

Vote: 110 Uganda Industrial Research Institute

QUARTER 4: Highlights of Vote Performance

VI: Summary of Issues in Budget Execution

This section provides an overview of Vote expenditure

(i) Snapshot of Vote Releases and Expenditures

Table V1.1 below summarises cumulative releases and expenditures by the end of the quarter:

Table V1.1: Overview of Vote Expenditures (US\$ Billion)

(i) Excluding Arrears, Taxes	Approved Budget	Cashlimits by End	Released by End	Spent by End Jun	% Budget Released	% Budget Spent	% Releases Spent
Recurrent Wage	4.398	4.622	4.398	4.399	100.0%	100.0%	100.0%
Recurrent Non Wage	1.520	1.520	1.505	1.504	99.0%	99.0%	99.9%
Development GoU	8.323	8.676	8.323	8.323	100.0%	100.0%	100.0%
Development Donor*	0.000	N/A	0.000	0.000	N/A	N/A	N/A
GoU Total	14.240	14.817	14.226	14.226	99.9%	99.9%	100.0%
Total GoU+Donor (MTEF)	14.240	N/A	14.226	14.226	99.9%	99.9%	100.0%
(ii) Arrears and Taxes Arrears	0.000	N/A	0.000	0.000	N/A	N/A	N/A
(ii) Arrears and Taxes Taxes**	0.706	N/A	0.706	0.696	100.0%	98.5%	98.5%
Total Budget	14.947	14.817	14.932	14.922	99.9%	99.8%	99.9%
(iii) Non Tax Revenue	0.100	N/A	0.000	0.000	0.0%	0.0%	N/A
Grand Total	15.047	14.817	14.932	14.922	99.2%	99.2%	99.9%
Excluding Taxes, Arrears	14.340	14.817	14.226	14.226	99.2%	99.2%	100.0%

* Donor expenditure information available

** Non VAT taxes on capital expenditure

The table below shows cumulative releases and expenditures to the Vote by Vote Function :

Table V1.2: Releases and Expenditure by Vote Function*

Billion Uganda Shillings	Approved Budget	Released	Spent	% Budget Released	% Budget Spent	% Releases Spent
VF:0651 Industrial Research	14.34	14.23	14.23	99.2%	99.2%	100.0%
Total For Vote	14.34	14.23	14.23	99.2%	99.2%	100.0%

* Excluding Taxes and Arrears

(ii) Matters to note in budget execution

URI's Challenges on Budget Execution remain

1. Delayed operationalization of the industrialization fund
2. Inadequate facilitation that impedes technology transfer and value addition,
3. Lack of information and access to value addition funds.
4. Inadequate pool of specialized scientists and engineers.
5. National planning process does not promote inter-institutional collaborations.
6. Unfunded mandates / projects.
7. Inadequate funding for R & D continues to be a national malady
8. Limited skilled manpower and lack of entrepreneurial skills
9. Infrastructure problems (e.g. connectivity, energy, transport, etc)
10. Inadequate facilities for research and prototyping
11. Lengthy procurement procedures

Table V1.3: High Unspent Balances and Over-Expenditure in the Domestic Budget (Ushs Bn)

Vote: 110 Uganda Industrial Research Institute

QUARTER 4: Highlights of Vote Performance

(i) Major unspent balances

(ii) Expenditures in excess of the original approved budget

* Excluding Taxes and Arrears

V2: Performance Highlights

This section provides highlights of output performance, focusing on key outputs and actions implemented to improve section performance.

Table V2.1: Key Vote Output Indicators and Expenditures*

Vote, Vote Function Key Output	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
Vote Function: 0651 Industrial Research			
Output:065101	Administration and Support Services		
<i>Description of Performance:</i>	Recruit 50 high caliber scientists and engineers, pay salaries & other staff benefits to 260 employees; Pay asset insurances, utility & property expenses, Clear communication and general supplies expenditures, Pay maintenance and professional services expenses	Recruited 4 new personnel, paid salaries & other staff benefits to 256 employees; Pay asset insurances, utility & property expenses, Clear communication and general supplies expenditures, Pay maintenance and professional services expenses	A new Board of Directors was inaugurated and is now in place. Recruitments and staffing issues are awaiting Board guidance. •□ However the need for staff recruitment of high caliber scientists and engineers in addition at attractive remuneration for retaining them 1.2bn. Current staffs in post have not had remuneration increment for the last four financial years yet the trend of cost of livings has been accelerating. This has resulted into increased staff turnover and loss of motivation. To remedy the situation an additional budget of 3.6bn
<i>Output Cost:</i>	UShs Bn: 6.018	UShs Bn: 5.903	% Budget Spent: 98.1%
Output:065102	Research and Development		
<i>Description of Performance:</i>	Develop new value added products. Provide chemical, material and microbial analytical services for UIRI internal and external clients. Design and fabricate prototypes of affordable and appropriate technologies for dissemination. Initiate new project research agendas. Undertake research projects for targeted value added products to reduce post harvest loss and house hold incomes. Launch and commercialize already developed products. Commercialization and marketing of Newcastle vaccine. Operationalise established valued addition centers.	The food laboratory specifically promotes food product development, through development of various food recipes that can be scaled up for commercialization. A total of 16 products were developed. Entrepreneurs are also trained to undertake the food product development process including bench testing, shelf life studies, product reworking, quality control and assurance, appropriate packaging and branding. The Chemistry and Microbiology laboratories analysed 151 samples for food, beverage, alcohol and other parameters for quality. The laboratories were established to support the Institute in product development through testing and microbiological quality	•Research can only be meaningful when utilized for development. This requires 8.42bn for taking technology to the people through technology transfer and technology development; Expansion of agro processing centers as catalyst for rural industrialization and ccommercialization of developed value added products.

Vote: 110 Uganda Industrial Research Institute

QUARTER 4: Highlights of Vote Performance

<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
		assurance, and to serve industry through provision of analytical services. Microbiological quality is a critical determinant of competitiveness of processed products. The policy objective is to provide authentic and verifiable analytical services to industry in order to enhance industrial growth and competitiveness. The department has moreover expanded into a modern research centre to facilitate utilization of chemical and biological and biochemical systems for transformation of natural resources for economic benefits. The Technology Development Center designs and develops appropriate technologies as solutions to industrial technological gaps	
<i>Performance Indicators:</i>			
No. of value added products developed for industrialisation to reduce post harvest losses.	50	55	
No. of research projects initiated	5	6	
No. of product analyses undertaken for quality checks	300	1089	
<i>Output Cost:</i>	US\$ Bn: 1.563	US\$ Bn: 1.576	% Budget Spent: 100.8%
Output: 065103	Industrial and technological Incubation		
<i>Description of Performance:</i>	Expand the UIRI Industrial and Technological Business Incubation portfolio. Extend support to business incubation and MSME. Promote and create awareness of new products by SME's, Develop business management skills through ICT applications. Train MSMS in product formulation, skills development and capacity building.	Business incubation is a novel approach the institute uses to nurture and support startup enterprises in order to enhance their survival rate. UIRI's business incubation continues to expand in leaps and bounds. During the quarter 11 incubates entered into memoranda of Understanding with UIRI. These are: 1.UWEAL (Uganda Women's Entrepreneurs Association Ltd). 2.CEBUFAMU LTD (Mother's Union Central Buganda Diocese) 3.Ariber (U) Ltd 4.Rwot Omara Women Group 5.Global Sweet Bread 6.Kabale Youth Action 7.Scale Biofuel Ltd 8.KAMADIF 9.Nyowe Ventures Company Ltd 10.Kigezi Highland Beverages	Business incubation- Expansion and greater support to UIRI Business incubation program has proved successful. 2.6bn is required to build capacity and boost growth of micro and small scale start up enterprises This will strengthen the program and enhance innovation, by creating enterprises from value addition, primary level to manufacturing level and propel industry.

Vote: 110 Uganda Industrial Research Institute

QUARTER 4: Highlights of Vote Performance

<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
		Ltd 11.Kaganga Dairy Farm	
<i>Performance Indicators:</i>			
No. of technologies deployed with incubatees	20	17	
No. of SME's incubates taken on	25	29	
<i>Output Cost:</i>	US\$ Bn: 1.577	US\$ Bn: 1.540	% Budget Spent: 97.7%
Output:065104	Model Value Addition Centre Establishment		
<i>Description of Performance:</i>	Establish and equip value additional centers in regions of target raw material. Operatonalise value addition centers to stimulate farmer raw material as the centers would provide ready market for their produce.	There is clear demonstration of increased agricultural produce in areas where the value addition centers have been established. The grass root communities have moved to domestic farming to semi commercial farming or to cooperative or organized group farming as they are assured of market at the Value Addition /Research Centers. This has resulted into increased household incomes in these locations. Consequently the Value Addition and Research Centers have sufficient amount of raw material to value add and for research purposes. These research centers are aimed at to be self-sufficient.	N/A
<i>Performance Indicators:</i>			
No. of products up-scaled and commercialized by the centres	30	33	
No. of model value addition centres at 75% completion	3	3	
No. of local raw materials developed and populated in the scientific databases	40	35	
<i>Output Cost:</i>	US\$ Bn: 0.519	US\$ Bn: 0.500	% Budget Spent: 96.2%
Output:065105	Facility Repair and Maintenance		
<i>Description of Performance:</i>	Continued preventative / routine maintenance, upgrades of technologies, system and servicing of unplanned break downs. These include machinery equipment, of electrical system, water and drianage,cold rooms, air conditioners. Replacements and refabrication of parts.	UIRI continues to carry out preventative / routine maintenance, upgrades of technologies, system and servicing of unplanned break downs. These include machinery and equipment, mechanical and electrical system, ICT equipment, water and drainage, cold rooms, air conditioners. Replacements and refabrication of parts.	N/A
<i>Output Cost:</i>	US\$ Bn: 0.600	US\$ Bn: 0.536	% Budget Spent: 89.3%
Output:065106	Industrial Skills Development and Capacity Building		

Vote: 110 Uganda Industrial Research Institute

QUARTER 4: Highlights of Vote Performance

Vote, Vote Function Key Output	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
<i>Description of Performance:</i>	The Institutes Industrial Skills and Capacity development includes internship programs, industrial training for university continuing students, staff trainings for skills upgrading and enhancement of new evolving technologies. It also includes production trainings in various food processing fields and engineering technics for potential entrepreneurs	Beyond the Institutes Industrial Skills and Capacity development program that includes internship programs, industrial hands-on-training for university continuing students, there are guided tours to increase exposure, staff trainings for skills upgrading and enhancement of new evolving technologies. It also includes production trainings in various food processing fields and engineering technics for potential entrepreneurs	•Industrial skills capacity building - Industrial skills capacity building - Majority of graduating scientists and engineers lack practical application of knowledge acquired hence the need for 0.85bn to reskill them.
<i>Performance Indicators:</i>			
No. of apprenticeships taken on	70	60	
No. of SMEs trained in industrial development and value addition processing	300	894	
<i>Output Cost:</i>	US\$ Bn: 0.121	US\$ Bn: 0.116	% Budget Spent: 96.2%
Vote Function Cost	US\$ Bn: 14.340	US\$ Bn: 14.226	% Budget Spent: 99.2%
Cost of Vote Services:	US\$ Bn: 14.340	US\$ Bn: 14.226	% Budget Spent: 99.2%

* Excluding Taxes and Arrears

The Highlight of Q4 performance is that all key indicators for the financial year ending 2014/15 have been achieved; Targets for Research and development, Business Incubation, establishment of Model Value Additional, technology transfer, construction of government buildings and purchase of specialized machinery and equipment have been achieved

Table V2.2: Implementing Actions to Improve Vote Performance

Planned Actions:	Actual Actions:	Reasons for Variation
Vote: 110 Uganda Industrial Research Institute		
Vote Function: 06 51 Industrial Research		
Enhance the Business incubation portfolio. Take technology to the people	The business incubation portfolio at UIRI has grown from strength to strength. In addition to design, product development and product processing, UIRI also supports its incubatees in product certification processes, undertakes market research, recruitment of incubatee technical personnel, which enhances product quality	•Strengthening of the Industrial and technological incubation center requires 2.60bn
Upgrade staff skills to measure up to the ever evolving technologies to be able to design and develop competitive products and services	Deliberate effort to undertake specialized training for UIRI technical staff and consequently train entrepreneurs and students has been actualized. UIRI provides a wide scope of exposure and training to the nationals ranging from guided study tours, hands-on-training to students and entrepreneurs. This has spurred an appreciation for design and development of competitive products	N/A

Vote: 110 Uganda Industrial Research Institute

QUARTER 4: Highlights of Vote Performance

Planned Actions:	Actual Actions:	Reasons for Variation
Vote: 110 Uganda Industrial Research Institute		
Vote Function: 06 51 Industrial Research		
Establish the Regional Scientific and Innovation hub as Center of Excellence.	<p>Establishment of a Scientific and Technological Innovation Hub has been incorporated in the National Development Plan II for the period 2015/16 to 2019/2020. This is aimed to:</p> <ul style="list-style-type: none"> •Create, acquire and implement new technologies, processes and know-how for industrial application and value addition. •Promote and encourage the use of modern manufacturing practices and tools in agriculture, industry and mining. •Innovations in manufacturing technologies, products, processes and procuring and absorbing new enabling and relevant technologies •Manage academia-industry technology transfer •Create efficiency in exploitation of natural resources •Increase agro-processing and value addition •Improve export quality to global market standards •Recommend how to regulate manufacturing quality standards •Recommend how to improve the technical skills base of the country •Feasibility, Market and product research •Prepare commercial exploitation strategies •Develop human resource (needed for comprehensive industrialization) •Plug the gaps within the agribusiness value chains by enhancing technology use in value addition 	Awaiting funding of 2.5bn

V3: Details of Releases and Expenditure

This section provides a comprehensive summary of the outputs delivered by the Vote and further details of Vote expenditures by Vote Function and Expenditure Item.

Table V3.1: GoU Releases and Expenditure by Output*

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent

Vote: 110 Uganda Industrial Research Institute

QUARTER 4: Highlights of Vote Performance

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:0651 Industrial Research	14.24	14.23	14.23	99.9%	99.9%	100.0%
<i>Class: Outputs Provided</i>	<i>10.32</i>	<i>10.18</i>	<i>10.19</i>	<i>98.6%</i>	<i>98.8%</i>	<i>100.1%</i>
065101 Administration	5.92	5.90	5.90	99.8%	99.7%	100.0%
065102 Research and Development	1.56	1.56	1.58	100.0%	100.8%	100.8%
065103 Industrial Incubation	1.58	1.53	1.54	97.1%	97.7%	100.5%
065104 Maintenance - Civil works	0.52	0.50	0.50	96.0%	96.2%	100.2%
065105 Maintenance - Machinery and Equipment	0.60	0.55	0.54	90.8%	89.3%	98.3%
065106 Student Industrial Training and Capacity Building	0.12	0.12	0.12	96.3%	96.2%	100.0%
065108 Popularization of research and technologies	0.02	0.02	0.02	100.0%	99.7%	99.7%
<i>Class: Capital Purchases</i>	<i>3.92</i>	<i>4.05</i>	<i>4.04</i>	<i>103.2%</i>	<i>102.9%</i>	<i>99.7%</i>
065172 Government Buildings and Administrative Infrastructure	0.54	0.84	0.82	154.5%	151.7%	98.2%
065176 Purchase of Office and ICT Equipment, including Software	0.09	0.09	0.09	100.0%	100.0%	100.0%
065177 Purchase of Specialised Machinery & Equipment	3.29	3.12	3.12	94.8%	94.9%	100.1%
Total For Vote	14.24	14.23	14.23	99.9%	99.9%	100.0%

* Excluding Taxes and Arrears

Table V3.2: 2014/15 GoU Expenditure by Item

<i>Billion Uganda Shillings</i>	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
<i>Output Class: Outputs Provided</i>	<i>10.32</i>	<i>10.18</i>	<i>10.19</i>	<i>98.6%</i>	<i>98.8%</i>	<i>100.1%</i>
211102 Contract Staff Salaries (Incl. Casuals, Temporary)	5.29	5.29	5.29	100.0%	100.0%	100.0%
211103 Allowances	0.10	0.10	0.10	100.0%	100.0%	100.0%
212101 Social Security Contributions	0.53	0.53	0.53	100.0%	100.0%	100.0%
213001 Medical expenses (To employees)	0.20	0.20	0.20	100.0%	100.0%	100.0%
221001 Advertising and Public Relations	0.03	0.03	0.03	100.0%	100.0%	100.0%
221002 Workshops and Seminars	0.00	0.00	0.00	50.0%	50.0%	100.0%
221003 Staff Training	0.16	0.16	0.16	100.0%	100.0%	100.0%
221004 Recruitment Expenses	0.00	0.00	0.00	0.0%	0.0%	N/A
221007 Books, Periodicals & Newspapers	0.03	0.03	0.03	100.0%	99.8%	99.8%
221009 Welfare and Entertainment	0.08	0.08	0.08	100.0%	100.0%	100.0%
221011 Printing, Stationery, Photocopying and Binding	0.01	0.01	0.02	100.0%	118.8%	118.8%
221012 Small Office Equipment	0.03	0.03	0.03	100.0%	100.0%	100.0%
221017 Subscriptions	0.01	0.01	0.01	100.0%	120.1%	120.1%
222001 Telecommunications	0.07	0.07	0.07	100.0%	100.0%	100.0%
222002 Postage and Courier	0.00	0.00	0.00	50.0%	50.0%	100.0%
222003 Information and communications technology (ICT)	0.04	0.04	0.04	100.0%	100.0%	100.0%
223001 Property Expenses	0.10	0.10	0.10	100.0%	100.0%	100.0%
223002 Rates	0.05	0.05	0.05	100.0%	100.0%	100.0%
223004 Guard and Security services	0.14	0.14	0.14	100.0%	100.0%	100.0%
223005 Electricity	0.54	0.54	0.54	100.0%	100.0%	100.0%
223006 Water	0.13	0.13	0.13	100.0%	100.0%	100.0%
223007 Other Utilities- (fuel, gas, firewood, charcoal)	0.13	0.12	0.12	96.0%	96.0%	100.0%
224001 Medical and Agricultural supplies	0.25	0.25	0.25	100.0%	100.1%	100.1%
224004 Cleaning and Sanitation	0.14	0.14	0.14	100.0%	104.3%	104.3%
224005 Uniforms, Beddings and Protective Gear	0.08	0.08	0.09	100.0%	106.8%	106.8%
224006 Agricultural Supplies	0.55	0.53	0.53	95.4%	96.3%	100.9%
226001 Insurances	0.04	0.04	0.04	100.0%	100.0%	100.0%
227001 Travel inland	0.01	0.01	0.01	100.0%	100.0%	100.0%
227002 Travel abroad	0.19	0.19	0.19	100.0%	100.0%	100.0%
227003 Carriage, Haulage, Freight and transport hire	0.01	0.01	0.01	100.0%	100.0%	100.0%
227004 Fuel, Lubricants and Oils	0.24	0.24	0.24	100.0%	100.0%	100.0%
228001 Maintenance - Civil	0.05	0.05	0.05	100.0%	100.0%	100.0%
228002 Maintenance - Vehicles	0.24	0.21	0.21	88.9%	88.5%	99.5%
228003 Maintenance – Machinery, Equipment & Furniture	0.85	0.77	0.76	90.7%	89.7%	98.8%

Vote: 110 Uganda Industrial Research Institute

QUARTER 4: Highlights of Vote Performance

<i>Billion Uganda Shillings</i>	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
Output Class: Capital Purchases	4.63	4.75	4.73	102.7%	102.2%	99.5%
231001 Non Residential buildings (Depreciation)	0.54	0.84	0.82	154.5%	151.7%	98.2%
231005 Machinery and equipment	3.38	3.21	3.21	95.0%	95.1%	100.1%
312204 Taxes on Machinery, Furniture & Vehicles	0.71	0.71	0.70	100.0%	98.5%	98.5%
Grand Total:	14.95	14.93	14.92	99.9%	99.8%	99.9%
Total Excluding Taxes and Arrears:	14.24	14.23	14.23	99.9%	99.9%	100.0%

Table V3.3: GoU Releases and Expenditure by Project and Programme*

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:0651 Industrial Research	14.24	14.23	14.23	99.9%	99.9%	100.0%
<i>Recurrent Programmes</i>						
01 Headquarters	5.92	5.90	5.90	99.8%	99.7%	100.0%
<i>Development Projects</i>						
0430 Uganda Industrial Research Institute	8.32	8.32	8.32	100.0%	100.0%	100.0%
Total For Vote	14.24	14.23	14.23	99.9%	99.9%	100.0%

* Excluding Taxes and Arrears

Table V3.4: Donor Releases and Expenditure by Project and Programme*