

Foreword

The Budget Framework Paper for FY 2022-23 was prepared in pursuance of the programme mandate, formulation of policies that promote and ensure expansion and diversification of trade, cooperatives and environmentally sustainable industrialization which is in line with Industrialisation for Inclusive Growth, Employment and Wealth Creation as the theme for the 2022-23 Budget Strategy.

This Manufacturing Budget Framework Paper for FY 2022-23 is informed by and is responsive to the Third National Development Plan, Sustainable Development Goals, undertakings agreed during the Programme Review, the Presidential Directives and National Resistance Movement Manifesto Commitments. The Programme Budget Framework Paper for Financial Year 2022-23 pays attention to harnessing the existing synergies within the Programme.

The Programme aims at the following key priorities,

1. Review and formulate trade related policies to refocus on supporting exports.
2. Sensitize farmers/producers on trade procedures and standards with emphasis on exporting and supporting the refurbishment of storage facilities.
3. Improve quality and standard concerns by expanding the services of Uganda National Bureau Standards.
4. Establishment of Border Export Zones at key strategic border points to increase cross border trade.
5. Enhance value addition and industrialization.
6. Promotion of Cooperative Movement by mobilizing collective resources through cooperatives and strengthen supervisory and management of Cooperatives through District Commercial Extension Services etc.

I am once again happy to present to you the Budget Framework Paper for Manufacturing Programme for FY 2022-23. I look forward to your continued cooperation and support as we continue striving to improve service delivery for the development of Uganda.

For God and My Country

Hon. Francis Mwebesa

Minister of Trade, Industry and Cooperatives

Abbreviations and Acronyms

ACRONYM	ACRONYM NAME
AfCFTA	African Continental Free Trade Area
AGOA	African Growth Opportunities Act
CFTA	Continental Free Trade Area
COMESA	Common Market for Eastern and Southern Africa
DRC	Democratic Republic of Congo
EPZs	Export Processing Zones
FTA	Free Trade Area
G&E	Gender and Equity
MSME	Micro, Small and Medium Enterprise
MTAC	Management Training and Advisory Centre
SADC	Southern African Development Community
SME	Small and Medium Enterprises
TEXDA	Textile Development Agency
TICAD	Tokyo International Conference of African Development
UMA	Uganda Manufacturers Association
UNCE	Uganda National Commodity Exchange
UNIDO	United Nations Industrial Development Organisation
UWRS	Uganda Warehouse Receipt System Authority
WTO	World Trade Organisation

P1: PROGRAMME OVERVIEW**Snapshot of Medium Term Budget Allocations****Table P1.1 Overview of Programme Expenditure and Medium Term Allocations (Ush Billion)**

<i>Billion Uganda Shillings</i>		2022/23 Proposed Budget	MTEF Budget Projections			
			2023/24	2024/25	2025/26	2026/27
Recurrent	Wage	1.584	1.584	1.584	1.584	1.584
	NonWage	72.924	72.924	72.924	72.924	72.924
Devt.	GoU	4.634	4.634	4.634	4.634	4.634
	ExtFin	0.000	0.000	0.000	0.000	0.000
GoU Total		79.142	79.142	79.142	79.142	79.142
Total GoU+Ext Fin (MTEF)		79.142	79.142	79.142	79.142	79.142
A.I.A		0.000	0.000	0.000	0.000	0.000
Grand Total		79.142	79.142	79.142	79.142	79.142

Programme Strategy and linkage to the National Development Plan

Manufacturing programme strives to formulate policies that promote and ensure expansion and diversification of trade, cooperatives and environmentally sustainable industrialization which is in line with Industrialisation for Inclusive Growth, Employment and Wealth Creation as the theme for the 2022-23 Budget Strategy.

The Programme in line with Third National Development Plan (NDP 111) aims at ensuring the following key priorities, review and formulate trade related policies to refocus on supporting exports, sensitize farmers/producers on trade procedures and standards with emphasis on exporting and supporting the refurbishment of storage facilities, improve quality and standard concerns by expanding the services of Uganda National Bureau Standards, establishment of Border Export Zones at key strategic border points to increase cross border trade, enhance value addition and industrialization and promotion of Cooperative Movement by mobilizing collective resources through cooperatives and strengthen supervisory and management of Cooperatives through District Commercial Extension Services etc.

P2: Highlights Of Programme Projected Performance**Table P2.1 Programme Outcomes Indicators**

Programme Outcome	Increased number of jobs in the economy					
Programme Objectives contributed to by the Intermediate Outcome						
Develop the requisite infrastructure to support manufacturing in line with Uganda's planned growth corridors (triangle)						
	Performance Targets					
Programme Outcome Indicators	Base Year	Base Line	2022/23	2023/24	2024/25	2025/26
Contribution of manufacturing to industrial GDP (%)	2020	15.5%	20%	22%	23%	25%
Industrial sector contribution to GDP (%)	2020	27.1%	29.3%	30%	31%	32%
Programme Outcome	Better terms of trade					
Programme Objectives contributed to by the Intermediate Outcome						
Increase access to regional and international markets						
	Performance Targets					
Programme Outcome Indicators	Base Year	Base Line	2022/23	2023/24	2024/25	2025/26
Manufacturing value added (USD million)	2019/20	22066	22080	22090	22100	22110

Programme Outcome	Better terms of trade					
Programme Objectives contributed to by the Intermediate Outcome						
Increase access to regional and international markets						
	Performance Targets					
Programme Outcome Indicators	Base Year	Base Line	2022/23	2023/24	2024/25	2025/26
Manufacturing value added as a percentage of GDP	2019/20	15.9	15.92	15.95	15.96	15.98
Share of manufactured exports to total exports (%)	2019	14.7%	15%	15.4%	16%	16.4%

Table P2.2: Intermediate Outcomes Indicators

Sub-Programme Name:	Trade Development					
Intermediate Outcome Indicators:	Cooperatives Promotion and Structural Competitiveness					
	Performance Targets					
Indicators	Base Year	Base Line	2022/23	2023/24	2024/25	2025/26
Number of cooperatives registered	2020	1009	1200	1250	1300	1350
Total share capital of Cooperatives Enterprises (UGX Bn)	2020	489	500	505	510	515

P3: Medium Term Budget Allocations by Sub-Programme and Vote**Table P3.1: Proposed Budget Allocations and Medium Term Projections by Sub-Programme**

<i>Billion Uganda Shillings</i>	2022/23	Medium Term Projections			
	Proposed Budget	2023/24	2024/25	2025/26	2026/27
01 Industrial and Technological Development	35.035	35.035	35.035	35.035	35.035
02 Trade Development	2.575	2.575	2.575	2.575	2.575
03 Enabling Environment	41.531	41.531	41.531	41.531	41.531
Total for the Programme	79.142	79.142	79.142	79.142	79.142

Table P3.2: Proposed Budget Allocations and Medium Term Projections by Vote

<i>Billion Uganda Shillings</i>	2022/23	Medium Term Projections			
	Proposed Budget	2023/24	2024/25	2025/26	2026/27
006 Ministry of Foreign Affairs	0.616	0.616	0.616	0.616	0.616
015 Ministry of Trade, Industry and Co-Operatives	72.493	72.493	72.493	72.493	72.493
154 Uganda National Bureau of Standards (UNBS)	4.234	4.234	4.234	4.234	4.234
506 Uganda High Commission in Tanzania , Dar es Salaam	0.338	0.338	0.338	0.338	0.338
508 Uganda High Commission in South Africa , Pretoria	0.054	0.054	0.054	0.054	0.054
515 Uganda Embassy in Japan, Tokyo	0.164	0.164	0.164	0.164	0.164
516 Uganda Embassy in Saudi Arabia, Riyadh	0.134	0.134	0.134	0.134	0.134
518 Uganda Embassy in Belgium, Brussels	0.165	0.165	0.165	0.165	0.165
519 Uganda Embassy in Italy, Rome	0.063	0.063	0.063	0.063	0.063

<i>Billion Uganda Shillings</i>	2022/23	Medium Term Projections			
	Proposed Budget	2023/24	2024/25	2025/26	2026/27
520 Uganda Embassy in DRC, Kinshasa	0.230	0.230	0.230	0.230	0.230
525 Uganda Embassy in Russia, Moscow	0.187	0.187	0.187	0.187	0.187
527 Uganda Embassy in South Sudan, Juba	0.200	0.200	0.200	0.200	0.200
529 Uganda Embassy in Burundi, Bujumbura	0.025	0.025	0.025	0.025	0.025
530 Uganda Consulate in China, Guangzhou	0.139	0.139	0.139	0.139	0.139
532 Uganda Embassy in Somalia, Mogadishu	0.050	0.050	0.050	0.050	0.050
533 Uganda Embassy in Malaysia, Kuala Lumpur	0.050	0.050	0.050	0.050	0.050
Total for the Programme	79.142	79.142	79.142	79.142	79.142

P4: PROGRAMME PRIORITIES IN LINE WITH INTERVENTIONS FOR FY2022/23

Programme Priorities FY2022/23	NDP III Programme Intervention aligned to
Public-Private dialogue conducted for LED and Awareness created on potential PPP investment opportunities.	Formulate, implement and enforce standards, laws, and regulations to facilitate adoption to green manufacturing
Prepared and consulted the AfCFTA, CFTA Tripartite (EAC-COMESA-SADC) stakeholder with the aim of harmonizing their various development levels including its implementation strategy.	Sign bilateral agreements to guarantee market access

P5: GENDER AND EQUITY ISSUES AND INTERVENTIONS FOR FY2022/23

As an issue of concern, there is need to Mainstream Gender and provide Equal Opportunities to all men, women, youth, elderly persons and PWDs in both rural and urban areas across the Country and in all activities implemented by the MDAs in the Manufacturing Programme.

The following interventions have been planned to be implemented in response to the above issue,

- a) Training of staff in Gender issues and Gender awareness creation for the Ministry Staff.
- b) Training MDAs staff in Gender and Equity Budgeting.
- c) Data collection across all MDAs to be broken into women men youth.
- d) Ensure Gender and Equity mainstreaming in all activities of all MDAs within the Manufacturing Programme in collaboration with EOC and MoGLSD.