

How PDM has lifted Ugandans into the money economy

As Uganda marks 40 years of the NRM, PDM stands as a defining pillar of this legacy, translating liberation into livelihoods, stability into opportunity, and national development into real, measurable impact at the household level.

BY DAVID WALUGEMBE

Uganda today commemorates the 40 years of the Liberation Day, reflecting on the end of National Resistance Army/Movement (NRA/M) five-year protracted bush struggle that led to President Museveni becoming Uganda's eighth on January 26, 1986, up to date.

The NRA/M fighters captured Kampala ending Uganda National Liberation Army (UNLA) in junta against late Gen Tito Okello Lutwa, was a historic turning point for Uganda's political, social, and economic progress that was staggering due to the political instabilities.

For the last four decades, Mr Museveni's NRM unveiled different strategies to revive the country's economy and champion the socio-economic development of Ugandans as the population grows.

One of the outstanding economic interventions was the launch of the Parish Development Model (PDM), a government's flagship approach to move 39% of

Ugandans still outside the money economy into productive enterprises, which has significantly impacted Uganda's economy by accelerating financial inclusion, strengthening local governance, organising production, and fostering mindset change, among other benefits.

Launched in 2022, PDM funds are acquired through structured SACCOs, as each parish receives annual funding of Shs100m to support wealth creation in priority enterprises such as coffee, dairy, maize, fish, bananas, poultry, oil seeds, and value-addition activities.

Avoid using PDM funds for luxury - Kasaija,

Mr Matia Kasaija, the Minister of Finance, Planning and Economic Development, recommended the effective use of PDM funding for the intended purposes instead of using it for marriage and luxury stating money must be invested where it will bring profits.

Mr Kasaija who last year released Shs529 billion as

the first batch of PDM funds for the 2025/2026 financial year as a capital boost set to reach more than 10,500 parish SACCOs.

"PDM funding is part of the government strategy to deepen financial inclusion among all Ugandans. I urge the government banks to ensure that no parish is left behind; don't use the money for luxury but for development," Mr Kasaija appealed to Ugandans.

The Finance Minister noted that PDM has so far benefited about 3,260,000 Ugandans where each parish receives Shs100m for development. He assured that if SACCOs effectively use the funds well in the three years' time the profits could double.

Unique beneficiaries

The PDM programme, envisioned in the National Development Program III (NDP III) to foster local economic development, has improved incomes and welfare of all Ugandans at the household level, hence creating a meaningful economic impact.

Among the beneficiaries, Ms Pelucy Biira, a visually impaired woman who once survived by street begging in Kasese District, has transformed her life after embracing the PDM funding to capitalise in poultry.

Ms Biira notes that before embracing the programme, she used to beg along the streets of Kasese District but now runs a thriving poultry business with 750 chickens at her home, making millions of shillings from the enterprise, transitioning from dependency to self-reliance and productivity.

"I used to be a beggar. Now, I can manage my needs, take care of my treatment, and run a business that gives me dignity," Ms Biira said.

Ms Biira faces challenges of insufficient water access to supply the poultry farm, forcing her to rely on purchased water from neighbours, which is a financial burden, hence calling for further government intervention.

In the same regard, Ms Catherine Nabuma of Namayingo District boosted her piggy project after receiving Shs1m in PDM government funds that have enabled her to improve her family's economic status, good health, and better education of the children.

Ms Nabuma explained

that she had failed to successfully acquire a loan from the usual banks to boost her farm, which requested many requirements that stalled her project for the meantime.

"For a long time, I had tried to get a loan from financial institutions but failed due to the long list of requirements and high interest rates. I am today happy to have benefited from the government," Ms Nabuma said.

Ms Lilian Mbabazi, 36, a resident in Banda, Kyambogo, Kampala, told Monitor that after suffering for a long time searching for jobs, in 2023 she gained Shs1m in PDM funding; she bought broiler and later layer chickens, and the first batch earned Shs1.5m.

Ms Mbabazi explained that she invested Shs506,000 to buy 205 broiler chicks; she used the balance for feed, space organisation and other logistics. After gaining the first profits, she added layers of chicken, now with about 300 layers of chicken

added to broilers, collecting 6 to 8 trays of eggs a day.

"I correct six trays of eggs a day; a tray is Shs20,000. I pay in time. My husband lost a driving job, but this project enables me to look after my five children well, pay school fees in time, feed them well, and give them better health," Ms Mbabazi said.

Since its inception, PDM has benefited millions of Ugandans, transforming them from subsistence households into the money economy.

It has organised both the public and the private sector for wealth creation and employment generation at the parish level as the lowest economic planning unit, made up of seven pillars: production, processing, marketing, infrastructure and economic services, financial inclusion, and social services.

Corruption in PDM

Despite the achievements, the programme has also registered challenges from Ugandans who try to benefit from the programme, ranging from corruption, favouritism, and segregation, something that the government has to address.

During the International Women's Day celebrations in Kyankwanzi, Ms Betty Mukayire criticised the top leadership for misusing the PDM funding by allocating it to their close relatives, hence not benefiting intended parties.

"Every development brought to this area is always stolen, like PDM and women's funds. When we reach banks to access the funding, we don't find it there. I ask for prosecution of the wrong culprits," Ms Mbabazi stated.

Ms Mbabazi called for transparency and accountability during the funding distribution to save the suffering Ugandans in need of the financial support rather than it being taken to the already wealthy 'corrupt officials'.

To ensure efficiency, President Museveni issued a directive to all PDM officials across the country to stop denying youth access to PDM funds over claims that they lack land, insisting that the viability of youth projects, not land ownership, should be the basis for approval.

This has created hope for improved governance and administration mindsets, prioritising the development of coffee, cotton, cocoa, cassava, tea, vegetable oils/palm oil, maize, rice, sugarcane, fish, dairy, beef, bananas, beans, avocado, shea-nuts, cashew nuts & macadamia nuts growing and production.



President Museveni and the First Lady, Janet Museveni during a visit to Kyambogo Complex Parish in Nakawa Division, where he met with PDM beneficiaries. PHOTO/COURTESY/PPU