

VOTE: 140 Capital Markets Authority

I. VOTE MISSION STATEMENT

To foster a transparent, accessible and effective capital market in Uganda.

II. STRATEGIC OBJECTIVE

To strengthen capital market regulation and oversight; to achieve institutional excellence; and to increase stakeholder knowledge and awareness about capital markets

III. MAJOR ACHIEVEMENTS IN 2021/22

Offer of MTN shares was opened up to the public and closed on 22nd November. Trading of the shares commenced on 6th December at the USE. The MTN listing has increased the domestic market capitalization at the USE by UGX 4.6 trillion.

Public education activities have been severely disrupted by the lockdown and limited funding available. In spite of the above, a total of 555,281 potential investors were reached out to during H1 2021/22. CMA partnered with NSSF to host monthly webinars and these centered on different topics like Intergenerational Wealth and Legacy Planning. These webinars reached out to an audience of 361,365 potential investors through Zoom, Facebook, Smart TV and Twitter.

The total Assets under Management (AUM) of CIS managers increased from UGX 498.7 billion at the end of December 2020, to UGX 940 billion at the end of December 2021

VOTE: 140 Capital Markets Authority**IV. MEDIUM TERM BUDGET ALLOCATIONS****Table 4.1: Overview of Vote Expenditure (Ushs Billion)**

	2022/23 Proposed Budget	MTEF Budget Projections			
		2023/24	2024/25	2025/26	2026/27
Recurrent					
Wage	3.475	3.475	3.475	3.475	3.475
Non-Wage	2.789	2.789	2.789	2.789	2.789
Devt.					
GoU	0.000	0.000	0.000	0.000	0.000
Ext Fin.	0.000	0.000	0.000	0.000	0.000
GoU Total	6.264	6.264	6.264	6.264	6.264
Total GoU+Ext Fin (MTEF)	6.264	6.264	6.264	6.264	6.264
Arrears	0.000	0.000	0.000	0.000	0.000
Total Budget	6.264	6.264	6.264	6.264	6.264
Total Vote Budget Excluding	6.264	6.264	6.264	6.264	6.264

VOTE: 140 Capital Markets Authority**Table 4.2: Budget Allocation by Department for Recurrent and Development (Ushs Billion)**

<i>Billion Uganda Shillings</i>	Draft Budget Estimates FY 2022/23	
	Recurrent	Development
Programme:07 PRIVATE SECTOR DEVELOPMENT	6.264	0.000
SubProgramme:01 Enabling Environment	6.264	0.000
Sub SubProgramme:01 Investor Protection, Supervision, Research and Market Development	1.670	0.000
001 Market supervision	0.754	0.000
002 Research and Market Development	0.687	0.000
003 Communications and Public Education	0.229	0.000
Sub SubProgramme:02 General Administration and Support Services	4.594	0.000
001 Finance and Administration	3.604	0.000
002 Legal and Board Affairs	0.990	0.000
Total for the Vote	6.264	0.000

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V. PERFORMANCE INDICATORS AND PLANNED OUTPUTS

Table 5.1: Performance Indicators

Programme: 07 PRIVATE SECTOR DEVELOPMENT				
SubProgramme: 01 Enabling Environment				
Sub SubProgramme: 01 Investor Protection, Supervision, Research and Market Development				
Department: 001 Market supervision				
Budget Output: 190024 Investor Protection				
PIAP Output: A conducive environment for capital markets is in place				
Indicator Name	Indicator Measure	Base Year	Base Level	Performance Targets
				2022/23
CIS assets under management (UGX bn)	Value	2017/18	UGX 490 bn	UGX 706 bn
Measures implemented to encourage public interest companies list	Yes/No	2017/18	0	1
Number of CIS accounts	Number	2017/18	23540	27071
Number of CIS Accounts opened to invest in government securities through mobile phones	Number	2017/18	0	200
Number of companies supported by a functional deal flow facility	Number	2017/18	0	5
Number of firms that received private equity funding by local private equity funds	Number	2017/18	2	2
Department: 002 Research and Market Development				
Budget Output: 190025 Research and Advisory				
PIAP Output: A conducive environment for capital markets is in place				
Indicator Name	Indicator Measure	Base Year	Base Level	Performance Targets
				2022/23
CIS assets under management (UGX bn)	Value	2020-21	731.9 Billion	1,238 Billion
Measures implemented to encourage public interest companies list	Yes/No	2021-22	0	1
Number of CIS accounts	Number	2020-21	20668	30000

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Sub SubProgramme: 01 Investor Protection, Supervision, Research and Market Development				
Department: 002 Research and Market Development				
Budget Output: 190025 Research and Advisory				
Indicator Name	Indicator Measure	Base Year	Base Level	Performance Targets
				2022/23
Number of CIS Accounts opened to invest in government securities through mobile phones	Number	2020-21	0	20000
Number of companies supported by a functional deal flow facility	Number	2021-22	0	5
Number of firms that received private equity funding by local private equity funds	Number	2021-22	0	2

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VI. VOTE NARRATIVE

Vote Challenges

While CMA has made significant challenges in executing its mandate, several constraints still remain and these include (a) Government cuts in the budgetary allocations given to the Vote, and (b) Predominantly manual processes in receipt and handling of documents

Plans to improve Vote Performance

In the coming FY, CMA will undertake the actions listed below to improve performance. (a) Strive to automate processes and systems and increased use of technology to expedite the licensing and approval process (b) Partner with international organizations like IMF, World Bank and IOSCO to obtain technical assistance and training for CMA staff in targeted fields and (c) Development of an HR Strategy to address development and retention of CMA Staff to effectively fulfill the Authority's mandate

VII. Off Budget Support

Table 7.1: Off Budget Support by Project and Department

N / A

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VIII. VOTE CROSS CUTTING POLICY AND OTHER BUDGETARY ISSUES

Table 8.1: Cross- Cutting Policy Issues

i) Gender and Equity

OBJECTIVE	To increase the mainstreaming of G&E issues in delivering CMA services
Issue of Concern	Increase the mainstreaming of G&E issues in delivering CMA services
Planned Interventions	<ol style="list-style-type: none"> 1. Conduct a gap analysis of all the interventions implemented by CMA and develop gender and equity action plan. 2. Mainstream gender and equity in CMA's public education program
Budget Allocation (Billion)	0.050
Performance Indicators	Increased participation of women and Ugandans from different regions in CMA's public awareness programs

ii) HIV/AIDS

OBJECTIVE	To reduce the burden and impact of HIV and AIDS on the CMA workforce
Issue of Concern	HIV and AIDS is having an increasingly adverse impact on the operations of many Ministries, Departments, Agencies and Local Governments (MDALGs) and employee households.
Planned Interventions	<ol style="list-style-type: none"> 1. Provide brochures on HIV/AIDS to staff 2. Encourage staff to get tested for HIV and onto anti-retroviral treatment if found infected. 3. Utilize staff medical scheme for treatment of infected persons
Budget Allocation (Billion)	0.078
Performance Indicators	Healthy staff who are able to implement the activities in the work plan

iii) Environment

OBJECTIVE	To increase the financing opportunities for green enterprises in Uganda
Issue of Concern	CMA will continue to lobby for and facilitate the issuance of green bonds in Uganda's capital markets. A green bond is a fixed income instrument whose proceeds are used to finance or refinance projects which generate climate and environmental benefits
Planned Interventions	<ol style="list-style-type: none"> 1. Revise the corporate bond guidelines into regulations with provisions for green bonds included 2. Partner with institutions like the Uganda Green Enterprise Finance Accelerator to promote green financing in the economy 3. Plant trees (CSR)
Budget Allocation (Billion)	0.010
Performance Indicators	Provisions made for issuance of green bonds in the corporate bond guidelines

iv) Covid

OBJECTIVE	To reduce exposure of CMA staff and their immediate family members to contracting COVID-19.
Issue of Concern	CMA activities like on-site inspections, public education and awareness programs, and stakeholder consultations have been disrupted as they tend to normally involve physical interactions with large groups of people.

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Planned Interventions	1. Procure masks and gloves for CMA staff 2. Encourage all staff to get fully vaccinated 3. Procure automatic hand sanitizers to be placed at the entrance of CMA and other key hot spots 4. Procure Zoom licenses for holding virtual meetings
Budget Allocation (Billion)	0.020
Performance Indicators	Healthy staff that are able to implement the work plan activities and enable the Authority execute its mandate

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IX. PERSONNEL INFORMATION**Table 9.1: Staff Establishment Analysis**

Title	Salary Scale	Number of Approved Positions	Number of filled Positions
COMMUNICATIONS AND PUBLIC RELATIONS MANAGER	3	1	0
DIRECTOR FINANCE & PLANNING	2	5	0
MARKET SUPERVISION OFFICER	4	5	3

VOTE: 140 Capital Markets Authority**Table 9.2: Staff Recruitment Plan**

Post Title	Salary Scale	No. Of Approved Posts	No. Of Filled Posts	No. Of Vacant Posts	No. Of Posts Cleared for Filling FY2022/23	Gross Salary Per Month (UGX)	Total Annual Salary (UGX)
MARKET SUPERVISION OFFICER	4	5	3	2	1	5,027,137	60,325,644
Total					1	5,027,137	60,325,644

