



THE REPUBLIC OF UGANDA

ACCOUNTABILITY SECTOR BUDGET FRAMEWORK PAPER

FY 2018/19 – FY 2022/23

**MINISTRY OF FINANCE, PLANNING AND
ECONOMIC DEVELOPMENT**

Sector: Accountability

Foreword

The Accountability Sector is concerned with the mobilisation, management and accounting for the utilisation of public resources to facilitate the delivery of quality and equitable services. The Sector contributes to the fourth objective of NDP II which is to Strengthen Mechanisms for Quality, Effective and Efficient Service Delivery. The Accountability Sector Strategic Investment Plan (ASSIP) 2017/18-2019/20 is harmonised with and operationalises the NDP II, and it's the vehicle by which the broader national accountability agenda is articulated and translated into concrete objectives and plans, aimed at achieving a transparent, responsive and accountable public sector that delivers value for money services. The ASSIP is operationalized by the Accountability Sector Institutions' Strategic Plans.

This Accountability Sector Budget Framework Paper (ASBFP) for FY2018/19 is informed by the ASSIP and Accountability Sector Institutions' Strategic Plan goals, objectives, challenges, priorities, outcomes, outputs and the corresponding targets. The ASBFP is further informed by and is responsive to the NDPII; SDGs; emerging issues, priorities and undertakings agreed during the Accountability Sector Joint Annual Review (ASJAR) 2017 held on 30 August 2017; the Presidential directives; and NRM Manifesto commitments.

The ASBFP for FY2018/19 pays particular attention to harnessing the existing relationships and synergies within the sector, and enhancing inter-sectoral linkages in the implementation of interventions geared at attaining the Sector outcomes i.e. Sustainable Macroeconomic Stability; Fiscal Credibility and Sustainability; and Value for Money in the management of public resources.

Once again, I am happy to present to you the Budget Framework Paper (BFP) for the Accountability Sector for FY2018/19. I look forward to your continued strategic partnership, participation and support as we strive to improve accountability and transparency for better service delivery in Uganda

Lawrence Semakula
Accountant General/ Chairperson Accountability Sector Working Group

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VI: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

<i>Billion Uganda Shillings</i>	FY2016/17	FY2017/18		FY2018/19	MTEF Budget Projections			
		Approved Budget	Spent by End Sep	Proposed Budget	2019/20	2020/21	2021/22	2022/23
Recurrent Wage	4.469	6.300	1.133	6.300	6.930	7.277	7.640	8.022
Non Wage	132.948	127.297	28.817	140.495	171.404	197.114	236.537	283.844
Devt. GoU	273.101	141.865	33.048	144.579	176.386	211.663	211.663	211.663
Ext. Fin.	85.013	153.940	9.178	36.125	23.229	15.116	16.441	0.000
GoU Total	410.519	275.462	62.998	291.374	354.720	416.054	455.841	503.530
Total GoU+Ext Fin (MTEF)	495.532	429.403	72.177	327.498	377.948	431.170	472.282	503.530
<i>A.I.A Total</i>	7.917	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total	503.449	429.403	72.177	327.498	377.948	431.170	472.282	503.530

(ii) Vote Strategic Objective

- (i) Economic stability and development;
- (ii) Public financial management and accountability;
- (iii) Resource mobilization and management;
- (iv) National planning and strategic development;
- (v) Development cooperation and regional integration;
- (vi) Public investment management;
- (vii) Investment and private sector development;
- (viii) Financial sector development and
- (ix) Strengthen institutional capacity and development.

V2: Past Vote Performance and Medium Term Plans

Performance for Previous Year FY 2016/17

i. In FY 2016/17, the economy grew by 3.9%, below the annual target of 5% and the previous year's growth of 4.7%. The slowdown in growth was due to:

1. Slow down in agriculture due to prolonged drought, and increased pest attacks
2. Slow down in industry due to weaker performance of the mining sub-sector
3. Slow down in services due to contraction in trade, and financial and insurance services.

ii. The 2016/17 annual average headline Inflation was 5.7%, and within target, and lower than the previous year's rate of 6.6%. The annual average core inflation was 5.1%, which is within the 5 percent target. This was due to the appropriate use of monetary and

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fiscal policies to maintain inflation within the target band;

iii. Domestic revenue as % of GDP was 13.95% in FY2016/17, below the ASSIP target of 14.08% , but better than the previous year's achievement of 13.08%. The low performance was mainly due to slowdown in economic growth which affected income taxes and the reduction in prices of imports on the world market which translates to a decline in the taxable value of imports especially wheat and steel.

iv. The present value of public debt stock was 26.7%, lower than the FY 2016/17 target of 28% but higher than the previous year's achievement of 24.6%. The FY 2016/17 achievement is in line with the public debt management framework benchmark of less than 50%;

v. Under Financial services sector, the percentage of financially included adults in FY 2016/17 was 85% (35% women and 50% men), which was below the target of 87%. This performance is good however and is attributed to an increase in the mobile money usage. The % usage of deposit accounts in regulated Financial Institutions was 20% in FY 2016/17, in line with the annual target of 20%. There has been a notable increase in opening of deposit accounts by women and youth following Government's deliberate action to ensure inclusiveness in financial services. The FY 2016/17 Average Lending Rate was 22.7%, lower than the FY2015/16 rate of 23.7%. This is attributed to easing of the monetary policy during the year, where the CBR was gradually lowered and reached 10% in June 2017 compared to 15 % at the beginning of the financial year. The Private Sector Credit to GDP in FY2016/17 was 13.4% above the 12% target for the year, and the previous year's achievement of 12%. The increase was due to the decline in lending rates and reduced government domestic borrowing

vi. The net Foreign direct investment as a percentage of GDP was 2.20% in FY2016/17, below the 4% target and the FY2015/16 achievement of 3.8%. This is due to the fact that FDI to the oil and gas sector, which is the largest recipient of FDIs, recorded a decline during the year. This is partly a result of low international oil prices and delay to issue production licenses in the previous year.

vii. Under the Uganda Investment Authority, the integrated one Stop Centre was established. UIA continued with the maintenance of Industrial Estate Roads i.e. opening of 4km of Roads at Kampala Industrial and Business Park; Completed the renovation of Kampala Industrial and Business Park building complex; and Opened 2.8km road leading to Freight Village

ix. Domestic equity market capitalisation to GDP ratio was 4.71% in FY2016/17, below the target of 4.8% and still below the previous years performance of 4.8%. The market indicators are down as they mirror the overall performance of the economy and private sector activity which has declined. Government has strengthened the legal and regulatory framework by amending the Capital Markets Authority Act 2011. Implementing the 10 year Capital Markets Development Master Plan will help provide long term sources of funding for both Government and private sector.

x. The percentage of the National Budget released against originally approved budget was 104%, surpassing the FY2016/17 target of 100%, and the previous year's performance of 102%. 98% of the funds released were absorbed against a target of 100% but better than last year's performance of 96%. The percentage deviation of approved annual budget from initial MTEF projections was 4.5%, which was within the target of 10% and better than last year's achievement of 30%.

xi. The proportion of votes attaining ministerial policy statement certification for gender and equity budget compliance was 71% against a target of 53%. This was due to the increased exposure to gender and equity budgeting and Government's action to ensure gender mainstreaming in MDA activities. Under MoFPED Gender activities were allocated UGX 0.300bn

xi. The percentage of projects which were implemented within budget was 85% above the 80% target. 66% of projects were implemented on time, which was lower than the target (100%) for the financial year. This was because out of the 71 projects that were scheduled to exit the PIP on 30th June, 2017, 24 sought and were granted extension on account of incomplete project activities.

xii. The Development Committee guidelines for review and approval of projects were revised during the Financial Year. The Ministry developed the Public Investment Management System (PIMS) User manual for project preparation and appraisal.

xiii. Under Public Financial Management, 95% of MDAs' Financial Reports were in compliance with Public Finance Management Act and regulations, which was below the target if 97% but above the previous year's performance of 87%. 75% of MDA Budgets were executed using automated Financial Management Systems, which was within the set target and 72% of audit committee recommendations were implemented, above the target of 70%. This is attributed to the enforcement of the PFM Act provisions that require appointing of accounting officers based on implementation.

xiv. Training of CGs in Programme Based Budgeting alongside users in the Performance Based System. Hands-on training of all Municipal Councils and LGs in financial reporting was undertaken during the Financial Year. IFMIS and TSA has been rolled out to 29 LGs as well as new votes, and all new users have been trained. This has been undertaken in order to implement capacity building plan in budgeting, reporting, use of TSA, and IFMS.

xv. In order to improve IFMS functionality, government implemented Oracle payments, which are more secure for government

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payments. The Ministry has empowered 8 regional centres across the country to facilitate ease of payments.

xvi. The Ministry carried out Local Government regional workshops which informed resource allocation for FY 2017/18.

Performance as of BFP FY 2017/18 (Performance as of BFP)

Ministry performance for Q1 FY 2017/18 has been presented by program as follows;

MACRO-ECONOMIC POLICY AND MANAGEMENT

- Tax and non-tax revenue collections amounted to Shs.3,162.14bn against target of Shs.3,279.09bn
- MDAs and URA monitored to ensure that the NTR target for FY 2017/18 is realized
- Medium term macroeconomic framework and LTEF updated
- The Integrated Petroleum Sector Economic model and Medium term macroeconomic framework and LTEF updated
- Reports on the BOP position FY 2016/17, debt portfolio Analysis H2 FY 2016/17, Fiscal analysis 2016/17, Q4 FY 2015/16 Macroeconomic performance produced

BUDGET PREPARATION, EXECUTION AND MONITORING

- PIP for FY 2017/18, Approved Budget Estimates (Vol 1) for FY 2017/18 compiled and published.
- MTEF for FY 2018/19 -FY 2021/22 was prepared and issued with the first BCC
- Rolled out Program Budgeting System to all MDAs and LGs countrywide
- Conducted Budget Consultations for FY 2018/19 across the country
- Built capacity of local Government technical and political leaders in the use of PBS countrywide
- Supplementary schedules and Appropriation Bill 2017/18 prepared
- Public Investment Management System (PIMS) Manual on project preparation and appraisal finalized
- Quarterly releases made to CGs and LGs on a timely basis

PUBLIC FINANCIAL MANAGEMENT

- Updated the risk matrix including previous occurrences, any potential risks identified and mitigation of the occurrences.
- Fully implemented IFMS in 19 LGs (18MCs and 1 district), 8 DFPs.
- Annual Financial Statements to the Petroleum Fund Prepared and submitted for Audit In July 2017 Submitted
- Processed 22 Supplementary requests from 18 votes amounting to Ugx 400Bn representing 1.38% of the total approved Budget
- DMFAS was also updated with grants received from various development partners amounting to Ugx 32BN.
- Funds amounting to Ugx 1.67tn at cost were raised through Auctions and DMFAS was accordingly updated. All external Debt payments due amounting to Ugx.132.865BN were made.

DEFICIT FINANCING AND CASH MANAGEMENT

- March 2017 Quarterly Debt Statistical Bulletin finalized and published.
- Negotiation guidelines for loans and grants acquisition by government entities developed and submitted to cabinet.
- 5 financing Agreements reviewed, negotiated and signed with Development Partners.
- Regional projects and programmes effectively coordinated
- 7 cabinet and parliamentsry briefs prepared for new loan requests(Loan for construction of Kabale International Airport, Kapchorwa Suam-Kitala road etc)

DEVELOPMENT POLICY AND INVESTMENT PROMOTION

- Annual update of the Budget Speech Stock Take (BSST) Matrix for FY 2016/17 completed
- 60 members of Gulu Business community trained in entrepreneurship skills and 178 SMEs trained under the Top 100 SMEs competition
- 66 Projects were created with expected outcomes of 7,394 Jobs. This is to improve employment levels
- 5 Private Free Zones declared and 5 Developers Licenses issued
- Five projects were identified, developed and funded in Kitagagata Mixed Farmers Cooperative Society Limited in Sheema District; Kyazanga Farmers Cooperative Society Ld in Lwengo District; Community Development in Kasese District; Joint Energy and Environmental Project in Kalangala District; and Kibinge Coffee Farmers Cooperative Society Ld in Masaka District.

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FINANCIAL SECTOR DEVELOPMENT

- Finalized the drafted Cabinet Memorandum on the Principal on the National Payment System Policy and Bill.
- Finalized the draft Financial Institutions (Islamic Banking) Regulations and submitted them to FPC for legal drafting.
- Financial Institutions (Agent Banking and Bacassurance) Regulations were finalized and gazetted.
- MSC disbursed 170 loans worth UGX 21.73 bn, and the Savings mobilized by client institutions increased by client institutions increased by UGX 1.503 Bn from UGX 63.47 Bn to 65.08.
- Provided Business Development support to 154 client institutions. Of these, 92 were cooperatives with 199 individuals, 23 were SMEs with 19 individuals, 2 MFIs 4 individuals and 22 were Groups with 48 members. Out of the total individuals trained, 90 were Female and 180 Male. The Ministry is working to further ensure a more balanced access to these financial services to both women and men.

POLICY, PLANNING AND SUPPORT SERVICES

- Ministry Strategic Plan finalized and approved by Top Management
- Gender Work Place Policy finalized and presented Top Management. The Gender issues have been allocated UGX 175bn for the FY 2017/18.
- Gender and Equity Budgeting Training Manuals developed and launched
- A number of delegations were hosted by the ministry Financial Intelligence (FATF/ICRG), ADB Advisors, Qatar delegation, Exim Bank and the Indian Community, Accountant Generals from Malawi
- HIV/AIDS Work Place Policy developed and draft presented to Top Management
- Terms of Reference for construction of New Office Block were completed and approved by the Ministry of Works and Transport and PPDA (child care Centre to be given space in the new office block)
- CCTV, fire safety, and Bio metric data systems maintained
- Ministry sickbay operationalized and stocked with medical supplies. This is helping address health and special gender related complications that staff face. An allocation of UGX 0.341bn has been provided in FY 2017/18 towards such health issues.

FY 2018/19 Planned Outputs

The Ministry has development the Five-Year strategic Plan 2016-2021 with a vision; “A competitive Economy for National Development”. The Ministry has hinged the strategic direction on nine core areas as highlighted below. The outputs to be achieved are tagged to these nine core areas.

Economic Stability and Development

- Charter for Fiscal Responsibility updated
- Medium term Budget framework report prepared
- Inter-governmental regional technical assistance provided in macroeconomic forecasting provided country-wide and the Local Governmental financial operations yearbook for FY 2016/17 published
- Annual Debt Sustainability Analysis Report and sovereign debt risk reports published
- Government Finance Statistics Budget Tables produced
- Integrated Macroeconomic Model operationalised
- Quarterly macroeconomic cash limit report prepared
- Monthly & Quarterly Performance of the Economy Reports prepared
- Economic and macro-econometric forecasts prepared
- Tax (Amendment) Bills produced
- Revenue collections by all MDAs countrywide monitored and performance evaluated
- Employment data compiled and forecasts produced along all categories of demographics

Development Cooperation and Regional Integration

- External resources to finance Government development objectives secured
- Medium Term Debt Management Strategy (MTDS) reviewed and updated
- External debt (When to borrow) borrowing guidelines developed
- Public debt portfolio and risk Analysis Reports prepared
- Standards, resolutions, agreements, agendas and positions of International and regional engagements harmonized to ensure inclusive and sustained growth

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Investment and Private Sector Development

- Background to the Budget (BTTB) prepared
- Public spending and service delivery report (PSSD) produced
- Annual Economic Performance Report (AEPR) prepared
- Development Committee Project Reviews undertaken
- Compilation of data on Uganda's poverty status undertaken and a Poverty Status Report prepared and disseminated countrywide
- Creation, revival and support for the district investment committees countrywide undertaken
- 4,000 household members countrywide provided with skills to start enterprises. 1,000 MSMEs will also be provided with business advisory, monitoring and management. This program will be targeted towards empowerment of all demographics to start businesses
- Ten projects valued at UGX 5.84bn identified and funded countrywide. Programs to expand markets for SMEs and producer groups internationally and regionally undertaken.

Financial Sector Development

- National Financial Services Policy developed.
- Agriculture Finance Policy developed
- National Payments Systems Policy developed
- Micro-finance Policy updated
- Financial Sector Legislations and Regulations updated
- Well-coordinated and effective Financial Sector Regulatory Agencies
- Financial Inclusion Secretariat established
- Agriculture Insurance Scheme operationalized
- Selected studies on Financial Sector issues undertaken
- 90% of available credit funds worth UGX 35bn disbursed to qualifying clients and projects. These low interest funds are targeted to benefit youth, women groups and special interest groups.

Resource Mobilization and Management

- Increase tax revenue to GDP ratio by 0.5% per annum.
- Inter-agency collaboration i.e UIA, KCCA, LGs, URA & URSB. strengthened
- Customs and Common market protocols implemented
- PFMS system integration (IFMS and e-tax, supplier registration) to enhance tax compliance.

National Planning and Strategic Development

- Monitoring and evaluation of budget implementation undertaken
- Sector Budget Framework Papers and Ministerial Policy Statements for FY 2019/20 coordinated and prepared taking into consideration of gender issues as well as national budget priorities.
- Budget transparency initiatives implemented
- Capacity of MDAs in budgeting and planning enhanced through countrywide training and skills development
- Alignment of institutional work plans to NDP and policies
- Local Government Budget consultative workshops coordinated and facilitated by the Ministry in conjunction with other stakeholders in MOFPED and MDAs. Local Government grants and MDA quarterly releases analyzed and released within the timelines. This will involve analysis and programming of cash flow requirements to determine expenditure limits, and reviewing and approving Accounting Warrants to further promote inclusive growth.

Public Investment Management

- Development Committee (DC) Reports prepared
- Development Committee Guidelines Developed and published
- Development Committee Secretariat Enhanced
- Project Facilitation Fund established
- A web based software for national parameters developed
- Integrated Bank of Projects (IBP) established

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- A PIMS center of excellence established at MUK and User Manuals for PIMS Developed

Strengthen Institutional Capacity and Development

- Training Plan and Training policy guidelines produced and Training needs assessment report prepare
- Staff establishment structure filled
- ASSIP & NDP II implementation reports prepared
- Strategic Plan implementation reports prepared
- All staff provided with adequate working tools
- New office block constructed. This shall provide for among others a health/nursing bay, staff parking (including those for with disability).
- Document management system operationalised
- Top Management and Top technical meetings held
- Cabinet and Parliamentary sessional briefs prepared
- Gender and equity budgeting mainstreamed in Ministry departmental work as well as operationalisation of the Gender policy

Public Financial Management and Accountability

- Professional Institutions and Partnerships/Collaboration in Capacity development strengthened
- A robust, secure and efficient computerized Financial Management System for Government implemented and maintained
- A high quality and updated database of GOU debt Portfolio on the financial analysis system created and maintained
- DMFAS maintained & all tickets resolved by the vendor
- Timely settlement of GoU external & domestic debt statutory obligations
- Treasury operations' statutory Financial Statements prepared
- National Public Procurement Sector Policy developed
- Institutional framework and structures to enhance Public Procurement Reviewed
- A monitoring and Evaluation mechanism for public procurement developed
- E-Government Procurement System rolled out to all MDAs/LGs
- Capacity of key Public Procurement stakeholders built across the country to ensure effectiveness of their operations
- Risk Registers and Strategies across Government MDAs developed
- Internal Audit reports from Votes prepared
- Financial reporting and Accounting Standards for service delivery across Government Standardized
- Consolidated Audit Query Response Report
- Prepare and issue Guidelines and Procedures for Strengthening Internal Control and Financial Reporting for MDAs/LGs
- Streamline and Strengthen the Treasury Inspection Function
- Treasury Memorandum prepared
- PFM practices and Systems Performance monitored and evaluated
- Capacity Building in Functional Areas undertaken for all PFM Cadre
- Harmonize the LG Act/Legal framework with PFMA2015
- Harmonize and Streamline Financial Management of Public Corporation and State Enterprises

Medium Term Plans

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The Ministry has laid out a strategic Plan spanning a period of five years from 2016-2021. The strategic plan spells out the direction the Ministry will take so as to achieve the vision of 'A competitive economy for national development'. Below is the strategic direction of the Ministry over the medium term. It is informed by the Accountability Sector Strategic Investment Plan, the National Development Plan, NRM Manifesto and the presidential directives.

1. Ensure Sustainable Financing and Fiscal Policy Credibility
2. Improve Co-Ordination With Regional Bodies
3. Improve Private Sector Growth and Development
4. Ensure a Vibrant Financial Sector that Supports Inclusive and Sustainable Growth and Development
5. Increase Revenue Effort and Budget Credibility
6. Strengthen linkages Between Planning, Policy Formulation and Budgeting at all Levels
7. Increase Returns to Public Investments
8. Ensure an Effective and Efficient Ministry
9. Improve Efficiency and Effectiveness in Public Finance Management & Accountability

The above strategic direction is informed by the Medium term goals as listed here-under;

1. Sustainable Financing and Fiscal Policy Credibility
2. Improved Co-Ordination With Regional Bodies
3. Improved Private Sector Growth and Development
4. A Vibrant Financial Sector that Supports Inclusive and Sustainable Growth and Development
5. Increased Revenue Effort and Budget Credibility
6. Strengthened Linkages Between Planning, Policy Formulation and Budgeting at all Levels
7. Increased Returns To Public Investments
8. Improved Efficiency and Effectiveness in Public Finance Management & Accountability
9. Effective and Efficient Ministry

While offering the above services under its mandate, the Ministry will ensure that equity and gender issues and concerns are addressed at all levels. The Ministry will further foster integration of these issues by MDAs in their plans so as to create an enabling environment for national prosperity no matter the gender or demographic affiliation of the Citizens. This will be done through communication in Budget Call Circulars and any other strategic guidelines to be issued by the Ministry from time to time.

Efficiency of Vote Budget Allocations

- i. The Ministry is committed to efficiency and effectiveness in Budget allocation to achieve Value for Money and deliver on its mandate.
- ii. The Ministry shall continue to ensure that funds are allocated in accordance with work plans which are linked to the strategic plan 2016-21, the Accountability Sector Strategic Investment Plan as well as the NDP II short-term and long-term goals. This shall eliminate unnecessary allocations and reallocation of resources which are not in line with the agreed upon outputs, work plans and procurement plans. The Budget Monitoring and Accountability Unit is mandated to carryout annual and quarterly Budget monitoring and produce periodic reports and Policy briefs which facilitate identification of inefficiency in allocation and improper use of public funds.
- iii. The Ministry shall ensure further roll out of the Integrated Financial Management System (IFMS) across Government in the medium term and also ensure effecting of the Electronic Funds Transfer systems. Further to this, the Ministry will implement the PFMA 2015 to enable compliance and adherence to laws, standards, guidelines, policies and procedures and other financial management regulations. The Ministry shall also carry out performance audits, IT and Forensic audits in addition to conducting quality assurance reviews to further ensure compliance to the law which shall lead to the attainment of Value for Money and efficiency in service delivery. Operationalisation of the Public Finance Act and Operationalisation of the Treasury Single Account shall also improve financial management and efficiency in service delivery.

Vote Investment Plans

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The Ministry over the coming Financial Year 2018/19 will undertake the following capital investments;

1. Construction of the new office block which has been allocated Ushs 5.02bn
2. Capitalisation of financial institutions including EADB, ADB, UDB, IDB and PTA Banks. This has been allocated a total of Ushs 80bn
3. Purchase of office furniture, machinery and equipment as well as motor vehicle equipment. The Ministry is to operationalise the Document management system during the financial year to enable easy document archival and access.

Major Expenditure Allocations in the Vote for FY 2018/19

Vote 008 has eight programs across which its mandate is executed. Major resource allocation has been on the following activities;

1. IFMS recurrent expenditures worth Ushs 15.120bn
2. Construction of the new office block Ushs 8.521bn
3. Purchase of transport equipment Ushs 1.214bn
4. Capitalization of Financial Institutions Ushs 75.218bn

V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

Vote Controller :								
Programme :		01 Macroeconomic Policy and Management						
Programme Objective :		<div><div>1.</div><div>Formulation of appropriate fiscal and monetary policies for revenue generation and management</div></div> <div><div>2.</div><div>Monitoring public debt to ensure debt sustainability</div></div> <div><div>3.</div><div>Generate and apply evidence-based analysis to inform Government decision making on economic policy and national development.</div></div> <div><div>4.</div><div>Enhance and facilitate effective mobilization and implementation of Government programs for economic and social transformation.</div></div> <div><div>5.</div><div>Formulation of investment and private sector policies</div></div> <div><div>6.</div><div>Ensure conducive investment climate</div></div> <div><div>7.</div><div>Ensure sustainable delivery of affordable financial services for Ugandans so as to achieve prosperity and enhance socio-economic transformation</div></div>						
Responsible Officer:		Director Economic Affairs						
Programme Outcome:		Sustainable economic growth and stability						
<i>Sector Outcomes contributed to by the Programme Outcome</i>								
1. Sustainable Macroeconomic Stability								
Programme Performance Indicators (Output)		Performance Targets						
		2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• GDP growth rate		0	5.5%			6%	6.5%	7%
• Inflation rate		0	4.8%			5%	5%	5%
• Domestic Revenue as a percentage of GDP		0	14.4%			14.6%	15.1%	15.6%
Vote Controller :								
Programme :		02 Budget Preparation, Execution and Monitoring						

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Programme Objective :	<ol style="list-style-type: none"> 1. Provide strategies and guidelines for the budget process. 2. Allocate funds to sector priorities in accordance with the Long Term Expenditure Framework and Medium Term Expenditure Framework. 3. Avail financial resources to finance implementation of Government programmes. 4. Monitor and ascertain efficiency in utilization of national resources for intended priorities 5. To undertake overall policy formulation, coordination, appraisal, analysis, monitoring and evaluation of development projects 6. Facilitate the implementation of PPP initiatives to ensure sustainable economic growth and development
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Responsible Officer: Director Budget

Programme Outcome: Improved budget credibility

Sector Outcomes contributed to by the Programme Outcome

1. Fiscal Credibility and Sustainability

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Supplementary expenditure as a %ge of the initial approved budget	0	4%			3%	3%	3%
• Arrears as %ge of total expenditure for FY N-1	0	3%			8%	7%	3%

Vote Controller :

Programme : 03 Public Financial Management

Programme Objective :	<ol style="list-style-type: none"> 1. Compilation and management of the accounts of votes; 2. Custody and safety of public money; 3. Manage resources of Government; 4. Custody of all government certificates of all titles for investments; 5. Maintenance of a register of government investments 6. Develop the internal audit strategy and supervise its implementation; 7. Develop internal audit policies, rules, standards, manuals, circulars and guidelines; 8. Review and consolidate audit reports from the votes and externally financed projects; 9. Liaise with the Auditor General, Accountant General, Accounting Officers and Internal Auditors on audit matters; 10. Consolidate the reports on all audit committees on the respective votes 11. Periodically evaluate the effectiveness of audit committees of their respective votes; 12. Facilitate the development of the internal audit cadres; and 13. Provide evidence to the relevant parliamentary oversight committees when requested to do so.
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Responsible Officer: Accountant General

Programme Outcome: Compliance with PFM laws and regulations

Sector Outcomes contributed to by the Programme Outcome

1. Value for money in the management of public resources

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• % of MDAs with Financial Reports in compliance with Public Finance Management Act and regulations	0	98%			100%	100%	100%

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• Percentage of internal audit recommendations implemented in Central Government	0	67%	100%	100%	100%
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Vote Controller :

Programme : 09 Deficit Financing and Cash Management

Programme Objective :

1. Mobilization of external resources (Loan and Grants) and coordination of Regional Activities
2. Management of all Public Debt and process of domestic debt issuance to provide for the government's financing needs as determined by the Macroeconomic Framework
3. Effective coordination of cash management operations in liaison with the Accounting General's Office, Directorate of Budget, Directorate of Economic Affairs, Bank of Uganda and Uganda Revenue Authority

Responsible Officer: Director Debt and Cash Management

Programme Outcome: Sustainable debt levels

Sector Outcomes contributed to by the Programme Outcome

1. Fiscal Credibility and Sustainability

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Debt to GDP ratio	0	29			31	33	31
• External resources mobilized as a percentage of the National Budget.	0	17.5%			30.6%	25.2%	20.5%

Vote Controller :

Programme : 10 Development Policy and Investment Promotion

Programme Objective :

1. Initiate and coordinate economic policy research to inform National economic development policy-making.
2. Provide technical advice on budgetary alignment to National development strategies and priorities.
3. Monitor and analyze National development outcomes within the context of relevant regional and international development frameworks.
4. Formulate, review and coordinate policies, laws and regulations to enhance Private Sector competitiveness and growth.
5. Annually prepare and publish background to the Budget.

Responsible Officer: Director Economic Affairs

Programme Outcome: An evidence-based National Development policy agenda

Sector Outcomes contributed to by the Programme Outcome

1. Sustainable Macroeconomic Stability

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Proportion of National development policies under active implementation	0	100%			100%	100%	100%
• Proportion of development policies performance reviewed after 10 years of commencement	0	100%			50%	50%	50%

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Vote Controller :
Programme : 11 Financial Sector Development

- Programme Objective :**
1. Providing policy oversight and establish the database on all financial Institutions in the Country.
 2. Periodically review and analyze the general performance of the financial sector to inform policy.
 3. Initiate policies, Laws for deepening and improving the penetration of the financial sector.
 4. Provide appropriate legislation that makes the financial system efficient and stable, protects the consumers of financial products, and creates a climate for competition and further development.
 5. Support effective regulation in respect to financial institutions.
 6. Create a conducive policy environment for product development.
 7. Participate in the formulation of EAC legislations relating to the financial sector to achieve financial convergence.
 8. Follow developments in the financial markets and business sector in order to assess the need for new policy, new legislation or amendments to existing laws.
 9. Provide policy advice for regulatory bodies in the financial sector (BOU, CMA, IRA, URBRA, and FIA).
 10. Participate in the formulation of EAC legislations relating to the financial sector to achieve financial convergence.
 11. Formulate rational and sound financial policies that contribute to national and global financial stability.
 12. Provide briefing and policy advice on the financial sector.

Responsible Officer: Director Economic Affairs

Programme Outcome: Credible, safe and sound financial markets and systems

Sector Outcomes contributed to by the Programme Outcome

1. Sustainable Macroeconomic Stability

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• %ge of financially included adult population	0	89%			91%	93%	95%
• Domestic Equity market capitalization to GDP ratio	0	4.8%			5.0%	5.0%	3.0%

Vote Controller :
Programme : 49 Policy, Planning and Support Services

- Programme Objective :**
1. Provide strategic leadership and management of the Ministry.
 2. Formulate Ministerial policies, plans and monitor their implementation.
 3. Manage the physical, financial and human resources

Responsible Officer: Under-secretary/Accounting Officer

Programme Outcome: Efficient mobilization and allocation of resources

Sector Outcomes contributed to by the Programme Outcome

1. Value for Money in the management of public resources

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target

N / A

Vote:008 Ministry of Finance, Planning & Economic Dev.

Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

<i>Billion Uganda shillings</i>	2016/17	2017/18		2018-19	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Vote :008 Ministry of Finance, Planning & Economic Dev.								
01 Macroeconomic Policy and Management	80.924	14.638	2.957	14.878	15.557	22.800	23.900	25.000
02 Budget Preparation, Execution and Monitoring	20.816	24.628	5.343	26.772	26.120	31.200	33.300	34.400
03 Public Financial Management	79.021	84.071	8.267	52.683	49.084	53.277	56.300	59.400
04 Development Policy Research and Monitoring	58.645	0.000	0.000	0.000	0.000	0.000	0.000	0.000
06 Investment and Private Sector Promotion	65.339	0.000	0.000	0.000	0.000	0.000	0.000	0.000
08 Microfinance	42.545	0.000	0.000	0.000	0.000	0.000	0.000	0.000
09 Deficit Financing and Cash Management	0.000	5.151	0.792	6.556	11.207	17.284	18.600	23.700
10 Development Policy and Investment Promotion	0.000	120.001	16.689	74.368	65.490	61.707	64.330	56.027
11 Financial Sector Development	0.000	136.655	30.516	98.056	161.980	187.459	214.407	237.559
19 Internal Oversight and Advisory Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
49 Policy, Planning and Support Services	158.984	44.258	10.134	54.186	48.510	57.444	61.444	67.444
Total for the Vote	506.273	429.403	74.699	327.498	377.948	431.170	472.282	503.530

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

<i>Billion Uganda shillings</i>	2016/17	FY 2017/18		2018-19	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Programme: 01 Macroeconomic Policy and Management								
03 Tax Policy	8.014	7.692	2.044	9.308	7.692	9.514	9.514	12.514
04 Aid Liaison	2.293	0.000	0.000	0.000	0.000	0.000	0.000	0.000
08 Macroeconomic Policy	10.551	1.576	0.331	3.391	1.865	3.286	4.386	2.486
0945 Capitalisation of Institutions	54.613	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1080 Support to Macroeconomic Management	2.698	2.715	0.387	0.000	6.000	10.000	10.000	10.000
1208 Support to National Authorising Officer	0.522	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1211 Belgo-Ugandan study and consultancy Fund	0.304	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1290 3RD Financial Management and Accountability Programme [FINMAP III] Component 1	1.980	2.655	0.196	2.179	0.000	0.000	0.000	0.000
Total For the Programme : 01	80.974	14.638	2.957	14.878	15.557	22.800	23.900	25.000
Programme: 02 Budget Preparation, Execution and Monitoring								
02 Public Administration	1.399	1.485	0.415	1.485	1.485	2.147	3.147	3.147
1063 Budget Monitoring and Evaluation	4.152	0.000	0.000	0.000	0.000	0.000	0.000	0.000
11 Budget Policy and Evaluation	10.245	13.383	3.409	14.433	13.383	14.276	15.276	15.276
12 Infrastructure and Social Services	2.129	1.604	0.296	2.348	1.604	1.658	2.458	3.458

Vote:008 Ministry of Finance, Planning & Economic Dev.

1290 3RD Financial Management and Accountability Programme [FINMAP III] Component 2	2.274	3.277	0.418	3.212	3.000	5.000	5.000	5.000
1305 U growth DANIDA programme	0.627	0.584	0.114	0.000	2.000	3.000	3.000	3.000
22 Projects Analysis and PPPs	0.000	4.294	0.690	5.294	4.647	5.119	4.419	4.519
Total For the Programme : 02	20.826	24.628	5.343	26.772	26.120	31.200	33.300	34.400
Programme: 03 Public Financial Management								
05 Financial Management Services	12.740	12.565	1.910	14.951	12.565	12.565	12.565	12.565
06 Treasury Services	2.487	0.000	0.000	1.624	0.000	0.000	0.000	0.000
10 Inspectorate and Internal Audit	3.086	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1290 3RD Financial Management and Accountability Programme [FINMAP III] Comp. 3,4&5 - FMS, LGPFM and Oversight	54.747	60.079	4.047	18.813	25.000	27.000	27.000	27.000
13 Technical and Advisory Services	5.961	0.000	0.000	0.000	0.000	0.000	0.000	0.000
23 Management Information Systems	0.000	0.918	0.177	1.268	0.918	0.918	1.358	1.358
24 Procurement Policy and Management	0.000	2.416	0.502	3.616	2.416	2.556	3.300	3.300
25 Public Sector Accounts	0.000	0.639	0.151	1.639	0.639	0.639	0.639	0.639
26 Information and communications Technology and Performance audit	0.000	0.737	0.087	1.037	0.737	0.737	0.737	0.737
27 Forensic and Risk Management	0.000	0.772	0.061	1.072	0.772	0.772	0.878	0.878
28 Internal Audit Management	0.000	0.861	0.123	2.261	0.953	2.036	1.953	2.248
30 Treasury Services and Assets Management	0.000	1.248	0.337	0.000	1.248	2.218	2.218	3.218
31 Treasury Inspectorate and Policy	0.000	3.836	0.871	4.878	3.836	3.836	5.653	7.458
32 Assets Management Department	0.000	0.000	0.000	1.524	0.000	0.000	0.000	0.000
Total For the Programme : 03	79.021	84.071	8.267	52.683	49.084	53.277	56.300	59.400
Programme: 04 Development Policy Research and Monitoring								
0061 Support to Uganda National Council for Science	1.952	0.000	0.000	0.000	0.000	0.000	0.000	0.000
09 Economic Development and Policy Research	21.740	0.000	0.000	0.000	0.000	0.000	0.000	0.000
0978 Presidential Initiatives on Banana Industry	29.181	0.000	0.000	0.000	0.000	0.000	0.000	0.000
0988 Support to other Scientists	5.100	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1427 Uganda Clean Cooking Supply Chain Expansion Project	0.672	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total For the Programme : 04	58.645	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Programme: 06 Investment and Private Sector Promotion								
Total For the Programme : 06	65.339	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Programme: 08 Microfinance								
0997 Support to Microfinance	2.455	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1288 Financial Inclusion in Rural Areas [PROFIRA] of Uganda	34.750	0.000	0.000	0.000	0.000	0.000	0.000	0.000
17 Microfinance	5.340	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total For the Programme : 08	42.545	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Programme: 09 Deficit Financing and Cash Management								
1208 Support to National Authorising Officer	0.000	1.600	0.132	1.690	5.551	9.684	8.000	8.000
1211 Belgo-Ugandan study and consultancy Fund	0.000	0.328	0.082	0.328	0.000	0.000	0.000	0.000
19 Debt Policy and Management	0.000	0.779	0.119	1.289	1.663	2.200	3.200	4.200
20 Cash Policy and Management	0.000	0.929	0.150	1.384	1.773	2.200	3.200	5.300
21 Development Assistance and Regional Cooperation	0.000	1.516	0.310	1.866	2.220	3.200	4.200	6.200

Vote:008 Ministry of Finance, Planning & Economic Dev.

Total For the Programme : 09	0.000	5.151	0.792	6.556	11.207	17.284	18.600	23.700
Programme: 10 Development Policy and Investment Promotion								
09 Economic Development Policy and Research	0.000	39.061	9.267	31.093	34.813	35.275	34.889	43.027
0994 Development of Industrial Parks	0.000	4.240	0.660	4.240	4.240	5.000	6.200	6.200
1003 African Development Foundation	0.000	3.600	0.500	3.600	3.960	6.800	6.800	6.800
1289 Competitiveness and Enterprise Development Project [CEDP]	0.000	46.313	5.626	19.889	0.800	1.200	0.000	0.000
1338 Skills Development Project	0.000	22.346	0.464	12.490	21.677	13.432	16.441	0.000
1427 Uganda Clean Cooking Supply Chain Expansion Project	0.000	4.441	0.172	3.056	0.000	0.000	0.000	0.000
Total For the Programme : 10	0.000	120.001	16.689	74.368	65.490	61.707	64.330	56.027
Programme: 11 Financial Sector Development								
0945 Capitalisation of Institutions	0.000	80.418	25.237	75.218	98.016	111.219	111.219	110.219
0997 Support to Microfinance	0.000	2.487	0.417	0.000	0.000	0.000	0.000	0.000
1288 Financial Inclusion in Rural Areas [PROFIRA] of Uganda	0.000	36.900	0.982	3.200	4.000	4.000	4.000	5.000
29 Financial Services	0.000	16.850	3.881	19.637	59.964	72.240	99.188	122.340
Total For the Programme : 11	0.000	136.655	30.516	98.056	161.980	187.459	214.407	237.559
Programme: 19 Internal Oversight and Advisory Services								
Total For the Programme : 19	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Programme: 49 Policy, Planning and Support Services								
0054 Support to MFPED	120.317	15.840	1.633	27.054	25.370	30.444	30.444	30.444
01 Finance and Administration	32.278	19.176	7.156	19.687	21.272	23.720	27.720	31.720
1290 3RD Financial Management and Accountability Programme [FINMAP III] Comp. 6 - Management Support	4.879	7.982	1.010	5.735	0.000	0.000	0.000	0.000
15 Treasury Directorate Services	0.835	0.754	0.207	1.104	1.134	1.240	1.640	2.640
16 Internal Audit	0.676	0.506	0.128	0.606	0.734	2.040	1.640	2.640
Total For the Programme : 49	158.984	44.258	10.134	54.186	48.510	57.444	61.444	67.444
Total for the Vote :008	506.333	429.403	74.699	327.498	377.948	431.170	472.282	503.530

Table V4.2: Key Changes in Vote Resource Allocation

Major changes in resource allocation over and above the previous financial year	Justification for proposed Changes in Expenditure and Outputs
Vote :008 Ministry of Finance, Planning & Economic Dev.	
Programme : 01 Ministry of Finance, Planning & Economic Dev.	
Output: 01 Macroeconomic Policy, Monitoring and Analysis	
Change in Allocation (US\$ Bn) : 1.162	The reduction is on account of end of FINMAP III
Output: 02 Domestic Revenue and Foreign Aid Policy, Monitoring and Analysis	
Change in Allocation (US\$ Bn) : (0.523)	The reduction is on account of end of FINMAP III. There is no Donor commitment for the current phase which is ending
Programme : 02 Ministry of Finance, Planning & Economic Dev.	
Output: 02 Policy, Coordination and Monitoring of the Local Government Budget Cycle	
Change in Allocation (US\$ Bn) : 0.895	An increment to cater for the implementation of the national parameters and capacity building of Planning Officers in Public Investments Management Function

Vote:008 Ministry of Finance, Planning & Economic Dev.

Output: 53 Rural Infrastructure Monitoring Services		
Change in Allocation (US\$ Bn) :	0.584	The increase is a result of a new output which has been created to cater for the monitoring activities for rural infrastructure which has been currently under the DANIDA support
<i>Programme : 03 Ministry of Finance, Planning & Economic Dev.</i>		
Output: 01 Accounting and Financial Management Policy, Coordination and Monitoring		
Change in Allocation (US\$ Bn) :	(9.563)	The reduction is on account of end of FINMAP III. This was external financing under component II
Output: 02 Management and Reporting on the Accounts of Government		
Change in Allocation (US\$ Bn) :	(2.468)	The reduction is on account of end of FINMAP III. This was external financing under this component.
Output: 03 Development and Management of Internal Audit and Controls		
Change in Allocation (US\$ Bn) :	(2.436)	The reduction is on account of end of FINMAP III. This was external financing under this component.
Output: 04 Local Government Financial Management Reform		
Change in Allocation (US\$ Bn) :	(2.688)	The reduction is on account of end of FINMAP III. This was external financing under this component.
Output: 05 Strengthening of Oversight (OAG and Parliament)		
Change in Allocation (US\$ Bn) :	(4.722)	The reduction is on account of end of FINMAP III. This was external financing under this component.
Output: 51 Facility and Assets Management		
Change in Allocation (US\$ Bn) :	0.815	A new Department has been established under the New structure called the Assets Management Department. The additional allocation is to cater for the new output on facilities and assets management
Output: 76 Purchase of Office and ICT Equipment, including Software		
Change in Allocation (US\$ Bn) :	(12.218)	The reduction is on account of end of FINMAP III. This was external financing under this component.
<i>Programme : 10 Ministry of Finance, Planning & Economic Dev.</i>		
Output: 03 Investment climate advisory		
Change in Allocation (US\$ Bn) :	(11.759)	Reduction in donor commitment under the CEDP
Output: 54 Private Sector Development Services		
Change in Allocation (US\$ Bn) :	(1.915)	Reduction in donor commitment under the Competitiveness and Enterprise Development Project (CEDP)
Output: 56 Business Development Services		
Change in Allocation (US\$ Bn) :	(14.550)	Reduction in donor commitment under the CEDP and Uganda Clean Cooking Supply Chain Expansion
Output: 58 Support to Uganda Free Zones Authority		
Change in Allocation (US\$ Bn) :	(8.500)	The reduction is due to One-off expenditure during FY 2017/18 for purchase of Land for Free Zones
Output: 72 Government Buildings and Administrative Infrastructure		
Change in Allocation (US\$ Bn) :	(9.441)	Reduction in donor commitment under the CEDP

Vote:008 Ministry of Finance, Planning & Economic Dev.

<i>Programme : 11 Ministry of Finance, Planning & Economic Dev.</i>		
Output: 02 Coordination of Banking and Non-Banking Sector		
Change in Allocation (US\$ Bn) :	0.496	Additional allocation to facilitate coordination of banking and non-banking sector
Output: 03 Strengthening of the Microfinance Policy Framework		
Change in Allocation (US\$ Bn) :	(10.021)	No Donor commitment under PROFIRA
Output: 04 Micro finance Institutions Supported with Matching Grants		
Change in Allocation (US\$ Bn) :	(28.944)	No Donor commitment under PROFIRA as well as reduction resulting from transfer of MSCL to output 55
Output: 54 Uganda Micro-Finance Regulatory Authority Services		
Change in Allocation (US\$ Bn) :	1.000	Additional allocation to facilitate activities for the Uganda Micro-Finance regulatory authority services
Output: 55 Microfinance support centre services		
Change in Allocation (US\$ Bn) :	4.290	Transfer of Micro-finance Support Center to Output 55 necessitated reallocation of the finances to this output
<i>Programme : 49 Ministry of Finance, Planning & Economic Dev.</i>		
Output: 04 Administration and support services		
Change in Allocation (US\$ Bn) :	0.927	Additional allocation to cater for the coordination of Global Fund activities under FINMAP III
Output: 72 Government Buildings and Administrative Infrastructure		
Change in Allocation (US\$ Bn) :	11.214	A additional allocation has been provided for the construction of a new office block for the Ministry
Output: 75 Purchase of Motor Vehicles and Other Transport Equipment		
Change in Allocation (US\$ Bn) :	0.220	Additional allocation to cater for motor vehicle purchase
Output: 76 Purchase of Office and ICT Equipment, including Software		
Change in Allocation (US\$ Bn) :	(1.004)	The reduction is on account of end of FINMAP III. This was external financing under component II

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

FY 2017/18		FY 2018/19
Appr. Budget and Planned Outputs	Expenditures and Achievements by end Sep	Proposed Budget and Planned Outputs
Vote 008 Ministry of Finance, Planning & Economic Dev.		
Programme : 03 Public Financial Management		
Project : 1290 3RD Financial Management and Accountability Programme [FINMAP III] Comp. 3,4&5 - FMS, LGPFM and Oversight		

Vote:008 Ministry of Finance, Planning & Economic Dev.

Output: 76 Purchase of Office and ICT Equipment, including Software

Three OAG regional offices in Arua, Moroto and Hoima constructed, Furniture for the three OAG regional offices delivered, Transited 33 Tier 11 sites to Tier 1, IFMS tier 1 rolled out to 25 LG sites; solar hybrid installed for OAG regional offices; laptops

Contract for construction of OAG regional office in Arua signed. Substructure for OAG regional office in Hoima completed Construction of OAG regional office in Moroto commenced Initiation for hybrid solar for OAG regional offices in moroto, Hoima and Arua Procurement process of furniture for OAG regional offices for Hoima completed

Finalise installation and implementation of a MID range IFMS in LGs PFM systems: Including IFMS tier 1 solution to CG site supported

Total Output Cost(Ushs Thousand):	15.283	1.297	3.065
Gou Dev't:	3.741	0.016	3.065
Ext Fin:	11.542	1.282	0.000
A.I.A:	0.000	0.000	0.000

Programme : 10 Development Policy and Investment Promotion

Project : 1289 Competitiveness and Enterprise Development Project [CEDP]

Output: 72 Government Buildings and Administrative Infrastructure

Business facilitation centre constructed to accommodate the one stop centre and main entities include URSB, UIA, CMA, KCCA, URA and NIRA

Hotel for Uganda Hotel Tourism Training Institute and the training institute constructed

• Procurement of Building Contractor concluded and NOBEB for UBFC ended on the 17/10/2017. Contracting process to immediately commence.
• MS Arch Design was awarded and concluded the final design of UHTTI. Design was submitted to IDA on the 15/6/2017. • ITB published on the 14/9/2017 and running up to 26/10/2017. Pre Bid meeting scheduled for 27/9/2017 at UHTTI Jinja.

Uganda Business Facilitation Centre (UBFC) Constructed and completed UHTTI Building constructed, furnished and retooled

Total Output Cost(Ushs Thousand):	19.441	0.384	10.000
Gou Dev't:	0.000	0.000	0.000
Ext Fin:	19.441	0.384	10.000
A.I.A:	0.000	0.000	0.000

Programme : 49 Policy, Planning and Support Services

Project : 0054 Support to MFPED

Vote:008 Ministry of Finance, Planning & Economic Dev.

Output: 72 Government Buildings and Administrative Infrastructure

Construction of new office block and staff parking Ministry structures maintained through minor works Ministry structures maintained through minor works	Terms of Reference for construction of New Office Block were completed and approved by the Ministry of Works and Transport and PPDA. The Procurement process has commenced. Monthly report produced and reviewed. Procurement of Service Provider for Minor Works is on going. Procurement initiated and due for presentation to Contracts Committee. Repairs to include plumbing, office renovation initiated and carried out. Payments for Repairs around office premises effected. Contract management reports produced.	Construction of new office block and staff parking Ministry structures maintained through minor works	
Total Output Cost(Ushs Thousand):	5.521	0.104	16.735
Gou Dev't:	5.521	0.104	16.735
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000

Output: 75 Purchase of Motor Vehicles and Other Transport Equipment

3 vehicles and 1 ministerial vehicle procured Procurement of 10 vehicles, procurement of 1 ministerial vehicle	Procurement process for 3 vehicles planned for FY 2016/17 was concluded. The vehicles were delivered and paid for.	5 vehicles procured	
	Procurement of 1 vehicle has been initiated and advert placed.		
	Not done		
Total Output Cost(Usht Thousand):	0.500		0.226
Gou Dev't:	0.500	0.226	1.000
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000

Vote:008 Ministry of Finance, Planning & Economic Dev.

Output: 76 Purchase of Office and ICT Equipment, including Software

Computerization and installation of teleconferencing facilities	Teleconferencing facility contract awarded to successful bidder.	Computerization and installation of teleconferencing and fire wall facility
Computers, printers, scanners and related equipment provided to staff	A Needs Assessment report for Computers and related Accessories was produced.	Computers, scanners, printers and related equipment provided to staff
Computers, printers, scanners and related equipment provided to staff	Computers procured for BMAU and the Lotteries and Gaming Regulatory Board.	Electronic Content Management system maintained
Electronic content management system procured		Hardware upgrade maintained
Electronic content management system procured	Procurement of Photocopiers for BPED was initiated.	Information system hardware and software and consumables provided and managed
Hardware upgraded and maintained	Procurement process for Computers and related IT equipment was initiated.	Lift/elevator procured and serviced
Information systems hardware, software and consumables provided and managed	Local Area Network for PPP Unit was initiated and the procurement is in process.	PABX serviced and maintained
Lift/elevator serviced and maintained		Software and licenses managed
PABX upgraded and maintained	Electronic Content Management System Technical Evaluation report produced.	
Software and licenses managed	Local Area Network for PPP Unit was initiated and the procurement is in process.	
	Electronic Content Management System Technical Evaluation report produced.	
	Servicing and maintenance contract initiated and awarded to successful bidder.	
	Procurement initiated for Information Systems hardware, software and consumables.	
	Monthly servicing of Lifts carried out.	
	Not done	
	Software and licenses managed and paid for.	
Total Output Cost(Ushs Thousand):	3.304	0.196
Gou Dev't:	3.304	0.196
Ext Fin:	0.000	0.000
A.I.A:	0.000	0.000

Vote:008 Ministry of Finance, Planning & Economic Dev.

Output: 77 Purchase of Specialised Machinery & Equipment

20 Photocopiers procured	Procurement of a Photocopier for BPED was initiated.	10 photocopiers procured
Biometric system serviced and maintained.	Servicing and maintenance of Biometric system carried out.	Biometric system and card reader maintained
Card reader and biometric system procured and installed	Monthly Maintenance Reports produced on Card Reader and Biometric System and submitted.	Procurement of 4 heavy duty photocopiers
CCTV system serviced and maintained	Servicing and maintenance carried out for the CCTV System	
CCTV Upgrade	Monthly Maintenance Reports produced on CCTV upgrade and submitted to Accounting Officer.	
Centralized UPS procured and installed	Initial discussions held with Ministry of Works seeking for Technical advice on specifications.	
Procurement of heavy duty photocopiers	Procurement process for Heavy Duty Photocopiers is still ongoing	
Total Output Cost(Ushs Thousand):	1.687	0.008
Gou Dev't:	1.687	0.008
Ext Fin:	0.000	0.000
A.I.A:	0.000	0.000

Vote:008 Ministry of Finance, Planning & Economic Dev.

Output: 78 Purchase of Office and Residential Furniture and Fittings

10 conference tables	Procurement process for the	10 Conference Tables procured for the
10 tables and 28 chairs procured	Consolidated Ministry Furniture	Ministry Offices
100 executive office chairs and 30 secretarial chairs	Requirements is still ongoing.	10 tables and 28 chairs procured for
procured	Procurement process for the	Ministry Offices
100 executive office chairs and 60 secretarial chairs	Consolidated Ministry Furniture	100 Executive Office Chairs and 30
procured	Requirements is still ongoing.	Secretarial chairs procured
120 sets of window blinds procured	Procurement process for the	100 sets of window blinds procured
20 modern and mobile filing system procured	Consolidated Ministry Furniture	20 Modern and Mobile Filing Systems
30 workstations	Requirements is still ongoing.	procured to enhance efficient space
50 filing cabinets procured	Not done	utilization and secure storage of office
	Window Blinds were procured for	information
20 modern and mobile filing system procured	some Offices as need arose	30 workstations procured to organise and
50 filing cabinets procured	Not done	reallocate Office Space more efficiently
80 executive office tables procured	Procurement process for	around the Ministry Premises
Carpets for top management offices	Workstations was initiated and	50 Filing Cabinets procured
Procurement of 60 coat hangers	process is ongoing.	60 Coat Hangers procured for Senior
Procurement of coat hangers	Not done.	Management Offices
Reception platform for the main entrance	Procurement process for the	80 Executive Office Tables procured for
storage system for Ministry archives and stores	Consolidated Ministry Furniture	Senior Managers across the Ministry
	Requirements is still ongoing.	Offices
	Executive Office Tables were	Carpets procured for Top Management
	procured for Cash and Debt Dept.	offices
	Procurement process for the	
	Consolidated Ministry Furniture	
	Requirements is still ongoing.	
	Carpet for Ministers office was	
	initiated.	
	Not done	
	Procurement process for the	
	Consolidated Ministry Furniture	
	Requirements is still ongoing.	
	Not done. Procurement initiation	
	planned for Quarter Two.	
	Two scanners were procured to	
	support the Storage System for	
	Ministry Archives and Stores.	
	Scanning and archiving has	
	kickstarted.	
	Procurement process has been	
	initiated for Electronic Content	
	Management System which	
	includes the Archives and Stores	
	Storage System.	
Total Output Cost(Us\$ Thousand):	0.837	0.055
Gou Dev't:	0.837	0.055
Ext Fin:	0.000	0.000
A.I.A:	0.000	0.000

Project : 1290 3RD Financial Management and Accountability Programme [FINMAP III] Comp. 6 - Management Support

Vote:008 Ministry of Finance, Planning & Economic Dev.

Output: 76 Purchase of Office and ICT Equipment, including Software			
15 computers and a printer for the office of component manager - MFPED delivered		Procurement process for vehicles initiated	
Total Output Cost(Us\$ Thousand):	0.504	0.000	0.000
Gou Dev't:	0.504	0.000	0.000
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000

V5: VOTE CHALLENGES FOR 2018/19 AND ADDITIONAL FUNDING REQUESTS

Vote Challenges for FY 2018/19

- i. In the recent period, 2011– 2015, economic growth has been less than 5% on average
- ii. High exchange rate depreciation and Volatility
- iii. Widening Trade balance: The trade balance is widening because exports are much lower than the import bill and are growing at a slower rate than import.
- iv. Low Domestic Revenue Mobilization compared to our regional peers: With a low revenue to GDP ratio of 13.5% as at FY 2015/16
- v. Poor absorption of funds by MDAs and LGs
- VI . Poor returns to public investments
- vii. Inadequate Monitoring and evaluation of Budget implementation
- viii. Slow rate of integration of ICT systems
- ix. Shortfalls in Human Resources Management and limited capacity in gender and equity analysis of departmental work
- x. Inadequate managerial skills in some directorates and departments

Table V5.1: Additional Funding Requests

Additional requirements for funding and outputs in 2018/19	Justification of requirement for additional outputs and funding
Vote : 008 Ministry of Finance, Planning & Economic Dev.	
Programme : 01 Macroeconomic Policy and Management	
OutPut : 02 Domestic Revenue and Foreign Aid Policy, Monitoring and Analysis	
Funding requirement US\$ Bn : 1.305	The Ministry participates in a number of regional integration initiatives including the EAC. In addition, The ministry is to undertake a number of activities including strategic studies to widen and improve the tax base, conducting stakeholder consultations.
OutPut : 53 Tax Appeals Tribunal Services	
Funding requirement US\$ Bn : 0.800	Tax Appeals Tribunal is mandated to resolve tax disputes between tax payers and URA. The additional allocation will help facilitate upcountry case disposal.

Vote:008 Ministry of Finance, Planning & Economic Dev.

OutPut : 56 Lottery Services	
Funding requirement US\$ Bn : 7.000	The additional funding would improve monitoring of the Gaming and pool betting industry so as to strengthen compliance and increase resource mobilization.
Programme : 02 Budget Preparation, Execution and Monitoring	
OutPut : 07 Implementing the PIM Framework	
Funding requirement US\$ Bn : 8.000	Funding is required to create a Project Bank and implementation of the PIMS framework to ease project implementation, monitoring and evaluation in order to strengthen Public Investment Management
OutPut : 51 PPP Unit services	
Funding requirement US\$ Bn : 10.049	Following the passing of the PPP Act and establishment of the PPP Unit. There is need for resources for implementation of activities under the Unit's mandate. These include among others, establishment of a Project Development Fund, putting in place the requisite office infrastructure and operationalising the PPP committee
Programme : 03 Public Financial Management	
OutPut : 03 Development and Management of Internal Audit and Controls	
Funding requirement US\$ Bn : 0.996	The activities of the Audit Committees contribute directly to the sector outcome of Value for Money in the Management of Public Resources
OutPut : 04 Local Government Financial Management Reform	
Funding requirement US\$ Bn : 57.500	The roll out of IFMS Tier 1 to all Local Governments. This is to improve financial management as well as widen IFMS coverage countrywide.
OutPut : 52 Accountability Sector Secretariat Services	
Funding requirement US\$ Bn : 2.576	The Secretariat for the Accountability sector require additional operational funds to improve services. The additional funds will cater for undertaking sector baseline monitoring and evaluation studies, regional accountability forums, convening technical and sector working group meetings, steering and leadership committee meetings among other activities.
OutPut : 54 Procurement Appeals Tribunal Services	
Funding requirement US\$ Bn : 0.300	Funds required to enhance operations of the PPDA Appeals Tribunal
Programme : 10 Development Policy and Investment Promotion	
OutPut : 51 Population Development Services	

Vote:008 Ministry of Finance, Planning & Economic Dev.

Funding requirement US\$ Bn : 3.109	The National Population Council (NPC) is a government agency established by the National Population Council Act No. 8, 2014, sub-section 11 (b) and (c); that is mandated to coordinate, development and implementation of the National Population Policies and Programmes and also promote the integration of population factors in development planning. There is currently a shortfall on wage, revision of the National Population Policy and implementation of the Demographic Dividend road-map
OutPut : 56 Business Development Services	
Funding requirement US\$ Bn : 2.500	The funding is consistent with the strategy to develop businesses through entrepreneurial skills.
OutPut : 57 Support to Uganda Investment Authority	
Funding requirement US\$ Bn : 8.857	<p>Following budget shortfalls over the past few financial years, UIA require additional resources to effectively operate. Additional resources will be used among others to;</p> <ol style="list-style-type: none"> 1. Support the 23 industries in KIBP by completing infrastructure development 2. SME mentor-ship and intensify business linkages 3. Fully operationalise One Stop Center
Programme : 11 Financial Sector Development	
OutPut : 51 Capital Markets Authority services	
Funding requirement US\$ Bn : 1.732	The CMA is mandated to develop market based financing and effectively regulating the capital markets industry in Uganda. The additional funding is directly linked to this mandate and the sector strategies to regulate the financial sector and deepen financial services
OutPut : 53 Capitalization of Institutions and Financing Schemes	
Funding requirement US\$ Bn : 144.300	<p>The funding is required in order to provide affordable financial capital to projects countrywide. The projects identified include projects in the sectors mentioned below;</p> <ol style="list-style-type: none"> 1. Agric. and agro processing 2. Manufacturing 3. Tourism 4. Human Capital 5. Infrastructure 6. Minerals, oil and gas
OutPut : 54 Uganda Micro-Finance Regulatory Authority Services	
Funding requirement US\$ Bn : 16.085	In its second year of implementation, UMRA requires the requisite office infrastructure to effectively run. The institution is mandated to regulate tier 4 institutions. This is in a bid to improve provision of financial services and ensure financial deepening.
Programme : 49 Policy, Planning and Support Services	
OutPut : 19 Human Resources Management	

Vote:008 Ministry of Finance, Planning & Economic Dev.

Funding requirement US\$ Bn : 10.000	Following the enactment of the new Public Finance Management Act 2015, the Ministry was restructured and a number of Programs, Sub-programs and Directorates were created. As a result of this structural expansion, a need for additional funding was created to enable effective implementation.
OutPut : 72 Government Buildings and Administrative Infrastructure	
Funding requirement US\$ Bn : 36.500	Resulting from expansion of the Ministry Structure, there is need to avail ample office space and sufficient parking for staff. The Ministry is therefore to construct a new office building as well as staff parking.

Vote:103

Inspectorate of Government (IG)

VI: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

<i>Billion Uganda Shillings</i>		FY2016/17	FY2017/18		FY2018/19	MTEF Budget Projections			
		Outturn	Approved Budget	Spent by End Sep	Proposed Budget	2019/20	2020/21	2021/22	2022/23
Recurrent	Wage	19.580	21.167	5.107	21.167	23.284	24.448	25.671	26.954
	Non Wage	20.221	18.841	2.691	18.841	22.985	26.433	31.720	38.064
Devt.	GoU	1.584	3.925	0.154	13.925	16.989	20.387	20.387	20.387
	Ext. Fin.	0.000	1.480	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total		41.384	43.933	7.952	53.933	63.259	71.268	77.777	85.405
Total GoU+Ext Fin (MTEF)		41.384	45.413	7.952	53.933	63.259	71.268	77.777	85.405
<i>A.I.A Total</i>		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total		41.384	45.413	7.952	53.933	63.259	71.268	77.777	85.405

(ii) Vote Strategic Objective

Enhancing Public Accountability and making a difference

V2: Past Vote Performance and Medium Term Plans

Performance for Previous Year FY 2016/17

In the FY 2016-17, the IG committed itself to uphold the principles of gender and equity responsiveness of gender specific data collection, analysis and reporting, equal access to and utilisation of services, equal involvement of men and women in decision making and integrating equal treatment in the management process while executing its mandate. The IG therefore achieved the following based on the above principles: A total of 2,876 corruption and ombudsman complaints were registered; 1316 were recorded at head office and 1560 in regional offices. 2486 investigations were concluded out of the planned 1930. 40 cases were prosecuted resulting into 24 convictions and recovery of UGX 718,466,256 and followed up 452 recommendations. IG also carried out 17 sensitization drives through dissemination of assorted IEC Materials. Concluded 147 ombudsman cases. Under the leadership code the IG verified 62 declarations and concluded 20 investigations and introduced online declaration system (IG-ODS) for disclosure of assets and liabilities. The IG carried out inspection of projects as follows: DDEG 84, USMID 35, NUSAF 7 and conducted 152 verifications of health facilities. Arising from the inspections 39 complaints were recorded and 33 investigated to conclusion with 36 recommendations of which 35 (79.2%) were implemented. Recovered UGX 30M.

Vote:103 Inspectorate of Government (IG)

Performance as of BFP FY 2017/18 (Performance as of BFP)

The IG continued to uphold its commitment of the previous year of mainstreaming Gender and Equity principles of specific data collection, analysis and reporting, equal access to and utilisation of services, equal involvement of men and women in decision making and integrating equal treatment in the management process in execution of its mandate and by end of September FY 2017-18 the following were achieved the following: investigated and completed 2 high profile and 19 other corruption investigations followed-up all (100%) the recommendations made in MDAs and in Local Government carried out investigations of 206 corruption, 260 Ombudsman complaints and followed-up 115% of the recommendations made during the quarter. Furthermore, Prosecution Unit concluded **11** cases during the first quarter, **9** cases resulted into convictions, **1** acquittal and **1** withdrawal; concluded **5(55%)** judicial review cases of which **2(40%)** were successfully defended. The IG carried out 12 sensitization workshops and seminars in the districts of Moroto, Mbale, Manafwa, Tororo, Rubanda, Kisoro, Kabale, Rukungiri, Kitgum, Gulu, Pader and Agago to the masses about its mandate, raised awareness on the evils of corruption and enlisted the public support in the fight against corruption by conducting 4 Radio Talk Shows and airing out **80** Radio Spot Messages and **4** sets of IEC materials developed and disseminated. 6 partnerships and collaboration networks were established during the quarter which represents **25%**, **3(100%)** initiatives were implemented through the different partnerships with Government institutions. There was **90.2%** compliance rate of leaders who declared in 2017 Concluded **5 (8%)** verifications out of the annual target of **65** and all the 5 leaders were found to have provided correct information. **2** investigations into breaches of the Leadership Code were concluded out of the annual target of **25** representing **8%** achievement. Assets worth **5.2 Billion** Shillings were identified and traced. The leader's estimated total cost of assets as provided to the IG was Shillings 5,283,208,000. IG has hired a valuer to provide a correct estimate of the assets in question. Concluded **18 (12%)** Ombudsman investigations out of annual target of **150**. Out of the concluded investigations, **9 (50%)** were employment disputes, **5 (27.8%)** non payments of salaries, **1 (5.5%)** abuse of authority, **1(5.5%)** delayed service while the rest **2 (11.1%)** are categorized as others. The directorate concluded 18 cases which represents 51.4% of its quarterly target. **140(20.8%)** projects were inspected by end of the reporting period which represents **83%** of the quarterly target.

FY 2018/19 Planned Outputs

The Inspectorate of Government is committed to the protection, survival and development of women and men on an equal basis and, more broadly, to the equal rights of women and men. The IG recognizes that promoting gender equality is crucial for fulfillment of sustainable goal No.5 of achieving gender equality and empowerment of all women and girls. The organization's policy on gender equality and the empowerment Women mandates that all IG actions are gender responsive and are designed to contribute to gender equality in clearly defined, measurable ways. It further promotes gender equality in recruitments, promotions, placements and in assignment of tasks. In FY 2018-19 the IG will undertake the following activities inline with the above.

- Investigate at least 12 high profile/grand corruption cases in Ministries Departments and Agencies (MDAs) and 160 in Local Governments (LGs). Furthermore other 718 (218 in MDAs and 500 in LGs) corruption complaints (not rated as high profile) will also be investigated.
- Follow-up all (100%) of the recommendations made as a result of investigations and ensure that at least 75% of the them are implemented by the responsible entities and persons.
- Carryout prosecution of over 60 corruption cases, obtain conviction rate of at least 85% and conclude 12 Judicial Review cases.
- Recover more that 50% funds recommended for recovery from court decisions and investigations carried out.
- Ensure that all (100) leaders eligible to fill asset disclosure meet their obligations using the IG Online Declaration Portal (IG-ODS).
- Conduct verification of at least 65 leader's declarations and investigate 25 cases of breaches of the Leadership Code of Conduct. However, European Union intends to support IG to increase the target of verifications to at least 300.
- Carryout tracing and identification of illicitly acquired assets and recover at least 50% of the traced or identified values.
- Enlist public support in the fight against corruption and create public awareness on the evils of corruption through: Development and dissemination of assorted IEC materials, conducting 24 sensitization workshops, establishing 29 partnerships and collaboration networks, implementing 4 initiatives with non-state actor and also 4 with government institutions.
- Carryout initiatives which promotes Transparency, Accountability and Anti-Corruption in the implementation of development projects. These includes: training of 1680 community members to monitor project implementation, carrying out inspections/monitoring of 2320 projects, resolving at least 80% of disputes arising from the implementation of the projects and following on all the recommendations arising from project implementation.
- Carryout initiatives to address maladministration and administrative injustice in public office and it will include: Resolve 50 ombudsman complaints, support 10 MDALGs to setup or reactivate internal inspectorates for resolution of complaints, resolve 30% of the ombudsman complaints using Alternative Dispute Resolutions Approach, conduct systemic investigations and follow-up on all the resolutions made.

Vote:103 Inspectorate of Government (IG)

Medium Term Plans

Over the Medium Term the IG therefore plans to implement key interventions listed below:

1. Establish and implement an improved complaints management system: One of the IG's key challenges over the last few years has been an increasing workload, as a result of increased awareness of the dangers of corruption and the ease of reporting incidents. This has in turn resulted in the rise in the number of complaints received by the IG, which have clogged the highly manual complaints management system in place. The IG will manage this over the medium term by developing and implementing a more efficient and effective electronic complaints and case management system.
2. Strengthen mechanisms to detect and prevent corruption: The IG has relied on received complaints and on reactive measures (investigation and prosecutions) as a means of detecting and eliminating corruption. While this has had a measure of success, it is by no means sufficient. In recognition of this, the IG will focus on strengthening systems and policies that detect and prevent corruption incidences before they occur or become more widespread. This will be done by conducting periodical surveys and or risk assessments, improving whistleblower reporting, conducting inspections in public projects, strengthening intelligence gathering and deploying efficient ICT systems to facilitate the detection, reporting and prevention of corruption.
3. Enhance the capacity of MDALGs to identify and resolve underlying drivers of complaints at source: Complaints related to maladministration and poor governance are often due to or related to certain underlying reasons. For instance, delayed/unpaid teachers' salaries can lead to absenteeism. Low pay in public sector may result in de-motivated staff, who in turn deliver inadequate services. The IG will enhance the capacity to identify and resolve underlying drivers of complaints where they arise. MDALGs will be encouraged to establish internal mechanisms to resolve complaints at source and train their personnel in root cause analysis of those complaints.
4. Use the systems approach to proactively identify and address high risk areas in governance: As part of its efforts to proactively promote good governance in public office, the IG will engage with various MDALGs in studying processes and procedures with a view to identifying high-risk areas and effectively minimizing threats to effective service delivery. The Inspectorate will design effective systemic study models that will be used to identify, investigate and address high-risk areas in governance and ensure recommendations are implemented.

Efficiency of Vote Budget Allocations

Over the medium term the IG intends to equip staff with specialized skills for investigation and prosecution, strengthen system and build capacity for information gathering to detect corruption in MDALGs, strengthen regional offices and carry out systemic investigations and provide recommendations to improve procedures systems and practices.

Vote Investment Plans

The IG acquired land for construction of its head office building. A consultant was hired to undertake architectural designs. It is estimated that the IG requires UGX 33.099 Billion for phase which is not provided in the budget.

Major Expenditure Allocations in the Vote for FY 2018/19

The major expenditure allocations of IG are Wage UGX 21.167 Billion, Gratuity UGX 5.746 Billion, NSSF UGX 2.090 Billion, Rent UGX 2.286Billion and Travel inland for Investigations UGX 2.684 Billion.

V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

Vote Controller :

Programme : 12 General Administration and Support Services

Vote:103

Inspectorate of Government (IG)

Programme Objective :	<ul style="list-style-type: none"> To provide administrative and support services to the Inspectorate of Government. To build and strengthen the IG human resource financial and physical capacity. To coordinate formulation and implementation of Strategic Plan, Budget Framework Paper, Policy Statement, Annual Budget and Work Plans. Promote effective and efficient use of Information and Communication Technologies by providing strategic advice, guidance and service provision for IG operations. Implement and monitor policies and procedures concerning the financial, administrative and procurement. To support management optimize internal control systems that significantly increase the ability to achieve the set objectives. To ensure availability, distribution, efficient and effective utilization of logistics. <p>To ensure safe custody and maintenance of IG properties and assets.</p>
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Responsible Officer: Under Secretary

Programme Outcome: Efficient and effective Inspectorate of Government.

Sector Outcomes contributed to by the Programme Outcome

1. Value for money in the management of public resources

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• % of targets achieved.	0				75%	80%	85%

Vote Controller :

Programme : 13 Anti-Corruption

Programme Objective :	<ul style="list-style-type: none"> <ul style="list-style-type: none"> i. To create public awareness and enlist public support for preventing and combating corruption. ii. To investigate organized and syndicate and other forms of corruption in Uganda Government Ministries, Departments, Agencies and Local Governments. iii. Enforce adherence/compliance to the Code of Conduct. iv. To prosecute cases of corruption and provide legal services. v. To increase Social Accountability in the implementation of government projects by empowering stakeholders to hold Public Officials socially accountable for publicly held resources.
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Responsible Officer: Director

Programme Outcome: Reduction in crime of corruption and related offences.

Sector Outcomes contributed to by the Programme Outcome

1. Value for money in the management of public resources

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Number of grand or syndicated corruption cases registered.	0				75	50	45

Vote Controller :

Programme : 14 Ombudsman

Vote:103

Inspectorate of Government (IG)

Programme Objective :	<ul style="list-style-type: none">• To investigate maladministration, injustices and economic malpractices in public office.• To enhance capacity of the MDALGs to identify and resolve underlying drivers of complaints at source.• To use systemic approach to pro-actively identify and address causes of high risks areas in governance. <p>To examine the practices and procedures, facilitate discovery of corrupt practices and recommend actions for revision of methods of work and procedures.</p>						
Responsible Officer:	Director						
Programme Outcome:	Adherence to standards in public administration.						
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. Value for Money in the management of public resources							
Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Number of improvements in public administration as a result of Ombudsman actions.	0				75	100	125

Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

Billion Uganda shillings	2016/17	2017/18		2018-19	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Vote :103 Inspectorate of Government (IG)								
12 General Administration and Support Services	0.000	18.831	2.939	27.053	31.108	35.836	41.339	42.339
13 Anti-Corruption	0.000	23.768	4.491	24.373	29.222	29.870	32.323	33.323
14 Ombudsman	0.000	2.814	0.521	2.508	2.929	5.563	4.115	9.743
51 Corruption investigation ,Litigation & Awareness	41.384	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total for the Vote	41.384	45.413	7.952	53.933	63.259	71.268	77.777	85.405

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

Billion Uganda shillings	2016/17	FY 2017/18		2018-19	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2019-20	2020-21	2021-22	2022-23
<i>Programme: 12 General Administration and Support Services</i>								
02 Internal Audit Department	0.000	0.018	0.000	0.025	0.026	0.026	0.032	0.038
03 Finance and Accounts	0.000	0.014	0.000	0.014	0.014	0.022	0.032	0.036
0354 Support to IGG	0.000	5.405	0.154	1.425	1.989	3.887	1.887	1.887
04 General Administration and Management	0.000	13.017	2.740	12.635	13.496	14.791	19.935	20.877
05 Human Resource Management	0.000	0.183	0.033	0.124	0.198	0.218	0.420	0.420
06 Policy, Planning and M & E	0.000	0.064	0.009	0.056	0.055	0.059	0.068	0.072

Vote:103

Inspectorate of Government (IG)

07 Procurement and Disposal	0.000	0.029	0.001	0.029	0.032	0.032	0.045	0.056
08 ICT and Information	0.000	0.101	0.003	0.244	0.298	0.302	0.420	0.453
1496 Construction of the IGG Head Office building project	0.000	0.000	0.000	12.500	15.000	16.500	18.500	18.500
Total For the Programme : 12	0.000	18.831	2.939	27.053	31.108	35.836	41.339	42.339
Programme: 13 Anti-Corruption								
09 Transparency, Accountability and Anti-Corruption	0.000	1.304	0.236	1.258	4.107	4.107	4.107	4.107
10 Specialised and Other Investigations	0.000	2.605	0.485	2.589	2.589	2.589	3.592	3.592
11 Decentralised Anti-Corruption Interventions	0.000	12.683	2.603	13.591	13.591	13.591	13.591	13.591
12 Prosecutions and Civil Litigations	0.000	2.816	0.442	2.783	3.783	3.783	3.783	3.783
13 Enforcement of Leadership Code of Conduct	0.000	2.393	0.424	2.242	3.242	3.242	4.242	4.242
14 Education and Prevention of Corruption	0.000	1.967	0.302	1.911	1.911	2.558	3.008	4.008
Total For the Programme : 13	0.000	23.768	4.491	24.373	29.222	29.870	32.323	33.323
Programme: 14 Ombudsman								
Total For the Programme : 14	0.000	2.814	0.521	2.508	2.929	5.563	4.115	9.743
Programme: 51 Corruption investigation ,Litigation & Awareness								
01 Statutory	39.800	0.000	0.000	0.000	0.000	0.000	0.000	0.000
0354 Support to IGG	1.584	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total For the Programme : 51	41.384	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total for the Vote :103	41.384	45.413	7.952	53.933	63.259	71.268	77.777	85.405

Table V4.2: Key Changes in Vote Resource Allocation

Major changes in resource allocation over and above the previous financial year	Justification for proposed Changes in Expenditure and Outputs
Vote :103 Inspectorate of Government (IG)	
Programme : 12 Inspectorate of Government (IG)	
Output: 19 Human Resource Management Services	
Change in Allocation (US\$ Bn) : (0.059)	NA-INCREASE IN NUMBER OF STAFF
Output: 75 Purchase of Motor Vehicles and Other Transport Equipment	
Change in Allocation (US\$ Bn) : 0.080	NA- change in prices
Output: 76 Purchase of Office and ICT Equipment, including Software	
Change in Allocation (US\$ Bn) : 0.095	NA-change in prices
Output: 77 Purchase of Specialised Machinery & Equipment	
Change in Allocation (US\$ Bn) : (0.056)	NA-change in prices

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

FY 2017/18		FY 2018/19
Appr. Budget and Planned Outputs	Expenditures and Achievements by end Sep	Proposed Budget and Planned Outputs
Vote 103 Inspectorate of Government (IG)		
Programme : 12 General Administration and Support Services		
Project : 0354 Support to IGG		

Vote:103

Inspectorate of Government (IG)

Output: 72 Government Buildings and Administrative Infrastructure

architectural designs approved, procure contractor	The architectural designs were approved. Advertisement for procurement of the contractor will be in Q2.		
Total Output Cost(Ushs Thousand):	2.494	0.000	0.000
Gou Dev't:	2.494	0.000	0.000
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000

Project : 1496 Construction of the IGG Head Office building project

Output: 72 Government Buildings and Administrative Infrastructure

			site clearance, preliminary construction works, mobilizing construction materials and machines
Total Output Cost(Ushs Thousand):	0.000	0.000	12.500
Gou Dev't:	0.000	0.000	12.500
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000

V5: VOTE CHALLENGES FOR 2018/19 AND ADDITIONAL FUNDING REQUESTS

Vote Challenges for FY 2018/19

Vote:103 Inspectorate of Government (IG)

Performance Challenges:

The GoU has prioritized good governance, as a driver for achievement of NDP II objectives. While the Inspectorate of Government progress has been made over the last decade in promoting good governance and combating corruption, several constraints still remain and these include:

1. Prevalence and complexity of corruption in the public and private sector; of particular concern to the IG is the evolving nature of corruption. While previously limited to favors and bribes to a few officials, it now encompasses grand syndicated corruption where controls are deliberately circumvented in a systematic way, involving networks of corrupt officials from different MDALGs and the private sector.
2. Absence of the Leadership Code Tribunal following the Amendment of the Leadership Code Act. Though the Leadership Code Act was amended, the Tribunal has not been established, this therefore hinders the effectiveness of the IG in the performance of its functions. For instance, the absence of a Leadership Code Tribunal hinders the efforts of the IG to effectively supervise the implementation of the Leadership Code Act, as there is no other body that can arbitrate between the IG and public officers who commit breaches of the Leadership Code. In addition, there is no provision in the law for non-conviction based asset recovery or forfeiture.
3. Delays in the judicial process; the establishment of the Anti-Corruption Division of the High Court significantly shortened the period taken to complete prosecution of corruption cases. However, even with a functional Anti-Corruption Court, cases face delays in courts of justice for various reasons including, but not limited to transfer of judicial officers, and continuous adjournments and lack of quorum. The Anti corruption court is only in Kampala. Witnesses travel from all over the country and the Court has not grown to meet the demand. We have Police, UNRA each bringing cases including private clients.
4. Non-implementation of IG recommendations; upon completion of investigations, there have been instances where the IG's recommendations are not implemented. When implementation of the recommendations (such as sanctions of various officials) is not effected promptly, the matters attended to remain unresolved for example in the FY 2016-17 the Inspectorate of Government followed up on 452 recommendations, 207 of which were acted upon representing implementation rate of 45.8%.
5. Increasing cost of rent. Currently, the IG is operating in rented office premises for both its Headquarters and the 16 Regional Offices. The rent for the Head Office is paid in Dollars, thus the continuous rise in the dollar has adversely affected the funds available for other activities given that rent is a primary cost to the institution's existence and operations. In addition, landlords for Regional Offices have a tendency of adjusting rents upwards at the end of the tenancy agreements. For instance, the expenditure on rent has been projected to increase from UGX. 2.286 Billion in the current FY 2017-18 to UGX. 2.757 Billion presenting an increment of 20.6% (UGX. 0.471 Billion).
6. Under-resourced Inspectorate of Government, with limited number of staff and operational funds. For example each investigating officer has over 50 cases to complete in a financial year inclusive of backlogs. Furthermore the IG undertakes investigations, prosecutions and verifications of leaders' declarations. In the previous FY 2016-17, a total of 22,122 Leaders declared using the IG-Online declaration Portal but only 65 declaration has been planned for verification in the current FY 2017-18. This a very small proportion (0.29%) of the sum of the declarations submitted to the Inspectorate of Government.

The allocation to the Inspectorate of Government and other statutory Institutions for current FY 2017-18 was reduced by 10% to raise funds for the construction of oil roads. The non wage component of the budget therefore decreased by approximately 750M. Between FY 2016-17 and 2018-19 the non wage component of the IG budget was reduced from **19.721 Billion to 18.840 Billion** and yet in the same period the IG had been permitted to recruit 52 additional staff. Recruitment of these staff meant that the institution needed more non- wage to cater for allowances, NSSF, Gratuity and other operational expenses. In the first budget call circular issued in September 2017, Ministry of Finance Planning and Economic Development stated that the MTEF for next financial year for all the MDAs was maintained at the level of the current FY. Maintaining the resource level means the IG will continue to operate at a constrained funding carried forward from the previous financial years.

It has been projected that for the IG to operate optimally in the FY 2018-19, additional **UGX 2447 Billion** is required as follows: Allowances UGX321M, 10% NSSF contributions UGX 370M, Gratuity UGX 718M, Rent UGX 471M, Medical Insurance UGX 271M, and Travel Inland for Investigations and Prosecutions UGX 305M

Table V5.1: Additional Funding Requests

Vote:103

Inspectorate of Government (IG)

Additional requirements for funding and outputs in 2018/19	Justification of requirement for additional outputs and funding
Vote : 103 Inspectorate of Government (IG)	
Programme : 12 General Administration and Support Services	
OutPut : 01 Administration & Support services	
Funding requirement US\$ Bn : 2.447	The Between FY 2016-17 and 2018-19 the non wage component of the IG budget was reduced from 19.721 Billion to 18.840 Billion and yet in the same period the IG had been permitted to recruit 52 additional staff. Recruitment of these staff meant that the institution needed more non- wage to cater for allowances, NSSF, Gratuity and other operational expenses. Further the wage of the leadership also increased thus resulting into increment in the non wage (allowances gratuity and NSSF contribution).
OutPut : 72 Government Buildings and Administrative Infrastructure	
Funding requirement US\$ Bn : 33.095	At the moment, the IG is spending over UGX 2.28 billion (12.1% of the Non Wage component of the budget) annually on rent for the head office premises. This expenditure takes away substantial resources which would have been used to implement activities that directly contribute to the realization of the IG's core mandate.
Programme : 13 Anti-Corruption	
OutPut : 03 Education and Public Awareness	
Funding requirement US\$ Bn : 0.521	The Inspectorate of Government in 1998 introduced National Integrity Survey (NIS) to generate empirical information to help Government, Civil Society, Private Sector and other stakeholders to improve implementation of strategies aim to promote governance and reduce corruption.
OutPut : 05 Verification of Leaders' Declarations	
Funding requirement US\$ Bn : 2.000	The allocation to the Inspectorate of Government and other statutory Institutions for current FY 2017/18 was reduced by 10% to raise funds for the construction of oil roads. The non wage component of the budget therefore decreased by approximately 750M. Between FY 2016-17 and 2018-19 the non wage component of the IG budget was reduced from 19.721 Billion to 18.840 Billion and yet in the same period the IG had been permitted to recruit 52 additional staff.
Programme : 14 Ombudsman	
OutPut : 01 Ombudsman Complaints, Policy and Systems Studies	
Funding requirement US\$ Bn : 1.000	Public service in Uganda has registered a growing increase in the number of grand and syndicated corruption cases. This could be explained by failure to adhere to standards ,procedures and systems. Therefore undertaking system studies will provide findings that will help to mitigate weaknesses in the adherence to the above.

Vote:112 Ethics and Integrity

VI: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

<i>Billion Uganda Shillings</i>		FY2016/17	FY2017/18		FY2018/19	MTEF Budget Projections			
		Outturn	Approved Budget	Spent by End Sep	Proposed Budget	2019/20	2020/21	2021/22	2022/23
Recurrent	Wage	0.613	0.852	0.149	0.852	0.937	0.984	1.033	1.085
	Non Wage	3.612	4.909	0.683	4.804	5.861	6.741	8.089	9.707
Devt.	GoU	0.211	0.211	0.000	0.211	0.257	0.308	0.308	0.308
	Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total		4.435	5.971	0.832	5.867	7.056	8.033	9.430	11.100
Total GoU+Ext Fin (MTEF)		4.435	5.971	0.832	5.867	7.056	8.033	9.430	11.100
<i>A.I.A Total</i>		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total		4.435	5.971	0.832	5.867	7.056	8.033	9.430	11.100

(ii) Vote Strategic Objective

- To provide political leadership and coordinate national efforts against corruption and moral decadence
- To Mainstream ethics and integrity to propel good governance
- To spearhead the development of laws, policies and strategies to promote ethics and integrity in the Ugandan society
- To coordinate and advise Government on the operations of religious and Faith Based Organisations in the Country

V2: Past Vote Performance and Medium Term Plans

Performance for Previous Year FY 2016/17

In line with increasing public participation in the fight against corruption and promoting public demand for accountable and transparent leadership, DEI Organized Anti-Corruption Public Private Partnership (IAF/ACPPP) Task force meeting to prepare for the Annual review workshop of the ACPPP. An Annual ACPPP Review meeting aimed at strengthening collaboration between stakeholders involved in the anti-corruption crusade was organised. DEI collaborated with civil society organisations and professional bodies such as Teso Anti-corruption Coalition. All regions in Uganda, East, West, North and Central were represented. Also, selection of participants put into consideration issues of gender. About UGX 0.025 was spent on this exercise.

In line with coordination of Anti-Corruption efforts in Uganda, DEI Monitored the implementation of the National Anti-Corruption Strategy (NACS 2014-2019) in sixteen districts (16) to ensure implementation of NACS is done efficiently and effectively according to plan. The districts included Yumbe, Moyo, Masindi, Kabarole, Kyenjojo, Kalangala, Hoima, Bundibugyo, Isingiro, Rakai, Kasese, Amolatar, Lira, Mbale, Lyantonde and Bushenyi. UGX 0.015bn was spent on this activity.

DEI chaired the Inter Agency Forum which brings together all Government Agencies which are mandated to enhance accountability and fight corruption. Two meetings of the 20-member IAF were held, for information sharing and making strategies to improve the fight against corruption.

DEI Also successfully organized the Anti-Corruption Week, 2016. The Anti-corruption week involved a number of stakeholders, MGAs, LGs, Schools and other stakeholders. Issues of gender and equity were put into consideration while choosing participants. DEI Spent about 0.1bn on this event. Arch Bishop Janani Luwum Day was also commemorated on 16th February 2017. Attendance was open to all people and Ugandans in particular. It was highly attended. About UGX 0.3bn was spent. For good management, UGX 2.0bn is required for this annual event.

In line with promoting ethical conduct, accountability and effective leadership at the local government level, DEI conducted a sensitization workshop for business community for greater Masaka region on Code of business Ethics. 95 participants (40 women and 55 men) from Businesses within the Municipality attended. DEI also organized a capacity building workshop of local government leaders in National Ethical Values. These included Gulu, Mityana, Mubende, Kiboga, Gomba, Masaka, Sembabule, Kalangala, Adjumani, Busia and Butambala. These included men, women, youths, the elderly and persons with disabilities(PWDs). About UGX0.03 bn was spent on this activity.

Vote:112 Ethics and Integrity

Ethical values were mainstreamed in Public and core private institutions in Masaka. Both men and women attended. Participants also included Business owners within Masaka Municipality; these included women, youths, the elderly and PWDs. Anti-corruption laws were also disseminated to Senior Police Officers in Bwebajja, Political Leaders and Technical Heads of Department from Kawempe, Makindye Divisions and in Bushenyi and Mitooma Districts. Both male and female officials attended. UGX 0.02bn was spent on this activity.

Under capacity building of primary school teachers to effectively integrate ethical values in school activities, DEI conducted capacity building training workshops for core Primary Teachers Colleges (PTCs) to integrate ethical values in the teaching learning process. Both male and female teachers attended the training. About UGX 0.023BN was spent on this exercise.

With Strengthening the Legal and Policy framework, The Leadership Code (Amendment) Act, 2017, which was sponsored by DEI, was passed by Parliament and came into force in June 2017. It provides for the establishment of the Leadership Code Tribunal to adjudicate cases of breach of the Leadership Code of conduct, and provides for the mandatory declaration of wealth by all public officers irrespective of one's sex, physical appearance or place of origin.

DEI also presented a Memorandum on the problems caused by gambling, alcoholism, drug abuse, promiscuity and idleness of the youth in Uganda, which was approved by Cabinet. Cabinet directed, among other things, a ban on the packaging of alcohol in sachets; and that gambling premises should be situated away from schools, hospitals and Government offices. The affected youth include both male and female in the whole country. Also, Anti-Pornography Regulations 2016 completed

Cabinet approved the Agreement for the ratification for the establishment of the International Anti-Corruption Academy (IACA), which is based in Luxembourg, Austria.

Initial preparations for the review of Burkina Faso on its implementation of United Nations Convention against Corruption (UNCAC) were carried out.

Simplified Version of Anti-corruption laws and Citizens Handbook on Anti-Corruption were translated into two local languages of Runyankore-Rukiga and Ateso and draft reports made. The translated versions were pretested on the target users. Both men and women from the mentioned regions had equal opportunities of participating in the exercise. 0.016 was spent on this exercise.

Consultative meetings on the development of RFBO Policy were organised. These are: (i) Uganda Episcopal Conference- Nsambya (ii) Rwenzori Sub region (iii) Inter-Religious Council of Uganda (iv) Lango and Acholi Sub-Region (v) Eastern region of Uganda (vi) Central Uganda and (vii) Church of Uganda-All Saints Cathedral. While inviting participants from these regions issues of gender and equity were considered to ensure equal opportunities for participants. UGX 0.023 was spent on this activity.

With drafting of the Zero Tolerance to Corruption policy, the Consultative process was completed, with a National Validation Workshop whose participants were a cross-section of all categories of Stakeholders, these included men, women, PWDs and the elderly to ensure equal opportunity. Final Draft Policy was drafted. Cabinet Memorandum was prepared.

Legal department participated in the 8th Session of the UNCAC Implementation Review Group, 19th May to 2nd June in Vienna, Austria. All Uganda's compliance obligations were monitored.

Under Development Project,
Logistical support was provided and general facilities were managed

Two (2) Saloon cars and two (2) motor cycles were procured to ease staff movement. Both male and female DEI staff have equal opportunities of using the vehicles while on official duty. A total of Shillings 0.211bn was spent on these transport equipment. The budget for these items was UGX 0.211 bn. This project requires about UGX 0.50bn to facilitate DEI activities.

Vote:112 Ethics and Integrity

Performance as of BFP FY 2017/18 (Performance as of BFP)

As a coordinating entity of IAF Institution, Vote 112, Ethics and Integrity coordinated efforts towards the fight against corruption; such as organizing quarterly meetings in which IAF members pledged to continue working together and intensify the fight against corruption.

In the districts, the vote conducted four capacity building workshops for Zombo, Nebbi, Mayuge and Luuka District Integrity Promotion Forums (DIPFs). DIPF is a social accountability platform and has a number of objectives which include ensuring exemplary leadership at local government level, promoting ethics and integrity among local government employees, hence eliminating corruption at district level. A total of 50 participants attended of whom 10 were women and 40 men. At the end, members pledged to implement recommendations that came up during the workshop. Conducted ACPPP Annual Review workshop.

Continued with consultative process of stakeholders on development of the Religious and Faith Based Organisation policy (RFBO). Two workshops were organized, one for Karamoja and the second for Ankole and Kigezi sub regions. RFBOs in the regions were represented. Their views were captured and will be incorporated in the Draft policy document. It had six women lay leaders and representatives from all religious denominations including two Anglican Bishops.

In order to ensure effective and efficient performance by the DEI, Eight districts were monitored to ensure proper implementation of the National Anti-corruption Strategies (NACS). The districts are Butaleja, Sironko, Bududa, Tororo, Nebbi, Maracha, Adjumani and Arua.

Logistical support was provided and DEI facilities were well managed

Compliance of Uganda's International legal obligations under UNCAC was monitored.

Developed Draft Leadership Code Regulations.

Simplified versions of Anti-corruption laws and the Citizens' Handbook on Anti-corruption laws were translated into two (2) local languages of Luganda and Luo. The translated versions were tested on the users.

For Pornography Control Committee (PCC), the following were undertaken:

i. DEI conducted induction and Swearing in of PCC members.

ii. A national stakeholders' workshop on Pornography to sensitise and educate stakeholders on pornography and to build synergies and strategies to fight the vice was conducted. It targeted the Media and National Regulatory bodies. Participants were invited putting into consideration issues of gender and equity and people with disabilities, hence it was all inclusive.

iii. Conducted a consultative meeting with Religious Institutions on curbing Pornography in the Ugandan society. Religious Leaders were sensitized on the Anti-Pornography Act and on their role in fighting immorality including porn. Participants were selected putting into consideration issues of gender and equity. PCC members have also conducted Six Committee meetings.

Vote:112 Ethics and Integrity

FY 2018/19 Planned Outputs

GENERAL ADMINISTRATION AND SUPPORT SERVICES

- 1) Logistical support provided
- 2) General facilities managed

PORNOGRAPHY CONTROL COMMITTEE (PCC)

- 1) Public awareness on pornography and its dangers created in Society
- 2) Pornography at all levels detected and published
- 3) Synergies at National and International levels built

DEPARTMENT FOR RELIGIOUS AFFAIRS

- 1) RFBO Policy developed and stakeholders sensitized
- 2) A Data base for Religious and Faith Based Organizations (RFBOs) in Uganda developed and maintained.
- 3) Arch Bishop Janani Luwum Day commemorated

LEADERSHIP CODE TRIBUNAL

Leadership code Tribunal established and operationalised

COORDINATION OF NATIONAL ANTI-CORRUPTION STRATEGIES

- 1) NACS reviewed
- 2) Inter agency Forum (IAF) coordinated
- 3) Activities of International Anti-corruption Week 2018 Coordinated

SUPPORT DEI

- 1) One Vehicle procured
- 2) ICT Equipment procured
- 3) Furniture and office space acquired

ETHICS

1) National ethical values popularised in Public and core Private institutions of both Girls and boys from all regions in Uganda 2) Ethics mainstreamed in MDAs and LGs involving both men and women irrespective of one's level of responsibility 3) Anti-Corruption Public Private Partnership (ACPPP) framework Strengthened

LAW, POLICY FORMULATION AND DISSEMINATION

- 1) Anti-corruption laws and policies disseminated
- 2) Anti-corruption laws, Regulations and policies developed
- 3) Uganda's Anti-corruption obligation under United Nations Convention against Corruption (UNCAC) complied with

Medium Term Plans

Vote:112 Ethics and Integrity

In the medium term, the Directorate for Ethics and Integrity (DEI) will carry out NACS review and make assessment. Work shops for this exercise will be organised regionally, North, central, East and West and participants will be both men and women of different age groups and persons with disabilities.

DEI will also continue to coordinate Anti-Corruption efforts in the country. A bout 0.20bn is budgeted for this exercise per year

The Directorate for Ethics and Integrity (DEI) with technical support from Equal Opportunities Commission will ensure that issues of Gender and equity will be mainstreamed. Participants will include men, women, children, PWDs, the youth from all regions in Uganda. There will be a 30% annual budget increment for this activity.

DEI will continue promoting public participation of men, women and persons with disabilities in all regions in Uganda in the fight against corruption and promoting public demand for accountable and transparent leadership. Will strengthen Public Private Partnership (ACPPP) aimed at strengthening collaboration between stakeholders involved in the anti-corruption crusade. DEI will also enhance communication of Government efforts against corruption and offshoots of moral decadence. About 0.70bn is required for this activity.

The Directorate will continue Promoting ethical conduct, accountability and effective leadership at the local government level through the operationalization of DIPFs. This will involve all officers putting gender issues into consideration.

DEI will continue promoting ethics and integrity through popularizing NEVs in public and core private institutions of both male and female participants equally selected from all regions in Uganda (East, West, North and Central), covering all age groups and persons with disabilities. An annual amount of about UGX 0.2 is required for this exercise.

DEI will continue building capacity of primary school teachers in all regions in Uganda to integrate ethical values in the teaching and learning process. Both female and male officers will be involved. The knowledge acquired will enable them to effectively integrate ethical values in school activities. About UGX 0.08bn is required for this activity.

The Directorate will continue strengthening the Legal and Policy framework by; (i) completing the policy and legal framework for the coordination and monitoring of Religious and Faith based Organizations in Uganda. The policy will equally give direction to all Ugandans irrespective of one's sex, religion/faith, area of origin, physical capability, age group Men, and women. (ii) Work towards Operationalisation of the Leadership Code Tribunal and (iii)Continue to play her role in development of the process of Crime law (Asset Recovery).

Under PCC,

- 1) A Communication Strategy will be made,
- 2) PCC will develop Education materials targeted to fight Pornography together with Government agencies
- 3) Will sensitise Secondary Schools against Pornography

The Directorate will continue to communicate and publicise Government efforts against corruption and offshoots of moral decadence.

DEI should create a special facility (room) for breast feeding mothers

DEI will procure a number of vehicles and get rid of old ones in order to reduce expenditure on vehicle maintenance. Also procurement of ICT equipment and furniture will be undertaken.

Efficiency of Vote Budget Allocations

Build capacity of staff through training and exposure to improve their performance

Ensure Audit department is able to guide the DEI so as to get value for money from all activities

Intensify monitoring of all DEI's activities so that planned outputs are achieved

Empower staff with all necessary skills and tools required in implementation of their duties

Vote Investment Plans

Vote:112 Ethics and Integrity

N/A

Major Expenditure Allocations in the Vote for FY 2018/19

Wage 0.852

Law, Policy Formulation and Dissemination 0.465

Pornography Control Committee (PCC) 2.0

Ethics 0.516

General Administration and Support Services 1.426

Internal Audit 0.040

Coordination of National Anti corruption Strategies 0.350

Support to the DEI 0.211

Total 5.86

V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

Vote Controller :

Programme :

52 Ethics and Integrity

Programme Objective :

1.

To provide political leadership and coordinate national efforts against corruption and moral decadence.

2.

To Mainstream ethics and integrity to propel good governance taking into consideration issues of Gender and equity.

3.

To spearhead the development of laws, policies and strategies to promote ethics and integrity in the Ugandan society taking into consideration issues of Gender and equity.

4.

To coordinate and advise Government on the operations of religious and Faith Based Organisations in the Country.

5.

To communicate Government efforts against corruption and offshoots of moral decadence.

Responsible Officer:

Secretary

Programme Outcome:

National Ethical Values (NEVs) mainstreamed in public and core private institutions

Sector Outcomes contributed to by the Programme Outcome

1. Fiscal Credibility and Sustainability

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• % of local governments with functional DIPFs	0	10%			30%	30%	30%

10

Vote:112 Ethics and Integrity

• % increase in public and core private institutions of both girls and boys equally selected from all regions of Uganda participating in fighting moral decadence	0	10%	20%	20%	20%
• % of MDAs & LGs where anticorruption laws, the National Ethical Values are disseminated	0	10%	20%	20%	20%

Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

<i>Billion Uganda shillings</i>	2016/17	2017/18		2018-19	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Vote :112 Ethics and Integrity								
52 Ethics and Integrity	4.415	5.971	0.830	5.867	7.056	8.033	9.430	11.100
Total for the Vote	4.415	5.971	0.830	5.867	7.056	8.033	9.430	11.100

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

<i>Billion Uganda shillings</i>	2016/17	FY 2017/18		2018-19	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Programme: 52 Ethics and Integrity								
01 General Administration and Support Services	2.643	4.474	0.559	4.241	6.799	7.725	9.122	10.792
02 Ethics	0.816	0.516	0.129	0.516	0.000	0.000	0.000	0.000
03 Law, Policy Formulation and Dissemination	0.708	0.464	0.086	0.464	0.000	0.000	0.000	0.000
04 Internal Audit Department	0.039	0.040	0.000	0.040	0.000	0.000	0.000	0.000
06 Coordination of National Anti-Corruption Strategies (NACS)	0.000	0.267	0.055	0.396	0.000	0.000	0.000	0.000
1226 Support to Directorate of Ethics and Integrity	0.211	0.211	0.000	0.211	0.257	0.308	0.308	0.308
Total For the Programme : 52	4.415	5.971	0.830	5.867	7.056	8.033	9.430	11.100
Total for the Vote :112	4.415	5.971	0.830	5.867	7.056	8.033	9.430	11.100

N / A

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

N/A

V5: VOTE CHALLENGES FOR 2018/19 AND ADDITIONAL FUNDING REQUESTS

Vote Challenges for FY 2018/19

Vote:112 Ethics and Integrity

Vote 112, Ethics and Integrity faces a number of challenges. These include:

Inadequate operational funding for the operationalization of the Directorate's Work plan especially the Department of Religious Affairs.

Another challenge is that of Public apathy as there is limited participation by citizens in the anti-corruption crusade.

Lack of a special facility at the Directorate for breast feeding mothers where they can rest their babies as go a head with their work.

Immorality in different forms especially among the youth is on the increase.

DEI has noted increased gender-based Sexual harassment of workers in some MDAs/LGs which need immediate intervention because it affects productivity and Service delivery.

Table V5.1: Additional Funding Requests

Additional requirements for funding and outputs in 2018/19	Justification of requirement for additional outputs and funding
Vote : 112 Ethics and Integrity	
Programme : 52 Ethics and Integrity	
OutPut : 01 Formulation and monitoring of Policies, laws and strategies	
Funding requirement US\$ Bn : 1.000	The Department of Religious Affairs is a home for Religious and Faith based organisations in Uganda and aims at having harmonious existence of all RFBOs.
OutPut : 02 Public education and awareness	
Funding requirement US\$ Bn : 2.000	This is a Annual event for the commemoration of Arch Bishop Janani Luwum Day on 16th February each year.
OutPut : 05 DEI Support Services	
Funding requirement US\$ Bn : 3.270	The Leadership Code Tribunal has now been provided for under the Leadership Code (Amendment) Act, 2017, to adjudicate cases of breach of the Leadership Code of Conduct. It is therefore essential that it be operationalised; otherwise the Act will not serve its purpose.

Vote:122 Kampala Capital City Authority

VI: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

Billion Uganda Shillings	FY2016/17 Outturn	FY2017/18		FY2018/19 Proposed Budget	MTEF Budget Projections			
		Approved Budget	Spent by End Sep		2019/20	2020/21	2021/22	2022/23
Recurrent Wage	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Non Wage	0.420	0.434	0.010	0.434	0.529	0.609	0.730	0.876
Devt. GoU	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total	0.420	0.434	0.010	0.434	0.529	0.609	0.730	0.876
Total GoU+Ext Fin (MTEF)	0.420	0.434	0.010	0.434	0.529	0.609	0.730	0.876
<i>A.I.A Total</i>	0.357	3.254	0.093	2.554	3.354	3.454	3.554	3.654
Grand Total	0.777	3.688	0.103	2.988	3.883	4.062	4.284	4.530

(ii) Vote Strategic Objective

V2: Past Vote Performance and Medium Term Plans

Performance for Previous Year FY 2016/17

REVENUE COLLECTION

Total revenue collections for the FY 2016/17 amounted to UGX 88,894,496,280 against the target of UGX 112,699,000,000 registering a performance of 79% and a deficit of UGX 23,804,503,721. This compared to the FY 2015/16,

REVENUE ADMINISTRATION

Taxpayer education and sensitization

Carried out public sensitization and awareness campaigns

- Organized and held 159 **Sensitizations/Barraza's /Workshops/Engagements and attracted** 13,092 participants. Out of the 159 sensitizations 12 were professional targeted engagements, 25 local council driven, 12 on request of councilors and area member of parliament, 30 were upon the request of the Division leadership and 79 were general planned taxpayer sensitizations.
- Held** 14 radio talk shows and 4 TV talk shows,

Vote:122 Kampala Capital City Authority

- Organized and held 3 **Press Conferences**,
- 205,868 **Bulk SMS**, were sent out to the different taxpayers regarding different issues that relate to revenue collection and administration.

Tax Audits

Conducted a total of 98 tax audits and the collectible revenue identified was **UGX 1,503,967,773** while **UGX 383,043,790** realized during the period.

Enforcements

- 32,476 shops were sealed for trading without valid trade license within and **UGX 2.9 Bn** realized
- 1,921 properties were enforced on for defaulting property rates and **UGX 1.6 Bn** was realized.
- 15,256 taxis were impounded while others crumped for noncompliance to commercial road user fees and realized **UGX 2.5 Bn**

Revenue Modernization Project (CAM/CAMV)

Revenue collection is now administered on eCitie (KCCA Online payment Platform) while the automation of the remaining revenue sources is ongoing.

Mass Valuation of Properties.

- Completed the Valuation exercise for 15,018 properties in the Central Division with a ratable value of UGX 359,589,505,733.
- As at 30th June 2017, 42,998 properties had been inspected in Central and Nakawa Divisions. Out of these, 31,054 were uploaded onto the system and 13,419 properties quality assured. Data collection in Nakawa Division is still on going.

City Address Model (CAM)

The City Address model has been done using the Geographic Information System (GIS). This system captures, stores, analyses, manages, and presents data that are linked to location(s).

Vote:122 Kampala Capital City Authority

Performance as of BFP FY 2017/18 (Performance as of BFP)

UGX 16,890,795,572 was collected against a target of UGX 27,324,082,716 representing 62.8% and registering a deficit of 10,433,287,144.

A total of 56,728 had been inspected under CAMV (Computer aided mass valuation) during the period, out of these 26,672 had been uploaded and 14,415 were quality assured in Nakawa division. A total of 6,399 properties in Nakawa were assessed with a ratable value of UGX 24,617,586,819.

Trading license register, Local service tax, Local Hotel Taxi, property and Ground rent register of revenue were updated on regular basis.

A total of thirty (30) sensitizations were conducted during the quarter and 1,725 people directly attended these sensitizations. These sensitizations were geared towards popularizing CAM/CAM/V activities in Nakawa, enhancing revenue collections and in particular sensitization on Trade (License) (Amendment) Act 2015

Seventeen (17) audits were completed during the quarter and the total amount of revenue identified from the completed audits was UGX 112,275,416 /=-

FY 2018/19 Planned Outputs

- Collection of UGX116Bn as target for NTR for FY 2018/19
- General revenue collection and administration
- Taxpayer Registration Expansion Project (TREP) activities
- Property valuation exercise
- Develop the system for computer aided mass valuation of properties.
- Office tools, computers and equipment.
- Enhancement of revenue/tax compliance through audits, tax payer sensitization
- Procurement of accountable stationary and office tools.
- Enhance staff competencies through reskilling and training

Medium Term Plans

- Enhancing mobilization of Local revenue.
- Development partner finance.
- Promoting Alternative financing mechanisms.
- Public Private Partnerships.
- Kampala City Bond.
- The Kampala Development Corporation.
- Kampala Development Foundation.
- Kampala City Lottery.

Efficiency of Vote Budget Allocations

GOU 0.43 BN ,NTR - 3.17Bn Total allocation UGX.3.6Bn To deliver the proposed above.

Vote Investment Plans

N/A

Major Expenditure Allocations in the Vote for FY 2018/19

Vote:122 Kampala Capital City Authority

- Finalize property valuation
- Full automation of the revenue administrative processes
- Developing operational guidelines for revenue administration
- Strengthening partnerships with other agencies and interagency systems i.e. KDLB
- Enhancing staff competencies through reskilling and training
- Tax compliancy programs
- Review of regulatory framework and alternative tax sources

V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

Vote Controller :							
Programme :	09 Revenue collection and mobilisation						
Programme Objective :	To mobilize funds that will ensure service delivery for the different activities in the City.						
Responsible Officer:	Director Revenue Collection.						
Programme Outcome:	Efficiency in the collection and management of public resources to ensure value for money in the service delivery.						
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. Value for money in the management of public resources							
Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Number	0				116,613,000,000	122,613,000,000	125,766,000,000

Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

Billion Uganda shillings	2016/17	2017/18		2018-19	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Vote :122 Kampala Capital City Authority								
09 Revenue collection and mobilisation	0.420	0.434	0.010	0.434	0.529	0.609	0.730	0.876
Total for the Vote	0.420	0.434	0.010	0.434	0.529	0.609	0.730	0.876

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

Billion Uganda shillings	2016/17	FY 2017/18		2018-19	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2019-20	2020-21	2021-22	2022-23
<i>Programme: 09 Revenue collection and mobilisation</i>								
06 Revenue Management	0.420	0.434	0.010	0.434	0.529	0.609	0.730	0.876
Total For the Programme : 09	0.420	0.434	0.010	0.434	0.529	0.609	0.730	0.876

Vote:122 Kampala Capital City Authority

Total for the Vote :122	0.420	0.434	0.010	0.434	0.529	0.609	0.730	0.876
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N / A

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

N / A

V5: VOTE CHALLENGES FOR 2018/19 AND ADDITIONAL FUNDING REQUESTS

Vote Challenges for FY 2018/19

- **Limited implementation of the CRUF Instrument 2015;** Implementation of Commercial Road User Fees instrument (buses, boda-boda, Trucks, Lorries, pickups and other road user types not contributing) has proved cumbersome and the projected increase in Revenues from the this sector has not been achieved. This has further been complicated by the recent Presidential directive on streamlining collection of fees from this sector which has created total non-compliance even from those who had previously complied.
- **Set back in the implementation of the Trading License Act amendment 2015;** Following the amendment to the Trading License Act which brought on board professionals under the ambit of business licensing, a number of professional firms have gone to the courts of Law to seek redress on account of excessive taxation and have managed to secure injunction from Court restraining us from collecting the License fee. T
- **Limited involvement of political leadership in revenue administration;** Revenue administration is greatly aided when the political leadership at the highest level takes a lead role in revenue mobilization. The extent of political involvement has been rather low whereas we some involvement more especially at the level of Urban Division councils. The same needs to replicate at the Authority level.
- **Delays in approval of some proposed revenue enhancement proposals;** some revenue enhancement proposals such as revision in the Physical planning fees have not been approved yet the corresponding revenues were budgeted and included in the Revenue estimates for the FY 2017/18.
- **Tax Payer apathy;** this is partly informed by the insistence by taxpayers on over taxation and sometimes ignorance and they sometimes confuse the KCCA levies with that of URA.
- **Conflict between tax laws and alternative administrative Directives and pronouncements;** for example the Presidential directive on 10th November 2008 on promotion and empowerment of market vendors in management and developments of markets has not been translated into law. This has created a vacuum where vendors often quote that directive and out rightly refuse KCCA to manage and collect from the market. Such actions have caused vendors in Nakasero Market to forcefully take over the market and hence.
- Furthermore the recent presidential directive on harmonization of taxi fees and market dues is at present in conflict with existing laws yet it has already impacted Revenue collections from the mentioned revenue sources.
- **Absence of a clear and harmonized leadership in the Commercial Transport sector;** this has severely constrained reforming the sector since most of the sector associations hold ulterior motives and are less concerned with streamlining the sector and this complicates Revenue Administration in the sector. This is manifested through illegal stages and the violent behavior of some operators.
- **Limited Trade order in the city;** Illegal stages for taxis and boda-bodas coupled with vending in every corner of the city impact on Revenue Administration by affecting the compliance behavior of formal businesses who complain that the activities of the street vendors impact on their business and hence are un willing to settle their obligations.
- **Public expectation gap (tax payment vs service delivery);** this promotes non-compliance.
- **Inadequate staffing (numbers) and limited tools and equipment's for work;** the revenue administration within our jurisdiction is heavily reliant on staff numbers and equipment's such as motor vehicles to facilitate delivery of demand notices, follow up efforts and enforcement activities.
- **Delays in carrying out revaluation of properties;** this in the past has been due to the cost of revaluation and inadequate records of the previous valuation exercise. This results into a slower growth in property tax revenues.
- **Limited tax payer Compliance;** this increases cost of tax administration since revenue yields can only be sustained through enforcement.
- **Limitations in some tax administration laws impedes full realization of revenue potential;**

Vote:122 Kampala Capital City Authority

Table V5.1: Additional Funding Requests

Additional requirements for funding and outputs in 2018/19	Justification of requirement for additional outputs and funding
Vote : 122 Kampala Capital City Authority	
Programme : 09 Revenue collection and mobilisation	
OutPut : 01 Registers for various revenue sources developed	
Funding requirement UShs Bn : 2.400	Each division has one vehicle attached to revenue collection activities with sitting capacity of four (4) which constrains the movement of over 10 staff at a division at ago. Tax payers usually comply with increased staff visibility in the field. Transport ease staff mobility and will into increased compliance and growth in the register over 30,000 taxpayers will be registered. Additional three (3) omnibuses of 414 seating capacity put in a pool will deal with the transport need
OutPut : 02 Local Revenue Collections	
Funding requirement UShs Bn : 0.600	Trade licences and property rates are tax types that require validation and verification respectively. If the said gadgets are availed they will reduce forgery and ease identification of properties put using our GIS platform. The gadgets will enable staff access the system while in the field to register payments and confirm payments real time. This is projected to enhance revenue collection and growth by 5%.

Vote:129 Financial Intelligence Authority (FIA)

VI: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

<i>Billion Uganda Shillings</i>	FY2016/17 Outturn	FY2017/18		FY2018/19 Proposed Budget	MTEF Budget Projections			
		Approved Budget	Spent by End Sep		2019/20	2020/21	2021/22	2022/23
Recurrent Wage	2.306	2.306	0.576	2.306	2.537	2.663	2.797	2.936
Non Wage	3.969	5.404	1.215	5.404	6.593	7.581	9.098	10.917
Devt. GoU	0.882	0.465	0.000	0.465	0.567	0.681	0.681	0.681
Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total	7.156	8.175	1.790	8.175	9.696	10.926	12.575	14.534
Total GoU+Ext Fin (MTEF)	7.156	8.175	1.790	8.175	9.696	10.926	12.575	14.534
<i>A.I.A Total</i>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total	7.156	8.175	1.790	8.175	9.696	10.926	12.575	14.534

(ii) Vote Strategic Objective

1. Enhance the identification of the proceeds of crime and the combating of money laundering and financing of terrorism.
2. Ensure compliance with the Anti-money Laundering Act.
3. Enhance public awareness and understanding of matters related to money laundering.
4. Make information collected by it available to competent authorities and to facilitate the administration and enforcement of the laws of Uganda.
5. Exchange, spontaneously or upon request, any information with similar bodies of other countries that may be relevant for the processing and analyzing of information relating to money laundering or terrorism financing.
6. Strengthen the capacity of the Authority to effectively and efficiently deliver its mandate.

V2: Past Vote Performance and Medium Term Plans

Performance for Previous Year FY 2016/17

Under objective to enhance identification of the proceeds of crime and the combating of money laundering the following was achieved.

- (a) The Authority received 367 Suspicious Transactions Reports (STRs) which were analyzed and 39 were found to have criminal elements and were disseminated to Law enforcement Agencies for further investigations and 41 were closed.
- (b) The Authority hosted a goAML technical team from UNODC on a pre-production mission who supported the installation of test platform using virtual servers and trained FIA IT Staff and money laundering control officers
- (c) The Authority Completed the National Risk Assessment (NRA) exercise on AML/CFT Framework and submitted the final draft report and implementation plan to the Hon. MFPED approval. The report was approved by the ministry and submitted it to cabinet for final approval since it covers many other stakeholders.

Under objective to ensure compliance with the Act the following was achieved

Vote:129 Financial Intelligence Authority (FIA)

(a) FIA conducted joint AML/CFT Inspections with Financial sector Regulators to assess the level of Compliance with AMLA 2013. The regulators included Bank of Uganda and Capital Markets Authority and the financial institution inspected include Kenya commercial bank (U) Ltd; Stanbic bank (U) Ltd; and UAP Financial Services Ltd.

(b) The AMLA 2013 was amended and addressed gaps which were identified by both ESAAMLG and ICRG-FATF to ensure compliance with international standards.

(c) Registered 20 accountable persons as required by AMLA 2013

Under objective to enhance public awareness and understanding of matters related to money laundering

(a) FIA conducted public awareness sessions through talk-shows in selected radio and television stations, under the program coordinated by Office of the Prime Minister. The media houses that were engaged include, in the radios; Super FM, UBC, CBS, Radio Maria, Sapiientia, Namirembe FM and Akaboozi as well as in the following television stations; Star TV, Record TV and Channel 44 TV.

(b) FIA intensified outreach to stakeholders, especially accountable persons, through training sessions provided upon request. Among the institutions that benefitted from training include; Commercial Bank of Africa, Top Finance Bank, Real Estate Agents, Forex and Money Remitters Association; Diamond Trust Bank, Uganda Bankers' Association, Money laundering Control Officers and IT staff of commercial banks (specifically on the goAML software applications). Staff of the Authority also presented papers at various stakeholders' workshops, which included among Inspectorate of Government, Civil Society Budget Advocacy Group, Institute of Certified Public Accountants of Uganda, Uganda Bankers' Association, and Uganda Revenue Authority.

Under objective make information collected by it available to competent authorities and to facilitate the administration and enforcement of the laws of Uganda

(a) FIA has developed data base of statistics on the money laundering and terrorist financing.

(b) Developed a coordination forum for both accountability and justice law and order sector to share AML/CFT information.

Under objective to exchange information with similar bodies whose countries have treaties, agreements or arrangements with the government of Uganda regarding money laundering and similar offences

(a) FIA officials attended all the Regional Reporting Group (RRG) meetings of the ICRG as well as the FATF plenary meetings to present Uganda's progress in implementing AML/CFT. All the outstanding issues relating to Criminalising the financing of terrorism (SRII), Seizing and freezing of terrorist assets (SRIII), Record-keeping (R10), Financial Intelligence Unit (R26), Supervision (R23), and International Cooperation (R40) were addressed.

(b) The Authority have participated in the annual Task Force and Council of Ministers' meetings and reported progress of ML/TF implementation on the technical compliance under the second round of mutual evaluation.

(c) A delegation from the Financial Intelligence Center (FIC) - South Africa (one of Uganda's sponsors for the Egmont application process assessed our readiness to join EGMONT. A report was produced highlighting areas of reform which have been addressed and Uganda is ready to apply for admission.

(d) FIA signed MoUs with other regional FIUs to enhance international cooperation in sharing information. TO that effect, FIA received request from other FIUS and also sent out requests to other FIUs in relation to case of Money laundering and terrorism financing under investigation. The countries include South Africa, Tanzania, Zambia and United Kingdom

Under objective efficiency and effectiveness of FIA to deliver its Mandate

(a) Authority trained its staff and other law enforcement agencies in the following areas, financial analysis, investigations and prosecutions and Asset recovery, crime typologies, Improving financial supervisory measures on AML/CFT, Risk-based approaches to AML/CFT supervision, Asset freezing mutual Evaluation.

(b) The Authority has approved policies and manuals to guide its operations. This include the Audit manual, and

Vote:129 Financial Intelligence Authority (FIA)

information and telecommunication manual

Performance as of BFP FY 2017/18 (Performance as of BFP)

- (a) Received and analyzed 100 Suspicious Transaction Reports (STRs) of which 19 were disseminated to law enforcement Agencies and 25 closed
- (b) Uganda hosted a team from ICRG -FATF to review Implementation of agreed actions with a view to exist the process.
- (c) Cabinet approved the National Risk Assessment (NRA) report and action plan
- (d) GoAML was customized to meet user requirements of Uganda
- (e) A team of selected users from the financial institutions and FIA staff have been trained to use goAML applications
- (f) Conducted Public aware and sensitization on AML/CFT framework
- (g) Capacity building of FIA staff in further analytical and investigative skills

FY 2018/19 Planned Outputs

Under objective to enhance identification of the proceeds of crime and the combating of money laundering

- (a) goAML electronic system Operationalized
- (b) A risk based approach to streamline business areas Adopted and implemented
- (c) A mechanism to coordinate effective implementation of AML/CFT activities including NRA/MER recommendations established
- (d) Typologies/trends analyses undertaken

Under objective to ensure compliance with the Act

- (a) Regulatory bodies to enforce implementation of risk based supervision Risk based AML compliance programs for sectors where there are no regulators established
- (b) Existing gaps in the current AML/CFT legislations addressed
- (c) AML/CFT supervision guidelines to regulatory authorities issued
- (d) AML/CFT onsite undertaken
- (e) Procedures to enforce administrative sanctions established

Under objective to enhance public awareness and understanding of matters related to money laundering

- (a) Training and awareness programs conducted
- (b) Communication strategy developed and implemented

Vote:129 Financial Intelligence Authority (FIA)

Under objective make information collected by it available to competent authorities and to facilitate the administration and enforcement of the laws of Uganda

- (a) An electronic data repository system to interface with data bases of key stakeholders developed and installed
- (b) Statistics on AML/CFT collected
- (c) Parallel financial investigations undertaken

Under objective to exchange information with similar bodies whose countries have treaties, agreements or arrangements with the government of Uganda regarding money laundering and similar offences

- (a) Compliance with MER relating to 40 FATF key and core recommendations
- (b) FIA admitted to the EGMONT
- (c) Information exchanged

Under objective efficiency and effectiveness of FIA to deliver its Mandate

- (a) IT business systems modernized
- (b) Internal Control requirements complied with
- (c) Adequate Financial reporting and procurement systems established
- (d) Qualified staff recruited, trained, adequately compensated and facilitated
- (e) FIA budget prepared aligned to the NDPII and Sectoral priorities.
- (f) Modern equipment procured to ensure smooth operations
- (g) FIA strategic Plan developed and approved.

Medium Term Plans

Vote:129 Financial Intelligence Authority (FIA)

- (a) Enhance identification of the proceeds of crime and the combating of money laundering and terrorist financing
- (b) Increase compliance with the AML Act
- (c) Increase public awareness and understanding of matters related to money laundering related to money laundering
- (d) Improve collection, Analysis and dissemination of information to competent Authorities
- (e) Strengthen international cooperation
- (f) Strengthen capacity of the Authority to effectively and efficiently deliver its mandate
- (g) Modernize ICT Platforms and business systems
- (h) Strengthen internal control
- (i) recruited, train, equip and adequately compensated staff

Efficiency of Vote Budget Allocations

The efficiency of vote allocation is based on principles of Equity, rationalization and value for money

Vote Investment Plans

- (a) Procurement of 8 motor vehicles
- (b) Procurement of goAML Electronic system
- (c) Procurement of office furniture
- (d) Procurement of ICT infrastructure
- (e) Procurement of office equipment

Major Expenditure Allocations in the Vote for FY 2018/19

Wage	UGX 4.8Bn
Transport Equipment	UGX1.6Bn
information gathering	UGX 1.0Bn
Subscriptions	UGX.0.3Bn
Capacity building	UGX 0.5 Bn

V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

Vote Controller :

Programme : 58 Prevention of ML/CFT, Prosecution and confiscation of proceeds of crime

Vote:129 Financial Intelligence Authority (FIA)

Programme Objective :

Ensure that Accountable/Reporting entities comply with AMLA and ATA and their respective Regulations and Guidelines, provide legal representation, enforce administrative sanctions, and ensure that proceeds of crime are confiscated. Undertake analysis of financial transactions and disseminate financial intelligence reports to Law Enforcement Agencies and ensure that IT infrastructure supports FIA operations and provides safety and integrity of FIA information

Responsible Officer: David Ngobi

Programme Outcome: Uganda rated technically compliant with 40 FATF key and core recommendations on AML/CFT framework

Sector Outcomes contributed to by the Programme Outcome

1. Sustainable Macroeconomic Stability

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Level of compliance with FATF recommendations	0				Largely compliant	Largely compliant	largely compliant

Programme Outcome: Increased levels of Accountable/Reporting entities compliant with AMLA 2013 as amended

Sector Outcomes contributed to by the Programme Outcome

N / A

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Level of compliance	0				30%	50%	80%

Programme Outcome: Increased level of public awareness on ML/TF matters on targeted entities

Sector Outcomes contributed to by the Programme Outcome

N / A

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Level of awareness of targeted entities	0				50%	75%	90%

Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

Billion Uganda shillings	2016/17	2017/18		2018-19	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Vote :129 Financial Intelligence Authority (FIA)								
58 Prevention of ML/CFT, Prosecution and confiscation of proceeds of crime	0.459	1.629	0.390	1.627	1.984	2.282	2.738	3.286
59 Policy, International Cooperation and Mutual Legal Assistance	6.563	6.546	1.400	6.548	7.712	8.644	9.837	11.248
Total for the Vote	7.021	8.175	1.790	8.175	9.696	10.926	12.575	14.534

Vote:129 Financial Intelligence Authority (FIA)

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

<i>Billion Uganda shillings</i>	2016/17	FY 2017/18		2018-19	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2019-20	2020-21	2021-22	2022-23
<i>Programme: 58 Prevention of ML/CFT, Prosecution and confiscation of proceeds of crime</i>								
02 Legal, Inspection and Compliance	0.110	0.238	0.028	0.238	0.290	0.333	0.400	0.480
03 Operational Analysis	0.330	0.796	0.225	0.796	0.970	1.115	1.338	1.606
04 Information Systems Administration and Security	0.048	0.595	0.137	0.593	0.725	0.834	1.000	1.200
Total For the Programme : 58	0.489	1.629	0.390	1.627	1.984	2.282	2.738	3.286
<i>Programme: 59 Policy, International Cooperation and Mutual Legal Assistance</i>								
01 Headquarters	5.022	5.490	1.300	5.490	6.423	7.133	8.160	9.373
05 International Relations and Strategic Analysis	0.604	0.427	0.074	0.427	0.522	0.600	0.720	0.864
06 Internal Audit	0.135	0.164	0.026	0.166	0.200	0.230	0.276	0.331
1423 Support to Financial Intelligence Authority	0.882	0.465	0.000	0.465	0.567	0.681	0.681	0.681
Total For the Programme : 59	6.643	6.546	1.400	6.548	7.712	8.644	9.837	11.248
Total for the Vote :129	7.131	8.175	1.790	8.175	9.696	10.926	12.575	14.534

N / A

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

N/A

V5: VOTE CHALLENGES FOR 2018/19 AND ADDITIONAL FUNDING REQUESTS

Vote Challenges for FY 2018/19

Vote:129 Financial Intelligence Authority (FIA)

- (a) Inadequate resources to recruit key staff to carry out fully our mandate. The current technical number is 18 as opposed to 40 as per the approved structure.
- (b) Inadequate AML/CFT related statistics due to inefficiency in data management practices occasioned by manual processes in many government departments.
- (c) Limited awareness programmes about AML/CFT
- (d) Implementation of the cross boarder currency movement is a requirement within the AMLA however to enforce declaration is still a major challenge.
- (e) Some key sectors where ML is taking place is not properly regulated like Real Estate and yet AMLA provides FIA to undertake a regulatory role
- (f) Uganda is cash based economy where it is very difficult to trace financial transactions which do not go through the financial sector coupled with a large informal sector and porous borders where criminals can enter and exit Uganda without being noticed by law enforcement agencies.
- (g) The AML/CFT legal framework still has gaps which make it uncompliant with international standards.
- (h) Enforcement of a risk based supervision of AML/CFT due to lack of specific Sector risk assessment reports

Table V5.1: Additional Funding Requests

Additional requirements for funding and outputs in 2018/19	Justification of requirement for additional outputs and funding
Vote : 129 Financial Intelligence Authority (FIA)	
Programme : 58 Prevention of ML/CFT, Prosecution and confiscation of proceeds of crime	
OutPut : 01 Compliance with AML and CFT laws and Regulations	
Funding requirement US\$ Bn : 0.526	The AMLA 2013 as amended require FIA to be the overall supervisor of AML/CFT compliance across all the accountable entities. The task is enormous and requires a lot of skills and techniques to ensure financial and non financial institutions are not used for money laundering and financing of terrorism.
OutPut : 02 Legal Representation and Litigation	
Funding requirement US\$ Bn : 0.549	FIA is an autonomous institution which can be sued in course of duty. therefore we need to establish a fully fledged functional legal team.
OutPut : 03 Analysis and Reporting Financial Operations	
Funding requirement US\$ Bn : 0.740	The programme contributes to analysis of suspicious transactions report on ML/TF, Analysis of cross border movement of currency and BNI, Large cash transactions and any information from whistle blowers and therefore supports NDPII objectives of increasing Revenue to GDP by reducing financial crimes which affect government revenue base.
OutPut : 05 Ensure safety and integrity of FIA information	

Vote:129 Financial Intelligence Authority (FIA)

Funding requirement US\$ Bn : 0.529	FIA is a new Government institution and has not yet established its ICT infrastructure to secure its vital information. The information collected and stored by FIA is sensitive and require secure IT systems
Programme : 59 Policy, International Cooperation and Mutual Legal Assistance	
OutPut : 02 Financial Intelligence Research and Strategic Development	
Funding requirement US\$ Bn : 5.578	The AML/CFT framework is dynamic and requires regular review. The Mutual evaluation report has specific recommendations made to address compliance with international standards and the national risk assessment has recommendation and action approved by cabinet to be implemented. Also includes for FIA Administration and support services of Wage: 2.4928, Non Wage: 1.7346 and Development of 0.6 (FIA has inadequate staff in terms of numbers operating below 50%.)
OutPut : 03 Development and Management of Internal Audit and Controls	
Funding requirement US\$ Bn : 0.230	FIA is engaged in analyzing financial transactions which require specialized training in areas of forensic examinations and fraud detection.

Vote:131 Auditor General

VI: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

<i>Billion Uganda Shillings</i>		FY2016/17	FY2017/18		FY2018/19	MTEF Budget Projections			
		Outturn	Approved Budget	Spent by End Sep	Proposed Budget	2019/20	2020/21	2021/22	2022/23
Recurrent	Wage	19.495	23.275	11.543	23.275	25.602	26.882	28.227	29.638
	Non Wage	34.363	27.365	14.315	27.311	33.319	38.317	45.980	55.176
Devt.	GoU	4.825	3.976	0.000	3.976	4.850	5.820	5.820	5.820
	Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total		58.683	54.615	25.858	54.561	63.771	71.019	80.027	90.634
Total GoU+Ext Fin (MTEF)		58.683	54.615	25.858	54.561	63.771	71.019	80.027	90.634
<i>A.I.A Total</i>		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total		58.683	54.615	25.858	54.561	63.771	71.019	80.027	90.634

(ii) Vote Strategic Objective

Enhancing Public Accountability and making a difference

V2: Past Vote Performance and Medium Term Plans

Vote:131 Auditor General

Performance for Previous Year FY 2016/17

PERFORMANCE 2016-2017*:

The vote outputs are classified into the following categories; Financial Audits, Value for Money Audits, Special/Forensic Audits, Policy, Planning and Strategic Management and Support to Office of the Auditor General which includes; Non Residential Buildings, Furniture and Fixtures and Transport Equipment. The subsequent sections therefore, present an account of the achievements for the office as at 30th June 2017.

Financial Audits

Under this output, for the FY 2016/17, the office planned to carry out and report on a total of 2,203 financial audits covering the following entities; 96 MDAs, 100 Statutory Bodies, 147 projects, 51 forensic investigations and special audits and 1,809 Local Authorities. By 30th June 2017, the office had undertaken a total of 2097 financial audits (96 MDAs, 1666 Higher and Lower Local governments, 138 Projects, 4 PSAs, 97 Statutory Bodies, 89 Special Investigations, 4 regional audits and 3 IT system audits).

Value for Money Audits

In the FY 2016/17, the office planned to carry out a total of 14 audits which include 11 VFM audits, 3 specialised audits. By 30th June 2017, the office had undertaken 8 VFM Audits and 3 specialized audits.

Policy, Planning and Strategic Management

Under this output, the following activities and resultant outputs had been realized by 30th June 2017;

Annual Report of the Auditor General for the audit year ended December 2016 processed and disseminated

OAG Corporate Plan for 2016-21 approved

Financial Statements for FY 2015/16 and FY 2016/17 submitted

BFP, MPS and Budget Estimates for FY 2017/18 produced

GoU and FINMAP Quarterly progress reports and Government Annual Performance Report for FY 2015/16 and 2016/17 produced

12 months' bills paid for Utilities

All transport equipment maintained

18 staff promoted, 28 staff recruited and induction undertaken

Staff appraisal activities undertaken

All IT equipment, Internet and CUG services maintained

12 PDU monthly reports submitted to PPDA

28 Contracts Committee and 41 Evaluation committee meetings held

4 procurement adverts placed in newspapers

23 Pre-issuance review and 155 audit verification reports produced

274 briefs produced for 267 Oversight Committee sessions supported

Quarterly data base updates and report on status of audit reports submitted to Parliament produced

13 reports produced on AG's report recommendations adopted by Parliament

All Staff emoluments paid, NSSF and PAYE remitted

All staff training activities managed

7 Internal Audit Special Investigations and 3 Quarterly Internal Audit reports produced

15 staff retirements managed

AG represented on cases arising from the AG's reports

The legal unit reviewed procurement contracts, policies and produced 22 Legal opinions

OAG participated in Anti-Corruption week activities

12 Monthly Pension and salary payroll verification reports produced

OAG Promotional material procured

Legal chambers inspected and certificate obtained

Press conference on submission of the Annual Report of the AG held

4 OAG information Flyers published

Subscription for online resources, newspapers and adverts paid

4 CSR activities conducted

Documentary on the OAG developed and disseminated

TeamMate software reviewed and a new version implemented

OAG Health Insurance Contract managed

OAG Communication strategy approved

Support to Office of the Auditor General

Electrical installations, signage and partitioning works done at Headquarters and Regional branches

13 Vehicles were procured (contracts awarded) of which 8 were delivered

Assorted furniture and equipment was procured

Performance as of BFP FY 2017/18 (Performance as of BFP)

The vote outputs are classified into the following categories; Financial Audits, Value for Money, Policy, Planning and Strategic Management and

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Support to Office of the Auditor General which includes; Non Residential Buildings, Furniture and Fixtures, and Transport Equipment. The subsequent sections therefore, present an account of the achievements of the office as at 30th September 2017

Financial Audits

Under this output, for the FY 2017/18, the office plans to carry out and report on a total of 1,452 financial audits covering the following entities; 106 MDAs, 94 Statutory Bodies, 104 projects, 4 PSAs and 1144 Local Authorities. By 30th September 2017, the office had produced 275 Management letters for the above entities. Audits shall be concluded and reported on by the statutory submission deadline of 31st December 2017.

Value for Money Audits

In the FY 2017/18, the office plans to carry out a total of 46 Special and Forensic Audits (40 Forensic Investigations, 4 IT Audits and 2 regional audits) and 30 VFM and specialized audits (which include 10 VFM audits and 20 specialised audits). By 30th September 2017, 2 Special Investigations, 2 IT Audit reports, 1 Regional Audit report and 2 specialized audit reports had been produced. In addition, 9 VFM Main studies had been undertaken.

Policy, Planning and Strategic Management

Under this output, the following activities and resultant outputs had been realized by 30th September 2017:

Routine service and maintenance of electrical installations at Audit House
 Routine servicing of Audit House generators
 Routine service and maintenance of lifts at Audit House, Routine maintenance servicing of AC units at Audit House), Maintenance service of ventilation systems and repair of the faulty 3 phase motor for extraction in toilets lifts side and Minor plumbing repairs on Audit house.
 Annual Financial for FY 2016/17 produced
 Quarter IV Progress report and Internal Audit reports produced
 Payment of 3 months' security allowances, cleaning and utility bills (water, electricity)
 Proof reading Local Government Reports (Schools 2016)
 Verifying and Uploading of and converted reports (PDFs) to the website and shelving Archived Audit Reports
 Reproducing entity audit reports for schools and LLGs for dissemination
 Dispatching copies of LLG Audit reports and VFM Audit reports to Branch Managers for delivery to Stakeholders
 5 stakeholder engagement workshops held
 3 meetings with Development partners held
 Monitoring and Evaluation report for Q1 produced awaiting circulation and presentation to Top Management
 Outsourcing supervision guidelines developed.
 2 engagements with Civil Society held
 Draft OAG Competence framework produced
 Internal and external advertisement of vacant positions
 PAC Technical updates attended by Department of Parliamentary Liaison
 1 Parliamentary Committees' sensitization of VFM reports to LGPAC held
 1 audit verification report produced
 36 technical support sessions supported
 1 monthly Parliamentary minutes and feedback reports provided
 Quarter III update of database on status of audit reports and report produced
 56 briefs prepared for reports discussed by Audit committees
 1 Report on AG's report recommendations adopted by oversight committees and the House produced
 Four (4) directorates supported in the implementation of the Regularity Audit Manual, 2013.
 TeamMate software reviewed and a new version implemented
 Practice guide on documents used in the audit process developed and presented to Top Management
 Committee constituted to review the NAA to identify areas that require reform and submit proposals for Amendment to top management
 6 Top Management meetings, 1 Subcommittee meeting with Parliament subcommittee, 3 OAG legal framework committee meetings, 6 Contracts committee meetings, 3 HRAC meetings, 6 MIS Committee meetings, 10 Outsourcing committee meetings attended by the Legal unit.
 1 Energy Sector and Extractive Industries Strategy, 2017 and 1 IT User Manual and Guidelines, 2017 reviewed by the Legal Unit
 1 Framework Contract for Catering Services; 1 Framework contract for Cleaning Services; 1 Framework contract on Maintenance of lifts, 1 Statement of Commitment between OAG & GIZ, 1 Implementation Agreement between OAG, NPA & GIZ reviewed
 Draft contracts prepared and reviewed: 1 Addendum on closed user group, 2 VFM Audit of Road & Construction Projects (UNRA & KCCA)
 Legal briefs and opinions from the Audit and Corporate Divisions prepared
 Legal unit supported 1 Special Audit on Ntungamo Local Government
 1 Status brief on appraisal of the external legal counsel prepared
 Report leaflets for 8 summarised performance audit reports produced by PR Unit
 Intranet designed and software procured
 LG PAC meetings attended by PR staff
 Media training workshops undertaken in Jinja, Masaka, Mbale, Mbarara, Soroti, Gulu, Arua and Fortportal.
 3 internal special investigations reports produced
 Quarter four Enterprise Risk Management report focusing on governance, risk management and control produced
 July, August and September salary and pension payrolls verified by Internal Audit
 3 Months' staff salaries paid and 15% NSSF contribution remitted

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All staff training activities managed and coordinated
 Payment for outstanding bill for business internet services (Dec 16 to April 17)
 Payment of outstanding subscription fees for CUG and TeamMate modems (April - June 17)
 1 lot of printer consumables for Head Office and branches procured
 Q.1 IT branch visit conducted and report produced
 Workshops with MIS BPR consultant held and reports produced. MIS TORs have been finalized and submitted to KfW seeking a no-objection
 Consolidated Procurement plan for FY 2017/18 submitted to MoFPED and PPDA
 6 Contracts committee meetings held
 14 evaluation committee meetings held
 Board of Survey conducted and Report produced
 3 Monthly reports produced and submitted to PPDA

FY 2018/19 Planned Outputs

The vote outputs are classified into the following categories; Financial Audits, Value for Money, Policy, Planning and Strategic Management and Support to Office of the Auditor General which includes; Non Residential Buildings, Purchase of Office and ICT Equipment, including Software, Furniture and Fixtures, and Transport Equipment. The subsequent sections therefore, present the planned outputs for the FY 2018/19.

Financial Audits

Under this output, for the FY 2018/19, the office plans to carry out and report on a total of 2640 financial audits under Programme 1, covering the following entities; 100 MDAs, 105 Statutory Bodies, 105 projects, 4 PSAs and 2326 Local Authorities.

Value for Money Audits

In the FY 2018/19, the office plans to carry out a 18 VFM and specialized audits (which include 10 VFM audits, 5 Specialized audits, 2 follow up audits and 1 PPP Audit) and 84 Forensic and Special Audits which include 77 Forensic Investigations, 4 IT Audits and 3 Regional Audits, under Programme 2 (Value for Money and Specialized Audits).

Policy, Planning and Strategic Management

Under Sub - Programme 1: Headquarters, the office plans to undertake/produce the following:
 Finalize, approve and implement the Human Resource Strategy with emphasis on equity in Human Resource Management
 Introduce and implement a Competence Based, equitable, transparent appraisal and reward system
 Develop a framework and carry out surveys on OAG Staff Code of Conduct.
 Annual Report of the Auditor General for the year ended 2018 processed and equitably disseminated
 Designing and Updating the Intranet
 Develop Disaster Management Plan
 Establishing a monitoring mechanism for the implementation of MoU with IG and PPDA
 Conducting equitable stakeholder engagement regarding utilisation of audit reports
 Develop and pilot Teammate libraries for Forensic, IT and Treasury Audits
 Develop QAAD strategy
 Pre- Issuance (Hot) Reviews and Post- Issuance (Cold) Reviews for RA, PA, FA and PSA audits
 Carry out Institutional Review on Reported annual performance of the office
 Engage ICPAU and develop cooperation agreement on undertaking Joint QA Reviews of Out sourced Audits
 Audit verification reports produced
 Technical support provided to oversight committees during preparation of reports
 Parliamentary briefs, minutes and feedback reports produced
 Report on AG's report recommendations adopted by oversight committees and the House produced
 Annual Financial Statements for the FY ended 30th June 2018 produced and submitted
 Donor projects managed for FY ended 30th June, 2019 and reports produced.
 Half-year and Nine Months' Financial Statements for FY 2018/19 produced and submitted
 Asset register updated as at end of 30th June 2019
 Review of existing accounting and reporting frameworks
 Policy Statement, Budget Framework Paper and Budget Estimates for the FY 2019/20 produced
 Carry out market research to create an average market price data bank
 Design a mechanism to monitor procurement plan implementation and giving feedback to the different stakeholders
 Procurement and Out-sourcing Contract, Negotiation and Evaluation committee meetings
 Develop, maintain and update the prequalification list for the service providers
 Review the NAA, 2008 and Article 163 of the Constitution, 1995
 Represent AG and the OAG in Courts of Law and other legal fora
 Compile status of Court cases that arise out of recommendations of the Auditor General's Report
 Effective communication of VFM reports through production of short videos and abridged versions of VFM reports
 Improved coverage of Audit reports and the Office in the media through engagements
 Strengthened stakeholder engagements with emphasis on engagements with Regional Public libraries

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OAG website restructuring and updating content
Establishing and managing social media platforms
Finalise, approve and implement corporate Social Responsibility Policy
Organise charity events and Corporate Social responsibility activities
Risk identification, assessment, measurement, monitoring and enhancing awareness of risk owners
Follow-up, verification of regional branch offices' advances, accounts, compliance with laws, verify payments at OAG HQTRS
Production of quarterly internal Audit reports
Conducting Internal Audit special investigations.
Salaries and pension managed
10% NSSF Contributions remitted for all staff
Medical Insurance cover provided and Life Insurance premium paid for all staff
Gratuity paid to 35 Contract staff
Organising Press conferences, issuing press releases
Coordinate production of information, Education and communication materials and participation in Exhibitions
Procurement of OAG promotional material e.g tear-drops, souvenirs, brochures, umbrellas, designed logo, plaques, diaries, calendars, Christmas cards.
Equitable staff training in various disciplines co-ordinated and managed
Staff recruitment managed
Procurement of IT equipment
Subscription for Internet Bandwidth to NITA Uganda
Subscription payment for Closed User Group communication solution, Mobile APN Solution and WAN services
Identification of internal IFMS issues and reporting to Treasury for quality assurance.
Management of utilities (electricity, water) and services (security and cleaning)
Development of guidelines for audit performance information to enhance audit of sustainable service delivery
Development and technical support in the implementation of Audit methodologies
Parliamentary committees' sensitization/feedback workshops
Inspecting medical entities which provide services under the Medical Insurance Scheme
Annual board of survey carried out and report produced.
4 quarterly branch support/monitoring carried out and reports produced.
All OAG branches audited for compliance by Internal Audit and 4 quarterly reports produced
Maintenance branch visits by Estates and IT staff
Attending various international committee meetings and technical workshops
Attending AFROSAI-E trainings and technical update conferences
Conducting study tours and benchmarking with other SAIs on PAC activities by the Parliamentary Liaison department
Attendance and documentation of oversight committees' resolutions and concerns during hearings including those done at Missions abroad
Maintenance of Audit House and in all regional branches
Maintenance of all transport equipment
Generator maintenance, Air conditioning maintenance, Lift maintenance, fire extinguishers, sprinklers, fire-fighting equipment and all electrical maintenance.
Fencing of two regional branches
Construction of the Centre for Audit Excellence
Procurement of Power back-up system for 5 branch offices
Annual renewal of the TeamMate Audit Management System license (200 users)
Maintenance contract for Data Center at Audit House, CCTV and Access Control systems and Multi-Functional Printers
Procurement of 3 Routers, 3 Desktops, 7 small multifunctional printers 2 scanners and 50 laptops
Procurement of 2 station wagons to replace the aging ones
Procurement of VSCAN (vehicle security scan system)
Replenishing the Resource centre with 6 book shelves, 20 chairs, 20 tables.
Procuring Mobile shelves, ladders/trolleys, Shelf Archive storage units for the Archives centre
Assorted furniture procured according to needs assessment.

Medium Term Plans

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In accordance with the Five-Year Corporate Plan (2016-21), the medium term plan of the office is focused on: Improvement on impact of audit through effective gender sensitive stakeholder engagement; Improvement on the timeliness and quality of audit reports; Improving organisation performance; Strengthening financial independence and enhancing operational independence and increasing audit coverage through establishment of regional offices in hard to reach areas to promote equitable access to audit services.

This will be done through: independent reporting; delivering high quality audits targeting a sustainable equity-driven impact on service delivery; effective support to Parliamentary oversight and scrutiny; adoption of professional approaches and systems in all our operations; conducting real time audits, demonstrating the value and benefits of the OAG through collaborations and effective communication to all our stakeholders; augmenting our IT infrastructure and systems and equitably empowering our Human resources in all aspects of their work.

Efficiency of Vote Budget Allocations

Following completion of the Audit House in 2013, the office has reallocated resources saved from rent to operation and maintenance of the building.

In addition, the office shall focus on equitable staff capacity building through increased utilisation of the resource pool of trainers hence holding in-house trainings to create savings.

Performance management will be prioritized so as to create sustainable efficiency by reducing on the number of outsourced audits. This will result into an increment in the audit coverage.

The office also plans to procure a comprehensive Management Information System that will enhance effectiveness in operations through the automation of the business processes.

The implementation of the Monitoring and Evaluation policy will enable performance monitoring and therefore efficiency in resource allocation and effective, well informed decision making.

Vote Investment Plans

For FY2018/19, Budget allocation to capital development remained the same at Shs 3.976Bn. With this amount, the office plans to commence construction of the Centre for Audit Excellence, fence two regional offices, procure power back up systems and carry out regular maintenance in another 5 regional offices.

A Vehicle Security Scan System shall also be procured to enhance fleet management in addition to 2 vehicles to replace the aging fleet at the regional offices which are overdue for replacement.

The budget for FYs 2019/20 and 2020/2021 indicate that allocations to capital development will slightly increase to Shs 4.85 Bn and 5.52Bn each respectively. This will cater for construction of an off-site training facility (Centre for Audit Excellence), renovation and expansion of existing regional offices, purchase of specialized IT and audit equipment, acquisition of transport facilities and office furniture.

In FY 2018/19, with support from FINMAP and Government of Uganda, the office plans to re-construct, furnish and equip Arua regional office. In addition, the office plans to procure and install a comprehensive Management Information System.

Major Expenditure Allocations in the Vote for FY 2018/19

The external audit function in the Accountability Sector is responsible for ensuring that public resources are utilised as appropriated by Parliament. The key objectives of the function are to sustainably improve compliance with accountability rules and regulations; enhance prevention, detection and elimination of corruption; and to increase public demand for accountability.

In the FY 2018/19 the Office of the Auditor General was allocated Shs 54.56bn including taxes. This includes Shs 23.27Bn for wage, Shs 27.31bn for non-wage and Shs 3.98bn for development.

The budget allocation by programme is as follows; Program 1: Financial Audits – Shs 19.97Bn; Program 2: Value For Money and Specialized Audits - Shs 7.09Bn; Program 3: Support to Audit Services – Shs 27.05Bn including Shs 3.98 for GoU Development). The allocation of GoU development is as follows: Non-residential buildings - Shs 1.552bn, Procurement of ICT Infrastructure and Equipment – Shs 1.5bn, procurement of motor vehicles – Shs 0.85bn, and procurement of office furniture - Shs 0.074bn.

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V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

Vote Controller :							
Programme :	15 Financial Audits						
Programme Objective :	Independent and robust verification of Public Accounts and Treasury Memoranda in the equitable delivery of services..						
Responsible Officer:	EDWARD AKOL						
Programme Outcome:	Improved accountability, transparency, and compliance with laws and regulations in the public sector						
Sector Outcomes contributed to by the Programme Outcome							
1. Value for money in the management of public resources							
Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Implementation of audit recommendations arising from the annual report of the Auditor General.	0	35%,75%,40 %			45%	50%	60%
Vote Controller :							
Programme :	16 Value for Money and Specialised Audits						
Programme Objective :	To examine and assess the level of efficiency, economy and effectiveness in the equitable utilization of public resources by Government Institutions.						
Responsible Officer:	STEPHEN KATEREGGA						
Programme Outcome:	Improved performance and service delivery of Government programmes						
Sector Outcomes contributed to by the Programme Outcome							
1. Value for money in the management of public resources							
Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Reduction in government project costs.	0	5%			5%	6%	7%
• Level of achievement of Government project goals.	0	60%			65%	70%	75%
• Level of use of best practices in project implementation.	0	70%			75%	75%	80%
Vote Controller :							
Programme :	17 Support to Audit services						

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Programme Objective : Enhance organizational performance and efficiency in operations							
Responsible Officer: MAXWELL POUL OGENTHO							
Programme Outcome: Efficient and effective Auditor General's Office (AG)							
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. Value for money in the management of public resources							
Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Cumulative percentage of Corporate Strategy implemented.	0	25%			50%	75%	100%
• Level of financing of Office of the Auditor General	0	61%			65%	70%	75%
• Level of staff productivity.	0	5			5	6	7

Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

Billion Uganda shillings	2016/17	2017/18		2018-19	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Vote :131 Auditor General								
15 Financial Audits	0.000	22.902	5.825	19.966	22.700	24.583	27.105	30.010
16 Value for Money and Specialised Audits	0.000	11.629	2.873	7.094	8.081	8.767	9.693	10.762
17 Support to Audit services	0.000	20.084	4.231	27.501	32.991	37.669	43.229	49.862
53 External Audit	56.897	0.000	12.929	0.000	0.000	0.000	0.000	0.000
Total for the Vote	56.897	54.615	25.858	54.561	63.771	71.019	80.027	90.634

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

Billion Uganda shillings	2016/17	FY 2017/18		2018-19	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Programme: 15 Financial Audits								
02 Central Government One	0.000	4.815	1.364	4.070	4.574	4.901	5.317	5.787
03 Central Government Two	0.000	5.352	1.531	4.606	5.211	5.619	6.154	6.767
04 Local Authorities	0.000	12.735	2.930	11.291	12.914	14.063	15.633	17.456
Total For the Programme : 15	0.000	22.902	5.825	19.966	22.700	24.583	27.105	30.010
Programme: 16 Value for Money and Specialised Audits								
05 Value for Money and Specialised Audits	0.000	4.675	1.261	3.797	4.344	4.731	5.260	5.874
06 Forensic Investigations and Special Audits	0.000	6.954	1.612	3.296	3.737	4.037	4.433	4.888
Total For the Programme : 16	0.000	11.629	2.873	7.094	8.081	8.767	9.693	10.762
Programme: 17 Support to Audit services								

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01 Headquarters	0.000	16.108	4.231	23.526	28.141	31.848	37.409	44.042
0362 Support to Office of the Auditor General	0.000	3.976	0.000	3.976	4.850	5.820	5.820	5.820
Total For the Programme : 17	0.000	20.084	4.231	27.501	32.991	37.669	43.229	49.862
Programme: 53 External Audit								
01 Headquarters	21.681	0.000	4.231	0.000	0.000	0.000	0.000	0.000
02 Directorate of Central Government One	4.872	0.000	1.364	0.000	0.000	0.000	0.000	0.000
03 Directorate of Central Government Two	5.353	0.000	1.531	0.000	0.000	0.000	0.000	0.000
0362 Support to Office of the Auditor General	4.825	0.000	0.000	0.000	0.000	0.000	0.000	0.000
04 Directorate of Local Authorities	13.346	0.000	2.930	0.000	0.000	0.000	0.000	0.000
05 Directorate of Value for Money and Specialised Audits	4.852	0.000	1.261	0.000	0.000	0.000	0.000	0.000
06 Directorate of Forensic Investigations and Special Audits	4.059	0.000	1.612	0.000	0.000	0.000	0.000	0.000
Total For the Programme : 53	58.988	0.000	12.929	0.000	0.000	0.000	0.000	0.000
Total for the Vote :131	58.988	54.615	25.858	54.561	63.771	71.019	80.027	90.634

N / A

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

FY 2017/18			FY 2018/19	
Appr. Budget and Planned Outputs		Expenditures and Achievements by end Sep	Proposed Budget and Planned Outputs	
Vote 131 Auditor General				
Programme : 17 Support to Audit services				
Project : 0362 Support to Office of the Auditor General				
Output: 72 Government Buildings and Administrative Infrastructure				
Audit House and branch office buildings maintained, Generators, ACs, lifts anf fire extinguishers. Soroti regional branch fenced, Hoima and Moroto branches commissioned		Generator, lifts, CCTV, Fire extinguishers and Air conditioners maintained.	TConstruction of the Centre for Audit Excellence Procurement of a power back up system for 5 regional offices Fencing of 2 regional offices	
Total Output Cost(Ushs Thousand):	1.552	0.000	1.552	
Gou Dev't:	1.552	0.000	1.552	
Ext Fin:	0.000	0.000	0.000	
A.I.A:	0.000	0.000	0.000	
Output: 75 Purchase of Motor Vehicles and Other Transport Equipment				
5 office vehicles procured		Procurement of 2 vehicles commenced	The office plans to procure 2 vehicles to replace those due for boarding off and, a Vehicle Security Scan system to manage the fleet.	
Total Output Cost(Ushs Thousand):	0.850	0.000	0.850	
Gou Dev't:	0.850	0.000	0.850	
Ext Fin:	0.000	0.000	0.000	

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A.I.A:	0.000	0.000	0.000
Output: 76 Purchase of Office and ICT Equipment, including Software			
Renew license for TeamMate & 3 Yr Kaspersky Anti-Virus. Computer accessories, electronic card printer, HDD/CD/DVD Duplicators, Teammate modems, 70 Laptops and 30 Desktops, Firewall/threat management system, CUG for 40 staff procured, IDEA software upgraded.	The process for assorted procurement and TeamMate license renewal has commenced	Outputs include: Procurement of Computers, Annual renewal and procurement of TeamMate licenses,, Kaspersky Anti-Virus Renewal, procurement of IDEA Data Analysis licenses.	
Total Output Cost(Ushs Thousand):	1.500	0.000	1.500
Gou Dev't:	1.500	0.000	1.500
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000

V5: VOTE CHALLENGES FOR 2018/19 AND ADDITIONAL FUNDING REQUESTS

Vote Challenges for FY 2018/19

The major challenges being encountered in the office are discussed below:

The office has been able to construct the Audit House and regional branch offices with the support of GoU, which has strengthened its physical and operational independence. However this has led to increase in funding requirements to meet the necessary operational and maintenance costs. This has proved a challenge due to the limited budgetary allocations.

In addition, the office of the Auditor General was appointed to Chair the Working Group on Extractive Industries tasked to ensure that Governments manage Extractive Industries in the best interest of the public through formulation of guidelines and promotion of transparency, accountability and knowledge sharing among others. However, due to inadequate funding, it has been unable to fully operationalize the secretariat.

The slow pace in the discussion of audit reports by Parliament has also hugely limited the impact of audit work since recommendations are not implemented by the auditees.

The delayed preparation of Treasury Memoranda has also been a huge hindrance on tracking implementation of recommendations. This has affected overall transparency and accountability of government institutions hence impeding the impact of OAG work on service delivery.

The expanding scope of audit coverage in addition to increasing demand for public works audit, special audits and forensic investigations has been difficult to cope with due to limited staff and budgetary allocations to execute requests.

Section 13 of the National Audit Act 2008 requires the Auditor General to audit and report on all public accounts of Uganda and of all public offices. However, due to inadequate funding the office is unable to cover its entire audit population. The ever increasing number of entities especially the Local Government and schools puts excessive pressure on the available resource allocations which have largely remained constant. This has resulted in accumulation of audit backlogs.

The office has never the less, developed a strategy to clear these backlogs with the available resources.

The volatility of the exchange rate as evidenced in the past financial year in which the exchange rate depreciated, adversely affected planning, monetary allocations and expenditure. (Particularly activities involving travel abroad such as audit of missions and training.)

Complex procurement procedures associated with Donor funded projects have led to implementation delays for example with regards to construction of Hoima and Moroto regional offices and installation of the Management Information System

Table V5.1: Additional Funding Requests

Additional requirements for funding and outputs in 2018/19	Justification of requirement for additional outputs and funding
Vote : 131 Auditor General	

Vote:131 Auditor General

Programme : 15 Financial Audits	
OutPut : 01 Financial Audits	
Funding requirement US\$ Bn : 4.661	<p>Section 13 of the NAA 2008 requires the Auditor General to audit and report on all public accounts of Uganda and of all public offices. However, due to inadequate funding the office is unable to cover its entire audit population especially the lower Local Governments and schools resulting in accumulation of backlogs.</p> <p>To this effect the OAG needs 4.661Bn to produce the above outputs, in line with Objectives 2, 3 and 5 under the Accountability Sector in the NDP II Implementation strategy.</p>
Programme : 16 Value for Money and Specialised Audits	
OutPut : 01 Value for Money Audits	
Funding requirement US\$ Bn : 2.814	<p>The office of the Auditor General is mandated to conduct Value for Money audits. The OAG was requested to undertake a real time audit of the Hydro-power projects. In addition, after the passing of the PPP law, independent assurance needs to be provided as Government enters PPPs. These undertakings are in line with Strategy 3 under the Audit function of the Accountability Sector Investment Plan 2017/18 - 19/20.</p>
Programme : 17 Support to Audit services	
OutPut : 01 Policy, Planning and Strategic Management	
Funding requirement US\$ Bn : 17.368	<p>The OAG requires UGX 17.4Bn to;</p> <ul style="list-style-type: none"> • Implement the new OAG structure which was approved by a Parliamentary Sub-Committee • Undertake enhancement of the wage which has largely been fixed since 2008 while introducing notches. • Conduct staff capacity building • Stakeholder engagement • Operationalize the WGEI Secretariat <p>Implementation will result in enhanced organizational performance and effective support to the Audit function in the office in line with Goal 3 of the Corporate Strategy 2016-21.</p>

Vote:141 URA

VI: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

<i>Billion Uganda Shillings</i>	FY2016/17	FY2017/18		FY2018/19	MTEF Budget Projections			
		Approved Budget	Spent by End Sep	Proposed Budget	2019/20	2020/21	2021/22	2022/23
Recurrent Wage	112.132	133.964	33.071	133.964	147.361	154.729	162.465	170.588
Non Wage	108.389	176.868	43.085	176.868	215.780	248.146	297.776	357.331
Devt. GoU	55.662	52.640	13.135	34.640	42.260	50.713	50.713	50.713
Ext. Fin.	0.000	2.291	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total	276.182	363.472	89.291	345.472	405.401	453.588	510.953	578.632
Total GoU+Ext Fin (MTEF)	276.182	365.763	89.291	345.472	405.401	453.588	510.953	578.632
<i>A.I.A Total</i>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total	276.182	365.763	89.291	345.472	405.401	453.588	510.953	578.632

(ii) Vote Strategic Objective

Cultivate a taxpaying culture through provision of reliable services, leadership development and building strategic Partnerships.

V2: Past Vote Performance and Medium Term Plans

Performance for Previous Year FY 2016/17

1. Revenue collection to target was 96.93% (Net collection UGX 12,719.63Bn)
2. Net Domestic Tax revenue performed at 99% (UGX 7,314Bn)
3. Net Customs revenue collection UGX 5,406 Bn
4. Compliance level was at 80.6%
5. Tax to GDP ratio was at 14.05%
6. Tax administration cost as percentage of revenue was 2.06% against a target of 2.3%
7. 214 Tax clinics, 28 exhibitions, 16 tax katales were conducted
8. 14.1% growth in Taxpayer register (127,203 taxpayers)
9. 1,908 audits carried out yielding UGX 68.91Bn
10. 71 judgements were secured with 33 cases judged in URA's favor
11. UGX 80.68Bn arrears collected against a target of 75Bn (107.5% performance)
12. 93 cases investigated and concluded (UGX 43.34Bn debt recovered)

Vote:141 URA

Performance as of BFP FY 2017/18 (Performance as of BFP)

1. Revenue collection to target was 95.97% (UGX 3,147.07Bn collected) posting a growth of 11.77%
2. Compliance level 75.5%
3. Tax administration cost as percentage of revenue was 2.8%
4. 60% of strategic plan delivered
5. 388 tax audits and examinations conducted
6. 42 customs audits conducted
7. Arrears management recovered UGX 120.29Bn
8. Growth in the tax register is by 3.2% (33,770 new taxpayers)
9. TREP interventions registered 24,552 taxpayers
10. Implementation of the Block Management System (BMS) that registered 13,535 taxpayers occupying 793 key buildings
11. Legal cases were 63 recovering UGX 19.85Bn
12. 28 rulings received in favor of URA
13. 21 Tax fraud cases investigated
14. Full implementation of the National Targeting Centre
15. Implementation of the central monitoring system
16. Customs enforcement interventions generated UGX 12.73Bn from 2,040 seizures

FY 2018/19 Planned Outputs

1. 100% revenue collection to target (UGX 16,992Bn)
2. Compliance level 77%
3. Administration cost as percentage of revenue 2.3%
4. Percentage growth in taxpayer register 10%
5. Average filing ratio 88%
6. Collection of UGX 75Bn from Tax arrears
7. 65% of cases won and settled in URA's favor
8. Complete 250 Post clearance audits
9. Complete 3,000 tax audits and examinations

Medium Term Plans

1. Implement risk based compliance programs
2. Implement tax education programs
3. Strengthen debt recovery and litigation
4. Implement tax register expansion programs
5. Implement service enhancement programs
6. Implement revenue management & resource optimisation programs
7. Implement Staff capacity building
8. Participate in the development of the Medium Term Revenue Strategy (MTRS)
9. Participate in the review of the National Revenue Policy
10. Participate in Tax education & financial literacy program sensitization
11. Participate in the development of systems to support revenue collection in local governments
12. Participate in capacity building of internal auditors and inspectors
13. Participate in the integration of systems across Government institutions
14. Participate in the development & implementation of communication strategy to link service delivery and revenue mobilisation

Efficiency of Vote Budget Allocations

1. Implement program based budgeting
2. Implement resource optimization programs
3. Implement revenue management and reporting mechanism
4. Enhanced utilization of data analysis through data warehouse to enhance risk profiling and decision making
5. Institutionalize enterprise risk based management
6. Implement Business process re engineering

Vote Investment Plans

Vote:141 URA

1. URA H/Q building
2. Office equipment, furniture & fittings
3. computer equipment
4. Vehicles (Finance Lease)
5. Disaster Recovery system & IT licenses
6. Enterprise Resource Planning (ERP)

Major Expenditure Allocations in the Vote for FY 2018/19

A total budget of 345.472 Bn was allocated as the MTEF for FY 2018/19 out of which UGX 310.83 Bn is for Recurrent budget and 34.64Bn is for capital development.

Recurrent Budget (89.97%)

staff costs is 52.07% (UGX179.89Bn),

Travel & Transport is 3.93% (UGX 13.57Bn)

Repairs & maintenance is 17.78% (UGX 61.44Bn)

Other Charges & staff development is 16.18% (UGX 55.91Bn)

Capital & strategic budget (10.03%)

URA HQ is UGX 12.90Bn

Office Equipment, Furniture & fittings is UGX 0.10Bn

Computer equipment UGX 0.20Bn

Vehicle (Finance lease) is UGX 3.02Bn

Disaster Recovery systems & IT licenses is UGX 10.41Bn

Enterprise Resource Planning (ERP) is 8.00Bn

V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

Vote Controller :							
Programme :	18 Administration and Support Services						
Programme Objective :	Improve institutional performance						
Responsible Officer:	Doris Akol						
Programme Outcome:	Efficient and effective institutional performance						
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. Sustainable Macroeconomic Stability							
Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Level of Strategic plan delivered	0	75%			80%	85%	85%
• Annual Auditor Genaral rating of institutions	0	Unqualified			unqualifie d	unqualifie d	unqualifie d
Vote Controller :							
Programme :	54 Revenue Collection & Administration						
Programme Objective :	Maximise Revenue						
Responsible Officer:	Doris Akol						
Programme Outcome:	Maximum revenue						
<i>Sector Outcomes contributed to by the Programme Outcome</i>							

Vote:141 URA

1. Sustainable Macroeconomic Stability							
Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Revenue collection to target	0	100%			100%	100%	100%
• Compliance level	0	74%			77%	80%	80%
• Tax Administration cost as % of revenue	0	2.4%			2.3%	2.3%	2.3%

Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

<i>Billion Uganda shillings</i>	2016/17	2017/18		2018-19	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Vote :141 URA								
18 Administration and Support Services	0.000	171.745	42.018	168.813	182.209	294.364	296.774	328.637
54 Revenue Collection & Administration	275.878	194.018	47.248	176.659	223.191	159.223	214.179	249.995
Total for the Vote	275.878	365.763	89.266	345.472	405.401	453.588	510.953	578.632

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

<i>Billion Uganda shillings</i>	2016/17	FY 2017/18		2018-19	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Programme: 18 Administration and Support Services								
02 Internal Audit and Compliance	0.000	5.052	1.253	5.640	5.916	13.779	174.975	277.924
03 Corporate services	0.000	93.593	23.198	109.268	111.082	27.193	19.876	0.000
04 Legal Services	0.000	6.613	1.643	6.511	10.677	92.684	10.309	0.000
0653 Support to URA Projects	0.000	54.931	13.135	34.640	34.640	50.713	50.713	50.713
08 Research & Planning, Public Awareness and Tax Education	0.000	11.557	2.789	12.754	19.894	109.996	40.901	0.000
Total For the Programme : 18	0.000	171.745	42.018	168.813	182.209	294.364	296.774	328.637
Programme: 54 Revenue Collection & Administration								
01 Revenue Collection & Administration	220.266	0.000	0.000	0.000	0.000	0.000	0.000	0.000
05 Domestic Taxes	0.000	99.199	23.678	96.224	98.458	60.746	64.635	70.718
06 Customs	0.000	87.956	21.854	73.942	74.718	48.004	89.942	33.985
0653 Support to URA Projects	55.662	0.000	0.000	0.000	7.621	0.000	0.000	0.000
07 Tax Investigations	0.000	6.863	1.716	6.493	42.395	50.473	59.602	145.292
Total For the Programme : 54	275.928	194.018	47.248	176.659	223.191	159.223	214.179	249.995
Total for the Vote :141	275.928	365.763	89.266	345.472	405.401	453.588	510.953	578.632

N / A

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

Vote:141 URA

FY 2017/18		FY 2018/19
Appr. Budget and Planned Outputs	Expenditures and Achievements by end Sep	Proposed Budget and Planned Outputs
Vote 141 URA		
Programme : 18 Administration and Support Services		
Project : 0653 Support to URA Projects		
Output: 72 Government Buildings and Administrative Infrastructure		
URA Headquarter building construction	Overall physical work progress is 64.00% and actual period-wise progress is 86.54% as per the approved work plan. Internal final finishes are behind schedule i.e. according to the Contractor's approved programme we ought to have completed 88% of internal final finishes	Completion of the Construction of the URA HQ Building
IDEP Project administration costs		
Total Output Cost(Ushs Thousand):	30.900	7.725
Gou Dev't:	30.900	7.725
Ext Fin:	0.000	0.000
A.I.A:	0.000	0.000
Output: 75 Purchase of Motor Vehicles and Other Transport Equipment		
Acquire 90 vehicles	Lease payment for 90 vehicles in first quarter FY 2017/18.	Acquire vehicles by finance lease.
Total Output Cost(Ushs Thousand):	3.022	0.756
Gou Dev't:	3.022	0.756
Ext Fin:	0.000	0.000
A.I.A:	0.000	0.000

Vote:141 URA

Output: 76 Purchase of Office and ICT Equipment, including software

Computer equipment for new staff	Procurement for new PCs was initiated in this quarter	Acquire new computers for staff
Implement and maintain the ERP system		DR systems & IT licence maintenance
	Paid License for Disaster Recovery system1. Implemented more Direct peering with Telecoms; Africell and Liquid Telecom	Enterprise Resource Planning (ERP) final implementation
	Maintained 99.03% internet availability	
	Installed the fleet management system in vehicle on going.	
	The donor funding component towards the Datawarehouse and Business Intelligence system was not recieved	
	(i) Execution of change management strategy for phase 1	
	a. Promotional Campaigns	
	b. Awareness Campaigns	
	c. Stakeholder engagements	
	(ii) Super user training (for HR staff)	
	(iii) End-user training (Organization wide)	
	(iv) HR data preparation, cleaning and migration into the ERP system	
	(v) User Acceptance Testing (UAT)	
	(vi) Preparation of ERP user manuals for HR module /phase 1	
	(vii) Roll out of ERP HR modules (Core HR, Performance Management System and Self Service HR)	
	Successfully monitored and ensured synchronization of production Data Bases to their standbys (AW, eTAX, ERP, eHUB)	
Total Output Cost(Usht Thousand):	20.908	4.654
Gou Dev't:	18.617	4.654
Ext Fin:	2.291	0.000
A.I.A:	0.000	0.000

V5: VOTE CHALLENGES FOR 2018/19 AND ADDITIONAL FUNDING REQUESTS

Vote Challenges for FY 2018/19

Vote:141 URA

1. Inadequate resources
2. Inadequate funding to support structure changes to align with current business needs
3. Increasing IT disruptions due to obsolescence of IT assets
4. Inadequate staff skills, strength & reach
5. Increasing smuggling
6. Dumping and diversion of cargo
7. Incomplete implementation of EAC customs regional initiatives

Table V5.1: Additional Funding Requests

Additional requirements for funding and outputs in 2018/19	Justification of requirement for additional outputs and funding
Vote : 141 URA	
Programme : 18 Administration and Support Services	
OutPut : 01 Internal Audit and Compliance	
Funding requirement US\$ Bn : 1.255	Increase in business requires more reviews and independent assessments both within and outside the country, increasing the number of licenses on the integrated data extraction and analysis tool (IDEA)-this helps in quick analysis of big volumes of data hence quick decision making
OutPut : 03 Administrative Support Services	
Funding requirement US\$ Bn : 86.633	Structural Review is to respond to changes in the business environment so as to improve service delivery and operational efficiency, improve staff productivity, quality of service, compliance & revenue hence fiscal sustainability and credibility as per NDP II
OutPut : 04 Public Awareness and Tax Education/Modernization	
Funding requirement US\$ Bn : 8.085	Tax education, service support mechanisms, independent process evaluation, public relation initiatives are drivers for voluntary compliance which URA needs to expand scope and untapped potential of taxpayers to ultimately increase revenue collection to support NDP objectives
OutPut : 05 Legal services	
Funding requirement US\$ Bn : 7.653	large sums of revenue will be at risk of not being recovered if proactive litigation & prosecution are not undertaken. they are increasing cases of massive fraud which are cross border cutting hence the need for cross border litigation. URA pursues such cases in order to close the pitfalls to the public and deter fraudulent dealings which are the root cause of revenue loss
Programme : 54 Revenue Collection & Administration	
OutPut : 01 Customs Tax Collection	
Funding requirement US\$ Bn : 5.209	warehouse stock management, customs audit tracking system, attachment to strategic embassies, additional seals etc will improve trade facilitation and reduce smuggling to protect local industries from unfair competition. This will ultimately lead to improved revenue collection and fiscal credibility as projected in the NDP.

Vote:141 URA

<i>OutPut : 02 Domestic Tax Collection</i>	
Funding requirement US\$ Bn : 102.929	Not fully funding Domestic Tax collection initiatives will lead to under performance of the Domestic Revenue and hence affecting fiscal credibility and sustainability. Full implementation of etax2, TREPIII, digital stamps, mobile office will improve the quality of service, compliance levels and revenue performance
<i>OutPut : 03 Tax Investigations</i>	
Funding requirement US\$ Bn : 0.360	Implementation of the above initiatives shall enable URA to fully utilize the access provided by multi-lateral treaties to obtain information in tackling off shore tax evasion

Vote:143

Uganda Bureau of Statistics

VI: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

<i>Billion Uganda Shillings</i>	FY2016/17	FY2017/18		FY2018/19	MTEF Budget Projections			
		Approved Budget	Spent by End Sep	Proposed Budget	2019/20	2020/21	2021/22	2022/23
Recurrent Wage	12.837	12.850	3.209	12.850	14.134	14.841	15.583	16.362
Non Wage	22.701	21.562	3.790	21.562	26.305	30.251	36.301	43.562
Devt. GoU	14.300	18.661	0.473	18.661	22.766	27.319	27.319	27.319
Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total	49.838	53.072	7.473	53.072	63.206	72.412	79.204	87.243
Total GoU+Ext Fin (MTEF)	49.838	53.072	7.473	53.072	63.206	72.412	79.204	87.243
<i>A.I.A Total</i>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total	49.838	53.072	7.473	53.072	63.206	72.412	79.204	87.243

(ii) Vote Strategic Objective

The main theme of the FY 2018/19 UBOS Budget has been maintained as “The Journey Continues towards Social Economic Transformation of the Uganda Economy” in line with this theme, the Bureau's overall policy objective in the medium and long term is to ensure the Production, Coordination and Dissemination of Official statistics in a timely and coherent manner to enable better planning and monitoring of socio-economic development in the country

V2: Past Vote Performance and Medium Term Plans

Performance for Previous Year FY 2016/17

During the FY 2016-17, the Bureau provided key outcome indicators required for measuring the performance of the economy. These include GDP, Consumer Price Index (CPI), Producer Price Index (PPI) the 6th Uganda Demographic and Health Survey (UDHS)- results disseminated in March 2017, National Manpower Survey (NMS)

Also commenced Surveys include:

- The 2016/17 Uganda National Household Survey (UNHS)
- 6th Uganda National Panel Survey (UNPS)
- The National Labour Force Survey (NLFS)
- The Annual Agriculture Survey (AAS)

Supported 50 additional MDAs and HLG to design Strategic Plans for Statistics. The Bureau also embarked on the development of National statistics Indicators (NSI) framework

Vote:143 Uganda Bureau of Statistics

Performance as of BFP FY 2017/18 (Performance as of BFP)

The following performance by indicator has been registered:

- 1. Economics & Statistical Indicators:** GDP Estimates, Statistical Abstracts, High Frequency(Leading) Sate light Accounts, Environment, Implementation of SNA 2008, Background to the Budget Appendices, Weekly/Monthly CPI, Monthly Import/Export, Monthly Informal cross Border trade, Government revenue & expenditure
- 2. Population & social Statistics Indicators:** Labor markets, earning/Wage Index, Migration Reports, UDHS Reports, Health ,& cause of death reports, National and sub national population projection reports, ,Disability statistics, National school enrollment, UNPS Progressive reports, Poverty maps, Survey methodologies,
- 3. Industry and Agriculture: Monthly Indicator components include;** PPI(Manufacturing,Hotels/Restaurants), Construction Sector, Infrastructure(ICT& Transport), Energy(energy,Oil&Gas). Annual Business Report, Building and Utility Statistics, Annual crop/Livestock, Distributive trade , Live stock slaughters, Municipality solid waste , updated country stat report, & Technical conversion factors report
- 4. District Statistics & Capacity Building:**Report on HLG's Supported to have CIS operational

FY 2018/19 Planned Outputs

GDP Estimates, Statistical Abstracts, High Frequency(Leading) Sate light Accounts, Environment, Implementation of SNA 2008, Background to the Budget Appendices, Weekly/Monthly CPI, Monthly Import/Export, Monthly Informal cross Border trade, Government revenue & expenditure

Labor markets, earning/Wage Index, Migration Reports, UDHS Reports, Health ,& cause of death reports, National and sub national population projection reports, ,Disability statistics, National school enrollment, UNPS Progressive reports, Poverty maps, Survey methodologies

PPI(Manufacturing,Hotels/Restaurants), Construction Sector, Infrastructure(ICT& Transport), Energy(energy,Oil&Gas). Annual Business Report, Building and Utility Statistics, Annual crop/Livestock, Distributive trade , Live stock slaughters, Municipality solid waste , updated country stat report, & Technical conversion factors report

Medium Term Plans

The Bureaus' overall policy objectives in the medium and long term is to ensure the Production, Coordination and Dissemination of official statistics in a timely and coherent manner to enable better planning and monitoring of socio - economic development in the country through the following strategic areas:

1. Increasing the demand for and usability of Statistics
2. Undertake and improve data production and development
3. improve Statistical coordination and management
4. Enhancing data quality assurance Strengthening human resource development and management in Statistical production and
5. Strengthen support services for Statistical production

Efficiency of Vote Budget Allocations

At the moment, Resources have been committed to the Areas that contribute to the regular Statistical indicator . This is coupled with the special need to engender the statistics ans taking into consideration of the National environment concern, along side then HIV/AIDS Awareness impact

Vote Investment Plans

Redevelop Entebbe Office into a functional data Processing center

Acquire Field vehicles

Acquire a PABX for the Statistics House

Major Expenditure Allocations in the Vote for FY 2018/19

Most allocation is directed to the Regular Government economic indicators that inform the timely government decision making

V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

Vote Controller :

Programme : 55 Statistical production and Services

Vote:143 Uganda Bureau of Statistics

Programme Objective :	The Bureau's overall Policy objective in the medium and long term is to ensure the Production ,Coordination and Dissemination of official statistics in a Timely and Coherent manner o enable better planning and monitoring of sociology-economic development in the country							
Responsible Officer:	Executive Director							
Programme Outcome:	Statistical planning and programmes enhanced in the National Statistical System. Increased Demand and use of data & statistical Information, Enhanced Organisational management.							
<i>Sector Outcomes contributed to by the Programme Outcome</i>								
1. Sustainable Economic Stability								
Programme Performance Indicators (Output)	Performance Targets							
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target	
• Proportion of Established and Functional statistical structures/Plans in MDAs & HLGs,					0	60%	75%	80%

Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

<i>Billion Uganda shillings</i>	2016/17	2017/18		2018-19	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Vote :143 Uganda Bureau of Statistics								
55 Statistical production and Services	47.928	53.072	7.271	53.072	63.206	72.412	79.204	87.243
Total for the Vote	47.928	53.072	7.271	53.072	63.206	72.412	79.204	87.243

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

<i>Billion Uganda shillings</i>	2016/17	FY 2017/18		2018-19	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Programme: 55 Statistical production and Services								
0045 Support to UBOS	9.901	18.661	0.473	18.661	22.766	27.319	27.319	27.319
01 Population and Social Statistics	2.498	2.310	0.478	2.155	2.529	2.816	3.234	3.729
02 Macro economic statistics	5.292	5.287	1.138	5.338	6.291	7.032	8.118	9.405
03 Business and Industry Statistics	3.055	2.799	0.724	2.622	3.063	3.398	3.882	4.453
04 Statistical Coordination Services	1.879	2.165	0.292	1.801	2.108	2.342	2.681	3.082
05 District Statistics and Capacity Building	2.105	1.851	0.417	1.553	1.783	1.949	2.177	2.444
06 Information Technology Services	2.187	2.236	0.366	2.511	2.934	3.254	3.717	4.263
07 Administrative Services	6.789	7.802	1.514	8.362	9.836	10.977	12.645	14.621
08 Communication and Public Relations	0.959	1.034	0.194	1.392	1.634	1.821	2.093	2.415
09 Financial Services	2.241	2.167	0.410	2.150	2.533	2.830	3.266	3.782
10 Internal Audit Services	0.777	0.729	0.180	0.850	0.999	1.113	1.280	1.478
11 Social Economic Surveys	3.962	3.003	0.705	2.107	2.493	2.796	3.243	3.775
12 Agriculture and Environmental Statistics	2.798	2.215	0.407	2.412	2.883	3.260	3.825	4.499
1213 Population and Housing Census 2012	2.640	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Vote:143 Uganda Bureau of Statistics

13 Geo - Information Services	0.745	0.811	0.174	1.158	1.354	1.504	1.722	1.978
Total For the Programme : 55	47.828	53.072	7.473	53.072	63.206	72.412	79.204	87.243
Total for the Vote :143	47.828	53.072	7.473	53.072	63.206	72.412	79.204	87.243

N / A

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

FY 2017/18			FY 2018/19
Appr. Budget and Planned Outputs	Expenditures and Achievements by end Sep		Proposed Budget and Planned Outputs
Vote 143 Uganda Bureau of Statistics			
Programme : 55 Statistical production and Services			
Project : 0045 Support to UBOS			
Output: 72 Government Buildings and Administrative Infrastructure			
UBOSPABX for internal Telephones installed, The two lifted commissioned. Entebbe Offices redeveloped, The two lifted commissioned.			
Total Output Cost(Ushs Thousand):	0.704	0.000	1.580
Gou Dev't:	0.704	0.000	1.580
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000
Output: 75 Purchase of Motor Vehicles and Other Transport Equipment			
15 Closed Field work Vehicles		Process to procure the 15 Field Vehicles started	
Total Output Cost(Ushs Thousand):	1.807	0.000	0.087
Gou Dev't:	1.807	0.000	0.087
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000

V5: VOTE CHALLENGES FOR 2018/19 AND ADDITIONAL FUNDING REQUESTS

Vote Challenges for FY 2018/19

The Major Vote Challenge for the Bureau is the un announced Low funds releases compared to the planned cash flows. This created the following issues including: Missed the Qtr 1 Annual Agricultural Survey Field Activities, we delayed the start of the National Labour Force, and we had to reduce on the sample, We could not carry out the Rural Consumer Price Index Could not Commence in time, Delayed the data Collection of the for the Producer Price Index for manufacturing and this led to a dissemination lag of three months as opposed to to one month, delayed the data collection of Producer Price Index for Hotels & Restaurants and this has led to dissemination lag of of one Quarter, Delayed data collection of Construction Sector Index data which led to a dissemination lag of three months as opposed to one month

N / A

Vote:153 PPDA

VI: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

<i>Billion Uganda Shillings</i>	FY2016/17	FY2017/18		FY2018/19	MTEF Budget Projections			
		Approved Budget	Spent by End Sep	Proposed Budget	2019/20	2020/21	2021/22	2022/23
Recurrent Wage	5.784	6.550	1.565	6.550	7.205	7.565	7.943	8.340
Non Wage	4.807	4.518	0.579	4.518	5.512	6.338	7.606	9.127
Devt. GoU	0.469	2.320	0.000	6.320	7.710	9.252	9.252	9.252
Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total	11.060	13.387	2.144	17.387	20.427	23.156	24.802	26.720
Total GoU+Ext Fin (MTEF)	11.060	13.387	2.144	17.387	20.427	23.156	24.802	26.720
<i>A.I.A Total</i>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total	11.060	13.387	2.144	17.387	20.427	23.156	24.802	26.720

(ii) Vote Strategic Objective

1. To ensure the application of fair, competitive, transparent, non-discriminatory and value for money procurement and disposal standards and practices.
2. To harmonize the procurement and disposal policies, systems and practices of the Central Government, Local Governments and statutory bodies.
3. To set standards for the public procurement and disposal systems in Uganda.
4. To monitor compliance of procuring and disposing entities.
5. To build procurement and disposal capacity in Uganda.

V2: Past Vote Performance and Medium Term Plans

Performance for Previous Year FY 2016/17

Vote:153 PPDA

116 audits were conducted. The audit findings revealed that in 73.4% of the sampled procurements, Entities failed to deliver within the planned timelines, 43.87% of the contracts signed were not completed within the contractual period, 51.42% of the signed contracts were not paid in time.

The Authority completed 73 investigations worth UGX 970 Billion. The major grounds for investigations related to segregation of bidders, abuse of office, disregard of procurement procedures, and irregularities during the evaluation of bids like changing specifications during the bidding process, misleading and restrictive specification of requirements, and conflict of interest.

PPDA handled 57 applications for administrative review. Out of these, 18 were upheld, 36 were rejected, one (1) withdrawn and one (1) not handled because the bidder filed in the tribunal within the PPDA statutory period.

PPDA handled 19 matters in the appeals tribunal. Thirteen matters (68%) were decided in favour of the Authority while the Tribunal set aside the decisions of the Authority in 5 (26%) matters and one application was withdrawn.

Five (5) new cases in addition to four (4) ongoing cases were handled by the Authority in various courts of judicature.

GPP was rolled out to 90 PDEs bringing the total number of Entities on the system to 167 representing a coverage of 43%. The Authority was able to assess performance of 138 PDEs which entered data on 20,937 contracts on the Portal.

71.8% of the total value of contracts went through open bidding. This was a significant improvement in the value of procurements that went through open competition from 45.5% in the FY 2015/16.

99% of contracts by number were awarded to local contractors. By value, 53% of the contracts were awarded to local contractors and the foreign firms continued to dominate the large infrastructure projects in the works, energy, education and health sectors.

The Authority issued a guideline on reservation schemes to promote local content in public procurement. The main objective of the Guideline is to provide for mechanisms of increasing the input of local labor, goods and services in the procurement of public sector projects, goods and services within the country.

87 % of the Entities submitted their procurement plans. With regards to procurement reports, 77% of the expected procurement reports were received and reviewed by the authority.

The register of providers served 1,899 new providers while 3,351 existing providers renewed their subscription. A total of UGX 507 million was generated from the Register of Providers.

The Authority conducted follow up activities in 108 Entities. A total of 1,542 recommendations were reviewed and of these 1,072 recommendations (70%) were found to have been implemented and 470 recommendations (30%) were either partially implemented or not implemented.

60 firms were suspended by the Authority. The major grounds for suspensions are sub-standard works, breach of contractual terms, misrepresentation of project related information and forgery of documents.

The Authority issued out 184 letters providing legal guidance/advice. The main areas where advice was sought include pre-qualification and bidding process; evaluation of bids; contracts and contract management, disposal of public assets; accountability in public procurement & disposal process; providers in public procurement & disposal contracts; records management in public procurement and disposal; public procurement audit and compliance.

The Authority handled Eighteen (18) applications for accreditation during the period under consideration. Six (6) applications were granted, three (3) were rejected and nine (9) are still under consideration. The applications mainly come from State Enterprises which are profit oriented that find the application of the PPDA Act in its entirety deterrent to their business operations.

The Authority in collaboration with GIZ developed the new capacity building strategy. The Authority conducted trainings for 1,584 participants.

The Authority developed an e-learning system aimed at harnessing technology in its capacity building programs by using a self-paced and learner centred approach where interested learners can study any of the developed modules at their own convenience and pace.

PPDA conducted a study on the use of force on account method in Local Government Entities which revealed failure by Entities to conduct a comparative cost analysis to find out which cheaper between outright procurement and using the force on account mechanism.

The 9th Edition of the East African Procurement Forum (EA PF) was held in Rwanda under the theme: "Promoting Procurement Practices that Deliver Better Results." PPDA led the Ugandan delegation in the forum.

Vote:153 PPDA

Performance as of BFP FY 2017/18 (Performance as of BFP)

The Authority planned to conduct 90 procurement and disposal audits by the end of the FY 2017/18. The Authority had conducted and completed 20 audits as at 30th September 2017.

The Authority conducted and issued reports for 21 cases as at 30th September 2017. A total of 71 cases were still ongoing and these will be finalized by the end of FY 2017/18.

Sixteen (16) applications for administrative review were handled by the Authority. Out of these, seven (7) applications were upheld while nine (9) applications were rejected.

The Register of providers had a total of 580 new providers registered while 671 existing providers renewed their profiles. The activities of the RoP yielded UGX 137,421,397 in non-tax revenue which was remitted to the consolidated fund.

The Authority received 178 procurement plans and 177 of the monthly reports. 38 procurement reports were reviewed during this period. The most common findings were late initiation of procurements, contracts committee minutes not being attached to the reports, omnibus submission of reports and variances between the market and contract prices.

The Authority had followed-up audit and investigations recommendations in 10 PDEs. Out of the 156 recommendations made, a total of 93 recommendations representing 63% were implemented.

Recruitment of an e-GP manager and Change Management Specialist was undertaken and stakeholder sensitization was conducted in the 10 pilot Entities. The Authority has also embarked on conducting a capacity gap analysis for the pilot Entities. The procurement process for the system vendor is still ongoing and the vendor is expected to be onboard during the course of the financial year.

The Government procurement portal was rolled out to an additional eight (8) Entities bringing the total number of Entities on the system to 177. The government procurement portal provides access to key information on the procurement process right from procurement planning to contract management.

The Authority handled four (4) applications for deviation from the use of standard bidding documents. All the applications were granted.

588 stakeholders were trained through various interventions like the central government procurement cadre forum, induction of contracts committee members and demand driven training.

The Authority conducted the survey in the Financial Year 2017/2018 in August 2017 with the School of Statistics and Planning of Makerere University providing technical support for the survey.

Internal Audit continued to focus on areas that are critical to the PPDA objectives such as procurement, investigations and complaints, information and communications technology, and audit of internal controls over financial reporting/ management and other operations, and budget utilization and performance.

The 10th East African Public Procurement Forum was held in Kampala and hosted by the PPDA under the theme “Leveraging Technology for Improved Procurement Outcomes”. The 10th EAPF was attended by 250 delegates from Uganda, Rwanda, Burundi, Tanzania, Malawi and Sierra Leone.

The Authority continues to maintain productive partnerships that have enabled the authority to implement various activities for example the GIZ provided financial support for the East African Procurement Forum, GAPP supported 12 procurement and disposal audits, UN women supported a study to identify barriers to participation in public procurement among others.

Vote:153 PPDA

FY 2018/19 Planned Outputs

PPDA plans to undertake a total of 90 procurement and disposal audits. A total of 70 procurement and disposal audits will be under GOU funding while 20 audits will be covered under GAPP funding. All the procurement and disposal audit reports of 90 Entities will be analyzed in an Annual Audit Report.

PPDA handles investigations as and when they arise with a plan of sixty (60) investigations this financial year. The outcome of investigations and follow-ups will lead to increased compliance with the law and identification of weaknesses that need to be addressed.

The Authority will follow up on the status of implementation of recommendations as issued by the Authority from audits, investigations and compliance checks. The Authority will follow up recommendations implementation in 100 entities. Audit and investigation recommendations are followed up within six months of issuance of the reports.

PPDA will continue to facilitate the activities of MAC to expedite any applications for administrative review and suspensions as mandated by the PPDA Act.

PPDA will implement the Local Content Strategy; particularly the capacity building of the Local Providers, reservation of local contracts under specific sectors, simplification of bidding documentation for SMEs and enforcing the use of competitive methods in Entities.

PPDA will maintain its focus on the Entities with the biggest procurement budgets to closely monitor their procurement plan implementation in order to enhance budget absorption. The Authority will prioritize the accreditation of alternative procurement systems for the Entities where market conditions do not allow effective application of the PPDA Act.

PPDA shall in partnership with the Ministry of Finance, Planning and Economic Development and the Ministry of Justice and Constitutional Affairs expedite the amendment of the PPDA Act with an aim of improving efficiency, effectiveness and value for money in public procurement. Amendments will also be done to the attendant regulations, Standard Bidding Documents and Guidelines and build capacity on their usage.

PPDA will continue the roll out of the Government Procurement Portal to an additional 15 Entities. Continuous training and backstopping will be done for the existing entities on the system to ensure that data is timely inputted into the system. The data inputted into the system will be analyzed to produce the annual Government Procurement Portal Report.

In line with the Ugandan e-Government framework with support from the World Bank will implement and roll out the e-Government Procurement system to ten pilot entities. The e-GP system is aimed at transforming the manual procurement system by use of ICT's in order to improve transparency, efficiency and service delivery.

PPDA will implement the capacity building strategy by maintaining institutional collaboration with professional bodies, government and training institutions for sustainable capacity building and development.

There is periodical need to update the price list quarterly due to the frequent changes in the market place. The Authority will update the list to guide entities in determining the average prices of common user items.

Following the adoption of the FY 2014/15 – 2018/19 Strategic Plan, the Authority will continue to implement the strategic plan and the approved organization structure. The Authority will continue monitoring the implementation of the strategic plan across all its departments to ensure that the objectives of the strategic plan are achieved. The Authority also plans to review the current strategic plan and extend it for an additional Financial Year with an aim of having the PPDA Strategic plan aligned to the time Horizon of the National Development Plan

The Authority plans to commence the construction of the PPDA – URF head office in the Financial Year 2017/2018. Consultative engagements are already on going for the project.

The Authority will attend the 11th East African Procurement Forum in Q2 of FY 2018/2019. The Authority will lead the Ugandan Delegation to the Forum that brings together all the procurement practitioners in the East African Region. The annual forum is a platform for identifying and addressing common challenges in public procurement and promotes practices that deliver best results at encouraging growth of business opportunities and trade amongst East African member states.

Medium Term Plans

Vote:153 PPDA

In the medium term, the Authority intends to implement the following

1. Implementing E- Government Procurement.
2. Roll out of E- learning system
3. Promoting Local content in public procurement
4. Increasing Audit coverage

Efficiency of Vote Budget Allocations

The Authority spends the majority of its budgetary allocation on program activities aimed at delivering its core mandate. The authority also plans to improve its internal efficiency through the following:

Strengthening the regional offices by posting more staff. This will help to increase the coverage of the activities of the Authority like procurement Audits, Investigations and GPP Verifications.

The implementation of e-GP system is expected to result in reduction of unit costs of contracts and lead procurement times.

The Authority will also roll out the e learning system to reduce on the costs of building capacity by adopting learner centered technologies accessible over the internet for the convenience of the learners.

The Authority will also embrace productive partnerships with various stakeholders like the donor community, civil society organisations and the academia to achieve various strategic objectives.

Vote Investment Plans

The Authority has earmarked UGX 4.9 Billion in its budget for the construction of the PPDA Home in partnership with the Uganda Road Fund.

The Authority has Earmarked UGX 0.35 Billion in its FY 2018/19 for the procurement of motor vehicles to replace its aging fleet since most of its activities are field based.

The Authority has earmarked UGX 1.9 Billion in its budget for the construction of the PPDA Home in partnership with the Uganda Road Fund.

The Authority has Earmarked UGX 0.35 Billion in its FY 2018/19 for the procurement of motor vehicles to replace its aging fleet since most of its activities are field based.

Major Expenditure Allocations in the Vote for FY 2018/19

Vote:153 PPDA

Procurement and Disposal Audits; The Authority has allocated UGX 2.88 Billion to undertake procurement audits and to monitor compliance by PDEs.

Capacity building activities; The Authority has allocated 1.33 Billion to undertake capacity building activities to transfer knowledge and skills on public procurement procedures to various stakeholders including providers, contracts committees members, user departments, procurement cadres, CSOs etc. The Authority will also hold procurement barazas to interact with all the stakeholders in topical issues in public procurement.

Legal and Advisory services; The Authority has allocated UGX 1.28 Billion to facilitate the development and improvement of Regulations, Standard Bidding Documents and Guidelines to streamline public procurement and disposal practices. Included in the allocation to legal and advisory services budgetary allocation is the management advisory committee activities which include administrative reviews that focus on enhancing transparency of the procurement process. The Allocation is also meant for conducting investigations in procurement and disposal.

V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

Vote Controller :

Programme :

56 Regulation of the Procurement and Disposal System

Programme Objective :

The Authority is mandated to regulate the procurement and disposal system in Uganda. The Strategic objectives of the Authority as spelt out in the 2014/15 - 2018/19 Strategic plan are:

1. Strengthening transparency and accountability in public procurement

2. Increasing competition and hence contributing to domestic industry development

3. Enhancing the efficiency of public procurement system

4. Strengthening contract management and performance

5. Leveraging technology to improve procurement outcomes

6. Enhancing the performance of public procurement beyond compliance

7. Enhancing the effectiveness of capacity building, research and knowledge management

8. Strengthening the internal PPDA capacity to deliver improved performance of public procurement

9. Leveraging and enhancing partnerships and collaborations.

Responsible Officer:

Benson Turamye

Ag. Executive Director.

Programme Outcome:

Improved procurement contract management and performance

Sector Outcomes contributed to by the Programme Outcome

1. Sustainable Macroeconomic Stability

Programme Performance Indicators (Output)	Performance Targets						
	2016/17 Actual	2017/18 Target	Base year	Baseline	2018/19 Target	2019/20 Target	2020/21 Target
• Proportion of contracts rated satisfactory	0	70%			100%	100%	100%

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• Proportion of Contracts above threshold subjected to open bidding	0	55%	80%	80%	80%
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Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

Billion Uganda shillings	2016/17	2017/18		2018-19	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2019-20	2020-21	2021-22	2022-23
Vote :153 PPDA								
56 Regulation of the Procurement and Disposal System	11.057	13.387	2.144	17.387	20.427	23.156	24.802	26.720
Total for the Vote	11.057	13.387	2.144	17.387	20.427	23.156	24.802	26.720

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

Billion Uganda shillings	2016/17	FY 2017/18		2018-19	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2019-20	2020-21	2021-22	2022-23
<i>Programme: 56 Regulation of the Procurement and Disposal System</i>								
01 Headquarters	10.588	11.067	2.144	11.067	12.716	13.903	15.549	17.467
1225 Support to PPDA	0.469	2.320	0.000	6.320	7.710	9.252	9.252	9.252
Total For the Programme : 56	11.057	13.387	2.144	17.387	20.427	23.156	24.802	26.720
Total for the Vote :153	11.057	13.387	2.144	17.387	20.427	23.156	24.802	26.720

Table V4.2: Key Changes in Vote Resource Allocation

Major changes in resource allocation over and above the previous financial year	Justification for proposed Changes in Expenditure and Outputs
Vote :153 PPDA	
<i>Programme : 56 PPDA</i>	
Output: 72 Government Buildings and Administrative Infrastructure	
Change in Allocation (US\$ Bn) : 4.000	The Authority received additional funding to kick start the construction process of the Office block in partnership with Uganda Road Fund.
Output: 78 Purchase of Office and Residential Furniture and Fittings	
Change in Allocation (US\$ Bn) : (0.012)	The existing furniture in the Authority is in a good condition and therefore doesn't require urgent replacement hence the reduction in the allocation for furniture and fittings.

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

FY 2017/18		FY 2018/19
Appr. Budget and Planned Outputs	Expenditures and Achievements by end Sep	Proposed Budget and Planned Outputs
Vote 153 PPDA		
Programme : 56 Regulation of the Procurement and Disposal System		

Vote:153 PPDA

Project : 1225 Support to PPDA

Output: 72 Government Buildings and Administrative Infrastructure

Phased construction of the PPDA Home	Main project contractor (M/S Cementers was procured and contract was signed by the Joint PPDA/ URF Board	Construction of Office block.	
Total Output Cost(Us\$ Thousand):	1.900	0.000	5.900
Gou Dev't:	1.900	0.000	5.900
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000

V5: VOTE CHALLENGES FOR 2018/19 AND ADDITIONAL FUNDING REQUESTS

Vote Challenges for FY 2018/19

Poor Planning in Procurements: Entities are continuously failing to plan and cost procurements especially the big and complex projects and as a result they end up over or undervaluing procurements. This is caused by failure of Entities to clearly scope the proposed projects.

Delays in Evaluation of bids especially for High Value Contracts: There still exist challenges in the evaluation of procurements which stem from unethical conduct where evaluators disclose information unofficially which results into lengthy appeals that sometimes end up in courts of law. This unnecessarily lengthens the procurement process. The amendment of the PPDA Act should be able to solve some of these delays.

Weak Contract Management: Though big strides have been made in the post contracting stage, many procurements are mismanaged at the contract management stage where contract managers do not diligently carry out their duties and leave government projects at the mercy of the profit motivated contractors who end up doing substandard work. The Authority recommends that the Accounting Officers should prevail over User Departments to appoint contract supervisors/managers that should report any deviations from the terms and conditions of the signed contracts.

Manual Procurement System: As a regulator, the Authority is constrained by the inaccurate data and reports submitted by Entities due to the manual system. This has been worsened by failure to have easy access to the Integrated Financial Management System (IFMS) real time to verify accuracy of the data submitted by the Entities. The manual procurement process is furthermore prone to manipulation/bid tampering and inefficiencies in the process.

Corruption and Unethical Practices: Public procurement is prone to corruption, particularly due to the high value transactions, complexity and close interaction between the public and private sector through the bidding processes. Evaluation of Bids persists to be perceived as the stage most susceptible to corruption. Corruption in procurement erodes bidder confidence and results into higher bid prices that ultimately increases the cost of delivering services to citizens. While PPDA cannot alone totally remove corruption that is pervasive in the society, as the Regulator, it is incumbent upon PPDA to ensure that the system promotes transparency, efficiency, economy, fairness, and accountability where corrupt activities will be more difficult to conceal and will be easier to punish administratively or criminally. This requires strong partnerships with other oversight and

Vote:153 PPDA

enforcement agencies as well as the civil society.

Failure of PDEs to Implement PPDA Recommendations: The Effectiveness of audits, investigations and administrative reviews conducted by the Authority lies in the implementation of the recommendations issued. The status of implementation of recommendations during FY 2017/18 was 70%. Failure by Entities to implement recommendations slows down the efforts of the Authority to improve the performance of the public procurement system in Uganda. The Authority will continue to timely monitor the implementation of the recommendations, address the capacity gaps in PDEs through training interventions as well as work with other competent authorities like the Office of the Secretary to the Treasury, the Ministry of Local Government, the Inspectorate of Government, Public Service Commission, Inspector General of Government, and the Office of the Auditor General to enforce implementation of PPDA recommendations.

Failure to Conduct Disposals. The Authority noted that Entities had a lot of assets which were due for disposal. However, several of them failed to dispose the obsolete assets especially vehicles since they were not in possession of the log books. Parent Entities that donated these vehicles retained the log books. The Authority recommends that parent Entities should handover log books and transfer vehicles to Entities that possess the disposable vehicles for ease of disposal.

Limited funding for Audit coverage: Due to funding constraints, the Authority is not able to audit all the Entities under its jurisdiction and currently conducts audits on a sample and risk basis. The current audit coverage is only 35% and this position is continuously being worsened by the ever-increasing number of both central and Local Government Entities.

Delays in amendments to the Local Government PPDA Regulations: The amendment process of the Local Governments (PPDA) Regulations was halted; pending the finalizing of the review of the PPDA Act. It is now planned that the review of the PPDA Regulations and Local Government PPDA Regulations shall be reviewed at the same time for a harmonized position. This delay in the amendments of the Local Government PPDA Regulations may continue to hamper efficiency in the Local Government procurements.

Table V5.1: Additional Funding Requests

Additional requirements for funding and outputs in 2018/19	Justification of requirement for additional outputs and funding
Vote : 153 PPDA	
Programme : 56 Regulation of the Procurement and Disposal System	
OutPut : 01 Performance Monitoring Directorate	
Funding requirement US\$ Bn : 0.450	The NDP identifies enhancing the performance of public procurement contracts as a catalyst to achieving the objectives of the NDP II. This requires close supervision of the procuring and disposing entities to ensure that all procurements especially the NDP II flagship projects are conducted in accordance with the PPDA Act to ensure efficiency, effectiveness and value for money in public procurement.
OutPut : 04 Operations Directorate	

Vote:153 PPDA

Funding requirement US\$ Bn : 0.200	There is need for continuous capacity building of procurement audit and investigations staff to keep them abreast with modern trends in public procurement to enable them curb the rampant corruption in public procurement which takes the lion's share of the national budget.
Output : 05 Corporate Directorate	
Funding requirement US\$ Bn : 1.888	The current public procurement system is paper based with a lot of limitations which affect efficiency of the system and fertile breeding grounds for corruption. The NDP proposes establishment of an electronic procurement system to solve the limitations of manual based procurement system.
Output : 72 Government Buildings and Administrative Infrastructure	
Funding requirement US\$ Bn : 6.610	The construction of the PPDA Office block would improve the institutional capacity to oversee public procurement in Uganda which consumes over 60% of the national budget in Uganda by providing a conducive environment for oversight duties.