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THE REPUBLIC OF UGANDA

Ministry of Finance, Planning &
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Plot 2-12, Apollo Kaggwa Road
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In any correspondence on
this subject please quote No. BPD 86/150/01

19th December, 2018

The Rt. Hon. Speaker
Parliament of Uganda
Parliament Building
KAMPALA

**SUBMISSION OF THE CERTIFICATE OF GENDER AND EQUITY RESPONSIVENESS OF
THE NATIONAL BUDGET FRAMEWORK PAPER FOR FY 2019/2020 – 2023/2024**

Reference is made to Section 9 (5) – (6a – 6b) of the Public Finance Management Act 2015 (amended).

Accordingly, the National Budget Framework Paper for FY 2019/2020 – 2023/2024 has been assessed in consultation with Equal Opportunities Commission on Gender and Equity Compliance and has been found compliant and worthy for consideration.

The purpose of this letter therefore, is to submit to your office the Certificate of Gender and Equity Responsiveness of the National Budget Framework Paper for FY 2019/2020 – 2023/2024.

A handwritten signature in blue ink, appearing to read 'David Bahati'.

David Bahati (MP)

**MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT
(PLANNING)**

cc. The Rt. Hon. Deputy Speaker of Parliament
Rt. Hon. Prime Minister
All Ministers of State, Ministry of Finance, Planning and Economic Development
Hon. Government Chief Whip
The Chairperson, Budget Committee of Parliament
The Chairperson, Equal Opportunities Commission
The Clerk to Parliament

Mission

"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"



THE REPUBLIC OF UGANDA

CERTIFICATE OF GENDER AND EQUITY COMPLIANCE

Made under Section 9(5) – (6a and 6b) of the Public Finance Management Act, 2015

Background

In accordance with Sections (5) – (6a and 6b) of the Public Finance Management Act (2015), the Minister responsible for finance shall, in consultation with Equal Opportunities Commission, issue a Certificate:

- a) Certifying that the National Budget Framework Paper for FY 2019/2020 – 2023/2024 is gender and equity responsive; and
- b) Specifying measures undertaken to equalise opportunities for men, women, persons with disabilities and marginalised groups.

Objectives of the Budget for FY 2019/2020

The Budget for FY 2019/2020 will focus on the following key areas:

- i. Increasing production and productivity in the key growth sectors of agro-industrialisation, Oil and Gas, Minerals and Tourism. This will also entail maximizing local content opportunities.
- ii. Increasing returns and productivity to both private and public investments through investment in infrastructure needed by the private sector to reduce costs, e.g. industrial parks and provision of required energy (electricity) at competitive prices to lower costs

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of producing manufactured goods for import substitution and export promotion.

- iii. Continue to close the gap in the availability of long-term capital through continued capitalization of the Uganda Development Bank until it is adequately capitalized.
- iv. Supporting regional initiatives such as regional peace and security to facilitate trade within the region.

Assessment of the National Budget Framework Paper for FY 2019/2020 – 2023/2024 for compliance with Gender and Equity requirements.

In fulfilment of the requirement under Sections (5) – (6a and 6b) of the Public Finance Management Act, 2015, the National Budget Framework Paper for the Financial Year 2019/2020 – 2023/2024 has been assessed in order to:

- i. Ascertain the extent to which Sector and Votes' objectives focus on inclusive growth as provided for in NDP II 2015/2016-2019/2020;
- ii. Examine the level of compliance of Sectors and Votes with Gender and Equity requirements when reporting on past performance and their medium term commitments;
- iii. Examine the extent to which Sectors and Votes allocate budgetary resources to priority outputs in response to Gender and Equity concerns or issues;
- iv. Establish the extent to which Sectors and Votes incorporated the Gender and Equity outcomes in their plans and budgets;
- v. Assess Gender and Equity challenges faced by Sectors and Votes in budgeting and programming and recommend appropriate



measures for corrective action towards ensuring equal opportunities for all; and

- vi. Inform the issuance of the Gender and Equity Compliance Certificates to the respective qualifying Sectors and Votes.

Assessment Results and Recommendations

Overall, the National Budget Framework Paper for FY 2019/2020 – 2023/2024, compliance with Gender and Equity Requirements is at 61%.

Therefore, in respect of compliance of the National Budget Framework Paper for FY 2019/2020 – 2023/2024 with Gender and Equity requirements, this Certificate of Gender and Equity Compliance is hereby issued to qualify the National Budget Framework Paper for FY 2019/2020 – 2023/2024 for compliance, worthiness and consideration by Parliament.

Attached is the assessment report by Equal Opportunities Commission.

Submitted under my hand this day of **19th December, 2018.**



David Bahati

MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING)

Received by:.....

Date:.....

In any correspondence on this
subject please quote No

ADM /200/282/03

19th December, 2018

The Hon. Minister,
Ministry of Finance, Planning and Economic Development,
Plot 2-12, Apollo Kaggwa Road,
P.O. Box 8147, Kampala, Uganda.

**CERTIFICATE OF GENDER AND EQUITY COMPLIANCE OF THE NATIONAL BUDGET
FRAMEWORK PAPER AND THE SECTOR BUDGET FRAMEWORK PAPERS FINANCIAL YEAR
2019/2020**

Pursuant to Section 14 of the Equal Opportunities Commission Act (2007) and Section 9 (6) (a) and (b) of the Public Finance Management Act (2015), the Commission is delighted to recommend issuance of the Certificate of Compliance with Gender and Equity requirements to the National BFP FY 2019/2020-2023/2024 and the 16 Sector whose Budget Framework Papers for the Financial Year 2019/2020 met the requirements.

Overall, the **National BFP (FY 2019/2020-2023/2024)** compliance with Gender and Equity Requirements was **61%**. The Commission also assessed the 18 sector BFPs of which 16 passed the assessment (50% minimum) and these include: Agriculture 64.3%; Accountability 63%; Legislature 68%; Public Administration Sector 53.3%; Justice, Law and Order 70.3%; Security 55%; Works and Transport 50%; ICT Sector 56.7%; Trade and Industry 56%; Education 75%; Health 70.7%; Water and Environment 62.7%; Social Development 78%; Public Sector Management 59%; Science, Technology and Innovation 50.5% and Tourism 54.7%. Sectors whose BFPs were found to be non-compliance with gender and Equity Requirements include; Lands, Housing and Urban Development 32% and Energy and Mineral Development 45%.

The purpose of this letter therefore, is to recommend issuance of a gender and equity certificate for the National Budget Framework Paper for the FY 2019/2020-2023/2024 and the 16 sectors whose BFPs met the gender and equity requirements. A summary Preliminary Report is herein attached.

The Commission is committed to and shall continue working with all sectors to enhance Gender and Equity planning and budgeting as a strategy to redress imbalances and to promote equal opportunities for all in the country's concerted effort to attain a lower middle income status by 2020.



Sylvia Muwebwa Ntambi
CHAIRPERSON, EQUAL OPPORTUNITIES COMMISSION.



Equal Opportunities Commission



SUMMARY ASSESSMENT REPORT ON COMPLIANCE WITH GENDER AND EQUITY OF THE NATIONAL BUDGET FRAMEWORK PAPER AND SECTOR BUDGET FRAMEWORK PAPERS FINANCIAL YEAR 2019/2020



Theme: "Gender and Equity Responsiveness a Necessity for Sustainable Industrialisation for Job Creation and shared prosperity"

By
The Equal Opportunities Commission
Plot 7, Luthuli Close, Bugolobi,
P.O. Box 27672, Kampala

December, 2018

SECTION ONE GENERAL INTRODUCTION

1.0 Introduction

Pursuant to Section 9 (6) (a) and (b) of the Public Finance Management Act, 2015 (PFMA), the Commission Assessed the National Budget Framework Paper (BFP) for compliance with gender and equity requirements for the Financial Year (FY) 2019/2020. The theme of FY 2019/2020 as guided by the National Development Plan II is industrialisation for Job Creation and shared prosperity whose attaining necessitates gender and equity responsive planning, budgeting, monitoring and evaluation.

Financial Year 2019/2020, marks the last year of implementing the National Development Plan II whose central focus is the attainment of the lower middle income status. This requires that an average income per Ugandan is raised from the current US \$ 773 per year to at least US \$ 1,039. In this regard, the 2019/2020 budget is expected to continue strengthening the county's competitiveness through sustainable wealth creation, employment and inclusive growth. This requires unlocking the key constraints blocking the marginalised and vulnerable groups from benefiting from the planned interventions and subsequently contributing inclusively to national development in accordance with NDP II targets and the NRM Manifesto 2016/2017-2020/2021.

Addressing constraints of private sector growth and reversing the poverty trends through increased focus on inclusive growth and improving access to social services among the marginalised and the vulnerable. This justifies government commitment to increase focus on key areas of interventions to improve the stock and quality of physical, human, financial and natural capital, supported by improved governance and responsiveness to gender and equity requirements in the appropriation and execution of the sector budgets.

As the FY 2019/2020 Budget Strategy aims at; (i) Harnessing Growth Opportunities in Agriculture, Tourism and Oil, Gas and Minerals; (ii) Enhancing Private Sector Growth and Development; (iii) Trade and Export Promotion; (iv) Strengthening Public Sector Interventions and Management to support private sector led growth; social services, public investment Management Systems (PIMS) and Fiscal Governance; and (v) Enhancing domestic revenue collection and debt sustainability, its very import to address the needs of youth, the poor, women, men, persons with disabilities, persons with albinism, older persons, children, residents of hard to reach places among other categories of the vulnerable and marginalised groups.

1.2 Rationale for Gender and Equity Planning and Budgeting

1.2.1 Enforcing the various Legal provisions and Affirmative Action

- i. Article 32 (1) of the 1995 Constitution of the Republic Uganda states that; "Notwithstanding anything in this Constitution, the State shall take affirmative action in favour of groups marginalised on the basis of gender, age, disability or any other reason created by history, tradition or custom, for the purpose of redressing imbalances which exist against them". In addition, the PFMA and the EOC Act among others, require compliance with gender and equity planning and budgeting.
- ii. Uganda's population is estimated at 37.7million people (UBOS 2017) out of which over 80% constitute the marginalised and vulnerable groups. These include women (52%), youth (38%), orphans and other vulnerable children (55%), older persons (4%), ethnic minorities (1%), persons with disabilities (12%), the rural and urban poor (21.4%) and persons living with HIV/AIDS, among others. During the resource appropriation process, it is important to ensure that the plans and budgets address the needs of the marginalised persons who constitute over 80% of the population.

1.2.2 Eliminating Income Inequalities in Uganda

- i. There is a global concern of the Poor getting poorer and the rich getting richer. The poorest Ugandans have seen their possessions decline by 21 per cent over the past 20 years and as a result, the poorest 10% of Ugandans own only 2.5% of the country's wealth, while the poorest 20% of Ugandans own 5.8% of national income. Uganda's gin-coefficient for income inequality is at 0.37 (2016/2017). A Gini coefficient of zero expresses perfect equality, where everyone has the same income. A Gini coefficient of one (or 100%) expresses maximal inequality where only one person has all the income. Gender and equity responsive planning and budgeting aims at redressing income inequality.

1.2.3 Achieving Uganda's Vision 2040

- i. The government of Uganda is committed to the Vision 2040 which is "A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 years". As the country strives to transform Ugandans through among other strategies enhancing the average income earned by a Ugandan per year (per capita income) from 1.8 million (2010) to 34 million in 2040, it's critical for Parliament to appropriate resources upon satisfactory compliance with gender and equity requirements.
- ii. In the Year 2010, 24.5% Ugandans were below the poverty line. 6 years down the road (2016/2017) the poverty prevalence declined to 21.4%. In accordance with the vision 2040, Uganda's target is to reduce poverty prevalence to 5%. If this target is to be realized within the remaining 21 years, actors ought to demonstrate commitment to equitably appropriate the scarce resources.
- iii. In addition, Parliament approves Uganda's fiscal policy. Identifying and subsequently addressing equal opportunities associated challenges is a key strategy in growing the Country's tax base. In FY 2016/17, the net revenue collection for Uganda was UGX 12.719.63 Trillion, against UGX 13.177 Trillion that was projected. Exclusion and discrimination results into having a small proportion of the population being economically active and at the same time

subjected to bearing the tax burden. This is because those marginalised take less participation in economic activities. Hence it is critical that Parliament appropriates resources that can eventually make the marginalised also active in contributing to the tax base.

- iv. Gender and equity planning and budgeting is also focused on balanced growth and development at regional level that can be realised with demonstrated commitment to redress regional imbalances. This is because the approach is designed to bring about sustainable and balanced regional development in all aspects. To date, the central region remains advantaged in terms of social amenities as compared to the rest of the traditional regions in the case of Uganda. Taking an example of Education where the Eastern Region has dominated the list of poor performing districts for the last 7 years. In this regard, gender and equity responsive planning and budgeting aims at promoting affirmative action in favour of the marginalised.
- v. There is a global challenge of unemployment more especially among the youth. Uganda's target is to have 94% of the labour force employed come 2040. This can be achieved through promoting gender and equity planning and budgeting.

1.2.3 Achieving the 2030 Global Agenda and Uganda's Vision 2040

The global overarching framework to equitably address the needs of the current and future population is the 2030 agenda (17 SDGs) to which 193 sovereign states out of 195 states are signatory Uganda inclusive. The 2030 global agenda is centred on sustainable inclusive growth and development which calls for promotion of equal opportunities in all spheres of life as a key strategy to the realisation of the Global Dream of leaving no one behind. No country, community, or economy can equitably and sustainably achieve its potential or meet the challenges of the 21st century without the full participation of all its inhabitants - women and men, girls and boys, the rich and poor, rural and the urban inhabitants, children, youth and the older persons, persons with disabilities and ethnic minorities among others.

1.4 Scope of the Assessment Report

The Commission assessed the National Budget Framework Paper for the Financial Year 2019/2020 together with the 18 sector BFPs, namely; (i) Agriculture; (ii) Lands, Housing and Urban Development; (iii) Energy and Mineral Development; (iv) Works and Transport; (v) Information and Communications Technology; (vi) Trade and Industry; (vii) Education; (viii) Health; (ix) Water and Environment; (x) Social Development; (xi) Security; (xii) Justice, Law and Order; (xiii) Public Sector Management; (xiv) Accountability; (xv) Legislature; (xvi) Public Administration; (xvii) Tourism; and (xviii) Science Technology and Innovation Sector

The assessment focused on: the Sector's contribution to inclusive Growth (NDP II), key Sector Outcomes and Outcome Indicators and Performance Issues with respect to gender and equity. The Report also assessed Past Performance and Medium Term Plans focusing on the Physical and Financial Performance, Medium Term plans, Sector Allocations for the FY 2019/2020 and Challenges to addressing Gender and Equity Issues in the Medium Term.

The Assessment Report examined the extent to which the eighteen sectors have incorporated gender and equity requirements in an effort to ensure equal treatment or consideration in the enjoyment services or the participation in social, cultural, economic and political activities regardless of sex, age, race, colour, ethnic origin, tribe, birth, location creed, religion, health status, social or economic standing, political opinion or disability.

1.5. Objective of the Assessment

The main objective was to establish the level of compliance with gender and equity requirements of the National Budget Framework Paper for the FY 2019/2020. This is line with section 9 (6) (a) and (b) of the PFMA that requires the Minister responsible for Finance to issue the gender and equity compliance certificate. The specific objectives of the assessment were:

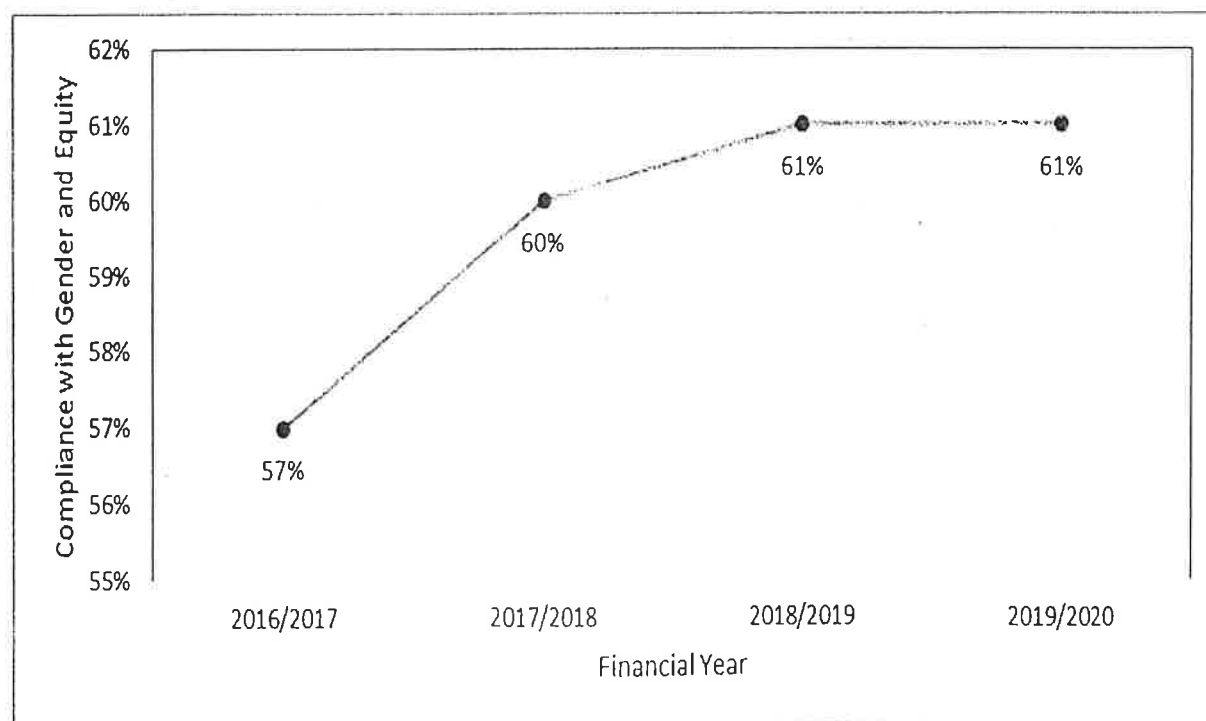
- i. To establish the level of compliance with gender and equity requirements of the National Budget Framework Paper for the FY 2019/2020
- ii. To inform the issuance of the gender and equity compliance certificate on compliance of the National Budget Framework Papers.
- iii. To examine the level of compliance with gender and equity requirements for the 18 sectors that constitute the National BFP.
- iv. To support the oversight role of Parliament of the Republic of Uganda on Enforcing Compliance to the PFMA (section 78 and 79)
- v. To make policy recommendations to enhance gender and equity responsive planning and budgeting.

SECTION TWO ASSESSMENT FINDINGS

2.1 Compliance of the National Budget Framework Paper FY 2019/20 – FY 2023/24

The National Budget Framework Paper strategy for the FY 2019/20-FY 2023/24 is a continuation of Uganda's aim to achieve middle-income status by 2020. The National BFP focus is on promoting import substitution and export promotion and incentivizing private sector development beneath which there are a number of gender and equity issues to address. Figure 2.1 below presents the national compliance level for the National Budget Framework Paper for the Four Financial Years.

Figure 2.1: Compliance of the National Budget Framework Paper with Gender and Equity FY: 2019/20 - 2023/24



Source: EOC G&E Assessment of National BFP FYs 2016/2017- 2019/2020

2.2 Compliance of the Sector BFPs with Gender and Equity FY; 2019/20

S/N	Sector	2016/2017	2017/2018	2018/2019	2019/2020
1	Agriculture	54%	51%	70%	64.3%
2	Accountability	66%	57%	60%	63%
3	Legislature,	63%	63%	68%	68%
4	Public Administration Sector	61%	64%	51%	53.3%
5	Justice, Law and Order;	40%	50%	60%	70.8%
6	Security;	76%	66%	55%	55%
7	Lands, Housing and Urban Development	45%	71%	53%	32%
8	Energy and Mineral Development	34%	36%	63%	45%
9	Works and Transport	61%	50%	59%	50%
10	ICT Sector	49%	59%	56%	56.7%
11	Trade and Industry	33%	57%	53%	56%
12	Education	64%	64%	71%	75%
13	Health	66%	72%	73%	70.7%
14	Water and Environment	40%	64%	76%	62.7%
15	Social Development;	94%	88%	90%	88%
16	Public Sector Management	61%	52%	59%	59%
17	Science, Technology and Innovation	-	-	18%	50.5%
18	Tourism				54.7%

Source: EOC G&E Assessment of Sector BFPs FYs 2016/2017- 2019/2020

2.3 Sectors Recommended to be issued a Certificate of Compliance

S/N	Sector	2019/2020
1	Agriculture	64.3%
2	Accountability	63%
3	Legislature,	68%
4	Public Administration Sector	53.3%
5	Justice, Law and Order;	70.3%
6	Security;	55%
7	Works and Transport	50%
8	ICT Sector	56.7%
9	Trade and Industry	56%
10	Education	75%
11	Health	70.7%
12	Water and Environment	62.7%
13	Social Development;	88%
14	Public Sector Management	59%
15	Science, Technology and Innovation	50.5%
16	Tourism	54.7%

Source: EOC G&E Assessment of BFPs FY 2019/2020

2.4 Sectors that Scored Below the Pass Mark

S/N	Sector	Sector Performance
1	Lands Housing and Urban Development	32%
2	Energy and the Mineral Development Sector	45%

Source: EOC G&E Assessment of BFPs FY 2019/2020

2.5 Conclusion

The Commission received the National Budget Framework Paper along with 18 sector Budget Framework Papers for Gender and Equity compliance assessment. Based on the Gender and Equity guidelines and the assessment tools developed, the National Budget Framework Paper and the sector BFPs were subjected to comprehensive assessment for compliance with Gender and Equity requirements.

The overall compliance of the National Budget Framework Paper with Gender and Equity requirements for the FY 2019/2020-2023/2024 is 61%. On the other hand, out of 18 sectors assessed 16 met the minimum score. The Commission congratulates the 16 Sectors for passing the assessment.