Semi-Annual Monitoring Summary

Financial Year 2025/26

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Budget Monitoring and Accountability Unit (BMAU)

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Agro-industrialization Programme

Introduction

The goal of the Agro-Industrialisation Programme is to increase the commercialization and competitiveness of the agricultural sector through increased value addition to agricultural products[1]. Based on the fourth National Development Plan (NDPIV), the programme has six objectives: i) Sustainably increase production and productivity in agriculture; ii) Improve harvest and post-harvest handling and storage; iii) Develop, operationalise and optimise value addition infrastructure; iv Increase access to agricultural finance and insurance; v) Increase market access and competitiveness of agricultural products in domestic and international markets; and vi) strengthen coordination, legal and institutional framework for agro-industry.

The Government committed in the 2025/26 budget speech to deepen investments in research and genetic development, support to commercial farming, agro-processing and value addition, post-harvest handling and storage, pest and disease control, water for production, mechanisation, provision of agricultural inputs, certification and enforcement of quality standards and Parish Development Model (PDM).

Overall programme performance

By 31st December 2025, the overall programme performance was fair although some interventions were underperforming. Performance was affected by two ongoing reforms. The programme was completing streamlining roles and responsibilities and budgets under MAAIF, district local governments (DLGs) and implementing departments under the Rationalisation of Government Agencies and Public Expenditure (RAPEX) reform. At the same time, the programme was re-aligning actions to interventions as committed in the NDPIV. Some actions in the NDPIV were new and not yet implemented or with no progress data.

Good performance was associated with availability of donor financing, improved implementation of externally financed projects, streamlined implementation processes through RAPEX, provision of agricultural finance to farmers and industry, enhanced development of agricultural infrastructure and mechanisation.

Poor performance was due to understaffing; weak contract management; delayed land acquisition and compensation of Project Affected Persons (PAPs); low readiness within MAAIF to meet prior conditions and timely implement the externally financed projects; procurement delays and inadequate funds against budget.

Sustainably increase Production and Productivity in Agriculture

Research and genetics improvement

By 31st December 2025, the National Agricultural Research Organisation (NARO) and National Animal Genetic Resource and Data Bank (NAGRC&DB) registered good performance in development of research infrastructure, breeding and genetics improvement, variety development, feed ration formulation and evaluation, foundation seed production and

[1] NPA, 2024. Fourth National Development Plan (NDPIV) 2025/26-2029/30

research in pest and disease control, climate resilience, soil health and food and nutrition. Performance was constrained by inadequate funding and/or delayed releases and procurements.

Twenty (13.15%) agricultural research facilities were rehabilitated out of the targeted 152; three (21%) agricultural research support facilities were constructed out of the targeted 14; and one out of the three targeted laboratories were constructed. Construction of the Anti-Tick Vaccine Facility at the National Livestock Resources Research Institute (NaLIRRI) was at 98% completion. Construction of a power supply line for the vaccine production facility was 100% completed. Construction was 100% completed for the Queen Bee Rearing Facility and Water Pump and Associated Works at Maruzi Station in Apac district

The NARO produced and delivered 90 liters of Foot and Mouth Disease (FMD) vaccine. A total of 800,000 doses of anti-tick vaccine were produced and delivered for extended on-farm evaluation. A total of 153 sugarcane germplasm accessions were conserved for downstream breeding and virus diversity studies. In addition, 10,000 hot pepper fruit germplasm accessions were maintained for conservation and virus screening, alongside assessments of disease occurrence, incidence, and severity on hot pepper. In terms of development of products for market and industry, the physiochemical properties of nine (09) NARO tomato breeding lines were evaluated. Results confirmed that these tomato varieties were suitable for value addition.

Fair performance was recorded under the animal breeding programme implemented by NaGRC&DB farms. Extensive infrastructure development and land management interventions were undertaken to enhance livestock production on Government farms and ranches. A total of nine paddocks were repaired across Bulago, Livestock Experimental Station (LES), Aswa and Maruzi stations to support breeding and production, while a boundary trench was established in Nshaara to reduce wildlife intrusion from Lake Mburo National Park.

In addition, 1,247 acres were bush-cleared in Nshaara, Rubona, Kasolwe, LES and Aswa for animal feed production, and 615 fodder trees were planted in Aswa, Maruzi and Bulago to promote environmental conservation. The desilting of valley tanks and dams to improve water availability for livestock was ongoing, while over 1,614 hay bales were produced at Nshaara to mitigate dry-season feeding challenges.

Significant progress was also registered in livestock feed production and construction oversight. A total of 112 metric tonnes of compounded animal feeds for pigs, fish and dairy supplements were processed at Kasolwe Feed Mill, with more than half of the output consumed internally by Government livestock. Technical inspection visits were conducted across NAGRC&DB farms and ranches to ensure timely delivery and quality of construction works. These interventions contributed to improved operational efficiency and enhanced sustainability of feed availability across Government livestock enterprises.

In the area of livestock genetics, data management and capacity building, notable achievements were registered. Thirteen farm managers, fifteen community breeders and fourteen farm record assistants were trained in the use of the Integrated Livestock Management Information System (ILMIS), alongside 40 Artificial Insemination (AI) technicians trained at Ruhengyere Training Centre who were also introduced to the system. Livestock data from LES and the bull stud were uploaded onto ILMIS, the AI mobile data collection tool was updated, and 5,000 ear tags and herd recording materials were distributed to Government farms and ranches.

The process of establishing a livestock breeding, production and multiplication centre in Eastern Uganda commenced, with land already inspected, valued and titled. During the period, 84 Holstein Friesians were procured as part of the restocking intervention, veterinary drugs and vaccines were supplied, 31,625 doses of semen and 42,754 litres of liquid nitrogen were produced, and 1,159 cattle were inseminated, benefiting 149 farmers nationwide. In addition, livestock on Government farms and ranches were treated and vaccinated. Technical and operational constraints, including frequent breakdown of liquid nitrogen plants and phased implementation of key breeding facilities, affecting genetic improvement and AI services

Increase access to and use of water for agricultural production

The overall physical progress for the construction of Atari Irrigation Scheme in Bulambuli district was at 38.9% by December 2025. Key milestones included the construction of secondary irrigation and drainage canals, culverts, the Bulambuli model farm, and headworks, along with the establishment of temporary access roads and support structures in Kween. However, the development of irrigation infrastructure, including access roads, canals, culverts, and headworks, was behind schedule, with ongoing earthworks and slow overall progress.

However, the drainage works were currently under contention due to unresolved disputes over rightful landowners who had not yet been compensated. Flooding of the river disrupted construction activities during the period. The Atari administration block was completed and is now fully operational serving as a vital hub for scheme management and coordination. The total number of Project Affected Persons (PAPs) was 492, of whom 433 (88%) had been compensated while 59 (12%) PAPs were still pending compensation. However, the incomplete compensation of PAPs caused a delay in the establishment of trial farms at Atari.

Construction of Acomai Irrigation Scheme was at 98.5% against a time progress of 100% by November 2025. Four out of the six planned watering points were not constructed due to unwillingness of the intended beneficiaries to provide land. Farmers were already using the scheme for rice and maize growing. The late completion of the scheme was attributed to delays in compensation of project affected persons (PAPs), flooding of the river and additional works. The project compensated 663 project (97%) affected persons (way leave) out of the targeted 684 project affected persons in Bulambuli and Bukedea districts.

The Water for Production (WfP) programme implemented by Ministry of Water and Environment 9MWE)registered fair progress in expanding access to water for agricultural production through irrigation infrastructure development, water storage facilities, and system support interventions. Implementation progressed unevenly across large-, medium-, and small-scale irrigation schemes, with several projects at construction, feasibility, design, or procurement stages.

Construction of Kyenshama Earth Dam in Mbarara District was completed to 100%, supporting water availability for agricultural production in the area. Kabuyanda Dam for multipurpose use in Isingiro District stagnated at 21% cumulative construction progress due to absence of a contractor following contract termination. In contrast, the associated Kabuyanda Off-Farm

Irrigation Network advanced to 51% cumulative progress. Designs for the off-farm irrigation network were completed and approved, with procurement ongoing. Construction of Wadelai Irrigation Scheme commenced in December 2025.

Progress was registered across medium-scale irrigation schemes, though at varying levels of completion. The Chembombai Irrigation Scheme in Bukwo District and Namaitsu Irrigation Scheme in Bududa District both progressed to 30% completion, while the Sipi Irrigation Scheme (Bulambuli District) progressed to 19.5% completion. Feasibility studies for Enengo Irrigation Scheme (Rukungiri and Kanungu Districts) were at 20% cumulative progress, while feasibility studies for Akisim Medium Irrigation Scheme (Butebo and Pallisa Districts) reached 35% progress. The feasibility studies for Ajoli (Amuria), Agule (Kalaki), Totolim (Kumi), and Lolikoyo (Tororo) irrigation schemes progressed to 40% completion while those for medium- and large-scale irrigation schemes in South Western Uganda were finalised.

Water storage development was enhanced through the construction and rehabilitation of valley tanks and surface water reservoirs. Construction commenced on Naitakiru Valley Tank in Kotido district, and additional resources were required to mobilise site works in Nakapiripirit and Amudat districts. A surface water reservoir in Kalungu district was substantially completed, while rehabilitation of Kiryampungura Valley Tank in Kiryandongo District progressed to 85% completion. Engineering designs for six surface water reservoirs in Kotido, Kaabong, Amudat, and Nakapiripirit districts awaited approval. Groundwater development included drilling and construction of three boreholes in Amudat (2) and Nakapiripirit (1), while three production wells were successfully sited in Nakaseke (2) and Bukomansimbi (1), with drilling planned.

Solar powered irrigation expansion interventions nationwide, included 70 solar powered irrigation and water supply schemes under construction. Rehabilitation works were ongoing at Loteteleit SPIS (Kotido District) and Katotin SPIS (Amudat District), while improvement works were initiated for solar powered irrigation systems in Mpigi District, with procurementinitiated for Kyasonko Irrigation Scheme (Lwengo District).

Operation and maintenance support focused on sustaining functionality of completed infrastructure. Functionality support included replacement of damaged solar panels, pumps, and controllers at Mabira Dam, Nyamarungi Valley Tank (Isingiro), Bihembe Dam (Kazo), Nyarurambi Solar Powered Irrigation Scheme (Kanungu), and Garuka Solar Powered Irrigation Scheme (Rukungiri). Desilting works were undertaken at the headworks of Ngenge and Doho Irrigation Schemes.

The key implementation challenges were: a) Procurement delays affected commencement and completion of irrigation schemes, dams, valley tanks, and consultancy services, with several projects remaining at feasibility, design, or procurement stages; b) Slow progress in land acquisition and compensation of Project Affected Persons (PAPs), particularly for Matanda Irrigation Scheme and off-farm solar powered irrigation infrastructure, where only 24 of 403 validated PAPs (5.9%) had been compensated; c) Inadequate financial and logistical resources to mobilise contractors at some valley tank and reservoir construction sites, especially in Nakapiripirit and Amudat districts.

Increase access to appropriate agricultural mechanization and farm power

The MAAIF continued the construction, renovation and operationalization of Zonal/Regional Agricultural Mechanisation Centres which were at different levels of completion: Sanga in Kiruhura district was at 75% completion lacking facilitation for labour and machinery; Bungokho in Mbale district was at 80% facing challenges of court injunction on works due to site wrangles with the community; and Kigumba in Kiryandongo district was at 81% completion.

Buwama Centre was at 90% completion with ongoing external works; and installation of amenities and fencing at Agwata centre was at 90%. The development of 12 mechanized irrigation pilot centres in Rwampara, Kakumiro, Lyantonde, Kalungu, Bunyangabu, Rukungiri, Bukedea, Kyenjojo, Kasanda, Wakiso, Kazo and Katakwi districts continued at a slow pace due to inadequate budget. A total of 720 acres of bush were cleared/opened and 68km of farm access roads were opened/rehabilitated. Twelve farmer groups and 20 out of the planned 25 tractor operators were trained in effective maintenance and operations of mechanisation equipment.

Produce, multiply and distribute quality seed and inputs

As part of the effort to build a competitive and sustainable seed system, the MAAIF under the Uganda Climate Smart Agricultural Transformation Project (UCSATP) produced and distributed seed to farmers and/or set up breeding sites. These included: production of 5,000 Nile tilapia and 600 parent stock of African catfish selected for breeding; 60 tonnes of assorted fish feeds ingredients and 10 tonnes of floating fish feeds produced; 100 acres of pasture where established; 28,000 indexed disease-free cassava plantlets; rootstocks of 30 citrus and 3 mango varieties were grafted and put in nursery for propagation; and 5 acres of cashew nuts mother gardens established in Kifu.

To increase coffee production, multiplication and distribution of quality seed and, two coffee mother gardens were established in Northern and Eastern Uganda and a total of 1,366,484 coffee seedlings were distributed to 7,532 farmers. Furthermore 360 coffee nurseries were inspected and certified to produce quality seed.53% of large land owners were supported to plant coffee thereby supporting large scale commercial farming.

To increase agricultural inputs access, 606 coffee nursery operators and 34,781 coffee farmers were trained in good agronomic practices, and 360 coffee nurseries were certified. A total of 522,525 kgs of fertilizers were distributed to 15,326 beneficiaries in the coffee growing regions in the country.

In support of cotton seed production, multiplication, and input distribution, 689 MT of inputs and 21,519 units of Amdoc pesticides were distributed in the Kazinga Channel region. In addition, through the Uganda Ginners and Cotton Exporters Association (UGCEA), 105,395 units of assorted pesticides and 264 knapsack sprayers were distributed to cotton farmers. Nine ginners and lint exporters were registered by the end of December 2025. A total of 10,219,329 kg of seed cotton equivalent to 22,096 bales of cotton lint had been evaluated and purchased from farmers contributing to improved market access.

Strengthen pest, vector, disease management and control

Construction of four regional/zonal Animal Disease Control Centres was progressing at various stages: Sanga in Kiruhura district (73% and on schedule); Rubona in Bunyangabo district (60% and behind schedule); Nakaseke district (60%) and Katine in Soroti district (60% and behind schedule). Got Apwoyo disease control centre in Nwoyo district that was completed in FY 2023/24 had supportive structures but was not fully operational.

The MAAIF and DLGs delivered extension and advisory services to farmers focusing on good agronomic practices (GAPs), postharvest handling and management, and the integrated management of pests, vectors, and diseases. The Foot and Mouth Disease (FMD) continued to affect production and productivity of livestock in the cattle corridor. The MAAIF continued to procure and distribute FMD vaccines to all district local governments.

Strengthen the agricultural extension system
Fair progress was made in strengthening the agricultural extension system by MAAIF, NARO and District Local Governments (DLGs). To bridge the gap between farmers, research, and extension, 150 apple farmers, 15 extension workers, and 10 local government officials were trained in recommended apple management practices. In addition, 60 goat farmers and 10 veterinary officers in West Nile were trained in Community-Based Breeding Programs (CBBP). Twenty-eight (28) parish-level One-Stop Centre demonstration sites were established, targeting 10,000 youth stakeholders.

A total of 25,000 farmers were trained in key agronomic practices across different crops. Thirty-four (34) technologies were promoted to over 3,000 farmers and stakeholders in tea, banana, beans, potatoes, machinery, coffee, forestry, apiculture, fisheries, livestock feeds, and value-added products during World Food Day 2025.

The DLGs continued offering extension services to farmers, focusing mainly on the beneficiaries of the Parish Development Model (PDM). The MAAIF supervised on a quarterly basis extension delivery in the DLGs. Forty out of the planned 100 field extension agents were given technical backstopping. Fifteen extension workers were trained in farmland planning and soil and water management.

Under the Cotton Development Programme, five demonstration plots for soil and water conservation technologies and water catchment management were established to support appropriate research and promote sustainable cotton production practices. A total of 50,000 farmers were mobilized and sensitized through nucleus farms on good agronomic practices (GAPs) for cotton; and 500 cotton farming households in Pader and Nebbi districts, and Kazinga Channel region were trained in quality seed production.

Under the Coffee Development Programme, 22,595 coffee farmers were trained in Good Agronomic Practices (GAPs) across 10 coffee growing regions through extension services. A total of 606 coffee nursery operators and 34,781 coffee farmers were trained in good agronomic practices, and 360 coffee nurseries were certified. A total of 522,525 kgs of fertilizers were distributed to 15,326 beneficiaries in the coffee growing regions in the country.

Support to large-scale commercial farming entities

The Government continued to support production and multiplication of oil palm seedlings and putting up infrastructure for storage of fertilisers to promote commercial oil palm plantations in Buvuma, Masaka/Rakai, Mayuge and Kyotera hubs. In the nucleus estates, 2,600 ha were planted in Buvuma hub against a target of 5,000 ha, while 1,400 ha were planted in Sango Bay (Rakai District) against a target of 6,000 ha. The delays in acquisition of land for establishing nucleus estates was indicative of low preparedness for project activity execution by MAAIF.

Construction of a 1,000 MT fertilizer store (against a planned 15,000 MT capacity) in Buvuma was at 85% physical progress as of 19th November 2025. In Mayuge hub, construction of a fertilizer store and hub office had begun.

In Buvuma, 1,103.44 ha planted in 2021 and 2022 had begun ripening, yielding 418 MT of fresh fruit bunches (FFB) as of 30th August, 2025. However, the absence of a crude oil palm mill in the hub necessitated transporting FFB to Kalangala for processing, reducing farmer margins. There were seedling shortages in the Mayuge and Masaka/Rakai hubs due to delayed payments to Oil Palm Buvuma Limited (OPBL), which hindered the timely provision of inputs and services; additional challenges included limited transport for seedlings and lack of land for a nursery in the Mayuge hub.

The Acholi Private Sector Development Company Limited was contracted to strengthen grower organization capacity in Buvuma and Mayuge hubs. However, the Kyotera hub organization lacked facilitation, logistics, and structures needed to support the distribution of seedlings and fertilizers. The project trained 5,878 people in alternative income-generating activities—such as apiary, piggery, poultry, and vegetable farming—in the Kalangala, Buvuma, and Mayuge hubs, against a target of 23,922 individuals.

Promote climate adaptation and mitigation practices

Under the UCSATP, a total of 13,215 farmer groups were mobilised and trained in climate smart agriculture technologies and practices. Training manuals were produced and disseminated to enhance learning. Nine Environmental and Social Safeguards (ESS) manuals were developed and disseminated to 276 participants at the national level and 8,147 district local government (DLG) officials. This was aimed at strengthening the MAAIF environment. Social, health and safety (ESHS) risk management system and climate resilience interventions.

Develop, Operationalise and Optimise Value Addition Infrastructure

Agro-industrial investments, particularly in tea, sugar, fruit, and coffee processing, continued to support rural employment and smallholder value chains. Manufacturing and industrial enterprises, including textiles, medical supplies, construction, and packaging, accounted for a large share of jobs, with Fine Spinners Uganda Limited remaining the largest single employer during the quarter.

The Uganda Development Corporation (UDC) continued to provide guidance and oversight to seven companies involved in agro-processing, all of which were operational. Agro-processing enterprises, including Mutuma Commercial Agencies, Mabale Growers Tea Factory, Budadiri Arabica Coffee Mills, and Bukona Agro Processors, also remitted taxes during the quarter, confirming that agricultural value addition supports both employment creation and public revenue.

Eight domestic and 7 international events/expos were used as an avenue for promoting coffee consumption and value addition thereby enhancing market penetration for agro-based products. In addition, a market surveillance operation was carried out to develop and maintain the coffee market as a priority agricultural product

Increase access to Agricultural Finance and Insurance

Fair performance was recorded in farmers' access to agricultural financing through the Agricultural Credit Facility (ACF) and the Uganda Development Corporation (UDC).

During the period under review, the ACF loan book grew by USh 64.90 billion, financing 2,397 new eligible projects and increasing cumulative disbursements to USh 1.30 trillion as of September 2025from USh 1.23 trillion as at June 30, 2025. In total, 10,063 beneficiaries nationwide accessed financing for agricultural mechanization, post-harvest handling, irrigation, inputs and improved breeds, as well as agro-processing and grain trade, to enhance productivity and market access. Regionally, uptake remained highest in the Central region at 45.85 percent, followed by the Eastern and Western regions at 25.87 percent and 21.47 percent, respectively.

As at September 30, 2025, the Government of Uganda had remitted USh 348.36 billion to the ACF escrow account at the Bank of Uganda, comprising USh 342.81 billion for PFI reimbursements and USh 5.55 billion for marketing and audit fees. Approved but undisbursed commitments stood at USh 46.52 billion, while pipeline applications under review totalled USh 190.71 billion, requiring a Government share of USh 99.02 billion. The Scheme's cash balance of USh 53.09 billion was insufficient to meet the pipeline funding requirements. Major challenges included delays in clearing the proposed amendments to the ACF Memorandum of Agreement (MoA), limited financial literacy and record-keeping, insufficient collateral for lending, and regional and gender disparities.

The UDC continued to implement its mandate of promoting and facilitating industrial and economic development through targeted public investments in commercially viable projects, while strengthening governance, internal systems, and portfolio oversight. By September 30, 2025, Government had released USh 151.32 billion, representing 91 percent of the approved annual budget of USh 165.87 billion. When combined with the balance brought forward from FY 2024/25, total cash available during the quarter amounted to USh 312.82 billion. Actual expenditure stood at USh 137.64 billion, leaving an unspent balance of USh 175.18 billion. Variations in budget absorption were largely attributable to differences in project implementation status, procurement cycles, and operational readiness across investee companies.

Operational performance across investee companies demonstrated tangible socio-economic contributions, although export performance remained low. Employment levels were reported as 228 staff at Bukona Agro Processors, 278 at Mutuma Commercial Agencies, 304 at Mabale Growers Tea Factory, 76 direct staff and 130 indirect jobs at Sanga VetChem, 304 staff at East African Medical Vitals, and 8 direct and 15 indirect jobs at Budadiri Arabica Coffee Mills Limited. Overall, all investee companies together directly employed 5,446 people. The main challenges included limited export performance, liquidity constraints, structural challenges in the tea sub-sector, delayed reporting, governance gaps, and exposure to external market risks.

Increase Market Access and Competitiveness of Agricultural Products in Domestic and International Markets

The construction of the National Metrology Laboratory (NML) at the Uganda National Bureau of Standards (UNBS) headquarters in Wakiso district was completed with 33 laboratories. Equipping of the NML was at 60% following the procurement and installation of 45 new equipment out of the 53 ordered in the first batch. The control environment for air conditioning and ventilation was not yet rectified affecting functionality of the installed equipment. The facility was operating at 50% capacity due to inadequate equipment.

The construction and renovation works for Lot 1 of the MAAIF Sanitary, Phytosanitary and Post Quarantine Centre in Namalere- Wakiso district was completed and the facility was in the Defects Liability Period (DLP). The laboratories that were rehabilitated were for Fertiliser Analysis, Nematology, Entomology, Microbiology, Molecular Biology, Virology, Pesticides and Residual Analysis. Assorted laboratory equipment was procured and installed some of which facilitated e-certification. The facility was 45% operational due to understaffing – 60 staff (36%) out of 168 were in post.

The renovation of the National Semen Laboratory at the National Animal Genetic Resource Centre and Data Bank (NAGRC&DB) Bullstud was completed and the facility was in use at 70% operationalisation. Inadequate equipment constrained the performance of the facility. The equipping of Nabiswera Milk Collection Centre in Nakasongola district with milk coolers was completed and the facility was functional. The contract for the consultancy to support Accreditation of the Department of Dairy Development and Production National Dairy Analytical laboratory was signed and works commenced.

To improve agricultural market infrastructure in rural and urban areas, the construction and rehabilitation of 1,035.42 km of Batch A roads in 81 districts under the National Oil Seeds Project (NOSP) was ongoing at 72.4% physical progress. The procurement of consultants for Batch 2 (1,466km) under the NOSP had commenced. Under the National Oil Palm Project, 116.25km out of the 910km planned of farm access roads were constructed. Under the UCSATP, 644 road chokes (out of the planned 937) in 1,565 km of farm access roads were submitted by districts and rehabilitation was at varying stages.

Detailed designs and Bills of Quantities (BoQs) and onsite evaluations for construction of key facilities for supporting quality and standards for market access were completed under the MAAIF Enhancing Agricultural production, Quality and Standards for Market Access Project. The facilities include: National Agricultural Diagnostics Laboratory; Zonal Research Laboratories; National Veterinary Medical Stores; SPS Export Training Facility; and National Agricultural Food Safety Laboratory and Fisheries Inspectorate Office.

Strengthen Coordination, Legal and Institutional Framework for Agro-industry

As part of institutional capacity strengthening for the NARO Institutions, preliminary planning and infrastructure assessments were conducted for renovation and equipping nine Zonal Agricultural Research and Development Institutes (ZARDIs) laboratories; and engineering designs were completed awaiting World Bank No Objection for construction/rehabilitation of

10 irrigation facilities at 10 research stations and seed storage, threshing and drying facilities at 9 NARO stations.

Eight out of the planned 9 Pay for Service Providers (PSPs) were recruited to provide agronomic, crop insurance and market services to 1,440 farmer groups across 81 districts to support the development of the oil seeds value chain. The PSPs profiled 823 farmer groups, 14300 households and 58,402 acres in readiness for value chain development interventions.

Challenges

i) Weak contract management and procurement delays by implementing agencies affected timely implementation of externally financed projects
ii) Slow progress in land acquisition and compensation of Project Affected Persons (PAPs) delayed infrastructure development especially for water for production
iii) Stalled or partially implemented project activities and poor operations and maintenance of established infrastructure due to inadequate funds and/or late releases and disbursements.

Recommendations

i) The MAAIF, MWE and DLGs should strengthen contract management especially for infrastructure projects
ii) The MAAIF and MWE, in collaboration with District Local Governments, should expedite land acquisition and compensation processes to minimise project implementation delays.
iii) The MAAIF and MWE should prioritise resource allocation to ongoing works and operations and maintenance before of starting new projects.

HUMAN CAPITAL DEVELOPMENT (HCD) PROGRAMME-

Introduction

The Human Capital Development (HCD) Programme contributes directly to NDP IV Objective (ii), which aims to enhance human capital development across the entire life cycle. The Programme integrates interventions in education, sports and skills development, health, gender, labour, and social protection.

The overall goal of the HCD Programme is to build a healthy, knowledgeable, skilled, ethical, and productive population. The Programme objectives are to: (i) improve the foundations for human capital development; (ii) produce a knowledgeable, skilled, and ethical labour force; (iii) improve population health, safety, and management, including access to safe water, sanitation, and hygiene services; (iv) reduce vulnerability, gender inequality, and inequity across the life cycle; (v) promote sports, recreation, and physical education; (vi) promote culture and creative industries; (vii) promote a decent and productive work environment for all; (viii) mobilise communities for increased participation in national development; and (ix) strengthen policy, legal, institutional coordination, and regulatory frameworks.

Overall performance

Overall, performance of the Human Capital Development interventions was fair in education and skills development, gender and social protection, and health as of 31st December 2025.

Performance in education, sports, and skills development during the first half of FY 2025/26 was mixed, marked by good progress in policy reforms, curriculum rollout, examinations, student financing, and selected higher education and TVET institutional developments. Key milestones included the rollout of the Advanced-Level curriculum, expanded TVET and health professional assessments, increased access to higher education loans, and steady progress in several university and skills infrastructure projects. However, large-scale education infrastructure programmes—particularly secondary school expansion, rehabilitation of traditional and special needs schools, and textbook provision experienced significant delays, low fund absorption, and weak contractor performance, limiting the pace of improvement in access and learning environments.

Implementation of gender and social protection interventions registered relatively good and inclusive results, with substantial resources directed toward social assistance, livelihoods, and economic empowerment for older persons, women, youth, and persons with disabilities. Programmes such as SAGE, UWEP, youth livelihood financing, and women enterprise support expanded coverage, enhanced income security, and aligned well with national growth priorities, including the Tenfold Growth Strategy. Nonetheless, beneficiary concentration in trade and agriculture, alongside persistent gender-based violence and social vulnerabilities, highlighted the need for deeper economic diversification, stronger prevention mechanisms, and reinforced community-level accountability systems.

Under health, overall performance was fair, with continued delivery of essential services in communicable disease control, specialised and referral care, immunisation, diagnostics, and digital health systems. Notable gains were recorded in malaria, TB, HIV service delivery, specialised NCD care, blood services, and immunisation system readiness. However, development project implementation lagged due to procurement delays, funding constraints, staffing gaps, and slow infrastructure rollout, while preventive and community-level health outcomes remained weak. Addressing these constraints particularly in primary health care, maternal and neonatal services, and infrastructure execution remains critical to sustaining service delivery gains and improving population health outcomes.

The following section presents performance of the Human Capital development interventions in education, sports and skills development, gender, and social protection, health as of 31st December 2025.

Education, Sports and Skills Development

Overview

The FY 2025/26 education budget priorities focus on the construction of 116 new secondary schools and expansion of 61 existing secondary schools under the Uganda Secondary Education Expansion Project (USEEP), and the completion of the Skills Development Headquarters. Government also prioritised the operationalization of Busoga and Bunyoro Universities, the operationalization of the Uganda National Institute of Teacher Education (UNITE), the renovation and expansion of teaching and accommodation facilities in public universities, and the implementation of key reforms under the TVET Act, including the operationalization of the TVET Council and assessment boards.

In addition, Government planned to provide student loans, rehabilitate 120 traditional secondary schools and 31 SNE primary schools under U-LEARN programme, enforce electronic inspection systems, and provide textbooks and instructional materials to improve learning outcomes.

Key performance highlights

Construction of 116 new secondary schools and expansion of 61 existing secondary schools under USEEP: The project was re-scoped to 90 new and 52 expansion schools but remained significantly behind schedule, with civil works commenced at only 18 new school sites by end of December 2025. Expansion works had not started and were limited to preparatory activities. Overall performance was poor, with physical progress at 28% and funds absorption at 13.5%, which was disproportionately low given the five years elapsed since project approval.

Completion of the Skills Development Headquarters: Works progressed to 60% completion but remained behind schedule, mainly due to delays in the release of Government of Uganda counterpart funding, which constrained the pace of implementation.

Curriculum Review and Rollout: *The* Advanced-Level curriculum was rolled out in 2025, with the first cohort expected to sit national examinations in 2026. Implementation was supported through training of 29 national trainers, 230 master trainers, and 12,593 teachers (3,778 female and 8,815 male), and the distribution of 151,000 copies of aligned syllabi covering 29 subjects to 2,977 schools. At primary level, the Lower Primary (P.1–P.3) curriculum was finalised for piloting, while the Early Childhood Development curriculum approved in 2025 was supported through teacher training, with piloting scheduled for February 2026.

Enforcement of teachers and learners' inspection across the country using the electronic system*:* Enforcement remained weak despite the rollout of TELA and e-Inspection, which improved teacher attendance from 65.5% in 2023 to 70% in 2025 and increased inspection coverage to 89%. Weak integration of TELA data into performance appraisal, payroll controls, and sanctions, limited use of community accountability structures including School Management Committees and Boards of Governors, continued to undermine compliance, particularly in hard-to-reach areas.

Provision of textbooks and instructional materials: By end-December 2025, delivery of P.1–P.3 and P4 – P.7 instructional materials had not commenced and the call-off order for 3,341 metallic storage cabinets for UPE schools remained pending, despite existing framework contracts. Procurement of Special Needs Education instructional materials had reached the best evaluated bidders' stage, pending contract award.

Operationalisation of Busoga and Bunyoro Universities: Operationalisation of Busoga awaited clearance from the National Council for Higher Education (NCHE). However, renovation works at the main campus in Iganga were completed, while renovation works at the Bugiri campus had not yet commenced. For Bunyoro University, preparatory activities were ongoing, with physical planning and structural designs completed and awaiting approval by the relevant Local Government authorities.

Operationalisation of the Uganda National Institute of Teacher Education (UNITE): UNITE was operationalised across six campuses (Shimoni, Mubende, Unyama, Kaliro, Kabale, and Muni). A total of 3,478 students were enrolled and examined under Cohorts I and II, two diploma upgrading programmes were rolled out, 43 academic staff were appointed, and programme accreditation was secured for delivery through 23 Core Primary Teacher Colleges. However, staffing gaps persist due to inadequate wage bill, and full institutional consolidation awaits Parliamentary approval of the National Teacher Council.

Implementation of key reforms under the TVET Act: The TVET Act became effective on 15th March 2025, enabling establishment of the TVET Council and Operationalisation of Uganda Health Professionals Assessment Board (UHPAB) and Uganda Vocational Training Assessment Board (UVTAB) for competency-based assessment. However, system-wide rollout remained slow due to infrastructure gaps, financing limitations, and institutional capacity constraints.

TVET Assessment Bodies: The UHPAB assessed 99,751 candidates in nursing, midwifery, and allied health programmes, while UVTAB assessed 137,546 candidates, comprising 56,892 females (41.4%) and 80,654 males (58.6%), across vocational and technical training institutions.

Uganda National Examinations Board (UNEB): The UNEB examined 1,418,506 candidates, including 817,883 for the Primary Leaving Examination (PLE), 432,159 for the Uganda Certificate of Education (UCE), and 166,464 for the Uganda Advanced Certificate of Education (UACE). Of these, 3,644 candidates with disabilities were supported through psycho-educational assessment arrangements.

Continued provision of student loans: The Higher Education Students Financing Scheme expanded access to loans for new beneficiaries, supporting 2,211 students, including 45 persons with disabilities, under the 12th cohort in Semester I of Academic Year 2025/26, compared to 1,852 new entrants in FY 2024/25, representing 19.4% increase. A total of USh 7.61 billion was disbursed in tuition and functional fees to beneficiaries across 21 Higher Education Institutions.

Rehabilitation of 120 traditional secondary schools and 31 Special Needs Education (SNE) primary schools: Rehabilitation activities had not commenced by end-December 2025 due to delayed signing the Grant and Credit Financing Agreements under Uganda Learning

Acceleration and Enhancement Programme (ULEARN), which prevented programme effectiveness, although key preparatory activities were completed.

The renovation and expansion of teaching and accommodation facilities in public universities Progress was uneven, with some projects nearing completion while others remained behind schedule or stalled due to funding shortfalls, contractor capacity constraints, and delayed procurement.

- ***Project:1797 Gulu University Infrastructure Development Project Phase II:*** The Business and Development Centre was at 42% physical completion (second-floor slab ongoing) and the Senate Building at 31.8% completion (fourth-level slab casting ongoing). Designs for the extension of the Faculty of Agriculture Building were completed.
- ***Project:1982 Institutional Development of Makerere University***: The MaRCCI–Kabanyolo Administration Block was 98% complete. Renovation works for selected Halls of Residence (University Hall, Livingstone, Africa, and Nsibirwa and Nkrumah Hall), including roof repairs and electrical works, were completed. However, works on the MUARIK Dining Hall and the Centre for Continuing Education (CCE Hall) had not commenced due to inadequate funding.
- ***Project:1836 Makerere University Business School Infrastructure Development Project****:* Procurement of consultancy services for the construction of a multi-purpose building was ongoing.
- ***Project:1857 Lira University Infrastructure Project II:*** Construction of the Administration Block progressed to 88% physical completion but remained behind schedule. The Master Plan and geotechnical survey for Agwingiri land in Amolatar were completed.
- ***Project:1917 Soroti University Infrastructure Development Project II:*** Construction of the Anatomy Block Phase II was at 98% practical completion and was commissioned on 13th December 2025. The facility is currently under the Defects Liability Period. Construction of the main gate was ongoing, with 30% physical progress.
- ***Project:1988 Institutional Development of Kabale University:*** The construction of the four-story Faculty of Engineering, Technology, Applied Design, and Fine Art phase III was completed.
- ***Project:1846 Mountains of the Moon University (MMU) Infrastructure Development:*** Outstanding certificates for the construction of the Faculty of Agriculture and Environmental Science Complex were cleared. However, construction stalled due to insufficient funding for development.
- ***Project:1987 Institutional Development of Muni University:*** The multi-purpose Health Science Laboratory Building progressed to 89.5% completion against a 100% target, while the Administration Block Annex was at 67.5% against 95% target. Progress constrained by limited contractor capacity. The Mechanical Workshop exceeded its 70% target, attaining 75.3% completion as the contractor worked ahead of schedule. Renovation works at Okollo Campus were completed.
- ***Project:1835 Busitema University Infrastructure Development Project II:*** Construction of the five-level Lecture and Laboratory Block at Mbale Campus was 90% completion, pending electrical works. The three-level Maritime Institute Laboratory

and Lecture Block at Namasagali Campus was ongoing at 70% completion, while designs for the auditorium complex and a three-level laboratory block at Nagongera Campus were finalized.

- ***Project:1983 Institutional Development of Mbarara University:*** Renovation works at the Faculty of Applied Science and Technology, and the Estates Buildings were at 70% and 95% completion respectively. Rehabilitation of 0.74 km of road at the City Campus was at 90% completion. Drilling of a water source at the Town Campus was completed, while installation of a 100-cubic-metre water storage tank at Kihumuro Campus progressed to 15% completion.

Performance of other infrastructure projects

- ***Project:1356 Uganda National Examination Board (UNEB) Infrastructure Development Project:*** The Phase-I construction for the 14-floor e-Assessment and Digital Centre commenced in August 2025, with physical progress at 13% against a planned 14% by December 2025. The works were undertaken by the UPDF Engineering Brigade.

- ***Project 1432: Vocational Education (VE) (OFID – Phase II):*** Overall physical performance was at 90% against 100% of elapsed time. Works were completed in six Technical Institutes (Nawanyago, Basoga Nsadhu Memorial, Ogolai, Kilak Corner, Sasira, and Buhimba), while Lokopio Hills and Lwengo remained behind schedule at 85% and 70% respectively. Procurement of workshop equipment had not commenced following rejection of submissions by the OPEC Fund due to procedural non-compliance, which delayed delivery of equipment required for practical training.

- ***Project 1433: Business, Technical, and Vocational Education and Training Support Project- Phase II:*** Overall progress was 60% against 85% of elapsed implementation time, and the project was behind schedule. Expansion works across nine Technical Institutes averaged 83.1%, although progress at Nkoko, Nalwire, and Birembo Technical Institutes lagged due to weak contractor capacity. Implementation was further constrained by low release of GoU counterpart funding, with only USh 3.48 billion released against USh 14.85 billion planned for FY 2025/26.

- ***Project:1803 Development and Expansion of Health Training Institutions:*** Construction at Rt. Hon. Wapakhabulo Memorial College of Nursing and Midwifery progressed to 40%, while the Administration Block at Jinja Medical Laboratory School stalled at 35% since FY 2024/25. Construction and rehabilitation work at Public Health Nurses College, Kyambogo; Mbale School of Hygiene; Butabika School of Psychiatric Nursing; and Butabika School of Psychiatric Clinical Officers did not commence due to inadequate funding.

- ***Construction of Uganda Vocational and Technical Board Assessment Centre:*** The building was completed and commissioned on 9th January 2026 and is fully operational, addressing urgent office accommodation needs and housing the TVET Council.

- ***Project:1852 Development and Improvement of Special Needs Education II:*** Planned works, including renovations and construction at Kireka Home for the Mentally Handicapped, Budadiri Girls Primary School, Mbale School for the Deaf, and Salama School for the Blind, had not commenced by end-December 2025 due to inadequate funding. Bills of Quantities were prepared by the UPDF Engineering Brigade, and implementation awaits additional releases.

- ***Project 1858: Development of Primary Schools Project:*** No funds were released under this project, and as a result, neither the planned construction and renovation work in the 90 selected primary schools nor the procurement and distribution of 585 laboratory science kits to 140 primary schools were undertaken.

- ***Project 1853: Uganda Smart Education Project:*** Implementation commenced with needs assessments conducted in the four beneficiary public universities (Kyambogo, Soroti, Mbarara, and UNITE) to determine institutional requirements for smart learning infrastructure. A system requirements document was developed, and the procurement process initiated. By end-December 2025, the draft contract for installation of smart learning facilities had been submitted to the Solicitor General for legal clearance.

- ***Construction of Sports Facilities:*** In preparation for AFCON 2027, Hoima City Stadium was completed and commissioned on 24th December 2025, construction of the Akii-Bua Olympic Stadium progressed to 36%, and FUFA Kadiba Stadium entered the Defects Liability Period. Land title processing for transfer to the National Council of Sports commenced for the Hoima Boma and Masindi Municipal training facilities, while procurement for the 100 acres at the Tito Winyi Secondary School training facility was underway. Kyambogo University completed Phase I of its training facility, with Phase II yet to commence, and Memoranda of Understanding were signed for the development of training facilities at Makerere University, Lira University, and Pece Stadium in Gulu.

Gender and Social Protection

During the first half of FY 2025/26, the sub-programme continued to explore avenues to minimise social exclusion and discrimination and to promote the empowerment and resilience of poor and vulnerable families. Several interventions were being implemented, as indicated below.

Empowerment and protection efforts were supported, with funds allocated to livelihood and economic empowerment activities for Youth, Women, Older Persons, PWDs, and ethnic minorities. For instance, through the Social Assistance Grant for the Elderly programme, USh 50,315,232,150 was disbursed to 313,779 eligible older persons, comprising 125,512 females and 188,267 males, across 146 districts and cities.

A total of 277 Older Persons' groups under the Special Enterprise Grant for Older Persons (SEGOP) were supported across 60 Local Governments, reaching 1,621 older persons, of which 808 were males, and 813 were females. To promote the welfare of Persons with Disabilities (PWDs), 742 enterprises for PWDs were funded, reaching 4,366 PWDs (2,727 males and 2,094 females) across 71 LGs.

By December 2025, the Youth Livelihood Programme had disbursed USh 3.215 billion to 493 youth projects, directly benefiting 3,019 young people. Most funding and beneficiaries were concentrated in Agriculture, Trade, Services, and Industry. Smaller sectors such as Agro Forestry, ICT, Creative Industry, and Agro Industry received limited funding but contributed to economic diversification and exhibited narrower gender disparities. Additionally, USh

4,880,222,804 was disbursed to support 561 projects, benefiting 3,955 women through the Uganda Women Entrepreneurship Program (UWEP).

Enhancing Growth and Productivity Opportunities for Women Enterprises: through the Generating Growth Opportunities and Productivity for Women Enterprises project, a total of Ush 73,344,593,450 had been disbursed to 2,958 women entrepreneurs across 114 Districts and 8 cities by November 2025. This marked an increase from 2,459 beneficiaries recorded in March 2025.

A sectoral analysis of loan disbursement indicated reasonable alignment with the Tenfold Growth Strategy, which accelerates economic growth through key sectors, including Agro-Industrialisation, Tourism, Mineral Development, and the Science and Technology (S&T) agenda. The majority of borrowers were engaged in trade and commerce (42.2%), followed by agriculture and agribusiness (27.9%), and construction and engineering (9.2%). This distribution reflected women's active participation in key economic sectors, though the dominance of trade suggested limited diversification across sectors.

Response to Gender-Based Violence: The ministry continued to build the capacity of Local Government Officials to manage the National Gender-Based Violence Database. For instance, 75 Local Government officials (44 male and 31 female) from five LGs in the Central region (Kyotera, Rakai, Masaka) and the Western region (Mbarara, Isingiro). Additionally, the National launch of the 16 Days of Activism Campaign against GBV was held on 25th November 2025 at Kasese Municipal Council Grounds under the theme Unite: End Digital Violence against women and girls.

Supervision and inspection of seven Gender-Based Violence Shelters were conducted to ensure compliance with the minimum standards outlined in the Shelter Guidelines. These activities took place in Nebbi, Gulu, and Lira in the Northern region, as well as in Tororo, Kumi, Kween, and Katakwi in the Eastern region.

HEALTH

Interventions under health mainly contribute to objectives one, three and nine of the Human Capital Development Programme which are; i) improve the foundation of human capital development; ii) to improve population health, safety and management; access to safe water, sanitation, and hygiene services; iii) Strengthen policy, legal, institutional coordination, and regulatory frameworks for Human Capital Development respectively.

The performance of the interventions implemented by votes under health that contribute to the three objectives of the National Development Plan- IV was fair as of 31st December 2025.

Service provision, other recurrent activities, and roll-over projects continued to progress, while new development projects largely remained at the procurement stage. Consequently, funds utilisation of the development grant remained suboptimal. Entities that recorded some absorption had partially completed procurements, especially under the project for strengthening of institutions (retooling projects). This was primarily attributed to delays in the initiation of procurement processes and instances where implementing entities required to fully realize development funds prior to contract award and signing with service providers.

The service provision was supported by the delivery of essential medicines and health supplies by the National Medical Stores. The health facilities were increasingly using electronic records management system which was partly reducing the waiting time and improving accountability for the use medicines and health supplies. It is therefore critical that all service points in all health facilities are enrolled on the electronic records management and information systems for improved service delivery. It's important to note that in service points where the electronic records and information system is not deployed an inquiry in the utilisation of medicines and health supplies always indicates a mismatch between the patients attended to and doses issued out.

Service demand was far above planned levels at 95% of the health facilities, reflecting increased utilization and improved electronic documentation. Detailed performance by selected interventions is presented hereafter.

Reduce the burden of communicable diseases with focus on high burden diseases (Malaria, HIV/AIDS, TB, Neglected Tropical diseases, Hepatitis), epidemic prone diseases across all age groups emphasizing Primary Health Care Approach: Treatment and control of major communicable diseases, especially malaria, TB, and HIV, was successfully undertaken, reflecting effective facility-based service delivery and partner-supported programmes.

One HIV/AIDS care and prevention strategy/guideline was developed as planned. Knowledge of HIV prevention remained relatively high (82% against a target of 91%), while ART retention at 12 months stood at 80% against the 84% target. PMTCT indicators performed fairly, with 91% of HIV-positive pregnant women initiated on ART and 82% of HIV-exposed infants receiving a second DNA/PCR test. In relation to Tuber closis, TB treatment coverage met the annual target at 91%, while treatment success exceeded the target (88% against 86%). Leprosy outcomes improved, with Grade 2 disability cases reduced to 4% (better than the 9% target).

Regarding Malaria: Preventive and treatment interventions performed well, with 100% of targeted LGs implementing Indoor Residual Spraying and 100% coverage of seasonal malaria chemoprophylaxis in under-five children. Treatment of malaria cases remained high, and 66% of sick children were seen by VHTs and treated within 24 hours for fever.

Despite the commendable progress, prevention, surveillance responsiveness, hepatitis services, and community-level PHC outcomes remain weak, underscoring the need to strengthen VHT functionality, community systems, preventive services, and early epidemic detection to fully realize the PHC-oriented objectives of the intervention

Promote delivery of disability-friendly health services including physical accessibility and appropriate equipment. Progress was registered in assistive device provision and health worker capacity building, albeit at levels insufficient to meet demand. For instance, a total of 550 assistive devices were distributed against an annual target of 1,500, representing about 37% achievement. In addition, 85 health workers were trained in the delivery of disability-friendly services compared to the target of 150 (57% achievement). Infrastructure-related indicators showed mixed results: 28% of National and Regional Referral Hospitals had assistive device technology workshops, marginally below the 30% target, while 22% of general hospitals had functional rehabilitation care units against the planned 30%.

Strengthening population planning and development along the life cycle approach including civil registration, vital statistics and national population data bank: institutional planning and health information management structures necessary for population planning were in place, progress in strengthening civil registration and vital statistics (CRVS) linkages, comprehensive population data management, and life-cycle-responsive planning however remains limited. There is urgent need to strengthen inter-sectoral collaboration on CRVS and population data systems to improve performance in subsequent quarters.

Vital to note however was that the health information and data systems were functional with facilities using DHIS2 for reporting. In addition, the performance management system was operational at all levels of care.

Improve the functionality of the health system to deliver quality and affordable preventive, promotive, curative and palliative healthcare services.

Performance in health infrastructure development was mixed. While X-ray (5 of 10) and ultrasound machines (10 of 20) were procured and installed, no health facilities or staff houses were rehabilitated or expanded under the GoU funding. Only Scoping of new works was completed and documentation submitted to MoDVA for costing prior to signing Memoranda of Understanding for the phased rehabilitation works for Kagadi, Amuria, Koboko, Masindi, Kotido, Kasana–Luwero, Itojo, Busolwe, Kamubuga, Muko, and Kamwenge–Rukunyu General Hospitals, alongside construction of the Lira Blood Bank and completion of the modular health unit in Elegu.

The works that majorly continued were rolled over from the previous financial years. Examples of rolled over projects included.

Rehabilitation of Busolwe General Hospital under the Spanish Debt Swap and UPDF was substantially completed and is now in use pending commissioning. Construction of the theatre block and 16unit staff housing unit block at Kamubuga General Hospital was at 95% and 88% respectively. The radiology block at Masaka RRH was at 75.4%, Construction of theater block at Katakwi GH was at 60%, Construction of 16-unit staff house block at Masindi GH was at 43%, Infrastructure upgrade at Muko GH was ongoing with average progress at 30%, Rehabilitation of Itojo GH was also ongoing with the theater completed and works currently ongoing on the pead ward, while the theatre block at Kapchorwa General Hospital was at 71%. Progress on UPDF-implemented projects had been slow; however, following high-level engagements including intervention by the Prime Minister, works have resumed at some sites. UPDF was yet to start work in Apac and Kitgum GHs which is affecting health service delivery.

Construction of Regional Incinerators: Civil works for regional incinerators in Fort Portal, Mbarara, Lira, Gulu and Kampala Capital City Authority (KCCA) have reached substantial completion. All equipment was installed, with facilities pending commissioning.

Construction of 26 Medicine Stores (Global Fund): Nineteen (19) medicine stores have been completed and two have been commissioned, while Four (4) sites have reached practical completion. Roofing was ongoing at three (3) sites with all materials available on-site. Overall progress remains mixed, with notable delays at several sites.

Pre-installation of 20 Digital X-ray Machines: Pre-installation works commenced in January 2025, with thirteen (13) sites completed to date, (Bombo, Gombe, Kalisizo, Rakai, Lyantonde, Kisoro, Kambuga, Bwera, Bundibugyo, Kyenjojo, Kagadi, Masafu and Kiboga General Hospitals). Installation of X-ray equipment is currently ongoing. Pré-installation works are currently ongoing in six (6) sites, with completion of all works including x-ray installation, testing and commissioning expected by 28th February 2026.

In relation to the establishment of a modern Heart facility in Naguru. The civil works were estimated at 27% physical progress against the planned progress of 34%. Regarding the Medical Equipment and Furniture, analysis of the global list using the concept of Vital, Essential, and Necessary (VEN) was concluded and a Final List of the requisite Medical Equipment and Furniture, as well as Technical Specifications was developed and was under validation by the users as per Ministry of Health Guidelines of 2024 before approval by Government Organs that include the Board of Directors of Uganda Heart Institute (Implementing Agency), and the National Advisory Committee on Medical Equipment {NACME} (a Government Organ that is mandated to approve all the equipment to be used in Government Hospitals).

At Mulago National Referral Hospital, on the other hand, the construction of the 150 staff houses was estimated at 59% physical progress. In addition, the Hospital signed a contract on 15th December 2025 and handed over the site for rehabilitation & upgrading Mulago NRH

Regarding establishment of centres of excellence at the Uganda Cancer Institute, overall project performance for AfDB Support to Uganda Cancer Institute Project remained at 69%. Although the additional financing agreement was executed on 15 May 2025 with implementation expected to commence in July 2025, this did not occur. The UCI subsequently met the disbursement conditions on 10 November 2025 and submitted a request for the first disbursement to the Bank. The key outstanding activities were the completion of the Multipurpose Building for Cancer Treatment and Research and the procurement, delivery, and installation of the remaining equipment.

Regarding establishment of centres of excellence for cancer care, one Centre of Excellence had been established. Regional Cancer Centres in Northern, Western, Eastern, and West Nile regions were operational at one centre each, but overall expansion of centres of excellence remained below plan. Only Northern centre was expanded and functional while all the rest still operate from spaces provided by the regional referral hospitals.

On quality assurance and governance, results were comparatively strong. One Harmonized Health Facility Assessment was conducted as planned, client satisfaction exceeded target levels (64% against 50%), and 100% of health facilities had client charters displayed. However, enrolment of private-for-profit facilities into the Single Quality Improvement System (SQIS) remained low at 12% against the 40% target.

Regarding emergency and referral services, progress was notable. Eleven ambulances were procured against an annual target of 20, all three planned regional call and dispatch centres were completed, and 625 first responders were trained (63% of target). Conversely, construction of standard Intensive Care Units at Regional Referral Hospitals did not commence, registering zero achievement by end of 31st December 2025.

In medicines, diagnostics, and supplies, availability improved but remained below targets. Availability of tracer commodities at central warehouses reached 70% against the 80% target, while 60% of facilities achieved 95% availability of essential medicines (target: 75%). Functionality of logistics systems lagged, with only 30% of facilities operating a functional

LMIS against the 50% target. Laboratory strengthening was weak, as only 10% of hospital laboratories attained ISO accreditation compared to the planned 48%, and no health workers at HC IVs or community hospitals were trained in sonography.

Blood collection and availability: A cumulative 1,230,000 potential blood donors were mobilized, and 233,319 units of whole blood were collected against the annual target of 460,000 units. Two national blood promotional campaigns and two technical supervision exercises were conducted, reflecting steady progress toward increasing availability of safe blood and blood products.

Human resources for health: recruitment for FY 2025/26 had not been finalized by the end of December 2025. However, the Health Service Commission completed recruitment processes that had commenced in the previous financial year, resulting in the recruitment of a total of 673 health workers. In addition, 681 Human Resource for Health decisions were handled. Relatedly, 19 senior health professionals (U1SE, Heads of Department, and Specialists) were recommended to H.E. the President for appointment. Technical and support supervision was extensive, covering 11 Regional Referral Hospitals and 44 District Local Governments, with targeted technical support provided to 15 DLGs.

Regarding training, all the planned 1,794 medical interns were facilitated, and 512 senior house officers were verified. In addition, super-specialist training achieved the annual target as of 31st December 2025 as 512 trained against a target of 512, and 240 health workers were trained in human rights–based approaches and ethical conduct, surpassing the planned 200. However, overall staffing levels remained low, with only 34% of approved posts filled against an annual target of 85%, constraining service delivery at facility level.

Prevent and control non-Communicable diseases with specific focus on cancer, cardiovascular, genetic, renal, endocrine, mental, trauma and malnutrition across all age groups. Regarding cancer interventions, Service delivery indicators performed very well, with: Bed occupancy rates at 100%, indicating full utilisation of inpatient oncology services. Per capita outpatient attendance for mental, neurological, and substance-abuse-related conditions far exceeding targets, demonstrating high service demand and access across multiple NCD service areas, including medical oncology, paediatric oncology, radiation oncology, and critical care.

The Uganda Heart Institute delivered high volumes of advanced cardiovascular care, including 71 open heart surgeries, 60 closed heart surgeries, 41 vascular surgeries, and 284 catheterisation procedures against the annual targets of 150, 100, 100, and 650 respectively. In addition, 15,238 outpatient attendances were recorded, alongside 1,294 critical care admissions and 971 general ward admissions, reflecting strong demand and utilisation of specialised NCD services.

Kiruddu significantly exceeded diagnostic and clinical nutrition annual targets as at half year while also providing critical dialysis support to multiple referral hospitals. For instance, a total of 58,196 renal function tests were conducted, representing 210% achievement against the annual target of 55,544 tests, indicating strong diagnostic capacity and high service demand. A total of 79,680 liver function tests were conducted, achieving 313% of the annual target of 50,880 tests, reflecting expanded laboratory throughput and utilization. A total of 60 patients on the Burns Ward received daily specialized nutrition, exceeding the target of 35 patients.

This intervention supported faster wound healing, and reduced mortality among malnourished burn patients. In addition, dialysis consumables were supplied to Lira, Mbale, Mbarara, and Hoima Regional Referral Hospitals, as well as Kawempe National Referral Hospital, strengthening renal service continuity across the referral network.

Butabika registered moderate outpatient mental health service utilisation, while inpatient admissions, laboratory, and radiology outputs remained below semi-annual targets. For instance, a total of 2,068 patients were admitted (1,351 male; 717 female) against an annual target of 8,700 patients (5,700 male; 3,000 female), achieving 24% of the target. A total of 23,607 patients (11,052 male; 12,555 female) were attended to in Mental Health Clinics against a target of 43,700 patients, achieving 54%. A total of 20,180 laboratory investigations were conducted against an annual target of 56,000, achieving 36%. A total of 589 radiology investigations were carried out against a target of 1,800, achieving 33%.

Mulago National Referral Hospital exceeded annual targets in blood transfusion and clinical chemistry services, as at half year, demonstrating strong diagnostic capacity. Similarly, the haematology and hormonal assay outputs performed well as at half year. For instance, a total of 2,220 units transfused against the annual target of 1,000 units, achieving 222%, reflecting higher-than-planned demand for blood services. A total of 218,089 clinical chemistry tests performed against a target of 200,000, achieving 109%, indicating strong laboratory throughput and functionality. In addition, a total of 46,391 tests were conducted under Haematology investigations against an annual target of 94,000, achieving 49% of the target. A total of 2,832 hormonal assays conducted against a target of 5,000, achieving 57%, showing partial attainment due to specialised testing constraints.

Kawempe NRH exceeded annual targets in paediatric and NICU admissions, demonstrating high demand for child and neonatal care, while immunisation, laboratory services, surgical output, gynaecological emergencies, and outpatient attendance remained below annual targets. For instance, a total of 1,590 admissions were recorded against a target of 1,000, achieving 159%, indicating higher-than-planned demand for paediatric inpatient services. A total of 3,654 Neonatal Intensive Care Unit (NICU): admissions were managed against a target of 1,800, achieving 203%, reflecting sustained pressure on neonatal critical care services. A total of 16,585 children immunised against a target of 30,000, achieving 55%, pointing to underperformance likely linked to outreach and demand-side constraints. A total of 238,107 laboratory tests were conducted against a target of 400,000, achieving 60%, indicating a good attainment of annual planned diagnostic outputs. Regarding Gynaecological emergency admissions: 2,650 admissions were recorded against the annual target of 4,000, achieving 66% of the annual target. A total of 5,015 C-sections were performed against a target of 10,000, achieving 50%, good performance as half year.

Regional referral hospitals met or exceeded most service delivery targets, particularly in diagnostics, outpatient care, maternal health, HIV services, and digital health systems, while financial absorption and development project implementation lagged mainly due to procurement.

Improve maternal, neonatal, child and adolescent health services at all levels of care: Investments in maternal and child health services at all levels of care increased service outputs.

Kawempe National Referral Hospital and Mulago Specialized Women and Neonatal Hospital achieved 100% of their planned half-year targets for gynaecological emergency admissions, deliveries, caesarean sections, and inpatient admissions.

A total of 80 health workers from 11 districts in the Busoga region were oriented in the provision of Emergency Triage, Assessment, and Treatment (ETAT) for sick children. Technical support supervision and on-site mentorship of health workers in Integrated Management of Newborn and Childhood Illnesses (IMNCI) were conducted in the Lango region.

Sixty health workers from six districts (Kabale, Kanungu, Kasese, Rukiga, Rubanda, and Rukungiri) in the Kigezi health region were mentored on Essential Newborn Care (ENC) through on-site mentorship. In addition, 20 health service providers from Makerere and Kyambogo Universities were mentored in the provision of adolescent- and youth-friendly, responsive health services.

Under Sexual and Reproductive Health, 125 health workers from 10 high-burden districts (Yumbe, Moyo, Adjumani, Pakwach, Terego, Kitgum, Amuru, Pader, Lamwo, and Nwoya) in the West Nile and Acholi health regions were trained in the provision of client-oriented Family Planning (FP) and Sexual and Reproductive Health (SRH) services.

At Mulago Specialised Women and Neonatal Hospital (MSWNH), Cumulatively, the hospital attended to over 4,300 specialised inpatients, including high volumes of ICU, NICU, postnatal, maternal–fetal medicine, and oncology-related admissions. A total of 973 deliveries were conducted, resulting in 990 live births, while 829 surgeries were performed. Bed occupancy remained high (about 89%), with an average length of stay of 5 days, indicating sustained utilisation of specialised maternal and neonatal services.

However, outcome indicators remained below targets, with an institutional maternal mortality ratio of 1,111 per 100,000 live births against a target of 800, and an institutional perinatal mortality rate of 54.6 per 1,000 births against the target of 35. These elevated rates were largely attributed to late referrals and the high-risk profile of cases managed at the hospital.

At Mulago NRH, Progress was recorded in reducing institutional maternal mortality, with the maternal mortality risk declining to 70 per 100,000 deliveries against the annual target of 78. However, facility-based deliveries remained low at 50% compared to the target of 69%, indicating persistent access and utilization gaps. Functionality of emergency obstetric services also lagged, with only 55% of HC IVs fully functional (offering blood transfusion and caesarean section) against the 64% target.

Neonatal outcomes showed marginal improvement, with the institutional perinatal mortality rate at 16 per 1,000 births against the target of 17. Nevertheless, service capacity remained weak, as no health workers were trained in specialised neonatal care by end of Q2, only 12% of National and Regional Referral Hospitals had functional neonatal intensive care units (target: 20%), and 21.5% of General Hospitals had functional Level II newborn care units against the planned 33%. In addition, 56.3% of perinatal deaths were reviewed, below the 66% target.

With support from UgIFT, a total of 356 health centre IIIs facilities were completed out of the targeted 373 leaving the 17 health facilities incomplete. In addition, it was observed that the 35 Health centre IIIs in the refugee host districts had been transitioned to Government.

Increase community ownership, access and utilisation of health promotion, environmental health and community health services including for persons with disabilities: Community Health Extension Workers (CHEWS) were rolled out to nearly 50 districts. In addition, all the health facilities (HC III and above) provided integrated management of acute malnutrition.

Health and Nutrition Promotion and Education interventions, as well as efforts to build a climate-resilient health system, however registered poor performance during the period under review. This was largely attributed to underperformance of key output indicators, notably: the proportion of sick children managed by VHTs who recovered (13%); the proportion of villages with at least two VHTs providing the integrated community health services package (27%); the proportion of parishes with functional Parish Social Services Committees (30%); and the proportion of Local Governments with health staff oriented in climate adaptation and mitigation (25%) against the set targets.

Improve curative, palliative, rehabilitative and geriatric care services: A total of 30 health workers were trained in basic rehabilitation service package, two radiology units were mentored in preparation for accreditation, three NRH were supported and assessed for their role in supporting the regional hubs. Eight RRH were supported and assessed for their role in strengthening the national referral system focusing on their support to GHs and Lower-level health facilities within the catchment population. Two stakeholders' meetings were held on the second edition of the National Infection prevention and control to enable its validation and dissemination.

Poor performance was, however, recorded across several output indicators, notably the number of health workers at Community Hospitals and HC IVs trained in sonography, as well as the number of standards and guidelines reviewed or developed, all of which registered no achievement during the reporting period. In addition, the proportion of hospital laboratories with ISO accreditation remained low, achieving only 10% of the set target.

Promote health research, innovation and technology uptake including improvement of traditional medicines: The health innovations working group was operationalised, adopting new medical technologies. In addition, developing the health research agenda for the Uganda cancer institute was ongoing.

Relatedly, seventeen research publications on heart disease in peer reviewed journals were made by the Uganda Heart Institute (UHI) and eight research studies by UHI staff were facilitated. However, procurement of the Health Information Management System by MoH had been initiated and process for the development of a digital register had not been concluded.

Increase access to immunisation against childhood diseases: all the planned 1,500 health workers were trained in immunisation practices, strengthening service delivery capacity. Coverage of key routine antigens showed good performance, with Measles–Rubella second dose coverage reaching 60% (on target) and 82% of children under one year fully immunised, slightly below the annual target of 85%. Cold chain and service delivery readiness were strong, as 90% of sub-counties had at least one facility with a functional EPI refrigerator, and 90% of static EPI facilities conducted outreaches, both meeting set targets.

However, some gaps remained. Under-five deworming coverage stood at 54%, falling short of the 80% target, while malaria vaccination (4th dose) among children under 24 months had not yet commenced, registering 0% coverage against a 30% target. These shortfalls indicate the need for intensified community mobilisation and accelerated rollout of newer vaccine components in subsequent quarters.

Increase inclusive access to safe water, sanitation, and hygiene (WASH) with emphasis on increasing coverage in lagging communities: Climate-resilient water and sanitation facilities were constructed across urban, rural, and refugee settlements. In Kampala, 33 km of pipes were delivered, with 1 km laid; reservoirs at Kanyanya and Mutungo, and booster stations at Kungu and Kabulengwa were under construction. Bulangira WSS reached 90% completion, Bukumi 60%, while 20 rural and refugee systems progressed as follows: Kyankwanzi 95%, Kassanda and Nakasongola 90%, Kaliro, Namayingo, Mayuge 80%, and Kiryandongo, Adjumani, Yumbe, Lamwo, Moyo 15-45%. Test runs were completed for Namasale WSS, Kaliro–Namungalwe 76%, Budaka-Kadama-Tirinyi 94%, and Busaale 66%. Refugee settlements in Boroli and Lobule were completed, Angangura reached 75%, and three boreholes were drilled. Solar-powered installations in 20 towns reached 74% completion.

Rehabilitation and expansion: Existing networks were upgraded with 143.59 km of water mains. Rehabilitation was completed in 42 towns countrywide by the umbrellas of water and sanitation, including boreholes, reservoirs, and water treatment plants. Functionality of 18 boreholes was restored.

Sanitation infrastructure: Ten institutional toilets were completed in three refugee settlements; additional toilets at Bukuku Primary School and Rubaya Water Office. School sanitation under Nyamugasani GFS reached 95%, Loro Lot D 61.5%, and Bitsya WSS 45–50%. Public sanitation in 8 towns ranged from 20–90% completion, with facilities completed in Namasale, Butaleja–Busolwe, and Rukungiri. Sanitation facilities in Kaliro–Namungalwe and Budaka–Kadama–Tirinyi projects reached 86% and 97%.

Faecal sludge management: Fecal Sludge Treatment Plants (FSTPs) in Rukungiri and Koboko were completed and test-run (100%), Loro reached 55%, Kyenjojo 20%, while Kiboga and Kasali–Kyotera contracts were signed.

Sanitation and hygiene awareness: 49 campaigns were conducted across rural, urban, and refugee-hosting districts. Communication, Education, Participation and Awareness activities were implemented in Ngoma, Lunya, Nyanseke, Busaale, and Kawaweta, handwashing campaigns in Manafwa, Bukumi, Bulangira, and Kamuli, and 13 trainings in Rukungiri, Namasale, Koboko, Kaliro–Namungalwe, Butaleja–Busolwe, and Budaka–Kadama–Tirinyi. Awareness campaigns were also held in urban centers Bugarama–Karweru (Kabale), Rwere–Kateretere, and Kagarama–Bushura–Kibuzigye (Rubanda). Installation of handwashing facilities commenced.

Monitoring and institutional support: Twelve projects were monitored, with technical support to all 135 district local governments. Salaries for all permanent staff were paid, ensuring continuity in delivery service.

Mobilising Communities for Increased Participation in National Development

Implementation was guided by three intervention areas covering mobilisation and sensitisation, capacity building of state and non-state actors, and development of civic education and adult literacy programmes. Overall performance was assessed as fair, with stronger progress at policy, coordination, and systems level, but limited scale of operational rollout at community level.

Progress under community mobilisation and sensitisation focused on strengthening enabling policies and coordination mechanisms. A draft assessment of the National Community Development Policy, a draft Regulatory Impact Assessment for the National Adult Literacy Policy, and a draft Adult Learning Qualification Framework were developed and subjected to stakeholder consultations. These outputs clarified standards, roles, and qualification pathways for adult learning and community development, while improving alignment with the Parish Development Model. Coordination and oversight of community mobilisation actors improved through nationwide NGO and CSO mapping, mentorship of District NGO Monitoring Committees in Kole, Kiryandongo, Namutumba, Mayuge, and Kyenjojo, and engagement of the Multi-sectoral Community Mobilisation and Empowerment Taskforce, which supported harmonised mobilisation approaches and integration of pro-poor models within PDM implementation.

Capacity-building interventions registered fair performance. Technical support supervision of the Community Development Function and PDM was conducted in twenty-two Local Governments, including Rukungiri, Kabale, Lira City, Mubende, Ntoroko, Soroti, and Namayingo, strengthening oversight, guideline compliance, and coordination at parish level. Nutrition integration performed relatively well, with 225 Community Development Officers from fifteen Local Governments trained in ODK-based nutrition data collection, reporting, and use of nutrition information for planning, enhancing district capacity for nutrition-responsive community development. However, broader capacity-building remained limited in scale. Only thirty Community Development Officers from twenty Local Governments were trained in PDM household visioning and the ICOLEW Management Information System, constraining nationwide uptake.

Implementation of civic education and adult literacy programmes remained largely at policy and advocacy level. Civic awareness was promoted through national and district-level commemoration of International Literacy Day, including activities in Iganga District, supported by media engagements and community dialogues. However, planned nationwide capacity-building for 176 Local Governments on Integrated Community Learning for Wealth Creation (ICOLEW) implementation was not undertaken due to financing constraints. No community learning centres were constructed or equipped during the period, with progress limited to preparation of designs and Bills of quantities for proposed centres in Zombo, Oyam, Masindi, Kaliro, and Rakai.

Promoting Culture and Creative Industries

Overall performance was assessed as fair, characterised by solid foundational progress but limited scale and transformative impact.

Progress was strongest in creative human capital empowerment. During FY 2025/26, the Creative Uganda Revolving Fund (USh 28 billion) was operationalised through regional SACCO structures, targeting nine culture and creative industry domains. This expanded access to finance for creative practitioners, supporting enterprise growth, employment creation, and income diversification. Development of guidelines on the use of intellectual property as collateral, alongside initial sensitisation, further strengthened pathways for creatives to engage with formal financial systems.

Skills development also advanced, with approximately 1,200 culture and creative practitioners across five regions trained in creative business models, entrepreneurship, and financial literacy. These interventions enhanced employability, enterprise management capacity, and market readiness, contributing to improved productivity and resilience within the creative workforce.

However, infrastructure gaps significantly constrained outcomes. No major physical or digital culture and creative infrastructure was delivered during the period, limiting opportunities for production, value addition, distribution, and market access. As a result, gains in skills development and access to finance did not translate into scaled employment creation or sustained income growth.

Policy and institutional strengthening supported the social and cultural dimensions of human development. Draft National Family and Culture Policies and a draft Psychosocial Support Manual were developed, reinforcing norms around cultural identity, family cohesion, and psychosocial wellbeing. Nonetheless, weak enforcement of intellectual property rights, overlapping institutional mandates, and limited compliance incentives reduced the effectiveness of these frameworks in protecting creative labour and incomes.

Collaboration and networking mechanisms remained underdeveloped. Planned venture capital instruments, credit guarantees, and structured partnerships with private financiers were not established, largely due to fiscal constraints, high informality, and weak financial records among practitioners. Formalisation of culture and creative enterprises remained modest, with low registration levels persisting because of regulatory complexity, limited incentives, and perceived compliance costs, constraining access to social protection, finance, and structured markets.

Programme Challenges

1. Low pace of mobilisation and subsequent execution of works by the Uganda People's Defence Forces (UPDF) Engineering Brigade, despite transfer of all the required funds for works execution especially under health.
2. Funding shortfalls occasioned by changes in the global financing landscape for health.
3. Delays in land acquisition and compensation, due to high compensation costs, and inadequate funding for Project Affected Persons (PAPs) interfered with implementation progress.
4. Persistent low absorption of funds in externally funded infrastructure projects: Large externally funded education infrastructure projects, notably USEEP and BTVET Phase II continued to register low fund absorption due to slow procurement processes, prolonged development partner clearance timelines, weak contractor capacity, and delayed release of Government of Uganda counterpart funding, which constrained timely project execution.

5. Weak enforcement of accountability mechanisms in basic education: Despite the rollout of TELA and e-Inspection, enforcement remained weak due to limited integration of digital monitoring data into appraisal, payroll, and sanction mechanisms, alongside inconsistent community oversight, particularly in hard-to-reach areas. Consequently, teacher attendance remained below the expected 100% attendance standard, with adverse implications for learning outcomes.

6. Delays in policy, system, and infrastructure approvals hindered SUICOLEW's rollout and delayed the transition to service delivery

7. Gaps in Local Government capacity, insufficient staffing, and costly decentralised supervision limited the reach and long-term sustainability of interventions.

8. Fragmented, event-based implementation and poor integration into Local Government planning weakened institutional ownership and follow-up

Conclusion

Overall, performance of the Human Capital Development interventions was fair in education and skills development, gender and social protection, and health as of 31st December 2025.

In education and skills development, while notable progress was registered in curriculum reforms, examinations, student financing, teacher education reforms, and selected university and TVET infrastructure projects, large-scale education infrastructure programmes experienced persistent delays, low fund absorption, and weak contractor performance. Strengthening project readiness, procurement efficiency, and digital accountability mechanisms particularly for teacher attendance and school inspection remains critical to translating policy and reform gains into improved learning outcomes.

Implementation of gender and social protection, Significant resources were channelled to older persons, women, youth, and persons with disabilities, contributing to income security, resilience, and alignment with the Tenfold Growth Strategy. However, limited sectoral diversification of beneficiaries and continued incidence of gender-based violence underscore the need to deepen economic transformation outcomes while strengthening prevention, protection, and accountability systems at community level.

Under health, service delivery in communicable disease control, specialised and referral care, immunisation systems, and digital health utilisation continued, despite continued weaknesses in development project execution, preventive services, and community-level outcomes. Persistent procurement delays, funding constraints, staffing gaps, and slow infrastructure rollout constrained achievement of outcome targets, particularly in primary health care and maternal and neonatal health. Accelerating infrastructure implementation, strengthening community health systems, and improving inter-sectoral coordination will be essential to consolidate service delivery gains and achieve sustained improvements in population health outcomes in the remaining period of the fiscal year.

Programme Recommendations

1. The MoH and MoFPED should engage the Ministry of Defence and Veteran Affairs (MODVA) to identify the root causes of the delayed implementation of works. This

should guide the determination of a lasting solution to this constraint to project implementation.

2. The MoH should fast track the full rollout of integration framework for health care provision as a mitigation measure to reduced funding for HIV, Malaria and TB among others.
3. MWE should prioritise compensation funds and strengthen early engagement with local governments and land boards to prevent implementation delays.
4. The MoFPED and the MoES should enforce project readiness as a precondition for funding, and release development resources only to implementation-ready infrastructure projects.
5. The MoES and the MoFPED, should strengthen project management in implementing agencies through capacity building and sanction non-performing contractors including blacklisting them in line with Public Procurement and Disposal of Public Assets Authority guidelines.
6. The MoES, LGs, and the Education Service Commission (ESC) should institutionalise digital accountability for teacher attendance by formally integrating TELA clock-in data into performance appraisal, payroll controls, and enforceable administrative sanctions.
7. MGLSD, together with MoLG and NPA, must expedite key policy approval and SUICOLEW infrastructure execution by FY 2025/26.
8. MoFPED should prioritise predictable funding for decentralised supervision, Local Government capacity building, and phased rollout of community learning infrastructure, with MoLG providing strengthened oversight.
9. Local Governments must fully integrate CMMC interventions into District Development Plans, annual workplans, budgets, and performance management systems to ensure their institutionalisation and long-term sustainability.

Natural Resources, Environment, Climate Change, Land, and Water Management Programme

Introduction

The Natural Resources, Environment, Climate Change, Land, and Water Management Programme is a core enabler of Uganda's Fourth National Development Plan (NDP IV), particularly Objective One, which focuses on sustainably increasing production, productivity, and value addition. The programme integrates environmental sustainability into the national growth agenda by safeguarding natural capital (water, land, forests, wetlands, and climate systems).

Through coordinated interventions in water resources management, climate services, ecosystem restoration, environmental regulation, land governance, and policy development, the programme addresses climate change, environmental degradation, and unplanned land use that threaten economic transformation. Priority actions include securing reliable freshwater for socio-economic uses, reducing vulnerability to climate extremes, restoring forests and wetlands, strengthening environmental compliance, and improving land tenure security and spatial planning to attract investment.

This half-year performance summary presents progress made against the programme objectives, highlighting key outputs achieved, implementation challenges and recommendations for improved performance.

Objective 1: **To ensure availability of adequate and reliable water for different uses**

The objective was implemented through rigorous water quality monitoring, regulatory enforcement, and ecosystem restoration to ensure sustainable resource availability. A total of 1,572 water supplies and industries were monitored for compliance with national standards in National Water Quality Reference Laboratory and Regional Laboratories and 200 million in Non-Tax Revenue generated. Compliance monitoring was conducted at four waste disposal sites of Kiteezi, Katikolo, Nkumba, and Buyala as well as 12 industrial park facilities and oil and gas activities for the Tilenga Project. A total of 50 compliance monitoring and enforcement exercises were conducted in Kampala, Wakiso, Entebbe, and Mukono.

A total of 123 illegal water abstractors and wastewater discharger entities were identified. Consequently, 69 permit applications were processed and recommended. On the other hand, 342 surface water abstraction, wastewater discharge, construction and ground water permit holders were monitored for compliance to permit conditions. The wastewater compliance level was at 63% and 170 monitoring stations were maintained while Sezibwa and Mbulamoti water stations were rehabilitated.

A total of 240 permit holders were monitored for compliance with permit conditions, while 239 permits were issued, consisting of 117 new approvals and 122 renewals. These permits covered groundwater, surface water abstraction, drilling, hydraulic construction, dredging, and wastewater discharge. Additionally, 32 Environmental and Social Impact Assessment (ESIA) reports were produced.

Restoration efforts included 204 hectares of wetlands, 599 hectares of degraded landscapes, and 10 hectares in the Kafu catchment, alongside the demarcation of 51 km of wetland boundaries and 10 km of the River Muzizi banks.

Objective 2: Reduce emissions and vulnerability from the effects of extreme weather events, climate change and disasters

The objective was executed by issuing seasonal and monthly climate outlooks, providing extensive aviation weather forecasts, and maintaining vital meteorological infrastructure. By the end of December 2025, one (01) seasonal climate outlooks (SOND 2025) and six (06) out of twelve (12) monthly updates had been issued. Two (02) seasonal rainfall performances in areas of Western and Northern regions were undertaken. The data analysis to develop the Annual State of Climate report for 2025 was still ongoing.

A total of 3,258 Terminal Aerodrome Forecasts, 393 SIGMETs, 32,847 METARs, and 7,801 flight folders were issued for various aerodromes, including Entebbe and Soroti (operating 24 hours) and Gulu, Arua, Kasese, Kajjansi, Kabaale, Jinja, and Tororo (operating 12 hours). Additionally, three radar and wind shear sites were visited and technically supported. The two (2) Automatic Weather Stations (AWS) were installed in Kasese and National Meteorological Center, Entebbe. Maintenance was successfully carried out on 70 out of 90 Automatic Weather Stations (AWS), 30 out of 38 manual stations, and 60 out of 90 rain gauges.

Objective 3: Protect, restore and add value to forests and wetlands

Implementation focused on forest and wetland protection, restoration, enforcement, and institutional strengthening. Forestry inspections were conducted in the Acholi, Lango, and Bugisu sub-regions. Through the Running Out of Trees (ROOTS) campaign, 1,184,585 tree seedlings were planted, while landscape restoration covered 771.2 hectares in southwestern districts and Busoga College Mwiri using 257,385 seedlings. Additionally, 5,226 hectares of agroforestry systems were established across 5,148 households in 19 districts within the Albertine and West Nile regions.

Livelihood support promoted sustainable wetland use by providing fish farming enterprises to 32 Minakulu (Oyam District) households and 30 beehives, along with with training, to 50 Kataryebwa (Kamwenge District) households. Additionally, 50 former wetland users in Nakaseke District received fish ponds and beehives as alternative income sources. Conservation efforts resulted in the demarcation of 132.1 km of wetland boundaries, with 67 km marked in Arocha (Apac District) and Omoro District and 65.1 km in Fort Portal City. Additionally, 120 hectares were restored across the Awoja, Lumbuye, and Mpanga wetland systems.

Objective 4: To ensure a clean, healthy and productive environment

This objective was achieved through ecosystem restoration, pollution control, waste management, and biodiversity conservation. Restoration planning targeted degraded wetlands, riverbanks, and hilltops in eight high-risk Eastern Uganda districts. Projects included restoring Kabaka's Lake and assessing 120 km of the River Nile and Lake Kwania shorelines. Efforts also focused on degraded forest reserves in Buikwe, Kamuli, Kayunga, and Jinja districts. Site–species matching supported these actions to ensure effective, targeted restoration.

Environmental protection was strengthened through nationwide inspections in the industrial, mining, transport, and oil and gas sectors. Monitoring of waste sites, wetlands, lakeshores, and air quality hotspots was undertaken. Key industries received compliance assistance while Extended Producer Responsibility and Environmental Express Penalty reforms were advanced. Capacity building trained 50 Local Governments and two MDAs in sustainable management. These actions support Uganda's commitment to sustainable development and environmental mitigation.

Solid waste management in Kampala was significantly enhanced through the collection and disposal of over 120,000 tonnes of waste. These efforts successfully recovered 2,000 tonnes of recyclable materials while maintaining the cleanliness of 429 roads. The initiative utilized a workforce of 3,600 casual workers and was bolstered by strict enforcement actions. Success was further driven by community behavior change initiatives and proactive local engagement.

Regulation and enforcement against environmental degradation were supported by developing and reviewing key guidelines. Nationwide inspections, investigations, and prosecutions ensured compliance. Biodiversity management was advanced by demarcating fragile ecosystems with 1,500 concrete pillars. Additionally, the NSOER 2024 was disseminated, and 26 districts were assisted in preparing State of Environment Reports. International cooperation was strengthened through Uganda's participation in UNEA-7.

Objective 5: To strengthen integrated land use management

Implementation focused on land governance, tenure security, land information systems, and physical planning. Institutional capacity was enhanced through vetting, monitoring, and training of decentralized land institutions. This included nine District Land Boards and four City Land Boards in Jinja, Soroti, Lira, and Gulu. Training covered 50 Area Land Committees, 24 District Land Offices in Eastern and Northern Uganda, and eight Management Zonal Offices (MZOs).

Upgrading and maintenance of Uganda National Land Information System (UgNLIS) and the Land Valuation Management Information System (LaVMIS), training of 56 Ministry staff and 96 stakeholders, and supervision of 22 MZOs were undertaken. A total of 35,148 property valuations were conducted, compensation rates for 11 districts were reviewed and approved, and 49 government land acquisitions were supervised to ensure compliance.

Service delivery and tenure security improved by issuing 193,961 land titles to men and women. Efficiency was boosted by clearing 1,108 backlog files and completing 86,559 land searches. Surveying and registration were supported by training 25 registrars and surveying 5 km of the Kaabong–Kotido boundary. Technical work included separating four Kyadondo–Wakiso cadastral blocks and servicing 106 passive geodetic and 10 CORS stations. Updated thematic and topographic maps were also produced.

Integrated land use planning involved monitoring Physical Development Plans in 27 Local Governments. Training reached planners and officers in 15 urban councils and committees in 19 Local Governments. Supervision occurred in five districts, while leaders in six districts received sensitization. Finally, physical planning grants were transferred to 40 districts to support implementation.

Objective 6: Strengthening policy, legal, regulatory and coordination frameworks
In strengthening policy, legal, regulatory and coordination frameworks, a few steps were made. Major policy outputs involved the development and circulation of regulations for the Third Nationally Determined Contribution (NDC3), operationalization of climate change mechanism regulations, preparation of Terms of Reference for biomass carbon potential studies, and provision of biodiversity offset technical backstopping for the East African Crude Oil Pipeline.

Programme Challenges

1. The continuous loss of forest and wetland cover accelerates climate change, destroys vital biodiversity, and increases the frequency of devastating floods and droughts.
2. Increasing droughts, floods, and erratic rainfall are compromising water source reliability, damaging infrastructure, and driving up water treatment costs.
3. Critical staff shortages in meteorological services hindered the rollout of Quality Management Systems required by World Meteorological Organization (WMO) and International Civil Aviation Organization (ICAO) standards.
4. Inadequate investment in meteorological equipment, high-performance computing, and climate data systems constrains forecasting and early warning capacity.

Conclusion

Overall, the programme made tangible progress in strengthening water security, climate services, ecosystem restoration, environmental protection, and land governance during the reporting period, directly supporting Uganda's NDP IV aspirations. However, persistent ecosystem degradation, climate variability, staffing gaps, and limited investment in climate infrastructure continue to constrain impact.

There is need for accelerated ecosystem restoration, strengthened institutional capacity particularly in meteorological services and increased investment in modern climate and land information systems will be critical. Addressing these gaps will enhance resilience, safeguard natural resources, and ensure that environmental sustainability remains a strong foundation for Uganda's socio-economic transformation.

Recommendations

1. The MWE should prioritise the restoration of degraded ecosystems through aggressive reforestation campaigns and the strict demarcation of boundaries to prevent further encroachment.
2. The MWE should scale up the implementation of climate mitigation activities, including massive tree planting and protection of water source catchments, to enhance ecological resilience
3. The MWE should prioritise the hiring and specialised training of meteorological personnel to ensure full compliance with international aviation and weather standards.
4. The MWE should invest in high-performance computing and automated weather stations to modernize forecasting and enhance early warning reach.

Public Sector Transformation Programme (PSTP)

Overview and Context

The Public Sector Transformation Programme (PSTP) is one of the eighteen programmes under Uganda's Fourth National Development Plan (NDP IV) for FY 2025/26–2029/30. The Programme contributes to NDP IV Objective 5 by strengthening government systems, institutional frameworks, and public service culture to improve efficiency, accountability, and responsiveness in service delivery. In line with NDP IV's emphasis on productivity, service innovation, and inclusive governance, the PSTP provides a coordinated framework for public administration reforms, supporting the transition from compliance-oriented administration to results-driven and citizen-centred service delivery.

The Programme is coordinated by the Ministry of Public Service and implemented through ten Votes: Ministry of Public Service; Ministry of Local Government; Ministry of ICT and National Guidance; Inspectorate of Government; Kampala Capital City Authority; Public Service Commission; Local Government Finance Commission; National Information Technology Authority–Uganda; National Identification and Registration Authority; and Uganda Broadcasting Corporation. These institutions perform complementary roles across human resource management, accountability and oversight, decentralisation, digital governance, and service delivery reform, ensuring a whole-of-government approach to public sector transformation.

This semi-annual review assessed performance against approved FY 2025/26 outputs and annual targets using administrative progress reports, stakeholder consultations, and independent output verification.

Overall Programme Performance

By 31 December 2025, the Programme had an approved budget of USh 288.53 billion, of which USh 131.57 billion (45.6%) was released. Expenditure amounted to USh 102.52 billion, representing an absorption rate of 77.9% of released funds. Financial performance was assessed as fair. While absorption of released funds was satisfactory, delayed and uneven releases constrained procurement-intensive interventions and slowed early implementation momentum, particularly in Votes with large infrastructure and ICT components such as Kampala Capital City Authority.

Performance varied across implementing institutions. NITA-U, the Inspectorate of Government, and the Local Government Finance Commission demonstrated relatively good expenditure performance, reflecting clearer implementation pipelines and fewer procurement bottlenecks. In contrast, NIRA, the Ministry of Local Government, and the Ministry of ICT and National Guidance recorded weak absorption due to delayed procurements and slow start-up of planned activities.

Physical performance was also assessed as fair, with about 70% of planned mid-year outputs achieved. Progress was strongest in upstream reform areas policy development, institutional reviews, and systems strengthening where outputs are less dependent on capital outlays.

Weaker performance was observed in operationalisation, frontline service delivery, and behavioural change interventions that require sustained funding, staffing, and change-management support. Overall, the Programme remains broadly on track, but implementation momentum was uneven across objectives.

Strategic Objective 1: Strengthening Accountability for Results: This objective focused on improving accountability and results-orientation through four interventions. Overall performance was fair. Strong results were recorded in enforcement, performance management rollout, and strengthening of District and City Service Commissions, while dissemination, routine monitoring, certification, and digital accountability tools lagged.

Enforcement of compliance with laws, regulations, and guidelines registered strong outcomes. The Inspectorate of Government verified 927 leaders' income, asset, and liability declarations, concluded 246 Leadership Code investigations, filed 68 cases with the Tribunal, and resolved 330 Ombudsman complaints. These actions resulted in payment of over USh 2.6 billion in unpaid employment benefits, demonstrating tangible service-related accountability gains. However, preventive accountability mechanisms underperformed. Boardroom complaint-resolution sessions and support to grievance-handling systems in MDAs and Local Governments achieved less than half of planned targets due to labor-intensive processes, institutional readiness gaps, and competing workloads.

Strengthening the efficiency of District and City Service Commissions recorded notable improvements. Induction of newly appointed Commissioners met annual targets, performance audits exceeded planned outputs, and all planned reference checks, disciplinary cases, and appeals were concluded. These interventions strengthened adherence to recruitment procedures and improved handling of disciplinary and appeals processes. However, routine monitoring of Commissions was not undertaken due to resource constraints and prioritisation of audits over continuous supervision.

Public sector performance initiatives registered good progress in rollout but weaker results in consolidation. Balanced Scorecard cascading exceeded targets, with sixteen entities supported against a planned fifteen. Monitoring of time and attendance and establishment of Rewards and Sanctions Committees met or exceeded targets, reinforcing discipline. However, change-management training reached only 716 staff against a target of 1,500, and planned monitoring of Balanced Scorecard implementation, client charters, rewards and sanctions, and the Public Service Culture Framework was not undertaken.

Service Delivery Standards implementation performed fairly. Standards were developed in fourteen MDAs and institutional clusters, exceeding annual targets. However, dissemination to twenty-four Local Governments was not achieved, and compliance inspections covered only six LGs and one MDA. The planned e-inspection tool was not rolled out due to ICT readiness and integration constraints, limiting reinforcement of standards at frontline level.

Certification of services and Service Delivery Standards was not undertaken due to delayed operationalisation of the certification framework, limited funding, and prioritisation of standards development over certification. This remains a key risk to objective achievement if not addressed in the second half of the year.

Strategic Objective 2: Streamlining Government Structures for Efficient and Effective Service Delivery: This objective aimed to align organisational structures, staffing frameworks, and management systems with programme-based planning. Overall performance was fair, with strong achievement at design and approval stage but slower operationalisation.

Structural reviews were largely completed, with over 90% of targeted MDAs and Local Governments having approved organisational structures aligned to programme-based budgeting and reflected in the Human Capital Management system. All priority schemes of service and job frameworks planned for the year were developed or reviewed, strengthening establishment control, role clarity, and payroll integrity. However, implementation of approved structures was slowed by recruitment ceilings and fiscal constraints.

The Productivity Measurement Framework was rolled out in all sampled institutions, achieving full coverage. However, routine use of productivity data for management decision-making remained limited. Translation of findings into operational reforms was constrained by delayed structure implementation, weak business process re-engineering, limited change-management capacity, and non-implementation of planned Management Analyst training.

Stakeholder engagements to support reform coordination were conducted. However, development and operationalisation of the public sector transformation framework progressed slowly and was not fully applied by mid-year, resulting in uneven coordination and pacing of reforms.

Strategic Objective 3: Strengthening Human Resource Management for Improved Service Delivery: This objective was implemented through five interventions. Overall performance was fair, with strong results in core HR controls, moderate progress in civil service development, and limited progress in recruitment modernisation, pay reform, and pension reform.

Strengthening human resource management in government performed strongly. Support supervision on implementation of HR procedures was fully achieved in twenty MDAs and sixty Local Governments, improving compliance and reducing procedural irregularities.

Nurturing of the civil service recorded fair results. Capacity building in HR planning and succession management met or exceeded targets, improving alignment between staffing decisions and organisational priorities. However, broader civil service development and structured change-management initiatives remained limited.

Recruitment strengthening underperformed. Planned recruitment modernisation measures, including e-recruitment and competence-based profiling, were not implemented, leaving recruitment processes largely manual. Pay reform did not progress due to non-implementation of analytical studies. While pension payroll controls improved, pension reform largely remained at the sensitisation stage with no substantive reforms implemented.

Strategic Objective 4: Deepening Decentralisation and Citizen Participation: This objective aimed to strengthen decentralisation, fiscal sustainability of Local Governments, and citizen participation through four interventions. Overall performance was fair, with stronger results at intergovernmental level and uneven outcomes at Local Government and community levels.

At the center, LGFC operationalised its Balanced Scorecard, completed analytical studies on donor funding incentives and service delivery costs, and conducted all planned regional budget consultative workshops, strengthening programme-based decentralisation. However, outreach to underperforming LGs, budget benchmarking, equalisation grant targeting, and LED support achieved less than half of planned coverage.

Programme negotiation, consultation, and dispute settlement mechanisms performed well at intergovernmental level, enhancing transparency and coordination. However, limited follow-up support constrained effectiveness at Local Government level.

All planned programme conditional grant negotiations were conducted, fully achieving annual targets. However, translation of negotiated commitments into consistent Local Government-level implementation remained constrained by capacity and resource limitations.

Under the Parish Development Model, good performance was recorded in core financial and institutional outputs, including training SACCO leaders, identifying parish priorities, remunerating committees, and disbursing USh 9.8 billion in revolving funds. In contrast, accountability and citizen feedback mechanisms underperformed, with PDMIS reporting, enterprise certification, AGMs, sensitisation, and routine monitoring achieving below fifty percent of targets.

Strategic Objective 5: Re-Engineering Public Service Delivery Processes and Systems: This objective sought to improve efficiency, interoperability, and citizen access through digital government reforms and systems strengthening. Overall performance was fair, with stronger progress in backend reforms and weaker results in citizen-facing services.

Planned rollout of digital signatures, citizen participation platforms, ICT standards, and integration of functional registers was not achieved due to delayed funding, procurement bottlenecks, and coordination gaps. As a result, intended gains in digital inclusion and interoperability were deferred.

Business process re-engineering progressed at design level, with documentation of processes and development of recruitment and assessment tools. However, monitoring of BPR outcomes was not undertaken, limiting evidence of efficiency gains.

Strengthening records, archives, and information management performed well. Most planned outputs were achieved, improving information governance and inter-institutional coordination. However, end-user training on EDRMS did not commence, limiting effective utilisation.

Plans to leverage Posta Uganda infrastructure to expand Service Uganda Centres were not implemented due to funding and coordination challenges, limiting progress in integrated service delivery.

Strategic Objective 6: Strengthening Institutional Coordination and Enforcement: Performance under this objective was weak. Most planned ICT and infrastructure investments were not implemented due to delayed procurement planning, low releases, prolonged approvals, and competing priorities. Investments at LGFC, KCCA, and PSC achieved less than 30% of targets, limiting administrative efficiency and coordination.

Policy and regulatory development progressed only fairly, while capacity-building for programme actors was constrained by lack of enabling systems and infrastructure. Programme coordination, planning, and reporting at the Ministry of Public Service performed relatively better, achieving about 70% of planned outputs, but this was insufficient to offset weaknesses in ICT and infrastructure investments.

Implementation Constraints

1. Low and delayed funding releases, which slowed procurement and limited implementation scale.
2. Weak change-management and operational capacity due to staffing gaps and recruitment ceilings.
3. Procurement bottlenecks arising from delayed planning, approvals, and contract management.

Key Recommendations

1. MoFPED should prioritise timely and predictable releases, with front-loading of procurement-intensive interventions.
2. The Ministry of Public Service should scale up implementation support, including structured change-management clinics and embedded technical assistance.
3. Implementing institutions should initiate procurement early and strengthen contract management, with closer oversight of underperforming Votes.

Sustainable energy development programme

The overall semi-annual performance of the sustainable energy development programme during FY 2025/26 was fair. The approved revised budget for the programme is Ug Shs 1,248.379 bn, while the budget release was Ug Shs 143.476 bn, and the expenditure was Ug Shs 128.017bn. The released funds were 13.9% of the revised budget, while expenditures were 12.9% of the total budget.

Performance

The overall performance of the programme was fair. The eight interventions covering the different outputs under the programme include: rehabilitate the energy infrastructure; develop new utility-scale energy generation infrastructure; expand the energy transmission and distribution infrastructure, improve the transport sector's fuel economy; develop and implement energy efficiency programmes across the energy value chain; create connections between people, green jobs and services; enhance nuclear safety, security, and safeguards; strengthen the energy research and innovation ecosystem. The highlights of the performance of interventions given thereafter:

Rehabilitate the energy generation infrastructure: The performance of outputs under this was poor. There was no progress on the two main outputs, which are the rehabilitation of the Nalubaale and Kiira 380MW hydropower station, and the conversion of the Namanve thermal generation plant to use natural gas. The feasibility studies

Develop new utility-scale energy generation infrastructure: The intervention performance was poor. The planned feasibility studies to enable the development of Oriang and Ayago hydropower plants were yet to commence. The MEMD and NPA are in discussions to fund the studies from the Project Preparation Facility. Physical works on the Orio mini-hydro power project commenced for the four sites under phase, and overall progress of the works exceeded 18%. River diversion works were completed at Hoimo in Hoima, while construction of the water channel was at 75%. Work on the access roads at Igassa and Nsongye in Bunyaruguru and Nchwera in Mitooma was ongoing.

The plans to develop the Nuclear Power plant (NPP) progressed with site evaluation for the Buyende location at 20%. Also, the inception report for site evaluation for Buyende Nuclear Power Project was received from Korea Hydro and Nuclear Power Company Ltd, reviewed and approved. The RAP study for the Buyende Nuclear Power Project was 95% complete, and the social and economic baseline, cultural heritage surveys, land cadastral and asset surveys were completed for all 18 affected villages. The compensation rates for FY25/26 were approved by the Buyende District Council in November 2025, and the draft asset valuation report was submitted for review by the Chief Government Valuer (CGV).

Expand the energy transmission and distribution infrastructure: Good progress was registered on the Kampala Metropolitan Transmission project, and overall progress improved to 84.5%. The project attained overall progress of 84% for Lot 1 (Buloba and Bujagali substations), 70.7% for Lot 2 (Mukono substation) and 100% for Lot 3(Mobile substation at Kawaala) in November 2025. Most of the equipment at the Mukono, Buloba and Bujagali substations, including the transformers, had been installed, while installation of the mobile substation had paved the way for the substation upgrade works to commence at Kawaala substation.

Under the power supply to industrial parks project (phase II), construction works were ongoing at Kabalega Industrial Park on the new 132/66/33 kV substation. The progress of the works was at 73%, and equipment erection was ongoing. However, the power transformers had not been delivered to the site due to non-payment of the suppliers.

Works on the Masaka-Mbarara transmission project were yet to commence due to a delay in the procurement of the Engineering, Procurement and Construction (EPC) contractors. The Karuma-Tororo 400kV transmission project and the proposed 132/33 kV Ntinda substation are to be funded using the EPC+Financing model, and the financing agreements between the EPC contractor and UETCL have been finalised.

The overall physical performance was poor, but project progress increased to 16% by 30th November 2025 from 10% in June 2025. The project was behind schedule by 79%, with 60% of the planned five years for the project having elapsed. The grid extension component showed poor performance, while that of financial intermediation was fair. The project had achieved a total of 317,663 grid and off-grid connections out of the overall target of 1,223,500, with 66,703 of these achieved between June and December 2025. The institutional solar PV system installations for water systems progressed well, with the first 10 lots completed, while those for schools and health centres had just commenced.

Improve the transport sector's fuel economy: The MEMD worked with GIZ and the private sector to identify skills gaps in maintenance of electric motorcycles, conducted pilot trainings and developed two levels of training packages. Awareness materials were developed and produced to create awareness of the adoption of electric vehicles. However, the policy gaps for e-mobility adoption had not yet been validated because the diagnostic report was still a draft.

Develop and implement energy efficiency programmes across the energy value chain:

The Energy Efficiency symposium was held in collaboration with the Energy Efficiency Association of Uganda. The concept to hold the Energy Efficiency and Sustainable Mobility Conference 2025 was also approved and planned to take place in 2026. The consultations and engagements with UNBS on the process to develop Minimum Energy Performance Standards for five (5) selected appliances have been undertaken, and reference standards have been identified for consideration. The draft Energy Efficiency and Conservation strategy and plan for Uganda had been developed with support from GIZ.

Create connections between people, green jobs and services: The MEMD successfully activated the Busia blending facility, operated by Modern Energy Limited, in November 2025. Currently, 100% of Premium Motor Spirit (PMS) transitioning through Busia is undergoing blending. The construction and equipment installation at the Kawuku, Malaba and Mutukula biofuel blending sites was completed, with stocking currently underway. The phased activation of the blending operations is scheduled to commence on January 28 (Kawuku), February 2 (Malaba), and February 4 (Mutukula).

The establishment of the demonstrational renewable energy systems (Biogas, Cookstoves and solar systems) was ongoing. The evaluation of the bids was complete and was pending contract award. This includes 11 biogas systems,130 institutional cookstoves, two LPG systems, and two EPCs. The project is currently awaiting final contract endorsement, after which sites will be formally handed over to contractors to begin works.

Enhance nuclear safety, security, and safeguards: The strategies, plans, and guidelines for radioactive waste management were finalised, and the Spent Fuel and Radioactive Waste Management Strategy for Uganda was updated. The Cobalt-60 Disused Sealed Radioactive Sources (DSRS) at St. Mary's Hospital, Lacor and Uganda Cancer Institute were decommissioned and transferred to Germany for safe storage.

Strengthen the energy research and innovation ecosystem: The stakeholder consultations were conducted with Soroti University, local government leaders, and technical institutions to review progress on the Centre for Nuclear Science and Technology (CNST) preparatory activities. Consultations on key technical reports, including the Site evaluation and Environmental and Social Impact Assessment (ESIA) drafts, were conducted to ensure harmonisation and technical consistency. The Joint Working Group members conducted their 3rd technical meeting to review the progress of the CNST project.

Challenges

1. The programme was experiencing insufficient counterpart funding for feasibility studies for generation projects, transmission line works and ongoing rural electrification.
2. Several ongoing projects are still being hindered by poor planning, evidenced by the slow project preparation and delayed procurement

Recommendations

1. The MEMD should rationalise the number of ongoing projects so that the funding requirements do not exceed the available resources.
2. The programme MDAs should strengthen the programme working group to improve the coordination of activities of the programme.

Sustainable Extractive Industry Development Programme

The Sustainable Extractive Industry Development Programme budget for FY 2025/26 is USh 877.164 billion of which USh 142.55 (16%) was released and USh 110.73 billion expended by 31st December 2025. Whereas the Counterpart funding was fair at USh 142.55 billion (63.7%), there was no external financing release for the oil refinery development.

The overall programme semi-annual performance for FY 2025/26 was fair. The ongoing oil and gas activities generated USh 51.5 billion in revenue while revenue from mineral licenses was USh 11.7 billion. Under the various programme objectives, progress continued towards mineral exploration, processing and commercial oil production;

Increased sustainable exploration and quantification of extractives: Under this objective, the geological and geophysical data acquisition for the discovery of more petroleum resources in the Lake Kyoga and Moroto Kadam basins continued. However, the third licensing round for additional prospective explored areas had not commenced, and thus no new exploration licences had been granted.

The Ministry of Energy and Mineral Development (MEMD) also undertook the exploration and assessment of additional mineral potential. Assessment of minerals, such as uranium and gold in Buhweju, gold in Abim, iron ore in Kabale, as well as magnetic surveys for copper in Hoima and Masindi, was undertaken. To boost mineral exploration, organization of artisanal miners through biometric registration was undertaken. A total of 1,723 (1,342 males and 381 females) were registered in Buhweju, Mubende, Namayingo and Rubanda districts. A total of 1,020 artisanal and small-scale miners (ASMs) were also sensitised on licensing requirements and best mining practices. In line with this, two areas were zoned for Artisanal Mining in southwestern and northern Uganda.

Monitoring and licensing of new exploration areas continued with 35% of Mineral prospecting and exploration, mining, and mineral trade in Uganda monitored. The Non-Tax Revenue (NTR) collected was also USh 11.72 billion representing 58% of the annual target.

The intervention aimed at quantification of minerals under the Mineral Infrastructure Development Project, however, performed poorly. The installation of six weighbridges in Bulambuli, Sironko, Katakwi and Napak Districts progressed at a slow pace and with only the designs/geotechnical investigations completed. The land for the weigh bridge in Lorengechorwa, Napak was acquired, and re-evaluation of in Buyaga, Bulambuli land was ongoing. Mapping of twelve additional weighbridge sites was undertaken in mineral-rich areas across the country, including marble and pozzolana zone. Subsequently, land in Mpigi and Ntungamo was identified and was undergoing valuation.

Increased sustainable production and commercialization of the extractives: This objective aims at achieving increased production of the explored petroleum and mineral resources. Under petroleum development, fair progress was observed in the construction of the upstream Central Processing Facilities (CPFs) to fast-track first oil production. The overall construction of the CPFs progressed to 65.5% from 60.4% in the previous financial year and remained behind schedule. The development of Tilenga and Kingfisher upstream facilities was at 61.3% and 75.4%, respectively. More 51 wells (Tilenga – 44, Kingfisher – 7) were drilled in the first half of the financial year. Cumulatively, a total of 199 out of the targeted 189 wells for first oil production had been drilled by 31st December 2025 (Tilenga – 178/170 and Kingfisher 21/19). The Resettlement Action Plan (RAP) for Kingfisher was completed, and in the Tilenga exploration area, RAP was in the final stages with all resettlement houses had been completed and handed over.

The laying of the feeder pipeline to transport oil from the Kingfisher CPF to the export hub in Kabalega Industrial Park (KIP), Hoima, was completed, while the pipe laying for the feeder pipeline from Buliisa to the KIP was underway. The laying and installation of flow lines from the well pads to the CPFs in Kingfisher and Tilenga were ongoing.

The production and promotion of Liquefied Petroleum Gas (LPG) usage as a substitute for charcoal at the downstream petroleum level under the Liquefied Petroleum Gas (LPG) Supply and Infrastructure project also continued. A total of 10,046 cylinder kits were procured and 2,500 of these were distributed. To ensure compliance of the downstream petroleum supply, MEMD monitored downstream petroleum trading operations for quality compliance, and a total of 1,006 retail outlets (81%) were inspected, and enforcement actions were undertaken in 519 of these.

In the downstream petroleum segment, the MEMD granted a total of 244 permits and licensed for downstream petroleum trading. The regulation of the downstream petroleum sector continued, and 81% of the retail facilities were monitored for quality compliance. The UNOC also continued importing petroleum products in line with the sole mandate as per the new Petroleum Supply Act. On average, UNOC imported 220 million litres of fuel per month for distribution on the local market. However, the Jinja Storage Facility (JST) was being used for trading rather than as a strategic reserve due to funding constraints. The UNOC was also in the process of securing a joint partner for the development of more storage terminal.

As part of scaling up mineral production, progress was made towards the development of mineral processing facilities. The Model Mineral Production Sharing Agreement (MPSA) for Kilembe Mines redevelopment was signed, and the mines were handed over to a new developer as part of ensuring the sustainability of the sub-sector. The mining and production of phosphate fertiliser in Sukulu, Tororo continued, and the development of the Wagagai Gold and Makuutu Rare Earth projects progressed with the Rare Earth Elements (REE) appraised deposits in Bugiri, Bugweri and Mayuge Districts, estimated at 640 million tonnes.

Increased investment in extractives value addition: Development of midstream petroleum infrastructure to link upstream and downstream facilities was ongoing. The East African Crude Oil Pipeline (EACOP) construction works reached 76.8%, with engineering designs at 96.7%, procurement at 92.5% and construction at 57.2%. Pipe assembly and welding were ongoing. In addition, works on the six pumping stations designed to boost crude oil pressure, as well as the 15 pipeline yards and main camps for pipe storage and staff accommodation along the EACOP route continued.

Under refinery development, a development partner, Alpha MBM, was acquired for the debt financing worth about USD 2.8 billion (70%), and the Implementation Agreement (IA) was signed. The refinery company was also formed and negotiations for the various agreements between the Uganda National Oil Company (UNOC) and its upstream partners (Total Energies and CNOOC) were ongoing. The Government had also released USh 287.7 billion between FY 2023/24 and FY 2024/25 as part of the refinery equity disbursements. Additionally, the feasibility study for the Kabalega Petro-based Industrial Development Project to support the industries in the industrial park was under development.

To boost investment in the mineral sector, interventions geared toward establishment of mineral centers and markets were underway. The operationalisation of two new regional centres constructed in Fort Portal and Ntungamo to aid in the analysis of collected samples from field activities commenced. Part of the staff recruitment was completed and some of the procured equipment were awaiting delivery and this was delaying operationalization. Architectural designs for the Busia and Moroto beneficiation centers were also being concluded with a Busia mineral market incorporated. Land for a mineral market in Kassanda was identified and valuation was yet to be undertaken by the Chief Government Valuer (CGV).

Enhanced human and local enterprise capacity to participate and develop extractives industry: Promotion of national participation and local content in oil and gas activities continued to be a priority in the oil and gas sector. More 407 Ugandans were registered on the National Oil and Gas Talent Register (NOGTR) to enhance the participation of Ugandans in oil and gas activities. More 531 Ugandan companies registered on the National Supplier Database (NSD), bringing the cumulative total to 2,688. The overall direct employment in oil and gas industry during the first half of the financial year was 16,420, of which 14,655 (89%) were Ugandans. Ugandan firms also benefited from contracts worth USD 14,431,909 (64.7%) awarded during the reporting period. However, the Local Content Development Fund which aims to boost Ugandan firm participation in the oil and gas sector, particularly during the current ongoing development and later operational phases, was not yet developed and a draft Bill was being developed.

Strengthened governance, coordination and innovation for the extractives industry: To enhance mineral production through the regulation of artisanal mining activities, the Ministry of Energy and Mineral Development (MEMD) was in the process of drafting regulations to enable operationalisation of the Mining and Minerals Act 2022. The Regulation and Building Substance Bill, which aims to regulate miners of building substances on a large scale, was gazetted and operationalised. Final draft of the Mineral Markets regulations and zero draft of the National Content Regulations have been prepared and submitted to the Ministry of Justice and Constitutional Affairs (MoJCA) for review.

Challenges

i. The delay in the works of the critical oil infrastructure, especially the Central Processing Facility in the Tilenga area and EACOP, is jeopardising the timeline for the country's first oil production.
ii. Low funding to the programme is affecting mineral infrastructure development and the ability to undertake important activities such as installation of weighbridges, inspection, and acquisition of the necessary equipment/software, which are required to better regulate the sector and undertake further minerals exploration.
iii. The programme has inadequate staffing levels to undertake the time-consuming and labour-intensive mineral exploration work, and at the same time monitor compliance of the existing licence holders.

Recommendations

i. The Joint Venture Partners should commit more resources to the ongoing key projects and prevent further disruptions to the ongoing EACOP construction due to funding constraints
ii. The MEMD should prioritise funding for mineral activities so that the relevant departments are adequately equipped, staffed and facilitated to undertake further mineral exploration and regulation.
iii. The newly established Uganda National Mining Company (UNMC) should be adequately capitalised to attract large-scale private mining companies so that there is increased investment, job creation and revenue from the mining sector.