



REPUBLIC OF UGANDA
MINISTRY OF FINANCE,
PLANNING AND ECONOMIC DEVELOPMENT



BUDGET FOR FY 2017/18

KNOW YOUR BUDGET

A citizen's guide to the FY 2017/18 Budget

FOREWORD

In the Financial Year FY 2010/11 Government set to address structural bottlenecks in the economy to accelerate socioeconomic transformation and bring a portion of the third of the population out of poverty through the National Development Plan (NDP). The NDP is broken down into six five year Development Plans and the Financial Year 2017/18 marks the third year of implementation of the Second National Development Plan (NDPII) whose major objective is to transform our economy to a middle income country by the year 2020, with an aim of strengthening Uganda's competitiveness for sustainable wealth creation, employment and inclusive growth.

The theme for the FY 2017/18 budget is 'Industrialisation for Job Creation and Shared Prosperity.' This financial years' budget will seek to adequately prioritise and allocate the country's resources to key sectors in a bid to increase investment for creation of jobs and promoting economic growth and development. This will be implemented through the following key interventions;

- i. Production and productivity enhancement in key growth sectors;**
- ii. Industrialization through value addition;**
- iii. Private sector development ; and**
- iv. Increased public sector efficiency.**

In order to achieve our medium term goals, Government is set to roll out reforms and systems including but not limited to Performance Budgeting System (PBS), Integrated Financial Management System (IFMS), Project Implementation Management, Online Transfer Information Management System (OTMIS), Budget Transparency Initiatives, Decentralization of Payroll Management, Integrated Payroll and Personnel System (IPPS), Payment of Salaries, Pension and Gratuity & Local Revenue Enhancements.

Government is committed to clearing the stock of arrears over the medium term. This year Ug.Shs 300bn has been provided for the clearance of arrears as follows; Ug.Shs 163bn for Domestic arrears, Ug.Shs 100Bn for Pension Arrears, Ug.Shs 17Bn for Utility and Ug.Shs 19.5Bn for salary.

The Citizen's Guide to the Budget for FY 2017/18 aims to enrich and enable Government's clients (e.g. civil society organizations, development partners etc.) and the general public, especially those who are not familiar with public finance to understand Government plans by highlighting the strategic objectives of the FY 2017/18 Budget and provide an understanding of the new tax measures, and reasons behind resource allocations to key sectors. This publication will further provide a summary of the FY 2017/18 National revenue, funding sources, expenditure plans and measures for enhancing domestic revenue mobilization.

In a bid to promote accountability, transparency and ease of access to all relevant information in this country, my Ministry engages all stakeholders in Budget preparation, implementation, monitoring and execution. I continue to encourage all of you to take keen interest in this budget and understand the allocations to areas of your interest by visiting our dedicated budget website www.budget.go.ug or by calling the free hotline 0800 229229.

Let us all move forward in unison to create a better Uganda. I commend this publication to the entire Uganda Population

For God and My Country

Matia Kasajja

Minister of Finance, Planning and Economic Development



CONTENTS

FOREWORD	2
ACRONYMS	4
TERMINOLOGY	5
INTRODUCTION	7
UGANDA'S ECONOMIC PERFORMANCE AND OUTLOOK	8
FY 2017/18 REVENUE AND TAX MEASURES	10
TAX MEASURES	11
FY 2017/18 EXPENDITURE	13
AGRICULTURE	15
ENERGY AND MINERAL DEVELOPMENT	18
WORKS AND TRANSPORT	20
EDUCATION	21
HEALTH	23
WATER AND ENVIRONMENT	24
SOCIAL DEVELOPMENT	25
SECURITY- NATIONAL SECURITY AND DEFENSE	25
POLICY INITIATIVES	27
HOW YOU CAN DEMAND FOR ACCOUNTABILITY	28
SUSTAINABLE DEVELOPMENT GOALS (SDGS)	28

ACRONYMS

AIA	Appropriation in Aid
CAIIP II	Second Community Agriculture Infrastructure Improvement Project
CHEWs	Community Health Extension Workers
FY	Financial Year
GDP	Gross Domestic Product
GETFIT	Global Energy Transfer Feed in Tariff
ICT	Information Communications Technology
IDB	Islamic Development Bank
IFMS	Integrated Financial Management System
IPPS	Integrated Personnel Payroll System
LLINs	Long Lasting Insecticide Treated Nets
MATIP	Market Improvement Programme
MDAs	Ministries, Departments and Agencies
MTEF	Medium Term Expenditure Framework
NDP II	Second National Development Plan
OBT	Output Budgeting Tool
OTIMS	Online Transfer Information Management System
OWC	Operation Wealth Creation
PBS	Performance Budgeting System
PFMA	Public Finance Management Act
PPDA	Public Procurement and Disposal of Public Assets Authority
SAGE	Social Assistance Grant for Empowerment
SDGs	Sustainable Development Goals
SGR	Standard Gauge Railway
SME	Small and Medium Enterprise
UDBL	Uganda Development Bank Limited
URC	Uganda Railway Corporation
USMID	Uganda Support to Municipal Infrastructure Development
UWEP	Uganda Women Entrepreneurship Programme
VAT	Value Added Tax



TERMINOLOGY

Appropriated Expenditure: Refers to Authorization made by Parliament to withdraw money from the Consolidated Fund (It does not include Statutory Expenditure).

Appropriation Act: Law that authorizes Government Ministries and Agencies to allocate and spend funds on selected programmes and sub-programmes.

Appropriations in AID (AIA): This refers to the category of expenditure that is collected from Non-Tax revenue by institutions and spent at source.

Approved Budget: This is the total Budget for a Financial Year approved for expenditure by the Parliament of the Republic of Uganda, which is undertaken in May of the proceeding Financial Year. It is a sum of the Appropriated Budget and Statutory Budget.

Budget Deficit: Is defined as the difference between what the Government spends and what the Government collects and is financed through borrowing and grants.

Concessional loans: Are loans that are extended on terms substantially more generous than market loans. The concessionality is achieved either through interest rates below those available on the market or by grace periods, or a combination of these. Concessional loans typically have long grace periods. These are usually provided by multilateral agencies e.g. World Bank.

Contingency Fund: Is a fund for emergencies or unexpected outflows, mainly economic and natural crises.

Direct Taxes: Refers to a tax that is levied on the income or profits of the person, rather than on goods or services e.g. income tax, corporation tax etc.

Domestic Financing: Is the amount of money raised by the Government, in local currency and from its own residents mostly through the commercial banks and issuing Government securities.

Economic growth: Refers to the increase in the amount of goods and services produced in a country over a period of time.

External Financing (External Fin.): This refers to the category of expenditure that is funded from external sources through loans and grants.

Grants: Are non-repayable funds or products disbursed by one party, often a Government department, corporation, foundation or trust. These are provided for mostly by bilateral development partners.

Gross Domestic Product: (GDP) is the monetary value of all the finished goods and services produced within a country's borders in a specific time period within a financial year or calendar year.

Indirect Taxes: Refers to a tax levied on goods and services e.g. Value Added Tax (VAT), excise duties, sales tax etc.

Inflation: Is a sustained increase in the general price level of goods and services in an economy over a period of time.

Item: This is a specific input to which funds are allocated for their purchase such as; staff salaries, travel inland, printing and stationery etc.

Non Tax revenue: Is revenue from other sources apart from tax that is collected and sent to the consolidated account. These include fees and licenses.

Outputs: Amount of something produced by an institution for example; number of schools constructed, number of teachers trained etc



Programme: A group of similar services undertaken by a budgetary unit with a common objective.

Public Debt: Is the debt owed by a Government.

Real Gross Domestic Product: (real GDP) is a macroeconomic measure of the value of economic output adjusted for price changes (i.e., inflation or deflation). This adjustment transforms the money-value measure, nominal GDP, into an index for quantity of total output.

Release: Central Government transfer of funds to MDAs from the consolidated fund.

Sector: These are groups of institutions (Votes) or parts of institutions which contribute towards a common function, e.g. Education, Health, Agriculture etc.

Statutory Expenditure: refers to expenditure charged on the Consolidated Fund by the Constitution on an Act of Parliament but does not include Appropriation.

Sub-Programme: refers to a department or project.

Taxes: Are financial charges or other levies imposed upon a taxpayer (an individual or legal entity) by a state or the functional equivalent of a state to fund various public expenditures. In Uganda, Tax revenues are collected by URA. These include direct and indirect taxes.

Trade deficit: Is an economic measure of a negative balance of trade in which a country's imports exceeds its exports. A trade deficit represents an outflow of domestic currency to foreign markets.

Vote: These are institutions (Ministries, Departments, Agencies and Local Governments which are the basis of the annual budget and appropriations made by Parliament, and the basis for accountability, e.g. Ministry of Public Service, Ministry of Health etc.



INTRODUCTION

What is the Citizen's Guide to the Budget?

The Citizen's Guide to the Budget is a simplified presentation of the Government's Budget which is intended to enable the general public, especially those who are not familiar with public finance to understand Government plans.

This is a summary of the National Budget clearly illustrating how Government plans to raise revenue and how it plans to allocate and spend these resources in different areas of the economy to achieve the National Development Goals.

The objective of this document is to ensure that the reader/citizen:-

- Knows how Government will make good use of the available public resources that have been raised.
- Enables one to participate actively at all levels to hold Government responsible.
- Know the estimate of funds received by the Government, as well as the amounts that have been given to the different Government MDAs as well as Local Governments (LGS).

What is the National Budget?

The National Budget is a country's official statement which illustrates how Government plans to raise revenue and how these revenues will be allocated to different programmes and sub-programmes over a given period of time, usually a Financial Year. Section 14 of the Public Finance Management Act (PFMA) 2015 requires that the Budget is approved prior to the beginning of the Financial Year. By this the Ministry responsible (i.e. Ministry of Finance, Planning and Economic Development) after consultations with stakeholders is supposed to present the National Budget Estimates to Parliament for discussion and approval.

The Budget for the FY 2017/18 was approved on 31st May 2017.



Uganda's Economic Performance and Outlook

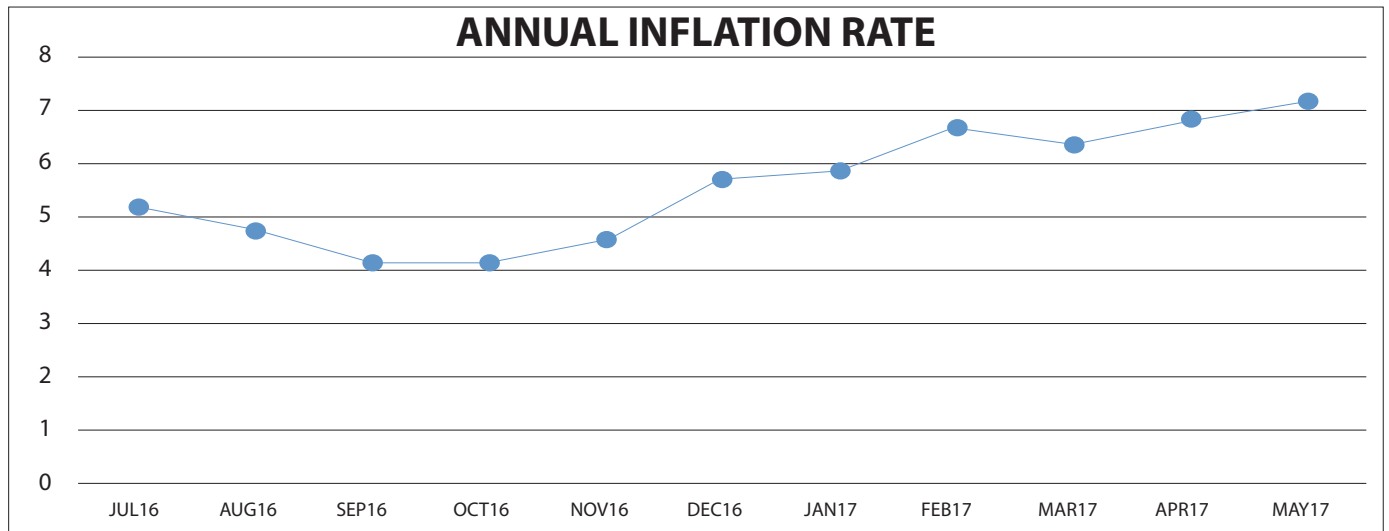
Economic Growth

Uganda's economy grew at 3.9% in the FY 2016/17 lower than the likely growth of 5.5% and this is attributed to the following:

Global factors: Slow economic recovery in Europe, Economic recovery in the USA and Rise in interest rates globally.

Regional and Domestic Factors: Civil conflicts in parts of the East African region, effects of climate change and environmental degradation, high interest rates and non-performing loans, undue delays and inefficiency in execution of Government programmes and projects and Corruption.

The exchange rate has remained broadly stable averaging Ug.Shs. 3,532 to the US Dollar and inflation remained within single digit at 6.8% despite pressure from food crop prices.



Key Sector Interventions in the National Budget Strategy.

Production and Productivity Enhancement Strategy Government will also increase output and effectiveness by implementing the following interventions:-

- Reforestation, restoration, prevention of wetland destruction and enhancing irrigation.
- Reorganizing the procurement and distribution of planting materials for better quality and timely delivery
- Increased promotion and marketing of tourist products and building skills in the hospitality industry. Promote commercial production in the Minerals sub-sector, by reviewing the legal framework to improve governance.
- Fast track the Oil Refinery and Crude Oil Pipeline projects to produce the first oil by 2020.

Industrialization Strategy

These Industrialization strategic objectives will be met through the following actions:-

- Agricultural zoning, as already defined by the Ministry of Agriculture
- Support to innovation by building a critical mass of highly skilled ICT, science, technology and engineering professionals to drive industrialization. Ushs 43 billion has been provided to establish an Innovation Fund, of which Shs 13 billion will finance talented youth in the ICT Sector;
- Provision of fully-serviced, demarcated industrial and business parks including provision of adequate electricity, water, telecommunications starting with Luzira, Jinja and Namanve/Bukasa; and
- Skills Training, Business Incubation, Work Spaces provision and financing of SME Product Start-up Kits to promote value addition by Small and Medium-scale Enterprises (SMEs).



Private Sector Development Strategy

To deal with the challenges to the private sector, Government will undertake following measures.

- i) **Domestic Arrears:** In order to provide an immediate boost to the economy, Shs 300 billion has been allocated to settle domestic arrears. This amount will be released in the first quarter of next financial year. A hotline has been established at the Ministry of Finance for suppliers to report delays in payments of approved and verified bills. Government departments that delay payments for goods and services supplied by the private Sector for more than fourteen (14) days will have their future releases withheld until such payments have been made.
- ii) **Access and Cost of Private Sector Credit:** In order to increase the private sector's access to credit and reduce its cost resulting from crowding out the private sector from credit markets, Government will reduce domestic borrowing from 2% of GDP to 1% of GDP in the short to medium term. To provide for new financial products the Financial Institutions Act has been amended to provide for, among others, Islamic Banking and Agency/Mobile Banking.
- iii) **Enhancing Domestic Savings:** The reform of the pensions and insurance sectors will be expedited to mobilize domestic savings for long term capital. This will also enhance financial inclusion. To promote savings, enhance inclusion, build confidence of the public and good conduct of Microfinance Institutions, including SACCOS, Money Lenders and Credit Institutions, the Microfinance Institutions and Money Lenders Act was passed to regulate their activities.
- iv) **Availing Long Term Capital:** In our continued effort to increase the availability of long term capital, An additional Shs. 50 billion has been provided to the Uganda Development Bank Limited (UDBL) for capitalization in next financial year. This will bring the total capitalization of UDBL to Shs. 150 billion the target being Shs. 500 billion. Additionally, Government recently guaranteed

a USD 26 million loan (equivalent to Shs 93 billion) from the Islamic Development Bank (IDB) for on-lending.

- v) In addition implementation of the local content strategy will be enhanced with the 'Buy Uganda, Build Uganda' initiative to allow local contractors to participate in infrastructure projects and other key Government investment programmes. This will require amendments to the PPDA Act, for which consultations are being concluded.
- vi) To improve private sector competitiveness, Government will speed up execution of ongoing projects in the energy and transport sectors

Public Sector Efficiency Strategy

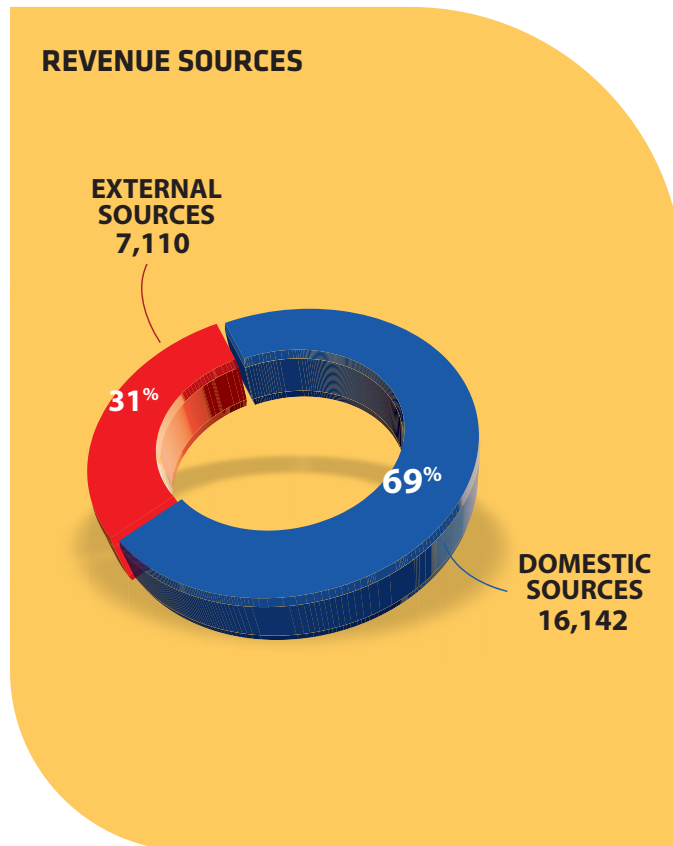
Government will continue to improve Public Sector efficiency and eliminate corruption through the following actions:-

- i) Amend the PPDA Act to eliminate delays in procurement;
- ii) Take disciplinary actions against Accounting Officers who either intentionally or out of negligence delay procurement processes;
- iii) Integrate public information databases using the National Identification Number as the reference in order to improve efficiency and effectiveness in public service delivery;
- iv) Enforce the preparation and implementation of Sector Strategic Plans. Quarterly releases of funds commencing next financial year shall be tied to the implementation of these Strategic Plans;
- v) Enhance Accountability for Results by Accounting Officer in their Performance Contracts;
- vi) Adequate preparation and appraisal of Projects before funds are allocated
- vii) Build capacity across Government to improve project cycle management
- ix) Undertake annual project portfolio reviews to assess Project portfolio execution and provide timely remedial action.

FY 2017/18 Revenue and Tax Measures

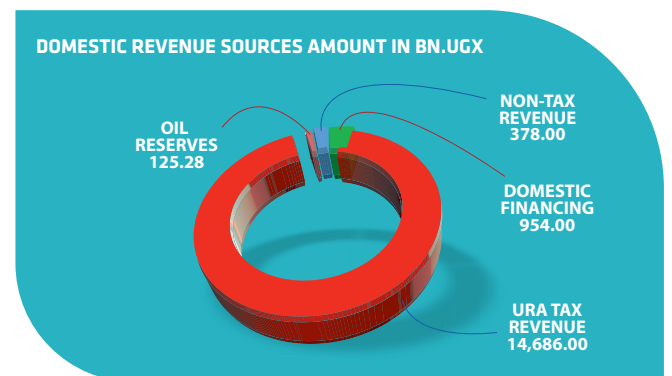
The strategy for domestic revenue mobilization in the FY 2017/18 will focus on enhancing tax administration by building a stronger compliancy culture.

Revenue Sources

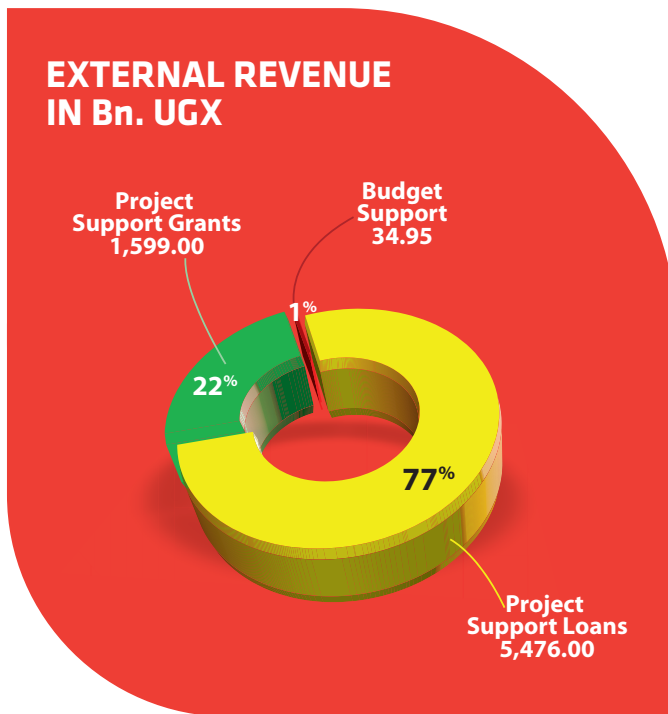


Budget FY 2017/18(Bn)	
1: Domestic Revenue	15,062.49
o/w URA Tax Revenue	14,686.17
o/w Non Tax Revenue	376.32
o/w Oil Revenue	-
2: Domestic Financing	954.20
3:Petroleum fund	125.28
4:Budget Support	34.95
o/w Grants	34.95
o/w Loans	-
5:Project Support	7,075.40
o/w Grants	1,599.25
o/w Loans	5,476.15
6:Appropriation in Aid (AIA) projections	757.52
7:Domestic Debt Re-financing	4,998.70
TOTAL (1+2+3+4+5+6+7)	29,008.54

Domestic Revenue



External Sources



TAX MEASURES

Various tax measures will be implemented along the tax categories. These are;

VAT

Value Added Tax (VAT) is a tax designed for generating revenue and is paid by the final consumer. It is important to note that once a person engaged in an economic activity is registered for VAT, he/she can claim the VAT they have paid on inputs and, therefore, bear no tax burden.

VAT Exemptions

The following items have been VAT exempted and this will cause the Government to forego Ug.Shs. 12.9 Bn in revenue. However the exemptions will overall contribute to growth especially in the area of Agriculture and Job creation.

- Irrigation equipment to promote agriculture especially after the drought that the country has faced.;
- Solar batteries and composite lanterns to promote local manufacture of solar batteries and the use of renewable energy;
- Menstrual caps to promote access to affordable sanitary materials for the girl child;
- Crop Extensions services to lower the cost of crop extension services and increase access to key agricultural support services; and Animal feeds and premixes to promote animal husbandry by reducing input costs.

VAT payable on the taxable supply made to Government departments and agencies by a contractor executing an Aid funded project will be deemed to have been paid

Restoration of VAT on wheat grain

Wheat grain had been earlier exempted from VAT. However, it was agreed between the sector, government, and Parliament to reinstate this tax because wheat grain has been mainly imported. This will promote wheat growing in Uganda and minimise revenue leakage arising from exemption from VAT of wheat grain. This will raise revenues worth Ug.Shs. 30Bn.

Income Tax

Income tax is a tax that government imposes on financial income generated by all entities within their jurisdiction.

Impose 15% withholding tax on winnings from gambling

The Government introduced a 15% tax on the winnings from betting in FY 2014/15. This tax will be imposed in FY 2017/18. For example, if you place a bet and win Ug.Shs. 100,000, the betting and gambling house where you registered this bet will retain 15% of the money you have won, which is Ug.Shs. 15,000. The sports betting and gambling house will pay this money (Ug.Shs. 15,000 in this case) to Uganda Revenue Authority. This measure is expected to widen the tax base and increase compliance in the growing gambling sector. It will generate Ug.Shs. 8.0 billion.



Reintroduce the deduction for initial allowance for Capital investments outside a radius of 50km from Kampala. This has been to attract businesses to establish outside Kampala reducing the congestion in the city centre and encouraging growth in other areas for balanced development.

Income tax exemptions have been made for the following;

- Bujagali Hydro Power Project will be granted a tax holiday up to 2033. This is to reduce the cost of power supplied by the project to the national grid. Reduced costs of power will further encourage manufacturing sector which in turn provides jobs and contributes to growth.
- A body established by an Act of Parliament to regulate the conduct of professionals, such as the Institute of Certified Public Accounts of Uganda will be exempted from Income tax.
- Savings and credit cooperative society have been exempted to promote savings.

Excise Duty

Excise duty is a type of tax charged on goods produced within the country. It is a tax on the production or sale of a good. Excise duty is typically imposed in addition to an indirect tax such as a sales tax or VAT.

Remove excise duty on local materials (timber) for locally manufactured furniture. This has been introduced in support of the Buy Uganda, Build Uganda policy which encourages produce of local products instead of importing.

Change the excise duty regime for beer, wine, spirits and soft drinks (including juices) from ad valorem to specific

An ad valorem tax is based on the assessed value of an item. This is usually fixed at a percentage of the value as stated on the invoice/ factory price. The Excise Duty Act has been amended to introduce specific rates equivalent to the current ad valorem rates on beer and soft drinks to ease administration

and reduce the time and money spent in disputes as well as determining the taxable value. This will generate Ug.Shs. 32.46Bn.

Increase excise duty on cigarettes

This is to increase revenue enhancement and will generate Ug.Shs. 10Bn.

Customs

Customs Duty is a tariff or tax imposed on goods when transported across international borders. This mainly applies to imports but could include exports as well. The purpose of Customs Duty is to protect each country's economy, residents, jobs, environment, etc., by controlling the flow of goods, especially restrictive and prohibited goods, into and out of the country.

- Reinstate the 10% import duty on Crude Palm Oil that was granted at pre budget 2016/2017. This has been reinstated to stimulate growing and use of local oil seeds. It will generate Ug.Shs. 84.5Bn
- Remove cement clinkers from Uganda's list of raw materials. This has been removed to promote use of local raw materials. Hima cement is already using the locally produced cement clinkers. This measure will generate Ug.Shs. 26.8 Bn.
- Expand the scope of the infrastructure levy. This will enhance revenues especially for the Standard Gauge Railway. We note however, that this will increase the tax burden on fuel, plant and machinery, inputs/raw materials and medicines.

Other Tax measures

In order to improve rental income tax collection the Minister will be empowered to determine rental income tax in specific geographical areas and also put in place other rental income tax management strategies.

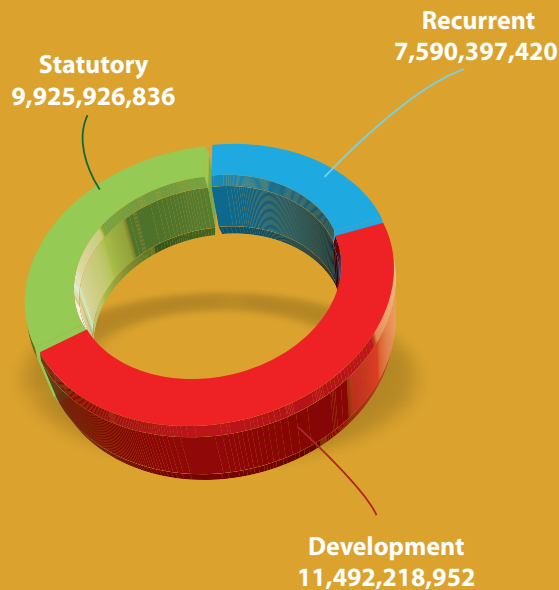
Previously under VAT and Income tax, the interest on unpaid tax and tax on income/penal tax would exceed the principal amount. This has been revised so that these amounts don't exceed the principal amount to enhance tax compliance.



FY 2017/18 Expenditure

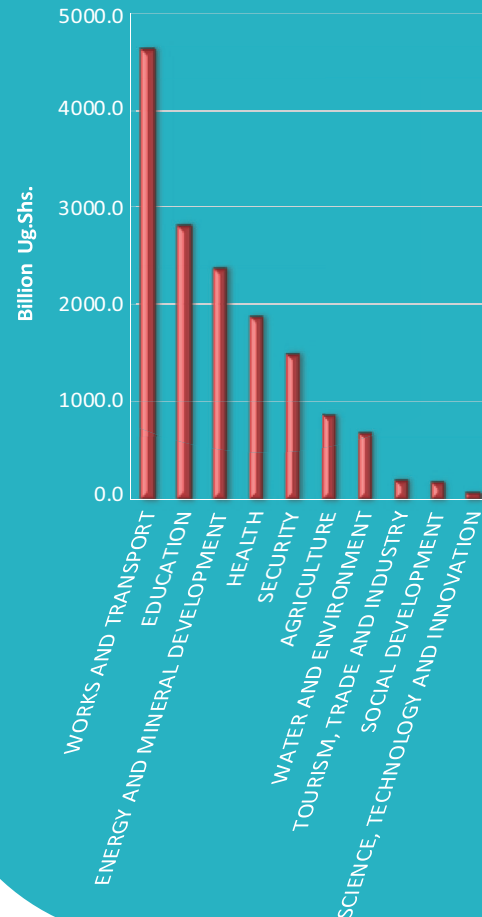
The total Budget for this Financial Year amounts to Ug.Shs. 29,008,543,208 billion.

TOTAL NATIONAL BUDGET



In the FY 2017/18, the total Budget has been allocated based on the NDP II goals and objectives. Science, Technology and Innovation is a new and very important Sector and has been given priority i.e. resources have been provided to develop this Sector rapidly. Below is the Budgetary allocation for the FY 2017/18:

TOTAL BUDGET ALLOCATION FOR FY2017/18 (SELECTED SECTORS)



BUDGET ALLOCATION BY SECTOR

SECTOR	Wage	Non Wage	Domestic Development	External Financing	AIA	Arrears	Total
Interest Payments and Debt Redemptions	-	8,583.7	-	-	-	-	8,583.7
Works and Transport	82.8	502.3	1,762.3	2,239.9	2.3	31.7	4,621.3
Education	1,474.2	477.4	160.6	389.0	307.4	20.4	2,829.0
Energy and Mineral Development	4.2	12.6	374.8	1,928.2	50.8	0.1	2,370.7
Health	400.9	408.4	102.1	912.7	26.8	28.1	1,879.0
Public Sector Management	267.2	429.1	234.9	518.8	89.5	110.0	1,649.6
Security	463.5	515.9	139.8	353.5	1.5	24.7	1,499.0
Justice, Law and Order	375.6	525.7	218.7	-	54.7	62.6	1,237.5
Accountability	207.3	387.2	224.1	157.7	3.3	3.8	983.3
Agriculture	74.5	149.4	400.6	204.0	36.7	1.6	866.8
Water and Environment	23.7	31.9	342.9	233.6	46.4	8.4	686.8
Public Administration	75.9	454.8	32.3	-	5.1	5.0	573.1
Legislature	86.9	371.9	25.0	-	-	-	483.8
Tourism, Trade and Industry	13.4	41.4	53.0	8.8	90.4	0.1	207.1
Social Development	6.6	46.7	118.8	3.8	1.8	0.2	177.8
Lands	5.3	20.4	23.1	91.1	11.7	0.4	151.9
ICT and National Guidance	8.4	44.1	17.5	34.3	28.9	3.0	136.3
Science, Technology and Innovation	5.7	22.2	44.0	-	0.2	-	72.1
Total	3,575.9	13,025.0	4,274.5	7,075.4	757.5	300.1	29,008.5

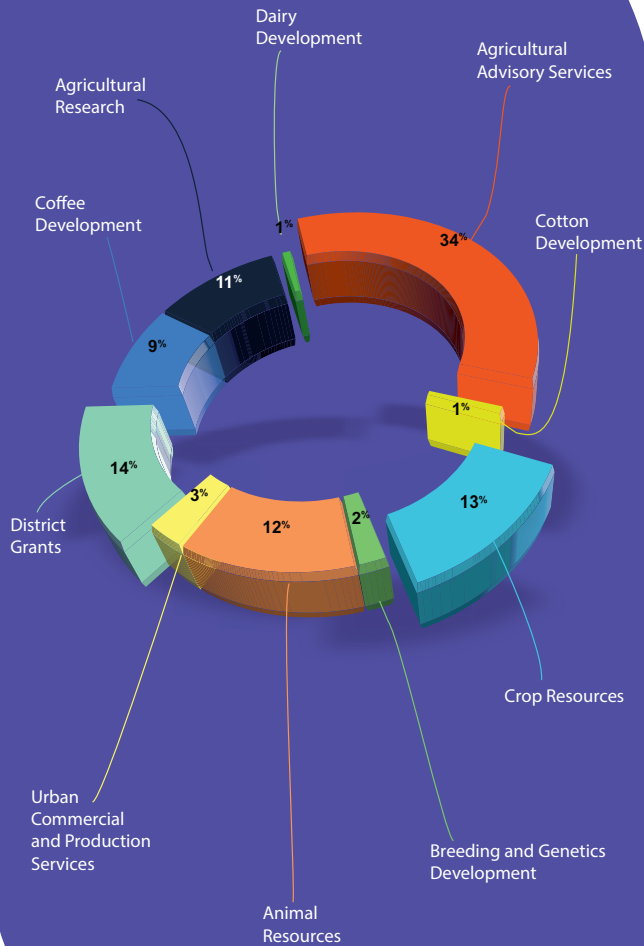


Allocation to selected key interventions

AGRICULTURE	
i. Planting materials under NAADS -	Ug.Shs. 269.12 billion
ii. Extension Services -	Ug.Shs. 88 billion
iii. Coffee seedlings under UCDA	Ug.Shs. 63.59 billion
WORKS AND TRANSPORT	
i. Road Development under UNRA -	Ug.Shs. 3,547.34 billion
o/w External Financing -	Ug.Shs. 1,971 billion
ii. Road Maintenance under Road Fund -	Ug.Shs. 406.77 billion
ENERGY SECTOR	
i. Energy Infrastructure -	Ug.Shs. 1,850.65 billion
o/w External Financing -	Ug.Shs. 1,56.53 billion
ii. Rural Electrification -	Ug.Shs. 424.6 billion
o/w External Financing -	Ug.Shs. 367.64 billion
WATER SECTOR	
i. Rural Water	Ug.Shs. 82.93 billion
o/w External Financing -	Ug.Shs. 39 billion
ii. Urban Water -	Ug.Shs. 173.97 billion
o/w External Financing -	Ug.Shs. 93.99 billion
iii. Water for Production -	Ug.Shs. 84.51 billion
o/w External Financing -	Ug.Shs. 10.93billion
SPECIAL PROGRAMS	
i. PRDP-	Ug.Shs. 127.84 billion
o/w Re-stocking in post-war areas -	Ug.Shs. 20 billion
ii. Youth Fund -	Ug.Shs. 66.6 billion
iii. Women Fund -	Ug.Shs. 40 billion
iv. Innovation Fund -	Ug.Shs. 43 billion
v. Luwero Rwenzori program	Ug.Shs. 34.94 billion

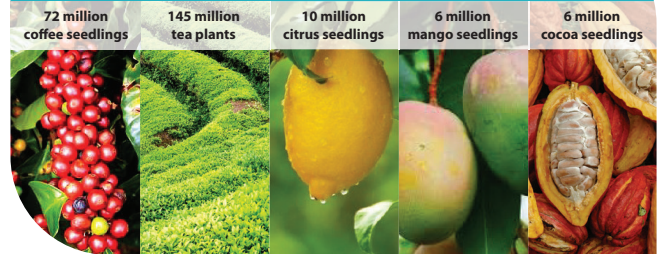
AGRICULTURE

BUDGETARY ALLOCATION FOR THE AGRICULTURAL SECTOR



During the year, actions in the Agriculture Sector include:

DISTRIBUTION OF PLANTING MATERIALS UNDER OPERATION WEALTH CREATION (OWC)



Second Community Agriculture Infrastructure Improvement Project (CAIIP II)

Establishment of 297 agro-processing facilities

Construction of 11 rural markets in 35 districts

Construction of 11,000km of new community access roads in 90 districts and 158 sub counties, to improve market access

The challenges which Government must address in Agriculture include the following:

- Climate change resulting from destruction of swamps and cutting down trees;
- Low resistance of distributed seedlings to pests and diseases;
- Poor storage facilities;
- Inadequate compliance with and enforcement of standards right from farms to processors;
- High cost of financing for agriculture enterprises; and
- Lack of coordination among institutions in the Agricultural Sector.



Key priorities in the Agriculture Sector for the FY2017/18

Construction of 5 irrigation schemes namely;

Mubuku II	(480 hectares)	in Kasese
Doho II	(1,178 Hectares)	in Butaleja
Wadelai	(1,000 Hectares)	in Nebbi
Tochi	(500 Hectares)	in Oyam
Ngenge	(880 Hectares)	in Kween



Establishment of solar powered water irrigation systems in all nine zonal Agricultural Research and Development Institutes.



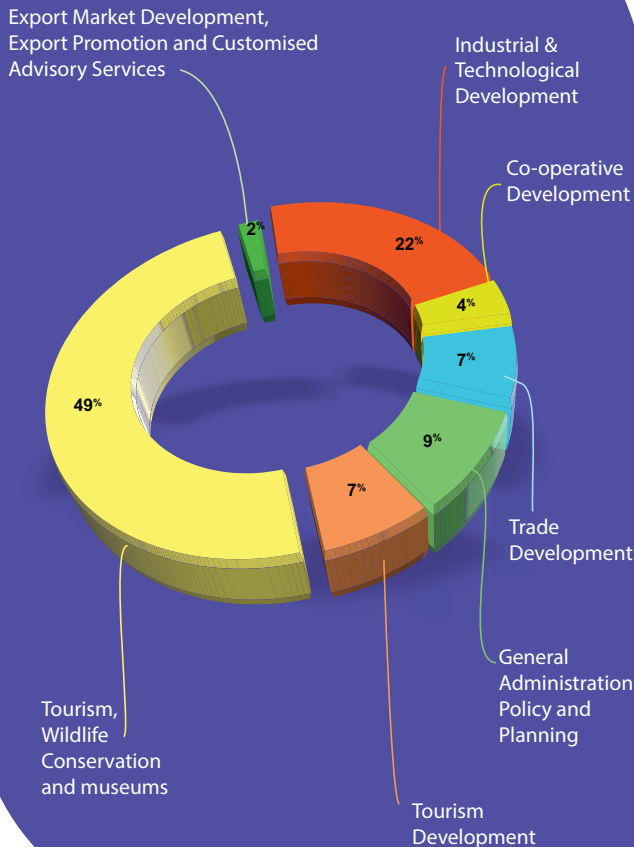
Demarcation of wetland boundaries targeting 320km and restore 300 hectares of critically degraded sections of wetlands in 111 Local Governments



- In order to encourage value addition to agricultural produce, Government will support investment in milk and other dairy products, palm oil seeds and cotton.
- Provision of fertilizers to targeted 10,000 farming households using subsidized electronics tractors.
- Further Ug.Shs 39.6 billion has been allocated to increase the effectiveness of agricultural extension in improved delivery of the operation Wealth Creation Programme.
- Works on 11 additional markets will commence next.

TOURISM & TRADE

BUDGETARY ALLOCATION FOR TOURISM, TRADE AND INDUSTRY SECTOR



The overall goal for the Ministry is to attract 4 million tourist arrivals and increase the contribution of Tourism to GDP from US\$7.3 trillion to US\$14.68 trillion by 2020. The goal will be achieved through the following strategic objectives: a) Increasing foreign exchange earnings from US\$1.35bn in 2015 to US\$2.7bn in 2020 and b) Increasing the expenditure of domestic tourists from Shs.1.9trillion to Shs.5.88 trillion in 2020.

To achieve the above strategic objectives, requires attracting more visitors from the current 1.303m in 2015 to 4.0m in 2020, increasing domestic tourists from 15.9m to 30.4m by 2020.

In order to achieve the above targets the following strategies will be pursued: a) Aggressive marketing of Uganda including domestic tourism, b) Diversifying tourism product range, c) Improving tourism and hospitality skills along the tourism value chain, and d) Strengthening conservation of natural and cultural heritage.

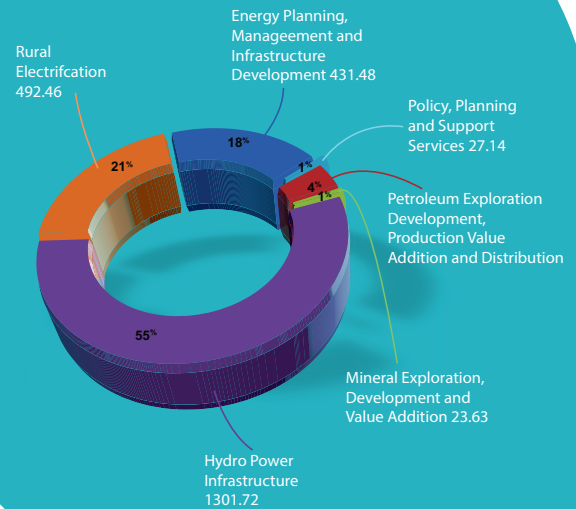
1. Accordingly, Under Ministry of Trade industry and Cooperatives, a total of US\$55.766 bn was appropriated FY 2017/18 of which US\$8.827bn under Donor and 55.765 GoU. From the GoU provision, US\$28.456 bn are for the National Registration Bureau, US\$5.5 for construction of Other Structures, US\$7.18 bn for Machinery and Equipment purchase, US\$6.5 bn allocated under UDC to cater for Commercial and Economic Infrastructure Development (contribution to autonomous institution) and cater for feasibility studies, project Development, Cement plant, Luwero Plant Fruit Factory, and administrative expenses among others. US\$5.5 bn was allocated to Soroti Fruit Factory Project and US\$10 bn for the construction of Common Industrial facilities under Support to innovation EV-Car Project. In addition, US\$6.84bn has been earmarked for the Establishment of Zonal Agro processing facilities of which US\$2bn for establishment of Zombo and US\$2.0 bn for Isingiro Tea Factories,



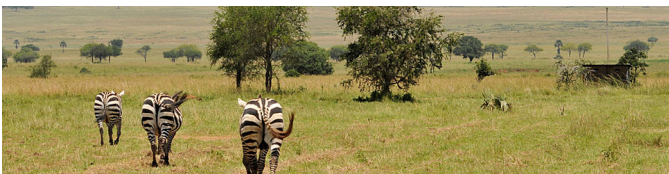
ENERGY & MINERAL DEVELOPMENT

- Under Uganda National Bureau of Standards, US\$39.69bn has been appropriated FY 2017/18 of which US\$21.57 GOU and US\$18.396bn NTR. US\$9.579 bn of the Gou funds have been earmarked for capital infrastructures of which US\$8.52bn for Non residential infrastructures under support to Uganda National Bureau of Standards project.
- Funds of US\$87.705bn have been appropriated under MoTWA, US\$71.692 bn Donor and US\$16.013 bn GOU of which US\$5.16bn for Mt. Ruwenzori Tourism Infrastructure Development Project, US\$1.478bn for Development of museums and heritage sites for cultural promotion, US\$0.4bn for Establishment of Lake Victoria Tourism Circuit, US\$1.9bn for Development of Sources of the Nile and US\$0.15bn for the Establishment of Regional satellite Wildlife conservation Centre in Uganda.
- Funds of US\$11.481bn were appropriated FY 2017/18 under Uganda Tourism Board of which US\$11.181bn GOU and US\$0.3bn NTR. Resources amounting to US\$5.5bn of the GOU provision are for Tourism Promotion and Marketing activities and US\$0.55 bn for Capital expenditure.
- Funds amounting to US\$3.233bn have been appropriated FY 2017/18 to support activities of Uganda Export Promotion Board of which US\$386.281bn for capital purchase which include US\$0.34bn for procurement of Transport Equipment and US\$0.046bn for construction of Non-residential structures.

BUDGETARY ALLOCATION FOR ENERGY AND MINERAL DEVELOPMENT SECTOR (Bn.Ug. Shs)



540,000 visitors in 2006
1,300,000 visitors in 2015



A total of US\$1,878bn= has been appropriated in the FY 2017/18 under the Energy and Mineral Development of which US\$309.722bn under GOU and US\$1,560bn for External Financing. Of the GOU allocation US\$177.77bn is earmarked for infrastructure investment of which US\$93.304bn for land acquisition and US\$13.38 bn for Engineering and Design studies and plans for capital works, US\$13.092bn for Feasibility studies for various projects and US\$4,260bn for Laboratory equipment's



Transfers to other Agencies amounts to US\$72.049bn of which US\$25.627bn for current and US\$45.981bn for capital activities. US\$424.988bn has been allocated to Transmission projects of which US\$108.490bn under GOU and US\$308.498bn Donor and US\$8bn as Non Tax Revenue (NTR) Funds of US\$1,302bn have been prioritised for Large Hydro Power Infrastructures of which US\$1,247bn under Donor and US\$53.889bn under GOU to cater for project activities of Isimba and Karuma Hydropower projects, Muzizi HPP and Nyagak Hydro Power projects.

Under the Petroleum exploration and Development and Distribution, US\$94.28bn has been allocated FY 2017/18 of which US\$4.204bn donor financing and US\$90.077bn under GOU of which US\$12.805bn for the construction of Oil Refinery activities, US\$12.250bn for Down Stream Petroleum infrastructure, US\$16.157bn for Mid-Stream Petroleum Infrastructure Development, US\$42.97bn for strengthening the Development and production phases of oil and gas Sector and US\$1bn for Skills Development.

The 1,445km long, 24-inch diameter, heated pipeline is to be developed to provide access for Uganda's crude oil to the international market. The Inter-Governmental Agreement (IGA) between the GOU and the Republic of Tanzania was signed on 26th May, 2017 to pave way for the implementation of the EACOP. The MEMD is drafting a Cabinet Memo for the IGA to be submitted to Parliament for ratification. The FEED for the crude oil pipeline is on-going and is expected to be completed by the end of August, 2017.

Under the Mineral Exploration, Development and Value addition, a total US\$23.629bn is earmarked for this purpose which US\$23.629bn under GOU. Of the GOU resources, US\$3.850bn is for Uganda Resources Development and US\$12.604bn for Mineral wealth infrastructure development. US\$3.729bn and US\$2.0 bn for Mineral Laboratories, equipment and System Development.

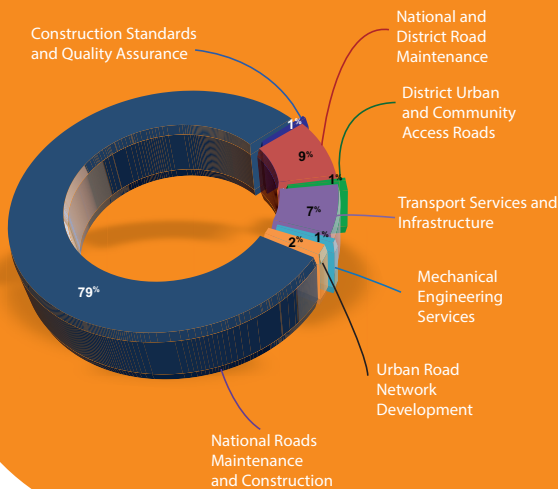
Government has continued to provide funds the Rural Electricity Agency (REA) to increase electricity to the rural Areas in an effort to increase access to electricity from the current 17% to about 30% in the Medium Term. Accordingly, US\$492.46 bn have been allocated FY 2017/18 of which US\$81.976 bn for GOU and 367.642 bn for Donor and US\$42.84 bn for NTR. Of the GOU provision, US\$72.99 bn are for rural Electricity project and 8.977bn for Grid rural electricity expansion.

A total of 113 districts out of the total 117, representing 96.6% are now electrified. Efforts to electrify 4 districts of Kaabong, Kotido, Buvuma and Buyende are on-going. The contract for Kotido and Kaboong district was signed in March, 2017 and completion is expected in 18 months. While for Buyende, the Contractor is on site and the feasibility study to connect Buvuma district to the national grid is expected to be completed in September, 2017.



WORKS AND TRANSPORT

BUDGETARY ALLOCATION FOR WORKS AND TRANSPORT SECTOR (Bn.Ug. Shs)



A total US\$ 4,619.2 billion has been allocated towards national priorities under the Transport and Works Sector, for use to implement interventions under Districts, Municipalities, Cities and Central Level Agencies, namely Ministry of Works and Transport, Uganda National Roads Authority and Uganda Road Fund.

Out of the above sum, US\$ 153.6 billion or 3% will support improvement of facilities at Entebbe National Airport and the development of the new National Airport at Kabaale, Hoima.

Construction of the Kabaale International Airport in Hoima District



A sum of US\$ 73.5 billion, or 1.6% of the Sector resource will cater for land acquisition or compensation of persons whose property will be expropriated to pave way for the new standard gauge railway.

Rehabilitation of the Tororo-Pakwach Railway Meter Gauge one to support delivery of tools for cai production



A sum of 109.5 billion or 2.4% of the Sector envelope has been allocated towards water transport interventions, to support the operation of the Kalangala Ferry operations, development of the new inland port at Bukasa on Lake Victoria, as well as the operations of other maritime vessels on Lake Victoria.

Development of Pakwach-Butiaba ferry



A sum of 127.2 billion or 3% of the Sector resources will be applied for the development of new District, Urban and Community Access roads (DUCAR) on several Local Governments. The funds will also support efforts to reseal and rehabilitate tarmac roads in selected Districts and Municipalities.

Government has also allocated US\$ 469.6 billion equivalent to 10% of the Sector resources, to cater for the maintenance of all roads. Out of this sum, National Roads under UNRA have been allocated US\$ 267 billion, US\$ 181 billion has been allocated to DUCAR roads under the Local Governments, while US\$ 20 billion will support the maintenance of KCCA roads.

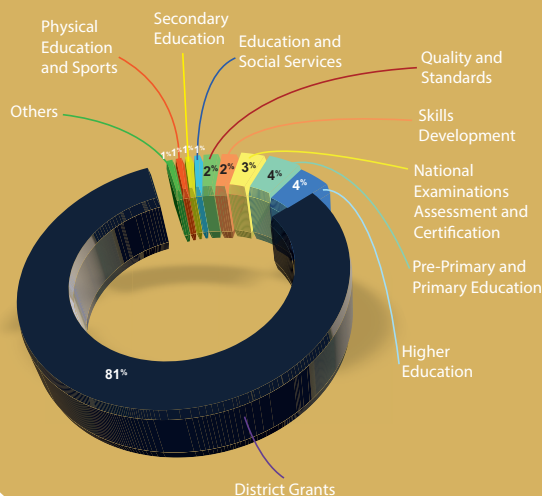
A total US\$ 3,520 billion or 76% of the Sector resource has been allocated for the development of National Roads, to continue the program for upgrade of murrum roads to bitumen standard.

Works will continue on the following roads:

- a) In the Northern Region, works will continue on Atiak - Adjumani - [Moyo] Afoji; Olwiyo - Gulu Road; Muyembe-Nakapiripirit; Soroti - Katakwi - Moroto Lokitanyala; and Rwenkunyeye [Masindi] - Apac - Lira Acholibur roads.
- b) In the Eastern Region, Mbale-Bubulo-Lwakhakha; Musita-Lumino-Busia/Majanji; Tirinyi-Pallisa-Kumi Kamonkoli; and Kapchorwa - Suam Roads.
- c) In the Western Region, works will continue on Mubende Kakumiro-Kagadi; Kyenjojo - Kagadi - Kabwoya; Kabwoya - Hoima - Bulima - Masindi - Kigumba; Ntungamo- Kitumba/Mirama Hills; Mbarara-Kikagati [Isingiro] - Murongo [Ug Tz Border]; Kamwenge - Fort Portal; Nshwerekye - Rushere and Kashenyi - Mitoma HQs & Kitabi Seminary Roads.
- d) In the Central Region, works will continue on Mukono - Katosi - Nyenga; Mpigi - Kabulasoke- Maddu [Mpigi - Kanoni]; Nyendo - Sembabule; Kampala Flyover; and Masaka - Bukakata Roads
- e) In addition to the above, strategic carriage ways will be developed to improve traffic management on selected national routes under the following ongoing and new expressways: Kampala-Entebbe Express Highway; Kampala-Jinja Expressway; Busega - Mpigi Expressway and Kibuye - Busega [Flyover].
- f) In a bid to achieve the First Oil Production by 2020, Government has prioritised to commence works on selected (Oil Roads) sections namely: Hoima - Butyaba - Wanseko; Karugutu - Ntoroko; Masindi - Biiso; Masindi - Bugungu via Murchison Falls NP; Kaseeta - Luwero via Bugoma Forest; Wanseko - Bugungu; Kabaale - Kiziranfumbi; Tangi Gate Bridge; Bridge after Paraa Crossing; Bugungu - Buliisa; Kabwoya - Buhuuka; and Kyotera - Rakai roads and bridges.

EDUCATION

BUDGETARY ALLOCATION FOR THE EDUCATION SECTOR



During the FY 2016/17, the spread of education countrywide continued as shown below:

	Enrolment	Completion Rate	Enrolment	Completion Rate
Primary school	8.8 million in 2016	61.6% in 2016	8.1 million in 2011	54% in 2011
Secondary School	1.4 million in 2016	40% for 'O' Level in 2016	1.3 million in 2010	39% for 'O' Level in 2010

Government also fulfilled its pledge to increase Primary Teachers' salaries by 50%. Salaries of both Teaching and Non-Teaching Staff across all the Public Universities were also enhanced and arrears for non-teaching staff settled. Also, Lira and Kabale universities were accredited, and civil works at Soroti University will be completed to enable operations to start next year.

In addition, 840 staff were recruited and posted to the 20 Technical Institutes under the Skilling Uganda programme.

Despite this progress, challenges in education include declining proficiency in literacy and numeracy; skill gaps, infrastructure deficits, teachers' absenteeism and cases of 'ghost' pupils/students that distort budgeting for and release of capitation grant.

Under the district grants, the allocations are as follows;

	Capitation	Development
Primary	72 Bn	38 Bn
Secondary	127 Bn	9 Bn
Tertiary	32 Bn	



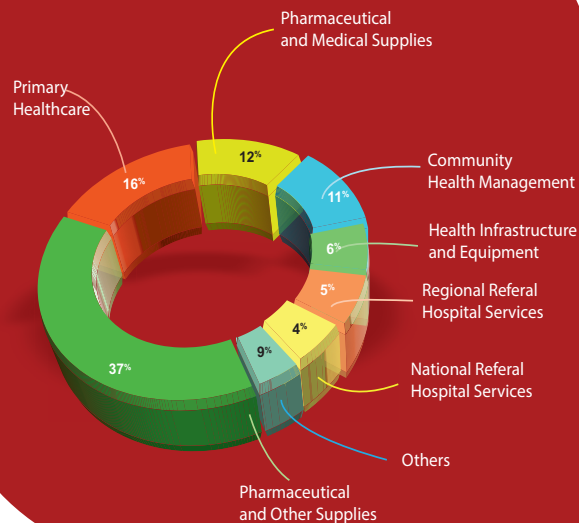
In order to improve education service delivery in the FY 2017/18, the following interventions will be implemented:-

- Curriculum reform with an emphasis on science, competency and life skills;
- Improvement of existing learning facilities at tertiary institutions including re-construction of laboratories and workshops;
- Certification of non-formal training to enable acquisition of practical skills for youth without formal education;
- Establishment of 12 seed secondary schools in sub-counties which lack these schools, for which Ug.Shs. 8.58 billion has been provided ;
- Rehabilitation of dilapidated primary and traditional secondary schools for which Ug.Shs. 15.23 billion has been provided ;
- Installation of lightening arrestors for 140 schools in the most lightening prone districts namely: Mubende, Ssembabule, Bushenyi, Lwengo, Bukomansimbi and Lyantonde; and
- Usage of National Identification to eliminate ghost students.
- Finally, an additional Ug.Shs. 19.6 billion has been provided for salary enhancement of Teaching and Non-Teaching Staff at all public universities.



HEALTH

BUDGETARY ALLOCATION FOR THE HEALTH SECTOR



There has been progress in Health outcomes since 2011 witnessed in the following:

Death of new mothers also declined from 438 to 336 deaths per 100,000 births.

Contributing factors to the decline in the death of new mothers include;

- A rise in deliveries in health facilities which have increased from 57% to 73% of all births.
- Decline in the fertility rate from an average of 6.2 to 5.4 children per woman.
- Increase in family planning with the share of married women aged 18 to 49 practicing family planning rising from 30% to 39%.



- Child death declined from 54 to 43 deaths per 1,000 live births.
- The death of children under five years declined from 90 to 64 deaths per 1,000 births.

Improvements with respect to disease problems have also been registered as a result of the mass distribution of 24 million Long Lasting Insecticide Treated Nets (LLINs), reducing Malaria prevalence from 42% to 19%. Mother-to-Child HIV Transmission has declined with the number of new infections dropping from 22,000 in 2012 to 3,400 in 2016. Immunization against the five immunizable diseases among children is now at 97% coverage.

In health infrastructure development, good progress has been made. The Mulago National Referral Hospital extensive re-construction and equipping into a specialized facility is expected to be completed by August 2017. This Project also includes construction of a new 320 bed Specialized Maternal and Neo-natal Health Care Unit which is due for completion in June 2017. The construction of Kawempe and Kiruddu Hospitals was completed and equipping is ongoing. The Cancer Institute has been reconstructed and re-equipped and is also expected to be fully functional this July 2017. A few weeks ago, construction of a specialized international hospital in Lubowa was launched by His Excellency the President.

Despite these good milestones, the health system is still inefficient in some critical areas including but not limited to;

1. Drug stock-outs and mismatch of supplies to districts faced with specific disease prevalence.
2. Cases of shoddy work in health infrastructure provision at district and lower levels.
3. There is weak supervision and monitoring as well as absenteeism of health workers at health facilities.

In the FY 2017/18, priority will be placed on the following measures to improve health outcomes and remove inefficiency in health service delivery:

- i. Elimination of drug-stock-outs and Increased facility inspection to eradicate negligence of duty, corruption, and poor service delivery at health facilities;
- ii. Emergency rehabilitation of Health Units and general hospitals with stronger supervision to eliminate shoddy construction work in health infrastructure, especially at local government level;
- iii. Widespread access to maternal health through strengthening the Community Health Extension Workers (CHEWs);
- iv. Increased sensitization and awareness of the population to healthy living.

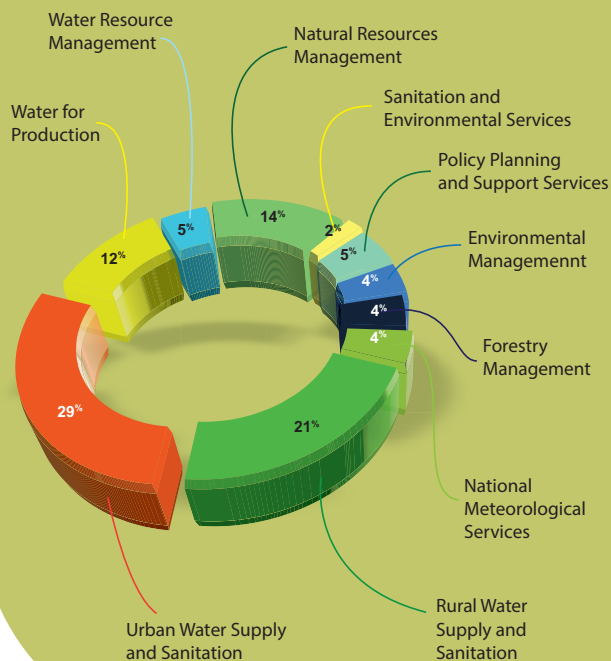
WATER & ENVIRONMENT

ACCESS TO SAFE WATER NATIONWIDE

- 61% in 2015 to 68% in FY 2016/17.
- Urban Coverage from 13% in 2015 to 14% in FY 2016/17



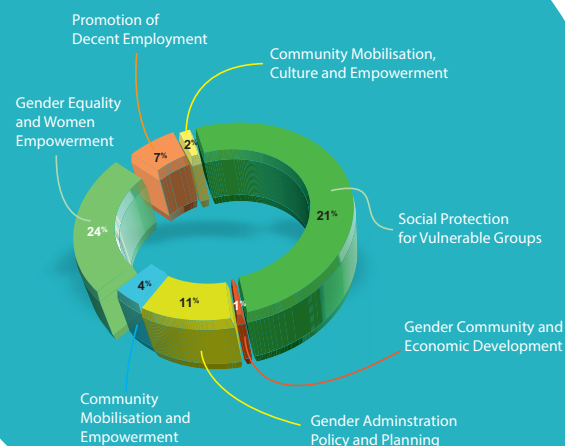
BUDGETARY ALLOCATION FOR THE WATER AND ENVIRONMENT SECTOR



Furthermore, access to hand-washing facilities remains significantly below the national target of 50% and is a major cause for preventable diseases such as Diarrhea and Dysentery. Functionality of sanitation facilities has also declined from 92% in the FY 2015/16 to 90% in the FY 2016/17. Critical aspects that Government plans to address include improving functionality of water and sanitation facilities. In the FY 2017/18, Government will complete construction of Nakivubo and Kinawataka sewers; and the Kinawataka pre-treatment and pumping system. Construction of the Katosi Water Treatment Plant will also start.

SOCIAL DEVELOPMENT

BUDGETARY ALLOCATION TO SOCIAL DEVELOPMENT



The Social Development Sector is comprised of two (2) key institutions namely; Ministry of Gender, Labour and Social Development and Equal Opportunity Commission. In the budget for FY 2017/18 the sector was allocated a total of Ushs.177.8bn representing 0.61% of the country's total budget.

During the financial year, the sector intends to spend these funds to implement the following: UGANDA WOMEN ENTREPRENEURSHIP PROGRAMME (UWEP). Madam Speaker, in order to empower women socially and economically, in FY2015/16, the Government started implementing the Uganda Women Entrepreneurship Programme (UWEP) in 19 Districts and Kampala Capital City Authority. The districts were, Kitgum, Kole, Otuke,



Koboko, Nebbi, Kayunga, Nakasongola, Wakiso, Mayuge, Kaliro, Kamuli, Kalangala, Bundibugyo, Kiruhura, Kisoro, Ntungamo, Kibaale, Moroto and Katakwi

The programme was initiated as a revolving fund to enhance financial inclusion, promote entrepreneurship development and effective participation of women in the economic development of the Country. In the FY2016/17 UWEP was allocated Shs. 43 billion and rolled out to all districts and Municipalities across the country.

- i. To date 2,334 women groups have been financed under the programme representing 29,762 beneficiaries.
- ii. Women have been able to access credit to establish their businesses at zero interest;
- iii. Programme has provided an opportunity to women to start and grow their enterprises and provide self-employment opportunities;
- iv. Women have been able to receive training to improve their business and how to manage them better. The Programme has provided a platform to inspire and support women business ideas.

This FY2017/18, in order to maintain the empowerment of more women socially and economically, the Uganda Women Entrepreneurship Fund has been allocated Shs. 40.6 billion and will target 2,222 groups of women, each group consisting of 13 women, an average of Shs. 12.5m per group. To diversify from the traditional enterprises, these groups have been carrying out, the Government will provide skills developments in business management facilitate these groups to access market for their products and services and promote access to appropriate technology for production and value addition.

YOUTH LIVELIHOOD PROGRAMME (YLP)

Under job creation and employment, Government has pursued youth friendly Programmes to address the high unemployment amongst the youth.

In a bid to empower the target youth in Uganda to harness

their socio-economic potential and increase self-employment opportunities and income levels, the Government in FY2013/14, came up with Youth Livelihood Programme with a funding of Shs. 265bn over a period of 5 years and the following have been achieved:

- i. A total 10,321 youth projects have been financed;
- ii. Disbursed US\$75.44 Billion to the youth projects;
- iii. 130,306 youth benefitted from the Programme with 55% being male and 45% female.

This FY2017/18, the Programme has been allocated Ushs 67Bn to fund 5,700 youth projects benefitting 68,400 youth directly. The Projects in the youth groups will be spread out in several sectors including Agriculture, Trade, Services Small Scale and Agro Processing Industries, Vocational Skills Development Agro-Forestry, and ICT and Creative Industry.

SOCIAL ASSISTANCE GRANTS FOR EMPOWERMENT (SAGE)

In order to reduce the vulnerability and enhance resilience of the most vulnerable Ugandans who are the elderly poor, A Social Protection Programme was developed, approved and launched in March 2016. Government has prioritized national rollout of the Social Assistance Grant for Empowerment (SAGE) pilot programme as a starting point for implementing the policy. As part of the national rollout plan, Government has rolled out the SAGE pilot to 25 new districts and taken over financing in two of the 14 SAGE pilot districts funded by Development Partners over the last two FYs. Currently the programme covers a total of 143,268 senior citizens (57,779 male and 85,489 female) in 40 districts paying UGX 25,000 per month.

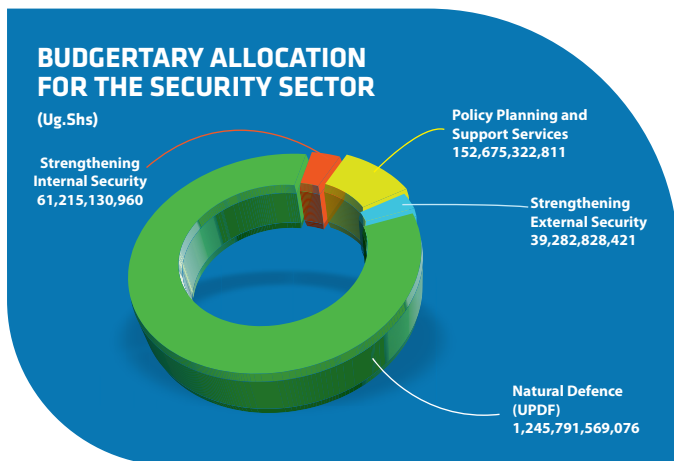
With Development Partners, the Government has intentions to roll out this programme Countrywide; however this FY 2017/18, due to other National competing priorities and resource limitations, the programme has been maintained in the current 40 districts with budget allocation of Shs. 80.5bn of which Shs. 63bn is donor and Shs. 17.5bn is the Government contribution.



IMPLEMENTATION OF SOCIAL SAFEGAURDS

To address social risks emerging from large social infrastructure projects, The Ministry of Gender, Labour and Social Development in partnership with World Bank established district action centres (Referral points- Kamwenge and Kabarole), to conduct awareness about violence against children; and support victims of social violence with emerging health care. To achieve the above intervention, Shs. Shs. 3.5bn was allocated.

SECURITY

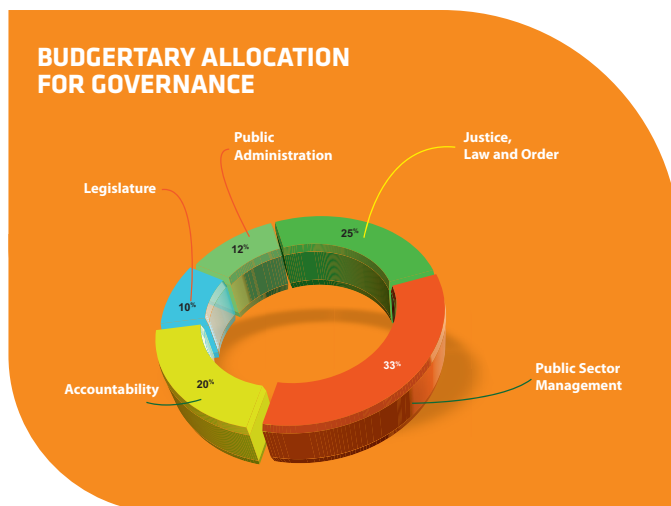


The Government has allocated Shs. 1,499 billion to the security sector. This will lead to:

- i. Defending and protecting the sovereignty and territorial integrity of Uganda
- ii. Professional development of security forces
- iii. Enhanced Intelligence collection
- iv. Improved welfare for the security forces and their families
- v. Consolidation of peace
- vi. Promotion of defense diplomacy
- vii. Resolution of conflicts.

GOVERNANCE

(JUSTICE, LAW AND ORDER, ACCOUNTABILITY, PUBLIC SECTOR MANAGEMENT AND PUBLIC ADMINISTRATION SECTORS)



Achievements

- 98% of the infrastructure to be built under the Justice Sector Strategic plan has been completed and will be



commissioned in December 2017

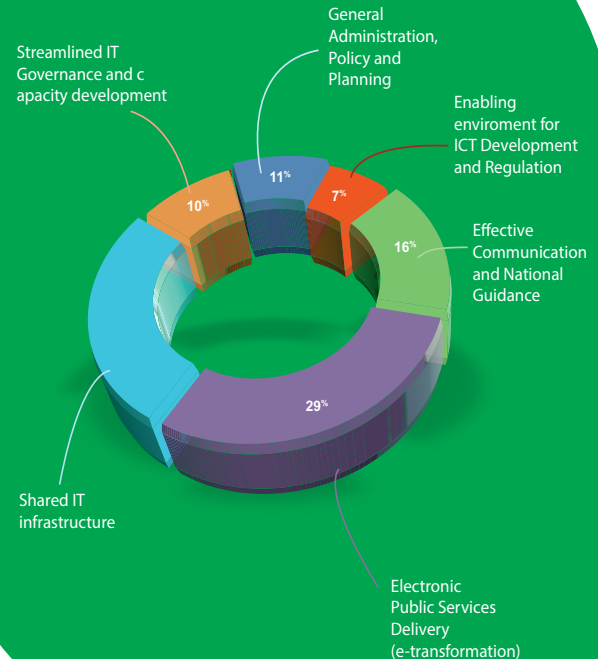
- Access to justice for juveniles has improved with juvenile cases being fast-tracked and 71% receiving non-custodial sentences.
- 16.9m Citizens registered with 14.8m being issued National Identification cards
- Launching the online E-visa and E-Permit system increasing monthly visa applications from 4000 to 7000
- Availability of Biometric facilities at 6 borders of Busia, Malaba, Mutukula, Elegu, Cyanika, Entebbe International Airport and 15 Ugandan Missions namely Washington D.C, Ottawa, London, Berlin, Paris, Brussels, Addis Ababa, Abuja, Pretoria, New Delhi, Beijing, Guangzhou, Ankara, Canberra and Mogadishu.
- Amendment the Leadership Code to permit confiscation of properties acquired through corruption.
- Strengthened enforcement of the leadership code with the adoption of the online wealth declaration system to ease the processing of declaration and analysis.

In FY 2017/18;

- 120,000 cases are targeted for disposal and 28,000 backlog cases will be disposed of in the next 3 years
- An automated case Management System will be designed and developed to enhance efficiency in case management.
- 4 Justice, Law and Order One-stop Service centres (Covering Court, DPP, Police and Prisons services) will be constructed in Muhweju, Nakaseke, Mayuge and Butambala.
- Construction of Kitalya Prison will be fast-tracked.
- Registration of all citizens below 18 years and aliens legally resident in the country will commence.
- The Financial Intelligence Authority will be strengthened to adequately enforce the Anti-Money laundering law and regulations and counter terrorist financing, in collaboration with international financial intelligence authorities.
- Implement the Public Sector efficiency strategy as highlighted on Page 10.

ICT SECTOR

BUDGETARY ALLOCATION FOR ICT SECTOR



In the budget for FY 2017/18, a total of Ug.Shs. 136.3Bn was allocated to the ICT Sector for implementation of the sector priorities under the Ministry of ICT and National Guidance, the National Information Technology Authority, Uganda Media Centre and Uganda Broadcasting Corporation.

National Backbone Infrastructure:

Of the above sum, Ug.Shs. 34.8Bn which accounts for 26% of the sector budget will go towards the operations

of the National Backbone Infrastructure (NBI) including the expansion of the reach of the NBI to an additional 100 MDAs, LG and Priority User Groups including Hospitals, Schools and Health Centres, and upgrading of the National Data Centre (NDC). This will be done through the Regional Communications Infrastructure Project (RCIP) whose core objectives are to lower the prices for international capacity & extend the geographic reach of broadband networks and to improve the Government's efficiency and transparency through e-Government applications.

Through this project, three new links of the NBI optical fibre will be established in rural areas underserved by private operators including a North-western route through Kamdini, Pakwach, Arua, Yumbe, Moyo, Adjumani, and Nimule with links to DRC and South Sudan, a South-western link connecting Kasese and Mpondwe, also linking to DRC, and a North-eastern route connecting Soroti and Moroto.

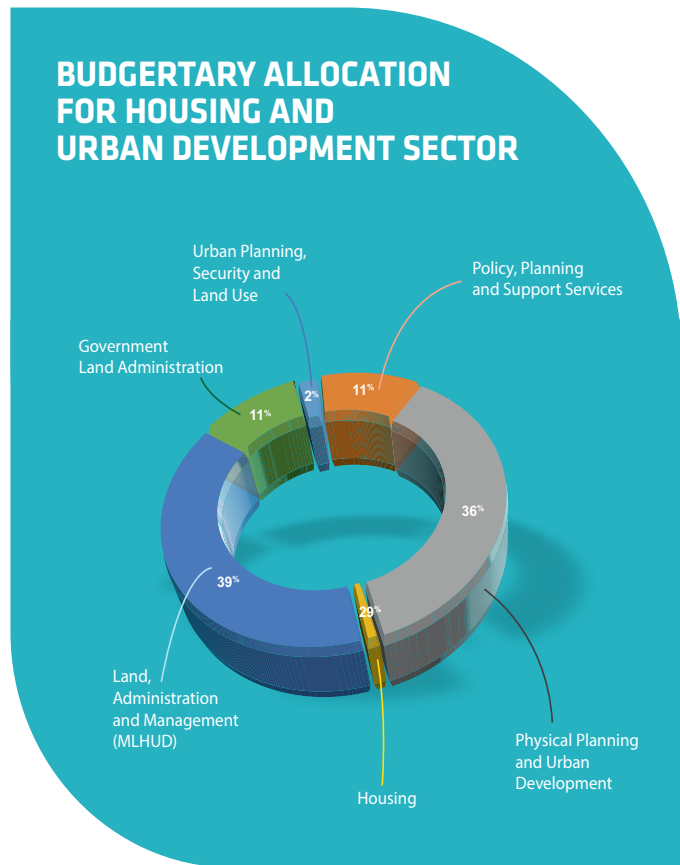
ICT Innovation:

A sum of Ug.Shs. 13Bn accounting for 10% of the sector budget will be utilized in promotion of ICT Innovation in the country which will be in form of direct financial support to ICT Innovators, the construction of an ICT Innovation Hub in Nakawa and direct engagement of the different stakeholders through boot camps, hackathons, call for innovation concepts, awards and partnerships.

Uganda Broadcasting Corporation:

Further, Ug.Shs. 18Bn which translates to 13% of the sector budget will be used to recapitalize of UBC and all its subsidiary operations to enable it restructure, rebrand and expand its operations countrywide and enable it function as the National Broadcaster. Key among these will include the upgrade of the satellite uplink and downlink, acquisition of 5 live U-cameras and Field cameras for TV & Radio, acquisition of post-production equipment, renovations of UBC's Upcountry transmitter station as well as the revamping 11 Radio & TV services.

LANDS, HOUSING AND URBAN DEVELOPMENT SECTOR



Highest Expenditure Drivers in 2017/18

Land administration and management:

- a) In FY 2017/18 Ushs 3.606bn was provided to facilitate operations for the Office of the Chief Government Valuer. Accordingly, the sector has planned to supervise 40 Land acquisitions for Government Development Projects, commence the development of the National Land Values Data bank and valuation standards.
- b) Under Land Information Management Ushs 8,097,384/= has provided for the construction of 11 construction sites and monitoring and supervision of 13 Ministry Zonal Offices.

Urban planning and development:

- a) Ushs 50.13M was allocated to facilitate implementation of the National Urban Policy.
- b) Ushs 33.5bn has been provided to support 14 municipal councils to integrate their physical development plans, construction of municipal infrastructure, development of five year development plans and budgets and also develop the Draft National Resettlement settlement policy.
- c) Ushs 16.13bn was provided for maintenance and constructing of 160km and 70km gravel roads in Hoima and Bulisa Districts respectively inclusive of drainage.

Housing:

- a) Ushs 8.2 bn was provided in FY 2017/18 to cater for the outstanding obligations on Government Subscription to Shelter Afrique.
- b) Ushs 555.5M provided towards the implementation of the National Housing Policy

Government Land administration:

- a) Ushs 14,775,849.7 to compensate 2404ha of land from landlord and also update and develop a comprehensive Government Land Inventory. In addition, the sector will process and secure 60 land titles and collect UGX2.5bn of Non tax revenue from issuance of leases fees.

POLICY INITIATIVES

Performance Budgeting System (PBS)

In the FY 2016/17, Government set to replace the Output Budgeting Tool (OBT) with Performance Budgeting System (PBS) in a bid to eliminate manual consolidation of budget documents, automate exchange of data with other systems such as the IFMS and IPPS, and improve security management by restricting user access appropriately and separating roles and responsibilities on the system among users. The implementation of the PBS started with a roll out to all Central Government Votes and it was on this system that the Budget Estimates for FY 2017/18 as well as the reporting for the FY 2015/16 was done. With this pilot, the problems and challenges were brought forward and addressed to better the user experience.

In the FY 2017/18, the PBS is to rolled out to all Local Government Votes and by this, they will prepare their Budget Estimates for the FY 2018/19 on the system as well as report on the FY 2017/18 expenditures.

Online Transfer Information Management System (OTMIS)

OTIMS is the web-based MoFPED tool supporting the current reforms by:

1. Capturing the new grant structure
2. Storing the data required to construct formulae variables
3. Providing visualization tools to:
 - Test the equitability of formulae proposals;
 - Assess the before and after effects of formulae and funding changes; and
 - Construct a rollout plan consistent with the MTEF.
4. Storing the allocation formulae sectors have decided upon



5. Storing the fiscal (economic, financial and monetary) data from the MTEF
6. Generating LG allocations that can be easily inserted into budget documents e.g. IPFs
7. Making LG allocations transparent

The benefits of this tool are:

- Increased transparency
- Fast and easy data consolidation
- Medium Term Forecasting implying that the values of the future can be determined from the tool
- Efficiency gains in terms of saving time and providing accurate information

Integrated Financial management system (ifms)

The IFMS is a fiscal and financial management information system for government that bundles all financial management functions into one suite of applications. It is an IT-web based budgeting and accounting system that assists government entities to initiate, spend and monitor their budgets, initiate and process their payments, and manage and report on their financial activities.

Rollout has been carried out in all MDAs and majority of Local Governments. Further rollout will be conducted in FY 2017/18 to include all Local Governments countrywide.

Budget Transparency Initiative (BTI)

In order to strengthen accountability, transparency and easy access of all relevant Budget information in the country, the Ministry of Finance, Planning and Economic Development started the Budget Transparency Initiative that is being implemented through the Budget website (www.budget.go.ug) and **Budget Call Centre 0800 229229**. The Budget Website provides all the latest and old Budget

documents e.g. Budget Estimates, Background to the Budget, Budget Speech, Ministerial Policy Statements etc. for the user as well as current announcements of activities that the Ministry is carrying out.

The Budget Call Centre on the other hand provides feedback on any Budget questions asked as well as follow up on Budget issues raised.

How you can demand for Accountability

Close to 70% of the National Budget is funded domestically and mainly by the taxes that you pay. Since this is your money that the Government spends, it is important that you demand for its accountability.

The Government has set up a budget website (www.budget.go.ug) where you can track how much money has been allocated up to sub county level and what it is meant to do. A call centre has also been set up to enable you provide feedback on the budget. The toll free number is **0800 229229**.

It is your national responsibility to demand for accountability from your leaders for the funds that are provided, so visit your sub county and demand to know what your money is doing. Be involved in the Baraza's in your community whenever they are held.

In addition the Ministry of Finance is partnering with civil society organisations like Advocates Coalition for Development and Environment (ACODE), Innovations for Poverty Action (IPA), Civil Society Budget Advocacy Group (CSBAG), and Budget Strengthening Initiative (BSI), under the Budget Transparency Initiative to raise awareness among the citizens through opinion leaders on matters of budget processes and allocations. The Government will also seek your feedback on the implementation of Government projects.

Uganda Budget Information

MINISTRY OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

Know Your Budget




Give Your Feedback




Free Call 0800 229 229

www.budget.go.ug

 Free Call 0800 229 229

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 www.budget.go.ug

 budget@finance.go.ug

SUSTAINABLE DEVELOPMENT GOALS (SDGS)



SUSTAINABLE DEVELOPMENT GOALS





A citizen's guide to the 2017/18 Budget

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