



UGANDA

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STATEMENT BY

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ECONOMIC DEVELOPMENT (INVESTMENTS)
OF THE REPUBLIC OF UGANDA**

**TO THE
HIGH-LEVEL PLENARY MEETING ON THE MIDTERM
COMPREHENSIVE GLOBAL REVIEW OF THE
IMPLEMENTATION OF THE PROGRAMME OF
ACTION FOR THE LEAST DEVELOPED COUNTRIES
FOR THE DECADE 2001-2010**

New York
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Statement by the Honourable Minister of State for Finance, Planning and Economic Development (Investment), Professor Kiwanuka Semakula, to the High-level Plenary Meeting on the Midterm Comprehensive Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010, September 18, 2006

Madam President,

Allow me to add my voice to those of other delegates who have spoken before me in congratulating you on your election as President of the 61st Session of the General Assembly.

I wish to begin by noting the significance of the opportunity to have concerns pertaining to consolidating development gains by Least Developed Countries featuring on the Agenda of the General Assembly.

The findings of the mid-term review on the Implementation of the BPoA present us with a mixed picture. This mixed picture, on one hand, gives us the representatives of LDCs and our development partners present here, reason to celebrate and congratulate ourselves. On the other hand, they point to the grave responsibilities that this and subsequent generations will judge us against.

Madam President,

Uganda shares the tangible results shown in the findings of the midterm review. Uganda's overall GDP growth averaged over 5% percent per annum during the review period 2001 to 2005. The rate of per capita GDP growth has however been slower on account of our high population growth rate that is currently estimated at 3.4% per annum. This has resulted among other things, into a widening inequality gap amongst the population.

Cognisant of the fact that economic growth must translate into poverty reduction, we have continued to priorities poverty reduction within the context of our national planning framework, the Poverty Eradication Action Plan (PEAP). We have done this by empowering stakeholders to own the priority actions of the plan.

As part of the process of creating people-centered public expenditure, we have continued to ensure that the national budget and planning processes are open to all stakeholders. The preparation of the current 3rd generation of the Poverty Eradication Action Plan is one of the resounding examples of this commitment. Other undertakings to this effect have included publication of financial releases to local governments in newspapers, institutionalization of monitoring and reporting on utilization of budget resources under the Poverty Action Fund and more recently, the adoption and roll out of an integrated financial management system.

With respect to ensuring good governance, I am pleased to inform you that Uganda is furthering the reforms it embarked on prior to the current PoA for

LDCs. We have continued to deepen our decentralization strategy. The latest undertaking in this regard was the implementation of the fiscal decentralization strategy. Uganda also recently held its first Presidential and Parliamentary election under a multiparty dispensation. I am also pleased to inform you that according to a new World Bank report released in Singapore on September 15, Uganda was ranked high in the fight to stem corruption in the public sector. The report entitled "The New Governance Matters, 2006: Worldwide Governance Indicators" also positioned Uganda among the best in the promotion of free speech and democracy in Africa.

In recognition of the need to match its human resource development strategy and the human resource requirements of its economy, Uganda has stepped up the profile of vocational training. It has also adopted a universal secondary education programme to absorb the swelling number of graduates from its universal primary education programme. These undertakings are in addition to its adult literacy and universal primary health care programmes.

Madam President,

In order for us to successfully build on the gains noted by the midterm review, we must tackle the issue of effective partnerships with our development partners. True partnership must preserve the dignity of the parties involved. This can only happen when there is a mutual stake in our partnerships. Therefore while, we celebrate the mid-term review finding that ODA to LDCs is on the rise, our higher aim should be to see ODA become history as it is replaced by growing FDI flows within Developing Countries and from our development partners.

It is for this reason that the recommendations of the Cotonou strategy for the further implementation of the PoA for LDCs must not be watered down. Regional infrastructure, appropriate technologies and economic diversification are the building blocks that our development partners must direct an increasing proportion of the rising ODA towards. True, human capital is important. However, human capital without employment opportunities is a recipe for social anarchy and unrest. It is also contrary to commitment number one of the PoA: Fostering a people-centered policy framework.

Lastly, the midterm review has rightly observed that "international support in post-conflict situations has not always corresponded to the long-term nature of the peacebuilding process". Conflict in LDCs is not only a deterrent to the further implementation of Programme of Action for LDCs. It is also a major source of corrosion of what progress individual LDCs have attained. In this light, regional peace building efforts of LDCs, specifically those within the Sub-Saharan Africa region, must receive the full weight and backing of the United Nations systems. The current efforts of the United Nations systems by way of support to refugees and peacekeeping efforts are highly appreciated. These efforts however, must progressively evolve away from managing conflict to preventing conflict and disasters with governments of LDCs providing leadership. Concerted investment is required in support of existing and emerging conflict and other disaster prevention initiatives and mechanism by governments of LDCs. Furthermore, with the environmental effects of global warming transcending geographical boundaries at the rate at which they are, hunger, malnutrition

and poverty due to drought, desertification, and floods are challenges that will require increasingly well-coordinated mitigation mechanisms to be in place. For this reason, efforts of LDCs governments to transform household livelihoods in rural areas away from subsistence to off-farm livelihoods must receive more attention from multi-lateral development agencies and developed countries.

I thank you, Madam President.