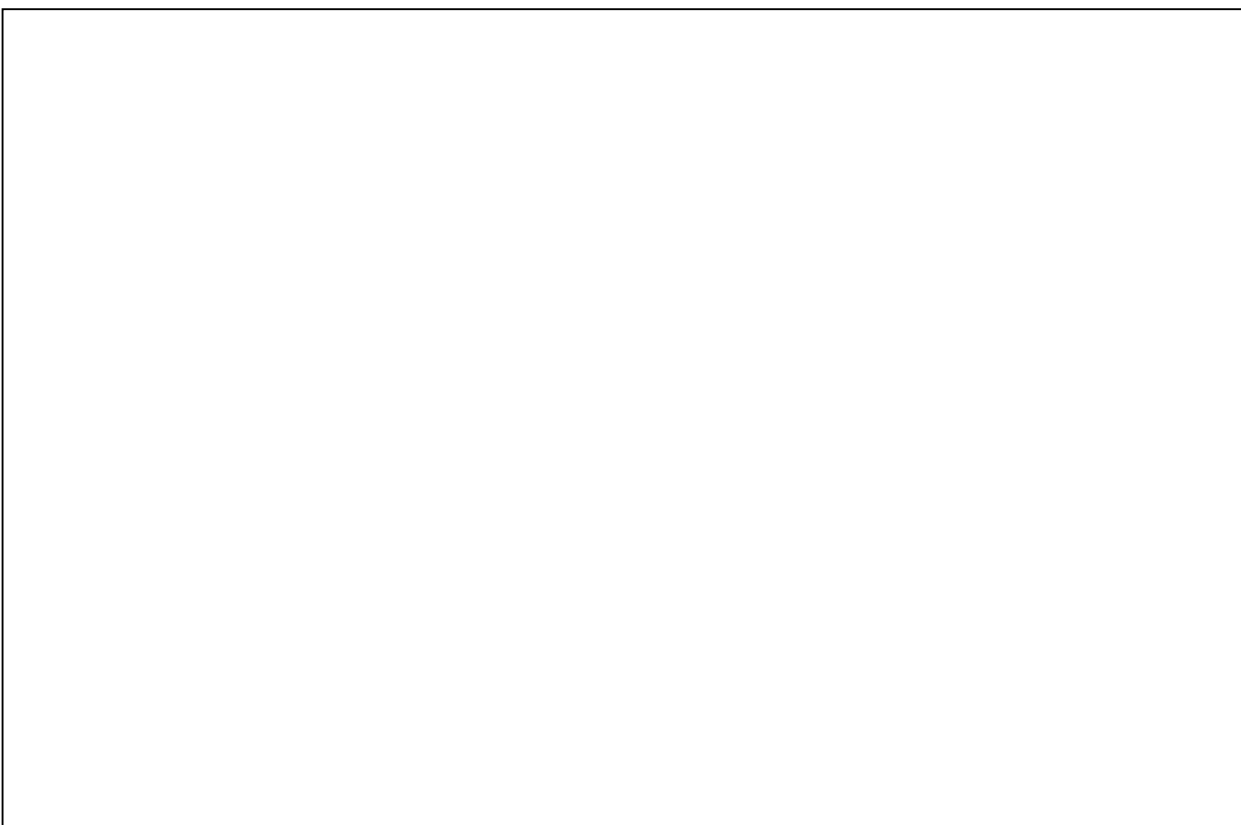
Of note is that at the end of 2007, UCAA had trained a total of 195 Change Agents as Auditors of which 59% (116) were male and 41% (79) were female. Sadly, seven of them (3 male and 4 female) have since passed away. Another eight of them (4 male and 4 female) are now full-time staff members of UCAA (Executive Director, Programme Director and six Programme Officers). Of the 180 living Change Agent Auditors, excluding those fully employed by UCAA, 137 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 Programme Department 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 2007 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 is not progressing 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. Therefore, at the end of 2007, UCAA had successfully conducted only 5 of the planned 18 courses training only 85 of the targeted 360 fundraisers. It is planned that in 2008 UCAA will aggressively market and offer the remaining 13 courses to other organisations on contract basis. UCAA also plans to encourage its branches and district associations countrywide to mobilise local resources for them to conduct fundraising training courses.

Of note is that at the end of 2007, 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 2007 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 is not progressing well in conducting business training courses in relation to the targets of its three-year strategic plan. In 2006, UCAA did not conduct business training courses. Therefore, at the end of 2007, UCAA had not conducted any of the planned 12 courses. It is planned that in 2008 UCAA will aggressively market and offer business training courses to other organisations on contract basis. UCAA also plans to encourage its branches and district associations countrywide to mobilise local resources for them to conduct business training 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 2007 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 is not progressing 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, UCAA did not conduct financial management training courses.



A newly graduated Trainer of Change Agents receives his certificate of completion from Inger Kjeldsen, Regional Representative of Dan Church Aid, one of UCAA's funding partner organisations.

Therefore, at the end of 2007, UCAA had not conducted any financial management training courses. It is planned that in 2008 UCAA will aggressively market and offer financial management training courses to other organisations on contract basis. UCAA also plans to encourage its branches and district associations countrywide to mobilise local resources for them to conduct financial management training courses.

3.1.10. Modular Tailor Made Training Courses – On request and sponsorship from Jerusalem Children and Community Development Organisation (JeCCDO), an Ethiopian based NGO, in September, UCAA facilitated two one-day orientation sessions on understanding poverty, local resource mobilisation and networking for 30 representatives of civil society organisations that are partners of JeCCDO and JeCCDO officers; and 65 representatives of community based organisations that JeCCDO is working with.

Similarly, on request and sponsorship from the European Union funded Civil Society Capacity Building Programme (CSCBP), in November, UCAA facilitated two one-day training sessions fundraising strategies. A total of 44 representatives of NGOs that are grantees of the CSCBP participated in these sessions.

Similarly, on request and sponsorship of DanChurch Aid, in September UCAA hosted a team of eight officers from a Tanzanian NGO, TCRS. UCAA facilitated a one-day session for these officers on self-reliant participatory development methodologies. These officers also had the opportunity to observe the training of UCAA Trainers of Change Agents and to visit with the Change Agents of Bukonzo East to see 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 2007 UCAA's progress in achieving these indicators is as follows:

Note: The statistics in this analysis are based on voluntarily submitted reports from 41% (1,814) of the self-help groups that UCAA trained Change Agents are working with, voluntarily submitted reports from 29% (1,080) living UCAA trained Change Agents, impact assessment reports of 93 self-help groups that UCAA trained Change Agents are working with, and impact assessment reports of 1,673 members of the 93 self-help groups that are voluntarily participating in UCAA's impact assessment programme.

Millenium Development Goals (MDGs):

- To reduce by half the proportion of the world's population living on less than a dollar a day.
- To reduce by half the proportion of the world's population suffering from hunger.

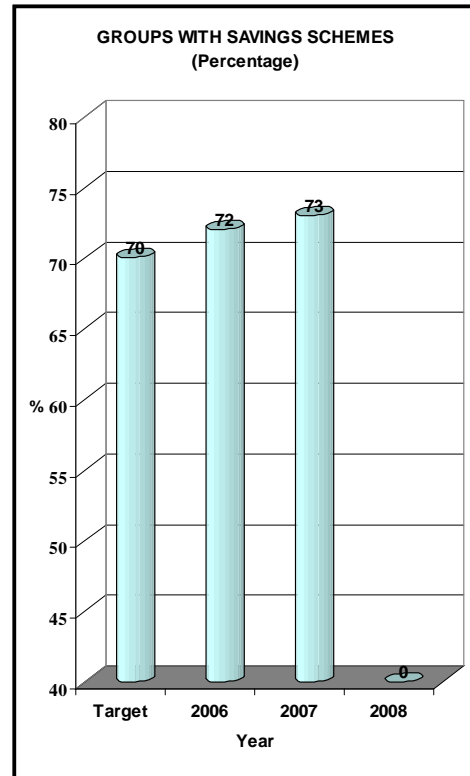
Pillar 2 of Uganda's Poverty Eradication Action Plan (PEAP):

- Enhancing production, competitiveness and incomes.

Margaret Onono, Change Agent, Member UCAA Laroo (Gulu) Branch attends to her poultry project, Homa Farm Poultry Project, one of her income generating activities. Margaret was trained as a Change Agent in 2003. Margaret is also a UCAA trained trainer of Change Agents and has been instrumental in facilitation Change Agent Training Courses that UCAA has organised and conducted in Gulu District. Margaret is voluntarily working with self-help groups in her community among which is Grassroots Women's Association for Development

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 1,814 self-help groups that submitted reports in 2007 to UCAA, 73% (1,328) of them reported that they had their own internal operational savings schemes. These groups reported member savings of Ush 1,147,946,000/= (approximately EUR 469,700). Therefore, the average savings per group were Ush 633,000/= (approximately EUR 259), and the average savings per member were Ush. 19,000/= (approximately EUR 8), meaning that on average each of the members saved Ush 1,600/= (approximately EUR 65 cents) per month. UCAA is progressing well in achieving its impact indicator on internal savings schemes. In 2006, of the 1,749 groups reporting, 72% had their own internal savings schemes. Therefore, at the end of 2007, UCAA had achieved and was successfully maintaining 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 the Northern Region, East Central Region, Central Region and South Central Region, where, respectively, only 59%, 57%, 54% and 63% of the groups reported having operational savings schemes. The UCAA Programme Officer responsible for Northern Region explained that he is of the opinion that the culture of saving in the north is being destroyed by the many NGOs operating in the area that are giving out material grants, cash grants and other donations. Indeed, of the 726 problems facing change agents that were reported by the Change Agents that submitted census forms to UCAA in 2007, the majority, 33% (237) were related to dependency thinking resulting from input oriented interventions. The highest number (47) of problems relating to dependency thinking resulting from input oriented interventions was reported by the Change Agents of Northern 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 been persuaded to 'save' with the many micro-finance institutions operating in the region that are promising the poor 'big' money in form of bigger loans than the small group savings and credit schemes can afford.

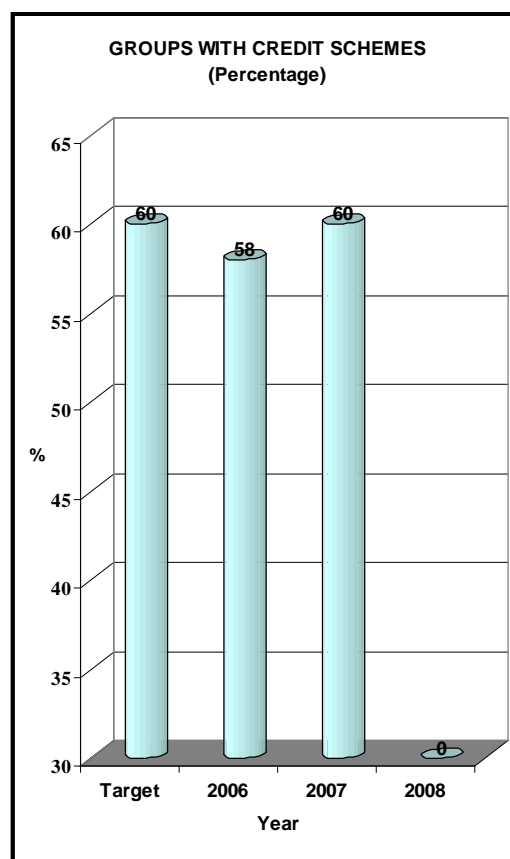
<p>Esteri Nanvubya, one of the recipients of the 2007 UCAA Award of Merit receives her award from the UCAA Chairperson and the Patron</p>	<p>Grace Aluga, UCAA Treasurer (May 2007 to April 2008) celebrates</p>
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3.2.2. Operational Credit Schemes – That 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 1,814 self-help groups reporting in 2007, 60% (1,086) of them reported that they had their own internal operational credit schemes.

These groups reported a total of 16,231 outstanding loans that were valued at over Ush 1,421,400,000/= (approximately EUR 581,587). Therefore, the estimated loan size was Ush. 88,000/= (approximately EUR 36). UCAA is progressing well in achieving its impact indicator on internal credit schemes. In 2006, of the 1,749 groups reporting 58% had their own internal credit schemes. Therefore, at the end of 2007, UCAA had achieved and was successfully maintaining its target of at least 60% of groups successfully operating their own internal operation credit schemes.

Of the 1,734 members of self-help groups that participated in the UCAA impact assessment, 46% (795) of them reported that they had borrowed money during the year. Of these members, 80% (637) of them reported that they had borrowed money from the savings and credit schemes operated by their own self-help group. The others, 7% (55) reported that they had borrowed from another community based organisation, and 13% (104) reported that they had borrowed from a micro finance institution.



The majority 97% (770) 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)	784	41
Invested in agriculture or farming as a business (buying farm inputs and animals for breeding for re-sale)	248	32
Invested in the purchase of fixed assets (construction or purchasing of houses and buying land)	40	5
Utilised for consumption (paying school fees, medical bills and to solve household problems)	171	22

It should be noted, however, that even though, overall, UCAA met its target of self-help groups operating their own internal credit schemes, UCAA did not meet its target in some of its operational areas. UCAA did not meet its target in the Northern Region, East Central Region, Central Region and South Central Region, where, respectively, only 38%, 51%, 45% and 58% 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 of some of their members who take loans and do not pay back. In addition, they explained that there are so many micro-finance lending institutions in the big Central Region that are easily and readily accessing credit to poor men and women.

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 61,290 members that were reported by the 1,814 self-help groups reporting in 2007, 46% (28,394) of them reported that they had their own viable income generating activities. These members reported total profits of Ush 1,122,061,000/= (approximately EUR 459,108) during the year. Therefore, the profits per member were on average Ush 40,000/= (approximately EUR 16). The members reported 4,511 income generating activities that they were engaged in.

MEMBERS' INCOME GENERATING ACTIVITIES

	NUM	%
Agriculture (crop farming, animal rearing, poultry keeping and fisheries)	2,464	55
Petty Trade and Capitalists	1,546	34
Artisanship	312	7
Professionals	69	2
Dividends from savings and Credit Schemes	88	2
Transport and Communication	32	1

UCAA is not progressing well 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. Therefore, at the end of 2007, 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) Most of the people in the northern region have been living in 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, 2) the people of Northern and North-Eastern Region lost a lot of their livelihoods due to the floods which submerged homes and crops, and 2) 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.

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.

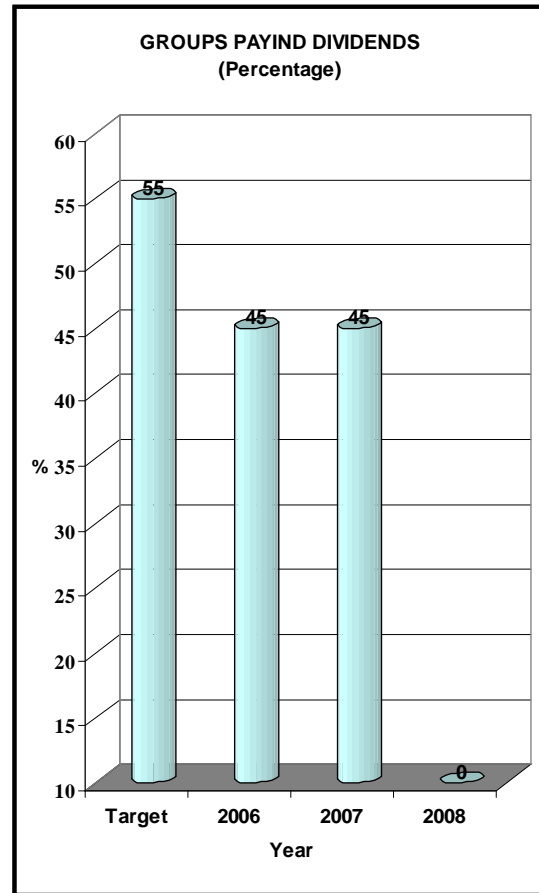
Of the 1,080 Change Agents that submitted census forms in 2007 to UCAA, 84% (903) of them reported that they had their own viable income generating activities. These Change Agents reported 1,406 income generating activities that they were engaged in. The majority, 63% (881), of the activities were in the category of agriculture (crop farming, animal rearing, poultry keeping and fisheries). The other activities were 23% (321) in petty trade and capitalist, 7% (97) in artisanship, 3% (47) professionals, another 3% (39) in dividends from savings and credit schemes and the remaining 1% (21) in transport and communication. UCAA is progressing well in achieving 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. Therefore, at the end of 2007, UCAA had achieved and was successfully maintaining its target of at least 75% of Change Agents successfully engaged in viable income generating activities.

It should be noted, however, that even though, overall, UCAA met its target of Change Agents engaged in income generating activities, UCAA did not meet its target in some of its operational areas. UCAA did not meet its target in the West Nile Region and South Central Region, where, respectively, only 71% and 53% of the Change Agents reported having their own viable income generating activities. The UCAA Programme Officers responsible for these regions explained that they are of the opinion that some of the Change Agents in their regions are not willing to reveal anything about their personal investments.

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 1,814 self-help groups reporting in 2007, 45% (822) of them reported that they had paid cash dividends to their members during the year. They reported having paid total cash dividends of Ush 283,050,000/= (approximately EUR 115,814). Therefore, on average the dividends paid out per group were Ush 344,000/= (approximately EUR 141). In 2006, of the 1,749 self-help groups reporting 45% reported sharing dividends. Therefore, at the end of 2007, 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, but were not willing to share this information in writing in their report forms, and 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.



Newly graduated Change Agents, who were trained during the Change Agent Training Course that UCAA conducted in Mayuge District in 2007 celebrate with the guest of honour, Hon. Nakadama (centre) Minister of State for Gender, Labour and Social Development. This was during their certificate award ceremony that was held on 26th October 2007.

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. 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 paying school fees, weddings, funerals, medical bills, 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 2007, 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 March, Norah Owaraga, the UCAA Executive Director at the time, wrote to the members of parliament requesting them to pass legislation in which micro-finance lending institutions would be: 1) regulated and monitored by Bank of Uganda just like all other financial institutions, 2) required to charge reasonably low interest rates to a maximum set by government, 3) required to provide clear and detailed information on the interest rates they charge clients, and 4) required not to give out loans for non-income generating activities. On reading the letter, the State Minister for Micro-Finance, General Salim Saleh Akandwanaho, requested a meeting with the UCAA Executive Director and the UCAA Programme Officer in charge of Central Region, during which he noted UCAA's concerns.

There is evidence to show that UCAA is making some progress in changing people's attitudes towards the culture of saving and away from taking credit for non-income generating activities. Cases in point are the views of poor rural men and women in the Northern Region that were reported in an article published in one of the national language local dailies, Rupiny:

**UGANDA CHANGE AGENT ASSOCIATION
HAS SAVED FARMERS FROM THE PROBLEM OF LOANS**

(Note: This text below is a translation of the article by Okodia Robert, Journalist with The New Vision and Rupiny Newspapers, that was published in Luo, in Rupiny Newspaper of November 7th – 13th 2007)

Community groups in Pader District, Lapul Sub-County have said that micro-finance institutions (MFIs) always want them to pay very high interest rates when they are given loans. Francis Obia of Can Pe Bwonyo Group in Lapul Sub-County said most of these MFIs do not give them adequate trainings and this has made most people to over pay interest. "Sometimes they tell you to pay 15% interest per month, and because most people do not understand the calculations, they end up over paying this interest" Obia complained.

Most people are always in panic when they see a policeman coming to arrest one, because of failure to repay the loan and that is why these MFIs should give adequate trainings to their clients if they want them to benefit from their loan and the new government programme of Prosperity-for-All. Rev. Christine Agweng of Tii Ki Wii Group said that most people in her community do not have any good income generating activities and that is why most of them run away from their home if they get loans, since money is always invested in less or non profitable income generating activities. There is no proper market for our produce and the interest rates the microfinance charges on us is very high like 10% is very high and does not encourages us" Agweng complained.

Akongo Byenka Oryema of Tute Keni Women Group complained that most of them who get loans from MFIs pay back their loan and have nothing saved for the future, and this has promoted dependency on MFIs since people want to continue with business. "What we are doing as a group is to save our own money in a group and loan it to our group members, we find it simple and easy since we are the ones who set our interest rates, and it is helping us" Akongo said. The pressing problem, among others, that is forcing rural men and women to go for loans is school fees. Among community groups interviewed in Lapul Sub-County are, Pajule Traders Association and Tam pi Anyim Community Based Association, who among others have expressed fear of MFIs, particularly in the way these MFIs charge interest without explaining it properly to the beneficiaries.

They, however, appreciated UCAA for their various trainings which have enabled them to open their own savings and credit schemes in their small own groups. Responding to the journalist last week, in Lapul Sub-County, Okot Charles appreciated UCAA for having given them "the hook other than a fish" and he advised the people to form their own group if they are to fight poverty and save them from MFIs and escape police arrest because of non loan payments. Other community groups in Lango sub-region getting loans from MFIs, such as Oribcing, FINCA, Pride Uganda, Centenary Bank and Stanbic Bank, have stressed the need for adequate training before giving loans to clients. The people whom we have talked to on condition of anonymity expressed fears in the way these MFIs are treating them, and stressed the fact that the loan officers have a tendency of increasing the interest rates. They said that some MFIs are making poor rural men and women poorer than they were before getting loans and making them live in fear in their own homes.

UCAA is committed to continuing its campaign on discouraging poor rural men and women from borrowing for non-income generating purposes. At every opportunity, during UCAA activities, whilst participating in media events, and other forums, UCAA officers will 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, there are increasing allegations of increasing corruption within civil society organisations as well. It is generally felt that, even though government has vowed to fight corruption, the political will is lacking. 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. When civil society organisations are implicated in corruption scandals, it creates a negative image and cynicism amongst the communities that civil society organisations claim to serve. This gives an excuse to government to curtail and control civil society organisations.

During 2007, 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 of heroic interventions against corruption by some of its members. A case in point is Isaac Mokili, Change Agent, Vurra (Arua) Branch of UCAA, who is reportedly actively fighting corruption. Isaac recently reported executives of an NGO to the Arua Resident District Commissioner (RDC) and requested the RDC to prevail upon these executives to explain where the incomes generated from the assets of the NGO had gone and why the NGO had failed to call a general meeting for over two years. Isaac is also a member of the NGO that he reported. Another example is Amuka Joseph, Change Agent, Baitambogwe (Mayuge) Branch of UCAA, who was arrested by the police for sticking to the truth with regards to a land dispute.

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.



Alinyikira Christine, a member of Tusingire Wamu Women's Group presents the group financial reports during a group meeting.

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 1,811 participants, of which 49% (881) were UCAA Full Members (change agents), 10% (185) were UCAA Associate Members (Community Agents of Change), 2% (36) were UCAA Working Partners and 39% (709) were guests. Of the Full Members who attended 51% were male and 49%; and of the Associate Members who attended 48% were male and 52% 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 is progressing 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. Therefore, at the end of 2007, UCAA had successfully held the targeted 50 district assemblies per year for the first two years of the three-year strategic period. It is planned that in 2008 UCAA will hold the remaining targeted district assemblies.

4.1.2. UCAA National Delegates Assembly (NDA) – As planned, UCAA held its National Delegates Assembly on Saturday, 28th April 2007. 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 112 participants, including 95 district delegates, 3 guests and 14 UCAA staff members. Of the 95 district delegates, 51% were female and 49% were male. The National Delegates Assembly amended the UCAA Constitution, elected a new Board of Directors, and approved the UCAA annual reports for 2006 and UCAA plans and budgets for 2007. 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 is progressing 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, UCAA successfully held a NDA. Therefore, at the end of 2007, UCAA had successfully held 2 of the targeted 3 assemblies. The remaining NDA will be held in 2008.

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 2007/2008 UCAA Board of Directors is composed of five women and four 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, programme, finances, personnel and advocacy. 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 is progressing well 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, UCAA successfully held 12 meetings of its Board of Directors. Therefore, at the end of 2007, UCAA had successfully held 24 of the targeted 36 meetings. The remaining 12 meetings will be held in 2008.

4.1.4. Planning Seminar - As planned, in June, UCAA held a two-day review and planning seminar (using the Logical Framework Analysis), in order to review its performance and draw up detailed plans and budgets for 2008. The outcomes from this planning seminar were utilised to develop a detailed UCAA Plan and Budget for the year 2008. The attendance at this seminar was 28 participants, including 8 UCAA Board of Directors, 8 other Change Agent Regional Representatives and 12 UCAA staff members. UCAA is progressing well 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 2006, UCAA held a planning seminar. Therefore, at the end of 2007, UCAA had successfully held 2 of the 3 planned annual seminars. The remaining one seminar will be held in 2008.

Bagaga Stephen, Board Member and Representative of East Central Region on the UCAA Board of Directors (May 2006 to April 2007) makes a contribution during UCAA's National Delegates Assembly. Stephen is also an elected Parish Councillor and is the Speaker of Bulamagi Sub-County Council, Iganga District

UCAA members consult the UCAA Constitution during the UCAA National Delegates Assembly. In the middle is Lekuru Ephemia, UCAA Board Member and Representative of West Nile Region on the UCAA Board of Directors (May 2006 to April 2008)

4.1.5. District Programme Planning Meetings (DPPMs) – Coordination between the National Association and the members/branches/DCAAs continued as planned through district meetings (2 per district per year). UCAA successfully conducted 105 DPPMs (two for each of the 53 districts that UCAA is operational, except for Kotido where the 2nd meeting was not held due to insecurity). The 105 meetings brought together the UCAA Programme Officers, members of the UCAA Board of Directors, and 783 UCAA branch and DCAA representatives (391 female and 392 male). UCAA is progressing well in ensuring that it holds participatory DPPMs in relation to the targets of its three-year strategic plan which stipulates that during the three-year period UCAA will hold 2 meetings per DCAA annually. In 2006, UCAA held two meetings for each of its 52 DCAAs that were operational. In 2008, UCAA will conduct DPPMs accordingly.

4.1.6. Branch Visits - During the second quarter of the year, the UCAA Programme Officers carried out visits to 76% (175) of the 230 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. Some of the data generated from these visits is utilised in this report. UCAA is progressing reasonably well 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 2006, UCAA programme officers visited 72% (174) of the branches that were registered at the time. In 2008, UCAA will conduct branch visits accordingly.

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 51% (27) 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 is progressing well in 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.

4.1.9. Accessing Civic and Voter Education Material – During the first half of the year, UCAA noted that a significant section of its target group and its membership and staff did not completely know the National Anthem of Uganda. At best, some of them knew the words for the 1st stanza only and did not know the words for the remaining two stanzas. UCAA took on a mission to ensure that its target group learns the Uganda National Anthem. UCAA printed 3,000 copies of its Constitution in which it included the Uganda Anthem. These copies were circulated to all UCAA members. In addition, UCAA printed out single sheets of the Uganda Anthem which it distributed to participants in its training courses and meetings. At the start of all UCAA meetings and training sessions, UCAA requested the participants to sing both the Uganda Anthem in full and the UCAA Anthem. UCAA is progressing well in accessing and distributing civic education material as stipulated in its three-year strategic plan, which stipulates that civic education material is accessed and distributed to at least 70% of UCAA members. In 2006, UCAA accessed books and posters from the NGO Forum and Uganda Joint Christian Council, which it distributed free to Change Agents.

4.1.10. Accessing National Policy Documents – UCAA continued selling the Local Government Act, to its members. UCAA is not progressing 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 Act and is selling them to Change Agents at a price lower than the market price.

Therefore, at the end of 2007, UCAA had only purchased 100 copies of one of the targeted three national policy documents. In 2008, UCAA will purchase for re-sale 100 copies of at least one of the remaining two national policy documents.

4.1.11. National Development Forums (NDFs) – UCAA planned to hold a national development forum during 2007. In April, UCAA held a forum on the topic “Domestic violence is rooted in the negative traditional beliefs and traditions that discriminate against women”. Attendance at this forum was 120 development workers, majority of whom were Change Agents. Notable participants at this forum included Dr. Maggie Kigozi, Executive Director, Uganda Investment Authority and also Patron of UCAA. Other notable participants included representatives from Mental Health Uganda and National Union of Women with Disabilities. T

he two keynote presenters were Hon. Betty Ochan Aol, Woman Member of Parliament for Gulu District, Change Agent and Member of UCAA; and Hon. Simon Muyanga Lutaaya, Councillor, Jinja District Council. The forum was moderated by Norah Owaraga, UCAA Executive Director at the time. The following former Chairpersons of UCAA also participated in the forum: Irene Ogwal –2000/2001, Mudanya Samuel – 1999/2000, Maxeline Katongole – 2002/2003 and Rev. David Ogira 2001/2002. This forum received massive press coverage on radio, television and print media.

UCAA is progressing well in conducting NDFs in relation to the targets of its 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 2006, UCAA held one forum that was attended by 120 development workers. Therefore, at the end of 2007, UCAA had conducted 2 of the planned 3 forums that were attended by 240 of the targeted 300 participants. The remaining forum will be held in 2008.



Hon. Betty Ochan, Woman Member of Parliament representing Gulu District (right) shares a moment with Norah Owaraga, UCAA Executive Director (May 2003 to August 2007) during the UCAA National Development Forum held in 2007.

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 2007, UCAA had received confirmed reports that 55% (31) 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 Northern Uganda Social Action Fund (NUSAF) and National Agriculture Advisory Development Services (NAADS). UCAA is not progressing well 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. In 2008, it is planned that those DCAAs whose registration expired in 2007 will renew their registration and that those that have never registered will register.

4.1.13. District Coordinating Committees (DCCs) – Each of 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 is not progressing well 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 and in 2007, none of the DCCs held monthly meetings. Most of the DCCs only held the four meetings that were paid for by UCAA. In 2008, UCAA will make every effort to persuade its DCCs to systematically allocate time and other resources to holding monthly meetings.

4.1.14. District Sign Posts – UCAA is 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 2007, UCAA had received confirmed reports that at least 57% (30) of its DCAAs had put up and were maintaining their sign posts.

4.1.15. Development Forums – UCAA planned to encourage its DCAAs and branches to hold development forums at district, sub-county and small group levels. During 2007, UCAA received confirmed reports that 49% (26) of its 53 DCAAs (DCCs and branches) conducted 78 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 2,493 poor rural men and women that participated in them with an opportunity to have their voices heard. The topics of discussion at the majority (33) of these forums were on economic development issues, such as savings and credit schemes, production and marketing. The topics of the other forums were on social development issues (27) such as gender based violence and making a will (13), political development issues (18) such as leadership and government programmes. UCAA is not progressing very well in encouraging its DCAAs and branches to hold mobilise funds locally and to hold development forums as stipulated in its three-year strategic plan which stipulates that at least 70% of DCAAs each hold at least one development forum annually. In 2006, only 46% (24) of the DCAAs reported that they had held development forums. Therefore, during 2006 and 2007, UCAA did not meet its target of its DCAAs holding development forums. UCAA will make every effort to persuade its DCCs to systematically mobilise local resources for development forums.

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 12,136,700/= reported DCAAs income, only 29% (3,580,050) was reported to have been provided by UCAA. The bulk, 71% (8,652,650/=) of the DCAAs income was locally mobilised by the DCAAs themselves from fees, sales and grants. UCAA is progressing well in achieving 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 2008, UCAA will continue with its efforts to encourage branches to access more resources locally.

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 2007 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).

In 2007, of the 1,080 Change Agents reporting, 37% (399) reported that they are elected councillors. It is worth noting that of the Change Agents that are elected councillors 201 are female and 198 are male. The majority, 47% (188) are elected councillors at village level (elected 2001), 22% (88) at parish level, 25% (99) at sub-county level, and the remaining 5% (20) at district level.

One of the Change Agents who is an elected district councillor is Beatrice Ventice Ogony. Beatrice is a district councillor, women's representative, in the newly established Amolator District. Previously, she was the woman representative, district councillor, in Lira District. She testified as follows:

"I had been looking at women councillors, but they would never come back to consult with the grassroots. When I realised that I had the knowledge of how to work with the grassroots people, I said let me try my luck. Before training as a Change Agent, I looked at the LCV post as a no-go area. I thought that was a post for very educated (formal) people so how could a person like me with an Advanced Level Certificate stand for the same? Change Agent Training helped me attain self-confidence to reach out to the people especially since they had taught us how to approach people. During the campaigns I was just insisting on what I was coming to do. The race was tough, but I eventually made it".

At the end of 2007, UCAA had not yet 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 countrywide and multi-party politics is challenging. They also explained that most change agents are waiting to contest for the village level positions for which elections have not yet been done. It is expected that the electoral law that will govern the lower council elections under the multi-party system will be passed and elections held in 2008. UCAA is confident that many more Change Agents will be elected local councillors when these elections take place. In addition, three Change Agents (2 women and 1 man) are elected Members of Parliament (MP).

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 Officer in Charge of West Nile Region reports that the concept of multi-party democracy is still not understood in West Nile. This, according to him, is because even though the most recent elections were done under the multi-party system, to a great extent the electorate voted for the candidates based on the individual merit of the candidates as opposed to the candidate's party position. He added that the elected leaders of the region are mostly members of opposition parties, so the few leaders who are members of the ruling party sideline those in the opposition, and therefore, the region is dragging behind in terms of development.

The UCAA Programme Officer in Charge of East Central Region reports that most people in the region do not understand how the multi-party system works and that people of different political parties do not tolerate each other. As a result, according to her, Implementation of planned activities has stalled because of political differences in the district and sub-county administrations in the region. She adds that this is because the elected of leaders of the opposition parties blame the elected leaders of the ruling party and vice versa, leading to non-performance.

The UCAA Programme Officer in Charge of Western Region reports that most of the elected leaders in the Western Region are members of the ruling party and so there is minimal conflict in the region resulting from multi-party democracy.

The UCAA Programme Office in Charge of Central Region reports that the people in the region do not understand multi-party democracy. She presented her findings that the people in the Central Region believe that each political party is for a particular religion, that is to say, the Democratic Party (DP) is for the Catholics, Uganda People's Congress (UPC) is for the Protestants and Forum for Democratic Change (FDC) is for both Protestants and Muslims, and the National Resistance Movement Organization (NRMO) is for Protestants and Pentecostals (born-again Christians). According to her, these beliefs have resulted in people fighting against each other based on their religions. So that, however good information a DP member who is a catholic brings forward, an NRMO member who is a bon-again Christian will not take it.

The UCAA Programme Office in Charge of South Central Region reports that the people of the region do not understand multi-party democracy. The majority of the tribesmen of the two prominent leaders of the strong political parties are in this region, the Banyankole and the Bakiga. Therefore, the people of this region feel that multi-party democracy is a fight between Banyankole (NRMO- Museveni) and Bakiga (FDC – Besigye). Sadly, these tensions are impacting negatively on development work.

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.

The following opinions published in the national newspapers illustrate are a case in point:

Tongue-in-Cheek Eulogy for Individual Merit Politics

The following poem by Hon. Odonga Otto, Member of Parliament for Aruu County and Member of the Forum for Democratic Change party, was part of an article he authored and published in Daily Monitor of Thursday, July 26, 2007

Individual merit

It sounds like the death of death or rather the death of a system, a system of individual merit.

A system where one voluntarily and singularly makes a personal decision to contest for an electoral position.

A system where caste, class or pre-tested capacity matter not.

A system that brought the little known into the limelight; the Ottos of this world.

A system that gave equal opportunity to all the equals; humanity.

A system that allowed a national Parliament make collective decisions.

A system that generated minimum national consensus, away from traditional religious ethos of DP (Dini ya Papa (the Pope's religion)), UPC (United Protestants of Canterbury).

A system without fear of recoil, without fear of recourse and without fear of affiliation.

A system that allowed the young and the old alike access elective positions.

A system where MPs would sit freely in their canteen without fear of the unknown, fear of the PISO (Parliament Internal Security Organisation).

Doomed are we to kill an infant, an infant we should have nurtured.

Multiparty.

The death of life, the emergence of but a system.

A system of collective greed.

A system without adequate machineries for refining that greed.

A system that accommodates political parasites and aphorists.

A system that is not premised on a clearly ideologically engraved political contour.

A system where dissenting opinions are not just suppressed but severely crushed.

A system that in attempt to test its effectiveness starts by eating up its best clients; the Ottos, Banyenzakis, Lyomokis of this world. The perfect lubricants.

A system that in less than a year is destined to produce more casualties than causations.

A system that seemingly admires internal democracy but lacks it.

A system confidently destined to divide our peasantry

A system where opposition MPs take water at the Movement lobby and the Movement MPs take water at the opposition lobby.

The People of Kyenjojo Voted With Their Heads

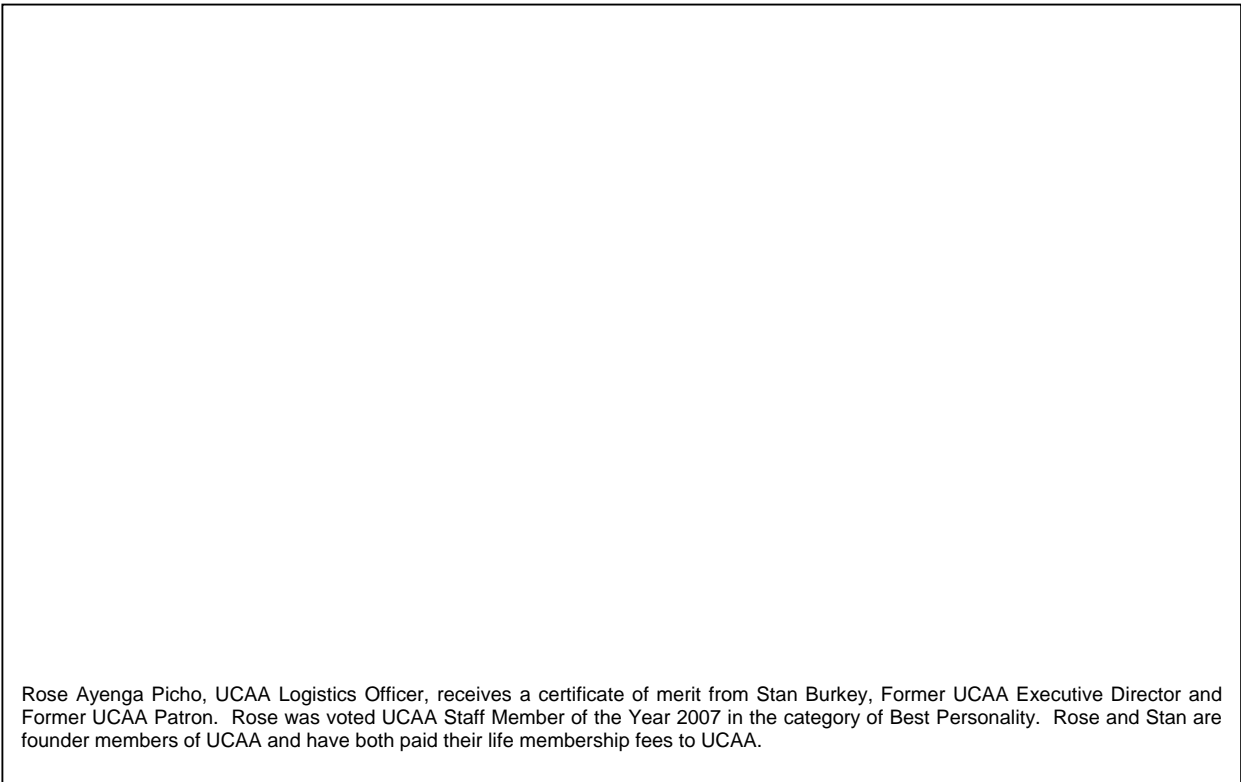
This letter by Wilson Kasaija of Fort Portal was published in the New Vision Newspaper right after the bi-elections for Local Council V (District Chairperson) for Kyenjojo District this year.

Sir, I am very happy James Byamukama won the Kyenjojo LC5 chairmanship seat as an independent candidate. President Museveni went to Kyenjojo and campaigned for William Kaija for no other reason than that Kaija was a Movement candidate! But then Kaija had been at the helm in the district and those who had worked with and under him certainly knew him much better than Museveni did. Secondly, the people in Kyenjojo saw Kaija with his rifle at polling stations during the first elections which Byamukama challenged. They knew many other irregularities that took place. What message was Museveni sending to the people of Kyenjojo when he advised them to vote Kaija back into office? Is that a credible example of the NRM's good governance?

This illustrates the fact that going back to party politics was not the wisest thing to do. Under multiparties, I have noticed that people cannot give logic and reason a chance. The party reigns supreme and the end justifies the means! I am glad the people of Kyenjojo voted with their heads and not their hearts. I think the only way to remain true to your conscience is to be an independent candidate in the present situation. This is because it is like belonging to the old movement. Although people voted for multi-parties in the referendum, I do not think they had their hearts in it. They were confused because President Museveni, whom they believe so much in changed his mind at the last minute and said parties were fine.

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 2007, 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. A case in point is during the certificate award ceremony of the Change Agent Training Course that UCAA conducted in UCAA in 2007, the guest of honour, the District Community Development Officer, Mr. Albert Dramani, in his speech he appreciated the work of UCAA and advocated for opening of more Adult Literacy Learning centres for those who have by passed school going age. 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.



Rose Ayenga Picho, UCAA Logistics Officer, receives a certificate of merit from Stan Burkey, Former UCAA Executive Director and Former UCAA Patron. Rose was voted UCAA Staff Member of the Year 2007 in the category of Best Personality. Rose and Stan are founder members of UCAA and have both paid their life membership fees to UCAA.

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 2007, 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 continues 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: Paul Babishisha of Bushenyi, Lira Central Branch, Nanvubya Esteri of Kigboga, Bukonzo Joint Micro Finance Society Ltd and Norah Owaraga, UCAA Executive Director at the time. UCAA included the details of the citations for these recipients in the 60th edition of its Newsletter published in August. 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 or 10 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 17 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, training of branch officers, attendance at District Assemblies, collection of UCAA monitoring forms). UCAA awards branches that achieve 200 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 2006 were: Kioga West (Lira), Buwheju (Bushenyi) and Lira Central and during the National Delegates Assembly they received their prizes.

UCAA judges its DCAAs on 8 aspects including: registration with UCAA, meetings of the District Coordinating Committees, accounts of the District Coordinating Committees, holding of District Development Forums, attendance at District Programme Planning Meetings, representation at UCAA Programme Branch Visits, attendance at functions of respective District Administrations, establishment of district offices and training of district officers. 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 2006 were: Kiboga, Lira and Mayuge, 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 continues 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 2007, there were a total of 4,390 groups that were registered with UCAA.

5.1.3. Advocacy – UCAA is continuing 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 Western Region continued with research into farming as a business in Western Uganda. Some the findings of this research were: 1) Farming as a business is possible if one is appropriately trained; 2) Government of Uganda Programmes, such as the National Agriculture Advisory Development Services, have not really reached the household level; and 3) There are a lot of signposts advertising demonstration farms that do not last for long and yet the funds invested in demonstration farms could have been better utilised providing extension services at household level. The findings from this research were shared with the media. Indeed, on 30th January 2008, The New Vision Newspaper published some of the findings of this research in article authored by one of its journalists, Bizimungu Kisky, and we have reproduced it here below:

KABAROLE WOMAN REAPS FROM GROWING MATOOKE

Four years Rose Kabagenyi of Nyabuswa Village, Mugusu Sub-County in Kabarole District, has been growing matooke on a one acre peace of land. Every market day she sells about 15 bunches from her plantation. Growing matooke has greatly transformed Kabagenyi's life. Kabagenyi, one of the beneficiaries of the Uganda Change Agent Association programme has built bigger a semi-permanent house and pays schools fees for her children out of the profits she gets from selling her matooke.

John Byamukama, the Programme Office of Uganda Change Agent Association says that they help people in the villages to analyse the viability of setting up income generating activities for themselves. "I have constructed a big house for my family from farming as a business" Kabagenyi says. She also rears a cow on zero grazing which provides milk for the family. She gets five litres of milk everyday, two of which are for family consumption and the rest is sold.

Kabagenyi, who is the programme secretary for information and mobilisation, has also sensitised other households in her area and helped them to form groups through which they can identify income generating activities. As a result the people have formed Nyabuswa Women's Club. It helps them to save in addition to lending them funds. The group also makes handcrafts for sell.

UCAA is progressing well 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. In 2008, UCAA will continue to advocate against the negative practices of micro-finance lending institutions and one other issue of importance to its target group.

5.1.4. Publishing UCAA Newsletter – UCAA planned to publish four quarterly editions of the UCAA newsletter during 2007 and it did so by publishing the 58th, 59th, 60th, and 61st editions of its newsletter. The themes for these editions were on children's rights, taxation, the Uganda Parliament and rural urban migration. For the 58th edition, 3,300 copies were printed and for each the other three editions, 2,700 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. In 2006, UCAA published four editions of its Newsletter. Therefore, at the end of 2007, UCAA had published 8 of the targeted 12 editions. The remaining 4 editions will be published in 2008.

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.

5.1.6. Collaboration with Media Houses and External Exposure – During 2007 UCAA received media coverage and external exposure as follows:

- Newspaper coverage was in the form of at least 16 photo stories and short stories published in the following national newspapers: Rupiny, Daily Monitor, Orumuri, The New Vision and Etop.
- Radio coverage - the work of the Change Agents received mention in at least 107 radio programmes broadcast by various national radio stations.
- Television coverage - the UCAA National Development Forum received wide television coverage, the UCAA 15th Anniversary Documentary Video was televised on Uganda Broadcasting Corporation (UBC) Television, and the work of UCAA was publicised in four other television programme on UBC Television.
- International Conferences and Meetings - the work of UCAA was publicised to hundreds of development managers, scholars and government representatives at the following international conferences at which the former UCAA Executive Director, Norah Owaraga, made presentations as follows:
 - ✓ The African Green Revolution Conference held from 27th to 31st August in Oslo in Norway organised by Yara International Foundation
 - ✓ The conference on Taking Action for the World's Poor and Hungry People held from 14th to 21st October in Beijing in China and organised by the International Food and Policy Research Institute (IFPRI)
 - ✓ The 5th African Resource Bank Meeting held from 12th to 14th November in Dar es Salaam in Tanzania organised by the Inter Regional Economic Network (IREN).

The presentations that Norah made in China and Tanzania titled “Mobilising Support and Change Commitment to End Extreme Poverty and Hunger” and “China-Africa Relations – A blessing or a curse: How to leverage on China’s thirst for raw materials to develop Africa” have been published on the respective websites of the organisers. In addition, Norah has since received a request from IFPRI for her to contribute a 3,000 word policy brief expanded from her presentation in China including the types of activities undertaken by UCAA to facilitate processes of conscious awakening. IFPRI intends to include this policy brief in a book whose current working title is “The Poorest and the Hungry: Assessments, Analyses and Actions”. A detailed UCAA media catalogue is available on request from the UCAA Secretariat in Kampala.

UCAA is progressing well 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 2006, the work of UCAA was publicised 25 newspaper articles and 120 radio programmes. Therefore, at the end of 2007, the work of UCAA had been publicised in 41 of the targeted 60 newspaper articles and 227 of the targeted 350 radio programmes. In 2008, UCAA will endeavour to ensure that its work is publicised in the remaining targeted 19 newspaper articles and 123 radio programmes.

5.1.7. Fostering Relations with Local Government – UCAA in fulfilment of its three-year strategic plan continues to encourage its branches and DCAAs to foster relationships with their district and sub-county administrations. One of the ways in which UCAA is doing this is by encouraging its branches and DCAAs to participate in national events organised at their district and sub-county headquarters. During 2007, UCAA branches and DCAAs reported that they had participated in national events held in their respective districts as follows: Gulu Change Agents in National Population Day, Kamwenge and Jinja Change Agents in the National Agriculture Show and Soroti Change Agents in Independence Day celebrations. The UCAA Programme Officers, during District Assemblies and District Programme Planning meetings, 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 continues 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.

In 2007, as planned, UCAA modified its monitoring tools and systematically collected data on the numbers of associations whose formation was initiated by change agents. Indeed, during the year, UCAA received reports that Change Agents initiated the formation of 106 associations countrywide. UCAA is progressing well in achieving its impact indicator on Change Agents engaged initiating the formation of associations. At the end of 2007, UCAA had achieved and surpassed its target of Change Agents initiating the formation of at least 50 associations by December 2008.

The Chairperson of Bukonzo Joint Co-operative Micro-Finance Society (BJCMS) receives their award of merit from Dr. Maggie Kigozi, UCAA Patron. BJCMS were among the five recipients of UCAA's Award of Merit for the Year 2007. UCAA applauds BJCMFS for promoting the culture of saving amongst poor rural farmers in Kasese District. BJCMFS has done this by providing these poor farmers with banking facilities where the farmers can deposit their savings. At the end of 2006, BJCMFS had received saving deposits from its members totalling Ush 108,358,335/=. Through the provision of low interest loans, in form of cash or farm implements or processing equipment, to its members, BJCMFS is enabling poor rural men and women farmers to invest in viable income generating activities. In addition, BJCMFS is enabling poor farmers to access appropriate training and capacity building services by linking them to other service providers. In addition, they are assisting farmers in accessing markets for their produce through joint marketing of honey and coffee. For those who have ever gone to Bukonzo at the foothills of the Rwenzori Mountains, you will undoubtedly appreciate that this is a remote area without piped water, electricity, nor banks. Therefore, the services that BJCMFS is providing are extremely valuable.

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

In 2007, as planned, UCAA modified its monitoring tools and systematically collected data on the numbers of self-help groups that change agents have linked to other service providers. Indeed, during the year UCAA received reports that Change Agents linked at least 386 self-help groups to other service providers. A detailed analysis of the self-help groups that were linked and by which Change Agents is available on request from the UCAA Secretariat in Kampala. UCAA is progressing well in achieving its impact indicator on Change Agents linking self-help groups to other service providers. At the end of 2007, 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 2007, UCAA trained Change Agents reported that they were in contact and working with a total of 2,939 self-help development groups that had a total membership of 83,204 of which 38% (31,569) were men and 62% (51,635) were women. The 1,080 Change Agents that submitted census forms to UCAA during 2007 reported that they put in a total of 284,250 hours voluntarily doing their change agent work. Indeed, 77% (827) of the Change Agents reported that they were actively engaged with self-help groups and that they had assisted these groups to carry out their own group self-evaluations. UCAA is not progressing well in achieving its target of at least 90% of Change Agents voluntarily working with self-help groups. During 2008, UCAA will put in more efforts in encouraging Change Agents to continue working voluntarily 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 2007, as planned, UCAA modified its monitoring tools and collect data on the numbers of self-help groups that the Change Agents are working with that are formally registered with their respective district administrations. Indeed, during the year, UCAA received reports that 20% (361) of the self-help groups that Change Agents are working with are formally registered with their respective district authorities. UCAA is not progressing well in achieving its target of at least 70% of Change Agents voluntarily working with self-help groups. 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 CHAI, 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 renew their registration. During 2008, UCAA will put in more efforts in encouraging Change Agents to continue encouraging self-help groups to 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 2007, of the 5,383 leaders, including chairpersons, secretaries and treasurers, reported by the self-help groups, 58% (3,126) were women. Of note is that the leadership of the 93 self-help groups that were assessed in 2007 as part of UCAA's impact assessment project was as follows: 60% (56) of the groups reported that their chairpersons were female, 83% (77) of the groups reported that their treasurers were female, and 43% (40) of the groups reported that their secretaries were female. UCAA is progressing well 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. Therefore, at the end of 2007, 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 2007, the self-help groups reported their members were supporting a total of 84,960 children in primary education of which 51% (43,078) were female. They reported that a total of 41,455 children of their members had completed primary school of which 49% (20,508) were female. They reported that their members were supporting a total of 25,756 children in secondary school of which 48% (12,454) were female. They reported that their members were supporting a total of 7,335 children in higher institutions of learning of which 44% (3,220) were female. They reported that their members were supporting a total of 2,543 children in university of which 42% were female. UCAA is not progressing well 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 children engage in sexual activity at an early age and the girls are at a disadvantage, because they end up getting pregnant and are forced to dropout, while the boys are not affected. The UCAA Programme Officers are also of the opinion that some of the traditional beliefs and practices in the country discourage girls from studying at higher levels and some religions advise girls to marry at an early age. A case in point is the negative attitude towards girls who become pregnant while still at school. They are not supported to continue with education. There is also a negative practice amongst guardians of orphans in which preference is given to boys for education, while the girls are pushed to get married early. In 2008, UCAA will 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 who get pregnant at school to continue with their 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 3,885 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 in 2007, utilising the external grant funding from its funding partners, 53% (2,042) were female. UCAA is progressing well 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. Therefore, at the end of 2007, UCAA had achieved and surpassed its target of ensuring that 50% of participants in UCAA sponsored training courses are women.

A future Change Agent, a child of a member of Tositukire Wamu Women's Group

Kate Nafuna is a trained a Change Agent and a Full Member of UCAA since 1996. Kate is a single mother of five boys. Kate is currently pursuing studies for a Bachelor of Science Degree in Agricultural Land Use and Management at Makerere University. Kate is the Assistant Agricultural Officer and Production Officer for the Sironko District Local Government. Kate is of the opinion that: *"While a connection between micro-finance and poverty alleviation is considered a given within the micro finance industry, access to markets is more crucial than access to finance because many poor people produce products which often lack markets or have very low prices. Hence micro finance is rather a blunt tool in achieving millennium development goals of poverty reduction."*

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 918 participants in the UCAA decision-making organs (national delegates assembly, board of directors, officers of district coordinating committees, officers of branches, and the UCAA Secretariat) in 2007 47% (433) were female. In 2006, of the 787 participants in UCAA decision making organs 47% (366) were female.

UCAA is not progressing well in achieving its impact indicator of gender balance in the participants in its decision-making organs. The gender imbalance in favour of men is mostly in the leaders of UCAA district coordinating committees and branches. UCAA Programme Officers explain that at branch level, some of the women are hindered from participating in UCAA decision-making organs due to family responsibilities; some are hindered by their spouses and some by insufficient self-confidence. The UCAA Programme Officers are of the opinion that the attitude of men as regards gender roles has not changed enough in order to reduce the domestic workload of women. This keeps women attending to domestic chores, while allocating limited time to other social and community responsibilities.

In 2008, UCAA will continue its efforts to encourage Change Agents to continue sensitising their spouses on the value and benefit of participating in UCAA decision-making organs.

5.3. Challenges Facing UCAA in Stimulating Social Development

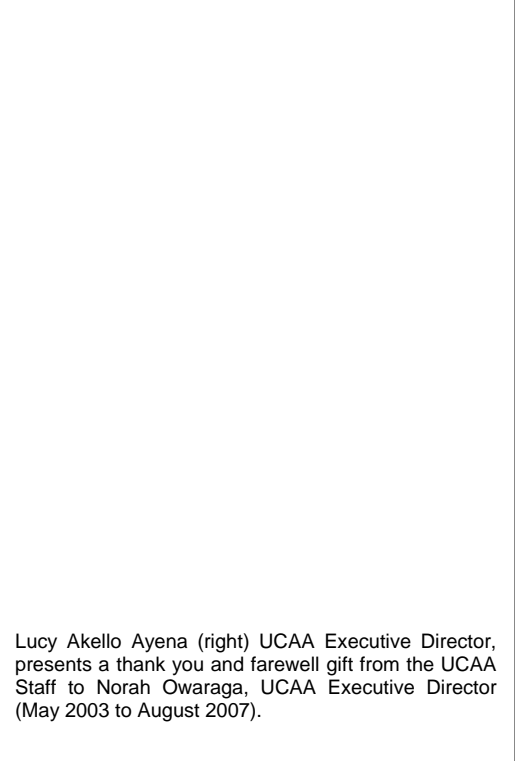
5.3.1. Input Oriented Development Interventions and Dependency Thinking – One of the questions in the UCAA Change Agent Census form asks Change Agents to share the problems they are facing in doing their Change Agent work. In 2007, of the 726 problems listed by the Change Agents, 33% (237) were in the category of challenges emanating from input oriented development interventions and dependency thinking. The Change Agents shared that on many occasions they were not able to mobilise community members to do development for their own benefit. This is because the community members had high expectations for material assistance (free handouts). The Change Agents shared that even for a meeting or training session in which the Change Agents were willing to voluntarily share knowledge and skills with the community, the community members wanted to be paid to attend these meetings and training sessions. Without seating allowance they will not attend the training which is for their own benefit. Unfortunately, there are several so-called development organisations and government projects that continue to nurture AIDS (Aid Induced Dependency Syndrome) amongst the Ugandan communities. They do so by giving community members seating allowances, inflated transport refunds, etc. for communities to participate in the communities' own development.

In addition, UCAA is also challenged by the growing dependency thinking amongst its members towards the National association. An illustration of this dependency thinking from its members towards UCAA are the following statements written in their census forms by Change Agents: "volunteerism made me loose interest", "Too much volunteerism as compared to other NGOs", and "Voluntary work is becoming a problem to me". Another illustration of the dependency thinking from its members towards UCAA comes from the solutions that the Change Agents proposed for strengthening their branches. Of the 795 solutions proposed by Change Agents, 63% (501) were in the category of dependency towards UCAA, including suggestions that UCAA should provide more training, UCAA should fund and/or fundraise for Change Agents, self-help groups, UCAA branches, and that UCAA should provide them with more supervision. It is UCAA's conviction that one of the reasons UCAA was not able to achieve a number of its targets for stimulating social development is because of this dependency thinking of its members towards UCAA. In 2008, during its planning seminar for its next three-year strategic plan, UCAA will further analyse and discuss this challenge with the view of coming up with realistic and sustainable solutions.

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 January, UCAA held an organisational development seminar to discuss its secretariat. This seminar was attended by eight UCAA Board Members and seven UCAA staff members. The Board of Directors utilising the recommendations from this seminar re-organised the UCAA Secretariat and they approved that UCAA needed to have a total of 24 staff members, in order to better handle its workload for the year. By the end of the year, UCAA had filled 23 of the 24 staff positions for the year 2007. The remaining one position of fourth Driver was not filled in appreciation of UCAA's income deficit for the year. UCAA covered the position of fourth Driver on a part-time basis.

The major change in the UCAA personnel was in the position of Executive Director. Lucy Akello Ayena took over as Executive Director with effect from 1st September. After successfully serving her four-year contract, Norah Owaraga, decided not to renew her contract because she wanted to pursue other challenges that would further her career. Norah agreed to stay on as the Advisor to the Executive Director for a four month period from 1st September to 31st December.



Lucy Akello Ayena (right) UCAA Executive Director, presents a thank you and farewell gift from the UCAA Staff to Norah Owaraga, UCAA Executive Director (May 2003 to August 2007).

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 2007.

Full Members - As of 31st December 2007, there were a total of 3,762 living Change Agents and of these Change Agents 48% (1,822) of them were female and 52% (1,940) were male. Of these Change Agents, 59% (2,215) of them were UCAA Full Members. Of these who were Full Members of UCAA, 49% (1080) were female and 51% (1,135) were male. Of the UCAA Full Members, 77% (1,699) of them were fully paid up members, after having paid their membership fees (Ush 5,000) to UCAA for 2007. Of the fully paid up Full Members 48% (813) were female and 52% (886) were male. It is worth noting that since the provision of Life Membership was set up, 7% (147) of the Full members have paid Life Membership Fees. Sadly, seven of those who had paid Life Membership have since passed away. The membership of 7 of those that had paid life membership fees was terminated because of their misconduct. At the end of 2007, therefore, there were a total of 133 surviving Full Members who are Life Members. Of the Life Full Members 48% (64) were female and 52% (69) were male.

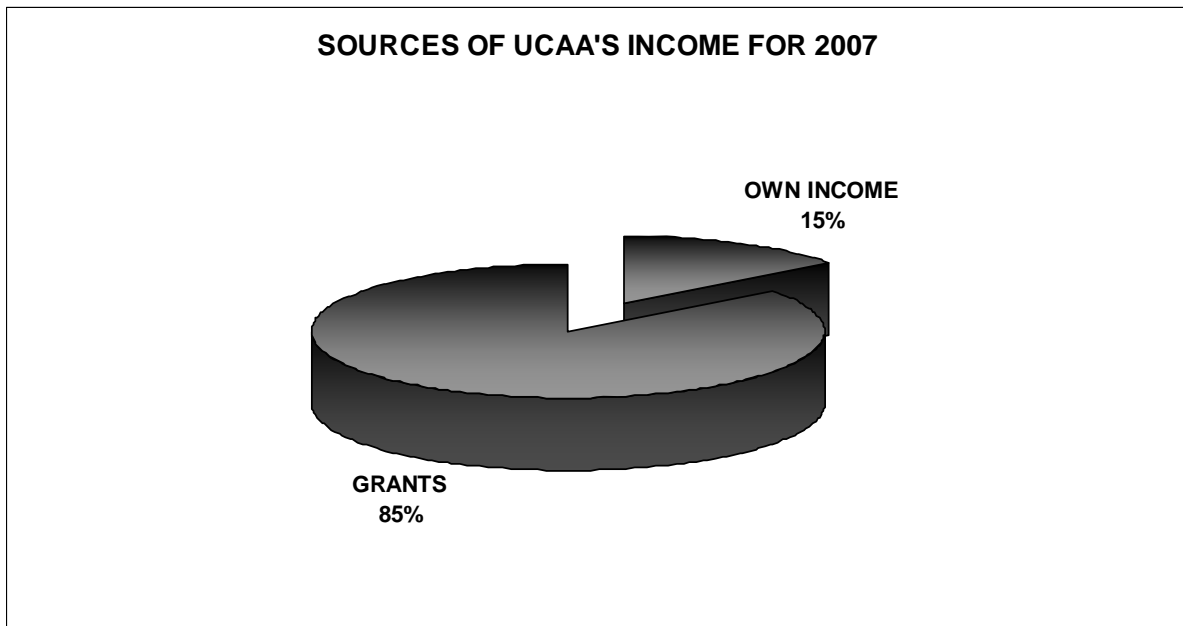
Associate Members - By the end of 2007, a total of 262 Community Agents of Change had joined UCAA as Associate Members. Of these, 40% (105) were female and 60% (157) were male. It is worth noting that one of the Associate Members have paid Life Membership Fees to UCAA.

Working Partners - By the end of 2007, UCAA had a total of 69 Individual Working Partners and 3 Institutional Working Partners. Of the individual working partners, 41% (28) were female and 59% (41) 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 2007 was not a good year for our Association. This is because we did not obtain all of the funds that we required for the implementation of all of our plans for the year. We were not able to raise 4% (Ush 36,620,271/=) EUR 14,984 of our budgeted income for the year. This necessitated the Board of Directors to utilise and deplete the UCAA Endowment Fund that had accumulated to Ush 27,459,000/= (EUR 11,235) in order to cover part of this deficit.

8.1. Expenditure – UCAA's total annual expenditure for the year 2007 was Ush 835,708,167/= (EUR 341,943) against a budget of Ush 846,073,000/= (EUR 346,184). Of note is that 2% (Ush 18,865,500/=) EUR 7,719 of the annual expenditure was on capital expenses for the purchase of the following fixed assets: renovating Change Agent House, computers and accessories. A detailed expenditure breakdown is contained on page 13 of UCAA's Audited Financial Statements for the year ended 31st December 2007 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.



8.2. UCAA's Own Income – During 2007, UCAA generated own income totalling Ush 95,961,941/= (EUR 39,264) against an annual budget of Ush 90,095,000/= (EUR 36,864). 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, advertising income, rent of shops, hire of UCAA equipment and vehicles, interest income, sale of fixed assets. In addition, the UCAA Board of Directors allocated Ush 27,459,000/= (EUR 11,235) from the UCAA Endowment Fund and Ush 2,709,934 (EUR 1,109) from the UCAA Staff Gratuity Fund, in order to cover UCAA's annual income deficit for the year 2007. Therefore, in 2007, UCAA contributed its own total income of Ush 126,130,875/= (EUR 51,608), which was 14% of the total income that covered its annual expenses for 2007. 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 2007 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 and Finnish Church Aid - Finland who together granted UCAA a total of Ush 716,534,147/= (EUR 293,181) for our programmes in the year 2007, against our annual budget for external grant funding of Ush 760,978,000/= (EUR 311,366). Therefore, in 2007, our funding partners contributed 86% of the total income that covered UCAA's annual expenses for 2007.

A detailed breakdown of external grant funding is contained on page 10 of UCAA's Audited Financial Statements for the year ended 31st December 2007 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.

ANALYSIS OF UCAA'S INCOME FOR 15 YEARS						
Year	External Grants (Ush)	Own Income (Ush)	Total Income (Ush)	% Own Income	Expend.	Surplus/ (Deficit)
1992	390,000	149,315	539,315	28 %	529,620	9,695
1993	2,213,000	487,810	2,700,810	18 %	2,557,275	143,535
1994	30,346,700	1,133,530	31,480,230	4 %	31,162,650	317,580
1995	85,672,317	3,419,180	89,091,497	4 %	89,911,475	(819,978)
1996	244,349,070	12,958,159	257,307,229	5 %	251,615,352	5,691,877
1997	321,744,893	11,614,681	333,359,574	3 %	346,874,054	(13,514,480)
1998	429,680,478	17,676,879	447,357,357	4 %	439,021,966	8,335,391
1999*	592,642,985	61,645,973	654,288,958	9 %	649,570,251	4,718,707
2000	554,369,726	61,341,059	615,710,785	10 %	605,483,984	10,226,801
2001	656,512,510	75,782,473	732,294,983	10 %	656,447,795	75,847,188
2002	647,475,513	49,884,106	697,359,619	7 %	737,214,922	(39,855,303)
2003	835,510,622	75,356,575	910,867,197	8 %	800,034,890	110,832,307
2004	920,875,979	250,975,899	1,171,851,878	21 %	1,083,052,235	88,799,643
2005	686,612,552	105,255,051	791,867,603	13 %	904,131,258	(112,263,655)
2006	667,498,700	156,421,223	823,919,923	19 %	849,645,386	(25,725,463)
2007	716,534,147	126,130,875	842,665,022	15 %	835,708,167	6,956,855
TOT	7,392,429,192	1,010,232,788	8,402,661,980	12 %		

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 2007, progress was made as follows:

8.4.1. Programme Fund: At the end of 2006, the unrestricted UCAA Programme Fund had accumulated to Ush 17,412,313/= (EUR 7,124) from the accumulated surplus of UCAA income from the previous years. At the end of 2007, the UCAA Board of Directors allocated the surplus, Ush 8,913,496/= (EUR 3,647) from the funds transferred from the UCAA Endowment Funds into income to this unrestricted fund. Therefore, at the end of 2007, the UCAA Programme Fund was valued at Ush 26,325,809/= (EUR 10,772).

8.4.2. Endowment Fund: At the end of 2006, this fund which is composed of funds that UCAA has set aside for investment had grown to Ush 26,696,097/= (EUR 10,923). During 2007, UCAA invested these funds in a Uganda shilling interest earning fixed deposit account with Centenary Rural Development Bank earning UCAA total interest income of Ush 762,903/= (EUR 312) and, therefore, increasing this fund to Ush. 27,459,000/= (EUR 11,235). However, the UCAA Board of Directors authorised the transfer of all of these funds to income in order to cover UCAA's income deficit for the year 2007. Therefore, at the end of 2007, the UCAA Endowment Fund was depleted to zero.

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 2006, this fund was valued at Ush 130,000/= (approximately EUR 53). During 2007, the UCAA Board of Directors made contributions to this fund totalling Ush 434,000/= (EUR 177), therefore increasing the fund to Ush 564,000/= (EUR 231). However, during the year, the UCAA Board of Directors authorised the transfer of Ush 428,000/= (EUR 175) of these funds to income, in order to cover the costs of the study tour that the UCAA Board of Directors took to Bukonzo East (Kasese) Branch of UCAA and Bukonzo Joint Savings and Credit Society. At the end of 2007, therefore, this fund was valued at Ush 136,000/= (EUR 56).

8.4.4. Life Membership Fund: At the end of 2006, this fund, which is composed of life member fees paid by UCAA members, had grown to Ush 7,477,350/= (EUR 3,059). During 2007, UCAA invested these funds in a Uganda shilling interest earning fixed deposit account with Centenary Rural Development Bank earning total interest income of Ush 281,840/= and, therefore, increasing this fund to Ush 7,759,190/= (EUR 3,175). During the year, another 20 UCAA members paid life membership fees to UCAA adding a total of Ush 1,019,000/= (EUR 417) to this fund, therefore, increasing it to Ush 8,778,190/= (EUR 3,592). However, during the year, the UCAA Board of Directors authorised the transfer of Ush 745,000/= (EUR 305) of these funds to income in order to cover the annual membership fees of 149 living UCAA Life Members who had paid their life membership fees prior to 2007. At the end of 2007, therefore, this fund was valued at Ush 8,033,190/= (EUR 3,289).

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 2006, this fund had accumulated to Ush 6,220,528/= (EUR 2,545). During the year, UCAA made additions of Ush 1,992,578/= (EUR 815) to the gratuity fund to reflect the period of service for each staff member, therefore, increasing this fund to Ush 8,213,108/= (approximately EUR 3,360). However, during the year, UCAA made a gratuity payment in-kind (old laptop computer, computer printer and UCAA manuals) valued at Ush 2,709,934/= (EUR 1,109) to Norah Owaraga, the former UCAA Executive Director, for 15 years of service to UCAA. This gratuity payment, therefore, reduced this fund to Ush 5,503,172/= (EUR 2,252) at the end of 2007.

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 2007, the UCAA auditors valued the UCAA land and buildings at a book value of Ush 81,304,428/= (EUR 33,267). 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

UCAA owns four Toyota Hilux Four Wheel Drive Double-Cabin Pick-ups that it utilises for the implementation of its countrywide programmes. At the end of 2007, the UCAA auditors valued these motor vehicles at a book value of Ush 71,353,443/= (EUR 29,195). UCAA owns an assortment of computers and computer accessories that its officers are utilising in the implementation of its programmes. At the end of 2007, the UCAA auditors valued the UCAA computers and accessories at a book value of Ush 20,362,176/= (EUR 8,331). 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 2007, the UCAA auditors valued this furniture and equipment at a book value of Ush 21,482,806/= (EUR 8,790).

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 1,080 (29%) of the 3,762 Change Agents living in Uganda completed and returned Census Forms to UCAA during 2007. Similarly, a total of 1,814 (41%) of the 4,390 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 third annual assessment visits to the 26 groups that UCAA selected and the External Field Assessors first visited during 2005. In addition, the UCAA contracted EFAs carried out their second annual assessment visits to the 46 groups that UCAA selected and the External Field Assessors first visited during 2006. In addition, during the second half of the year, UCAA selected another 29 groups that Change Agents who were trained during 2007 CAT Courses are working with. The UCAA contracted EFAs carried out the first visits to these groups no later than one month after the respective Change Agents graduated. 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.

At the end of 2007, UCAA finalised negotiations for an external consultant to be contracted to appraise UCAA's impact assessment tools. The consultant from the Netherlands is expected in Uganda in March 2008. 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. One of UCAA's funding partners, HIVOS – Netherlands, has so kindly agreed to provide the funding to cover the expenses of this appraisal exercise. It is hoped the final report for this exercise will be available by the end of May 2008 and that UCAA will utilise the findings of this exercise as a basis for drawing up its next three-year strategic plan for the period 2009 to 2011.

12. CONCLUSION

UCAA is satisfied that during 2007 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 2007, of the 58,329 members of self-help groups that responded to the survey of whether their standards of living (SOL) had improved during the year, 79% (46,084) of them indicated that they felt that their SOL had improved. Similarly, of the 1,734 members of self-help groups participating in the UCAA External Impact Assessment, 94% (1,626) 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: 62% (1,068) of the members felt their SOL had improved in the area of ensuring their good health, 56% (976) in the area of meeting their children's education needs, 21% (361) in the area of improved housing, 10% (177) in the area of improved transport and 51% (881) in the acquisition of fixed assets.

UCAA, therefore, is 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.

Lucy Akello Ayena
UCAA Executive Director

Rev. David Ogira
UCAA Programme Director

Rosette Mpaulo
UCAA Finance & Admin Director