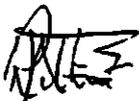




**STATUS REPORT ON EMYOOGA SAVING AND CREDIT
COOPERATIVE SOCIETIES IN THE RWENZORI REGION**

PRESENTED BY: 

**RUHUNDA ALEX (HON)
CHAIRPERSON RWENZORI MPS FORUM**

1.0 INTRODUCTION

The “Emyooga” was launched by H.E the President of Uganda in August 2019 as part of Government continuous strategies to transform 68% Ugandans in subsistence production to commercial production, intended to promote access to financial services by association members.

At the 12th Sitting of the 1st Meeting of the 1st Session of the 11th Parliament of Uganda held on Tuesday 3rd August, 2021, the Rt. Hon. Deputy Speaker requested all Honorable Members of Parliament to conduct oversight assessment of the “Emyooga” program in their constituencies.

2.0 BACKGROUND

The word “Emyooga” is derived from a local Ugandan dialect (Runyankole) to mean specialized skill enterprises/groups. It is a presidential initiative aimed at wealth and job creation among the registered Members of the SACCOs.

The Emyooga SACCOs are at a Constituency level with member associations from parishes that make up a constituency.

3.0 OBJECTIVES OF THE EMYOOGA INITIATIVE.

- Increased employment/job opportunities;
- Increased access to specialized financial services to rural areas particularly to women/youth/PWDs;
- Improved household income of the project beneficiaries
- Enhanced entrepreneurial capacity of different categories through sensitization, skilling and tooling.

4.0 GENERAL OVERVIEW

The status report covers the entire Rwenzori region.

The Rwenzori region is a border region with the Democratic Republic of Congo found in mid- Western Uganda and it is comprised of nine districts and one city namely; Kabarole, Kasese, Bundibugyo, Ntoroko, Kyenjojo, Kyegegwa, Kitagwenda, Bunyangabu, Kamwenge and Fort Portal Tourism City.

Amount allocated to all districts in the Rwenzori region

NO.	DISTRICT UNDER RWENZORI REGION	TOTAL AMOUNT RECEIVED (UGX) AT THE DISTRICT	TOTAL NO OF EMYOOGA SACCOS THAT RECEIVED	TOTAL NO OF EMYOOGA SACCOS THAT DIDN'T RECEIVE
1.	KABAROLE	560,000,000/=	17	
2.	KASESE	2,800,000,000/=	150	
3.	BUNDIBUGYO	1,090,000,000/=	35	1
4.	NTOROKO	560,000,000/=	17	
5.	KYEGEGWA	1,680,000,000/=	-	54
6.	KYENJOJO	1,680,000,000/=	54	
7.	BUNYANGABU	560,000,000/=	30	
8.	KAMWENGE	1,120,000,000/=	36	
9	KITAGWENDA	560,000,000/=	18	
10.	FORTPORTAL	1,120,000,000/=	36	

The Rwenzori sub-region in total had 447 Registered Emyooga Saccos and in total received Eleven billion seven hundred thirty million (11,730,000,000/=) Uganda shillings disbursed.

5.0 METHODOLOGY

Oral interviews, meetings with the District leaders, Sacco leaders and field visits.

6.0 QUESTIONS ADMINISTERED TO EACH SAACO

1. How much money was released to each District?
2. What are the criteria for distributing Emyooga funds?
3. Who qualifies for the funds?
4. Which Saccos? Groups were registered?
5. What are the accountability measures for the beneficiaries? Do they exist?
6. What Safeguards have been put in place to ensure that funds which have disbursed are paid back so that others can also benefit since this is a revolving fund?
7. Were there extortion from the public involved?
8. What Bank Accounts exist?

7.0 FINDINGS

1. In all the entire Districts it was realized that the timing of the EMYOOGA program coincided with the political campaign period leading to the populace misconstruing it to be a political reward. In some instances, transfers of cash to accounts were done immediately after elections and as such, many beneficiaries saw it as a form of reward for 'voting well' (Akasiimo). This has greatly affected the program especially when it comes to loan recoveries.

2. Limited knowledge on proper book keeping for SACCO treasures and leaders leading to poor financial records for most SACCOS visited. The planning of this program was skewed because it did not allow communities to participate in identifying their problems so that the solutions could be meaningful and owned. Determining the enterprises from the implementation side and not the beneficiary side caused some communities to simply attach themselves to the enterprises they had no idea about.
3. Delayed / no payment for the CDOs and commercial officers who are supposed to do support supervision to the SACCOS. During the field visit, we were surprised to learn that micro finance support centre was supposed to pay a monthly facilitation of 200,000 to each sub county CDO and 300,000 to the district CDO and commercial officer. We found out that the CDOs were last paid in December 2020 and had over 7 months they were claiming in arrears, this nonpayment and failure of MSC to fulfill the contractual promises greatly affected the EMWOGA program. (31 CDOs in Kyenjojo x 7 months x 200, 0000). MSC promised to pay the staff in arrears but the question that remained unanswered was where they were going to get those funds when the financial year already ended.
4. In the design of the program, there was no plan for mortorable means to facilitate monitoring and supervision yet the program has a lot of community based engagements.
5. There were delays on the side of MSC to process certificates of some SACCOS, for example, by the time of the visit One Emyooga SACCO of

Mwenge South Local Leaders has not yet received Registration certificate and this is WORSE when it comes to Kyegegwa District.

6. We found out that SACCOs with fewer associations e.g the Taxi operators Sacco, carpenters Sacco, welders, Saloons, PWDs and media Saccos were the worst performing entities with some indicators that the EMYOOGA cash could have been shared though the groups are firefighting through making loan recoveries. On the other hand, Saccos with many associations and members were doing fairly well. Women entrepreneurs, local leaders, veterans, market vendors and produce dealers showed clear indicators of performance and loan recoveries were on schedule.
7. The higher commitment amount of saving required for associations (30%) to access a bigger loan from the seed capital is a big challenge and as such people end up taking loans of less than Ug.Shs.500,000 which cannot create much impact.
8. The seed capital of 30m per Sacco was too small especially for associations with very many members e.g women entrepreneurs, local leaders, veterans, market vendors, and produce dealers whose composition is over 1000 members per group.
9. Effects of COVID 19 pandemic lock down just like any other business Emyooga SACCOS have been equally hit. This has been now used as excuse for most of the groups which are failing to recover the planned loan recoveries.
10. There are no coordinated guidelines put in place for effective management of Emyooga program.

11. On asking why there was delay for the people to access the 30million on their accounts and why the process was taking so long, the District Commercial Officers expressed that Micro finance did not provide facilitation for them to do the work faster, and that also the Covid lockdown made it even slower because the SOPs could not allow them to conduct the General meetings for the respective constituency SACCOs to appoint their bank signatories.
12. There was a big information gap on what was going on, what would be required next and this subjected them to extortionists in the guise that they were all required from Emyooga beneficiaries.
13. Some misunderstandings had started developing between some SACCO leaderships for a number of reasons including lack of appropriate information. This caused threat that maybe they would not be allowed to access their money as a result.
14. The planning of this program was skewed because it did not allow communities to participate in identifying their problems so that the solutions could be meaningful and owned. Determining the enterprises from the implementation side and not the beneficiary side caused some communities to simply attach themselves to the enterprises they had no idea about.

8.0 OBSERVATIONS

1. In general it was established that the Micro Finance Support Center disbursed funds to the Districts respective accounts as required by the terms and conditions. In all the districts of the region, it is only Kyegegwa

District where funds have not been accessed by the Emyooga Saccos to-date!

2. The notion of Emyooga comes out to be very attractive with good intent to enable the lowest person access cheaper credit but the mechanism in which it has been executed falls short of the desired goals.
3. There is very little impact of the Emyooga program given the time frame and the context in which it was introduced especially during the charged political environment.
4. Whenever a development program is established, there is need for stakeholder mapping and to apportion responsibility. Members of Parliament, District Council members, RDCs and other relevant leaders be given adequate information for them to do proactive monitoring and evaluation of implementation so that we avoid a recurrence of us doing postmortem like we did on Emyooga.
5. The local people should not continue to be excited and incited to just form groups for receiving money, but rather they form purposeful associations where they themselves collect the starting capital themselves and are supported along their way. So there is great need for mindset awareness.

9.0 RECOMMENDATIONS

- 1. Microfinance support centre (MSCL) to come up and support operationalization of this program. Better achievements will be registered if there are financial support and other synergies to the effect.**
- 2. Commercial Officers and CDOs need to be facilitated to train, monitor and supervise the Emyooga program.**
- 3. The MFSCCL should add more capital to those Saccos performing better as to bridge the gap arising out of demands from the registered associations in the respective EMYOOGA SACCOS.**
- 4. Need for continuous and vigorous training and monitoring of association members to appreciate and own SACCOS as a means of sustainable cooperative development.**
- 5. There is need to provide for motorable means to facilitate commercial officer conduct regular field travels.**
- 6. Proper and coordinated program guidelines need to be produced for harmonized implementation**
- 7. Government should make provisions for additional seed to benefit more members in a short period.**
- 8. Micro finance support centre activities should be investigated especially on the issue of nonpayment of the CDOs and commercial officers for 7 months yet the money is available.**
- 9. Auditing all circles annually.**
- 10. More community sensitization on EMYOOGA program.**

11. Decentralize the EMYOOGA Program off from the centralized state of micro finance support centre.
12. Amend the cooperative law and put clear penalties for those who default payments/loan recoveries under Emyooga.
13. There is need for training of associations' leaders in leadership, governance, financial management & literacy, and credit management.
14. The information dissemination component should be mainstreamed throughout the whole implementation roadmap because the duty bearers tend to deprive the right holders of information and leave them to be taken advantage of.
15. That Government gets an inbuilt system that tracks every coin of money that is disbursed and cause duty bearers and accounting officers to give regular account of the progress on implementation in their respective jurisdictions.
16. Do a thorough risk assessment on the program and provide mitigation strategies.

10.0 CONCLUSION

Given the above findings, it is important to note that Emyooga is a good well intended social-economic transformational program that if well implemented can enable the local persons to improve on their economic wellbeing.

It is equally important to note that for many decades, the Government has made attempts to reach the common person through programs like ENTANDIKWA among others but the mode and manner of implementation

has always failed the desired goals and the EMYOOGA is no exception and needs very quick remedial interventions to avert another wastage of tax payers money.

THE LIST OF THE MEMBERS ON THE PARLIAMENTARY FORUM RWENZORI REGION.

Name	Constituency
Hon. Ruhunda Alex	Fort portal Central
Hon. Abigaba Cuthbert	Kibale County
Hon. Faith Kunihira	Kyenjojo District
Hon. Gafabusa Richard Muhumuza	Bwamba County
Hon. Butiime Tom	Mwenge Central
Hon. Linda Irene Mugisa	Fort portal City
Hon. Muhumuza David	Mwenge North
Hon. Byamukama Nulu Joseph	Kitagwenda County
Hon. Bright Tom	Kyaka Central
Hon. Flavia Rwabuhoro	Kyegegwa District
Hon. Katalihwa Donald Byabazaire	Mwenge South
Hon. Kasaija Steven Kagwera	Burahya County
Hon. Kamukama Davis	Bunyangabu County
Hon. Nyakato Dorothy	Kitagwenda District
Hon. Asaba Paul	Kyaka North County
Hon. Kitanywa Sowedi	Busongora County North
Hon. Tumwine Anne Mary	DWR Ntoroko District
Hon. Kambale Fred Ferigo	Kasese Municipality
Hon. Thembo Gideon Mujungu	Busongora South
Hon. Katusabe Godfrey	Bukonzo County West
Hon. Muhindo Herod Tony	Bukinzo County East
Hon. Kabugho Florence	DWR Kasese
Hon. Peace Mutuzo	DWR Bunyangabu
Hon. Kafuuzi Jackson	Kyaka County South