

Section 3: Tourism, Trade and Industry Sector

S1: Sector Overview

This section provides an overview of Sector Expenditures and sets out the Sector's contribution to the NDP, its policy objectives, and key performance issues.

(i) Snapshot of Sector Performance and Plans*

Table S1.1 and Chart S1.1 below summarises the Medium Term Budget allocations for the Sector:

Table S1.1: Overview of Sector Expenditures (US\$ Billion, excluding taxes and arrears)

	2014/15 Outturn	2015/16		MTEF Budget Projections		
		Approved Budget	Spent by End Sept	2016/17	2017/18	2018/19
Recurrent						
Wage	2.012	14.833	3.270	14.833	15.575	16.354
Non Wage	30.137	32.653	5.671	32.459	38.626	45.578
Development						
GoU	21.818	32.784	10.002	27.784	33.341	38.342
Ext. Fin.	0.000	0.777	0.000	1.391	8.041	11.233
GoU Total	53.967	80.271	18.943	75.076	87.541	100.274
Total GoU+Ext Fin. (MTEF)	53.967	81.047	18.943	76.467	95.582	111.507
<i>Non Tax Revenue</i>	<i>0.000</i>	<i>77.073</i>	<i>17.650</i>	<i>68.029</i>	<i>69.630</i>	<i>71.433</i>
Grand Total	53.967	158.120	36.593	144.496	165.212	182.940

* Excluding Taxes and Arrears

(ii) Sector Contributions to the National Development Plan

The Tourism, Trade and Industry Sector is committed to the budget theme for Financial Year 2016/17. In order to successfully contribute to this theme, the Sector has accordingly prepared a Budget Framework Paper for Financial Year 2016/17 and the medium term, still holding its Sector Vision as “Sustainable Tourism, Competitive Trade, and World Class Industrial Products, and Services”, and its Mission to “Develop and promote Private Sector competitiveness and export led wealth creation, conserve and preserve natural resources and cultural heritage for accelerating economic growth and development.” The Sector’s Vision and Mission are anchored to well-defined strategic objectives and activities, to deliver tradable quality and sustainable products and services, which forms an important building block to realizing the long term aspirations and objectives of the National Vision of “A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 years”.

Sector Mandate and Composition:

The mandate of the Tourism, Trade and Industry Sector is derived from the Constitution of the Republic of Uganda (1995 – Article 189, Sixth Schedule Sections 11, 12, 13, 20, 23, 25 and 29) as follows:

“To formulate and support strategies, plans and programs that promote and ensure expansion and diversification of tourism, trade, cooperatives, environmentally sustainable industrialization, appropriate technology, conservation and preservation of national natural and cultural heritage, to generate wealth for poverty eradication and benefit the country socially and economically.”

The Sector is composed of various public and private institutions with the lead Organizations being the Ministry of Trade, Industry and Cooperatives and the Ministry of Tourism, Wildlife and Antiquities.

The Ministry of Trade, Industry and Cooperatives (MoTIC) directly supervises the operations of seven (7) other public agencies namely Uganda Industrial Research Institute (UIRI), Uganda National Bureau Standards (UNBS), Uganda Export Promotion Board (UEPB), Management Training and Advisory Centre (MTAC), Uganda Development Corporation (UDC), Uganda Warehouse Receipt System Authority

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(UWRSA), AGOA Secretariat (AGOA) and a host of other Public Companies created through PPP arrangements with UDC. Its other Agencies are; the Uganda Cleaner Production Centre (UCPC) and the Textile Development Authority (TEXDA).

The Ministry of Tourism, Wildlife and Antiquities (MoTWA) directly supervises the operations of five (5) other public agencies namely is assisted by; the Uganda Tourism Board (UTB), the Uganda Wildlife Authority (UWA), the Uganda Wildlife Education Centre (UWEC), the Uganda Wildlife Training Institute (UWTI), and the Hotel and Tourism Training Institute (HTTI).

The Sector is also composed of other public agencies delivering sector related services such as MoFPED, MEACA, MoFA, MEMD, MAAIF, MoICT, MoIA, MoLG, UIA, KCCA, CDO, UCDA, URSB, and the Private Sector with apex bodies such as PSFU, UNCCI, UMA, UCA and USSIA.

Sector Outcomes:

With the support of their Agencies, the Private Sector and Development Partners, the Sector Ministries will continue to pursue the implementation of the various NDP objectives through selected NDP strategies and interventions in the Financial Year 2015/16 and across the medium term to achieve its three Sector Outcomes which include:

1. A Competitive and Export-oriented Industrial Sector;
2. Improved Heritage Conservation and Increased Tourism Earnings; and,
3. Improved Competitiveness and Market Access of Uganda's Goods and Services

The above Sector Outcomes are contributed to by 17 objectives of the Second National Development Plan (NDP) under 4 respective subsectors – Tourism, Trade, Manufacturing and Cooperatives. These can be illustrated as follows:

Trade, Industry and Cooperatives Subsector

A. Trade Development

- 1) Increase the share of manufactured goods and services in total exports;
- 2) Improve the stock and quality of trade infrastructure;
- 3) Improve private sector competitiveness; and
- 4) Increase market access for Uganda's products and services in regional and international market.

B. Industrial Development

- 5) Promote the development of value added industries in agriculture and minerals;
- 6) Increase the productive capacities and capabilities required to produce goods and services;
- 7) Enhance application of Standards and Quality Infrastructure;
- 8) Promote and accelerate the use of research, innovation and applied technology; and,
- 9) Promote green industry and climate smart industrial initiatives.

C. Cooperatives Development

- 10) Promote the formation and growth of cooperatives;
- 11) Enhance the capacity of cooperatives to compete in domestic, regional and international markets; and,
- 12) Increase the diversity in type and range of enterprises undertaken by cooperatives.

D. Sector Administration and Management

- 13) Enhance Public Administration and Management of the Sector
- 14) Develop the Sector's Institutional Human Resource
- 15) Strengthen Sector Institutional Infrastructure

Tourism, Wildlife and Antiquities Subsector

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Given the diversity and complexity of the designed interventions in the Budget Framework Paper, its success does not entirely lie within the Sector's hands, but also in those of our sister Sectors, Ministries, Departments and Agencies, Private Organisations and Civil Society whose work facilitates or complements ours. Inevitably, these and other related interventions require more resources of a technical, financial and political nature. The Tourism, Trade and Industry Sector therefore wishes to call upon all its partners for even greater support.

(iii) Medium Term Sector Policy Objectives

The sector objectives which guide medium term outputs and resource allocations are:

1. *Develop a competitive and export oriented industrial sector;*
2. *Conserve, preserve and ensure sustainable development of Uganda's unique natural and cultural heritage;*
3. *Develop and promote Uganda's tourism domestically and internationally;*
4. *Strengthen the cooperative movement in Uganda;*
5. *Promote efficient, effective and results oriented resource management in the Ministry;*
6. *Promote international competitiveness of Uganda's exports and improve market access of Ugandan products and services;*
7. *Develop and implement standards so as to ensure quality of all manufactured goods through conformity assessments (i.e. Standardization and quality assurance).*

(iv) Summary of Sector Performance

The status of the sector in terms of its three priority sector outcomes is set out below:

Outcome 1: A Competitive and Export-oriented Industrial Sector

The Ministry of Trade, Industry and Cooperatives has registered over 2,000 enterprises, engaged in; Agro-processing (63%), Metal fabrication, furniture, bricks and tiles (12%), Pharmaceuticals and other chemicals (6%), Paper, plastics and cosmetics (6%), Confectioneries (3%), Electricals and electronics (3%) and others(10%).

The industry sector grew by 7.9 percent in the FY 2014/15 compared to a growth of 3.9 percent during the FY 2013/14. The better performance in industry was due to improved growth in mining and quarrying and manufacturing that registered a higher growth of 19.4 percent and 11.0 percent in 2014/15 compared to a growth of 5.7 percent and 2.2 percent in 2013/14 respectively. Growth in construction slowed down to 2.7 percent in 2014/15 compared to a 5.3 percent growth in 2013/14 as a result of a decline of 8.9 percent in the public construction component. The growth in construction was driven by the households and corporate construction activities. The industrial sector's contribution to the total GDP at current prices remained stable at 20.4 percent in FY 2014/15.

Manufacturing subsector (both formal and informal) grew by 11.0 percent in the FY 2014/15 compared to a 2.2 percent growth in the FY 2013/14. The growth in manufacturing is attributed to a good performance in the production of beverages and tobacco and chemicals, as well as other manufacturing not elsewhere classified. The share of manufacturing sub-sector to the total current GDP in 2014/15 was estimated at 9.6 percent compared to a share of 9.3 percent in 2013/14. Informal manufacturing increased by 16.2 percent in FY 2014/15 compared to a 0.6 percent decline in FY 2013/14.

The Index of Production which measures output from manufacturing activities recorded for the year 2014 was 219.0, which was a 9.8 percent increase from the year that ended 2013. Food Processing' group index registered the highest increase of 19.9 percent.

The annual PPI-M (Combined) declined by 0.5 percent for the year ending 2014. The fall in the producer prices (combined) was due to a fall in prices of Food Products (-1.5 percent), Drinks and Tobacco (-0.9 percent) and Chemical, Paint, Soap and Foam Products (-4.6 percent). The PPI-M (Local) registered an annual average decline of 2.2 percent in year 2014 from year 2013. The PPI-M (Export) registered an annual average increment of 2.3 percent in year 2014 from financial year 2013.

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In Industrial Research, the sector through Uganda Industrial Research Institute continued to provide the necessary tools and infrastructure to enhance industrial science, standards and advanced technology. This mainly concentrates on adding value to the locally produced agro-products like; fruits, irish potatoes, peanuts, bananas, honey, millet, vegetables, ground nuts, soya and dairy products so as to reduce on the post-harvest losses, increase incomes of farmers and fight against hunger and malnutrition among the people of Uganda.

Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings

The country recorded a total of 1.7 million international arrivals and 1.6 million departures in 2014. The number of visitors to national parks decreased from about 214,000 in 2013 to about 203,000 in 2014. Tourists visiting Friends and Relatives in Uganda decreased from about 528,000 in 2013 to about 441,000 in 2014. The most popularly visited national park in 2014 was Murchison Falls (33.0 percent), followed by Queen Elizabeth (29.0 percent) and Lake Mburo National Park (13.0 percent). 44.0 percent of the visitors to national parks were foreigners who are non-residents.

The East African Community (EAC) Common Market Protocol guarantees free movement of persons who are citizens of Partner States within the EAC territory. (Article 7: of the Protocol on the Establishment of the EAC Common Market). Arrival and departure statistics is therefore important in monitoring of the EAC Common Market Protocol. The number of arrivals from EAC member states increased from 550,000 in 2010 to about 807,000 in 2014. Over the past five years, the majority of arrivals and departures were from Kenya followed by Rwanda, accounting for 88 percent of the arrivals and 89 percent of the departures. The net movement between Uganda and other partner states within the region reduced from 80,000 persons in 2012 to 30,000 in 2014.

In 2014, most tourist arrivals in the country were from the African continent (78 percent) followed by Europe (9 percent) America and Asia (both 6 percent). Tourists from the neighbouring countries including (Kenya, Rwanda, Tanzania, the South Sudan and D.R. Congo) accounted for 69 percent of all tourist arrivals. This was followed by the United States and United Kingdom accounting for 5 percent and 3 percent of tourist arrivals respectively

The number of tourist arrivals by air transport increased from 369,000 in 2010 to 443,000 persons in 2014. Majority of Tourist Arrivals arrived by road. Katuna, Busia, Malaba, Cyanika and Elegu\Atiak were the major entry points used. Out of the 22 gazetted entry points, only Entebbe International Airport can be accessed by air. The other points are only accessed by road.

Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services

Trade Performance:

Import for the FY 2014/15 was US\$ 6.9 billions from US\$ 6.2 billions in the FY 2014/15, exports declined from US\$ 2,725.7 million in 2013/14 to US\$ 2,714.6 million. This decline may be attributed to among others, instability in South Sudan, declining fish export and the many notifications received from the EU market in respect of the standards quality shortcomings of our horticultural exports. Despite the decline of Uganda's earnings in FY 2014/15 compared to FY 2013/14, EAC and COMESA remains Uganda's leading export destination representing about 50% export market share with the EU market being second with a total of US\$ 503.16M. Our main exports are maize flour, beans, agro processed foods, cement, iron and steel products, human medicine, vegetable oil and soap, tea, milk products, art & crafts, Sugar, coffee, tobacco, fruits, vegetables, beers, rice, vegetables, plastics, hides & skins, corrugated boxes, meat, coffee, and chilled fish.

According to the UBOS Statistical Abstract 2015, during 2014 the country experienced the highest trade deficit of US\$ 3,462.8 million in comparison to the previous four years. The total value of imports rose by 4.6 percent in 2014 after a significant decrease of 3.7 percent in 2013.

The overall export earnings declined by 5.4 percent in 2014 compared to the previous year. Formal exports

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decreased by 6.1 percent from US\$ 2,407.7 million in 2013 to US\$ 2,262.0 million in 2014. Contribution of formal Traditional Exports (TEs) to the overall formal export earnings decreased from 27.5 percent in 2013 to 25.8 percent in 2014 after rising from 25.1 percent in 2012. The Asian continent maintained as the major source of Uganda's imports and the COMESA regional bloc remained as the main destination for Uganda's exports.

The wholesale and retail trade; repairs activities grew by 2.9 percent in FY 2014/15 compared to a decline of 0.8 percent registered in 2013/14. Wholesale, retail trade and repairs activities contributed 12.2 percent to the total GDP at current prices in FY 2014/15 compared to 13.1 percent in 2013/14.

The services industry grew by an estimated 5.3 percent in FY 2014/15 compared to a growth of 4.3 percent in FY 2013/14. In this sector, administrative and support services registered the highest growth (33.4 percent), followed by finance and insurance activities (19.6 percent). Services' industry contribution to total GDP at current price was 47.6 percent in 2014/15 slightly higher than the 47.0 percent contribution in FY 2013/14.

Professional, scientific and technical services activities which include; legal activities, accounting, bookkeeping and auditing activities, activities of head offices, architectural and engineering activities, scientific research and development, market research and public opinion polling among others declined by 6.5 percent in FY 2014/15 compared to a revised decline of 1.5 percent registered in FY 2013/14. The contribution of these activities to the total GDP at current prices in 2014/15 was 2.7 percent compared to 2.6 percent in FY 2013/14.

Administrative and support services activities which include: rental and leasing, activities of employment placement agencies, travel agency, tour operator, reservation service and related activities, security and investigation, services to buildings and landscape, office administrative services, office support and other business support, collection agencies and credit bureaus registered a strong growth of 33.5 percent in FY 2014/15 compared to a revised decline of 2.4 percent in FY 2013/14. The contribution of these activities to the total GDP at current prices was 1.9 percent in FY 2014/15 compared to 1.6 percent in FY 2013/14.

These services include public administration, education and health. In this subsector, public administration activity grew by 7.8 percent in FY 2014/15 compared to a revised growth of 5.9 percent in FY 2013/14. The contribution of public administration activities to total GDP at current prices was 2.7 percent in FY 2014/15 compared to 2.5 percent in FY 2013/14. Education services activities grew by 6.0 percent in FY 2014/15 compared to a revised growth of 5.7 percent in FY 2013/14. This activity contributed to nearly 6.0 percent of the total GDP at current prices in FY 2014/15 as compared to a 5.7 percent growth in FY 2013/14. Similarly, health services and social work activities grew by 4.3 percent in 2014/15 compared to a revised 6.0 percent growth in 2013/14. The contribution of the health services activities to the total GDP at current prices was estimated at 3.5 percent in FY 2014/15 compared to 3.3 percent in 2013/14.

Arts, Entertainment and recreation activities include: creative, arts and entertainment, Libraries, archives, museums and other cultural activities, gambling and betting, sports and amusement and recreation. Arts, entertainment and recreation activities grew by 0.5 percent in FY 2014/15 GDP estimates compared to a revised growth of 5.5 percent for FY 2013/14. This activity contributed to 0.3 percent of total GDP at current prices in FY 2014/15 the same as in FY 2013/14.

Other service activities include: activities of membership organizations, repair of computers and personal and household goods, other personal service activities like washing and (dry-) cleaning of textile and fur products, hairdressing and other beauty treatment, funeral and related activities, other personal service activities n.e.c. "other service activities" activities grew by 7.5 percent in FY 2014/15 compared to a revised growth of 7.9 percent in FY 2013/14. This activity's contribution to total GDP at current prices in FY 2014/15 was 1.2 percent, the same as for the previous Financial Year.

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Cooperatives Performance:

There are about 100 Cooperative Unions and Area Cooperative Enterprises that are involved in value addition and agro processing of coffee, cotton, honey and fruits among others. Notable among them are; the Bugisu Cooperative Union Ltd, Ankole Coffee Producers Cooperative Union Ltd, Wamala Cooperative Union Ltd, Kayunga ACE, Teso Cooperative Union Ltd and Gumutindo ACE. The East Acholi Union has been assisted by the Government through PSFU to acquire machinery for cotton ginning.

As at end of July 2015, there were 16,507 registered cooperative societies in the country and in the Financial Year 2014/2015, the Ministry registered 936 new cooperatives of which 539 are SACCOs and 267 are Agricultural Marketing cooperatives. To improve storage facilities in the country, 26 storage facilities were pre-inspected and approved for WRS public licensing.

S2: Sector Performance and Plans to Improve Sector Outcomes

This section describes past performance and plans to improve sector outcomes. For each outcome it sets out outcome indicators, key sector outputs and actions to improve sector performance. It then sets out analysis of the efficiency of sector allocations and major capital investments.

(i) Outcome 1: A Competitive and Export-oriented Industrial Sector

Status of Sector Outcomes

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

Table S2.1: Sector Outcome Indicators

<i>Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
Outcome and Outcome Indicator	Baseline	2016/17 Target	Medium Term Forecast
Share of Manufacturing to Total GDP (%)	25 (2008)	26	30 (2018)
Share of Manufactured Exports to Total Exports (%)	12 (2009)	13	15 (2018)

Table S2.2: Performance Targets FY2016/17 Contributing to the Sector Outcome*

<i>Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
<i>Vote, Vote Function Key Output</i>	<i>Approved Budget and Targets</i>	<i>2015/16 Spending and Targets Achieved by End Sept</i>	<i>2016/17 Proposed Budget and Planned Targets</i>
Vote: 015 Ministry of Trade, Industry and Cooperatives			
<i>Vote Function:0601 Industrial and Technological Development</i>			
Output:060101	Industrial Policies, Strategies and Monitoring Services		
<i>Performance Indicators:</i>			
Stage of UDC Act formulation			Passed by Parliament
Stage of Sugar Act formulation			Passed by Parliament
Stage of Iron and Steel policy formulation			Passed by Cabinet
<i>Output Cost (US\$ bn):</i>	0.386	0.088	0.390
Output:060102	Capacity Building for Jua Kali and Private Sector		
<i>Performance Indicators:</i>			
No. of participants trained in value addition, business management & marketing	200	30	400
No. of Ugandan artisans participating in exhibitions	70	18	120
<i>Output Cost (US\$ bn):</i>	0.238	0.035	0.214
Output:060103	Industrial Information Services		

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<i>Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2015/16 Spending and Targets Achieved by End Sept	2016/17 Proposed Budget and Planned Targets
<i>Performance Indicators:</i>			
Number of enterprises for whom data is captured in the National Industrial Database	70	4	
Number of enterprises for whom data is captured in the National Industrial Database			80
<i>Output Cost (US\$ bn):</i>	0.064	0.010	0.065
Output: 060104	Promotion of Value Addition and Cluster Development		
<i>Performance Indicators:</i>			
No. of enterprises supported with value addition equipment	16	8	10
<i>Output Cost (US\$ bn):</i>	0.547	0.114	0.514
Output: 060151	Management Training and Advisory Services (MTAC)		
<i>Performance Indicators:</i>			
No. of participants trained in entrepreneurship skills	1,500	90	
No. of students offering diploma & certificate programmes in business and ICT	2,023	2052	
No. of participants trained in entrepreneurship skills			1,500
No. of students offering diploma & certificate programmes in business and ICT			2,023
<i>Output Cost (US\$ bn):</i>	0.058	0.000	0.058
Vote: 110 Uganda Industrial Research Institute			
<i>Vote Function: 0651 Industrial Research</i>			
Output: 065101	Administration and Support Services		
<i>Output Cost (US\$ bn):</i>	6.018	1.328	6.018
Output: 065102	Research and Development		
<i>Performance Indicators:</i>			
No. of value added products developed for industrialisation to reduce post harvest losses.	40	15	
No. of value added products developed for industrialisation to reduce post harvest losses			45
No. of research projects initiated	60	24	15
No. of product analyses undertaken for quality checks	55	94	3032
<i>Output Cost (US\$ bn):</i>	1.863	0.300	1.800
Output: 065103	Industrial and technological Incubation		
<i>Performance Indicators:</i>			

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<i>Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2015/16 Spending and Targets Achieved by End Sept	2016/17 Proposed Budget and Planned Targets
No. of technologies deployed with incubatees	25	9	25
No. of SME's incubates taken on	50	22	15
<i>Output Cost (US\$ bn):</i>	1.702	0.405	1.600
Output: 065104	Model Value Addition Centre Establishment		
<i>Performance Indicators:</i>			
No. of products up-scaled and commercialized by the centres	35	9	35
No. of model value addition centres at 75% completion	1	4	4
No. of local raw materials developed and populated in the scientific databases	45	12	55
<i>Output Cost (US\$ bn):</i>	0.619	0.156	1.110
Output: 065105	Facility Repair and Maintenance		
<i>Output Cost (US\$ bn):</i>	0.600	0.150	0.500
Output: 065106	Industrial Skills Development and Capacity Building		
<i>Performance Indicators:</i>			
No. of apprenticeships taken on	80	22	80
No. of SMEs trained in industrial development and value addition processing	1,000	610	1200
<i>Output Cost (US\$ bn):</i>	0.150	0.060	0.120

* Excludes taxes and arrears

Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome

<i>Sector Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
2015/16 Planned Actions:	2015/16 Actions by Sept:	2016/17 Planned Actions:	MT Strategy:
Vote: 015 Ministry of Trade, Industry and Cooperatives			
Vote Function: 06 01 Industrial and Technological Development			
Operationalise an MSMEs Directorate in the Ministry to handle and coordinate all the MSMEs issues, promote value addition and technology transfer, promotion of quality and use	The Ministry established a Directorate of Micro, Small and Medium Enterprises. Funding for the Directorate is already provided within the Vote Ceiling. The Ministry is facilitating model MSMEs with value addition equipment to support their operations through the One Village One Product Programme;	Operationalise an MSMEs Directorate in the Ministry to handle and coordinate all the MSMEs issues, promote value addition and technology transfer, promotion of quality and use of standards	Support the development of Industrial support infrastructure;
Continue to build capacities of both the Private and Public Sectors; Facilitate the Private Sector to participate in	The Ministry has continued to build capacities of both the Private and Public Sectors through various trainings in	Continue to build capacities of both the Private and Public Sectors; Facilitate the Private Sector to participate in	Capacity development for staff & private entrepreneurs Facilitate Jua-kali exhibitions; Support skills devt

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<i>Sector Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
2015/16 Planned Actions:	2015/16 Actions by Sept:	2016/17 Planned Actions:	MT Strategy:
international trade shows and exhibitions;	the I&T Department, OVOP programme, and the Soroti Fruit Factory Project; The Ministry is currently organising for the Jua-Kali Exhibition in which MSMEs and other local artisans are expected to participate;	International Trade shows and Exhibitions; Organise and host the Annual EAC Jua-kali/Nguvu Kazi Exhibition in Kampala Uganda	institutions; Collaborative capacity building thru training of staff and linkages to academia; Advocacy for Vocational Institutions establishment
Operationalise the Tourism, Trade and Industry Sector Working Group; Fully operationalise the Industrial Consultative Committee to boost coordination in the industrial sector;	Tourism, Trade and Industry Sector Working Group is functional but not fully operational as a result of financial constraints for its activities; The Industrial Consultative Committee is not yet fully operationalised to boost coordination in the Industrial Sector; The Ministry is finalising plans to install a new Board for UIRI and a new Council for MTAC;	Fully operationalise the Industrial Consultative Committee to boost coordination in the industrial sector; Continue Industrial Sub-Sector Working Group meetings	A fully operational Tourism, Trade and Industry Sector Working Group; Harmonize policies that support industrial development; Enhance the capacity to develop bankable projects;
Vote: 110 Uganda Industrial Research Institute			
Vote Function: 06 51 Industrial Research			
	Establishment of a regional hub for STI (Science Technology and Innovations) in support of industrialization requiring 2.5bn	Continued training and skills development for staff who will play the role of trainer of trainers to	Development of human resource capacity to undertake applied research; Establish project pilot center in two municipalities; Development of industrial projects and technologies for commercialization
	Refurbishment of the Chemistry Laboratory into a Model ISO 17025 accredited laboratory will fast track quality and standard embedded product development and products can compete on regional and international markets. The accreditation process for the Microbiology laboratory is also underway		Set up a technology depository at UIRI; Establish regional business incubation centers in industrial parks; Install a foundry and mineral beneficiation testing lab at UIRI.

(ii) Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings

Status of Sector Outcomes

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

Table S2.1: Sector Outcome Indicators

<i>Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings</i>			
Outcome and Outcome Indicator	Baseline	2016/17 Target	Medium Term Forecast
Number of Foreign tourists entering National parks	74,523 (2010)	88110	101820 (2018)
Number of domestic tourists entering national parks	115,588 (2010)	128510	145756 (2018)

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Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings

Outcome and Outcome Indicator	Baseline	2016/17 Target	Medium Term Forecast
Number of foreign tourist arrivals	945,899 (2010)	1369698	1582822 (2018)
Foreign Exchange earnings from Tourism (US\$m)	590 (2008)	1071	1180 (2018)

Table S2.2: Performance Targets FY2016/17 Contributing to the Sector Outcome*

<i>Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings</i>			
<i>Vote, Vote Function Key Output</i>	<i>Approved Budget and Targets</i>	<i>2015/16 Spending and Targets Achieved by End Sept</i>	<i>2016/17 Proposed Budget and Planned Targets</i>
Vote: 022 Ministry of Tourism, Wildlife and Antiquities			
<i>Vote Function: 0603 Tourism, Wildlife conservation and Museums</i>			
Output: 060301	Policies, strategies and monitoring services		
<i>Performance Indicators:</i>			
Status of revision of the Uganda Wildlife Act			Disseminated
Number of strategies developed to address wildlife related issues	3	1	2
Number of national parks inspected and monitored on implementation of UWA activities	7	4	7
Status of revision of the Historical Monuments Act			Submitted to Cabinet;
<i>Output Cost (US\$ bn):</i>	<i>0.921</i>	<i>0.221</i>	<i>1.384</i>
Output: 060303	Support to Tourism and Wildlife Associations		
<i>Performance Indicators:</i>			
No. of Wildlife use rights holders outside protected areas inspected	12	0	12
No. of Wildlife Clubs of Uganda (WCU) revived in schools	15	0	8
<i>Output Cost (US\$ bn):</i>	<i>0.360</i>	<i>0.090</i>	<i>0.042</i>
Output: 060304	Museums Services		
<i>Performance Indicators:</i>			
No. of artifacts collected	200	0	
No. of kits designed and loaned to schools for their educational purposes	10	0	0
No. of artifacts collected			50
Nomination dossier for Bigo Bya Mugenyi, Ntusi, Bwogero and Mubende developed	Yes	No	No
<i>Output Cost (US\$ bn):</i>	<i>0.220</i>	<i>0.043</i>	<i>0.382</i>
Output: 060305	Capacity Building, Research and Coordination		
<i>Performance Indicators:</i>			
No. of tourism research studies undertaken	4	1	4
<i>Output Cost (US\$ bn):</i>	<i>0.087</i>	<i>0.022</i>	<i>0.537</i>
Output: 060306	Tourism Investment, Promotion and Marketing		

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<i>Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2015/16 Spending and Targets Achieved by End Sept	2016/17 Proposed Budget and Planned Targets
<i>Performance Indicators:</i>			
Number of Tourism cluster supported to exhibit their products	8	3	9
Number of international Tourism fairs attended	4	1	5
No. of Tourism regional and international meetings attended	9	3	10
<i>Output Cost (US\$ bn):</i>	<i>0.544</i>	<i>0.136</i>	<i>0.579</i>
Output: 060351	Management of National Parks and Game Reserves(UWA)		
<i>Performance Indicators:</i>			
Amount of revenue shared with the communities neighbouring protected areas (Shs. Bn)			3
<i>Output Cost (US\$ bn):</i>	<i>60.856</i>	<i>0.000</i>	<i>49.945</i>
Output: 060352	Wildlife Conservation and Education Services(UWEC)		
<i>Performance Indicators:</i>			
No. of visitors entering UWEC	280,000	133366	300000
<i>Output Cost (US\$ bn):</i>	<i>10.497</i>	<i>4.537</i>	<i>3.200</i>
Output: 060353	Support to Uganda Wildlife Training Institute		
<i>Performance Indicators:</i>			
No. of students enrolling at UWTI	150	136	150
<i>Output Cost (US\$ bn):</i>	<i>1.445</i>	<i>0.159</i>	<i>1.592</i>
Output: 060354	Tourism and Hotel Training(HTTI)		
<i>Performance Indicators:</i>			
Number of students enrolling at HTTI	270	135	200
<i>Output Cost (US\$ bn):</i>	<i>2.902</i>	<i>0.502</i>	<i>2.440</i>
Output: 060382	Tourism Infrastructure and Construction		
<i>Performance Indicators:</i>			
Feasibility study for the tourism infrastructure on MT Rwenzori done	Yes	No	
Feasibility study for the source of the Nile Development project done	Yes	No	Yes
Status of soroti Museum construction			Launched
<i>Output Cost (US\$ bn):</i>	<i>1.981</i>	<i>0.553</i>	<i>2.679</i>
Vote: 117 Uganda Tourism Board			
<i>Vote Function: 0653 Tourism Services</i>			
Output: 065303	Quality Assurance (Inspection, Registration, Licenses, Class. & Monitoring)		
<i>Performance Indicators:</i>			
No. of tourism facilities	20000		20000

Section 3: Tourism, Trade and Industry Sector

<i>Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings</i>			
<i>Vote, Vote Function Key Output</i>	<i>Approved Budget and Targets</i>	<i>2015/16 Spending and Targets Achieved by End Sept</i>	<i>2016/17 Proposed Budget and Planned Targets</i>
owners sensitized in standards			
No. of tourism facilities inspected and registered	20000		20000
No. of Local Government staff in the major Tourism Districts trained in Quality Assurance	100		150
<i>Output Cost (US\$ bn):</i>	<i>0.755</i>	<i>0.055</i>	<i>0.865</i>

* Excludes taxes and arrears

Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome

<i>Sector Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings</i>			
<i>2015/16 Planned Actions:</i>	<i>2015/16 Actions by Sept:</i>	<i>2016/17 Planned Actions:</i>	<i>MT Strategy:</i>
Vote: 022 Ministry of Tourism, Wildlife and Antiquities			
Vote Function: 06 03 Tourism, Wildlife conservation and Museums			
Develop Tourism infrastructure on Mt Rwenzori, Source of the Nile, Work on Tourism information centres,	Source of the Nile: Key stakeholders consulted; Historical and cultural resources documented; ToR for the pre-feasibility studies drafted; Visitor satisfaction survey conducted; Mt. Rwenzori Tourism Infrastructure Development Project: Assessment of the existing Mt. Rwenzori infrastructure (trails, bridges, resting points, accommodation facilities and information centers) carried out;	Develop the infrastructure on the Rwenzoris: install 10 boardwalks; Construct 5 resting points; construct 2 bridges; Prepare feasibility studies for the Source of the Nile; Prepare Designs and BOQs for Arua Museum centre; fence Mugaba Palace;	Diversify tourism products beyond nature ones. Add value to the existing tourism products.
Revive 150 Wildlife Clubs of Uganda (WCU) in Schools; Loan 10 kits designed to schools for their educational purposes; Collet 300 artifacts; Develop the nomination dossier for Bigo Bya Mugenyi, Ntusi, Bwogero	None	Revive 8 Wildlife Clubs of Uganda (WCU) in Schools; Upgrade Barlonyo Memorial site: Repair graves, monument and resource centre; Excavate 31km trench in Murchison falls NP; Manage and control wildlife diseases.	Raise awareness on the importance of wildlife conservation as a vehicle to poverty eradication.
Training of staff following the training needs assessment by CEDP	None	200 Students enrolled at HTT; 90 Tour guides and Hotel service personnel trained; 200 hotel owners sensitised on Hotel standards by UTB and 100 accommodation facilities graded and classified; curriculum reviewed for HTTI and approved by NCHE;	Build capacity in all Districts in Tourism Product Development, Quality Inspection and Promotion; Support training of trainers programmes; also provide at least 100 scholarships to students yearly to acquire specialized skills in tourism and hospitality
Vote Function: 06 49 Policy, Planning and Support Services			
Complete the construction of Soroti museums	Windows, doors, glasses fixed at Soroti museum;	Soroti museum fenced; Soroti museum compound landscaped; Exhibition	Lobby relevant institutions to improve strategic infrastructure such as Uganda

Section 3: Tourism, Trade and Industry Sector

<i>Sector Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings</i>			
2015/16 Planned Actions:	2015/16 Actions by Sept:	2016/17 Planned Actions:	MT Strategy:
		materials, display exhibits mounted at Soroti museum; Soroti museum launched;	Airlines, tourism roads, rural electrification, improve hotel infrastructure.
Recruit 10 staff for the vacant posts	None	More 30 staff to be recruited;	Improve staff skills for the ministry and affiliated institutions.
Vote: 117 Uganda Tourism Board			
Vote Function: 06 53 Tourism Services			
partner with private sector to gather data in key source markets	Not done	PR firms will be engaged to undertake research in 3 key source markets i.e USA, UK and Europe.	Hire market representatives in key source markets
1. Recruit new staff in critical vote functions and with competitive salaries. 2. Engage with embassies abroad to brand and promote Uganda's tourism through provision of tourism materials and other promotion activities. 3. raise revenue.	1. The adverts have been done, and applications received. 2. UTB has engaged some embassies like New York, WA, Nairobi, London, Japan, where there have been activations. Engagement has been through the ambassadors and promotional materials have been provided to these offices for their daily use.	Continue to lobby government for improved funding; advocacy and other funding agencies. UTB will raise revenue through licensing and registration, advertising through media platforms and events like the expo.	Implement sustainable means of raising self revenue as provided in the Tourism Act 2008 - Levy and licensing; Lobby government to recognise tourism as a priority in regards to resource allocation;
1. The MoFPEd has increased budget support by Ug. Shs. 5 billion to cater for the increasing marketing and promotional and Quality Assurance activities for the agency. 2. Develop project proposals for development partner funding.	The funding was increased by MOFPEd to cater for activities in marketing and promotion activities.	1. World Bank is going to fund some activities under the marketing and promotion function. 2. Trademark EA is going to fund capacity building of the private sector, facilitate regional sector working groups.	1. Open offices in key international tourism hubs; 2. Invest in electronic marketing; 3. undertake promotion in domestic, regional and international markets and promote the MICE.

(iii) Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services

Status of Sector Outcomes

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

Table S2.1: Sector Outcome Indicators

<i>Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
Outcome and Outcome Indicator	Baseline	2016/17 Target	Medium Term Forecast
Uganda's Ranking in the Global Doing-Business	122 (2010)	119	100 (2018)
Total Export to GDP Ratio(%)	21.3 (2009)	21.4	21.7 (2018)

Table S2.2: Performance Targets FY2016/17 Contributing to the Sector Outcome*

<i>Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
<i>Vote, Vote Function Key Output</i>	<i>Approved Budget and Targets</i>	<i>2015/16 Spending and Targets Achieved by End Sept</i>	<i>2016/17 Proposed Budget and Planned Targets</i>
Vote: 015 Ministry of Trade, Industry and Cooperatives			
<i>Vote Function: 0602 Cooperative Development</i>			
Output: 060201	Cooperative Policies, Strategies and Monitoring services		
<i>Performance Indicators:</i>			
Stage of Cooperative Societies Amendment Act	Passed by Parliament		

Section 3: Tourism, Trade and Industry Sector

<i>Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2015/16 Spending and Targets Achieved by End Sept	2016/17 Proposed Budget and Planned Targets
formulation			
<i>Output Cost (US\$ bn):</i>	0.170	0.017	0.170
Output: 060202	Cooperatives Establishment and Management		
<i>Performance Indicators:</i>			
No. of cooperatives Societies investigated	10	2	
No. of cooperatives Societies inspected	24	15	
No. of cooperatives Societies audited	25	4	
No. of cooperative Societies investigated			20
No. of cooperative Societies inspected			120
No. of cooperative Societies audited			50
<i>Output Cost (US\$ bn):</i>	0.211	0.058	0.208
Output: 060203	Cooperatives Skill Development and Awareness Creation		
<i>Performance Indicators:</i>			
No. of cooperators sensitized on the Warehouse Receipt System	800	255	1,000
<i>Output Cost (US\$ bn):</i>	0.117	0.016	0.119
<i>Vote Function: 0604 Trade Development</i>			
Output: 060401	Trade Policies, Strategies and Monitoring Services		
<i>Performance Indicators:</i>			
Stage of Trade Licensing Amendment Act formulation			Passed by Parliament
Stage of the COMESA Treaty Domestication Bill formulation			Passed by Parliament
Stage of Competition and Consumer Protection Policy formulation			Already passed by Cabinet
<i>Output Cost (US\$ bn):</i>	0.790	0.159	0.756
Output: 060402	Trade Negotiation		
<i>Performance Indicators:</i>			
No. of negotiations under US-EAC, Tripartite, COMESA, EPAs & WTO participated in	7	1	7
No. of consultations with stakeholders on negotiations	4	0	5
Uganda's Services Waiver request submitted to WTO after stakeholder consultation	Yes	No	Yes
<i>Output Cost (US\$ bn):</i>	0.280	0.058	0.310
Output: 060404	Trade Information and Product Market Research		
<i>Performance Indicators:</i>			

Section 3: Tourism, Trade and Industry Sector

<i>Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2015/16 Spending and Targets Achieved by End Sept	2016/17 Proposed Budget and Planned Targets
No. of Municipalities from which trade licensing returns have been collected	20	5	20
<i>Output Cost (US\$ bn):</i>	<i>0.130</i>	<i>0.022</i>	<i>0.215</i>
Output: 060405	Economic Integration and Market Access (Bilateral, Regional and Multilateral)		
<i>Performance Indicators:</i>			
No. of Non-Tariff Barriers addressed	12	3	10
<i>Output Cost (US\$ bn):</i>	<i>0.125</i>	<i>0.015</i>	<i>1.245</i>
Output: 060451	Export Promotion Services (UEPB)		
<i>Performance Indicators:</i>			
No. of companies/firms supported to participate in Trade fairs and exhibitions	15	3	15
<i>Output Cost (US\$ bn):</i>	<i>2.343</i>	<i>0.412</i>	<i>1.718</i>
Vote: 110 Uganda Industrial Research Institute			
<i>Vote Function: 0651 Industrial Research</i>			
Output: 065102	Research and Development		
<i>Performance Indicators:</i>			
No. of value added products developed for industrialisation to reduce post harvest losses.	40	15	
No. of value added products developed for industrialisation to reduce post harvest losses			45
No. of research projects initiated	60	24	15
No. of product analyses undertaken for quality checks	55	94	3032
<i>Output Cost (US\$ bn):</i>	<i>1.863</i>	<i>0.300</i>	<i>1.800</i>
Vote: 154 Uganda National Bureau of Standards			
<i>Vote Function: 0652 Quality Assurance and Standards Development</i>			
Output: 065202	Development of Standards		
<i>Performance Indicators:</i>			
No. of standards harmonized	120	0	0
No. of standards developed	120	0	144
<i>Output Cost (US\$ bn):</i>	<i>0.274</i>	<i>0.025</i>	<i>0.394</i>
Output: 065203	Quality Assurance of goods & Lab Testing		
<i>Performance Indicators:</i>			
No. of samples tested	7,200	2423	8400
No. of Products certified	500	120	600
No. of imported goods consignments inspected	50,000	2423	60000
<i>Output Cost (US\$ bn):</i>	<i>1.327</i>	<i>0.096</i>	<i>1.679</i>
Output: 065204	Calibration and verification of equipment		
<i>Performance Indicators:</i>			

Section 3: Tourism, Trade and Industry Sector

<i>Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>				
<i>Vote, Vote Function Key Output</i>	<i>Approved Budget and Targets</i>	<i>2015/16 Spending and Targets Achieved by End Sept</i>	<i>2016/17 Proposed Budget and Planned Targets</i>	
No. of NML laboratories to be accredited	0	2	2	
No. of instruments for weights and measures verified	540,000	176842	567000	
No. of equipment calibrated	1,200	364	1650	
<i>Output Cost (US\$ bn):</i>	<i>0.856</i>	<i>0.025</i>	<i>1.056</i>	

* Excludes taxes and arrears

Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome

<i>Sector Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>				
2015/16 Planned Actions:	2015/16 Actions by Sept:	2016/17 Planned Actions:	MT Strategy:	
Vote: 015 Ministry of Trade, Industry and Cooperatives				
Vote Function: 06 02 Cooperative Development				
Sensitise the Cooperative Societies to integrate input supply credit and savings, value addition, marketing and distribution for consumption	The Ministry has embarked on several trainings and sensitisation programmes for stakeholders covering a number of topics on grain value chain development are on-going. This Quarter focused on handlers at Warehouses.	Sensitise the Cooperative Societies to integrate input supply credit and savings, value addition, marketing and distribution for consumption	Carrying out market research, refurbishing produce stores; Networking with development partners to establish more Rural Information Centres;	
Intensify supervision/monitoring/inspection missions to Cooperative Societies all over the Country; Continue with sensitisation of cooperative members;	The Ministry has in this Quarter inspected 15 cooperatives, 2 Cooperatives investigated and 225 Cooperatives sensitized, 500 Cooperatives supervised and participated in the Board meetings to ensure proper management and easy marketing of the Cooperatives	Intensify supervision/monitoring/inspection missions to Cooperative Societies all over the Country; Continue with sensitisation of cooperative members;	Construct 10 Regional warehouses; Refurbish 180 warehouses; Develop standards on education and training, and best practices in operations of Cooperatives; Training cooperative members on Governance issues.	
Prioritise the revival of the dormant cooperatives, strengthen the weak ones, and mobilise and support the formation other specialised types of cooperatives; Promote good governance in Cooperative Societies and Unions; Promote produce bulking & process	The Ministry has prepared and presented a Cabinet Paper on the Revival of Cooperative Movement, the Settlement of Cooperative Union War Debts and also the establishment of a Cooperatives Bank;	Prioritise the revival of the dormant cooperatives, strengthen the weak ones, and mobilise and support the formation other specialised types of cooperatives; Promote good governance in Cooperative Societies and Unions; Promote produce bulking & process	Prioritise the revival of the dormant cooperatives, strengthen the weak ones, and mobilise and support the formation other specialised types of cooperatives; Promote good governance in Cooperative societies and Unions; Promote bulking and processing	
Vote Function: 06 04 Trade Development				
Fast-track the formulation and review of Commercial Laws such as the Competition and Consumer Protection Policy, Anti-Counterfeit Goods Bill, Trade Licensing Regulations, SPS Policy etc;	Principles for the Competition Bill approved by Cabinet and Minister given Authorization to issue drafting instructions to the First Parliamentary Council(FPC) for drafting of Bill.	National Quality and Standards Policy Implementation Plan acted upon; Finalise Anti-Counterfeit Goods Bill	Develop necessary policies and laws to facilitate trade; Harmonize Regional integration frameworks and policies;	
Operationalise the Tourism, Trade and Industry Sector Working Group;	The Ministry Operationalised the Tourism, Trade and Industry Sector Working	Consultative meetings with NTNT, IITC; National Trade Facilitation	Enhancing the capacity of trade staff, Private Sector and DCOs to handle trade related	

Section 3: Tourism, Trade and Industry Sector

<i>Sector Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
2015/16 Planned Actions:	2015/16 Actions by Sept:	2016/17 Planned Actions:	MT Strategy:
Continue facilitating the Trade Commissioners Forum with participation from all key Commissioners and Department Heads across Government whose contributions facilitate Trade;	Group; Facilitated the Trade Commissioners Forum with participation from all key Commissioners and Department Heads across Government whose contributions facilitate Trade;	Working Group Meeting facilitated; Continue facilitating the Trade Commissioners Forum with participation from all key Commissioners and Agency Heads across Trade-related Government MDAs	issues; MSMEs strategy in place; Operationalise the NTNT; Launching Regional and District IITCs; Strengthen the interlinkages in the trade sector
Extend operations of the NTB monitoring mechanism, and reduce or partially eliminate NTBs through Bilateral Negotiations and constant monitoring;	Through the National Response to NTBs Programme, the Ministry and TMEA have extended operations of the NTB monitoring mechanism, and are reduced NTB through continuous Bilateral negotiations and engaged trading Partners with a view to eliminating NTBs/SPS related barrier	Extend operations of the NTB monitoring mechanism, and reduce or partially eliminate NTBs through Bilateral Negotiations and constant monitoring;	Continuous engagement of the relevant authorities in removing NTBs; Continuous negotiations at Bilateral, Regional and International levels; Continuous sensitization of importers, exporters and other stakeholders
Vote Function: 06 49 Policy, Planning and Support Services			
Recruitment of more staff in the Ministry staff establishment structure; Lobby for more operational funding to fully support the Approved Staff Establishment Structure, including the Directorate of MSMEs; Facilitate and motivate Staff	The Ministry through Public Service Commission recruited new officers to fill the vacant positions; The Ministry has maintained a slight percentage of motivation and welfare of its staff, and also conducted Team-Building meetings more consistently than in the previous Financial Year;	Recruitment of more staff in the Ministry staff establishment structure; Lobby for more operational funding to fully support the Approved Staff Establishment Structure, including the Directorate of MSMEs; Facilitate and motivate Staff	Fill all the vacant posts in the Ministry's Approved Staff Establishment Structure; Provide Staff with adequate tools and equipment to facilitate their duties; Provide a conducive environment and welfare to support and motivate Staff;
Operationalise the Tourism, Trade and Industry Sector Working Group; Continue to engage the Ministry of Finance, Planning and Economic Development to increase resource allocation to sector's MTEF;	The Ministry has continued to engage the Ministry of Finance, Planning and Economic Development to increase resource allocation to sector's MTEF through various forums for: the MSMEs Directorate, the District Commercial Extension Services, the One Village One Product Programme, the Quality Infrastructure and Standards Programme, the Warehouse Storage Infrastructure, Border Market Programme and the Cooperatives Revitalisation Strategy among others;	Operationalise the Trade, Industry and Cooperatives Sector Working Group; Continue to engage the MoFPED to increase resource allocation to TIC Sector's MTEF; Prepare Fundable Project Proposals for Sector Policy Implementation;	Secure transport facilities for improved movement of staff; Strengthen TTI Sector Working Group;
Operationalise TIC Sector Working Group; Strengthen Sector Monitoring and Coordination	The Ministry has operationalised the Tourism, Trade and Industry Sector Working Group, though its meetings and activities are not as regular as would be required; The Ministry has strengthen	Operationalise TIC Sector Working Group; Strengthen Sector Monitoring and Coordination; Organise and hold the Annual Trade, Industry and Cooperatives Sector Review Conference;	Operationalise TIC Sector Working Group; Strengthen Sector Monitoring and Coordination

Section 3: Tourism, Trade and Industry Sector

<i>Sector Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
2015/16 Planned Actions:	2015/16 Actions by Sept:	2016/17 Planned Actions:	MT Strategy:
	Sector Monitoring and Coordination through all the Technical Departments in conjunction with the Offices of the Minister, the Office of the Permanent Secretary and the Policy and Planning Unit;		
Vote: 110 Uganda Industrial Research Institute			
Vote Function: 06 51 Industrial Research			
	URI continues to hand hold a few business enterprises under the Business Incubation portfolio thou the pace is very slow due to inadequate funding the program is to a large extent successful		Establishment of five multi-function value addition centers across at regional level; Developed value added industries especially agro industries as per the National agro zone centers.
Vote: 154 Uganda National Bureau of Standards			
Vote Function: 06 52 Quality Assurance and Standards Development			
Lobbying development partners for support.	Still lobbying partners for support.		Maintainance of the existing infrastructure.
Engage Government to increase wage bill and approve recruitment of additional staff.	Part of the wage bill is being catered for by Non Taxable Revenue. However , this constrains operational budget thus affecting NTR collections		Continous engagement of Government
Loby for increased funding from Government.	Improving collections of Non Taxable Revenue to fill the gap created by GOU feleases.		Optimise use of the current available resources

(ii) Efficiency of Sector Budget Allocations

Through the Tourism, Trade and Industry Sector Working Group, the Sector is dedicated to efficiency in Budget allocation and execution to ensure that in all its plans, activities and outputs, there is Value for Money. This is carried out through providing adequate capacity for staff to enable them carry out their duties and responsibilities in a professional manner and in accordance with the law. In addition to professionalization of the different cadres in the Sector's MDAs, proper staffing tools are availed to foster accuracy, effectiveness and service delivery in a timely manner.

Under the Sector's Vote Functions, the MDAs shall, in FY 2016/17 and in the medium term continue to ensure efficiency in resource allocation and utilisation in order to achieve value for money to ensure promotion of economic growth, job creation and improved service delivery.

The Policy, Planning and Support Services Functions shall continue to ensure that funds are allocated in accordance to work plans which are linked to the attainment of the NDP 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 Ministry's Policy and Planning 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 use of the public funds.

The Sector shall ensure effecting of the Electronic Funds Transfer systems to enable transparency 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.

Section 3: Tourism, Trade and Industry Sector

Transport policy for Entitled Staff - Managers will be facilitated to use personal cars instead of using Board vehicles. This will cut the cost by more than 92%.

(iii) Sector Investment Plans

In line with the aspirations of the Uganda Vision 2040 and objectives of the Second National Development Plan (2015/16-2019/20), the Tourism, Trade and Industry Sector has set out to establish the following investments in the medium term as entrenched in their Sub-Sector Development Plans and Strategies.

Ongoing Investment Projects:

- i) Construction of two Tea Factories in Kabale and Kisoro;
- ii) Construction of the Teso Fruit Factory in Soroti;
- iii) Construction of tourism infrastructure on the Rwenzoris (boardwalks, resting points, bridges etc);
- iv) Excavation of a 31km trench in Murchison Falls NP and upgrade of Barlonyo Memorial Site;
- v) Equipping of model enterprises with value addition equipment to boost production;
- vi) Tooling the Ministries and Agencies with motor vehicles and other support instruments for service delivery;
- vii) Construction and equipping of UNBS Headquarters in Bweyogerere;

Pending Investment Projects:

- viii) Refurbishment and construction of Storage Facilities;
- ix) Construction of Border Market infrastructure at Elegu and Katuna borders of Uganda;
- x) Construction of cold storage facilities to support horticulture producers and exporters in quality assurance and preservation;

Table S2.4: Allocations to Class of Output over the Medium Term

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Sector Budget			
	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19
Consumption Expenditure(Outputs Provided)	54.1	60.0	66.6	69.4	34.4%	41.5%	40.3%	37.9%
Grants and Subsidies (Outputs Funded)	81.8	62.4	65.4	71.0	52.1%	43.2%	39.6%	38.8%
Investment (Capital Purchases)	21.2	22.1	33.2	42.5	13.5%	15.3%	20.1%	23.2%
Grand Total	157.1	144.5	165.2	182.9	100.0%	100.0%	100.0%	100.0%

S3 Proposed Budget Allocations for 2016/17 and the Medium Term

This section sets out the proposed sector budget allocations for 2016/17 and the medium term, including major areas of expenditures and any notable changes in allocations.

Table S3.1: Past Expenditure and Medium Term Projections by Vote Function

	2014/15 Outturn	2015/16		Medium Term Projections		
		Appr. Budget	Spent by End Sept	2016/17	2017/18	2018/19
Vote: 015 Ministry of Trade, Industry and Cooperatives						
0601 Industrial and Technological Development	6.828	13.267	2.809	13.267	13.775	14.275
0602 Cooperative Development	0.712	1.403	0.266	1.403	1.803	2.603
0604 Trade Development	2.204	4.946	0.901	5.560	14.981	19.637
0649 Policy, Planning and Support Services	4.801	3.858	0.603	3.671	4.085	5.389
Total for Vote:	14.544	23.475	4.579	23.901	34.644	41.904
Vote: 022 Ministry of Tourism, Wildlife and Antiquities						
0603 Tourism, Wildlife conservation and Museums	6.747	79.811	22.067	62.781	63.524	66.146
0649 Policy, Planning and Support Services	5.668	7.748	1.186	6.691	8.905	10.072
Total for Vote:	12.415	87.559	23.252	69.472	72.429	76.218
Vote: 110 Uganda Industrial Research Institute						
0651 Industrial Research	13.905	14.340	3.150	14.340	16.608	18.672

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	2014/15 Outturn	2015/16		Medium Term Projections		
		Appr. Budget	Spent by End Sept	2016/17	2017/18	2018/19
Total for Vote:	13.905	14.340	3.150	14.340	16.608	18.672
Vote: 117 Uganda Tourism Board						
0653 Tourism Services	1.847	12.018	1.237	11.903	13.816	15.440
Total for Vote:	1.847	12.018	1.237	11.903	13.816	15.440
Vote: 154 Uganda National Bureau of Standards						
0652 Quality Assurance and Standards Development	11.257	20.728	4.375	24.878	27.714	30.707
Total for Vote:	11.257	20.728	4.375	24.878	27.714	30.707
Total for Sector:	53.967	158.120	36.593	144.496	165.212	182.940

* Excluding Taxes and Arrears and including NTR

(i) The major expenditure allocations in the sector

In the Financial Year 2016/17, the major expenditure allocations by Vote Functions within the Sector will be 0603 Tourism, Wildlife Conservation and Museums with US\$ 62.781 billion, 0652 Quality Assurance and Standards Development with US\$ 24.878 billion, followed by 0601 Industrial and Technological Development with US\$ 13.267 billion, and later followed by 0653 Tourism Services with US\$ 11.903 billion. These are the three top expenditure areas within the Sector and are composed of Resources for Wage, Non-Wage, GoU Development and Donor Expenditure projections.

Table S3.2: Major Changes in Sector Resource Allocation

* Excluding Taxes and Arrears

S4: Unfunded Outputs for 2016/17 and the Medium Term

This section sets out the highest priority outputs in 2016/17 and the medium term which the sector has been unable to fund in its spending plans.

Table S4.1: Additional Output Funding Requests

Additional Requirements for Funding and Outputs in 2016/17	Justification of Requirement for Additional Outputs and Funding
<i>Vote Function: 0604 Industrial and Technological Development</i>	
Output: 0601 04 Promotion of Value Addition and Cluster Development	
Funding Requirement (US\$ Bn): 13.437	
<ul style="list-style-type: none"> Operational and work plan funds for MSMEs Directorate and its 2 Departments (US\$ 2.929 billion) Furnishing and Equipping MSMEs Directorate Offices (US\$ 0.100 billion) Wage Requirement for MSMEs Directorate and its 2 Departments (US\$ 0.217 billion) Industrial Inspections and On-site Technical guidance to Manufacturers and Jua-Kali (US\$ 0.250 billion) Formation of 40 MSMEs Clusters and establishment of Common Industrial User Facilities (US\$ 6.383 billion) One Village One Product (OVOP) Programme (US\$ 1.631 billion) Hosting the 17th EAC Regional Jua Kali/ Nguvu Kazi Exhibition in Kampala, Uganda, December 2016 (US\$ 0.527 billion) 	<ul style="list-style-type: none"> One Village One Product (OVOP) Programme (US\$ 1.631 billion) As part of the pledges in the NRM Manifesto and the interventions in the National Development Plan, Government is to drive value addition and industrialization from the grassroots using the One Village One Product model. Also as agreed from the Cabinet Retreat on the Government Annual Performance Report FY 2012/13, actions for follow up include promoting value addition to agro-produce within the Sector. This can be done following the One Village One Product (OVOP) model. Operationalisation of MSMEs Directorate and its Two Departments (US\$ 2.929 billion) These funds are required to operationalise the MSMEs Directorate that was approved by the MoPS. They will specifically facilitate Enterprise Capacity building and promotion of Value Addition activities in the Ugandan economy. These are key interventions for increasing household incomes (wealth creation). These interventions will specifically target special interest groups e.g. enterprising youth, women and PWDs. It is envisaged this public investment in the coordination of Government's interventions to promote MSMEs development will boost GDP growth by about 3%. In FY 2014/15, MoFPED started by setting aside US\$ 0.433 billion for Recruitment of Staff. These funds are still within the Vote 015 MTEF. Therefore, an additional US\$ 0.217 billion is required for wages, US\$ 2.929 billion for operations and activities of the Directorate, and US\$ 0.600 billion for capital development.

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Additional Requirements for Funding and Outputs in 2016/17	Justification of Requirement for Additional Outputs and Funding
<ul style="list-style-type: none"> • Development of Common Industrial User Facility at Makindye Salama Road for Katwe Metal Cluster (Ushs 1.000 billion) • Rural Innovation Initiative Uganda (RIIU) (Ushs. 0.400 billion) 	<ul style="list-style-type: none"> • <i>MSMEs Cluster Formation and Common Industrial Facilities (UShs. 6.383 billion)</i> As pledged in the NRM Manifesto, the Ministry is spearheading the development of MSMEs. The Ministry is working with the Ministry of Public Service to create a Directorate for MSMEs. The Ministry also instituted an MSMEs Desk at the Uganda National Bureau of Standards (UNBS) and is currently supporting them to acquire Q and S Marks for their products. An MSMEs Policy is also underway and a draft is yet to be subjected to stakeholder consultations. A Commissioner for MSMEs has also been recruited by the Ministry. <p><i>The Ministry acquired land in Makindye for the Jua-kali and handed it over to them for development. This has greatly assisted in organizing these groups into formal enterprises that can be further built in capacity for better value addition support, marketing their products and eventually taxing them as cooperative associations.</i></p> <p><i>In the coming Financial Year, the Ministry requires to work more closely with the MSMEs to build their capacity in industrial production as clusters (cooperatives) and bulk their products for easier marketing domestically and regionally.</i></p>
<p><i>Vote Function:0681 Cooperative Development</i></p>	
<p>Output: 0602 81 Cooperatives Infrastructure Development</p>	
<p><i>Funding Requirement (UShs Bn): 3.576</i></p> <ul style="list-style-type: none"> • Revitalisation of Cooperatives as a vehicle for Agro-Production and Productivity, Bulk Marketing, Value Addition and Quality Assurance for Export (Ushs. 1.716 billion) • Strengthen the Uganda Warehouse Receipt System Authority (UWRSA) for Structured Commodity Trading and promotion of electronic Warehouse Receipt System in all Warehouses (Ushs. 1.860 billion) 	<ul style="list-style-type: none"> • <i>Refurbishment of 10 feeder warehouses (UShs. 2.466 billion)</i> As agreed from the Cabinet Retreat on the Government Annual Performance Report FY 2012/13, actions for follow up include "Expedite the establishment of warehouses for both food security and sustained quality tradable supply". In the coming FY 2014/15, MoTIC plans to establish 2 silos costing 4.16billion and 4 warehouses costing UShs. 2.725 billion including costs for construction/refurbishment and value addition equipment. However, ideally, USD 1-1.6 m is required for 2 silos and Shs 5.45 bn for 8 warehouses per Financial Year but due to financial restrictions, our submission is for only 2 silos and 4 warehouses. • <i>Revitalisation of Cooperatives as a vehicle for Agro-Production and Productivity, Bulk Marketing, Value Addition and Quality Assurance for Export (Ushs. 2.000 billion)</i> As passed in the National Budget Consultative workshop to follow up in the There is great need for Government to revitalise and support the inactive Produce and Marketing Cooperatives in the country to boost the value addition and marketing of agricultural produce within and outside the country. This requires Ushs. 1.2 billion. There is also need to empower cooperative societies to engage in bulk marketing and export of their products. However, support infrastructure has thus far not been availed as programmed due to budget limitations. Existing storage infrastructure is also due for upgrades, and sensitization of cooperatives on its usage with the Warehouse Receipt System. • <i>Revival of the Cooperative Bank (Ushs. 35.100 billion)</i> Prior to liquidation, the Co-operative Bank had demutualized into a private company. This happened when the IMF/World Bank's Structural Adjustment Programs were underway and this created a gap to the disadvantage of the co-operatives. The closure of the cooperative bank left a gap in cooperative financing. It was member based thus in a better position to develop products that suited members' needs and requirements. The cooperators were exposed to usurious funders who had inappropriate products; these impacted cooperatives negatively as they lost value addition facilities thus reducing their capacity to access financing from other institutions.

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	<p><i>Increasing agricultural production and productivity is constrained by inaccessible financing. The terms and conditions offered by the financial institutions in the country are not favorable for the cooperators. The products, payment periods and interest rates offered do not take care of the incomes expected from agricultural activities. Besides, collateral requirements are prohibitive to cooperative farmers to access credit for cooperative enterprises.</i></p> <p><i>There is therefore a need to establish a Co-operative Bank which is managed professionally. Its product development should be tailored to suit members needs the agricultural enterprises by co-operative farmers, address the loan period and repayment schedules against interests and amounts.</i></p> <p><i>• Settlement of Cooperative Union War Debts (Ushs. 28.372 billion) In the 1970s, cooperatives suffered a great decline in operations due to civil strife. This was aggravated by subsequent wars (1981-1986) as many cooperatives suffered losses in form of fixed assets and trading stocks some of which they acquired using bank loans. During the struggle the NRA took assets including produce and property from some Unions. The liberators who commandeered the assets of the cooperative Unions promised to compensate them. These losses led to a reduction in the working capital of the unions subsequently affecting their sustainability. A number of Cooperative Unions were affected. These include: Kigezi Growers Cooperative Union, Bunyoro Growers Cooperative Union, Masaka Cooperative Union, North Bukeedi Cooperative Union, Masaba Cooperative Union, West Acholi Cooperative Union, West Mengo Cooperative Union, East Acholi Cooperative Union, West Nile Cooperative Union, Teso Cooperative Union. Some of the Unions were compensated partly while others did not receive any.</i></p> <p><i>The issue of compensation has remained outstanding for a long time and it is high time it is addressed. During the retreat for National Resistance Movement Party held on the 6th -15th February at Kyankwanzi, the Ministry of Trade, Industry and Cooperatives presented the above issue to the members. The members observed that the loss incurred during the war affected the operations of the Union. It was resolved that there was there was need to compensate the Unions and the Ministry of Trade, Industry and Cooperatives was directed to prepare a paper to address the war debt claims.</i></p>
Vote Function:0605 Trade Development	
Output: 0604 05 Economic Integration and Market Access (Bilateral, Regional and Multilateral)	
<p>Funding Requirement (US\$ Bn): 67.260</p> <ul style="list-style-type: none"> • Regional Trade Engagements for Market Access and Trade Facilitation (Tripartite, EAC, COMESA) (US\$ 0.640 billion) • Operational, PAYE & NSSF Arrears for UEPB (US\$ 4.199 billion) • Implementation of new Trade Facilitation and Domestic Trade Regulation Instruments (US\$ 0.309 billion) • GoU Counter funding (Quality Infrastructure and Standards Programme) (US\$ 2.195 billion) • Construction of Physical Infrastructure for Elegu & Katuna Border Markets (US\$ 36.232 billion) • GoU Counterpart Funding (COMESA's Regional Integration Implementation Programme) (US\$.) 	<ul style="list-style-type: none"> • <i>Implementation of Hire Purchase Licence, Travelling Wholesalers Licence and Foreign Traders' Certificates to raise Revenue for Trade Facilitation (US\$ 0.309 billion) The main sources of Non Tax Revenue for the Ministry through regulation of Domestic Trade will be: a) Licensing of Hire Purchase Business, b) Licensing of Travelling Wholesaler that traverse more than one district, and c) Trade Licensing of Non- Citizens to carry out Trade Only in Uganda.</i> • <i>The Licensing and regulation of Hire Purchase agreements shall follow Hire Purchases Act 2009. The Licensing and regulation of Travelling Wholesalers countrywide shall be done under the Trade (Licensing) Act Cap 101 passed Statutory Instrument 2011 No.10 which appointed the Permanent Secretary of the Ministry responsible for Trade as licensing Authority for granting of Travelling wholesaler's licence in respect of more than one district. The Licensing and Regulation of Non-Citizens involved in trade shall be done according to Sections 3, 4, 5, 8 and 29, of the Trade Licensing Act Cap 101, Section 10 of the Investment Code Act Subsection 5, Section 54 Fourth Schedule of the Uganda Citizenship and Immigration Control Act CAP 66, and the East African Community</i>

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<p>1.282 billion)</p> <ul style="list-style-type: none"> • GoU Counterpart funding (National Response Strategy to Non-Tariff Barriers Elimination Programme) (US\$ 1.030 billion) • Facilitation of Export Promotion Interventions and operations by UEPB (US\$ 3.282 billion) <p>LOCAL GOVERNMENT CONDITIONAL GRANT SUPPORT – COMMERCIAL SERVICES:</p> <ul style="list-style-type: none"> • Trainings and other Capacity Building Support for LG Officials from MoTIC such as Networking Conferences and Study Tours (US\$ 0.690 billion) • Commercial Services Recurrent Work Plan Support for 116 Districts and 30 Municipalities (US\$ 5.148 billion) • Renovation, Equipping and Retooling of LG Commercial Services Offices (US\$ 11.386 billion) • Liaison, Monitoring and Supervision from Central Government (MoTIC Headquarters) (5%) (US\$ 0.867 billion) 	<p><i>Common Market Protocol.</i></p> <p><i>To facilitate the collection of these licenses, the Ministry will first require to funds to set up infrastructure. For the above to be achieved, the Ministry will incur costs on Printing of forms and licenses, Publications and press releases, Inspection and enforcement, and Sensitization and training, all budgeted at US\$ 347 million.</i></p> <ul style="list-style-type: none"> • <i>Establishment of 2 Border markets at Elegu and Katuna (US\$ 36.232 billion)</i> <p><i>The establishment of four border markets is one of the strategies for export development in the National Development Plan 2010/11 – 2014/15. This intervention was also taken up among the pledges in the NRM Manifesto for trade development but the number of border markets to establish was increased to seventeen (17). The realization of this pledge will create more revenue for Government through the formalization of informal cross-border trade and mitigating risks for Ugandan traders involved in the trade in the neighboring countries.</i></p> <p><i>In FY 2011/12, a project was initiated in the Ministry called “Enhancement of Market Access and Promotion of Value Added Exports” with a budget of US\$ 801 million in the Public Investment Plan (PIP). In FY 2012/13, this project among others in the Ministry was affected by the 70% budget cut to provide salaries for the Health Sector staff. This brought down the project budget to US\$ 232 millions.</i></p> <p><i>So far, Local Governments offered land for the border markets and a master plan was developed for the Bibia border market in Amuru. From a recent site visit, it was discovered that the project site floods during the heavy rains and therefore a feasibility study for a drainage plan ought to be done in Financial Year 2015/16. The feasibility study is estimated to cost Shs285 million. In Financial Year 2015/16, the Ministry also plans to start construction of two Border markets at Elegu and Katuna.</i></p> <p><i>For the other border markets namely; Busia and Lwakhakha, the Ministry is planning to develop the master plan for land use management. The estimated budget outlay for constructing each border market along with its requisite facilities is US\$ 18.124 billion.</i></p> <ul style="list-style-type: none"> • <i>Regional Trade engagements (Tripartite, EAC, COMESA) (US\$ 0.640 billion)</i> <p><i>The Ministry is a member of the COMESA, the EAC and the Tripartite and therefore needs to be at least minimally facilitated to participate in these meetings to defend and promote Uganda’s strategic and emerging trade interests.</i></p> <ul style="list-style-type: none"> • <i>Increase and Expansion of Conditional Grant and Development Support to Local Government Commercial Offices</i> <p><i>The functional analysis of MTIC (2004), the Diagnostic Trade Integration study (World Bank, 2006) and the Study on the effectiveness and efficiency of District Commercial Offices (DCOs) conducted in 2008 all noted that after devolution, this Ministry which is responsible for marketing and industrialization was operating in isolation from the districts which are key centers of production. This created a significant gap in the integration of sectoral issues into overall public economic policy implementation, particularly at the grassroots level.</i></p> <p><i>In the FY 2011/12, this Ministry started extending to Local Governments (LGs) financial support to facilitate the delivery of commercial extension services by the DCOs. These resources were sourced from within the sector’s MTEF but due to budgetary constraints, the scope of the intervention could only allow the Ministry to extend UGX 7.2Mn annually</i></p>

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	<p>to each of the 15 pilot districts i.e. Arua, Masindi, Mbale, Busia, Kisoro, Kasese, Kanungu, Kabarole, Kayunga, Bushenyi, Rakai, Nwoya, Kitgum, Wakiso and Gulu.</p> <p>The Ministry proposes that the scope of the Commercial Services Grant be extended to cover all 112 districts and 33 municipalities to provide commercial extensional services. Its size also be enhanced to at least an annual allocation of UGX 40 million per Local Government.</p> <ul style="list-style-type: none"> • Uganda Export Promotion Board (UEPB) As agreed in the Cabinet Retreat on the Government Annual Performance Report FY 2012/13, there is need to increase the exports of the country (especially non-tradition exports) through reviewing and implementing the National Export Strategy, sensitizing exporters and potential exports, undertaking export promotion campaigns and domestic trade fairs. This is an agreed action to be followed up in the next Cabinet Retreat. <p>The Uganda Export Promotion Board (UEPB) has not been able to deliver on its mandate i.e. trade promotion; market research and product development; as well as maintenance of up-to-date management information systems as was envisaged under the Uganda Export Promotion Board Act, Cap 102 due to the severe budget pressures. The Board has had NSSF and PAYE Arrears totaling UShs. 2.11bn dating as far back as 2009 and are as a result of shortages on Wage releases and Non-Wage releases disbursed to the Board over the years. This is grossly affecting the operations of the Board and fueling a high labor turnover of highly competent staff. Therefore, the Budget for the UEPB needs to be increased to at least 5 billion for the country's exports to be promoted in line with the National Export Development Strategy (NEDS).</p> <ul style="list-style-type: none"> • AGOA Act Implementing Unit (UShs. 0.500 billion) Since Uganda signed the AGOA Agreement with the US, its trade and market benefits from this agreement have not been as significant as expected. This is attributed to the absence of an AGOA Market Strategy to guide implementation of the AGOA Act, and resolved implementation of the recommended interventions. During FY 2012/13, the Sessional Committee of Parliament for Tourism, Trade and Industry recommended in its report to Parliament that there be a clear distinction between the AGOA Monitoring Unit (attached to State House) and the AGOA Implementation Unit which should be formed within the Ministry and strengthened to formulate and implement the AGOA Act Strategy. Since then, the Implementation Unit was formed within the Ministry but no functional funding availed to it. This Unit requires UShs. 500 million to expedite the process of formulating the Strategy and implement key interventions resolved from stakeholder consultations for Uganda's benefits from this Agreement to meet expectations.
Vote Function: 0602 Policy, Planning and Support Services	
Output: 0649 02 Sector Coordination and Administrative Services	
<p>Funding Requirement (UShs Bn): 13.031</p> <ul style="list-style-type: none"> • Additional Operational funds for MoTIC (UShs. 2.800 billion) • Clearance of Domestic and International Arrears (UShs. 2.682 billion) • Strengthening Sector M&E System, Research and Statistical Support (UShs. 0.400 billion) • Strengthening Sector Coordination through the TTI Sector Working Group (UShs. 0.200 billion) • Government Purchases and Capital Development 	<ul style="list-style-type: none"> • Additional Operational Funds and Clearance of Domestic and International Arrears The Ministry of Trade, Industry and Cooperatives requires more operations funds. After deducting subventions to its Agencies (UDC, UEPB, AGOA Sec, UCE & MTAC) and subscription to WTO, the Ministry Headquarters remains with a Non-Wage recurrent budget of UShs. 2.062 billion. This is inadequate to cover consolidated staff allowances, payment of utilities, supply of office consumables and repair of equipment and vehicle maintenance. In FY 2014/15, MoFPED assisted greatly by reducing this from UShs. 2.5billion to UShs. 1.6billion with the additional allocation of UShs. 900million to the Non-Wage Recurrent Budget of the Ministry Vote 015 (MoTIC). Currently, the Ministry requires UShs. 1.800 billion more for operations, UShs. 1.757 billion for clearing Domestic Arrears arising from past commitments since MTTI and UShs. 0.689

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Additional Requirements for Funding and Outputs in 2016/17	Justification of Requirement for Additional Outputs and Funding
<p>(Ushs. 1.500 billion)</p> <ul style="list-style-type: none"> • Contributions to International Organisations (WTO, COMESA, UNIDO & IBE) (Ushs. 5.128 billion) • Additional Staff Recruitment (Ushs. 0.320 billion) 	<p><i>billion for clearing arrears in subscriptions to International Organisations.</i></p> <p><i>For long now, the Ministry is still stuck with Commercial and Industrial Policies and Bills that are still under review mostly because of the poor funding accorded to the comprehensive process of Policy Formulation. The inadequacy of funds has for long frustrated the review and formulation of policies because of incomprehensive studies and stakeholder consultations. For this reason among other critical factors, it is imperative that these Policies are expediently finalized for the support, growth and development of the Economy in matters of industrialization and trade.</i></p> <ul style="list-style-type: none"> • <i>Strengthening Sector M&E, Research and Statistical Support (UShs. 0.400 billion)</i> <i>The Ministry of Trade, Industry and Cooperatives still has insufficient data on the Sector to facilitate Policy decisions. This is especially significant in the Cooperatives, Industry and domestic trade subsectors for which Policies are made. Therefore, in conjunction with UBOS, the Ministry needs to collect this data and statistics to facilitate Government business. There is urgent need as well to strengthen supervision and monitoring, and evidence based policy formulation in the Sector which is crucial for the follow up and implementation of key Government Programmes within the Sector.</i> • <i>Strengthening Sector Coordination through the TTI Sector Working Group (UShs. 0.200 billion)</i> <i>Strengthening of the TTI Sector Working Group and its functions is also a critical factor that instantly feeds into the rapid development and growth of the sector for the sake of the GDP and Economy. A properly functioning Sector Wide Approach and SWG are necessary for the achievement of all Sector Objectives.</i> • <i>Government Purchases and Capital Development (UShs. 1.500 billion)</i> <i>The Departments of the Ministry of Trade, Industry and Cooperatives are short of vehicles to assist in fieldwork assignments since its creation from the former Ministry of Tourism, Trade and Industry. The Ministry therefore has to procure vehicles to facilitate in the fulfillment of its mandate up to the grassroots.</i> • <i>Contributions to International Organisations (WTO, COMESA, UNIDO & IBE) (UShs. 5.128 billion)</i> <i>The Ministry is still tasked with membership obligations to key Regional and International Economic Blocs that are critical for partnership in trade, investment and industrial development of the country, as emphasized by the 8th Millennium Development Goal. These are chief Global Partners in the Economic Development of Uganda. Only UShs. 400 million has been committed as subscription to the WTO and nothing for COMESA. Generally, funding is still insufficient.</i> • <i>Additional Staff Recruitment (UShs. 0.320 billion)</i> <i>More funding to facilitate recruitment of additional staff as per Approved Staff Establishment from the Ministry of Public Service.</i>
<p><i>Vote Function: 0606 Tourism, Wildlife conservation and Museums</i></p> <p>Output: 0603 06 Tourism Investment, Promotion and Marketing</p> <p><i>Funding Requirement (UShs Bn): 6.300</i></p> <p>Facilitate formation and development of tourism clusters (shs 0.5bn)</p> <p>Support clusters to organize events such as miss tourism and tourism carnivals (shs 0.5bn)</p> <p>Build capacity in local authorities to enforce quality assurance and promote tourism in the districts (shs</p>	<p><i>Promote tourism development at regional level.</i></p> <p><i>Settlement of arrears in international obligations.</i></p>

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<p>1.0bn)</p> <p>Facilitate the DCOs in promotion and regulation of tourism at local government level (Piloting in 20 districts). The facilitation will go towards data collection, inspection and providing guidance to facility owner in the district. Each district is proposed to revive a grant of shillings 50 million per year. (shs 1.0bn)</p> <p>Settlement of arrears in international obligations: Settle arrears to Lusaka Agreement(shs 2.5bn) Settle arrears to UNWTO(shs 0.8bn)</p>	
<p><i>Vote Function:0602 Industrial Research</i></p>	
<p>Output: 0651 02 Research and Development</p>	
<p><i>Funding Requirement (US\$ Bn):</i> 3.500</p> <p>Establishment of a regional hub for STI (Science Technology and Innovations) in support of industrialization 2. Seed fund for continuing collaborative research between CSIR, (Council for Scientific and Industrial Research of South Africa) and UIRI</p>	<p><i>Additional funding would be directed to re-equipment and accreditation of analytical laboratories, recruitment of high calibre talent to conduct meaningful R&D with ability to operate hi-tech machinery and equipment being procured, support for UIRI business incubator and set up of a modern unit for product development.</i></p>
<p><i>Vote Function:0603 Quality Assurance and Standards Development</i></p>	
<p>Output: 0652 03 Quality Assurance of goods & Lab Testing</p>	
<p><i>Funding Requirement (US\$ Bn):</i> 14.415</p> <p>N/A</p>	<p><i>Modern labs and extension of services to cover the whole country would facilitate support to the industrialisation effort for increased manufacturing output through improvements in quality and fair trade practices; intensification of market and factory inspections to ensure quality products on the market-this would ensure that households get value for their money, and thus preserve their incomes and enjoy improved health due to consumption of quality products</i></p>