
PROGRAMME: PRIVATE SECTOR DEVELOPMENT

FOREWORD

This first programme Budget Framework Paper (PBFP) of the Private Sector Development (PSD) sets tone for the programme implementation for the year 2021/22 and for 4 thereafter i.e. 2022/23 to 2025/26. The Government's medium term goals under the programme are outlined in its NDP III objectives namely "to increase competitiveness of the private sector to drive sustainable inclusive growth". The establishment of this programmes allows the Government to focus attention on tackling key challenges that have continued to affect private sector growth including the costs of doing business, use of local content in public programmes, the enabling environment and enforcement of standards, the role of government in unlocking investment in strategic economic sectors, and the organisational and institutional capacity of the private sector to drive growth

The PBFP therefore provides the practical approach to prioritising and sequencing key interventions that are crucial for delivering these objectives, for allocating financing to these priorities for the FY2021/22 and making projections for FY2022/23 to 2025/26. The PBFP derives from the budget framework papers of the votes contributing to the PSD programme and is aligned to the PSD Programme Implementation Action Plan. Once approved, it shall provide the basic guidelines for preparing annual Vote budgets for the FY2021/22 for all contributing votes – in relation to the PSD programmes. Therefore, completeness, inclusion and accuracy have been key principles in the development of this PBFP.

As we transition from the Sector wide approach to programme based planning and budgeting introduced through the NDP III, we take cognizance that this new effort that will require all of us to make adjustments at institutional levels to think and plan as a programme. This has been the spirit in the development of this PBFP and further calls for utmost prioritization in view of the expanded demands under the programme.

In specific regard to this Private Sector Development Programme, the execution of this PIAP will build on existing systems and structures and efforts but ensure more practical interactions with the private sector entities. Achievements from the outgoing year such as (i) establishing as framework for Deal Flow Facility to promote and encourage public listing of all eligible entities, (ii) expansion of the capital base of Government financial institutions such as the Uganda Development Bank and the Post bank, and (iii) enhancing Security Interest in Movable Property Electronic System, will provide a launch pad for the PIAP;

As we embark on the programmatic approach to planning and budgeting, we are persuaded that the unlocking of the private sector will only be achieved through continuous engaging with the private sector players at all stages of implementing the PIAP which we have used to guide the development of this year's Budget Framework Paper

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ABBREVIATIONS AND ACRONYMS

ACRONYM	ACRONYM NAME
ABCD	Area-Based Commodity Development Portal
BFP	Budget Framework Paper
BOU	Bank of Uganda
CEDP	Competitiveness Enterprise Development Project
CMA	Capital Markets Authority
DFI	Development Finance Institution
EAC	East African Community
FDI	Foreign Direct Investment
FY	Financial Year
GDP	Gross Domestic Product
IFMS	Integrated Financial Management Systems
INOY	Investor of the Year Award
INVITE	Investment for Industrial Transformation and Employment
IPFs	Indicative Planning Figures
MFPED	Ministry of Finance Planning and Economic Development
MSMEs	Micro Small and Medium Enterprises
MTEF	Medium Term Expenditure Framework
MTIC	Ministry Trade, Industry and Cooperatives
NEMA	National Environment Management Authority
OSC	One Stop Center
PIAP	Programme Implementation Action Plan
PPPs	Private Public Partnerships
PSD	Private Sector Development
SME	Small Medium Enterprises
UBA	Uganda Bankers Association

UBFC	Uganda Business Facilitation Centre
UDB	Uganda Development Bank
UDC	Uganda Development Corporation
UEPB	Uganda Export Promotion Board
UGX	Uganda Shillings
UIA	Uganda Investment Authority
UNBS	Uganda National Bureau of Standards
URA	Uganda Revenue Authority
URSB	Uganda Registration Services Bureau

P1: PROGRAMME OVERVIEW

NDP III and the Private Sector Development Programme

The goal of the NDP III (2020/21 to 2024/25) is to **Increase Average Household Incomes and Improve the Quality of Life of Ugandans**. The NDP III identified the following 5 Strategic Objectives:

1. Enhance value addition in key growth opportunities;
2. Strengthen the private sector capacity to drive growth and create jobs;
3. Consolidate and increase the stock and quality of productive infrastructure;
4. Enhance the productivity and social wellbeing of the population; and
5. Strengthen the role of the state in guiding and facilitating development

The goal of the Private Sector Development (PSD) Programme is to increase competitiveness of the private sector to drive sustainable inclusive growth. and the key objectives of the Private Sector Development (PSD) Programme are to:

1. Sustainably lower the costs of doing business;
2. Promote local content in public programmes;
3. Strengthen the enabling environment and enforcement of standards;
4. Strengthen the role of government in unlocking investment in strategic economic sectors;
5. Strengthen the organisational and institutional capacity of the private sector to drive growth.

PSD Programme Results

The key results to be achieved under the PSD programme over the five years of the NDP III are:

1. Reduce the informal sector from 51 percent in 2018/19 to 45 percent in 2024/25;
2. Increase non-commercial lending to the private sector in key growth sectors, from 1.5 percent in 2018/19 to 3 percent of GDP;
3. Increase the proportion of public contracts and sub-contracts that are awarded to local firms, from 30 percent to 80 percent; and
4. Increase the value of exports from USD 3,450.7 million in 2017/18 to USD 4,973 million.

The key contributing government MDAs to this Programme are Ministry of Finance, Planning and Economic Development as the lead agency, MTIC, UIA, UDC, UMA, PSFU, Enterprise Uganda, USSIA and NPA which directly are mandated to steer the delivery of the

programme objectives. Other implementing partners include BOU, PPDA, UNBS, Parliament, IRA, UDB, URSB, UIRI, MOJCA, MEMD, MWT, MOFA, MOSTI, MOGLSD, MWE, MOLG/LGs, UNCST, NSSF, EPRC, URA, USE, URBRA, Post Bank, CMA, Housing Finance, Pride-Micro Finance, MSC, FARMERS ASSOCIATION, UFZA, UBOS, UEPB, OWC, DPs, and CSOs. The deliverables of this programme will also be channeled through the District Trade and Commercial offices

Commented [WU1]: Put contributing institutions in the summary page as in the separately attached template

P1: PROGRAMME OVERVIEW

Snapshot of Medium Term Budget Allocations

The Programme MTEF Projections have been generated from what member institutions allocated to the PSD programme activities from their respective MTEF allocations. The classifications by wage, NWR and GoU Development have been omitted because a number of institutions did not disaggregate their allocations and so the resulting figures were non-representative.

Table P1.1 Overview of Programme Expenditure (Ush Billion)

		Approved Budget	MTEF Projections				
		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Recurrent	Wage						
	Non-Wage						
Dev't	GOU						
	Ext Fin	228.88	179.63	201.63	230.22	267.40	209.44
GoU Total		467.79	485.34	597.18	740.19	928.68	1,133.31
GoU +Ext		696.67	664.96	798.81	970.42	1,196.08	1,342.75

PROGRAMME Strategy and linkage to the National Development Plan III (*restrict to one page about 1,700 characters*)

The Private Sector Programme is the special purpose vehicle towards income and growth redistribution and equitable and inclusive regional growth. Support to the private sector (particularly local SMEs) will go a long way towards developing capacity to drive the industrialization effort, increase exports, create jobs and increase local content. The PSD Programme strategy is adequately reflected in the 5 objectives of the programme as follows;

- a. Sustainably lower the costs of doing business;
- b. Promote local content in public programmes;
- c. Strengthen the enabling environment and enforcement of standards;
- d. Strengthen the role of government in unlocking investment in strategic economic sectors;
- e. Strengthen the organisational and institutional capacity of the private sector to drive growth.

This programme will directly contribute to the second objective of the NDP III of “Strengthening the Private Sector to create jobs”. Target outcomes will include increasing non-commercial lending to the Private Sector in the key growth sectors as a % of GDP from 1% to 3%; Private sector credit as a % of GDP will grow from 15.4% to 24.9%; and Domestic market capitalization to GDP will grow from 3.4% to 5.1%.

In this first year of implementing the NDP III and the specific PSD PIAP, the strategic direction this programme will take will strongly be derived from the first objective of “Sustainably lowering the cost of doing business” through tackling both financial and non-financial constraints that increase the cost of doing business. Priority will be given to establishing a platform for financing SME receivables and a factoring house for PS receivables. A short term development credit window was secured and will directly impact the number of MSME beneficiaries under the INVITE project. The Programme will ensure mass education and popularization of the Security interest in Movable Property Registry System to directly influence access to credit. Alternative financing sources to finance private investment like establishing the Deal Flow Facility and popularizing capital markets investment opportunities, to increase the uptake of collective investment schemes will be explored. In addressing non-financial constraints, the programme will establish (construct) Regional OSCs starting with Mbale, Mbarara, Gulu and Arua.

The second objective of “Strengthening the organizational and institutional capacity of the private sector to drive growth” will be given attention by strengthening the Corporate Rescue Framework in Uganda to improve the Country’s Global Competitiveness ease of doing business ranking index. Under Objective 3, the Programme will focus on unlocking Investment and Private Sector Potential by consolidating past efforts towards implementing the existing local content policy, and other related legal and institutional framework and establishing and operationalizing structures for implementation of the local content framework, a Local Content Monitoring Committee at entity and National levels. The rollout of the E-Government procurement will be fast-tracked and stakeholders trained.

PROGRAMME OUTCOMES AND OUTCOME INDICATORS

Table P1.2 PROGRAMME OUTCOMES AND OUTCOME INDICATORS

Programme Outcome 1: Increased lending to key growth sectors						
Programme Objectives contributed to by the Programme Outcome: 1. Sustainably lower the cost of doing business.						
Programme Outcome Indicators (Type below)	Performance Targets					
	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Non-commercial lending to the private sector in key growth sectors as a % of GDP ¹		1.25	1.75	2.4	3	
Share of domestic credit to key growth sectors in total private sector credit		30.2	31.4	32.5	33.8	
Private sector credit as a % of GDP		17.6	19.8	22.2	24.9	
% MSMEs with an outstanding credit at a formal financial service provider		0	0	0	23	

Programme Outcome 2: Increased long-term financing to the private sector by Government owned financial institutions							
Programme Objectives contributed to by the Programme Outcome 2. Sustainably lower the cost of doing business.							
Programme Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
Total value (UGX billions) of outstanding long-term loans (maturity above 5 years) at DFI			578	693	832	998	
Total value of private equity investments by government-owned financial institutions (UDB)- UGX Millions			0.22	0.26	0.32	0.38	

Programme Outcome 3: Increased financing through capital markets							
Programme Objectives contributed to by the Programme Outcome: 3. Sustainably lower the cost of doing business.							
Programme Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
Domestic market capitalization to GDP			3.8	4.1	4.4	5.1	
Domestic market capitalization due to new listings- (UGX, Billion)			4.7	5	5.4	5.8	

¹ This is one of the key results of the PSD Programme

Number of private equity deals availing funding to local companies per year (data at December)			9	8	8	8	
CIS assets under management (in UGX billion)			0.61	0.76	0.95	1.2	

Programme Outcome 4: Increased value of formal financial sector savings for private sector investment

Programme Objectives contributed to by the Programme Outcome: 3. Sustainably lower the cost of doing business.

Programme Outcome Indicators	Performance Targets						2025/26
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
Retirement Assets to GDP, %			13.5	15.3	17.1	19.2	
Deposits in supervised financial institutions to GDP, %			23.7	25.6	27.5	29.5	
Life insurance assets to GDP, %			0.71	0.83	0.97	1.13	

Programme Outcome 5: Increased access and usage of non-financial resources (certification, ICT, warehouse information system, etc

Programme Objectives contributed to by the Programme Outcome: 4. Sustainably lower the cost of doing business.

Programme Outcome Indicators	Performance Targets						2025/26
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
Number of warehouse receipt discounted at financial institutions			0	0	0	0	
Number of warehouse receipt traded at commodity exchanges			0	0	0	0	
Proportion of Key business processes automated and integrated on Government platforms			0	0	0	0	

Programme Outcome 6: Improved business capacity and local entrepreneurship skills enhanced

Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the organizational and institutional capacity of the private sector to drive growth.

Programme Outcome Indicators	Performance Targets						2025/26
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
% of businesses that accessed BDS in the past 3 years			0	0	0	0	
Global competitiveness index			0	0	0	0	
% of businesses having a business expansion plan in place			0	0	0	0	

% of existing businesses expanded			0	0	0	0	
% change in annual turnover			0	0	0	0	
Average life of businesses			0	0	0	0	
Programme Outcome 7: Increased membership in chambers of commerce and trade unions							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the organizational and institutional capacity of the private sector to drive growth.							
Programme Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
% of the informal sector ²			50.4	49.2	48.1	45.0	
Number of firms that are registered members of chambers of commerce			0	0	0	0	
Number of members in trade unions			0	0	0	0	

Programme Outcome 8: Strengthened linkages to regional and global markets							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the organizational and institutional capacity of the private sector to drive growth.							
Programme Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Value of exports (Million USD) ³			4973	0	0	0	
Proportion of total sales that are exported (manufacturing, trading, small trading and services, finance) %			0	0	0	0	

Programme Outcome 9: Increased automation of business processes							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the organizational and institutional capacity of the private sector to drive growth.							
Programme Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26

² This is one of the key results of the PSD Programme

³ This is one of the key results of the PSD Programme

Value of Ugandan products and services traded on e-platforms			0	0	0	0	
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Programme Outcome 10: Increased research and innovation within the private sector.							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the organizational and institutional capacity of the private sector to drive growth.							
Programme Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
% of businesses undertaking research and development activities in the past year (manufacturing, trading, small trading and services, finance)			0.015	0.05	0.1	0.25	

Programme Outcome 11: Increased access and use of market information system by the private sector							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the organizational and institutional capacity of the private sector to drive growth.							
Programme Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Number of firms using market information system			0	0	0	0	

Programme Outcome 12: Increased access and use of incubation centres by the private sector							
Programme Objectives contributed to by the Programme Outcome: Strengthen the organizational and institutional capacity of the private sector to drive growth.							
Programme Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Number of firms accessing these services			0	0	0	0	

Programme Outcome 13: Simplified system for starting a business							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the organizational and institutional capacity of the private sector to drive growth.							

Programme Outcome Indicators	Performance Targets						2025/26
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
Procedures to legally start and formally operate a company (number)			0	0	0	0	
Time required to start a business (calendar days)			0	0	0	0	
Costs of starting a business (% of income per capita)			0	0	0	0	

Programme Outcome 14: increased local firms' participation in public investment programs across sectors							
Programme Objectives contributed to by the Programme Outcome: 3. Promote local content in Public programs							
Programme Outcome Indicators	Performance Targets						2025/26
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
Proportion of jobs taken on by ugandans			0	0	0	0	
Proportion of the total procurement value awarded to local contractors			0.65	0.7	0.75	0.8	
The proportion of Ugandan goods and services utilized by foreign firms in public projects			0	0	0	0	

Programme Outcome 15: Regionally balanced key strategic public investments planned and developed to spur private investment in key growth areas							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the role of government in strategic economic sectors.							
Programme Outcome Indicators	Performance Targets						2025/26
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
Number of private investments by UDC			0	0	0	0	
Total private sector investments facilitated by PPPs arrangements			0	0	0	0	
Proportion of Domestic private sector investment (in Value: projections have considered impacts of COVID-19)			0	0	0	0	

Programme Outcome 16: Increased use of research and innovation instruments by the private sector.							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthening the role of government in unlocking investment in strategic economic sectors.							

Programme Outcome Indicators	Performance Targets						2025/26
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
% of MSMEs utilizing the services of Research and innovation facilities			0	0	0	0	

Programme Outcome 17: Standards developed and/or enforced							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the enabling environment and enforcement of standards							
Programme Outcome Indicators	Performance Targets						2025/26
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
Annual change in products certified by UNBS (%)			0.1	0.1	0.1	0.1	
Number of certified products accessing foreign markets			4400	4800	5300	6000	

Programme Outcome 18: Increased accessibility to serviced industrial parks							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the enabling environment and enforcement of standards							
Programme Outcome Indicators	Performance Targets						2025/26
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
No of businesses using the industrial parks			0	0	0	0	

Programme Outcome 19: Increased accessibility to export processing zones							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the enabling environment and enforcement of standards.							
Programme Outcome Indicators	Performance Targets						2025/26
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	
Number of firms accessing the export free zones			25	35	35	40	

Programme Outcome 20: Increased formalization of businesses							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the enabling environment and enforcement of standards.							
Programme Outcome Indicators	Performance Targets						2025/26
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	

Proportion of total business operating in the formal sector			0	0	0	0	
% change in tax payer register			0	0	0	0	
% contribution of formal sector to GDP			0	0	0	0	
Programme Outcome 21: Improved availability of private sector data							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the enabling environment and enforcement of standards.							
Programme Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Number of data requests to the MSME database			0	0	0	0	
Number of reports and policy briefs developed			0	0	0	0	

Programme Outcome 22: Adequate system for private sector complaints resolution in place							
Programme Objectives contributed to by the Programme Outcome: 3. Strengthen the enabling environment and enforcement of standards.							
Programme Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
% of private sector complaints resolved			0	0	0	0	

**P2: INTERMEDIATE OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATIONS
ALIGNED TO THE NDP**

Table P2.1: Intermediate Outcomes and Outcome Indicators Aligned to the NDP

Vote 008: Ministry of Finance Planning and Economic Development.							
Sub-programme : DEVELOPMENT POLICY AND INVESTMENT PROMOTION							
Sub-Programme Objectives							
<ol style="list-style-type: none"> 1. Initiate and coordinate economic policy research to inform National economic development policymaking. 2. Provide technical advice on budgetary alignment to National development strategies and priorities. 3. Monitor and analyze National development outcomes within the context of relevant regional and international development frameworks. 4. Formulate, review and coordinate policies, laws and regulations to enhance Private Sector competitiveness and growth. <p>Annually prepare and publish background to the Budget.</p>							
Intermediate Outcome:							
Increased investment and evidence-based National Development policy agenda							
Intermediate Outcome Indicators (Type them below)	Performance Targets						
	Base Year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Outdated National Policies (%)	2016	n/a	83.5	70	60	50	40
Business Licensing and Regulatory Reforms implemented on schedule (%)	2016	56	58	70	80	90	100

Vote 008: Ministry of Finance Planning and Economic Development.							
Sub-programme : FINANCIAL SECTOR DEVELOPMENT							
Sub-Programme Objectives							
<ol style="list-style-type: none"> 1. Providing policy oversight and establish the database on all financial Institutions in the Country. 2. Periodically review and analyze the general performance of the financial sector to inform policy. 3. Initiate policies, Laws for deepening and improving the penetration of the financial sector. 							

4. Provide appropriate legislation that makes the financial system efficient and stable, protects the consumers of financial products, and creates a climate for competition and further development.
5. Support effective regulation in respect to financial institutions.
6. Create a conducive policy environment for product development with Gender Equity perspectives.
7. Participate in the formulation of EAC legislations relating to the financial sector to achieve financial convergence.
8. Follow developments in the financial markets and business sector in order to assess the need for new policy, new legislation or amendments to existing laws.
9. Provide policy advice for regulatory bodies in the financial sector
10. Participate in the formulation of EAC legislations relating to the financial sector to achieve financial convergence.
11. Formulate rational and sound financial policies that contribute to national and global financial stability towards financial inclusion for all
12. Provide briefing and policy advice on the financial sector.

Intermediate Outcome:

Credible, safe and sound financial markets and systems

Intermediate Outcome Indicators (Type them below)	Performance Targets						
	Base Year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
%ge of financially included adults (=16 years of age) population	2016	78	80	81	82	83	85
% of Saving to GDP ratio	2016	20.5	21	22	23	23	25
Domestic Equity market capitalization to GDP ratio	2016	4.8%	3.4	3.8	4.1	4.4	5.1
Percentage of Private Sector Credit	2016	13.752	14.5	15	17	18	20

Vote 310: Uganda Investment Authority.

Sub Programme: INVESTMENT PROMOTION AND FACILITATION							
Sub Programme Objectives: <ul style="list-style-type: none"> a) To attract FDI and DDI through promoting sectors and projects b) To carry out periodic monitoring and evaluation of investments c) To provide essential investor aftercare services to enable foreign and domestic investors to enjoy increasingly lower costs of doing business in Uganda d) To work with the legal Unit to draft the regulations and contents of the certificate of incentives; e) To provide expert advice to GoU designed to promote Uganda's competitiveness for FDI f) To undertake annual evaluations of the progress and state of investment in the country 							
Intermediate Outcome: <ul style="list-style-type: none"> i) Growth in Private Sector Investment and Jobs in Uganda ii) Growth in Investor Confidence and Comfort 							
Intermediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Job opportunities created	2020/21	35,000	39,000	43,000	47,000	51,000	55,250
% growth in License Investments	2020/21	0	20%	25%	30%	35%	40%
% growth in Direct Domestic Investment	2020/21	-10%	25%	26%	27%	28%	30%
% growth in value of planned FDI projects per year	2020/21	-61%	20%	22%	24%	27%	30%

Vote 310: Uganda Investment Authority.							
Sub Programme: NETWORK OF SERVICED INDUSTRIAL AND BUSINESS PARKS DEVELOPMENT							
Sub Programme Objectives: Developing well serviced industrial sites that enable all investors to enjoy economies of scale and operate competitively							
Intermediate Outcome: <ul style="list-style-type: none"> a) Employment creation in the country b) Increased revenue to Government through taxes 							

c) Import substitution and Export promotion d) Technology transfer to Uganda							
Inter-mediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Job opportunities created	2020/21	45,000	75,000	170,000	220,000	270,000	350,000
Revenue collection from Industrial parks (Billion UGX)	2020/21	400	600	1,200	2,100	3,200	4,000
New products introduced in the market	2020/21	250	400	550	700	850	1,000

Vote 310: Uganda Investment Authority.							
Sub Programme: ONE STOP CENTRE FOR BUSINESS PROCESSING AND LICENSING MANAGEMENT							
Sub Programme Objectives: a) To reduce the overall cost of doing business. b) To improve the private sector competitiveness.							
Intermediate Outcome: a) Reduction in the overall cost of doing business b) Improvement in private sector competitiveness							
Programme Outcomes contributed to by the Intermediate Outcome i) Reduce the informal sector from 51 percent in 2018/19 to 45 percent in 2024/25 ii) Increase non-commercial lending to the private sector in key growth sectors, from 1.5 percent in 2018/19 to 3 percent of GDP iii) Increase the proportion of public contracts and sub-contracts that are awarded to local firms, from 30% to 50% iv) Increase the value of exports from USD 3,450.7 million in 2017/18 to USD 4,973 million.							
Inter-mediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26

Global Cost of Doing Business Ranking (WB)	2020/21	116	111	106	101	96	91
Global Competitiveness Ranking (WEF)	2020/21	115	110	105	100	95	90

Vote 310: Uganda Investment Authority.							
Sub Programme: SMALL MEDIUM ENTERPRISES DEVELOPMENT							
Sub Programme Objectives: <ul style="list-style-type: none"> i) To mobilise DDI, from and into, all regions of Uganda; ii) To facilitate domestic investors with post-investment support services designed to lower the costs of doing business; iii) To co-ordinate mutually beneficial linkages between foreign and domestic investors including technology transfer; iv) To provide expert advice to GOU designed to promote SME investment growth, competitiveness, and transition into larger scale firms with enhanced investment capacity. 							
Intermediate Outcome: <ul style="list-style-type: none"> i) Employment creation in the country ii) Increased revenue to Government through taxes iii) Import substitution and Export promotion iv) Technology transfer to Uganda 							
Inter-mediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
% age of registered SMEs that show growth in Capital per year	2020/21	15%	20%	25%	30%	35%	40%
% age of registered SMEs that show growth in number of employees per year	2020/21	5%	8%	11%	14%	17%	20%

% age of registered SMEs that show growth in market size per year	2020/21	15%	20%	25%	30%	35%	40%
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Vote 310: Uganda Investment Authority.							
Sub Programme: KAMPALA INDUSTRIAL AND BUSINESS PARK INFRASTRUCTURE DEVELOPMENT PROJECT							
Sub Programme Objectives:							
Developing well serviced industrial sites that enable all investors to enjoy economies of scale and operate competitively							
Intermediate Outcome:							
e) Employment creation in the country f) Increased revenue to Government through taxes g) Import substitution and Export promotion h) Technology transfer to Uganda							
Inter-mediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Job opportunities created	2020/21	45,000	75,000	170,000	220,000	270,000	350,000
Revenue collection from Industrial parks (Billion UGX)	2020/21	400	600	1,200	2,100	3,200	4,000
New products introduced in the market	2020/21	250	400	550	700	850	1,000

Vote: 119 Uganda Registration Services Bureau
Sub programme: Competitiveness and formalization in the Public Sector

Sub Programme Objectives:							
i) To increase access to affordable credit through strengthening SIMPO ii) To enhance formalization through reducing the size informal sector iii) To Strengthen the enabling environment for Private Sector Activities.							
Intermediate Outcome: Improved competitiveness of the Private Sector through increased formalization.							
Intermediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
No. of Companies registered	2018/19	23,167	24,500	25,500	26,500	30,000	34,000
No. of One –Stop centers established and operationalized	2018/19	43	44	46	47	47	47
No. of MSMEs sensitized about SIMPO	2018/19	N/A	200	300	400	500	600
No. of Women sensitized about SIMPO	2018/19	N/A	200	300	400	500	600
No. of new notices registered with SIMPO	2018/19	N/A	3,145	3,648	4,232	4,909	5,694
No. of lenders registered on SIMPO	2018/19	N/A	75	95	110	130	150
No. of Regulators/Associations engaged	2018/19	N/A	6	10	13	15	20
% Progress with formulation of National Business Formalization Policy	2018/19	0	0	30	60	100	100
No. of Legal and regulatory frameworks reviewed to remove restrictions and provide incentives for formalization	2018/19	7	1	2	2	1	

Vote:306 Uganda Export Promotion Board							
Sub Programme:		Export Market Development, Export Promotion and Customized Advisory Services					
Sub Programme Objectives:		<div>1. To provide trade and market information services (details of tariffs for all markets by product category, general market entry information, lists of importers by country and product category, price data, analyses of market trends, import and export procedures and documentation requirements, trade flows by products and trade partners, and market information dissemination).</div> <div>2. To promote the development of exports (including provision of technical advice in production and post-harvest handling, and test marketing new exports).</div> <div>3. To provide trade promotional services (including organizing, coordinating and participating in trade fairs, and organizing both inward and outward trade missions aimed at fostering export growth).</div> <div>4. To provide customized advisory services such as basic business skills, export distribution channels, foreign trade practice, trade preferences available to Uganda, pre-shipment credit and other trade financing, and export.</div> <div>5. To formulate and recommend to Government export plans, policies and strategies.</div>					
Intermediate Outcome:		Increase export performance and competitiveness of the private sector.					
Intermediate Outcome Indicator	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Number of exporters linked to foreign buyers.	2019	9	12	20	25	25	25
Number of export-ready EPZ operators.	2019	0	2	5	10	15	20

Vote:154 Uganda National Bureau of Standards							
Sub Programme : Standards Development							
Sub Programme Objectives: To Develop National Standards in order to improve industry competitiveness and facilitate trade.							
Intermediate Outcome: Increased access of certified goods to regional and international markets							
Reduce the prevalence of substandard goods on the market							
Intermediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Number of standards developed	2019/20	505	600	600	770	900	1,030

Vote:154 Uganda National Bureau of Standards							
Sub Programme : Standards and Measurement Systems' promotion							
Sub Programme Objectives: To Promote National Standards and Measurement Systems (Metrology) in order to improve industry competitiveness and facilitate trade.							
Intermediate Outcome: Increased access of certified goods to regional and international markets							
Reduce the prevalence of substandard goods on the market							
Intermediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Number of certification permits issued	2019/20	2705	4000	5000	7500	10000	12500
Number of product samples tested	2019/20	19796	21,600	22,000	28,800	34,560	41,472

Number of industrial equipment calibrated	2019/20	3354	5000	5000	7000	7050	7500
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Vote:154 Uganda National Bureau of Standards							
Sub Programme: Standards and Measurements' enforcement							
Sub Programme Objectives: To Enforce National Standards and Measurements in order to facilitate fair trade, protect the safety of consumers and the environment.							
Intermediate Outcome: Increased access of certified goods to regional and international markets							
Reduce the prevalence of substandard goods on the market							
Intermediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Number of Market surveillance inspections conducted	2019/20	7345	8,000	9,000	10,000	11,000	12,000
Number of profiled import consignments inspected	2019/20	153256	190,000	190,000	195,000	197,500	198,000
Number of weighing equipment used in trade verified	2019/20	1,063,277	1,231,911	1,546,000	1,600,000	1,700,000	1,800,000

Vote:154 Uganda National Bureau of Standards							
Sub Programme: Facilitating implementation of UNBS Mandate							
Sub Programme Objectives: To facilitate implementation of UNBS Mandate							
Intermediate Outcome: Increased access of certified goods to regional and international markets							

Reduce the prevalence of substandard goods on the market							
Intermediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
Level of staffing	2019/20	433	435	535	635	735	835

Vote: 015: Ministry of Trade, Industry and Cooperatives.

Sub Program: Industrial and Technological Development (MTAC)

Sub Programme Objectives:

- i) Develop, review and implement Policies, Laws and Plans for industrial development and regulation.
- ii) Promote value addition to raw materials and products of comparative advantage for social-economic transformation.
- iii) Identify opportunities and promotion of industrial investment through conducting feasibility studies for priority commodity value chains and technology mapping.
- iv) Perform technical inspection, supervision, monitoring and regulation of industries in the country.
- v) Promote the development and use of research, science, innovations and adoption of appropriate technologies in Industries.
- vi) Support the development and strengthening of the requisite infrastructure and technology to reduce the cost of production in industry.
- vii) Support research and development of standards for entrepreneurship products and processes in the compliance with local and international accreditation.
- viii) Facilitate the establishment of linkages between small, medium and large-scale industries to enable the supply of quality raw materials, semi-finished products and components for secondary and tertiary processing
- ix) Facilitate investment in ventures of essential public need for sustainable socio-economic development

Intermediate Outcome: Enhanced industrial facilitation, promotion and cluster competitiveness

Intermediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26
No. of students graduating with diploma & certificate programmes in business and ICT skills 2,500 2,520 2,540 Number of tracer studies conducted on past students 2 2 2 1,550 1,580	2020		1,600	1,620	1,630	1,640	34,000
No. of participants trained in entrepreneurship skills	2020		2,5000	2,520	2,540	2,550	47
No. of participants trained in vocational courses.	2020		1550	1580	1600	1620	600

Vote: 015: Ministry of Trade, Industry and Cooperatives.

Sub Programme: Trade Development

Sub Programme Objectives:

- 1.Improve the management capacities of local enterprises through massive provision of Business Development Services geared towards improving firm capabilities.
- 2.Strengthen system capacities to enable and harness benefits of coordinated private sector activities.
- 3.Develop and implement a holistic local content policy framework and implement BUBU Policy.

Intermediate Outcome To increase competitiveness of the private sector to drive inclusive and low emission growth.

Intermediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26

Number of firms using market information systems	2020	0	1000	2000	3000	4000	6000
No. of information systems established and functional by type	2020	0	5	10	15	20	25
No. of fully functional trade unions in place	2020	0	3	4	6	8	10
A comprehensive local content policy framework	2020	0	1				
No. of schedules on locally available products	2020	0	5	10	15	20	30
Stage of Management Information Systems to support Associations, trade unions and Cooperatives established and integrated	2020	0	30%	80%	100%		
Number of associations and trade unions provided oversight services	2020	3	5	10	15	15	20
Number of industry associations, chamber of commerce and trade unions supported along their respective value chains	2020	3	5	10	15	15	20
Stage of incentive framework to build membership for industry specific associations.	2020	0	35%	80%	100%		

Proportion of the total procurement value awarded to local contractors	2020	0	15%	30%	50%	60%	75%
The proportion of Ugandan goods and services utilized by foreign firms in public projects	2020	5%	10%	15%	20%	30%	45%
Number of counterfeits tracked and destroyed	2020	50	100	150	200	200	250
Percentage of private sector complaints resolved	2020	10	20	25	30	40	50
%Decrease in the informal sector	2020	56.6	52.9	51.7	50.4	49.2	48.1
Increase in value of exports	2020	5,390	5,952	6,295	6,674	7,018	7,356

Vote: 015: Ministry of Trade, Industry and Cooperatives.							
Sub Programme: MSME Development							
Sub Programme Objectives:. 1.Strengthen the organizational and institutional capacity of the private sector to drive growth. 2.Sustainably lower cost of doing businesses 3.Strengthen the enabling environment and enforcement of standards 4.Increase the proportion of public contracts and sub-contracts that are awarded to local firms from 30 percent to 80 percent, 5.Promote local content in public programmes To facilitate implementation of UNBS Mandate							
Intermediate Outcome:							
Intermediate Outcome Indicators	Performance Targets						
	Base year	Baseline	2021/22	2022/23	2023/24	2024/25	2025/26

Number of MSMEs linked to market linkages both regionally and internationally	2020	300	120	150	200	250	300
Increased research and innovation within the private sector	2020	30	5	7	10	12	14
Number of MSMEs accessing the market information systems	2020	200	500	1000	1000	1000	1000
Increased access of MSMEs to incubation centres	2020	50	100	200	250	300	400
Number of MSMEs' Packaging, branding and labeling products enhanced	2020	200	25	50	100	200	300
Number of MSMEs trained in Credit rating to access credit from providers	2020	200	10	10	10	10	1000

Medium Term Projections

Table P2.2: Medium Term Projections by Sub-Programme⁴

<i>Billion Uganda Shillings</i>		Medium Term Projections				
Sub-Programme Service	Approved Budget 2020/21	2021/22-Proposed Budget	2022/23	2023/24	2024/25	2025/26
MFPE						
Development Policy and Investment Promotion	70.105	70.105	91.137	118.477	154.021	200.227
Financial Sector Development	370.478	370.478	481.621	626.108	813.940	1058.122
Total for the Sub Programme	440.583	440.583	572.758	744.585	967.961	1258.349
UIA						
Administration and Support Services	9.391	9.391	9.391	9.391	9.391	9.391
Investment Promotion and Facilitation	6.031	6.031	6.031	6.031	6.031	6.031
Retooling of Uganda Investment Authority	3.905	3.905	3.905	3.905	3.905	3.905
Sub Total for the Vote	19.329	19.329	19.329	19.329	19.329	19.329
URSB						
Competitiveness and formalization in the Private Sector	2.025086	0.91	0.9555	1.003275	1.103603	1.324323
Sub-Total for the Vote	2.025086	0.91	0.9555	1.003275	1.103603	1.324323
URA						
Tax Investigations		0.50	0.53	0.56	0.60	0.63
Customs		1.362	1.362	1.362	1.362	1.362
Domestic Taxes		19.105	19.105	19.105	19.105	19.105
Sub Total for the Vote		20.967	20.997	21.027	21.067	21.097
UEPB						

⁴ Total allocations by sub-programmes differ from the overview because some institutions regarded External financing in the overview allocation but not in this table.

Export Market Development, Export Promotion and Customized Advisory Services	5.813	3.511	3.961	4.501	5.148	5.926
Sub Total for the Vote	5.813	3.511	3.961	4.501	5.148	5.926
UNBS						
Standards Development	3.862	4.801	4.801	4.801	4.801	4.801
Standards and Measurement Systems' promotion	7.040	7.620	7.620	7.620	7.620	7.620
Standards and Measurements' enforcement	7.421	8.029	8.029	8.029	8.029	8.029
Facilitating implementation of UNBS Mandate	46.720	45.314	45.314	45.314	45.314	45.314
Total for the Vote	65.045	65.045	65.045	65.045	65.045	65.045
MTIC						
Industrial and Technological Development (MTAC)	0.1	0.1	0.12	0.144	0.1728	0.20736
Trade Development	1.655	1.655	1.986	2.3832	2.85984	3.431808
MSME Development	0.760	0.760	0.912	1.0944	1.31328	1.575936
General Administration, Policy and Planning (Retooling)	3.576	3.576	4.2912	5.14944	6.179328	7.415194
Total	6.091	6.091	7.3092	8.77104	10.52525	12.6303
TOTAL FOR PROGRAMME	538.88	557.15	691.07	864.98	1,090.90	1,384.42

PROGRAMME INTERVENTIONS AND CROSS CUTTING ISSUES

P3: PROGRAMME INTERVENTIONS for 2021/22

UIA

1. Mobilize alternative financing sources for private investment
2. Build private sector capacity to access green financing and green growth response
3. Strengthen Business Development Services centres
4. Establish Business Development Services framework
5. Increase Automation of business processes
6. Develop and publicize a transparent incentive framework that supports local investors
7. Undertake strategic and sustainable government investment and promote private sector partnerships in key growth areas
8. Improve data availability on the private sector; and Improve Dialogue between the private sector and Government
9. Strengthen the legal and regulatory frameworks for Private Equity and Venture Capital.
10. Build private sector capacity to access green financing and green growth response.
11. Address non-financial factors (power, transport, business processes etc) leading to high costs of doing business.
12. De-risk Sub-county skills-based enterprise associations (EMYOGA).
13. Establish a One stop Centres for business registration and licensing.
14. Develop and publicize a transparent incentive framework that supports local investors.
15. Strengthen research and innovation capacity in support of private and public investment-
16. Improve data availability on the private sector; and Improve Dialogue between the private sector and Government.
17. Increase accessibility to serviced industrial parks.
18. Establish One stop Centres for business registration and licensing
19. Development of Infrastructure at the Kampala Industrial and Business Park, Namanve

URSB

1. Undertake borrower-centric activities to increase knowledge on SIMPO.
2. Integration with the motor vehicle registry and SIMPO system upgrade.
3. Harmonize legal framework for registration of security interests in movable property with existing commercial laws (Companies Act on debentures and Insolvency Act on priority of debts) for ease of doing business and access to credit.

4. Building synergies with regulators and associations (BOU, UMRA, MTIC, UBA, AMFIU, and Money Lenders Association, Car dealers Association, Uganda Insurers Association, Bailiffs and Auctioneers Association to increase system usage and non-tax revenue collection.
5. SIMPO Awareness Trainings for both Borrowers, Financial and Credit Institutions & Money Lenders.
6. Strengthen Clients' Business continuity and sustainability.
7. Creating public awareness on insolvency services.

UEPB

1. Facilitate Uganda's diplomatic missions to promote Ugandan products abroad
2. Establish 4 export logistics centres

MTIC

1. Industry associations, chambers of commerce and trade unions strengthened
2. Product and market information systems developed
3. One stop center for business registration and licensing established
4. An overarching local content policy framework developed
5. Local content /BUBU monitoring format developed
6. BUBU Monitoring Committee established
7. Negotiate Preferential market access at regional; EAC, COMESA, TFTA, CFTA.
8. Negotiate Preferential market access at bilateral levels; China, India among others negotiated.
9. Negotiate of the Joint Permanent Commissions with Kenya, Democratic Republic of Congo among others for regional markets of selected products.
10. Implement activities of the National Export Development Strategy with Key MDAs, with a view to increase exports and the National Policy on Services Trade and its Implementation Strategy

PROGRAMME CHALLENGES IN ADDRESSING CROSS-CUTTING ISSUES FOR FY 2021/22

Gender & Equity Issues of Concern:

1. Gender and Equity policy not yet operationalized.
2. Limited capacity for mainstreaming gender and equity issues in policies, programs and projects.

3. Limited use and availability for gender dis-aggregated data.

Planned Interventions:

1. Train staff on mainstreaming G&E issues.
2. Train staff in G&E data analysis and use.
3. Develop Guidelines for mainstreaming G&E.
4. Issues of men, women, youth and PWDs are addressed in all Programme Work Plans to provide Equal Opportunities

HIV/AIDS Issues of concern.

- a. Limited access to medical services at the workplace including Medicare for staff living with HIV/AIDs
- b. Limited access to health information by staff especially non communicable diseases like cancer, Diabetes
- c. Increased cases of HIV/AIDS

Planned interventions

- a. Improve supplies of drugs and equipment for the Sickbay
- b. Carry out health awareness campaigns including health week.
- c. Provide Medicare for all staff living with HIV/AIDs
- d. Develop checklists for mainstreaming HIV/AIDs
- e. Employees to gain access to HIV prevention services
- f. Industrial park community to get access to testing and counseling services

Environment Issues of concern.

- a. Limited awareness on environmental issues
- b. Limited capacity for mainstreaming environment in Government Programme /projects
- c. Lack of guidelines/checklists for mainstreaming environmental issues in specific Programmes/ projects
- d. Lack of environmental compliance and monitoring during the implementation of investments

Planned interventions.

- a. A requirement for licensed investors to undertake Environment and Social Impact Assessments before implementing their projects.
- b. A requirement for licensed investors to undertake Environment and Social Impact Assessments before implementing their projects.
- c. Monitoring operational investment projects to ensure that they comply with the environment requirements.
- d. Environment Agency (NEMA) to be implemented at the OSC.
- e. Recognize companies who have invested in green technologies at Investor of the Year Award (INOY).