



THE REPUBLIC OF UGANDA
MINISTRY OF LOCAL GOVERNMENT



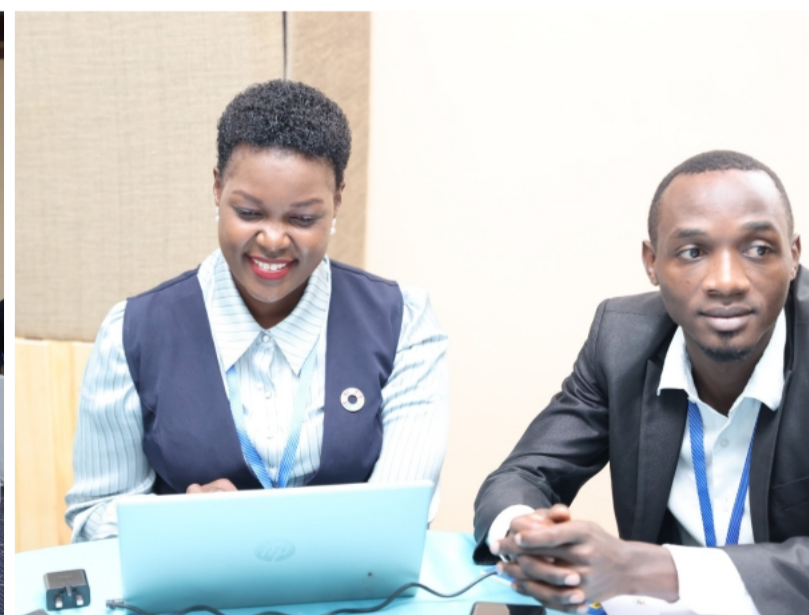
Silver Springs Hotel - Bugolobi

THE VALIDATION OF THE DRAFT **NATIONAL STRATEGY FOR LOCAL ECONOMIC DEVELOPMENT (NSLED II) 2025/26 – 2029/30**

Silver Springs Hotel Bugolobi - Kampala, 26th March 2026

The Ministry of Local Government, in partnership with VNG International, convened a One Day Validation Workshop to finalise the National Strategy for Local Economic Development (NSLED) 2025/26–2029/30.

At Silver Springs Hotel Bugolobi, this pivotal gathering brought together government agencies, private sector leaders, development partners, and civil society organisations- the very actors whose extensive input has shaped the draft strategy. Together, they put the finishing touches on a forward-looking blueprint designed to unlock economic potential at the local level, ensuring that growth is inclusive, sustainable, and deeply rooted in the realities of communities across the country.



OUR VISION: An effective and efficient Local government system that provides quality, equitable and sustainable services to the population of Uganda.

OUR MISSION: To coordinate and support Local Government in a bid to provide efficient and sustainable services, improve the welfare of all the people and eradicate poverty in Uganda.

OUR MANDATE: To guide, inspect, monitor and advocate for all Local Governments in support of the overall vision of the Government to bring about social-economic transformation of the country.

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“Workshop Objectives:

- 1 Receive and Validate the Draft NSLED 2025/26 -2029/30
 - a. Agree on the Goal, Pillars and Objectives of the Next strategy 2025/26- 2029/2030.
 - b. Identify missing information and build consensus on key issues for improved implementation of NSLED.
- 2 Strengthen recommendations for local economic development as a pillar of decentralization in Uganda
- 3 Generate commitment towards collective implementations of NSLED”



Hajji Kaliphan Sewante
Undersecretary
Finance and Administration

“I'd like to warmly welcome each of you here today and extend my sincere gratitude to our development partners for your continued and steadfast support—truly, your commitment makes a profound difference.

Before we go further, I want to pose a question for all of us to reflect on, and I hope you'll consider it honestly: have you ever been bothered by the transformation in your locality? Not just intrigued, not merely curious, but genuinely bothered—because that sense of constructive discomfort is often where real progress begins. It is the spark that compels us to look beyond the surface and ask whether the changes unfolding around us are truly serving the people and communities we are meant to uplift.”

“If we are serious about achieving meaningful and sustainable local economic development, then we must be clear about one thing: all players must play their respective roles—government, private partners, and civil society alike. No single sector can carry this burden alone, and no sector should stand on the sidelines.

The National Strategy for Local Economic Development gives us a rare and valuable opportunity for coordinated action, a common framework to move beyond rhetoric. I urge every one of us to commit to tangible implementation—work that reaches the grassroots, that touches lives directly, and that transforms not just economies, but the very fabric of our communities. Let us be partners not only in name, but in action.”

The workshop attracted a total of **83 Participants** drawn from a broad spectrum of stakeholders.

These included representatives from 40 Ministries, Departments, and Agencies (MDAs), 30 Local Governments (including Kasese, Adjumani, Hoima, Mbale City, and Gulu City among others), and 13 staff from the Ministry of Local Government across departments such as Local Economic Development (LED), Urban Administration, Urban Inspection the PDM Secretariat etc.



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"I want to begin by calling on all of us—each stakeholder in this room—to take up the collective responsibility of refining and strengthening the National Strategy for Local Economic Development for the period 2025/26 through 2029/30. Let us be clear: without a cohesive framework that truly unites us, we cannot expect to achieve the coherent and sustainable local economic transformation that our people deserve.

This validation workshop we are holding today at Silver Springs Hotel is not merely a procedural step; it represents a defining moment for Uganda's decentralised development agenda. As such, it demands full participation from every actor. I want to stress this point in particular: the private sector must not be viewed merely as beneficiaries of this strategy.

You are key partners—your engagement is absolutely central to successful implementation. So I urge each of you, freely share your thoughts and your ideas on this draft. For this strategy to be effective, it must be all-inclusive, reflecting the diverse perspectives and realities of stakeholders from across this country."

"I would also like to extend special appreciation to our development partners, whose technical and financial support has been instrumental in shaping the NSLED. I offer special recognition to VNG International for your critical role across multiple sectors within local governments, where you continue to drive socio-economic transformation through capacity building and institutional strengthening.



Mr. Namara Anthony
Commissioner
Local Economic Development



I also acknowledge the contributions of GIZ, and I want to personally thank Mr. Charles Abolla for his unwavering support in advancing local economic development initiatives. My profound gratitude goes as well to Gen. Salim Saleh, for his guidance throughout the development of this strategy, and for his exceptional passion for local economic development—he has been an instrumental player in fostering private sector partnerships.

In a special tribute, I acknowledge Her Excellency the former Vice President, Dr. Specioza Wandira Kazibwe, for her enduring partnership and for serving as a role model in championing development initiatives that uplift our communities. Your leadership continues to inspire us.

Finally, I call upon every member here to take full ownership of this strategy, because its success depends on collective responsibility and commitment from each one of us. When validated, this will be our unifying instrument—bringing government, private sector, development partners, and civil society together to work in harmony toward a shared vision of prosperous and resilient local economies across Uganda."



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Mr. Stephen Tumwine,
Senior Development Officer,
Local Economic Development

“Let me now take a moment to walk you through the rationale behind the National Strategy for Local Economic Development—the why.

This strategy comes at a pivotal moment, as our country has entered a new planning period reflected in the Fourth National Development Plan, NDP IV. The NSLED is not a standalone document; it is deliberately aligned to the key priorities and approaches proposed in NDP IV. It contributes directly to the Regional Development Program and, importantly, complements the Parish Development Model. What we are offering with this strategy is a framework—a framework for strategic coordination, planning, and implementation grounded in a commonly shared understanding among all of us. So what do we expect this strategy to facilitate?

First, the operationalization of the LED Policy implementation structures.

Second, the alignment of existing and planned Government of Uganda programs to promote LED. Third, the acquisition of requisite technical capacities in both central government and local governments. Fourth, financing for LED projects and interventions. Fifth, prioritization of investments in economic infrastructure that supports LED. Sixth, the creation of a vibrant and organized private sector. And finally, nationwide LED implementation—not piecemeal, not in pockets, but across the country.

I want us to reflect for a moment on what LED implementation truly requires on the ground. When we talk about implementation, we are ultimately talking about people—a group of two or more individuals who interact, influence one another, are interdependent, and work toward common goals.

In a local government context, this group comprises political and technical public champions who must work together to achieve locality development, which in turn translates into our national development agenda. And as a leader—whether you sit in this room as a government official, a development partner, or a private sector representative—you need to understand how these teams function.

You need to understand how to get them moving in the right direction, how to gain their commitment, and how to motivate them toward what I call organic performance. Not performance that is forced or merely compliant, but performance that emerges naturally from a shared sense of purpose and genuine ownership. That is the kind of implementation this strategy is designed to unleash.”



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Pictorials during the **Questions and Answers, Group Discussions and presentations:**



For more information, please contact: **Communications Desk - Ministry of Local Government**

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Group Sessions



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General Observations

The validation process revealed that while Uganda has a strong policy and institutional framework for Local Economic Development, implementation at the local government level remains inconsistent and fragmented. Multiple government programmes, including the Parish Development Model (PDM) and Operation Wealth Creation (OWC), are being implemented concurrently but with limited coordination.

This has resulted in duplication of efforts, inefficient resource utilization, and reduced overall impact. Local governments are increasingly expected to drive economic transformation; however, their ability to effectively perform this role is constrained by limited institutional capacity, inadequate financing, and weak coordination mechanisms. It was therefore emphasized that Local Economic Development must be operationalized as a coordination framework that aligns production, services, markets, and investments within local economies

Key Issues Emerging from Interactive Sessions

Discussions during the workshop highlighted several critical issues affecting the implementation of Local Economic Development. There is limited harmonization among existing programmes, leading to parallel implementation structures and weak accountability.

Local governments reported challenges arising from competing priorities and a lack of clarity in roles. Furthermore, Public-Private Partnership implementation remains constrained by complex procedures and limited technical capacity at the local level.

As a result, many local governments are unable to effectively structure and manage investment partnerships. Private sector participants noted that local governments are not sufficiently investment-ready, citing unclear incentives and weak engagement frameworks. Access to finance remains a major challenge, with existing financing systems not adequately aligned to local economic priorities.

Many enterprises lack access to affordable credit, limiting growth and expansion. Human capital constraints, including skills gaps and mindset challenges, were identified as key barriers to economic transformation. Infrastructure development was noted to be skewed toward roads, with insufficient investment in production, storage, and market systems necessary for supporting value chains. In addition, weak data systems at the local government level were noted to limit effective planning, monitoring, and investment decision-making.

Strategic Direction of NSLED II

The NSLED II positions local governments as central coordinators of economic development within their jurisdictions. The strategy emphasizes the role of Local Economic Development Investment Committees (LEDICs), value chain development, and strengthened private sector engagement as key drivers of transformation. Success will depend on effective coordination, adequate financing, institutional alignment, and sustained capacity building at all levels.

Implications for the Ministry of Local Government

The Ministry of Local Government is expected to take a leading role in coordinating the implementation of the strategy. This will require strengthening internal alignment across departments to ensure coherence in policy direction and program delivery. The Ministry must also enhance its support to local governments by providing adequate technical assistance, capacity-building initiatives, and responsive oversight.

A key priority will be ensuring that Local Economic Development Investment Committees (LEDICs) are fully operational, adequately resourced, and effective in driving coordinated action at the district and lower local government levels. In addition, the Ministry will need to play a central role in mobilizing and sustaining partnerships with development partners, private sector actors, and civil society organizations to leverage resources and expertise.

Guided by the strategy, the Ministry must establish clear implementation frameworks, streamline reporting mechanisms, and strengthen monitoring and evaluation systems to track progress against defined targets.

Ultimately, the Ministry's leadership will be critical in ensuring that the objectives of NSLED II are achieved—transforming the strategy from a policy document into tangible outcomes that drive inclusive and sustainable local economic development across the country.

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Table: Way Forward / Action Points (NSLED II Validation)

Action Point	Key Activities	Responsible Entity	Timeline	Expected Output/Outcome
Finalisation and Rollout of NSLED II	Consolidate stakeholder inputs; approve final draft; disseminate strategy nationwide	Ministry of Local Government (MoLG)	Short-term (Immediate – FY 2025/26)	Approved NSLED II and national rollout completed
Strengthen Functionality of LEDICs	Establish/activate LEDICs in all LGs; provide operational guidelines; monitor performance	MoLG & Local Governments	Short– Medium Term	Fully functional LEDICs coordinating local investments
Enhance Access to Finance	Develop tailored financing frameworks; link LGs to financial institutions and development partners	MoLG, MoFPED, Development Partners	Medium Term	Improved access to affordable financing for enterprises
Develop LG LED Strategies & Investment Profiles	Support LGs to prepare LED strategies, economic profiles, and bankable projects	MoLG & Local Governments	Medium Term	Investment ready LGs with clear project pipelines
Strengthen Programme Coordination	Harmonise PDM, OWC, and other programmes under LED framework; clarify roles	MoLG, OPM, MDAs	Short– Medium Term	Reduced duplication and improved programme efficiency
Enhance Private Sector Engagement	Develop clear engagement frameworks; incentivise private sector participation	MoLG, LGs, Private Sector	Medium Term	Increased PPPs and private investment at local level
Build Institutional and Human Capacity	Conduct targeted training; strengthen technical support to LGs	MoLG & Partners (e.g., GIZ, VNG)	Continuous	Improved capacity for LED planning and implementation
Improve Data Systems for Planning	Strengthen LG data collection, analysis, and reporting systems	MoLG, UBOS, LGs	Medium Term	Evidence-based planning and decision-making
Strengthen Value Chain Infrastructure	Promote investment in storage, processing, and markets (beyond roads)	MoLG, LGs, MDAs	Medium–Long Term	Strengthened local value chains and market access
Monitoring and Implementation Oversight	Develop monitoring framework; track progress and outcomes of NSLED II	MoLG	Continuous	Effective tracking and accountability of implementation

The validation workshop provided an important platform for stakeholders to critically review and strengthen the Draft NSLED II. While there is strong consensus on the strategic direction, the success of the strategy will ultimately depend on effective implementation at the Local Government level.

There is clear need for improved coordination, stronger institutional capacity, and enhanced alignment between policy and practice to achieve meaningful and sustainable local economic transformation.

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Brig. Gen. Godfrey Muwanguzi,
Deputy Coordinator of Operation Wealth Creation (OWC)

"As I deliver these closing remarks, I want to implore each one of you to break away from working in silos. We must recognize that despite our different mandates, our different institutions, and our different perspectives, we are all ultimately working for the same purpose—mother Uganda.

Let me draw from military tradition to illustrate this point. In the military, every individual proudly displays their name and the national flag. It is a visible declaration to all that before we are soldiers, before we are commanders, before we belong to any unit or formation, we are Ugandans first and foremost. That is the spirit I urge you to carry into the implementation of the National LED Strategy.

Patriotism and cohesion are not merely abstract ideals; they are practical necessities. When we embrace a shared identity and a collective sense of purpose, we move beyond competition into genuine collaboration.

Collective effort and shared responsibility are not optional—they are essential if we are to achieve the meaningful and lasting transformation that our people deserve." I would like to take a moment to extend my sincere gratitude to Her Excellency the former Vice President, Dr. Specioza Wandira Kazibwe, for her productive engagement throughout the day.

Her presence and contributions have enriched these proceedings immensely. I also wish to acknowledge the powerful prayer that opened our workshop this morning—it set a tone of unity and purpose that has carried us through this entire validation process. As we leave this place, let us carry that spirit forward.

Let us remember that the work before us is not about individual institutions or individual egos; it is about Uganda. It is about building prosperous and resilient local economies that uplift every community. If we work together, if we remain united in purpose and committed to action, I have no doubt that we will succeed.

Thank you all for your participation, and may God bless our efforts."

