MOFPED TIMES

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Global FOCUS

KEY HIGHLIGHTS

5TH ECONOMIC GROWTH FORUM

PARISH DEVELOPMENT MODEL

THE GAME CHANGER

BUDGET FOR FY2022/23

WILL BE REDISTRIBUTIVE

Emyooga money not Haram State Minister for Microfinance, Hon. Haruna Kasolo tells muslims

Promoting good practices in Public Investment Management can maximise returns on investment

VISION

" A Competitive Economy for National Development"

MISSION

To Formulate Sound Economic Policies, Maximize Revenue Mobilization, Ensure Efficient Allocation and Accountabilty for Public Resources so as to Foster Sustainable Economic Growth and Development

CORE VALUES

Professionalism, Result - oriented, Efficiency and Effectiveness, Teamwork, Integrity, Transparency and Innovativeness

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MOFPED UGANDA

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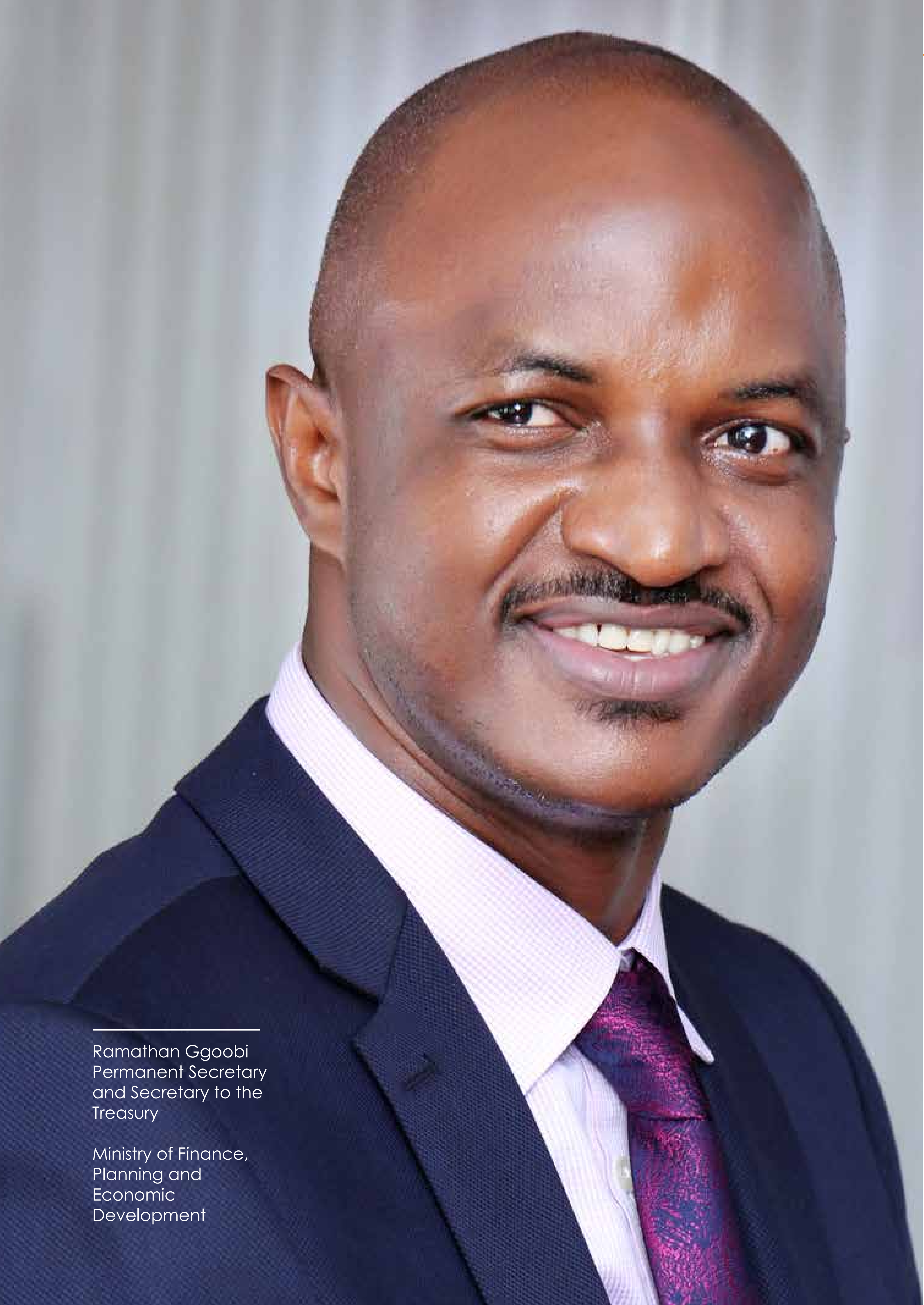


Ramathan Ggoobi
Permanent Secretary and Secretary to the Treasury

Ministry of Finance, Planning and Economic Development

Greetings

Dear Stakeholders,

I bring you warm regards from MoFPED.

First, it is always a pleasure to reach out to you through this platform.

We are delighted that the economy is now fully reopened as we embark on the post Covid-19 recovery agenda.

I am very optimistic about Uganda's economic recovery because we have a clear plan and path to full recovery. I am confident that we are going to emerge out of this pandemic stronger with the reforms we are putting in place. Indeed,the past two years may have been a pain to each of us but the future looks bright.

Like, I have always said, we are focussing more resources and efforts to creating wealth, jobs and incomes for Ugandans, particularly the 39% of Ugandans that are still in subsistence economy.

We are repurposing and reprioritizing the budget to achieve the above goal of economically empowering our people. It is important to note that, nonation has ever developed without providing the two critical opportunity equalizers (education and financial inclusion) to all its citizens.

The Parish Development Model (PDM) recently launched by H.E the President,is our strategy to support the 3.5 million households in subsistence economy to join the money economy.

We are also supporting small businesses to recover by implementing a stimulus package (small business recovery fund) to boost aggregate demand in addition to other packages for micro, medium and large enterprises through Emyooga program and other SACCO's through the Microfinance Support Centre, Uganda Development Bank and Uganda Development Corporation respectively.

Most of these funds like I earlier said, have been raised from budget repurposing and reprioritization as opposed to more borrowing or increasing taxes.

I believe that this pronounced shift in spending away from consumption towards productive sectors will contribute to faster and more inclusive growth.

We have also started implementing public sector reforms to achieve efficiency and effectiveness. These range from rationalization of government, to automation of government processes such as e-procurement, e-education, and e-health. I call upon all Ugandans to support these reforms to create an economy that works for everyone.

Finally, I have noticed the anxiety among some people about recent spikes in prices of fuel, soap, cooking oil, and a few specific items. This rise in prices is a temporary shock caused by disruptions in the global supply chains due to Covid-19 and geopolitical tensions. The situation will soon normalize and we have put in place measures to ensure macroeconomic stability and affordable cost of living for all Ugandans.

Enjoy your Reading! ■

Ramathan Ggoobi

Permanent Secretary and Secretary to the Treasury

FILE PHOTO

Full re-opening of the Economy:

Night Economy is Back

Dear Stakeholders

I am pleased to share with you privileged insights from MOFPED through this platform ahead of the Budget for FY 2022/23.

I thank you, for the useful feedback, we receive which has contributed to shaping and sharpening our Budget priorities for next financial year in line with the post Covid-19 recovery agenda.

In this Issue, we bring highlights on Parish Development Model (PDM), a game changer with focus on delivering services closer to the people with measurable results at the Parish level to ensure transformation of the subsistence households into the money economy.

We also share insights from the 5th Economic Growth Forum, which identified Uganda's key growth challenges and proposed policy solutions to stimulate the economy and promote sustainable inclusive growth.

Finally, we highlight public debt issues and government measures to ensure that debt remains sustainable, the frequently asked questions about the small business recovery fund (SBRF) and reasons why prices of essential commodities are rising and what government is doing about it. Get first hand information on these and more only in the MOFPED TIMES.

Enjoy your reading!

Apollo Munghinda

Principal Communications Officer

PDM

Parish Development Model - The Game Changer

By MoFPED Comms Team

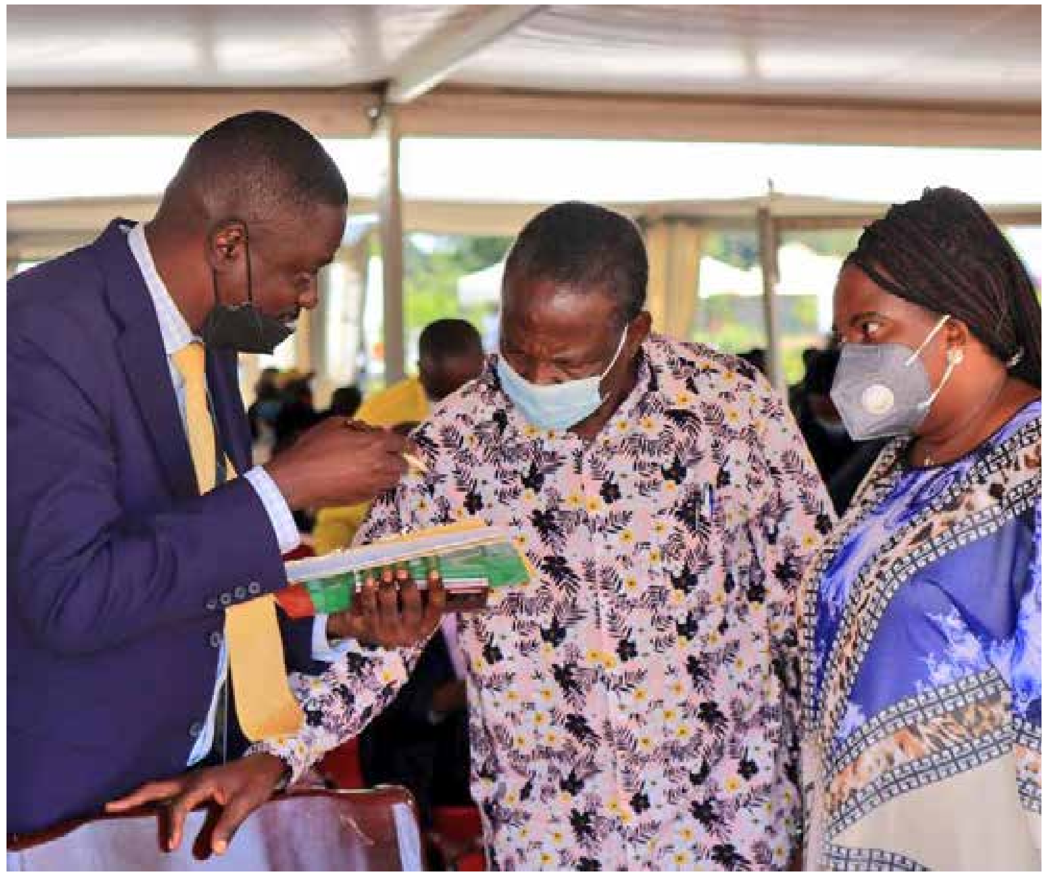
President Yoweri Kaguta Museveni launched the Parish Development Model (PDM) on Saturday, 26th February 2022 in Kibuku District, Bukedi sub-region as a last mile approach for organizing and delivering public and private sector interventions aimed at wealth creation and employment generation at the parish level as the lowest economic planning unit.

The Parish Development model will ensure support for more Ugandans to join the money economy and consequently increase their demand for goods and services.

"During the recently concluded elections, we promised you that the 2021-2026 term is going to be a Kisanja for creating wealth, jobs and incomes for all Ugandans," said H.E the President while launching PDM in Kibuku District, adding that he wants everyone to be engaged in economic activities in order to eliminate poverty and enable the country achieve middle income status.

In order to successfully deliver the Third National Development Plan (NDPIII) and the NRM Manifesto for 2021/22 – 2025/26, the PDM underpins the spirit of harmonization of all Government interventions by all Ministries, Departments, Agencies including Local Governments, focusing on delivering services closer to the people with measurable results at the Parish level in order to ensure transformation of the subsistence households into the money economy. This transformation requires organized, integrated, well-coordinated and results-based efforts including developing a critical mass of households with business mindset in addition to community participation, accountability and ownership.

This FY 2021/22, Government provided **Ushs. 200 Bn,** targeting every parish to access **Ushs. 17 Million** as a revolving fund for members of the village SACCO.



Hon. Matia Kasaija (M) making consultations with the PDM launch team

HE. the President inspecting stalls at the PDM launch

> **"During the recently concluded elections, we promised you that the 2021-2026 term is going to be a Kisanja for creating wealth, jobs and incomes for all Ugandans," said H.E the President**

Next financial year 2022/23, Government is providing a total of **Ushs. 1,059.4 Bn**, in which each of the 10,594 parishes in the country will receive **Ushs. 100 Million** as revolving fund specifically under the two pillars of Agricultural Value Chain Development (Production, Processing and Marketing) and Financial Inclusion.

Finance Minister Matia Kasaija while recently sensitising cultural and religious leaders from Bunyoro sub-region in preparation for the implementation of the PDM said if well implemented, it will accelerate socioeconomic transformation by moving the 39% of households from subsistence into the money economy.

"Community mobilisation and mindset change are very critical and forms the entry point for the implementation of the Parish Development Model. Attaining the true north of having each household earn an annual income of Ushs 20 million calls for empowerment of the communities to implement sustainable livelihood activities," said Kasaija.

Permanent Secretary and Secretary to the Treasury, Ramathan Ggoobi said the strategy will support 3.5 million households that are still in subsistence economy to join the economy of money.

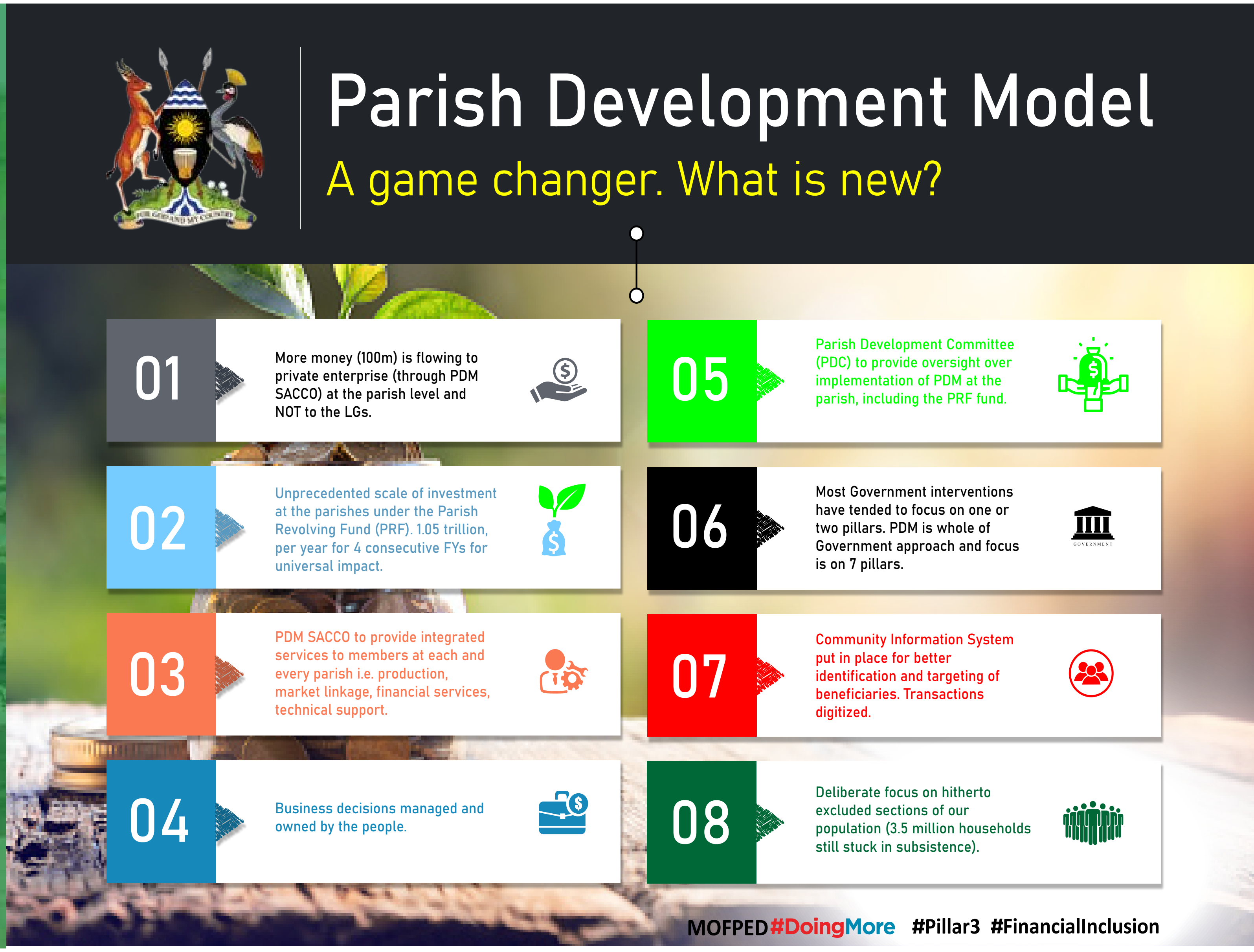
He said the Parish Development Committee (of 7 parish members) will play an oversight role over the parish revolving fund to ensure that money goes to the right groups.

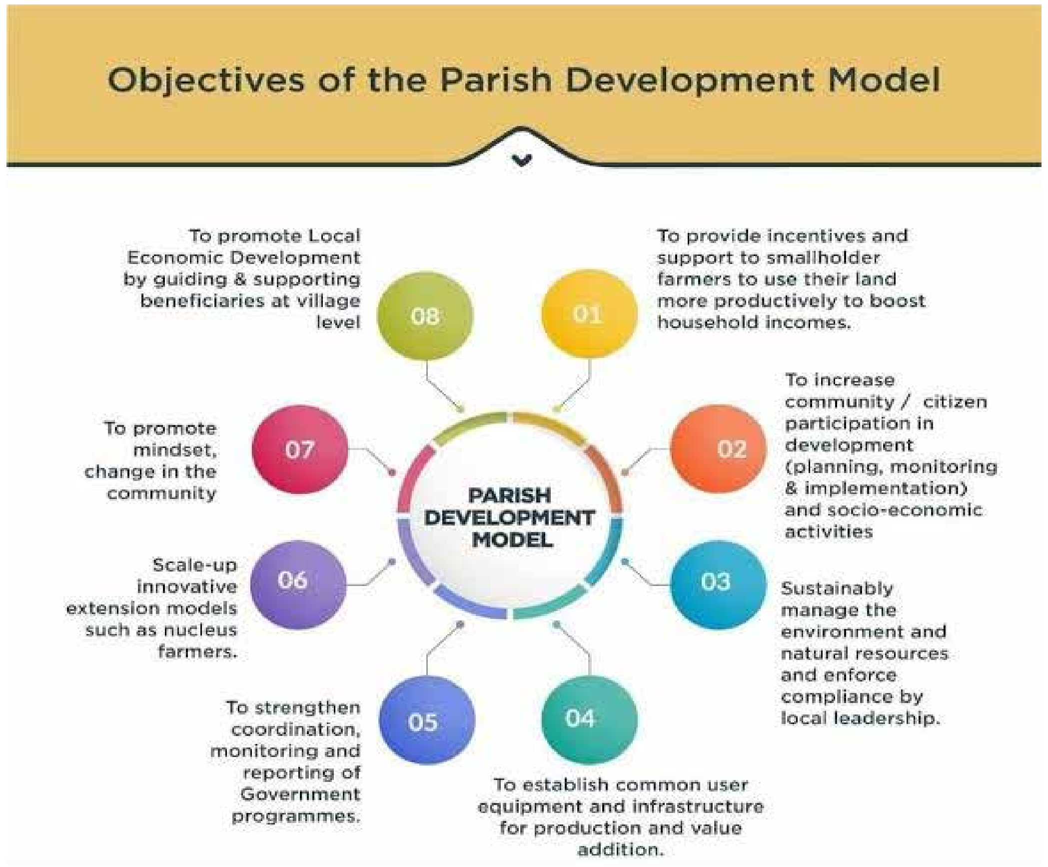
All responsible Ministries, Departments and Agencies (MDAs) have been advised to use the remaining three months of this financial year, to adequately prepare for the full roll-out of the PDM in July 2022.

Preparatory activities include: identifying the beneficiaries, registering them, training them, setting up PDM SACCOs in each parish, and all the necessary linkages with input markets and many others such that July 2022 finds the country ready to deploy the resources to known beneficiaries with clear purposes.

Take-home message

- PDM is for households still in subsistence.
- Money is for buying production inputs not for sharing and eating.
- It's for borrowing at 5% per annum to revolve around the parish not to be returned to the Treasury.
- Money will be sent directly from the Treasury to the PDM SACCO.





Financial Inclusion (FI) Pillar

The overall objectiveof the pillar under the Ministry of Finance, Planning and Economic Development is to: "Sustainably increase access to and use of appropriate financial services by subsistence households".

Six components of the FI Pillar

1. Community organization
2. Business Development Services (BDS) and Financial Literacy
3. Integrated Funds Management System
4. Affordable Loans and Savings
5. Market Linkages
6. Agricultural Insurance

Strategic aims of the Pillar

- Extending loans to the currently excluded section of the population i.e the most poverty-stricken, landless, vulnerable and unemployed Ugandans across the country.

- Mobilizing community savings and growing the capital base of the fund.

- Protecting farmers from production and marketing risks by promoting increased usage of agricultural insurance (embedded in the loans) and structured market linkages

- Helping people to understand and practice the economics of running a viable/ productive household enterprises to create 10,594 vibrant parish economies and drive local economic development across the country

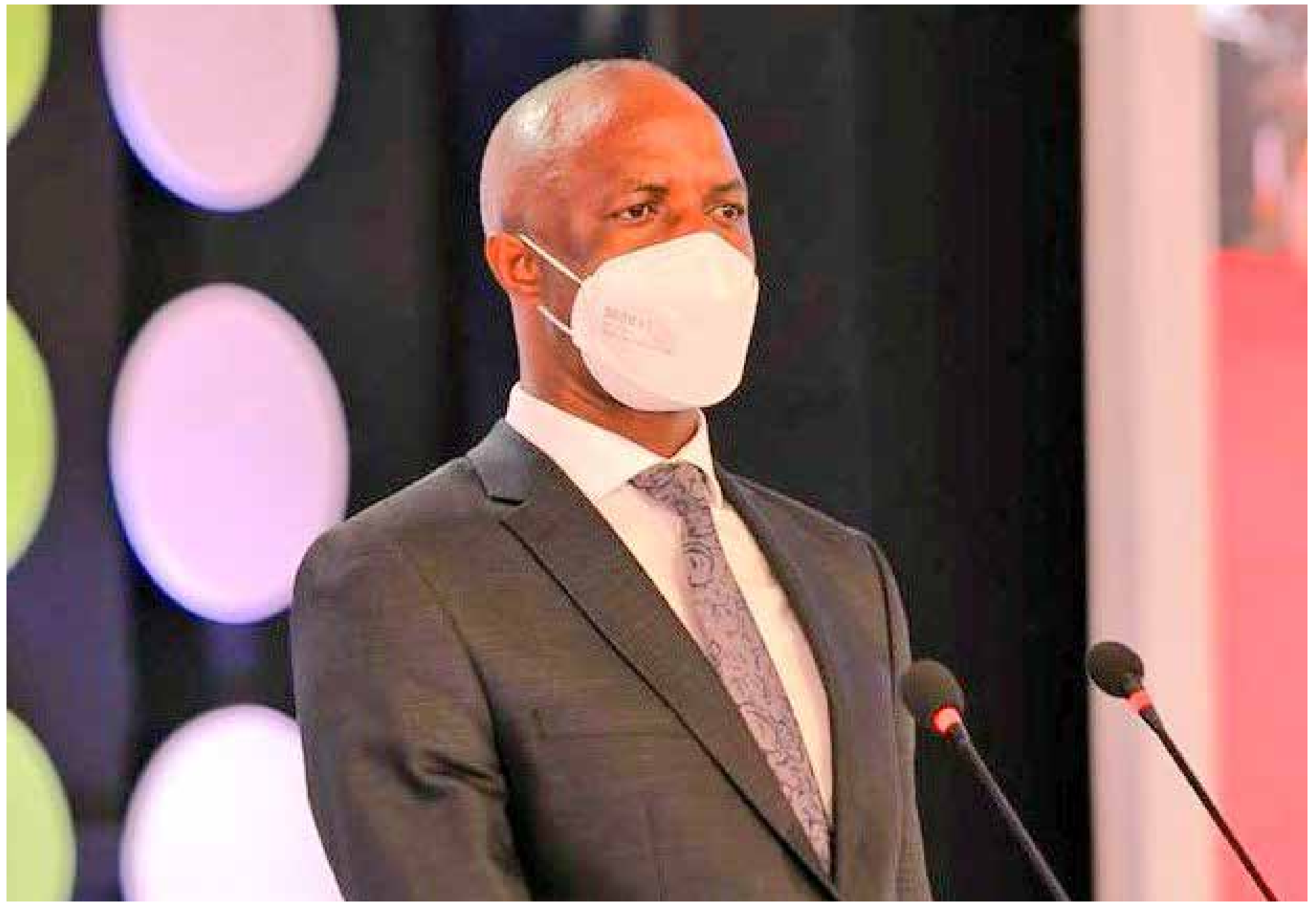
- Empowering people by putting responsibility for decision making in their hands

- Making Uganda an African Centre of Excellence for community development (just as we did with HIV)

PDM expected outcomes by 2026

1. Sustainable institutions (at Parish, District and National levels)
2. Traceability and full accountability of all funds
3. Increased household incomes by participating households
4. Increased value and volume of savings and credit
5. Increased financial inclusion for women and youth
6. Increased insurance usage (by numbers)
7. Attainment of Middle-income status
8. Realization of the NRM Manifesto 2021-2026

PSST represents President Museveni at the greater Ankole Investment symposium



By MoFPED Comms Team

The Permanent Secretary and Secretary to the Treasury, Ramathan Ggoobi recently represented President Yoweri Kaguta Museveni at the Greater Ankole Investment symposium which was held at Kakyeka stadium in Mbarara City under the theme: ***"The contribution of Financial Innovation to the Resilience of the Economy for Sustained Growth."***

The 2 day Symposium was jointly organised by Uganda Development Bank (UDB) and Operation Wealth Creation (OWC). It aimed at identifying business opportunities and building linkages forviable actions that can trigger greater Ankole to sustainably grow the region and support the national economy.

The symposium brought together a number of stakeholders including entrepreneurs, local government leaders, academic, business and finance leaders.

PSST while representing the President said the Budget Strategy for next year (FY 2022/23) has been designed to kick-start this transformative agenda under the theme:

"Full monetization of the economy through commercial agriculture, industrialization, market access and digital transformation."

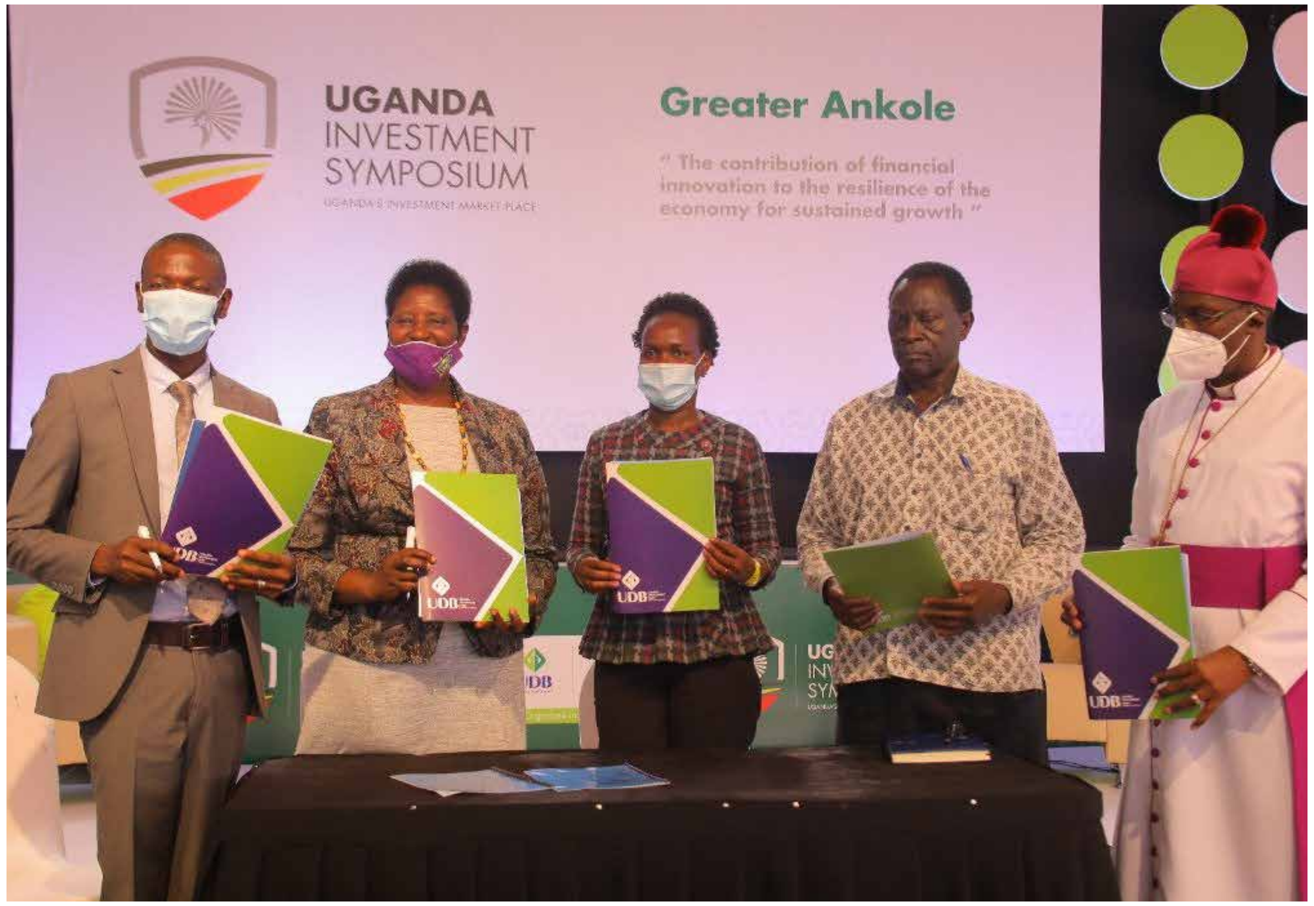
CEO UDB Patricia Ojangole signed MOUs with business executives in greater Ankole region

"H.E the President has asked me to remind you that he declared the 2021–2026 term "a kisanja for socio-economic transformation." He guided us to focus more resources and efforts to creating wealth, jobs and incomes for Ugandans, particularly the 39% proportion of Ugandans that is still in subsistence economy," said Ggoobi.

He said the overall goal is to incentivize and facilitate Ugandans who are still in subsistence to start engaging in income-generating activities in the four main sectors of the economy: commercial agriculture, industry, services, and computer technology (ICT).

"The target is to start with raising agricultural productivity (yield per acre), reduce the level of post-harvest losses, add value to agricultural produce, improve quality, standards and safety of what we supply both to domestic and export markets, and facilitate market entry." said PSST.

He said our economy grew by 3% in 2019/2020 and 3.4% in 2020/21, and it was among a few economies in the world that registered positive growth in 2020. GDP is projected to grow at 3.8% this FY2021/22. The economy is destined to recover to its pre-Covid growth of 6% and above in FY 2023/24.



According to the PSST, Government has planned to support business and economic recovery by implementing a stimulus package to boost aggregate demand and support businesses to restart and recover.

The first stimulus package is designed to support micro-businesses (a total of Ushs 260 billion has been deployed through EMYOOGA and Ushs 77 bn through SACCOs, targeting the financially excluded vulnerable groups and the active poor. These are being served through the Microfinance Support Centre (MSC).

The second package is for small businesses and a Small Business Recovery Fund of Ushs 200 billion has been created and is accessible by formal small businesses employing between 5 and 49 people, with an annual turnover of between Ushs 10 million and Ushs 100 million. These businesses must have been operational before Covid-19.

The third package is for medium and large-scale businesses and the Uganda Development Bank (UDB) has been capitalized to lend to firms operating in manufacturing, commercial agriculture, agro-industry, tourism, education, health, and infrastructure (including ICT). In 2022 calendar year alone UDB plans to disburse over Ushs 612 billion to these businesses.

PSST Ggoobi and UDB CEO Ojangole with exhibitors at the symposium

Bank of Uganda is also managing an Agricultural Credit Facility accessible by those engaged in commercial agriculture and agro-value addition. This money is disbursed through banks and the total loan book has grown to over UGX 625 billion.

In addition, the Uganda Development Corporation (UDC) has also been capitalized with nearly Ushs 200 billion to co-invest with companies operating in strategic businesses in agro-industry, manufacturing, and mineral commercialization. This is an indirect way of bailing out such companies that have been hard-hit by the pandemic.

The fourth package is for households in subsistence and this is the Parish Development Model (PDM) that will be fully implemented effective FY 2022/23 to support the 39% of Ugandan households still in subsistence to join the monetized economy. The implementation of the PDM will kick-start the full monetization of economy.

"Most of these funds have been raised from budget repurposing and reprioritization as opposed to more borrowing or increased taxes. I believe that this pronounced shift in spending away from consumption and toward productive sectors will contribute to faster and more inclusive growth. We are also going to implement a number of budget-neutral policies that could boost recovery," said Ggoobi.

He said Government is implementing a recovery-mindful tax policy, adding that the new tax policy is intended to put more focus on enforcement of compliance as opposed to introducing new taxes or increasing existing taxes.

This will incentivize businesses to allocate capital to its most productive use and also ensure a more level-playing field.

"The past two years may have been a pain to each of us but the future looks bright," said the PSST.

Ggoobi also noted that government has started implementing public sector reforms to achieve efficiency and effectiveness. These range from rationalization of government, to automation of government processes such as e-procurement, e-education, and e-health, as well as repurposing of the national budget to NDP III.

Government has also identified five (5) related challenges to public financing that in the end impact private sector investment

"H.E the President has asked me to remind you that he declared the 2021–2026 term "a kisanja for socio-economic transformation."

performance and these are:

1. The misalignment of public (and private) projects/investments to appropriate financing, such as short-term financing for long-term investments
2. The lack of diversification of financing options.
3. Inadequate financing to implement priorities set out in the Plans – leading to budget tokenism.
4. Insufficient private sector involvement in public investments.
5. Poor sequencing of acquired loan financing leading to delayed disbursements and completion of projects.

He said a National Financing Strategy has been developed to address these challenges and establish robust and sustainable financing mechanisms for achievement of the national development goals.

During the conference, Uganda Development Bank signed Memorandums of Understanding (MOU) with business executives in the greater Ankole region to reinforce its commitment towards the development of the region.

The inaugural symposium was held in West Nile in 2019 and the subsequent one was held in Rwenzori sub-region and the next one is expected to be held in Busoga sub-region to create more business and investment opportunities in the country.■

Gen. Saleh speaking at the Symposium in Mbarara

Key issues from the 5th Economic Growth Forum

By MoFPED Comms Team

The Ministry of Finance, Planning and Economic Development annually holds an Economic Growth Forum to identify Uganda's key growth challenges and develop policy solutions to stimulate the economy and promote sustainable inclusive growth.

The Economic growth forums also provide evidence, growth policies and strategies that inform the national budget priorities.

The 5th Economic Growth Forum was held in January 2022 at the time when there were many questions about how Uganda can accelerate economic recovery and subsequently sustain high and inclusive economic growth – in the face of more frequent internal and external shocks including global financial crises, climate change, and COVID-19 pandemic.

The Forum was held under the theme: ***"Economic resilience, Recovery and Resurgent Growth"***

Experts from the International Growth Centre, University of Oxford, London School of Economics and UK-Aid among other Ugandan experts came together to discuss the required policies and strategies to ensure economic resilience against future shocks, sustained recovery and rapid economic growth to achieve middle and upper middle income status as envisioned in the Vision 2040?

Key points of discussion also hinged on ensuring that inclusive economic growth results into productive employment, poverty reduction and human development. Other areas of discussion

Participants at the 5th EGF

included harnessing trade opportunities to drive recovery and Uganda's growth strategy in the context of global green growth agenda.

The 5th Economic Growth Forum was officially opened by the Minister of State for Planning, Amos Lugoloobi who said that although Uganda's economy has been resilient and is projected to grow by 3.8% in FY 2021/22, the country needs to achieve and sustain much higher growth to realize the medium and long-term development aspirations.

"As Government, we have taken steps to minimize the impact of Covid-19 on the lives and livelihoods of Ugandans," said Lugoloobi.

Policy implementation

The Permanent Secretary and Secretary to the Treasury, Ramathan Ggoobi speaking on Policy implementation landscape in Uganda said top–down implementation is only successful if goal consensus among key actors is high and policy makers are able to stop bureaucrats from engaging in budget games to attract bigger budgets and easy life games where civil servants do things in their own established way according to their priorities.

"Implementation has been more successful when street level bureaucrats (the people closer to the real problems) are offered key roles to solving the problems and front-line implementers a large amount of discretionary power," said Ggoobi

EGF Book Launch

As part of the activities for the 5th Economic Growth Forum, a book titled "Beyond Recovery- Policies towards Resurgent Growth in Uganda was launched.

PSST Ggoobi launching EGF book

The Book edited by Dr. Albert Musisi and Dr.Richard NewFarmer addresses four challenges namely: Managing transition from growth slowdown to robust recovery and accelerated growth in the coming years, increasing the productivity of labour and capital, growing exports and expanding access to different markets and pace and nature of structural transformation in Uganda.

PSST Ramathan Ggoobi who launched the book said Government's response to the challenges and opportunities described in the book forms a coherent and effective program that spurs a return to high and inclusive growth in a post pandemic era.

"Solutions to the challenges identified include implementing a number of programs aimed at supporting Ugandans and their businesses for example Emyooga,small business recovery fund and parish development model," said Ggoobi.

Closing of the 5th EGF

The forum was closed by the Rt. Hon Prime Minister who was represented by the Minister for Karamoja affairs Mary Gorreti Kitutu who called for a careful balancing of the three pillars of development: the social, the economic and the environment.

"We need a more inclusive, efficient, resilient and sustainable economy. We must refocus our energies on policies and actions that balance the three objectives. Leaving some people in poverty while growing the GDP and conserving nature is not sustainable development," said the Prime Minister.

Some of the issues identified which require comprehensive response include;

- Inadequate monetary and fiscal space to respond to shocks.

- Weak technical capacity to develop effective instruments to manage shocks.

- Increased interconnectedness of the global economy making it possible for a global crisis to affect both small and big countries

- Climate change and its associated disruptions.

EGF Policy Recommedations

The EGF policy recommendations under the theme of building resilience to shocks include; Building buffers e.g international

ECONOMY

reserves, building fiscal savings by developing Fiscal rules to manage revenue windfalls in both good and bad times (Implement the Charter for Fiscal Responsibility), investing in digitalisation of the economy and prioritizing concessional financing to maintain debt sustainability in addition to raising resilience to shocks through the diversification of the export basket and market.

Under the identified issue of climate change and its associated disruptions, the 5th EGF recommended Investing in climate resilient infrastructure such as roads and bridges that can withstand disasters as well as investing in research to produce modern agricultural inputs such as fertilisers, drought and disease resistant varieties. Investment in irrigation was also recommended including bulk water schemes on major lakes and rivers and solar-powered irrigation pumps to reduce reliance on rain fed agriculture.

Under the theme of using trade to drive the Recovery, the following were recommended;

(i) Supporting the Private Sector to benefit from the regional markets such as AfCFTA by offering export credit schemes to prospective firms which have successfully exported to regional communities.

(ii) Partner States of the EAC should consolidate all the Non Tarrif Barriers (NTBs) and address them as a region so as to exploit opportunities from regional integration.

(iii) Partner States of EAC should finalize the ongoing EAC common external tariff review and revise the EAC Rules of Origin to reflect Industrialisation Realities.

(iv) Review and subsequently implement the Uganda National Exports Strategy.

Participants at the 5th EGF

ECONOMY

(v) Support the institutional set up to promote exports, for instance by providing information about market availabilty and accessibility, e.g Uganda Export Promotion Board.

(vi) Diversify the export base to include more value added exports.

(vii) Provide the Private Sector with the necessary infrastructure to produce competetively e.g finalisation of export processing zones (EPZs) and other key infrastructure like electricity with the necessary Kilowatts.

(viii) Improve quality and standardization of exports.

Under the theme of inclusive economic growth, it was recommended that focus should continue to be put on improving foundational skills learning (reading, writing and numeracy) because they are very critical for the job market.

It was also recommended to focus more efforts on transforming 39% of the households still trapped in the subsistence economy.

Other recommendations include;

(i) Creating markets for products that households in subsistence sector can produce in the different regions of Uganda.

(ii) Providing additional support to extension services across key agricultural enterprises and developing their value chains.

Under the theme of Uganda's growth strategy in the context of the Global Green Growth Agenda, the areas of intervention include;

(i) Investing in power transmission for all generated power to ensure universal access for domestic and industrial use.

(ii) Incentivising power/electricity consumption and continue to promote rural electrification and solar energy to reduce forest degradation and reduce household air pollution.

Regarding the status of EGF policy implementation in Uganda and outlook for the future, it was recommended as follows;

(i) Ensure clarity of the goals and objectives of the policies or plans to all key stakeholders and provide specific targets and indicators to all the implemeting agencies.

(ii) Ensure that all MDAs have strategic plans including implementation strategy and monitoring and evaluation system or mechanism.

Invest in designing implementation plans to be followed when executing the policy/ ideas and ensuring that no budget is approved without (i) & (ii) above.

Budget for FY 2022/23 will be redistributive - PSST

Hon. Henry Musasizi Minister of State - General Duties

By MoFPED Comms Team

The Permanent Secretary and Secretary to the Treasury, Ramathan Ggoobi has said the budget for next financial year 2022/23 is being streamlined to free resources from areas that have minimal impact to high impact areas that will accelerate the attainment of the projected 6 - 7% growth rate.

The above measure is expected to speed up social economic transformation by redirecting resources to wealth creation, industrialization, export promotion and other areas of high returns.

The PSST made the remarks at the 12th annual high level dialogue on the budget interventions for economic recovery and growth in FY 2022/23 organised by Advocates Coalition for Development (ACODE) and Civil Society Budget Advocacy Group (CSBAG) at Kampala Serena Hotel.

The dialogue was officially opened by MoFPED State Minister for General Duties, Henry Musasizi who said the engagement was timely because government was in the process of finalising the budget estimates for the FY 2022/23 under the theme: "Full monetization of the economy through commercial agriculture, industrialization, market access and digital transformation."

"I wish to commend ACODE and other Civil Society organisations for the strong partnership in promoting budget transparency in Uganda," said Musasizi.

PSST Ggoobi in his keynote address delivered on his behalf by the Acting Commissioner Economic Development Policy and

BUDGET

Hon. Henry Musasizi interacting with ED ACODE and ED CSBAG

Research, Joseph Enyimu said the Ugandan Economy realized a positive growth of 3.4% per annum in FY 2021/22 despite the negative impact of COVID-19 compared to an increase of 3% in FY 2019/20.

"The services sector and Industrial sector gradually recovered and achieved growth rates of 2.7% and 3.4% respectively, while performance by the agricultural sub-sector was 3.8% during FY 2020/21," said PSST.

Uganda's Development Strategy

He said Uganda's economic strategy for FY 2022/23 and the medium term is premised on restoring economic activity to pre-pandemic levels and subsequently accelerating the pace of socioeconomic transformation through boosting aggregate demand, restoring domestic consumption, renewing private and public investment and enhancing export promotion.

"The key to economic recovery is the mitigation of the COVID-19 pandemic by vaccinating the remaining population of Ugandans and strengthening health systems to fully control the spread of COVID-19 pandemic,"said Ggoobi.

He said, increasing the wealth of households and eliminating poverty particularly using the Parish Development Model is the key for socioeconomic transformation in the medium term.

Critical interventions for Economic Recovery and Growth in FY 2022/23

To ensure economic recovery and growth in the current and coming financial year 2022/23, Government is implementing a number of interventions aimed at boosting aggregate demand through fully reopening the economy, payment of domestic arrears and implementing the Parish Development Model.

Other interventions include enhancing private and public investments in areas such as oil and gas sector among others that will generate more jobs and wealth.

Government is also focused on export promotion and import substitution, promoting private sector lending and revitalizing business activities through implementing the Small Business Recovery Fund, Emyooga funding and support to SACCO's to provide Seed capital as well as implementing the financial inclusion pillar of the parish development model.

Uganda Development Bank capitalization and other financing through Uganda Development Bank and Agricultural credit facility are also being implemented.

What others say

The Head of the Prime Minister's Delivery Unit Prof. Ezra Suruma said hope in the budget for next financial year is hinged on the Parish Development Model to increase aggregate demand. He called for more efforts towards domestic revenue mobilization and savings to reduce on donor dependency.

The Executive Director CSBAG, Julius Mukunda asked government to ensure that the private sector gets access to affordable credit by recapitalizing UDB, adding that money should be spent where we can get results.

"Accounting officers who commit government without following the PFMA (2015) guidelines should be reprimanded," said Mukunda.

The high level dialogue provided an opportunity to have a candid discussion on the strategies for Economic recovery and re-igniting economic growth ahead of the budget for FY 2022/23 under the theme: "Full monetization of the Uganda economy through commercial agriculture, industrialization, market access and digital transformation."

Participants at the 12th annual high level dialogue

Key messages for accounting officers in PSST's second Budget Call Circular

The Second Budget Call Circular for FY 2022/2023 was issued on 15th February 2022 by the Permanent Secretary and Secretary to the Treasury (PSST), Ramathan Ggoobi pursuant to Part III, Section 10-13 of the Public Finance Management Regulations,2016.
This followed submissions and approval of the National Budget Framework Paper (NBFP) for FY 2022/2023- 2026/2027 on 28thJanuary 2022 as per the Statutory Budget Process Calendar for FY 2022/2023 (***See last page***)

Accounting Officers were asked to submit to National Planning Authority copies of documents such as approved strategic plan for FY 2022/2023, their Budget Framework Papers and Ministerial Policy Statements for review and issuance of certificate of compliance.

All Accounting Officers were advised to ensure that the detailed budget estimates demonstrated the value addition and compliance with the priority areas under the budget strategy for FY 2022/2023 and the medium term, which focusses on restoring economic activity to the pre-pandemic levels and accelerating the pace of socioeconomic transformation.

"Any allocation that is not consistent with the priorities under the budget strategy will centrally be reallocated to other areas that have a higher impact on the priority interventions for FY 2022/2023," said PSST.

The key strategic priority intervention areas include: Restoring business activity and deepening financial inclusion, agro industrialization and light manufacturing, enhancing the wellbeing of Ugandans, Innovation, technology development and transfer.

Others are: Improving productive infrastructure, minerals and petroleum, promoting tourism, promoting public sector efficiency as well as climate change and urbanisation.

The PSST requested all Accounting Officers to repurpose and redirect their plans and budgets in line with recommendations of Parliament on the National Budget Framework paper, the 5th Economic Growth Forum and the Local government budget workshops.

Some of the recommendations include; preparedness and management of economic shocks, mitigating and managing the impact of climate change, making growth in Uganda inclusive, consistence with the Charter for Fiscal Responsibility and compliance of the budget with the priorities of NDP III.

It was also recommended that the tax base should be expanded to enhance revenue collection in addition to decentralising the Parish Development Model, promoting and supporting local content (BUBU) as well as strengthening public investment management.

Mr. Ggoobi in his communication also informed Accounting Officers that, implementation of the Parish Development Model (PDM) was top among the priorities of FY 2022/2023 and over the medium term, adding that their respective budget outputs should be clearly aligned to the NDP III priorities.

Accounting officers were also informed that Government will no longer finance any further arrears accumulated by a vote and that such arrears will be deducted by MoFPED from the MTEF allocations of the respective votes in the following financial year, taking first call on available resources.

Regarding travel abroad, PSST informed Accounting Officers that Cabinet had maintained its earlier position to freeze travel abroad and were advised not to plan and budget for travel abroad.

For the Budget of FY 2022/2023, all retooling projects have been subjected to a 40% cut to realize more resources required to implement other more important policy and executive directives.

Wage allocations and ceilings for FY 2022/2023 are based on the approved wage budgets for staff in-post, any reported shortfalls for FY 2021/2022, enhancement of salaries for scientists and lunch allowances for medical workers. Pension and gratuity requirements for FY 2022/2023 have also been computed based on Accounting Officers submissions in line with computed retirement benefits in the IPPS for retiring staff in FY 2021/22.

All Accounting Officers that have off budget support over and above direct financing as appropriated by Parliament should have these funds integrated in their respective budgets.

Accounting Officers were also urged to prioritize and allocate adequate resources for land acquisition where necessary to avoid unnecessary delays in project implementation.

A detailed circular can be accessed at ***www.finance.go.ug***

Ministry of Finance, Planning and Economic Development

March 22, 2022

PRESS STATEMENT ON THE RISING PRICES OF ESSENTIAL COMMODITIES

Ladies and Gentlemen,

1. I have come here to address the nation on the rising prices of some of the essential goods and services. In particular, the prices of cooking oil, laundry bar soap, fuel (petrol and diesel) and some services such as transport fares and education services have recently increased and caused discomfort among the public.

2. According to information from the Uganda Bureau of Statistics (UBOS), cooking oil has registered the highest rise in price by 21% between December 2021 and February 2022, and a 77.6% rise in the past one year.

3. The price of Laundry Bar Soap has increased by 20% between December 2021 and February 2022, and by 47.8% in the past one year, while fuel (petrol) has risen by 15.3% in the past three months and by 34% during the past one year. Among other items.

4. As a result, the Consumer Price Index (CPI) for February 2022 increased to 3.2% from 2.7% in January 2022.

5. The rise of prices in Uganda, however, is much lower compared with current global trends. Inflation has risen everywhere in the world including in advanced nations, emerging economies and poor countries. For example, annual inflation rate in the U.S. accelerated to 7.9% in February of 2022, the highest they have recorded in 40 years, since January of 1982.

6. In the UK,inflation has increased to 5.5% in February 2022, the highest they have recorded since May 1992. Likewise, prices have increased in several of the emerging economies such as Brazil (11.0%) and India (6.1%), as well as in developing countries including Ethiopia (33.6%), Kenya (5.4%), Rwanda (5.8%) etc.

7. At 3.2% in February this year, Uganda's inflation remains within the target (of 5%) and one of the lowest in the region despite the increase in prices of some of the essential items.

Reasons for price increase of some essential goods

8. The recent increase in the prices of essential commodities are a result of events that have occurred outside Uganda.Uganda is a net-importer of intermediate raw materials used in production of items such as refined cooking oil and laundry bar soap. The causes are as follows:

9. First, the effect of COVID-19 restrictions across the world disrupted supply-chains leading to higher transport costs and shortage of intermediate raw materials used to produce items such as soap, cooking oil and others. In the recent past, global economy has faced high shipping costs, a shortage of shipping containers, and higher fuel prices; leading to supply shortages globally. In addition, adverse weather conditions in South America has led to low production of wheat and edible oils.

10. Secondly, the full opening of economies globally following relative containment of Covid-19 has led to

a rapid rise in aggregate demand for a number of fast-moving-goods (FMGs) beginning with oil, yet production levels had been constrained by Covid-19 restrictions. This has led to increase in prices everywhere in the world.

11. Lastly, the situation has been worsened by the Russia-Ukraine conflict, which has further disrupted supply of oil, cereals such as wheat, corn, and sunflower oil, as well as essential metals like aluminium and nickel. The two countries are major producers and exporters of these commodities.

12. As a result of the above factors, prices of several commodities and services in Uganda have increased significantly and raised overall inflation. The affected commodities include cooking oil, soap, fuel, and education services.

Facts about specific items

Laundry bar soap and cooking oil

13. The prices of cooking oil and laundry soap have risen mainly due to the rising price of crude palm oil at international markets. Approximately 70% of crude palm oil used as an input in production of these two commodities is imported. Manufacturers import this raw material mainly from Malaysia and Indonesia the two leading surplus producers of palm oil. In 2021, the two countries accounted for 84% of palm oil exports (Indonesia 59% and Malaysia 25%).

14. In the past two years, crude palm oil prices have almost doubled driven mainly by two factors:

a) Increased demand for palm oil, driven by the growing importation by China and India the two largest buyers of palm oil globally, and

b) Severe labour shortages in Malaysia due to Covid-19 protocols, export restrictions introduced in Malaysia and Indonesia that limit the export of crude palm oil as well as extreme weather conditions in Malaysia and Brazil which have affected palm oil production.

15. In addition, the decrease in the global sunflower and soybean oil exports from Brazil, Peru, Argentina, which are close substitutes of crude palm oil, has increased the demand for palm oil and related products thereby propping up the prices.

16. Furthermore, the on-going geopolitical tensions between Russia and Ukraine the two nations that account for half of the global supply of palm oil substitutes hasexacerbated the global shortages resulting in higher prices of raw materials.

17. Lastly, the supply of raw materials has further been affected increasing logistic and transport costs. Transport and logistics providers have increased their prices to meet the growing demand for their services following the full re-opening of most economies in the second half of 2021 and early 2022. To offset the increases in freight and transport related costs, manufacturers are passing on these costs to consumers.

Domestic fuel prices

18. Domestic fuel prices have also increased considerably mainly due to two factors;

a) Increase in international oil prices by over 70% between January 2021 and February 2022 leading to the rise in domestic pump prices, and

b) Impact of the recent fuel shortages caused by a strike at the Uganda-Kenya border in Malaba related to Covid-19 testing requirements.This caused an artificial shortage of fuel.

19. The rise in domestic fuel prices has partly contributed to increase in the distribution costs for the manufacturers since they rely on trucks to transport both raw materials and final products to markets.

Artificial supply shortages

20. While the recent increase in the prices of some essential items, especially laundry bar soap and cooking oil, is a cost-driven phenomenon explained majorly by international factors, it has come to the attention of government that some unscrupulous speculators are taking advantage of the situation by hoarding essential commodities in order to create artificial supply shortages and drive-up prices.

21. We are working with the relevant agencies to investigate this matter and we will take action against any

operators found to be engaged in this practice.

Government response

22. As we may all observe, the main causes of the recent increase in commodity prices are external and thus beyond the ability of policy makers in any one country to deal with directly. We should not panic or alarm our people. This temporary situation is going to subside sooner or later. Government is going to respond as follows:

23. Government through Bank of Uganda will continue to monitor the situation and respond, whenever necessary, with appropriate monetary policy to ensure inflation stays within target and maintain macroeconomic stability.

24. Government will continue to support our farmers to grow more food and vegetable seeds and cereals to take advantage of the rising global and regional prices to boost our export earnings.

25. Government will also continue to support the citizens and businesses to recover their sources of livelihoods from the impact of the Covid-19 pandemic so that they can weather such shocks. The provision of funds such as EMYOOGA, money in UDB, Microfinance Support Centre and the Small Business Recovery Fund is meant to help Ugandans revive their businesses and offer employment and markets for products produced in Uganda.

26. In addition, Government has started implementing the Parish Development Model so that the 39% of the households in subsistence may join the money economy and build capacity to withstand shocks such as price hikes.

27. Furthermore, the environment of high global commodity prices presents opportunities for Uganda to take advantage of. In the oil sector, we have completed all pre-conditions for production including securing the required financing and right of way for oil and gas related projects. We will expedite implementation of project activities to ensure timely start of oil productionto bring in more dollars to boost our reserves so that Bank of Uganda has enough arsenal to fight the inflation.

28. The global shortage of palm oil, sunflower, and soybeans provide an opportunity for Uganda to scale-up production of the commodities to replace the imported content. Government had already foreseen shocks that may arise from disruptions in countries where we import raw materials and embarked on mitigating actions. We have partnered with BIDCO to grow palm oil in Kalangala and will provide more land to BIDCO and Bukora Ltd in Sango Bay to grow more palm oil. In addition, we are also working with 40,000 farmers in northern Uganda to grow sunflower and soybeans for manufacturing oil.

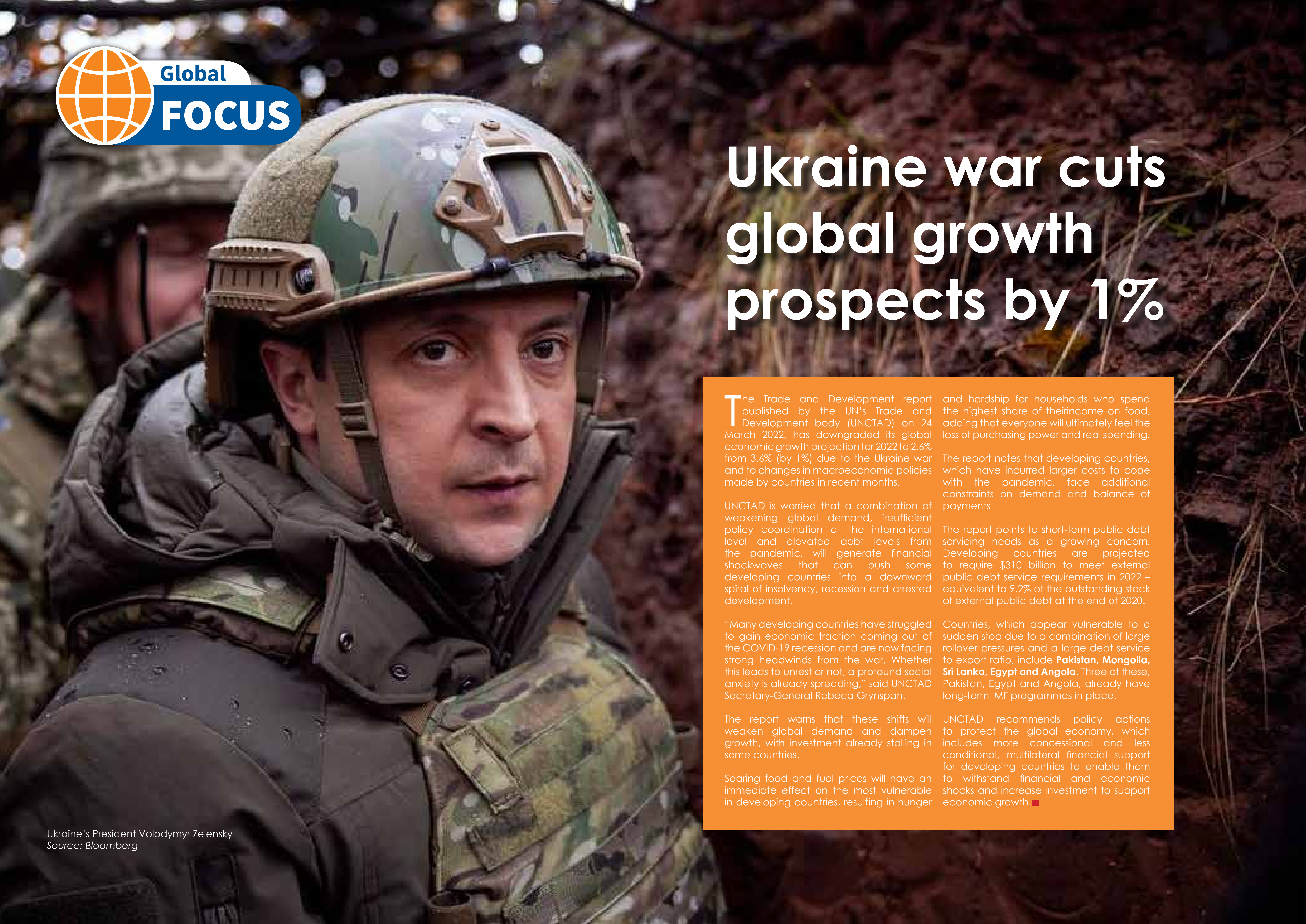
29. To cushion consumers against high fuel prices, government - through the Ministry of Energy and Mineral Development is re-considering its regulatory role in the domestic fuel market to ensure that fuel price movements are a true reflection of the economic environment. In so doing, we will benchmark the approaches taken by our neighbours in the region.

30. In the medium to long term, we will continue to focus on infrastructure development – in particular road maintenance and the rehabilitation of the meter gauge railway in order to reduce on the time and cost of transportation.

Conclusion

In conclusion, fellow countrymen and women, the recent rise in prices of some of the essential goods and services is a temporary shock, having been caused by disruptions in the global supply chains due to Covid-19 and geopolitical tensions. The situation will soon normalize. We are monitoring the situation and will respond with appropriate policy interventions to ensure macroeconomic stability and affordable cost of living for all Ugandans. We will also ensure that we take advantage of these global crises to boost our Import Substitution Industrialization strategy to support private sector to produce domestically some of the intermediate goods used to produce most of the affected goods and service.

Matia Kasaija (MP)
MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT



Ukraine war cuts global growth prospects by 1%

The Trade and Development report published by the UN's Trade and Development body (UNCTAD) on 24 March 2022, has downgraded its global economic growth projection for 2022 to 2.6% from 3.6% (by 1%) due to the Ukraine war and to changes in macroeconomic policies made by countries in recent months.

UNCTAD is worried that a combination of weakening global demand, insufficient policy coordination at the international level and elevated debt levels from the pandemic, will generate financial shockwaves that can push some developing countries into a downward spiral of insolvency, recession and arrested development.

"Many developing countries have struggled to gain economic traction coming out of the COVID-19 recession and are now facing strong headwinds from the war. Whether this leads to unrest or not, a profound social anxiety is already spreading," said UNCTAD Secretary-General Rebeca Grynspan.

The report warns that these shifts will weaken global demand and dampen growth, with investment already stalling in some countries.

Soaring food and fuel prices will have an immediate effect on the most vulnerable in developing countries, resulting in hunger and hardship for households who spend the highest share of theirincome on food, adding that everyone will ultimately feel the loss of purchasing power and real spending.

The report notes that developing countries, which have incurred larger costs to cope with the pandemic, face additional constraints on demand and balance of payments

The report points to short-term public debt servicing needs as a growing concern. Developing countries are projected to require $310 billion to meet external public debt service requirements in 2022 – equivalent to 9.2% of the outstanding stock of external public debt at the end of 2020.

Countries, which appear vulnerable to a sudden stop due to a combination of large rollover pressures and a large debt service to export ratio, include **Pakistan, Mongolia, Sri Lanka, Egypt and Angola**. Three of these, Pakistan, Egypt and Angola, already have long-term IMF programmes in place.

UNCTAD recommends policy actions to protect the global economy, which includes more concessional and less conditional, multilateral financial support for developing countries to enable them to withstand financial and economic shocks and increase investment to support economic growth.

Ukraine's President Volodymyr Zelensky
Source: Bloomberg

Ministry of Finance, Planning and Economic Development

We are ready to support investment in productive sectors of the economy during our post-pandemic recovery journey - PSST

Preamble

Happy New Year, 2022

Uganda is privileged to be part of the over 190 nations that are participating in this on-going six months Dubai 2020 Expo.

Our mission during this Expo is to promote Uganda's exports and connect with new export opportunities in the Middle East and the rest of the world. We are here to woo investors in value-addition to get attracted to our products which include coffee, tea, gold, cocoa, fish, dairy products and vegetables.

As a country, we are promoting our unique tourism and wildlife attractions for increased tourism receipts, show casing Uganda's investment opportunities and ultimately marketing Uganda as the best investment destination in Africa.

We therefore welcome potential investors with capacity to attract foreign direct investments (FDIs) into the sectors of agriculture, industry, energy, mineral value addition, Information communication technology and pharmaceuticals.

I am grateful that Uganda has already signed a number of new business deals worth over $650 million at Expo 2020 Dubai in fields of renewable energy, transport, agriculture, mineral processing and manufacturing of medical kits.

Economic Overview

Whereas the COVID 19 pandemic has led to unprecedented health and economic crisis across the world over the last two years, the Ugandan economy showed resilience, growing by 3.0% in FY 2019/20, when most countries were registering negative growth. The economic recovery continued in FY 2020/21, with growth increasing to 3.4%. Projections indicate that growth will increase to 3.8% in FY 2021/22, before rising to over an average 6% in the medium term.

Economic Strategy/Recovery

To achieve this growth, Government's economic strategy for Fiscal Year 2021/22 is centred on the policy interventions required to sustain recovery from the socioeconomic setbacks caused by Covid-19 as well as harness the opportunities that come along in line with the Third National Development Plan (NDP III). The short-term strategies for economic recovery include;

i) Widespread vaccination as a means of building immunity of Ugandans against COVID-19. This will facilitate full re-opening of the economy and avoid the need to impose new restrictions in the future.

ii) Boosting aggregate demand through labour intensive public works, implementation of our social protection programs and payment of domestic arrears.

iii) Continue with the provision of credit relief and increase access to low interest financing to support Micro, Small and Medium Enterprises (MSMEs) to recover through EMYOOGA program, support to SACCO's through the Microfinance Support Centre, Small businesses recovery fund, Agriculture Credit Facility, Uganda Development Bank, Uganda Development Corporation and now the Parish Development Model.

STATEMENT

In the medium to long term, Government strategies will focus on sectors that have positive multipliers to other sectors and highest potential to generate employment and are essential for the livelihoods of Ugandans. These include;

i) Industrialization particularly agro-industry, light manufacturing and other sectors with high output and labour multipliers like food processing.

ii) Increasing productivity and production in agriculture to provide the necessary inputs to agro-industrialisation.

iii) Nurturing the potential of ICT through digitalization of the economy

iv) Increased investment in minerals, oil and gas sector, and tourism.

v) Increasing local content participation in all investments.

vi) Continued investment in productive infrastructure.

vii) Strengthening the country's regional and international competitiveness and hence securing market access for Uganda's exports.

viii) Ensuring public sector efficiency which is key for private sector growth.

Tourism Potential

Uganda is ranked as a top tourist destination and one of the only three countries with largest number of endangered mountain gorillas and is home to 11% of the world's bird species among other unique tourist attractions.

Tourism is one of the key sectors in Uganda that suffered greatly with the outbreak of the pandemic. Prior to the coronavirus outbreak, Uganda on average earned USD1.2 billion per annum and was receiving about 1.5 million tourists annually.

Investment opportunities within tourism sector range from; construction of high quality accommodation facilities, operating tour and travel circuits (bicycle tours, air balloon travel, marine activities on Lake Victoria and river rafting on river Nile). Others include development of specialised community tourism facilities and faith-based tourism such as pilgrimages to Uganda Martyrs shrines at Namugongo.

Investment opportunities in oil and gas sector

In addition to the key areas of investment already highlighted above, the oil and gas sector has major potential to contribute to the growth of the country with expected investments of between USD15 billion to USD18 billion in the medium term. Several opportunities exist in the oil & gas sector such as community development and empowerment, upgrading of the transport system, infrastructure development and development of a petroleum-based industrial park in Kabaale, Hoima.

Conclusion

At the Ministry of Finance, Planning and Economic Development, we are very optimistic that the economic growth momentum will improve in 2022 supported by expansion in global demand, higher private sector expenditure as the economy recovers and supportive economic growth policies.

We welcome all investors who are ready to be part of our development agenda. Job creation for the young people to address unemployment, improvement of household incomes and increase in aggregate demand are part of our post pandemic agenda priorities and these will be achieved through a number of strategic interventions including industrialisation.

We are focused on achieving middle income status and remain fully committed to the implementation of NDP III and ultimately transforming the 39% of our people still in subsistence economy into the market economy.

By Ramathan Ggoobi,
Permanent Secretary and Secretary to the Treasury
MINISTRY OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

Emyooga money not Haram, Minister Kasolo tells muslims

By Yusuf Giduno

Minister Kasolo inspecting some of the enterprises exhibited by Emyooga beneficiaries at Bushenyi Municipal Council offices.

The Minister of State for Microfinance, Haruna Kasolo Kyeyune has advised Muslims to embrace emyooga programme because it is not promoting riba as the detractors of the programme want them to believe.

He made the call while addressing district leaders and emyooga beneficiaries at Sheema Town Council Hall during one of his ongoing countrywide monitoring tours to asses progress of implemetation of the emyooga programme in the Greater Ankole Uganda.

Early this year, the Minister, in exercise of his oversight function and policy direction of the Emyooga programme, directly implemented by Microfinance Support Centre (MSC), commissioned an on spot field monitoring exercise to evaluate the performance of the programme in 353 direct constituencies of the 11th Parliament of Uganda.

The country was divided into 11 regions namely; Buganda and Lake Victoria region, Bukedi, Bugisu, Teso, Ankole, Kigezi, Acholi, Lango, Sebei, Karamoja and West Nile regions.

The Minister held meetings with the District local leaders and beneficiaries who included; area members of Parliament, Resident District Commissioners (RDCs), Chief Administrative officers (CAOs), the District Commercial officers (DCOs) and District Community Development officers (DCDOs),

Others were; NRM District Chairpersons, Emyooga SACCO Leaders and Association leaders, Emyooga beneficiaries, Civil society organizations in the area,Local council chairpersons from the sub counties comprising the constituency and Officers from the Financial Services Department of the Ministry of Finance, Planning and Economic Development, the staff of the Microfinance Support Centre Limited (MSCL)from Headquarters and the zonal offices.

During the meetings, Hon. Kasolo dismissed claims by some muslims that Emyooga programme promotes riba which refers to interest bearing loans regarded as a major sin and against the principles of Islamic finance and banking.

He said Islamic law forbids riba because it considers it unjust, exploitative and no sharing of profits. However, according to the minister, that is not the case under emyooga, because members share the profits arising out of the money lent out to themselves to improve their incomes.

He said money released to SACCOs under the programme will not be paid back to Government of Uganda but will instead remain within the SACCO as revolving fund to benefit all the members.

The Microfinance Minister said that the programme was generally a success because it is the first programme in the history of Uganda to ensure that all the programme beneficiaries directly receive money in time.

"Even when MPs came to monitor the programme, no one said people have not gotten the money! Yes being on account unutilized is another matter, but that cannot be compared with funds being stolen and not disbursed to the right beneficiaries. Those are mere operational delays that are easy to solve. Indeed we quickly sorted the issues with such SACCOs," Kasolo said.

He equated defaulters of the Emyooga funds to an irresponsible and greedy husband who wakes up in the night and steals the sauce the wife had reserved for him to eat in the morning.

"You are stealing your own money and depriving other family members from benefiting from the fund," he said.

The Minister instructed the District Commercial officers in every region he visited to compile a list of Emyooga funds defaulters which will be shared with the local communities and the various media houses to publish and regularly read out the names of the defaulters as a reminder for them to pay before other recovery measures are instituted.

"My fellow muslims, you go and ask the sheikhs, this is not riba which refers to unjust and exploitative interest bearing loans. This is because under emyooga people share profits as opposed to riba where only the borrower bears all the burdens. Emyooga money is a revolving fund which rotates within the members of the group or a SACCO and they continuously share the profits the SACCO makes, so how can it be riba?" he asked.

Hon. Minister Kasolo Kyeyune Haruna being welcomed by the area local leaders at Bugongi Municipal Council Grounds, Sheema district

He vowed to deal with technical officials who are tainting the good image of the programme through demanding for "kick-backs" following complaints from some beneficiaries that some District Commercial Officers were requiring them to take back 10% of the money received.

In Sheema district, the area Members of Parliament for Sheema Municipality Hon Dickson Kateshumbwa and Hon. Prof. Elijah Mushemeza said that the decision by the minister to monitor the programme performance at every constituency is a good initiative because most Government programmes fail to achieve the intended objectives due to lack of effective supervision and monitoring.

State Minister for Microfinance Hon Kasolo Haruna Kyeyune on arrival at Rugazi Primary school in Rubirizi District. The Assistant Commissioner Mr Henry Mbaguta (striped shirt, 2nd R) and Emyooga Programme National Coordinator in the Presidents' office Rita Namuwenge (R) guide the Minister to the Training Hall

The Head of the NRM Manifesto Implementation Unit in the President's office, Wilson Bashasha castigated some Members of Parliament for misleading the public by describing the Emyooga initiative as a ghost programme.

"Hon. Minister, you have been inspecting the enterprises of the Emyooga beneficiaries from all categories before you entered the hall. You have heard their testimonies and any one here can verify, are these still ghost beneficiaries as some Members of Parliament want people to believe?" he wondered.

Voices from the beneficiaries

"I really don't like those saying that emyooga is not good. Emyooga money helped us to expand our business here. Go and ask the group members and you will see how this money helped them. In fact, I even told those members of parliament when they came here" ***Namulindwa Dorothy, Kimanya Kabonera SACCO***

"..Emyooga boosted our business but at the same time disintegrated the existing groups because people abandoned the old groups for new ones" ***Dorothy Namulindwa, kimanya Kabonera Sacco***

"I tell you, some people in the village here thought it was a joke, we now have large numbers of people coming to our groups thinking that there is a lot of money. Let government add us more money and we reach other villages" ***Jalia Isinde Kyotera County Women Enterprise SACCO***

Some people have woken up when for us we are moving, they were busy on politics, for us we were developing". ***Serugo David, Nalimuto tailoring and fashion***

"People thought it was for yellow people alone, I mean NRM, now some have realized Emyooga benefits everyone. We can't accommodate their demands now" ***Nakimbugwe Claire Peace, Kimanya Kabonera Women Enterprise Association.***

Promoting good practices in Public Investment Management

DST Ocailap interacts with MoFPED team at PIMS Open Day at Makerere University

By MoFPED Comms Team

Since 2017, Government of Uganda, with support from its partners, has undertaken several reforms aimed at strengthening public investment management in the country to ensure that public investments generate higher returns.

Successful execution of National Development Plans (NDPs) will largely depend on the degree of efficiency with which public investments are executed.

The interventions carried out through at least eight government institutions including MoFPED aimed at strengthening institutions; building technical capacity for relevant government officers and developing decision making tools, including relevant strategies, policies and guidelines.

These efforts are aimed at having more efficient and effective systems for public investment management that will ultimately increase the returns on investments and thereby promote faster growth and the country's capacity to manage its debt.

The support to these reforms is a multi-donor Trust Fund managed by the World Bank and resourced by the Foreign, Commonwealth and Development Office of the UK Government (FCDO).

An open day under the theme: ***"Promoting good practices in public investment management to maximize returns"*** was organised by the World Bank and Partners including MoFPED on 10th March, 2022 at Makerere University to raise knowledge about the importance of strengthening public investment management across the entire project cycle, while learning from reforms that have been undertaken and practitioners elsewhere.

The open day also helped in sensitizing all stakeholders from across government and the public about the program interventions that have been undertaken to strengthen public investment management in addition to demonstrating the value for money/ results that have been realized from the interventions.

The Commissioner for Project Analysis and Public Investment, Hannington Ashaba who represented the Finance Minister at the opening of the event said the future of our economic growth will largely depend on how we manage our public investments.

He said strengthening PIMS will support key government interventions such as Parish Development Model and others aimed at improving service delivery and stimulating economic growth.

"Government remains committed to strengthening PIMS and special thanks go to the funders for supporting the country. We have built technical capacity of public officials and 45 have been equipped with skills in preparing feasibility studies," said Ashaba.

The World Bank Country Manager Mukami Karuiki, commended the progress registered by Uganda in strengthening public investment management and also pledged more support for Uganda to achieve its development goals.

Deputy Secretary To The Treasury Patrick Ocailap Closing Of The Public Investment Management Open Day At Makerere University

INVESTMENT

"Our reforms have been anchored on the basis of public service excellence," said Ocailap.

Jordan Martindale from the Foreign Commonwealth Development Office said they were pleased to see the government of Uganda succeed.

"It is essential that we see a return on public investment and that is what this partnership is all about," said Jordan.

The Open Day was closed by the Deputy Secretary to the Treasury, Patrick Ocailap who said efforts must be made to impart the knowledge early to undergraduate students to create an equipped pool of talent.

"Our reforms have been anchored on the basis of public service excellence," said Ocailap.

Achievements so far registered include improvement in the screening of projects before admission into the Public Investment Plan (PIP) which facilitates approval of only good and ready projects for implementation. All new projects are now required to meet readiness conditions stipulated in the project selection criteria.

These measures will also help to verify consistency with government policy priorities.

Another achievement is the improvement in accountability for finances through verifiable outputs and outcomes, in addition to streamlining the mechanism for entry and exit from the PIP.

The highlight of the Open Day was the launch of the Public Investment Management System (PIMS) Centre of Excellence at Makerere University supported the World Bank and UK Aid. Also showcased was the Integrated Bank of Projects software that enables government to effectively manage their portfolio of public investment projects.

Government officials trained in PIMS receive certificates

NEW MoFPED OFFICE BLOCK

The project is nearing completion

Commissioner PAP Hannington Ashaba representing Finance Minister at Launch of PIMS Centre of Excellence at Makerere University

Hon. Musasizi (C) and Deputy Governor BOU Dr. Atingi-Ego (L) at the farewell Dinner for Standard Chartered Bank CEO and Board Chairman

Finance Minister Kasaija sensitising cultural and religious leaders from greater Bunyoro on PDM in Hoima

Finance Minister Kasaija (3rd R) meets WB Africa Group 1 Executive Director Dr. Taufila Nyamadzabo (4th R)

Hon. Musasizi with PPDA team hosting Parliamentary Committee on Finance at PPDA-URF Towers.

Internal Auditors attending workshop at Mestil Hotel in Kampala

Finance Minister Kasaija receiving an award on behalf of H.E the President Yoweri Kaguta Museveni in Dubai recently.

US/AO Dr. Sengonzi Edward Damulira speaking to Auditors during a training workshop at Imperial Royale Hotel in Kampala.

MoS Planning,Amos Lugoloobi commissioning Seed secondary school in Kayunga District

The 5th Economic Growth Forum in pictures

PICTORIAL

DID YOU KNOW?

1

It is now mandatory for all projects to undergo integrated project appraisal in line with the Public Investment Management Systems (PIMS) framework for purposes of stopping bad projects at the beginning and also protecting good projects from being destroyed. All new projects are now required to meet readiness conditions stipulated in the project selection criteria. These measures will also help to verify consistency with government policy priorities.

2

The Medium Term Debt Management Strategy (MTDS) is a plan that guides government to manage the cost and risk embedded in the public debt portfolio for any given financial year. The MTDS is prepared annually in accordance with section 13(10) (a) (iv) of the Public Finance Management Act (2015)

3

Debt Sustainability Analysis (DSA) is an important facet of debt management and an avenue by which risks and vulnerabilities associated with the country's debt trajectory can be identified and mitigated. To mitigate the risks to sustainability of our debt, Government will continue to give priority to borrowing for growth generating and welfare enhancing sectors of the economy which will help foster higher and inclusive growth. This will in turn contribute to increased domestic revenue mobilisation, and consequently reduce our reliance on debt in the foreseeable future.

4

Foreign Direct Investment (FDI) is the capital that investors establish in another economy. Over the years, there has been significant growth of FDI to Uganda, making the country the second largest FDI recipient in the EAC region. FDI grew from USD 660 million in FY 2009/10 to USD 1.3 billion in FY 2018/19. Over the same period, the Uganda Investment Authority (UIA) licensed projects with an average annual investment commitment of USD 825 million, and potential job creation capacity of 31,118 per year.

5

Tax expenditures broadly refer to any reductions in tax liability compared to some benchmark tax system. These expenditures can be in form of tax exemptions, reduced tax rates, tax credits, tax deferrals, and any executive decisions that alter a taxpayer's tax liability. Tax expenditures are intended to encourage new investments and support the development of sectors or economic activities that are critical to the social economic transformation of the economy.

6

High cost of lending is limiting the growth of NDP target sectors such as infrastructure, agriculture, oil and gas and mining as well as the growth of financial inclusion. Affordable credit and access to financial services is an important step in achieving financial inclusion and the desired economic growth for Uganda. This high cost of lending is largely due to high operational costs incurred by commercial Banks. Operational costs contribute 61% of the interest rates. Other critical contributors are; Mispricing of sector specific risks due to risk premiums added to credit in sectors that are associated with a high risk of default, and the profit maximization incentive by both private and public banks.

7

As part of the Financial Inclusion Strategy, Government is undertaking steps to expedite the implementation of Islamic Banking to cater for members of the public who by their faith are not allowed to engage in transactions that involve charging interest.Islamic banking, (Islamic finance) or (shariah-compliant finance), refers to financing or banking activities that adhere to shariah (Islamic law) principals.

The main principles of Islamic finance are that: Wealth must be generated from legitimate trade and asset-based investment. (The use of money for the purposes of making money is expressly forbidden). Investment should also have a social and an ethical benefit to wider society beyond pure return.

Operationalization of Islamic banking in Uganda will foster financial inclusion in the country through the wide range of financial products on the market and also attract Foreign Direct Investment of Islamic Finance. Islamic financial arrangements are structured as a combination of various underlying transactions including; buy and sell back (cost-plus), profit/loss sharing, and leasing supply of physical assets among others.

8

The Special Agro-industrial Processing Zones (SAPZs) now under consideration by Government are expected to operationalize the Agro-industrialization Program intervention to establish fully serviced agro-industrial and processing parks. Special Agro-Processing Zones (SAPZs) are agro-based spatial development initiatives within areas of high agricultural potential set up to boost productivity by investing in agro-industrialization along the entire value chain.

NDPIII Agro-industrialization Program aspires to achieve commercialization and competitiveness of agricultural production and agro-processing through investments (infrastructure and related logistics) along the entire agriculture and agro-industrial value chain.

Gulu has been chosen as the best choice of the country for SAPZs development. This was an outcome of a multi-dimensional criterion that assessed the potential of five locations across the country for SAPZ success and meeting the performance expectations. Gulu provides various advantages for the country in terms of the presence of private sector interests for investment, proposals to develop external linkages, rich and abundant resources and regional balance.

9

The global share of people accessing electricity grew up to 90 percent in 2019. However, the contribution of Africa, especially Sub-Saharan Africa in global electrification efforts continues to lag behind, suggesting the need to speed up investments in the utilisation of modern energy to be able to meet the SDG 7 targets.

According to the latest SDG 7 Global Energy Report (2021), Uganda's access rate to electricity grew by 3.2 percent annually since 2010 reaching 41 percent of the population with access to electricity in 2019. The report further shows that electrification rates in urban areas is at 71 percent compared to 31 percent in rural areas. Uganda however, remains with an access deficit of 26 million people. The report recommends increasing investment in public infrastructure to reduce the transactional costs to realize large-scale public and private investments.

Economic Outlook for FY 2022/2023

Theme of the Budget for FY 2022/2023 is "Full monetisation of the Ugandan Economy through Commercial agriculture, industrialisation, market access and digital transformation"

In FY 2022/23, GDP growth is projected at 6.0% because the economy is expected to benefit from recovery in aggregate demand following the full re-opening of the country, supported by investments in the oil and gas sector and the continued implementation of key economic growth and recovery drivers, mainly: The Parish Development Model and other Government support programs including Emyooga, the Small Business Recovery Fund, among others.

QUOTE

"Uganda is fully committed to the EAC Integration agenda and is ready to spearhead the attainment of the Monetary Union by hosting the East African Monetary Institute which is a key institution for the success of the Monetary Union," said H.E Yoweri Kaguta Museveni, President of the Republic of Uganda on Uganda's bid to host the East African Monetary Institute, a precursor to hosting the East African Central Bank.

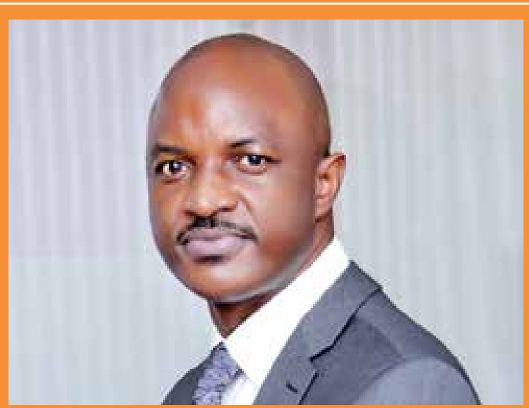
"Government is committed to continue working with state and non-state actors in guiding and facilitating Uganda's socio-economic transformation through building institutions and structures that are tailored towards strengthening an efficient and effective public service," said Finance Minister Matia Kasaija during sensitization workshop for cultural and religious leaders on the Parish development model in Hoima.

" By the end of the current FY 2021/2022,growth is projected at 3.8% (Ushs.159,160 billion, equivalent to US$ 43.92 billion) and will further rise to 6% (Ushs.175,247 billion, equivalent to US$ 49.2 billion) in FY 2022/2023. With the full reopening of the economy therefore, we have no doubt that the economy will fully recover in due time," said Minister of State for General Duties, Henry Musasizi at the High Level Policy Dialogue on the Budget for FY 2022/23 at Kampala Serena Hotel.

"I presided over Uganda Investment Authority awards to Joint Venture Partners in Oil and Gas. The FID will yield over $10 billion. This is the singular biggest investment in Uganda's history. Importantly, over 160,000 jobs will go to Ugandans. So grateful to H.E the President of the Republic of Uganda Yoweri Kaguta Museveni," said Minister of State for Investment and Privatization Evelyn Anite.

"Uganda needs to achieve and sustain much higher growth than the projected 3.8% in FY 2021/22 to realize our medium to long term development aspirations such as the attainment of the middle income status. As Government we have taken steps to minimize the impact of COVID-19 on the lives and livelihoods of Ugandans," said Minister of State for Planning Amos Lugoloobi while opening the 5th Economic Growth Forum in Kampala.

"Evidence from the places I have visited show that people have embraced the Emyooga program and the beneficiaries have received the money. We shall continue to teach our people enterprise selection so that they can know why someone should invest in a certain business and not the other. I want to assure best performing SACCOs that more funds will be allocated to your SACCOs," said Minister of State for Microfinance Haruna Kasolo during his countrywide monitoring of the performance of Emyooga program.



"The Parish is now the focal point for baseline data gathering, enterprise selection, provision of financial services (credit and savings) to purchase quality farming inputs and provision of extension services. It is also the focal point for reducing post-harvest losses, bulking and marketing of agricultural produce. This is expected to quicken the transition from subsistence to commercial production and ultimately speed up completion of the agricultural revolution into industrialization," says PSST Ramathan Ggoobi during the launch of the Parish Development Model.

Q & A on

Small Business Recovery Fund

Following the launch of the Small Business Recovery Fund, a number of questions have been raised by various stakeholders and the general public on how to access the fund provided by the government to the beneficiaries, Here are the frequently asked questions and the answers.

Q What is the Small Business Recovery Fund?

A The Small Business Recovery Fund (SBRF) is a fund set up by Government of Uganda to provide loans to small businesses that have been adversely affected by the COVID-19 pandemic and have suffered financial distress and can show potential for recovery if provided with financial support.

Q What is the objective of the Fund?

A To provide affordable credit facilities to small businesses that suffered financial distress arising from the effects of COVID-19 pandemic.

Q Who is providing the financing under the SBRF?

A The SBRF is a risk sharing Fund between Government of Uganda and the participating financial institutions that are regulated by Bank of Uganda. The Government of Uganda provides 50% (100 bn) of the funds while the participating financial institutions also contribute 50% (100 bn) of the funds (Total is Ugx 200 billion).

Q Who is eligible to borrow under this fund?

A Small businesses operated by individuals, groups, partnerships and companies, employing between 5 - 49 people and with annual turnover of UGX 10 million to UGX 100 million are eligible to borrow under this Fund. The businesses should be able to demonstrate capacity for recovery. However, agri-businesses or agricultural activities that are eligible under the Agricultural Credit Facility (ACF) and those that have already been financed under ACF are not eligible for funding under this Small Business Recovery Fund.

Q How can one access the fund?

A Eligible borrowers can access loans only through participating financial institutions, which include all the Commercial Banks, Licensed Credit Institutions and Micro-Finance Deposit-taking institutions regulated by the Bank of Uganda. The participating financial institutions are responsible for assessing potential borrowers in line with the Fund's guidelines and their credit policies and thereafter disburse the funds to them.

Q Can one borrow more than once under this Fund?

A No, a borrower can only access financing once and there will be no top-ups. This is to give an opportunity to other eligible borrowers to access financing.

Q What is the borrowing interest rate on loans under this fund?

A The interest rate to be charged by the banks shall not exceed 10% per annum and shall be on reducing balance.

Q What is the repayment period for these loans?

A The loan repayment period is a minimum of 6 months and a maximum of 4 years, which includes a grace period of a maximum of 1 year depending on the nature of the project and as determined by the respective participating financial institution.

Q Is there a maximum or minimum loan amount?

A The maximum loan amount shall be UGX 100 million, however there is no minimum loan amount.

Q

Does one require collateral to access a loan under this Fund?

A

Yes, the borrower will be expected to provide collateral / security for the loan and this will be determined by the participating financial institution where the borrower will access the loan.

Q

How much are the loan processing fees?

A

Loan processing fees will not exceed 0.5% of the total loan amount and shall be a one-off charge. The borrower shall be responsible for paying the costs of legal documentation and registration as well as insurance fees.

Q

What is the role of Bank of Uganda in the SBRF?

A

Bank of Uganda is the FUND administrator and will be responsible for managing the Fund on behalf of Government of Uganda. They will also be responsible for processing refinance claims from the participating financial institutions and sensitizing the public jointly with other partners on the availability of financing for small businesses under SBRF.

Highlights on Public Debt Management

The COVID-19 related restrictions which remained in place during FYs 2019/2020, FY2020/21 and part of FY 2021/2022, including stricter lockdowns for the entertainment and education sub-sectors, greatly affected the pace of economic activity.

As at end of December 2021, Uganda's total public debt stock stood at USD 20.7 billion (UGX 73.5 Trillion), of which External Debt amounted to USD 12.9 billion (UGX 45.72 Trillion) and Domestic Debt amounted to USD 7.84 billion (UGX 27.77 Trillion). This represents an increase of 15.4% (USD 2.8 billion) in debt stock within the last one year.

As at December 2021, the nominal Debt to GDP stood at 49.7% and is projected to increase to 51.6% by end of June 2022 and 52.9% in FY2022/23. Whereas the public debt is projected to increase in the next few years, the debt levels remain manageable.

Public debt is projected to increase moderately as Government continues to invest in critical infrastructure, especially in the energy, transport, oil and gas sectors.

Efforts to ensure that debt remains sustainable include the following:

1

Increasing the efficiency and effectiveness of Government spending. Spend money on areas that enhance economic growth and have multiplier effects on the entire economy.

2

Enhancing domestic revenue mobilization: The on-going implementation of the Domestic Revenue Mobilization Strategy is expected to achieve a 0.5 percentage point increase in the tax to GDP ratio per annum. The DRMS aims to increase the tax base and improve efficiency in tax administration.

3

Improving project implementation: Government has instituted a number of public investment management reforms, including the development of a user manual for project development and appraisal. Officers in MDAs are being equipped with project management skills.

Summary

- Uganda's debt remains sustainable. While public debt is projected to increase in the next two years, debt levels remain manageable and below those in most countries in the region. In addition, a reliance on mostly concessional financing has helped ensure that our debt remains sustainable in both the medium and long term
- Government is now more cautious on the expenditure side by prioritizing expenditure that enhances GDP growth **(Budget repurposing and reprioritization).**
- To mitigate the risks to sustainability of our debt, Government will continue to give priority to borrowing for growth generating and welfare enhancing sectors of the economy which will help foster higher and inclusive growth. This will in turn contribute to increased domestic revenue mobilisation and consequently reduce our reliance on debt in the foreseeable future.

Public Transport Services fully re-opened

Salient issues in the National Public Sector Procurement Policy (NPSPP)

Cabinet approved the National Public Sector Procurement Policy on 1st April 2019 and on 11th October 2019, Government of Uganda through the Ministry of Finance Planning and Economic Development launched the Policy.

The policy gives strategic direction of Public sector procurement in the country. Effective Public Sector Procurement is essential for economic development and accounts for up to 60% of what Government spends.

When money is saved through procurement, government can use the money to provide services to the people of Uganda.

Public sector procurement if well managed can be a strategic facilitator of socio-economic development and transformation by supporting delivery of government services for the benefit of all Ugandans.

Relationship between the NPSPP and the PPDA Act?

The law must be implementing the NPSPP that provides strategic direction. Since the passing of NPSPP on 1st of April 2019, aligning the PPDA Act to the fulfilment of NPSPP intents has started and is expected to enhance efficiency in procurement and position procurement as a tool to create jobs for youths, women, SMEs and disadvantaged groups, etc.

How Government plans to redefine procurement practices to meet the intended strategic intents in line with Vision 2040

•Promoting Sustainable Procurement that promotes environmental conservation, socially responsible procurement & economic initiatives such as reservation schemes, local content - BUBU, preference schemes to develop local supplier capacity.
•Championing electronic government procurement (EGP) to curb corruption and improve efficiencies in procurement.

•Promoting Innovation approaches in procurement.

•Providing for risk-management framework in public sector procurement.

•Providing a framework for handling complex, strategic and unique procurements in an efficient and effective manner.

•Stakeholder engagement

How NPSPP plans to help local suppliers and disadvantaged groups like the PWDs, women, and youth to benefit from tender opportunities in Uganda

•Reservation schemes in which percent-ages/component of government tenders will be reserved for the disadvantaged e.g. employing local women to clean the city centre, capable people in manual labour during construction works, buying local materials from the local community, etc.

•Promoting preference schemes in which a percentage advantage is given to local firms over foreign firms to enable them win tenders.

•Capacity building programmes to improve and enhance capacity of local suppliers, etc.

How Policy addresses corruption and other malpractices

•The Policy advocates for Integrity and Accountability with the intent of improving efficiency in service delivery.

•The NPSPP advocates for development and strengthening of risk management framework in the procurement cycle.

Hon. Musasizi with PPDA Team host Parliamentary Committee on Finance At PPDA-URF Towers

•The Policy also advocates for strong Monitoring frameworks especially on contract management.

•Capacity building of all stakeholders on the procurement cycle & ethics/integrity aspects

•Encouraging participation of citizens & CSOs in public procurement in areas such as public bid openings and contract monitoring to curb corrupt practices.

•Using tools like Electronic Procurement with a view of curbing corrupt practices in the procurement process through automating manual systems and limiting human interface.

•Professionalism of the procurement function by introduction of Institute of Procurement & Supply Chain Management professionals Uganda.

The Amended PPDA ACT

The objectives of the amendment were as follows:

- To align the Act with the Policy intents.

- To enhance efficiency in the Procurement process through the reduction of the procurement lead times.

- To clearly define the roles of the different key stakeholders in the Act.

- To introduce use of good practices like Sustainable procurement and Electronic Government Procurement (EGP).

- To simplify Procurement and reduce the cost of doing business without compromising quality.

Key areas that were amended in the Act and how they are going to improve on efficiency in service delivery

- For purposes of improving efficiency, the Administrative review process has been reduced from three to two tiers. i.e. Accounting Officer and the Tribunal

- There will be one set of regulations governing both Central and Local Government Procurement and Disposal entities (PDEs).

- To improve on the capacity and effectiveness of the PPDA Tribunal, its membership has been increased from 5 to 7.

- Introduction of sustainable procurement and EGP to foster socio-economic development.

- Contracts Committee [CC] timelines have been capped. CC's to make decision within ten working days on receipt of submission from PDU.

- The law has strengthened collaborative procurement for common user items like tonners, stationery, vehicles, fuel, tyres and tubes, which will ensure value for money from the economies of scale.

GENDER

Mainstreaming Gender Equality in MoFPED for inclusive Economic Growth

By Alice Nantaba Mubiru

Introduction:

Gender equality is essential for economic prosperity. Societies that value women and men as equal are safer and healthier. Issues of gender and equity require breaking the bias,mindset shift (change) and examining the participation and decision-making of women and men in different opportunities to ensure development effectiveness and results. ***Focusing on the needs of women does not mean discriminating against men or putting them at a disadvantage but rather realizing the fact that traditional and societal perception that breeds inequality needs to be broken.***

Gender attributes are socially constructed and hence can be amenable to change in ways that can make a society more just and equitable.

As such, ***gender equity is fairness of treatment for women and men according to their respective needs***. Gender equality requires equal enjoyment by women and men of socially valued goods, opportunities, resources and rewards. Where gender inequality exists, generally women are excluded or disadvantaged in relation to decision-making and access to economic and social resources. Thus, fostering Gender and equity benefits our country as a whole but not women only, since gender disparities lag a country's development.

Gender team meeting Isingiro CAO Ms. Alice Asiimwe during spot check on the implementation of gender and equity commitments by Local Governments

Mandate for the Unit

The Gender Unit in MOFPED plays a strategic role in coordinating the different departments in the ministry to mainstream gender and equity into planning and budgeting. The unit also provides technical guidance on how to integrate gender and equity issues in the implementation of projects, programs and interventions within the ministry and its affiliated institutions.

The gender desk has a broad mandate covering coordination, awareness-raising as well as direct service delivery to all MOFPED stakeholders.

The Gender Unit also supports the Ministry's external role of ensuring that cross-cutting issues including environment and climate change in the Ministry's programmes and activities are addressed in the formulation of the National Budget.

Objectives of the MoFPED Gender unit

The overall objective of the MFPED gender unit is to Institutionalize Gender and Equity within the ministry and the specific objectives include;

- To promote mainstreaming of gender and equity concerns in development program/projects.
- Develop strategies and guidelines for mainstreaming gender and equity responsive interventions for the ministry departments and in subventions.
- Build capacity of staff on Gender and Equity budgeting for socio-economic transformation.

Key responsibilities of the Gender Unit

The Gender Unit is the Secretariat for the National Taskforce on Gender and Equity Budgeting (GEB Taskforce). The Director Budget chairs the GEB Task force. It provides policy guidance and guidelines to MDAs and LGs on implementation of the Gender and Equity provisions of the PFMA, 2015.

The Membership of the Taskforce include: Ministry of Gender, Labor and Social Development; Ministry of Finance; Equal Opportunities Commission; National Planning Authority; Ministry of Health; Ministry of Education and Sports; Civil Society Budget Advocacy Group; the Parliamentary Committee on Gender and Social Development; and the Parliamentary Committee on Human Rights. The Gender Unit organizes regular meetings for the National Gender and Equity Budgeting

Alice Nantaba Mubiru, Head Gender Unit at MoFPED

Taskforce; and follows up on implementation of its recommendations.

The Gender Unit also prepares the Gender and Equity Budget Compliance Certificate for the Hon. Minister of Finance's signature, certifying that MDAs have addressed gender and equity issues in the annual BFP and MPS. The Certificate is issued to those MDAs, which score a Pass Mark of 50% and above in the GEB compliance assessment conducted by the Equal Opportunities Commission. The certificate is a requirement by Parliament before approval of budget.

Achievements made so far

The unit has had several achievements in the recent past and these include;

- The Gender Unit in consultation with MFPED Heads of departments established the Gender Focal Persons Working Group (GFPWG), which eases the coordination of gender and equity mainstreaming within the Ministry.
- Developed an institutionalized Draft policy, which is a reference document, and guiding framework for mainstreaming gender and equity in all Ministry's functions.
- The Gender Unit coordinated the National Gender and Equity Budgeting taskforce that carried out an on-spot check on implementation of gender and equity budget commitments by local governments for FY 2020/21.
- The Gender Unit also played a key role in the development of Programme handbooks for the implementation of NDP III gender and equity commitments.
- The Unit has also conducted several capacity-building sessions with different stakeholders especially Ministry of Gender Labor and Social Development, Equal Opportunities Commission, among others. Aimed at strengthen coordination in gender and equity budgeting.
- The Gender Unit together with BMAU validate the training curriculum and contents for gender and equity budgeting in line with the NDP III and Vision 2040.

BFP scores (why MoFPED) should be on top

According to the 7th Annual report on the State of Equal Opportunities in Uganda for the FY 2019/2020, compiled by the Equal Opportunities Commission with support of State and Non-State actors, Gender and Equity assessment findings for MoFPED; FY 2017/18 to 2020/21 stood as follows;-2017/18(60%), 2018/19(71%), 2019/20(65%) and 2020/21(70.0%).

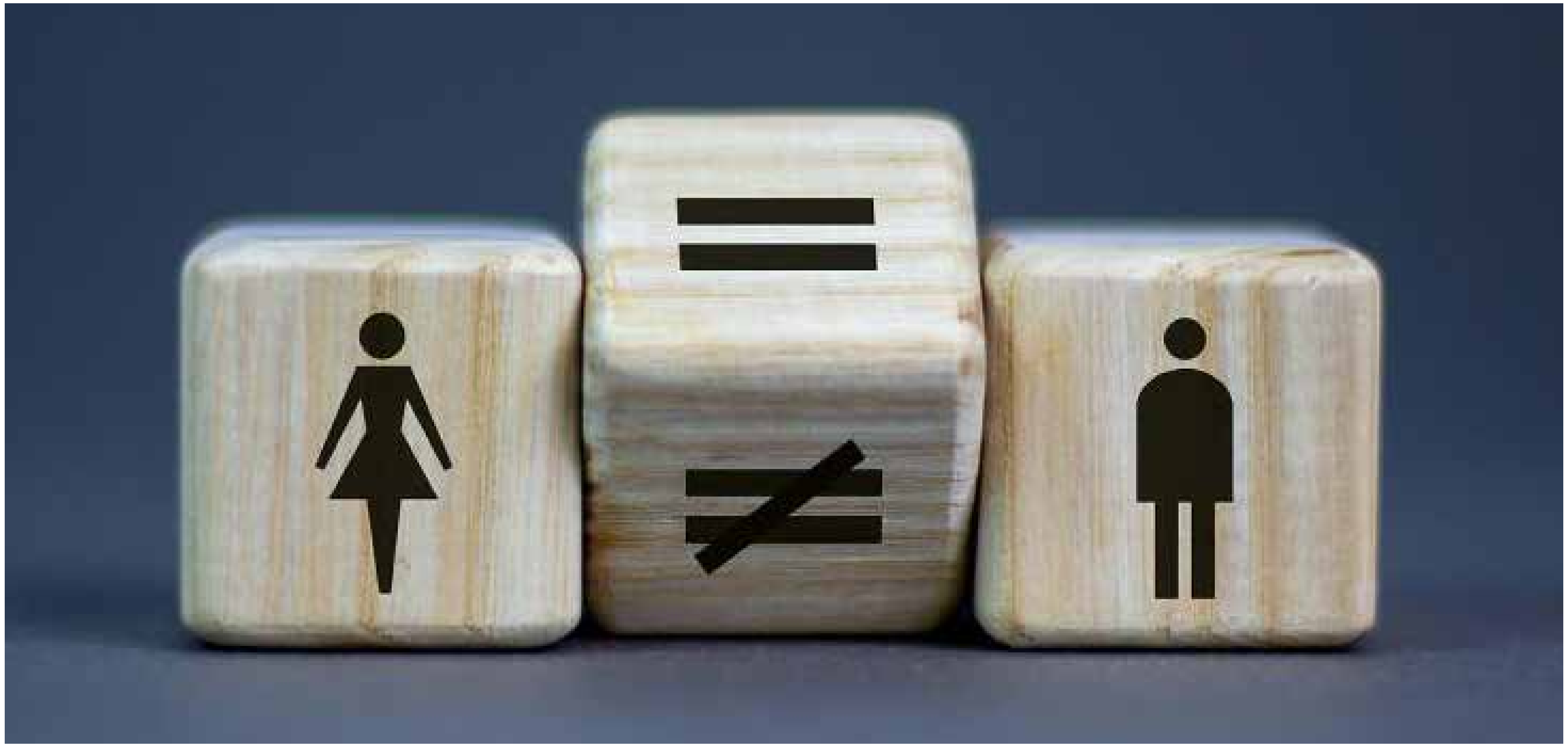
Even though MoFPED is above the would be pass mark, the overall ranking puts us in the 29th position which doesn't portray a vivid example to others considering the fact that our ministry is one of the leading entities in ensuring Gender and Equity compliance. Consequently, this calls for improvement and more effort to ensure that our ranking keeps oscillating within the first three positions.

Outlook

- The Gender Unit's focus is to institutionalize a functional Gender Policy within MoFPED.
- The Gender Unit will organize trainings for staff especially for
- Desk officers and Budget officers in gender and equity budgeting, so that they are able to scrutinize BFPs and MPSs submissions of MDAs to ensure that gender and equity issues are addressed.
- The Gender Unit will embark on strengthening the capacity of departments to carry out gender analysis to identify specific gender or equity issues in each department this will be on a case-by-case basis for in-depth discussions.

In conclusion, all of us have a role to play in equalizing opportunities. The gender unit is committed to redressing gender imbalances and promoting equal opportunities for all in order to realize a just and fair society.

The writer is Head Gender Unit at MoFPED



"Gender equality requires equal enjoyment by women and men of socially valued goods, opportunities, resources and rewards

GENDER

IT Security: A quick look at "Phishing Attacks"

By Leone Byereeta

A Phishing attack is a practice of sending fraudulent communications that appear to come from a reputable source. It is usually done through emails. Phishing attacks are the ***most common*** and ***effective*** cybersecurity threat to individuals and Organizations.

Most phishing messages indicate immediate action is needed to avoid an unwanted time-sensitive consequence. Be suspicious of all requests and review messages carefully to determine if the message may be a phishing scam.

How to detect phishing attacks:

Be suspicious of all requests!!

Ask, "Is this real?" Use the following checklist to check for common signs of phishing messages:

1. Message indicates urgent action is needed and is very important.
2. Message indicates negative consequences will occur if action is not taken.
3. Message is not expected
4. Message sender is not known
5. Message cannot be read without opening an attachment
6. Message requests sensitive information be sent
7. Message directs users to "Click here".
8. Message uses poor grammar and/or spelling
9. Sender from: name does not match message signature
10. Sender email address does not match organization name
11. Sender email address is not exactly the same as real address
12. Website address (URL) of linked site does not match organization

If you believe you were already tricked by a phishing scam:

1. Immediately change your password(s)!
2. Scan your computer for malware that may have been introduced!
3. Report the incident by sending email to <security@ifms.go.ug>!

The writer is Acting Systems Analyst, Accountant General's Office

Most phishing messages indicate immediate action is needed to avoid an unwanted time-sensitive consequence.

PICTORIAL

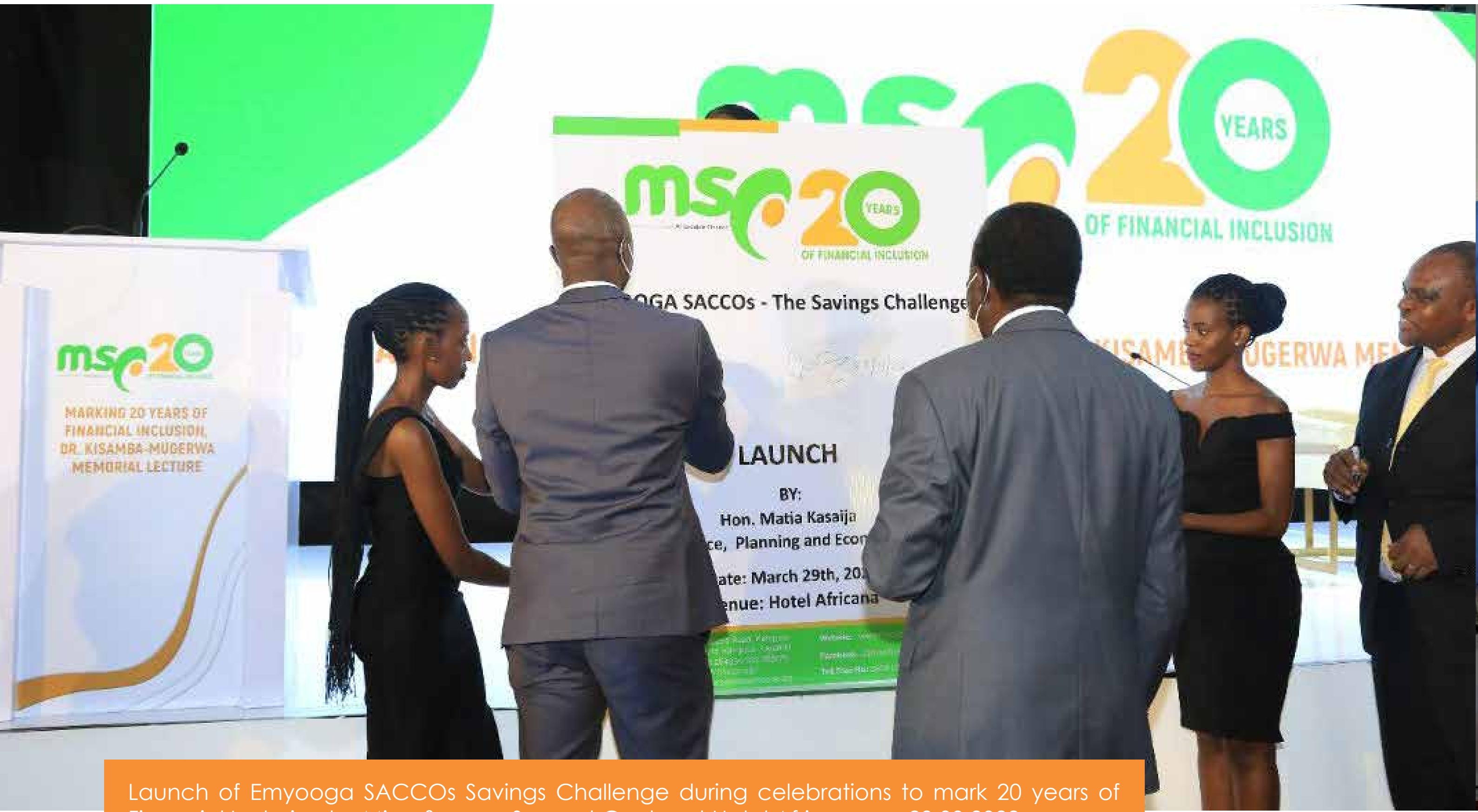
Stakeholder consultations on VAT law reforms at Protea Hotel aimed at simplifying the VAT law to facilitate self assessment and easy compliance

USD 180.3 million grant signing ceremony between World Bank and Uganda for Uganda COVID-19 Response and Emergency Preparedness Project

Cultural and Religious leaders from greater Bunyoro on PDM in Hoima

Finance Minister Matia Kasaija and PSST Ramathan Ggoobi during celebrations to mark 20 years of Financial Inclusion by Microfinance Support Centre at Hotel Africana on 29.03.2022. The Minister called upon Ugandans to embrace a saving culture to secure their future financially.

PICTORIAL



Launch of Emyooga SACCOs Savings Challenge during celebrations to mark 20 years of Financial Inclusion by Microfinance Support Centre at Hotel Africana on 29.03.2022.

Hon. Musasizi (c) meeting delegation from African Legal Support Facility of the African Development Bank at MoFPED

Hon Musasizi and PPDA host Parliamentary Committee on Finance,Planning and Economic Development at PPDA-URF Towers

Hon. Henry Musazizi officiating at the Inauguration of the Insurance Appeals Tribunal at MoFPED

CALENDER

STATUTORY BUDGET PROCESS CALENDAR FOR FY 2022/2023

NO.	ACTIVITY	PFM ACT 2015	PROPOSED DATES	RESPONSIBILITY CENTRE	DIRECTORATE
1	Issue the First Budget Call Circular for FY 2022/2023	15th September	Wednesday 15th September 2020	PS/ST	Budget
2	Submission of the National Budget Framework Paper FY 2022/2023 to Parliament [Section 9 (5)	By 31st December	Thursday 16th December 2021	Hon. MoFPED	Budget
3	Approval of the National Budget Framework Paper by Parliament [Sec. 9 (8)]	By 1st February	By Thursday, 20th January 2022	Parliament	Budget
4	Issue the Second Budget Call Circular FY 2022/2023	15th February	By Tuesday 8th February 2022	Budget Directorate	Budget
5	Presentation of the Ministerial Policy Statements to Parliament [Section 13 (13)	By 15th March	By Tuesday 8th March 2022	Line Ministries	Budget
6	Presentation of the Annual Budget in Parliament	1st April	By Thursday 17th March 2022	MoFPED, EOC and NPA	Budget
7	Approval of Annual Budget [Section 14 (1)]	By 31st May	Thursday, 19th May 2022	Parliament	Budget
8	Reading of the Budget Speech for FY 2022/2023 in Parliament	By 2nd Week Before 1st July	Thursday 9th June 2022	Hon. MoFPED	Budget, DEA, DCP

NDP III PROGRAMMES AND CORRESPONDING LEAD AGENCIES

No.	Program	Lead Agency
1	Agro-Industrialization	PS/MAAIF
2	Mineral Development	PS/MEMD
3	Sustainable Development of Petroleum Resources	PS/MEMD
4	Toursim Development	PS/MoTWA
5	Natural Resources, Environment, Climate Change, Land and water Management Development	PS/MoWE
6	Private Sector Development	PS/MoFPED
7	Manufacturing	PS/MoTIC
8	Intergrated Transport Infrastructure and Services	PS/MoWT
9	Sustainable Energy Development	PS/MEMD
10	Digital Transformation	PS/MoICT&NG
11	Sustainable Urbanization and Housing	PS/MoLHUD
12	Human Capital Development	PS/MoES
13	Innovation, Technology Development and Transfer	PS/MoSTI
14	Community Mobilization and Mindset Change	PS/MoGLSD
15	Governance and Security	SECRETARY/OP
16	Public Sector Transformation	PS/MoPS
17	Regional Development	PS/MoLG
18	Development Plan Implementation	PS/MoFPED
19	Administration of Justice	Sec/Judiciary
20	Legislature	Clerk/Parliament

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MOFPED UGANDA