



STRATEGIC PLAN

2020/21 - 2024/25

A Competitive Economy for National Development



#DoingMore



Strategic Plan 2020/21-2024/25

Vision: A Competitive Economy for National Development

Theme: Inclusive Growth and Monetization of the Ugandan Economy

Foreword

This Strategic Plan sets out the strategic direction of the Ministry of Finance, Planning and Economic Development for the fiscal years 2020/21 - 2024/25. As the Ministry seeks to advance progress in the realisation of the goal of the third National Development Plan (NDPIII), it is with great optimism, premised on past success and the enormous opportunities for the future, despite the recent economic shocks.

The aim of the plan is to ensure that the Ministry remains steadfast in prudent macroeconomic management by implementing well thought out economic policies, programmes, and strategies. The plan, therefore, recognizes the need for targeted policy actions to restore economic growth back to pre-COVID19 level and beyond, seize opportunities to hasten socioeconomic transformation and enhance competitiveness within the region and globally. Consequently, the plan draws extensively on policy recommendations of the NDPIII midterm review and reprioritization exercise as well as regional initiatives intended to refocus government actions to transformative interventions that will recover growth, grow jobs, industrialize, formalize, and monetize the economy.

The plan sets out goals and strategic objectives that the Ministry will pursue to achieve clearly defined outcomes within set timeframes. We set out ambitious outcome targets so that we can be able to challenge ourselves and operate successfully in a highly competitive global economy.

A key ingredient for the success of this Strategic Plan is the effective implementation of the programme-based approach to planning and budgeting that will harmonise interventions by all government Ministries, Agencies and Local Governments to deliver on transformative programmes jointly and efficiently such as the implementation of the Parish Development Model.

I implore all staff of the Ministry, affiliated agencies, and stakeholders to support the implementation of this Strategic Plan. This way, we will be able to hasten the recovery of the economy, the realisation of the goal of the third National Development Plan and the Vision 2040 aspirations.



Matia Kasaija (MP)

Minister of Finance, Planning and Economic Development

Acknowledgement

It is my privilege to share this five-year Strategic Plan 2020/21-2024/25 that spells out policy actions and strategies to sustain government efforts on economic recovery, but most importantly re-direct policy efforts towards formalizing, industrializing and full monetization of the Ugandan economy to support private sector growth, job creation and enhance competitiveness.

In order to actualize the objectives of this Strategic Plan, the Ministry, in collaboration with the National Planning Authority, has undertaken the midterm review of the third National Development Plan. Arising from the review exercise and the consequent re-prioritization exercise, the Ministry has re-purposed the budget to focus on impactful programmes and projects that will stimulate economic recovery and growth.

I would like to, therefore, thank the Hon.Minister and the State Ministers for Finance, Planning and Economic Development, for spearheading the NDPIII midterm review process and for the guidance in the development of this Strategic Plan which sets the agenda for economic management over the five-year period.

I am also grateful to the staff of the Ministry, and those of affiliated institutions, for dedicating time in the preparation of this Strategic Plan. The plan now sets a roadmap for shaping policy actions and interventions to ensure the Ministry delivers on its mandate more effectively and efficiently.

I pledge my commitment to the implementation of this plan and call upon all staff of this Ministry and those of affiliated institutions to actualize its implementation.

A handwritten signature in black ink, appearing to read 'Ramathan Ggoobi', with a long horizontal line extending to the right.

Ramathan Ggoobi

Permanent Secretary/Secretary to the Treasury

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List of Acronyms

AAAMP	Accrual Accounting and Asset Management Project
AfCFTA	African Continental Free Trade Area
AG	Auditor General
COMESA	Common Market for Eastern and Southern Africa
COSO	Committee of Sponsoring Organizations
COVID-19	Coronavirus Disease 2019
DPI	Development Plan implementation
EAC	East African Community
FY	Financial Year
GDP	Gross Domestic Product
GoU	Government of Uganda
ICT	Information and Communication Technology
IFMS	Integrated Financial Management System
IMF	International Monetary Fund
INVITE	Investment for Industrial Transformation and Employment Project
IPPU	Institute of Procurement Professionals of Uganda
LG	Local Government
MDAs	Ministries, Departments and Agencies
MALGs	Ministries, Agencies and Local Governments
MoFPED	Ministry of Finance Planning and Economic Development
M&E	Monitoring and Evaluation
NDP	National Development Plan
NEPAD	New Partnership for Africa's Development
PDM	Parish Development Model
PDMS	Public Debt Management Strategy
PFMA	Public Finance Management Act
PAIPs	Programme Implementation Action Plans (PIAPs)
PIP	Public Investment Plan
PPDA	Public Procurement and Disposal of Public Assets Authority
PPP	Public Private Partnership
PSD	Private Sector Development
PS/ST	Permanent Secretary/Secretary to the Treasury
REAP	Resource Enhancement & Accountability Programme
SAI	Strategic Area of Intervention
SWOT	Strengths, Weaknesses, Opportunities and Threats
ToR	Terms of Reference
URA	Uganda Revenue Authority
USD	United States Dollar

Executive Summary

The Ministry undertook a major re-prioritization exercise and re-purposing of the budget in view of the recent economic shocks and the midterm review of the third National Development Plan to support economic recovery and growth. It was crucial therefore to evaluate the performance of the previous strategic plan, re-examine and refocus the vision, mission, strategic objectives, and interventions to deliver more efficiently on the Ministry's constitutional mandate.

In the previous strategic plan 2016 -2021, the ministry set out five institutional outcome targets. The performance was as follows: (i) GDP growth averaged 4.46% against a target of 6% to 7%; (ii) domestic revenue as a percent of GDP was 0.3% against a target of 0.5%; national poverty declined from 21.4% to 20.3% against a target of 14.8%; global competitiveness ranking improved from 127 to 116 against a target of 95 out of 190 countries; and the economy was stable with single digit inflation and parameters of the Charter of Fiscal Responsibility kept within limit.

An analysis of the Ministry's strengths, weaknesses, opportunities, and threats was undertaken. The strength lies in the upgraded PFM systems, skilled human resources, and committed leadership. Notwithstanding, weakness is manifested in the slow pace of implementation of reforms, poor pay, and weak monitoring and evaluation across the entire government. On the other hand, there are several opportunities which include the emergence of alternative financing options e.g., partnership on carbon credit, the renewed impetus for industrial policy, narrowing of infrastructure gap, oil and gas investments, regional initiatives such as the EAC, COMESA and AfCFTA, and the Parish Development Model, among others. However, these opportunities face threats of more frequent domestic and external shocks, a narrowing fiscal space, and a widening trade deficit.

The new Strategic Plan 2020/21-2024/25 sets out: -

1. **Vision** as 'A Competitive Economy for National Development'.
2. **Mission Statement** is 'To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to foster sustainable economic growth and development, and
3. **The Overall Goal** is 'To increase the private sector competitiveness, facilitate industrialization, formalize and monetize the Ugandan economy to drive sustainable and inclusive growth.'

To achieve the above goal, the Ministry will pursue five (5) Strategic Objectives, aimed at realizing twelve (12) institutional outcomes.

The Strategic Objectives: -

- i) Achieve rapid and inclusive economic growth, consistent with macroeconomic stability.
- ii) Generate and sustain optimal employment of all factors of production (land, labour, capital & entrepreneurship)
- iii) Optimize domestic and external resource mobilization, including the promotion and use of public-private partnerships (PPPs) and other alternative financings to complement domestic revenues.
- iv) Expand market access and presence for Ugandan Exports
- v) Ensure transparency and accountability for public resources.

The Institutional Outcomes: -

- i) Sustain economic recovery and achieve potential GDP growth of 6% to 7% annually by FY 2024/25
- ii) Increase the proportion of the National Budget financed by domestic revenues from 53% in FY 2022/23 to 61% in FY 2024/25
- iii) Improve household incomes and employment with a reduction in the national poverty rate from 20.3% in FY 2019/20 to 18.8% in FY 2024/25
- iv) Increase competitiveness by increasing the exports to GDP ratio from 14.2% in FY2019/20 to 17.0% by 2024/25.
- v) Maintain Macro Economic Stability and fiscal sustainability by keeping single-digit inflation and set targets in the Charter for Fiscal Responsibility.
- vi) Reduction in the number of households in the subsistence economy from 39% to 17% by 2024/25.
- vii) Increase share of investment in GDP (both public and private) from 23.5% in FY2019/20 to 30.0% in 2045/25.
- viii) Increase the number of formal jobs created annually to an average of 1,134,678 by 2024/25.
- ix) Enhance efficiency in the planning, allocation, and utilisation of national resources by increasing the level of alignment of the budget to the NDP priorities to 85% by FY 2024/25.
- x) Strengthened institutional capacity and development of the Ministry by increasing the proportion of top management decisions implemented from 45% to 95%.
- xi) Strengthening integration to the regional and continental economic trade blocs to increase the exports to GDP ratio from 14.2% in FY2019/20 to 17.0%.
- xii) Increasing the level of development expenditure as a percentage of the total national budget from 18% to 25%.

In order to achieve the institutional outcomes, the Ministry will direct focus on ten (10) strategic areas of intervention. These areas are (i) Macroeconomic Policy and Management; (ii) Development Policy and Investment Promotion; (iii) Financial Sector Development; (iv) Promoting Savings and Social Protection; (v) Budget Preparation, Execution and Monitoring; (vi) Supporting PPPs as an alternative source of Capital for developing Infrastructure (vii) Deficit Financing and Cash Management; (viii) Public Financial Management; (ix) Internal Oversight and Advisory Services; and (x) Policy, Planning and Support Services.

Several strategies and initiatives have been spelt out along the strategic areas of interventions. The implementation of these strategies and initiatives will require a total of Ushs.10,705.80 Billion. About half of this is the requirement for the implementation of the Parish Development Model.

Progress of implementation of the plan will be assessed annually at two levels, that is, the institutional outcome level, and the output level. A clear Monitoring and Evaluation Framework, with annualized targets, has been developed to aid the progress.

CHAPTER ONE

1.0 Introduction

The Ministry of Finance, Planning and Economic Development's Strategic Plan 2020/21 - 2024/25 spells out the Strategic Objectives, Goals, Actions, and Outcomes that the Ministry will pursue to advance progress towards the actualization of its Vision and Mission, and the National Development Agenda contained in the third National Development Plan. The Strategic Plan is anchored on five (5) broad objectives, and eight (8) Strategic Areas of Intervention (SAI). The pursuance of these objectives and interventions is envisaged to lead to the realisation of ten (10) key outcomes that are critical to sustaining the recovery and growth of the economy, industrialisation, formalization, monetization, and enhancing competitiveness.

1.1 Background

The Ministry of Finance, Planning and Economic Development derives its mandate and functions from the 1995 Constitution of the Republic of Uganda, the Public Finance Management Act 2015, and Acts establishing agencies and auxiliary institutions affiliated with the Ministry.

The Ministry plays a vital role in the coordination of development planning, resource mobilisation, and ensuring accountability for the use of public resources. Consequently, the Ministry's mandate includes: -

- i) To formulate policies that enhance economic stability and development.
- ii) To mobilise local and external financial resources for public expenditure.
- iii) To regulate financial management and ensure efficiency in public expenditure, and
- iv) To oversee national planning and strategic development initiatives for economic growth.

Over the previous Strategic Plan period 2016 - 2021, the Ministry introduced and implemented several initiatives and strategies aimed at delivering the objectives and goals of the second National Development Plan (NDPII). Consequently, the Ministry contributed to the achievement of the following key results: -

- i) The poverty rate declined from 21.4% in 2016/17 to 20.3% in 2019/20.
- ii) Uganda's economic growth averaged 4.46%, and the per capita income increased from US\$ 808 in FY2015/16 to US\$ 957 in FY 2020/21.
- iii) There was a stable macroeconomic environment underpinned by low and stable inflation averaging 5 percent, and the level of foreign reserves stood at over three months of import cover.
- iv) The nominal public debt was maintained below the target of 50% of GDP in line with the Charter for Fiscal Responsibility.
- v) Tax Revenue as a percentage of GDP increased from 10.8 % in 2015/16 to 12.4% in 2020/21

- vi) Uganda improved its ease of doing business ranking from 127 in 2018 to 116 in 2019.

The Government of Uganda is currently implementing the third National Development Plan (NDPIII). The implementation of the NDPIII is happening within a policy regime that is focused on four(4) agenda. These are (i) formalization of the economy, (ii) monetisation of the economy, (iii) industrialisation, and (iv) improving the country's competitiveness, including accelerating the drive for import substitution and export promotion. The Ministry has, therefore, developed this 5-year Strategic Plan 2020/21-2024/25 to provide policy directions and actions required to achieve the NDPIII goal and the government policy agenda. This Strategic Plan spells out policy priorities, strategic objectives, interventions, and resource requirements.

1.2 The Global, Regional, and National context for the Strategic Plan

1.2.1: Global and Regional Context

Global economic conditions continue to weigh on Uganda's economy. The economic recovery in the wake of the COVID-19 pandemic is being threatened by rising prices of fuel and other commodities, the Russia- Ukrian conflict, climate change issues, terrorist acts, and regional instability, among others. Global economic growth is expected to slow down from 6 percent in 2021 to 3.2 percent in 2022 (IMF Economic Outlook).

Economic growth in the EAC region is projected to decline from an average of 5.9 percent in 2021 to 5.3 percent in 2022 and to 5.7 percent in 2023.

1.2.2 The National Development Plan Agenda

The goal of the third National Development Plan is to 'Increase household incomes and improve the quality of life of Ugandans.' The plan has five(5) broad objectives: -

- i) Enhance value addition in key growth opportunities
- ii) Strengthen the private sector to create jobs
- iii) Consolidate and increase the stock and quality of productive infrastructure
- iv) Enhance the productivity and social well-being of the population, and
- v) Strengthen the role of the state in guiding and facilitating development.

Over the NDPIII period FY2020/21-FY2024/25, the Government's focus is on attaining the following key results: Average economic growth rate of 6.2%; increase per capita income to US\$1,301; lower poverty rates from 20.3 percent to 18.5 percent; reduce income inequality as measured by the Gini coefficient from 0.41 to 0.37; Increased contribution of industry to GDP from 18.6 percent to 25 percent; Increased rate of growth of the industrial sector from 6.1 percent to 8.1 percent; Increased rate of growth of the agricultural sector from 3.8 percent to 7 percent; Reduced Youth unemployment; from 13.3 percent to 6.6 percent; Increased value of manufactured exports in total exports from 12.3 percent to 19.8 percent; Increased ratio of merchandise Exports to GDP from 12.7 percent to 16.5 percent; Increased share of intermediate goods (inputs

for manufacturing) in total import bill from 18.6 percent to 25.5 percent; Reduction in the percentage of household dependent on subsistence agriculture as a main source of livelihood from 68.9 percent to 55 percent; Increased electricity consumption per capita from 100kwh to 578kwh; Increased forest cover from 9.5 percent to 15 percent; Reduction in the cost of electricity to USD 5 cents for all processing and manufacturing enterprises; Increased households with access to electricity from 21 percent to 60 percent; Increased area covered by broad band services from 41 percent to 90 percent.

1.3.The Role of MoFPED in the National Development Agenda

The Ministry of Finance, Planning and Economic Development spearheads the implementation of two(2) out of the twenty (20) NDPIII Programmes. These are the Development Plan Implementation Programme (DPI), and the Private Sector Development Programmes (PSD).

The Development Plan Implementation (DPI) programme goal is to increase efficiency and effectiveness in the implementation of the National Development Plan so as to achieve a GDP growth rate of at least 7%, and Revenue to GDP ratio of 15.43% by 2025, realise 85% alignment of annual budgets to the NDPIII, and 80% of the NDPIII targets, among other targets.

The PSD programme goal is to increase the competitiveness of the private sector to drive sustainable inclusive growth. The PSD programme objectives are lowering the cost of doing business, strengthening the institutional capacity of the private sector, promoting local content, strengthening the role of the government in unlocking investment in strategic economic sectors, and improving enabling environment and enforcement of standards. The programme targets to reduce informality from 51% in 2019 to 45% in 2025, increase non-commercial lending, increase the proportion of contracts awarded to local firms, and increase the value of exports from US\$5.4 billion in 2018 to US\$7.4billion in 2025.

The Ministry of Finance, therefore, takes lead in setting the policy directions, objectives, and strategies for actualizing the objectives and set targets for both the DPI and PSD Programmes.

1.4 MoFPED Strategic Goals and Objectives FY2020/21 - FY2024/25

In light of the NDPIII objectives and expected outcomes, and the current government policy agenda that is centered on monetisation, formalization, industrialisation and improving competitiveness of the economy, the Ministry will pursue the following two (2) Strategic Goals; and five (5) Strategic Objectives over the period FY2020/21 - FY2024/25: -

Overall Goal: To increase the private sector competitiveness, facilitate industrialization, and formalise and monetize the Ugandan economy to drive sustainable and inclusive growth.

Strategic Objectives: To achieve the goals above, the Ministry will pursue the following objectives that are aligned both to the NDPIII and the current policy agenda of the government that focuses on formalization, monetization, industrialization, and enhancing competitiveness: -

- i) Achieve rapid and inclusive economic growth, consistent with macroeconomic stability.
- ii) Generate and sustain optimal employment of all factors of production (land, labour, capital & entrepreneurship)
- iii) Optimise domestic and external resource mobilization, including the promotion and use of public-private partnerships (PPPs) and other alternative financings to complement domestic revenues.
- iv) Expand market access and presence for Ugandan Exports
- v) Ensure transparency and accountability for public resources

1.5 The Purpose and Objectives of the Strategic Plan

It is a requirement that all Government Ministries, Departments, and Agencies (MDAs) develop strategic plans, which give them a focused direction for their future operations and development initiatives. The purpose of the strategic plan is to put in place and implement actions, with measurable outcomes and targets as well as a robust M&E framework, that are tailored to address current challenges and tap into existing opportunities to achieve the Ministry’s goals and objectives for FY2020/21 - FY2024/25.

1.6 The Guiding principles of the Plan

This strategic plan is guided by the following principles: -

- i) Good governance, including the need for sound, consistent and credible policies
- ii) Financial management, accountability and oversight: The Plan advocates for policy, legal, and regulatory reforms to enhance compliance with the PFM laws and regulations.
- iii) Equitable development: The Plan lays a framework for equitable allocation of resources in order to accelerate the pace of development in all areas.
- iv) Technology, innovation and ICT Systems integration: The Plan presents strategies for initiating innovation and technological advancement and systems integration for boosting productivity and efficiency.
- v) Professional cadre development: The plan recognizes that sustained growth can only take place when there is a strong institution and well-trained workforce from all levels of Government.

1.7 Process of Development of the Strategic Plan

This Strategic Plan was developed through a participatory and consultative process with all departments of MoFPED. The process involved an evaluation of the

performance against set targets of the previous strategic plan 2016-2021, setting goals and objectives, and the identification of interventions for the new plan that are aligned to the re-prioritised Programme Implementation Action Plans (PIAPs) of the third National Development Plan, and setting annualized targets to achieve the desired outcomes.

Validation meetings were held to discuss and agree on the strategies and the M&E framework for the new plan.

1.8 The structure of the plan

The plan is structured as follows: Chapter 1 presents the background. Chapter 2 presents the situational analysis. Chapter 3 maps out the strategic direction for the Ministry based on the mandate, vision, mission, the national development plan III agenda, and the government policy regime. Chapter 4 presents the financing framework and strategy. Chapter 5 covers the institutional arrangements for implementing the plan. Chapter 6 covers the communication and feedback strategy. Chapter 7, undertakes Risk Management and outlines objectively various factors that have the potential of affecting the outcomes of this Strategic Plan and mitigation measures. Chapter 8 deals with the monitoring, evaluation and reporting framework of the Strategic Plan, and lastly, Chapter 9 contains the project profiles.

CHAPTER TWO

SITUATION ANALYSIS

2.1 Introduction

This chapter discusses the current situation facing MoFPED. An assessment of the Ministry's external as well as internal environments was carried out. An analysis of key achievements, SWOT (Strengths, Weaknesses, Opportunities, and Threats), and stakeholders were undertaken as well as lessons learnt in the implementation of the previous plan. This analysis enabled the identification of the factors that will either facilitate or impede the process of implementing this strategic plan.

2.2. Key Achievements of the Previous Strategic Plan

The Strategic Plan 2016/17-2020/21 under review focused on nine strategic core areas to guide the ministry in achieving its mandate. Some notable achievements are briefly discussed below.

2.2.1 Economic stability and development

During the period 2016 - 2021, the economy was characterized by a stable macroeconomic environment underpinned by low and stable inflation averaging 5 percent, the level of foreign reserves stood at over three months of import cover, and the nominal public debt was maintained below the target of 50% of GDP. In 2015/16 the per capita was US\$ 808 and increased to US\$ 932 in 2020/21 but remained below the NDPII target. Poverty declined from 21.4% in 2016/17 to 20.3% in 2019/20. The fiscal deficit was reduced from 14% in 2015/16 to 6.4% in 2020/21.

2.2.2 Public financial management and accountability

There was implementation of Public Finance Management reforms arising from the PFM Act 2015. The Integrated Financial Management System (IFMS) was introduced in FY2003/04 and as of 30th June 2020, IFMS had been rolled-out to 302 government entities and 73 Donor funded projects. During FY2019/20, work commenced on the IFMS Electronic LPOs system, a business process enhancement to replace the manual Local Purchase Orders with electronic paperless Local Purchase Orders. The e-GP system design and configuration were completed during the plan period. MFPED in consultation with the IPPU Council developed the principles for the IPPU Bill. There was also improved compliance by Parastatals to PFM legal frameworks during the plan period. During FY2019/20 the Accountant General's Office embarked on strengthening public asset management by developing the draft Asset Management Policy and Guidelines. The Cash Management Policy was drafted and approved in 2021. According to the Transparency International 2019 report published in January

2020, Uganda moved from the 149th position in 2018 to 137th position in the ranking in 2019.

2.2.3 Resource mobilization and management

Tax Revenue as a percentage of GDP increased from 10.8 % in 2015/16 to 12.4% in 2020/21 but was below the target increase of 0.5% per annum. The Ministry mobilized resources for financing annual national budgets. Revenue administration has undergone significant organizational and technological modernization that promotes efficiency. Tax laws were reformed to ensure they are in line with best practices. The percentage of external resources to national budget mobilized increased steadily from 15% in 2015/16 to 18% in 2020/21.

2.2.4 National planning and strategic development

The Program Budgeting System (PBS) was introduced in FY 2018/19 and fully rolled out in all Central and Local Government (LG) entities, and 100% utilization was reported at end of FY2019/20. The Ministry produced annual Budget Framework Papers and Ministerial Policy Statements. The Ministry also produced 4 monitoring and evaluation reports. Following the adoption of the Programme Approach to Budgeting under NDPIII, the PBS was enhanced and used for budgeting, budget implementation, and reporting effective FY 2022/23.

2.2.5 Development cooperation and regional integration

The number of Development Partners missions increased from 12 in 2015/16 to 35 in 2020/21. The ODA policy was published. Ten subscriptions were paid to regional trading blocks annually. Four regional progress reports on regional initiatives were produced annually. The Agreement to the African Continental Free Trade Area was signed.

2.2.6 Public investment management

The Ministry formulated the Public Investments Financing Strategy. The percentage of planned approved projects in the Public Investment Plan with external financing agreements increased from 10% in 2015/16 to 20% in 2020/21.

2.2.7 Investment and private sector development

The Ministry successfully developed the National Business Development Services Framework and also enacted the Investment Code Act 2019. The Ministry also developed guidelines for the establishment and management of free zones in the country and also initiated the process of amending the Free zones Act 2014. A five-year National Strategy for Private Sector Development (NSPSD) was launched in 2017 to increase the competitiveness of the private sector and enhance its contribution to economic development. The Second National Strategy for Private Sector (NSPSD II) was launched in 2022 as a successor strategy for the period 2022 to 2027. Uganda was ranked 115th most competitive nation in the world out of 140 countries ranked in

2019 from 117th in 2018. Uganda also improved its Ease of Doing Business ranking from 127 in 2018 to 116 in 2019.

2.2.8 Financial sector development

The Ministry developed and implemented a number of policies and strategies within the financial sector namely; The Financial Sector Development Strategy (FSDS) is Uganda's holistic strategy for creating a robust and well-coordinated financial sector that enhances synergies of all efforts pertinent to optimising the financial sector's contribution towards the realization of Uganda's growth and development. FSDS aspirations aim to achieve a sound and integrated financial sector that supports sustainable and inclusive economic growth. The strategy focuses on achieving three strategic objectives 1) Financial services for all; 2) financial services for markets; and 3) financial services for growth.

Secondly, in a bid to address the challenges faced by subsistence households, micro, and small enterprises, Cabinet in 2019 approved the Presidential Initiative on Wealth and Job Creation by setting up specialized funds commonly known as Emyooga. The overall objective of the Emyooga program is to promote wealth and job creation and ultimately improve household incomes of Ugandans. The specific objectives include: a) To increase access to finance for 5 million individual beneficiaries especially women, youth, and PWDs b) To establish at least 6,354 Emyooga SACCOs and 250,000 Parish Associations across the country c) To enhance the entrepreneurial capacity of different categories of Emyooga/ groups, through sensitization and provision of business development services d) To improve household incomes of beneficiaries by 5% e) To increase employment opportunities, targeting 1.5 million jobs and the conversion of 18% of households from subsistence to market-oriented production

Thirdly, the Tier 4 Microfinance Institutions and Money Lenders Act, 2016 Act to establish the Uganda Microfinance Regulatory Authority; to provide for the licensing and management of tier 4 microfinance institutions; to provide for the management and control of money lending business; to establish the SACCO Stabilization Fund; to establish a SACCO Savings Protection Scheme; to provide for a Central Financing Facility; to provide for licensing of money lenders; to provide for self-help groups and commodity microfinance; to provide for receivership and liquidation of a tier 4 microfinance institution;

The Capital Markets Development Master Plan - the ten-year long-term strategy for capital markets development. The objectives of the Masterplan are to improve access to long-term finance for the public and private sector, facilitate the deepening and broadening of securities markets; improve the diversity of investments; improve efficiency in securities market regulation; facilitate the development of market intermediation services and maximise the supply of long term finance

The National Financial Inclusion Strategy (NFIS) 2017-2022 Uganda's holistic strategy for promoting financial inclusion with emphasis on five pillars: i) Reduce financial exclusion and barriers to access financial services; ii) Develop the credit infrastructure; iii) Build the digital infrastructure; iv) Deepen and broaden formal savings, investment and insurance usage; and v) Protect and empower individuals with enhanced financial capability. Financial Literacy Strategy is a holistic strategy for promoting financial inclusion with major emphasis on reducing exclusion and barriers to access to financial services, credit and digital infrastructure, among others, National Payment Systems Policy provide for regulation and supervision of payment systems, safety, efficiency and stability of the payment systems. The enactment of the Financial Institutions (Amendment) Act in 2016 provided an enabling legal and regulatory framework for the provision of new financial products and services by Banks namely; Agent Banking; Bancassurance; enhanced access to Credit Reference Bureau services; reforms in the Deposit Protection Fund; and Islamic Banking, among others. During FY2019/20, a total of 227 entities were enrolled onto the e-cash platform and the Accountant General's Office supported entities to enhance their capacity and user acceptance.

2.2.9 Strengthen institutional capacity and development

The Ministry provided over 96% of staff with adequate working tools. Training needs assessment and plans reports were produced annually. The Ministry also produced training policy guidelines and four schemes of service. On average, 50% of the staff were appraised annually. A fellowship programme for capacity building of procurement cadres in Public Sector Procurement for Government Officials was secured.

2.2 SWOT Analysis

2.2.1 Strength

i) Upgrade and integration of PFM Systems (IFMS and the PBS)

The IFMS system was upgraded to include all government institutions unlike before and is now aligned with the NDPIII. The management of all governments, revenues and cash will be done through the system. The system monitors how MDAs utilize funds on a real time basis in a bid to improve budget implementation, increase efficiency, effective decision making and revenue management. The PBS was upgraded and enhanced in order to support the programme approach to budgeting, budget implementation and reporting.

ii) Implementation of E-procurement

As part of the reforms to make the public procurement system more efficient and accountable, the Public Procurement and Disposal of Public Assets Authority (PPDA) have rolled out the Electronic Government Procurement (eGP). eGP comprises all the modules/stages in procurement. The key benefits are (i) improved Governance through enhanced transparency and accountability; (ii) effectiveness through

management information and efficient processes; and (iii) economic development through competitiveness and improved investment climate. The implementation of E-procurement system will reduce transaction costs for both Government and the Providers and will streamline the procurement processes. The system will also make procuring for routine transactions more productive and is expected to free procurement professionals to focus on the more strategic activities of the Procuring and Disposing Entities (PDEs). The savings realized shall be re-invested in front-line services.

iii) **Skilled Human Resources**

The younger, more technically inclined, more professional, experienced, multi-disciplinary, and energetic team within the Ministry will be a major resource going forward. The skills and attributes of the staff reflect the diversity, results orientation, and mission-mindedness. Recruitment of competent human resource has considerably closed the staffing gap of the ministry. With clear terms of reference (ToR) for each position within MoFPED that can be linked to outputs and targets in this strategic plan, demand for greater accountability for resource and time use will be possible.

iv) **Strong Institutional Arrangements**

The Weekly Top Technical and management meetings will steer the institution in achieving results and attaining excellence. Continuous capacity building and logistical support among others will enable the Ministry to achieve the set targets.

v) **Strong Leadership and Commitment**

Coordination between technical and political wings within the Ministry, effective leadership, willingness to work as teams at all levels and a sense of commitment is a core characteristics of the MoFPED workforce. Notwithstanding some coordination challenges, there is already a considerable improvement in the coordination of work and accessibility across units within directorates, departments, and at the stakeholder level.

2.2.2 Opportunities

- i) **The emergence of alternative financing options.** The Government has put in place an enabling legal and institutional framework for financing public infrastructure through public private-partnerships (PPPs). Other alternative financing options for which there is a need to put in place a framework for partnerships. These include climate financing and infrastructure bonds, among others.
- ii) **The renewed impetus for industrial policy** presents an enormous opportunity to quickly change the structure of the economy.

iii) **Narrowing of infrastructure gaps.** Over the years, the government has increased the stock of production, trade, and market access infrastructure which will now enhance production and productivity in the economy.

iv) **Oil and Gas Investments**

The discovery of oil and gas provides an opportunity to boost domestic revenues and eliminate funding gaps. The discoveries continue to attract sizeable direct foreign investment and public infrastructure development, which are major contributors to the Ugandan economy.

v) **Partnerships and Linkages with Regional and International Bodies**

Uganda's membership and MoFPED participation in larger and progressive regional economic and international bodies like COMESA, EAC, ECA/AU, AfCFTA, WTO, NEPAD, IGAD, among others provide accessibility to a wider range of products and wider market access for local products. This provides an opportunity for economies of scale, enhanced competitiveness through increased competition, improvement in the transfer of technology and attraction of foreign direct investments. In addition, stronger partnerships and negotiation ability in the global arena and available capacity-building programmes at various international institutions (IMF, WB, etc.) are critical for building a cadre of professional staff necessary in the pursuit of the MoFPED strategic objectives.

vi) **A record of prudent macroeconomic management and structural reform backed by political goodwill and support**

Over the years, Government has pursued a series of stabilization and pro-market structural reforms aimed at achieving macroeconomic stability and sustained high growth. This has stimulated opportunity, mobility, and security for Ugandans, allowing citizens and businesses to have more confidence in the safety and soundness of the economy. This provides a conducive environment for the implementation of Government programmes.

vii) **Political Stability and ideal geographical conditions for Agriculture, a major sector in Uganda.**

The Political and social stability, coupled with an ideal geographical environment in Uganda have enabled growth in the agricultural sector despite recent challenges of climate change. Agriculture remains the backbone of Uganda's economy. It accounts for 23.5 percent of the country's GDP and employs about 72 percent of the total labor force (formal and informal). The government has developed strategies to encourage exports of both food crops and high-value crops, in order to diversify its export base. This provides an opportunity for higher revenue mobilization.

viii) Vibrant youth population with potential for increased production and productivity

The youth population in Uganda is the youngest in the world, with 77% being under the age of 30 years. With large improvements in human capital and significant movement of workers into urban areas, Uganda's labor force is much better placed to exploit new opportunities. Government's current efforts to improve the skills and capabilities of the youth and expand productive employment opportunities for the utilization of these skills and capabilities will help to stimulate high productivity and production.

ix) Rationalization of Government Agencies

The government is in the process of merging, mainstreaming, and rationalizing Government Agencies, Commissions, Authorities and Public Expenditure; to facilitate efficient and effective service delivery. The main objective of the reform is to eliminate structural and functional duplications and overlaps, wasteful expenditures, and realize resultant short-term and long-term savings, in line with the approved implementation roadmap.

x) Reprioritization

According to the findings of the Medium-term Review (MTR) of NDP III, some assumptions underlying the planning process under NDP III were not holding due to the economic shocks the economy experienced, thus requiring that NDP PIAPs be reprioritised within the context of realistic resources mobilisation to finance the plans. It was agreed to make appropriate redistributions across programmes following the reprioritization exercise that identified critical priorities for the remaining period of the Plan. This reprioritisation will lead to the implementation of programmes that will lead to a higher multiplier effect, quick economic recovery, higher household income & food security, economic resilience to shocks, operationalization of the PDM, and improvement in Government efficiency and revenue collection.

xi) The Parish Development Model

The economic shocks the economy experienced in the last three years created the need to speed up national efforts to rapidly grow the share of Ugandans in the monetised economy. In 2016/17, Uganda National Household Survey (UNHS) revealed that 39% of households were in the subsistence economy; of which 24.2% were agricultural households and 14.8% were non-agricultural households. Farmland under subsistence farming increased from 97,723 sq km in 2010 to 104,838 sq km in 2017 compared to an increase from 1349 sq km in 2010 under commercial agriculture to 1824 sq km in 2017. The subsistence sector and informal economy remain large. In an effort to monetize the economy, the Government developed and is implementing the Parish Development Model (PDM) - a multi-sectorial strategy to reach and support Ugandan households that are still in the subsistence economy to join the money economy. The overarching goal of the PDM is "to increase household incomes and

improve the quality of life of Ugandans with a specific focus on the total transformation of the subsistence households (both on-farm and off-farm, in rural and urban settings) into the money economy, as well as eradication of poverty and vulnerability in Uganda”.

The PDM is also a strategy for organizing and delivering public and private sector interventions for wealth creation and employment generation at the parish level. Its implementation marks a major milestone in Uganda's development journey in three main ways: a) It accelerates implementation of Area-Based Commodity Development (ABCD) planning which is vital for realizing the quantity and quality of agricultural production required for agro - industrialization and export development; b) It extends the whole-of-government approach for development to the parish level in a consolidated manner as opposed to working in silos; and, c) it localises Vision 2040 and the National Development Plan for effective measurement and management of development interventions. MFPED will support negotiations for markets, Value Chain Development at the zonal and district level, prudently manage the macro-economy and mobilise SME financing. Performance against this goal will be measured by the share of households who graduate into the non-subsistence economy. This share will be monitored and reported on at parish, district and national levels.

2.2.3 Weaknesses

A number of weaknesses were identified;

i) **Management and Implementation of Reforms**

The government has implemented financial management reforms that have enabled MDAs and Local Governments to provide services more efficiently. Despite various reforms, there are still a number of challenges and inefficiencies in the management of these reforms. There is limited capacity to adopt and enforce compliance with reforms, especially at Local Government levels. This affects timely and accurate accountability for public resources, which in turn affects the sustainability of the reforms implemented. A number of key reforms need to be prioritized and resourced adequately in order to achieve the necessary benefits and envisaged impact.

- ii) **Public investment management challenges** leads to low value-for-money projects, and delays in realizing returns from public investments.
- iii) **Minimal awareness of PPPs and other alternative financing options** across the entire government and limited capacity by relevant officials to implement projects using these alternative financing options.
- iv) **Weak Monitoring and Evaluation (M&E)** across the entire government.
- v) **Slow Pace of Implementation of the Ministry's Structure**

The migration to the new structure and staff recruitment process for unfilled posts has been slow. This has exerted excessive workload pressure on the available staff making it difficult to deliver services in a timely manner. Other associated factors

include duplication and uncertainty resulting from overlapping roles and responsibilities in some departments. This partly explains the insufficient coordination among institutions in the accountability Sector.

vi) Poor Remuneration

The remuneration of Ministry employees is in accordance with the public service schemes of service. This offers non-competitive salaries and wages compared to their counterparts with similar qualifications and competence levels in the private sector. Consequently, other institutions often poach the Ministry's highly specialized, skilled, and trained staff.

vii) Shortfalls in Human Resource Management

The human resources management function at all levels within the Ministry revealed some weaknesses. among them are;

- Poor coordination between the HR department and other levels of management leads to poor decision-making on internal transfers, promotions, and deployments of staff
- Lack of a comprehensive training and development plan
- Lack of a compressive appraisal system
- Poor communication within the Ministry and between MDA's and MoFPED.
- Limited office space in some departments, undermining efforts to create an environment conducive for productive work
- Generally, low institutional capacity, which undermines the speedy and quality implementation of reforms, Government projects, and programs, and affects standards of production, especially of exports.

viii) Inadequate managerial skills in some Departments

Discussions with the different stakeholders revealed that there is more focus on operational routine rather than strategic and analytical initiatives. Additionally, there is insufficient delegation and mentorship from senior cadres to lower-level cadres. This may pose a number of potential difficulties, most notably the effective development of future managers and the diffusion of a congruous 'leadership culture' throughout the Ministry. Thus, an urgent need to address leadership and managerial development issues within the Ministry

ix) The slow rate of integration of ICT systems

MoFPED has engaged in the process of implementing a wide range of (ICT) applications. This has greatly improved productivity, management effectiveness and ultimately, the quality of services offered to citizens. Nonetheless, there are several concerns about the lack of integration of the many ICT systems within the Ministry. This could pose a number of challenges including loss of money in ICT investments,

mismanagement, duplication of services, e-fraud among others. To therefore unleash the full potential of these ICT systems, a new level of ICT integration, both internally and with other organizations, and a new approach to scaling solutions to achieve a real material impact is needed.

These are weaknesses that could potentially undermine progress towards establishing a performance-based culture. It is difficult to envision the possibility of ensuring high-quality service delivery with such Human Resource management issues. This could affect the implementation of this strategic plan if not rectified.

x) Inadequate Monitoring and Evaluation of Budget implementation

Monitoring and evaluation of the budget have not yet been extended to cover all sectors. Currently, monitoring and evaluation units do not exist in most public service institutions and in cases where M&E units exist; most of them are constrained by capacity, financial, and logistical gaps. In addition, there is a limited inspection and mediocre supervisory oversight of workplans and budgets.

2.2.4 Threats/Challenges

i) Low Development Content of the Private Sector

Uganda has pursued a Private Sector-led approach to its economic policy and management over the last three decades. This has put the Private Sector at the forefront of the growth and development process of the Country. Despite the importance attached to the private sector, the sector remains weak with various constraints and gaps characterized by high levels of informality, inadequate infrastructure, limited access to finance and high interest rates, governance and management challenges among others

Whereas Uganda's private sector commands the majority share of national output (averaging 80% of GDP), its contribution to formal employment, export growth and tax revenue has remained significantly below desirable levels. Formal employment (in both the public and private sectors) accounts for only 12% of total employment (2021) while the share of exports in GDP was 14.2% (2019/20). In terms of competitiveness, the average exporting SME survives only 4.3 years and the average export product survives only 1.17 years (World Bank, 2021). The majority of enterprises operate in the informal and subsistence economy translating into a large share of the informal sector in national output (51% of GDP) and a significant share of non-monitised output (15% of GDP as of FY2017/18).

ii) The impact of the Russia-Ukraine conflict

The Russia-Ukraine war has mostly negatively affected Uganda's agriculture and transport sectors, and these feed directly into consumer prices. The effects of the war are evident in increases in commodity and fuel pump prices which have led to a reduction in farmer's margins and output to curtail the rising cost. Uganda's fertilizer

imports from Russia reduced to USD 0.4 million (1 billion Ugx) in the quarter ending June 2022, up from USD 6 million (22 billion Ugx) in 2019. In 2020, Russia comprised the biggest share of wheat imports to Uganda with a share of 33 percent (approximately USD 50 million) but this reduced to zero in the quarter ending March 2022. The value of Uganda's coffee exports to Russia dropped from USD 7 million in 2020 to USD 3 million in the quarter ending June 2022, a significant fall as a result of the war.

iii) Rising public debt and service payments

Public debt and service payments are continuously on the rise, a fact that is attributed to persistent budget deficits, rollover of liquidity papers, new borrowings for various development projects and foreign exchange loss arising from the depreciation of the Ugandan Shilling against stronger currencies. The nominal public debt rose from 31.1 percent of GDP in FY2016/17 to 47 percent in FY2020/21 and by the end of FY2021/22, it was at 49.9 percent. The rise in domestic borrowing from 3.4 percent of GDP in FY 2019/20 to 4.95 percent of GDP by May FY 2021/22 is way above the NDP III target of 1.99 percent of GDP. This has resulted in a significant growth in interest payments from 21 percent in 2016/17 of tax revenues to 28 percent of revenues in 2020/21(see table 2.1). The high interest payments have greatly limited the fiscal space thus affecting the effective implementation of government programs. However, the debt sustainability analysis indicates that external debt burden and public debt indicators remain moderate. There was an absence of options for renegotiating loan agreements in case of unlikely circumstances not foreseen at the time of negotiating the contract.

Table 2. 1 Public Debt Indicators

Indicator	2016/17	2017/18	2018/2019	2019/2	2020/21
Nominal Debt as a percentage of GDP	31.1	34.6	35.1	41.0	47
Debt servicing/tax revenue (excluding grants) ratio	21.1	21.2	22.4	21.7	27.7
Debt service/Export revenue ratio	7	8	8	6	9
Debt service/government expenditure	15.7	15.2	15.3	13.2	15.6

iv) Widening Trade balance

Uganda's balance of payments deficit as a percentage of GDP increased from 7.09% in FY 2017/18 to 11.55 % in FY 2018/19. Uganda has a systemic trade deficit as a result of the country dependence on fuel imports. In 2017, the trade deficit was

US\$1,080 million and rose to US\$4,300 million by 2021. There is also an increase in the number of product rejections on account of quality and standards-related concerns.

v) Narrowing fiscal space

Uganda's external position worsened in FY 2020/21, with the current account deficit to GDP increasing drastically from 6.7 percent in FY 2019/20 to 9.5 percent in FY 2020/21 which is above the NDPIII target of 7.8%. This was a result of Government pursuing an expansionary fiscal policy to support economic recovery. Financing the deficit has increasingly been from domestic sources at a very high cost to the government. This has increased the debt service burden and led to the narrowing fiscal space for development expenditure.

vi) Growing Wage Bill

The wage bill has been growing and with the implementation of a phased pay reform, it is expected to continue rising. The total wage bill and non-wage statutory is 8.4 trillion which is 32 percent of the tax revenues. The budget is therefore highly committed and has considerably narrowed the available fiscal space for development spending.

vii) Impact of COVID-19

The outbreak of COVID-19 and other natural disasters limited operations and consequently the ministry was not able to achieve some targets. There were inadequate resources, majorly arising from the need to direct resources to manage public health emergencies. COVID-19 movement restrictions, lockdowns and stay-at-home orders constrained the delivery of several activities, including the completion of recruitment processes to fill the ministry's staff structure.

viii) Low Domestic Revenue Mobilization

Uganda's expenditure has continued to outpace domestic revenue mobilization efforts that stood at revenue to GDP ratio of 13.2% in FY 2020/21. This results in continued reliance on donor aid/external borrowing for critical investments such as transport, energy, education and health sectors. Domestic revenue mobilization efforts have been interrupted by the slowdown in levels of economic activity as a result of the lockdown measures which were instituted to curb the spread of the COVID-19 pandemic.

ix) Climate Change

Uganda faces environmental degradation challenges, which include deforestation, climate change, and pollution among others. This has led to a decline in rainfall, affecting rain-fed agricultural production. With an economy heavily dependent on climate-sensitive sectors such as agriculture and tourism, the decline in rainfall has severe consequences for these sectors, which are significant to creating wealth and employment. Climate change and climate variability have led to severe droughts in some parts of the country and reduced crop production, directly impacting the vast

majority of the population employed in the sector as well as reducing the rate of growth of the economy. Refugee influx has also put pressure on the environment and natural Resources.

2.3 Stakeholder Analysis

A stakeholder analysis was undertaken to determine the stakeholders in the implementation of the strategic plan, their expectations as well as our expectations from them as shown in Table 2.2.

Table 2. 2 Stakeholder Analysis Matrix

Stakeholder	MOFPED Expectations	Stakeholder Expectation
CABINET	Provision of leadership and policy guidance	MoFPED should finance implementation of policies/decisions passed by Cabinet
Parliament	-Approval of the budget, -Provide oversight during implementation	-Timely response to parliamentary questions -Submission of draft bills -Prudent utilisation of resources
MDAs/LGs	-Prepare and implement the budget in accordance with approved work plans and the PFM laws & regulations -Timely reporting on implementation of programmes and budgets -Effective implementation of policies, programmes and projects -Accounting for all allocated funds	-Provision of adequate resources to implement approved budgets -Effective coordination in formulation of government policies, plans and budgets
Development Partners	-Provision of budget support (External Financing) at favourable interest rates	-Commitment to maintain macroeconomic stability -Prudent fiscal management

Stakeholder	MOFPED Expectations	Stakeholder Expectation
		-Provide timely programmes and projects reports and reviews
Non-State Actors (NGOs, CBOs, etc.)	-Support government in the closing the service delivery gaps -Support community mobilization, advocacy and awareness creation	-Collaboration and partnership -Sustainable community involvement and Empowerment
Clients	-Timely provision of feedback on service delivery -Participate in policy formulation , identification and implementation of development initiatives	-Promote participatory planning and budgeting -Ensure successful implementation of NDPIII
Media	-Relay accurate information on the services offered by the ministry to the public -Opinion shaping and positive reporting	-The ministry to furnish media houses with relevant information -Collaboration and partnership
Academia	-Collaboration in research and policymaking -Provide necessary training to the Ministry's staff.	-Provide complimentary data and information -Partnership/Collaboration in research and policy formulation.

2.4 Lessons Learnt

The Ministry has learnt from the implementation of its mandate in the last 5 years the following lessons which will enhance the implementation of its 2022-2026 Strategic Plan:

- Successful implementation of the Ministry's mandate requires commitment of management at all levels.
- The implementation of the strategic plan showed that there is need to be flexible to allow for the introduction of new interventions, motivated by challenges not foreseen at the time of planning.

- There is need to strengthen the alignment between the planning, budgeting and budget implementation processes as well as coordination with development partners and civil society to improve performance in some areas.
- There is need to strengthen project preparation and appraisal to improve the implementation of projects. Projects should be improved to categorize all investable ideas into bankable projects and match them to innovative financing available.
- Identify and exploit alternative financing sources to complement domestic revenue collection.
- Cascading the strategic actions into specific departmental workplans/activities.
- Ensuring alignment of the Ministerial Policy Statements and annual budgets to the strategic plan.
- Ensuring the staff performance agreements are linked to the strategic objectives of the plan to ensure that staff efforts contribute to the achievement of set targets.
- The ministry needs to set realistic targets within the context of the recent economic shocks, and the midterm review of the NDP III.
- Participatory planning, budgeting, monitoring and evaluation of projects and programmes leads to effective implementation and ownership. Goodwill by stakeholders is essential in implementation of the Strategic Plan.
- Enhanced human and financial resources capacity is critical for the successful implementation of the Ministry's mandate.
- The use of technology improves efficiency and effectiveness in service delivery.
- Compliance with PFM reforms increases accountability and management of public resources.
- For the Ministry to achieve set targets in this strategic plan, there is a need for regular monitoring and evaluation, preferably at pre-set intervals.

CHAPTER THREE

STRATEGIC DIRECTION

3.1 Vision, Mission and Core Values

Based on the overall mandate and the situation analysis, the Vision, Mission and Core Values of MoFPED are as follows.

Vision

“A competitive Economy for National Development”.

Mission

To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to foster sustainable economic growth and development.

Core Values

To fulfill its mandate, pursue the vision and accomplish the mission, MoFPED will be guided by the following core values.

Professionalism:

We consistently demonstrate competence, knowledge, resourcefulness, quality, cooperation and a positive attitude, related to how we provide our professional services.

Result oriented:

We embrace a goal-oriented culture that focuses on outcomes and drives accountability and growth.

Efficiency and effectiveness:

We continuously seek effective and efficient ways to solve problems, better our services, and to remain fiscally responsible.

We constantly demonstrate a commitment to be good stewards of the resources allocated to us, discover and apply safer, better, faster and more cost-efficient ways to provide the services.

Teamwork:

We create effective working relationships with team members by treating others fairly, maintaining an approachable atmosphere, sustaining open and honest two-way communication, and involving others in decision-making processes when appropriate.

Integrity and Transparency:

We conduct business honestly and ethically, expect and exemplify trust, respect, fairness and high character. We conduct ourselves with openness in all aspects of our

work. We seek feedback from all stakeholders in order to achieve open communication and foster collaboration.

Innovativeness:

We are driven by continuous improvement and unique cutting-edge concepts that optimize results by working better and smarter.

3.2 MOFPED'S STRATEGIC KEY OUTCOMES

Based on the broad goals and the strategic objectives the Ministry will pursue in the period FY2020/21 - FY2024/25, twelve (12) key outcomes have been identified as the results of the objectives. These are: -

1. Sustain economic recovery and achieve potential GDP growth of 6% to 7% annually by FY 2024/25
2. Increase the proportion of the national budget financed by domestic revenues from 53% in FY 2022/23 to 61% in FY 2024/25
3. Improve household incomes and employment with a reduction in the national poverty rate from 20.3% in F 2019/20 to 18.8% in FY2024/25
4. Increase competitiveness by increasing the exports to GDP ratio from 14.2% in FY2019/20 to 17.0% by 2024/25.
5. Maintain macroeconomic stability and fiscal sustainability by keeping single-digit inflation and set targets in the Charter for Fiscal Responsibility.
6. Reduction in the number of households in the subsistence economy from 39% to 17% by 2024/25.
7. Increase share of investment in GDP (both public and private) from 23.5% in FY2019/20 to 30.0% in 2045/25.
8. Increase the number of formal jobs created annually to an average of 1,134,678 by 2024/25.
9. Enhance efficiency in the planning, allocation and utilisation of national resources by increasing the level of alignment of the budget to the NDP priorities to 85% by FY 2024/25.
10. Strengthened institutional capacity and development of the Ministry by increasing the proportion of top management decisions implemented from 45% to 95%.
11. Strengthening integration to the regional and continental economic trade blocs to increase the exports to GDP ratio from 14.2% in FY2019/20 to 17.0%.
12. Increasing the level of GoU development expenditure as a percentage of the total national budget from 18% to 25%

To achieve the above institutional key outcomes, the Ministry will align and concentrate its efforts towards ten (10) Strategic Areas of Interventions (SAIs) to be implemented over the plan period. These include: -

1. Macroeconomic Policy and Management
2. Development Policy and Investment Promotion
3. Financial Sector Development
4. Promoting Savings and Social Protection
5. Budget Preparation, Execution and Monitoring
6. Supporting PPPs as an alternative source of Capital for developing Infrastructure
7. Deficit Financing and Cash Management
8. Public Financial Management,
9. Internal Oversight and Advisory Services
10. Policy, Planning and Support Services

MoFPED plans to use a number of performance measures and indicators to evaluate progress towards each strategic objective that supports these eight areas. Performance measures will be monitored and updated as objectives and programs evolve. In addition to using regularly reported performance data, in-depth evaluations of programs will be undertaken as well as analysis of more qualitative information to help better understand the success and impact of strategies and actions.

3.3 STRATEGIC AREAS OF INTERVENTION (SAI), GOALS, OBJECTIVES AND STRATEGIES

Building on the eight strategic areas of MoFPED, a number of goals have been identified. For each goal, a set of SMART objectives has been proposed along with their strategies.

At the end of this Strategic Plan period, a number of strategies would have been achieved that would transform, to a large degree, into the work of the Ministry.

SAI 1: MACROECONOMIC POLICY AND MANAGEMENT

Strategic Goal: Sustainable financing and fiscal policy credibility

Objective 1: To maintain fiscal sustainability

In order for the Ministry to maintain fiscal sustainability, there shall be a need to continue implementing measures aimed at ensuring prudent Government expenditure and how it is financed through taxes, debt and other sources.

Interventions

- Ensure the nominal value of debt to GDP is maintained within the thresholds as set out in the Charter for Fiscal Responsibility FY 2021/22 - FY 2025/26.
- Maintain a sustainable fiscal deficit as set in the Charter of Fiscal Responsibility.

Objective 2: To achieve potential GDP growth

In order for the Ministry to maintain a steady GDP growth rate, there shall be a need to continue implementing measures aimed at sustaining economic growth recovery

and promoting inclusive growth. MoFPED will strive to increase the current GDP growth rate to between 6% and 7% annually by 2024/25.

Interventions

- Ensure improved productivity within the economy
- Developing and implementing policies to promote private sector growth
- Maintaining public domestic borrowing within the Public Debt Management Strategy (PDMS) thresholds and hence facilitating private sector credit growth.
- Enhancing resource allocation to key strategic sectors.
- Taking advantage of regional integration through the EAC, COMESA, and AfCFTA.

Objective 3: To maintain macroeconomic stability

To ensure macroeconomic stability and mitigate the impacts of external shocks to the economy, the Ministry shall implement measures aimed at reducing the core inflation rate to the medium target of 5% and maintaining adequate foreign exchange reserves.

Interventions

- Maintain single-digit inflation.
- Maintain adequate foreign exchange reserve cover

Objective 4: To Increase efforts in domestic revenue mobilization

To ensure sustainable financing of Government expenditure needs through a reasonable, realistic and practical approach by increasing the domestic revenues by 0.5% of GDP annually.

Interventions

- Improving tax policies to create a sound and buoyant tax system that continues to promote industrialisation, social welfare, and private sector development. This ensures that revenues are raised in a fairer and more balanced way and generated as growth occurs by broadening the tax base.
- Lifting the capacities of the revenue administration entities - including Local Governments, ensuring that revenue is raised in an economically efficient way and reducing the compliance burden for individuals and businesses.
- Improving citizen perceptions of taxation, by ensuring a robust fiscal social contract between taxpayers and Government. This involves demonstration of value for money in Government expenditures in such a way that citizens perceive a closer link between taxes paid and services obtained.
- Enhancing transparency and accountability in the tax system, by increasing involvement of key tax policy design and implementation.

Objective 5: Improve the progressiveness and fairness of the tax system

Interventions

- Review the personal income tax exemptions (especially for public officials) and expatriates and consider their removal.
- Review the personal income tax thresholds and bands to ensure that the tax system does not unfairly reduce disposable income.
- Strengthen tax policy interventions pertinent to encouraging savings and investment, particularly for retirement.
- Implement a simplified presumptive tax regime, well rationalized to achieve progressiveness, reduce the burden of tax administration and compliance as well as encourage formalization of SMEs.

Objective 6: Refocussing the Excise Duty regime towards addressing negative externalities associated with the decision of economic agents, with a view to ensuring realization of more efficient socioeconomic outcomes while maximizing revenue realized from Excise duty.

Interventions

- Develop a broader environmental tax regime to cover a wider scope of pollutants to reduce the harmful impact on health, well-being and the environment.
- Rationalize multiple excise duty rates, by designing an alternative incentives regime for promoting the use of local content.
- Introduce and enforce strict regulations with regards to the production, distribution and consumption of alcohol and other excisable products.
- Adopt inflation indexing to ensure that rates are reviewed and adjusted frequently.
- Review and adopt an EAC-wide policy on harmonization of excisable products and the applicable rates.

Objective 7: Develop a strong extractive industry taxation regime

Interventions

- Review the fiscal regime and adjust to fully capture revenue streams and the full value chain of the extractive and mining sector.
- Adjust the Income Tax Act to optimize the calculation of chargeable income for petroleum companies.

Objective 8: Provide the right incentives to support industrialization and the development of domestic value chains

Interventions

Establish an appropriate, evidence-based Tax Expenditure Governance Framework to limit leakages and improve transparency. The framework should specifically;

- Specify the criteria for approval of new tax expenditures and sustenance of existing ones
- Put in place minimum requirements for initiating new tax expenditures and guidelines for monitoring existing ones.
- Streamline the authorizing environment by clarifying the roles and responsibilities of the entities involved in the governance of tax expenditures.

SAI 2: DEVELOPMENT POLICY AND INVESTMENT PROMOTION

Strategic Goal: Improved linkages between programme spending and service delivery for private sector competitiveness.

Objective: To speed up recovery and restoration of the private sector to drive export-led growth and full monetisation of the economy

Interventions

- Operationalization of the National Business Development Services (BDS) Strategy
- Improve District Investment and Enterprise (DINE) profiles to promote structured demand for PDM commodities
- Establish a collaboration framework between MFPED and the Informal Sector Umbrella Associations including a Communication Strategy for the second National Strategy for Private Sector Development (NSPSD II)
- Implement the Area-Based Commodity Development (ABCD) approach under the NSPSDII
- Revise Development Committee guidelines to strengthen project appraisal
- Formulate the second generation of the Business Licensing and Regulatory Reform (BLRR) Agenda
- Review the Public Enterprise Reform and Divestiture (PERD) Policy (1991) and repeal the PERD Act (1993)
- Update the National Policy Catalogue (2020)
- Fast-track the full automation and operationalization of the One-Stop-Centre (OSC)
- Develop and implement the legal and regulatory framework to support SMEs and local content

SAI 3: FINANCIAL SECTORS DEVELOPMENT

Strategic Goal: A sound and integrated financial sector that supports sustainable and inclusive economic growth.

Objectives: -

1. Increase access to and use of financial services
2. Increase access to long-term finance
3. Strengthen financial sector stability and integrity

Interventions

- Lower the high cost of credit
- Increase access to affordable finance for MSMEs
- Increase access to insurance
- Strengthen the Development of Financial Institutions
- Deepen capital markets
- Promote digital financial services
- Support financial innovations
- Reform the tax regime for the financial sector
- Strengthen the coordination and collaboration framework for the financial sector
- Strengthen regulator and policy capacities
- Strengthen Uganda's AML/CFT framework
- Strengthen business development service centers
- Harmonized legal and regulatory frameworks

SAI 4: PROMOTING SAVINGS AND SOCIAL PROTECTION

Interventions

- Increase savings
- Increase financial literacy
- Provide affordable housing finance
- Increase coverage of the retirement benefits

SAI 5: BUDGET PREPARATION, EXECUTION AND MONITORING

Strategic Goals:

- 1: National resources aligned to the NDP
2. Value for money for public investments and/or
3. Efficient and effective budget preparation, allocation and execution monitoring

Objective 1: To improve budget credibility through optimal allocation of National Resources in line with NDP

Interventions

- Coordinate the national annual planning and budgeting process.
- Ensure consistency of MTEF projections with the strategic direction and NDPIII
- Increase constructive engagement with MDAs in planning and budgeting
- Promote transparency in the budget process
- Analyse and advise on annual budget policy options and medium to long-term forecasts
- Develop baseline and unit costings for the budget
- Institute mechanisms for ringfencing funding for special programs such as PDM and Emyooga
- Ensure comprehensiveness of the budget

Objective 2: To ensure efficient and effective utilization of public financial resources

Interventions

- Ensure timely budget release, tracking and reporting on utilization and budget performance by MDAs & LGS
- Ensure that expenditures are in line with approved workplans and Government cashflow plans
- Develop and implement effective budget control mechanisms including the commitment control system
- Undertake regular national budget monitoring to ensure effective utilization of public finances

Objective 3: To increase capacity in planning, budgeting and monitoring

Interventions

- Establish and implement a framework for capacity building in planning, budgeting, monitoring and evaluation and the requisite tools to enhance performance.
- Improve budget analysis and the challenge function
- Strengthen monitoring of externally funded projects.

Objective 4: To strengthen the Framework for the issuance of Certificates for Financial Implications for Bills and Policy proposals

Interventions

- Development Agenda and resource envelope.
- Develop standard manuals and tools for review and approval of certificates of financial implications.
- Develop guidelines and tools for MDAs to use in estimating the financial implications of proposed legislation and policies

- Automate the process for approval of financial implications of legislative and policy proposals

Objectives 7: To strengthen the legal, regulatory, policy and administrative framework in support of the management and control of Public Investment Projects

Interventions

- Complete and implement the National Public Investment Management Policy to provide an anchor to the Public Investment Management System (PIMS) reforms
- Review, update and implement the PIMS policies, guidelines and methodologies to improve Public Investment efficiency.
- Develop and implement guidelines for the preparation of multiyear commitments of government.
- Develop and implement guidelines for climate smart-proofing the Public Investment Management System of Uganda.

Objective 8: To enhance transparency and effectiveness in the preparation, appraisal, implementation, monitoring and evaluation of Public Investment Projects

Interventions

- Develop and implement the IT-based Integrated Bank of Projects (IBP) as a central repository for public investment projects in Uganda.
- Update and implement a standard set of national parameters including financial and economic rates of return, and conversion factors to ensure comparability and uniformity in project preparation of feasibility studies.
- Streamline the link between public project objectives and national priorities by establishing and regularly updating a compendium of the National Standards Indicator database (NSI).

Objective 9: To Strengthen Capacity in the identification, preparation, appraisal, monitoring and evaluation of Public Investment Projects

Interventions

- Fully operationalise the PIMS center of excellence at Makerere University to train and certify relevant public officers in the identification, preparation, appraisal, monitoring and evaluation of Public Investment Projects; and
- Undertake PIMS topical research on policy opportunities, challenges and emerging issues
- Undertake specialized training on Investment Appraisal and Risk Analysis necessary for the review and preparation of feasibility studies

- Develop Programme wide user manuals for project identification, preparation appraisal, monitoring and evaluation

Objective 10: To carry out process evaluation of PPP projects as provided for under the PPP Act.

Interventions

- Develop guidelines for the audit of PPP projects, and a standard programme for PPP project evaluation.
- Enhance the implementation of the PPP Act and the functioning of the PPP Unit.

SAI 6: PUBLIC-PRIVATE PARTNERSHIPS & OTHER ALTERNATIVE FINANCING OPTIONS

Goal: Widen the scope of public investment financing from traditional to public-private partnerships, and other emerging and innovative financing options

Objective 1: Provide a framework for partnerships with the private sector, both in the implementation and financing of public infrastructure projects

Interventions

- Provide technical, financial and legal support to MDAs in identifying, preparing, procuring and implementing PPP projects
- Develop and implement guidelines for project preparation facility to enable MDAs to undertake feasibility studies for PPP projects
- Develop a pipeline of PPP projects
- Use competitive procurement processes to select private sector partners that offer the best value and most efficient solutions for public infrastructure and services
- Review the legal framework for PPPs and propose policy, legal, and regulatory changes, if needed
- Develop and implement a communications strategy for PPPs

Objective 2: Build the capacity of government officials to implement PPP projects

Interventions

- Build capacity required for the implementation of PPP through customised PPP trainings
- Develop and implement PPP sensitization and advocacy programme targeting political and civic leaders
- Develop guidelines, templates, standard documents and relevant toolkits for PPP processes

- Explore and partner with reputable academic institutions to develop, standardise and implement curricula for mainstreaming PPP training and education

Objective 3: Enhance the implementation of the PPP Act and the functioning of the PPP Unit

Interventions

- Assess the staff requirements of the PPP Unit and recruit additional staff
- Assess staff training needs to inform continuous knowledge and skills development
- Develop and implement a continuous training programme for the staff of the PPP Unit to cover knowledge gaps and enhance performance capacity
- Promote and enforce the use of best practices in PPPs
- Develop and implement operating procedures and tools for the appraisal of PPP projects
- Develop and implement a monitoring and evaluation framework for PPPs including a guiding framework/regulations for auditing PPP projects

Objective 4: Use emerging, innovative and alternative financing options for public investment

Interventions

- Develop and implement an alternative financing strategy
- Identify and collaborate with development partners and other non-state actors to access emerging and innovative project financing solutions

Objective 5: Integrate climate resilience into infrastructure PPP projects

Strategies:

- Develop guidelines and toolkits for climate-smart PPPs
- Stakeholder engagement ; communications, education and awareness
- Explore and adopt sources of climate financing to support PPP projects
- Train PPP Unit staff in climate-resilient PPP processes

SAI 7: DEFICIT FINANCING AND CASH MANAGEMENT

Goal: Sustainable deficit financing, cash management and external development cooperation

Objective 1: Develop, provide advice on and implement the Government's Debt Management Strategy

Interventions

- Formulate the Medium Term Debt Strategy (MTDS) to manage the cost and risk embedded in the Public Debt Portfolio and ensure that the MTDS is well integrated into the Medium Term Expenditure Framework.
- Prepare and Publish an Annual Borrowing Plan (ABP) to meet Government's budget financing requirements.
- Review and prepare the Public Debt Management Framework to guide borrowing, repayment authorization, and debt management operations.

Objective 2: To develop, provide advice on and implement the Government's Cash management requirements

- Develop and operationalize cash or liquidity management policies that define a Cash balance target or buffer
- Review and prepare regular and accurate cash plans for budget compliance
- Facilitate preparation of cash flow forecasts for MDALGs
- Develop and implement a strategy for investment of short-term cash surpluses in the UCF
- Engage relevant stakeholders on effective cash management

Objective 3: Develop the Domestic Securities Market

Interventions

- Prepare and publish a borrowing/issuance calendar for wholesale securities to ensure transparency and predictability
Engage relevant stakeholders on domestic market development and improvement
- Prepare internal procedures/manuals to guide operational practice in the industry.
- Implement the second phase of the Primary Dealership System.
- Introduce the use of Mobile Money as an alternative platform for investing in government securities (Project Okusevinga).
- Widen the instrument base by introducing the Infrastructure Bond

Objective 4: Effective and efficient reporting on Public Debt, development cooperation and Cash management for e transparency and debt sustainability

Interventions

- Develop a strategy to improve the country's credit rating from speculative grade in 5 years
- Assess, manage, and report on Contingent Liabilities and Guarantees
- Publish an annual report on public debt, grants and guarantees and other financial liabilities
- Regular updates on external resource utilization to Cabinet and Parliament
- Develop guidelines for on-lending loans to State enterprises and agencies
- Update and develop procedures for the use of derivatives for effective debt management
- Prepare and publish a report on general and non-financial public sector government
- Produce regular debt statistical bulletins and portfolio analyses
- Prepare regular updates on Cashflow Performance
- Produce regular updates on financial market (costs of money) developments

Objective 5: To ensure effective Regional Economic, Financial Cooperation and streamline engagements with development partners

Interventions

- Harmonize regional policies, standards, regulations and resolutions in the development agenda.
- Ensure effective coordination and implementation of regional and international initiatives
- Effective participation of relevant stakeholder Departments in the Ministry in regional activities
- Prepare regular reports on key regional activities that are to be integrated into the Ministry's policies
- Identify strategic aspects in the regional initiatives that are of financial benefit to the government
- Formulate and implement the country's Development Cooperation Policy
- enhance dialogue with development partners through portfolio review and periodic meetings
- Prepare development partner respective country strategy papers

Objective 6: Ensure efficient and effective acquisition of financial resources

Interventions

- Strengthen relationships with financing Partners (multilateral, bilaterals & new partners)
- Explore avenues for new financing modalities through implementation of the Public Investment Financing Strategy (PIFS)
- Ensure availability and a high degree of involvement of legal advisors before signing any loan contract.
- Select advisors and banks to execute international capital market transactions
- Review and update the Negotiation Guidelines and strengthen negotiation capacity.
- Finalise and implement the Expression of Interest guidelines
- Prepare the Climate Financing Strategy

SAI 8: PUBLIC FINANCIAL MANAGEMENT

Strategic Goal: Improved efficiency and effectiveness in Public finance management and accountability

Objective 1: To ensure efficient management and accountability of Government Funds
Increasing accountability and transparency in the use of public funds is a very important aspect of improved public finance management. The Ministry shall ensure that full accountability in the use of public funds becomes a priority in the planning period.

Interventions

- Enhance real-time information flow between MoFPED and its key stakeholders
- Prepare accurate and timely financial reports on the operations of the Funds
- Implement and maintain robust, secure and efficient computerized financial management systems for Government
- Produce timely and accurate financial statements

Objective 2: To provide a robust framework for conducting banking and cash management for votes governed by the PFMA 2015

Interventions

- Full Implementation of the Treasury Single Account framework
- Enforce compliance with the PFMA 2015 as regards to the management of Government bank accounts

Objective 3: To ensure that the system of accounting and classification is appropriate and aligned with best practice

Financial Reporting is dynamic, the Ministry will therefore ensure that it adheres to best practices in the process of accounting and classification.

Interventions

- Maintain a relevant and up-to-date Chart of Accounts that is aligned with international standards of classification (GSM 2014)
- Transition from modified cash basis of accounting to accrual-based accounting

Objective 4: To ensure that the system of internal control is appropriate to the needs of the vote and conforms to international standards

Interventions

- Undertake regular review, inspections, monitoring and assessment of the PFM practices and systems performance
- Implement the PFM systems security enhancement strategy
- Align PFM systems to International standards' certification
- Streamline financial reporting for public corporations and state enterprises

Objective 5: To ensure custody and safety of public resources including public money and the stores, property, assets and the loans and investments of government.

Interventions

- Maintain up-to-date and comprehensive policies, regulations and guidelines
- - Automation of fixed assets management with an up-to-date register of Government assets and investments
- Development of an Asset Management Policy
- Maintain Public Debt Database

Interventions

- Harmonize the PFM laws with all attendant regulations, laws and guidelines

Objective 14: To ensure coordinated capacity development, standard setting and supervision of the Accounting and Procurement profession in the public service.

Strategies:

- Develop and implement a capacity development strategy for PFM cadre and stakeholders
- Strengthen collaboration with Professional bodies and academia in research and development

- Support the establishment of an institute for procurement and supply chain management

Objective 15: To promote the use of public sector procurement as a tool for social- and environmental safeguards:

- Conduct studies to inform the implementation process of public sector procurement
- Implement the sustainable public procurement action plan

Objective 16: Promote the effective and efficient use of public funds in government funds for goods, works and services.

Interventions

- Disseminate the procurement risk management manual to stakeholders in public procurement
- Promote and enforce the use of best practices in the public sector procurement process
- Roll out of E-Government Procurement
- Conduct an assessment of the public sector procurement system
- Undertake analytical studies to inform procurement policy
- Develop a monitoring and evaluation mechanism for public procurement
- Review of the legal framework in Public Procurement
- Review of the procurement cadre structure to enhance Public Procurement

SAI 9: INTERNAL OVERSIGHT AND ADVISORY SERVICES

Goal: Enhance and protect Organizational value by providing effective internal oversight, insight and advice.

Objective 1: Facilitate effective management of significant risks to entity strategic objectives.

Interventions

- Develop and disseminate a National Enterprise Risk Management Strategy
- Develop and Disseminate GoU ERM Guidelines
- Governance oversight of significant risks to strategic objectives
- Enhance Risk intelligent decision-making through the integration of ERM in key Entity processes
- Facilitate focus on significant risks in planning and allocation of public resources

- Enhance Corruption and Fraud Control Oversight
- Effective risk monitoring and reporting
- Promote Professional certification in ERM
- Develop training programme for ERM task forces across the government
- ERM Performance excellence awards to Votes successfully integrating risk management

Objective 2: Improve organizational governance and internal oversight

Interventions

- Develop and disseminate a National Organizational Governance Oversight Strategy
- Develop and disseminate organizational governance oversight Manual.
- effective facilitation of organizational governance oversight of business strategies development
- Effective facilitation of organizational governance oversight of business performance and accountability
- Effective oversight of Internal Control System
- Effective facilitation of organizational governance oversight of Compliance and Ethics
- Effective oversight of Financial Resources Commitment and utilization
- Effective oversight of Partnership, Engagement, Resource Mobilization and Advocacy
- Organizational Governance Oversight strengthened

Objective 3: Provide effective assurance on IT Systems across Government

Interventions

- Develop and disseminate IT Audit Strategy
- Develop IT manuals and guidelines and train staff on legislative requirements, standards and reporting requirements relevant to IT Audit.
- Provide basic training in IT for Internal Auditors.
- Train in Data analytic skills.
- Promote Integration of IT auditing in Internal Audit Units' activities.
- Procure and provide Computer Assisted Auditing Tools (CAATs).

Objective 4: Provide effective performance audits across Government.

Interventions

- Develop and disseminate Performance Audit Strategy
- Develop and disseminate performance audit manual and guidelines
- Provide basic training in Value for Money auditing to Internal Auditors.
- Train IA staff in 3 Module AFROSAI-E Performance Audit Course.
- Train staff in Research methods.
- Promote Integration of performance auditing in Internal Audit Units' activities.
- Conduct audit of both GOU and donor-funded projects

Objective 5: Strengthen Internal Audit Activity(function) across Government.

Interventions

- Develop and disseminate a National Internal Audit Strategy
- Strengthen Audit Committees
- Develop and disseminate IA Manual, Charters and guidelines
- Professionalisation of internal audit cadre through the attainment of ACCA, CPA, CIA, CISA, and CFE.
- Develop training programs for internal audit cadre at all levels in the areas of Governance, Risk and Control.
- Enhanced supervision of the Internal Audit units in the various MDALGs
- Operationalise the Quality Assurance and Improvement Mechanisms and Guidelines.

Objective 6: Improve internal audit stakeholder engagements

Interventions

- Collaboration with professional bodies like ICPAU, ACCA, IIA etc on emerging issues in various professions
- Engage key stakeholders on the OIAG's Audit strategy
- Develop leadership skills i.e in communication, team building and stakeholder analysis
- Strengthen awareness of IA strategic planning among internal auditors
- Develop client satisfaction feedback mechanisms

SAI 10: POLICY, PLANNING AND SUPPORT SERVICES

Goal: An effective and efficient Ministry

Objective: To strengthen institutional capacity and development

Interventions

- Promoting and implementing transformative planning.
- Develop and implement a legacy project for the Ministry of Finance, Planning and Economic Development.
- Strengthen planning, budgeting, reporting, monitoring and evaluation.
- Promote staff training and implement cadre development initiatives.
- Provide a healthy, safe and adequate working environment.
- Maintain effective corporate communication.
- Enhance institutional coordination and management.
- Technical and administrative support towards Cabinet and Parliamentary business.
- Enhance financial management, oversight, and accountability for resources voted under the ministry.
- Provision of legal guidance.

CHAPTER FOUR

INSTITUTIONAL ARRANGEMENTS FOR IMPLEMENTING THE PLAN

4.0 Introduction

In order to implement this plan effectively, the Ministry will continue to address structural bottlenecks identified in the SWOC analysis so as to enhance staff capacity in the delivery of the Ministry mandate. The Ministry will also undertake wide stakeholder consultations to promote innovation, creativity and professionalism towards the realisation of the strategic plan.

4.1 Implementation model

Implementation of the Ministry's Strategic Plan will be rooted in the existing structures while broadening the reporting responsibilities at the operational level. In order to achieve the planned objectives, the Ministry adopted the following implementation model to guide the coordination and implementation of the Strategic Plan;

- i) Annual consolidated Departmental work plans shall constitute the Ministry's annual and medium-term plans.
- ii) Departmental work plans shall form the five-year results matrix, which will be updated annually based on internal assessment of progress towards producing the outputs listed in the strategic plan. This will be cascaded to provide the basis for operationalizing and aligning MoFPED activities with resource allocation.
- iii) Quarterly and annual reports at Top Technical and Management levels will ensure continual assessment, learning, and corrective actions for improvement.
- iv) A framework for M&E has been developed to guide tracking the progress of implementation.

4.2 Institutional Setup of MoFPED

The current institutional setup of MoFPED can be broadly categorized into two levels:- Policy and Technical Management levels.

At the policy level, the Minister heads the Ministry, assisted by four (4) Ministers of State namely: -

- i) General Duties
- ii) Planning
- iii) Investment & Privatization
- iv) Microfinance and Enterprise Development

At the technical level, the Permanent Secretary/Secretary to the Treasury (PS/ST) who is the Chief Executive and Responsible Officer, heads the Ministry. He is assisted by

the Deputy Secretary to the Treasury, Commissioners (the heads of department) and other technical officers.

4.2.1 Cluster of Departments and their Roles

In line with the programme approach to planning and budgeting, the departments in the ministry are clustered under eight(8) sub-sub programmes that are key to the achievement of the vote-level outcomes. The sub-sub programmes are:

a) Macroeconomic policy and management

The cluster is comprised of Macro-Economic Policy Department and Tax Policy Department. The cluster is responsible for:

- Formulation of appropriate policies for sustainable economic growth and stability
- Formulation of policies for revenue mobilization to support economic growth.

b) Development policy and investment promotion

This cluster is comprised of the Economic Development Policy and Research Department. It is responsible for:

- Generating and applying of evidence-based analysis to inform Government decision-making on economic policy and national development.
- Formulation of investment and private sector policies
- Ensuring a conducive investment climate

c) Financial sector development

This cluster is comprised of the Financial Services Department. It is responsible for:

- Ensuring sustainable delivery of affordable financial services for Ugandans so as to achieve prosperity and enhance socio-economic transformation

d) Deficit financing and cash management

This cluster is comprised of the Cash Policy and Management Department, Debt Policy and Issuance Department, and the Development Assistance and Regional Cooperation Department. It is responsible for:

- Monitoring public debt to ensure debt sustainability
- Mobilising resources from development partners in form of budget support/external financing and grants.
- Management of all Public Debt and processing of domestic debt issuance to provide for the Government's financing needs as determined by the Macroeconomic Framework
- Effective coordination of cash management operations in liaison with the Accountant General's Office.

e) Budget Preparation, Execution and Monitoring

This cluster is comprised of the Budget Policy and Evaluation Department, Projects Analysis and PPPs Department, Public Administration Department, and Infrastructure and Social Services Department. The cluster is responsible for:

- Providing strategies and guidelines for the budget process.
- Allocate funds to sector priorities in accordance with the Long Term Expenditure Framework and Medium Term Expenditure Framework.
- Availing financial resources to facilitate the implementation of government programmes.
- Monitoring and ascertaining efficiency in utilisation of national resources for intended priorities
- Undertaking budget policy formulation, coordination, appraisal, analysis, monitoring and evaluation of development projects
- Facilitate the implementation of PPP initiatives to ensure sustainable economic growth and development

f) Public Financial Management

This cluster falls under the mandate of the Accountant General and is comprised of Treasury Services Department, Procurement Policy and Management Department, Public Sector Accounts Department, Financial Management Services Department, Treasury Inspectorate and Policy Department, Assets Management Department, and Management Information Systems Departments.

The cluster is responsible for the following:

- Compilation and management of the accounts of Votes; ii. Custody and safety of public money
- Managing resources of Government; iv. Custody of all Government certificates of all titles for investments
- Maintenance of an up-to-date register of Assets and Investments.
- The Accountant General is also responsible for Vote 130 (Treasury Operations). This is because treasury operations are part and parcel of the function of vote 008 (Ministry of Finance, Planning and Economic Development).

g) Internal Oversight and Advisory Services

This cluster falls under the mandate of the Internal Auditor General (IAG). The cluster consists of Forensics and Risk Management Department, Internal Audit Management Department, and Information and Communications Technology and Performance Audit Department. The cluster is responsible for:

- Developing the internal audit strategy and supervising its implementation;
- Developing internal audit policies, rules, standards, manuals, circulars and guidelines;
- Reviewing and consolidating audit reports from the Votes and externally financed projects;

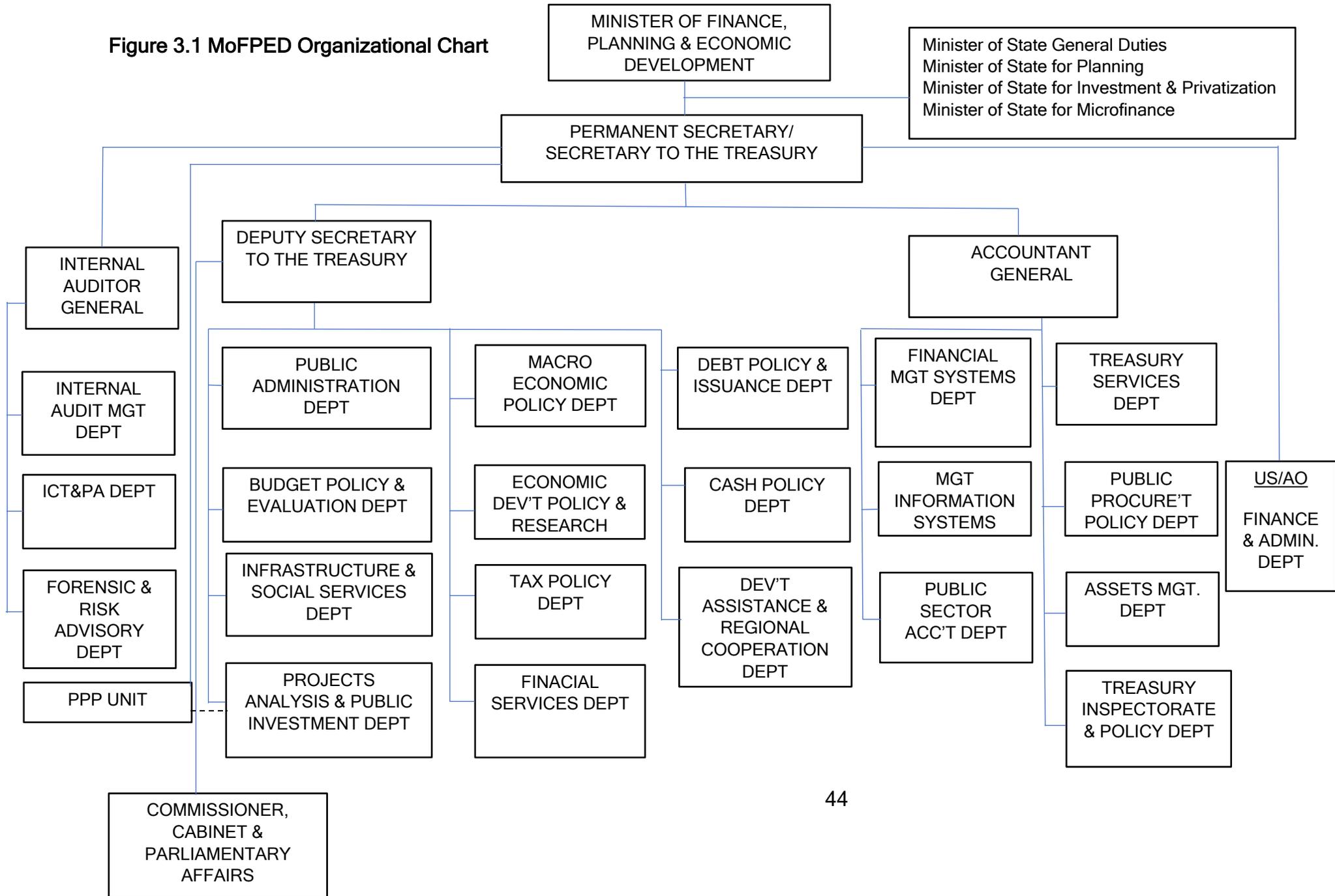
- Liaising with the Auditor General (AG), Accountant General, Accounting Officers and Internal Auditors on audit matters:
- Consolidating the reports on all audit committees on the respective votes
- Periodically evaluating the effectiveness of audit committees of their respective votes;
- Facilitating the development of the internal audit cadres; and
- Providing evidence to the relevant Parliamentary oversight committees when requested to do so.

h) Policy, Planning and Support Services

This cluster is comprised of the Finance and Administration (F&A) Department. The cluster is which is responsible for the following functions:

- Providing strategic leadership and management of the Ministry.
- Formulating Ministerial policies, plans and monitoring their implementation.
- Managing the physical, financial and human resources, including implementation of the cadre development initiatives.

Figure 3.1 MoFPED Organizational Chart



4.3 Staff establishment

4.3.1 Staffing and gaps

The Ministry has an approved staff establishment of 615 workers. This excludes Directors whose position has been abolished by Cabinet from the service. The filled positions are 504 and the vacant positions are 111 as detailed in table 4.1.

Table 4. 1 Proposed Establishment, Current Strength and Variance

#	Job Title	Job group range	Authorized Est.	In-Post	Variance between filled and Authorized Est.
1	Permanent Secretary/ Secretary To The Treasury	U1S (Fixed)	1	1	0
2	Deputy Secretary To The Treasury	U1SE (Fixed)	1	1	0
3	Accountant General	U1SE (Fixed)	1	1	0
4	Internal Auditor General	U1SE (Fixed)	1	1	0
10	Under Secretary/ Accounting Officer	U1SE (Fixed)	1	1	0
11	Commissioner/Finance & Planning	U1SE (Fixed)	12	9	3
12	Commissioner/Accounts	U1SE (Fixed)	5	5	0
13	Commissioner/Internal Audit	U1SE (Fixed)	3	3	0
14	Commissioner/Procurement	U1SE (Fixed)	1	1	0
15	Commissioner/It	U1SE (Fixed)	1	0	1
16	Assist. Comm. /Statistician	U1E (Sc)	1	0	1
p17	Assist. Comm./It	U1E (Sc)	2	1	1
18	Assist. Comm. /Finance & Planning	U1E (Upper)	16	15	1
19	Assist. Comm./Accounts	U1E (Upper)	9	9	0
20	Assist. Comm. /Procurement	U1E (Upper)	2	1	1
21	Assist. Comm./Internal Audit	U1E (Upper)	5	3	2
23	Assist. Comm./Hrm	U1E (Lower)	2	2	0
24	Principal Systems Officer	U2 (Sc)	5	3	2

#	Job Title	Job group range	Authorized Est.	In-Post	Variance between filled and Authorized Est.
25	Principal Statistician	U2 (Sc)	1	1	0
26	Principal Economist/ Econometrician	U2 (Upper)	1	1	0
27	Principal Economist	U2 (Upper)	33	33	0
28	Principal Policy Analyst	U2 (Upper)	1	0	1
29	Principal Accountant	U2 (Upper)	12	8	4
30	Principal Finance Officer / Legal	U2 (Upper)	1	0	1
31	Principal Financial Analyst	U2 (Upper)	2	2	0
32	Principal Internal Auditor	U2 (Upper)	6	5	1
33	Principal Legal Officer	U2 (Upper)	1	1	0
34	Principal Procurement Officer	U2 (Upper)	2	2	0
35	Principal Assitant Secretary	U2 (Lower)	1	1	0
36	Principal Communication Officer	U2 (Lower)	1	1	0
37	Principal Human Resource Officer	U2 (Lower)	2	2	0
38	Principal Information Scientist	U2 (Lower)	1	0	1
39	Principal Records Officer	U2 (Lower)	1	0	1
40	Senior Systems Officer/ Networks	U3 (Sc)	6	6	0
41	Senior Economist	U3 (Upper)	46	31	15
42	Senior Policy Analyst	U3 (Upper)	1	1	0
43	Senior Accountant	U3 (Upper)	21	17	4
44	Senior Internal Auditor	U3 (Upper)	7	4	3
45	Senior Econometrician	U3 (Upper)	1	1	0
46	Senior Procurement Officer	U3 (Upper)	4	3	1

#	Job Title	Job group range	Authorized Est.	In-Post	Variance between filled and Authorized Est.
47	Senior Finance Officer/Legal	U3 (Upper)	1	1	0
48	Senior Inventory Management Officer	U3 (Upper)	1	1	0
49	Senior Legal Officer	U3 (Upper)	1	1	0
50	Senior M&E Officer	U3 (Upper)	1	0	1
51	Senior Financial Analyst	U3 (Upper)	5	2	3
52	Senior Assistant Secretary	U3 (Lower)	6	4	2
53	Senior Human Resource Officer	U3 (Lower)	2	2	0
54	Senior Embossing Officer	U3 (Lower)	1	0	1
55	Senior Information Scientist	U3 (Lower)	1	1	0
56	Senior Personal Secretary	U3 (Lower)	8	3	5
57	Senior Records Officer	U3 (Lower)	2	2	0
59	Statistician	U4 (Sc)	3	2	1
60	It Officer	U4 (Sc)	1	0	1
61	ICT Officer	U4 (Sc)	4	3	1
62	Systems Officer	U4 (Sc)	11	11	0
63	Network Support Officer	U4 (Sc)	2	0	2
64	Service Desk Officer	U4 (Sc)	2	0	2
65	Economist	U4 (Upper)	72	72	0
66	Econometrician	U4 (Upper)	1	0	1
67	Accountant	U4 (Upper)	82	81	1
68	Internal Auditor	U4 (Upper)	7	7	0
69	Procurement Officer	U4 (Upper)	8	5	3

#	Job Title	Job group range	Authorized Est.	In-Post	Variance between filled and Authorized Est.
70	Finance Officer / Legal	U4 (Upper)	1	1	0
71	Legal Officer	U4 (Upper)	1	1	0
72	M&E Officer	U4 (Upper)	1	0	1
73	Assistant Secretary	U4 (Lower)	3	3	0
74	Records Officer	U4 (Lower)	2	2	0
75	Communication Officer	U4 (Lower)	1	1	0
76	Human Resource Officer	U4 (Lower)	3	2	1
77	Information Scientist	U4 (Lower)	1	1	0
78	Personal Secretary	U4 (Lower)	27	18	9
79	Librarian	U4 (Lower)	1	1	0
80	Senior Accounts Assistant	U5 (Upper)	0	0	0
81	Senior Office Supervisor	U5 (Lower)	2	0	2
82	Senior Telephone Operator	U5 (Lower)	1	0	1
83	Stenographer Secretary	U5 (Lower)	14	12	2
84	Assistant Records Officer	U5 (Lower)	2	2	0
85	Assistant Office Supervisor	U5 (Lower)	1	1	0
86	Pool Stenographer Secretary	U6 (Lower)	2	2	0
87	Assistant Librarian	U6 (Lower)	1	1	0
88	Receptionist	U7 (Lower)	2	1	1
89	Records Assistant	U7 (Lower)	4	4	0
90	Telephone Operator	U7 (Lower)	1	1	0
91	Driver	U8 (Upper)	51	31	20

#	Job Title	Job group range	Authorized Est.	In-Post	Variance between filled and Authorized Est.
92	Office Attendant	U8 (Lower)	45	41	4
93	Political Assistant	Contract	5	3	2
	Total		615	504	111

4.4. Human resource development strategies

- a. Recruitment to fill up the approved staff structures for the overall Ministry.
- b. Rewarding performance excellence.
- c. Sanctioning poor performance.
- d. Long and short-term training in debt Management.
- e. Implement the approved organisation structure and authorized establishment to achieve the desired staffing levels with a clear reporting structure.
- f. Capacity building in terms of equipment, cadre outreach, training and refresher training, on-job training, and increasing the number of employees with skills mix and ensure staff have the capacity to carry out their mandates in the ever-changing work environment and job requirements.
- g. Implement an online staff appraisal management system.

4.5 Autonomous Agencies

There are a number of autonomous agencies affiliated with the MoFPED that support the delivery of its mandate. These institutions are directly under the Minister and have within their enabling documents defined institutional arrangements for interaction with the Minister. These include:

1. Bank Of Uganda
2. Uganda Bureau of Statistics
3. Insurance Regulatory Authority
4. National Social Security Fund (NSSF)
5. National Housing and Construction Corporation
6. National Planning Authority
7. Public Procurement and Disposal Authority
8. Uganda Revenue Authority (URA)
9. Enterprise Uganda
10. Capital Markets Authority
11. Tax Appeals Tribunal
12. National Lotteries Board
13. Uganda Retirement Benefits Regulatory Authority
14. National Population Council

15. Microfinance Support Centre
16. Private Sector Foundation Uganda
17. Privatization Unit
18. Economic Policy and Research Centre
19. Financial Intelligence Authority
20. Free Zones Authority
21. Uganda Properties Holdings Limited
22. Post Bank Uganda
23. Departed Asians Custodian Board
24. Pride Microfinance
25. Non-Performing Assets Recovery Trust
26. Public Procurement and Disposal of Assets Tribunal
27. The Road Fund

4.6 Critical Success Factors

To ensure that the strategic plan is translated into action, results, impact, critical success factors that will ensure each department produces its intended outputs, have been taken into consideration. These provide the common points of reference to help direct and measure progress and ensure competitive performance of the Ministry and include the following;

- a) Recruitment of requisite staff to deliver on the strategic objectives of the ministry. This is both recruitment on a replacement basis to fill the gap that will be created by those retiring, and fresh recruitments to fill the staffing gap.
- b) Promoting a continuous learning culture i.e., the ministry needs to ensure that the on-job training continue to enhance the technical capacity of staff.
- c) Evidence-based decision making.
- d) Improving the linkage between staff performance agreement to the strategic objectives of the ministry.
- e) Availability of resources to implement planned activities.
- f) Strengthening Regular (Quarterly and Annual) Monitoring and Evaluation to assess progress on implementation of the plan.
- g) Strengthen Public Investment Management (PIM) right from identification, preparation, appraisal, implementation and evaluation of projects.
- h) Implementation of the online performance management - the HCM will provide a stronger link between the performance agreements and the strategic objectives of the ministry, and ultimately improve achievements of planned targets.
- i) The opening of a new and modern office block will provide a better working environment for staff, including fitness facilities and breastfeeding space for mothers.
- j) Implementation of the e-Government procurement that will improve contract management.

- k) Ensuring the staff performance agreements are linked to the strategic objectives of the plan to ensure that staff efforts contribute to the achievement of set targets.
- l) Sensitization of MoFPED staff and all subventions under the ministry on the use of the plan as a reference tool for guiding the course of actions.
- m) Equipping staff with relevant working tools, reference materials, and critical software e.g., IDEA for the internal audit division.

CHAPTER FIVE

FINANCING FRAMEWORK AND STRATEGY

5.0 Introduction

This section presents the financing framework of the plan. It provides the overall and disaggregated and strategies for mobilizing the required financing of the plan. The financing cost was estimated based on the current budget and policy commitments.

5.1 Summary of the Strategic Plan Budget

The total funding requirement for implementing the Strategic Plan over the five years from FY2020/21 to FY2024/25 is Ushs11,299.55Bn. About half of this amount is the requirement for Parish Development Model.

Sources of funding for implementing the Plan will be through the Government of Uganda Budgetary allocations and Development Partners.

Table 5. 1 Summary of Budget Estimates for the Strategic Plan Period (Ushs.Bn)

Strategic Objective	Intervention	2020/21	2021/22	2022/23	2023/24	2024/25	Total
1. Achieve rapid and inclusive economic growth, consistent with macroeconomic stability	Macroeconomic Policy and Management	20.86	20.87	20.87	20.87	20.87	104.36
2. Generate and sustain optimal employment of all factors of production (land, labour, capital & entrepreneurship)	Financial Sector Development, Savings and Social Protection	335.18	1,794.58	1,794.58	1,794.58	1,794.58	7,513.48
3. Optimise domestic and external resource mobilisation	Deficit Financing and Cash Management	9.36	9.36	9.36	9.36	9.36	46.79
4. Expand market access and presence for Ugandan Exports	Development Policy and Investment Promotion	286.70	286.70	286.70	286.70	286.70	1,433.48
5. Ensure transparency & accountability for public resources	Public Financial Management	79.51	79.51	79.51	79.51	79.51	397.54
	Internal Oversight and Advisory Services	8.25	8.25	8.25	8.25	8.25	41.23
	Budget Preparation, Execution and Monitoring; and Supporting PPPs	137.05	137.05	137.05	137.05	137.05	685.24
	Policy, Planning and Support Services	96.74	96.74	96.74	96.74	96.74	483.68
Total		973.63	2,433.04	2,433.04	2,433.04	2,433.04	10,705.80

5.4 Resource Mobilisation Strategy

During the implementation of this plan, GoU with support from Development Partners shall mobilize additional resources to fill the financial gaps so that the plan can be implemented successfully. In order to facilitate the implementation of this strategic plan the MoFPED shall pursue the following strategies:

- a) Continue lobbying for increased public financing from Government and Development Partners.
- b) Improving public planning and procurement processes, especially for infrastructure projects to ensure Value for Money.
- c) Strengthening mechanisms of governance and accountability.
- d) Resource tracking of off-budget financing for MoFPED to ensure there are no duplications and wastages.
- e) Develop donor engagement framework for increased resource mobilization and efficient utilization.
- f) Build the capacity of both finance and non-finance managers to ensure efficiency and transparency in the management of finances.
- g) Leverage ICT towards improving administrative efficiency. This is expected to reduce costs and wastage thereby releasing resources to priority needs.

CHAPTER SIX

COMMUNICATION AND FEEDBACK STRATEGY

The review of the previous plan highlighted the need to strengthen the communication strategies for the next plan. This communication and feedback strategy presents the roadmap that MoFPED shall take to communicate with and engage the different stakeholders in order to increase awareness of the Ministries' mandate amongst the population. The communication and engagement approach shall reflect the core values of MoFPED and the Ministry shall develop a comprehensive communication strategy to achieve its goals and objectives

6.1 Rationale and Objectives

This Communication and feedback strategy seeks to ensure that communication gaps are minimised and the Ministry remains aligned to driving the strategic agenda in an effective and professional manner. It is hoped that the strategy will lead to enhanced understanding and participation of the stakeholders and the general public in the strategic plan activities. It should also lead to an improved flow of information, coordination of key stakeholders, ownership, and implementation of the plan.

The overall objective of this communication and feedback strategy is to strengthen advocacy, mobilization, information education, and monitoring of the results of the strategic plan. The specific objectives of the strategy are to:

- i) Promote ownership and active participation of stakeholders in the implementation of the strategic plan
- ii) Streamline communication across the public, private, civil society and other non-state actors.
- iii) Strengthen the communication framework for strategic implementation at all levels of the Ministry and among key stakeholders.
- iv) Improve the flow of information and collaboration among the key stakeholders involved in the delivery of the MoFPED Strategic Plan.
- v) Provide supporting standard operating procedures and guidelines to streamline the coordination of planning and implementation of the MoFPED communication activities.
- vi) Increase knowledge and awareness among the general public and non-state actors.

6.2 Communication and Feedback Strategies

At the end of this Strategic Plan period, the following communication and feedback strategies would have been achieved ;

- a) Strengthening the coordination and implementation of communication and feedback mechanisms across the Ministry and key stakeholders.

- b) Strengthening stakeholder dialogue, engagement, and multi-sectoral collaboration for effective delivery of services.
- c) Building and maintaining constructive relations with the media and enhancing the capacity of ministry staff in subject matter expertise for media engagement and journalists to effectively report on the MoFPED activities.
- d) Developing and disseminating information packages for leaders at all levels.
- e) Developing, producing and disseminating materials for the general public about the strategic plan implementation activities using innovative approaches such as infographics communication.
- f) Creating platforms for inter-sectoral dialogue on work planning and information sharing.
- g) Corporate branding and Corporate Social Responsibility

6.3 Corporate branding through Creative Corporate Social Responsibilities

To ensure an effective participation of the stakeholders and partners in the implementation of the strategic plan activities, a number of communication and feedback channels shall be utilized. The communication and feedback channels will be guided by the diverse target stakeholder needs and the proposed communication tasks as highlighted below;

Television: This can reach a very large audience simultaneously in areas where power is available. This can take the form of talk shows, spot messages, and documentaries, sponsoring popular programmes to target a larger audience and targeted group interactive programmes. General information about the strategic plan development priorities and progress of implementation of activities shall be provided.

Radios: This can reach a very large audience simultaneously. Radio stations broadcasting in different languages are available in various locations in the country. Most Ugandans now have access to a radio. Information about completed and upcoming projects and the impact of projects on the communities shall be provided in different languages.

Electronic Media Platform: These include the use of the official MoFPED website: www.finance.go.ug and related websites, SMS, use of social media i.e., Facebook, WhatsApp, Twitter, among others to promote mass awareness. Information that will be provided includes news about progress on ongoing and completed projects.

Print media: These include Newspapers taking the form of supplements, taglines; pull-outs, and editorial in popular print media papers providing information on completed and ongoing projects. Print media also includes publishing policy briefs, education and awareness programs, newsletters, distribution of hard copies (main report/abridged version) to key stakeholders, Posters and Pull-ups, Leaflets, Fliers and Brochures. These will be used in all programmes and departments showing priorities, educative

information and for advertorial purposes. These normally carry short messages or graphics. They can also be displayed in public places, meetings, offices, etc.

Interpersonal communication: This provides a framework for reaching a large audience through dialogues, national conferences, workshops, meetings, '*barazas*' and other forums (Development Bimeza). The information that will be provided will be on progress on completed projects/ programmes, joint monitoring visits as well as progress on ongoing projects.

6.4 Key Partners

The key partners of the Ministry include all government MDAs, Local Governments, Civil Society, Development partners, Civil Society, the Private Sector and other stakeholders.

6.5 Feedback Strategy

The Ministry will put in place a feedback mechanism to enable stakeholders to provide appropriate feedback about their experience. Specifically, the Ministry shall have a feedback component on its website and the use of social media, interpersonal communication, TVs and Radio talk shows will have a high possibility of feedback because of their interactive nature.

CHAPTER SEVEN

7.0 RISK MANAGEMENT

Introduction

GOU through the National Vision 2040 committed itself way back in 2010 to “A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 years”. A National Development Framework was established with a road map comprising six NDPs to help navigate the approved national development pathways and realize the National Vision. The current NDP is the third in a series of six NDPs. Its goal is to increase household incomes and improve the quality of life of Ugandans.

The third NDP (2020/21- 2024/25) commits Government and private sector actors as co-creators to “Increased Household Incomes and Improved Quality of Life of Ugandans”. The plan anchors its development strategies on a national development theme thus “Sustainable Industrialization for inclusive growth, employment and wealth creation”. It also outlines key assumptions contextual to the development pathways as follows; sustained peace and security, good governance and macroeconomic stability to foster sustainable and inclusive economic growth.

Economic growth prospects are hinged on the presumption that there is efficient, economic and effective implementation of government policies, programmes and projects resulting into sustainable creation and preservation of public value across government. In order to hold the assumptions true, NDP III requires risk-conscious development through enterprise risk management as an enabling function meant to return benefits like; Reduced performance variability; improved resource deployment as budgets rely less on guesswork; increased positive outcomes and advantages while reducing negative surprises; enabled richer, more robust conversations, dialog among management and the governing body about risks to results.

Risk is the effect of uncertainty on the achievement of objectives. Risk management refers to the process of anticipating, identifying, analyzing and quantifying impact, mitigating, monitoring and reporting significant risks to goals and strategic objectives.

Government of Uganda’s fiscal management space is characterized by an increase in both fiscal risk velocity and complexity as an aftermath of COVID19-generated economic policy management vulnerabilities. The vulnerabilities manifest through increased public debt, drop in employment levels, increased price levels and above all slow pace of economic growth.

These two trends, given our traditional risk management framework, affect fiscal risk management in several ways as follows:

- i. Less time to prepare because of the velocity of the fiscal risks which drives a more reactive posture.
- ii. It's harder to predict events and stay ahead of impacts hence resource allocation remains a challenge.
- iii. Siloed approaches become less effective as increased complexity makes a component-by-component approach to risk inefficient.
- iv. Old frameworks/strategies may be less effective in this environment and indeed our traditional fiscal risk management model that never considers velocity is providing an incomplete view of risk.

Difficult enough to manage on their own, the combination of increased fiscal risk velocity and complexity is especially problematic. COVID -19 pandemic came with crises that have multiple layers to unwind and are occurring with little to no advanced warning; setting an urgent need to accelerate fiscal risk assessments and response processes across Government. It is, therefore, expected that all Sectors, MDAs, and Local Government plans shall integrate risk management. This will be informed by an elaborate risk analysis and corresponding proofing of investments prone to risks.

MoFPED takes lead in coordinating economic development planning and management and is at the center stage of formulating sound economic policies, ensuring macroeconomic stability necessary to foster sustainable and inclusive economic growth, employment and wealth creation. The strategies of MoFPED help the Government acquire national development risk capacity.

However, these strategies are pursued in an uncertain environment warranting an appropriate risk management framework to anticipate the uncertainties, identify, analyze, mitigate, monitor and report on those that have significant potential to affect the achievement of MoFPED strategic goals and objectives.

7.1. Enterprise Risk Management Framework

ERM Framework envisages a structured, consistent, and continuous process across the whole MOFPED for identifying, assessing, deciding on responses to, and reporting on opportunities and threats that affect the achievement of the MoFPED's set strategic objectives and goals. This Framework brings to bear a set of principles to inform risk management practices across the ministry.

The Framework describes the connection between strategy, business objectives, and performance (what the Ministry strives to achieve) and the ERM components (what is needed to achieve the objectives). The COSO ERM framework is applicable to all industries and all types of risk. Starting at the top and supporting an organization's mission, vision, and core values is what differentiates COSO from most other risk models.

Figure 7. 1 The COSO Risk Management Components and Principles



Source: COSO ERM Framework, 2017

The ERM Framework has five components which are explained below.

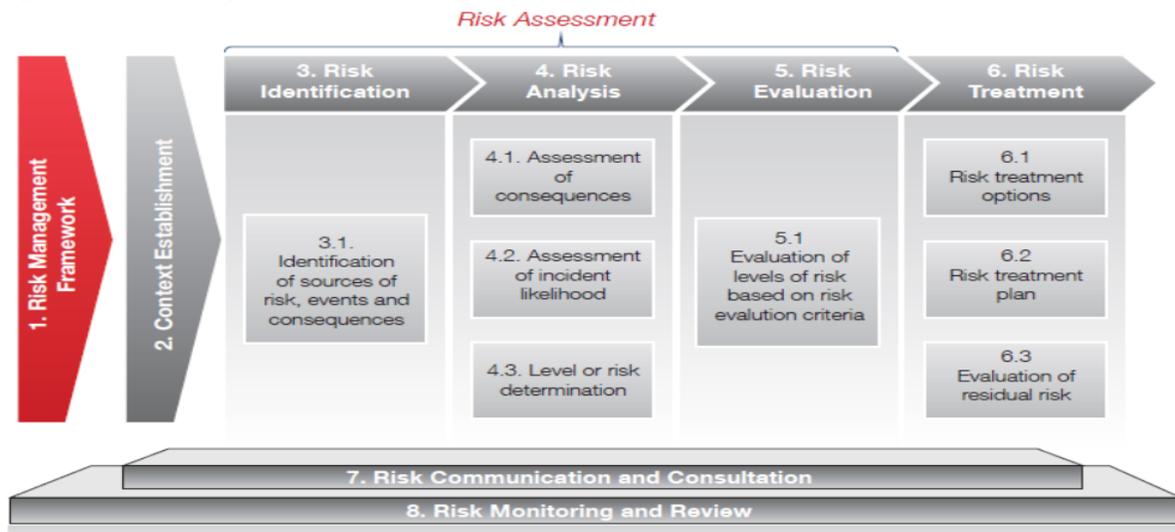
- i. **Governance and Culture.** Governance sets the organization’s tone, reinforcing the importance of, and establishing oversight responsibilities for, enterprise risk management. Culture pertains to ethical values, desired behaviors, and understanding of risk in the entity. In MoFPED, risk governance is the responsibility of Top Policy Committee, relevant sector Audit Committee, Top Technical and the Fiscal Risk Committee once it is established.
- ii. **Strategy and Objective Setting.** Enterprise risk management, strategy, and objective setting work together in the strategic planning process. A risk appetite is established and aligned with strategy; business objectives put the strategy into practice while the defined risk appetite provides the context in which to identify, assess, and respond to significant risks to MoFPED strategic objectives and goals.
- iii. **Performance.** Risks that may impact the achievement of strategy and business objectives need to be identified and assessed. Risks are prioritized by severity in the context of risk appetite. The organization then selects risk responses and takes a portfolio view of the amount of risk it has assumed. The results of this process are reported to key risk stakeholders
- iv. **Review and Revision.** By reviewing MoFPED performance, MoFPED can consider how well the enterprise risk management components are functioning over time and in light of substantial changes and what revisions are needed.
- v. **Information, Communication & Reporting.** Enterprise risk management requires a continual process of obtaining and sharing necessary information, from both internal and external sources, which flows up, down, and across the Ministry.

The three components of the strategy and objective setting, performance, and review and revision represent common processes that flow through an organization. The other two components—governance and culture and information, communication, and reporting— represent supporting aspects of ERM.

Enterprise Risk Management Process

The ERM Risk Management processes prescribe management practices to be adopted for a successful implementation of strategy.

Figure 7. 2 Enterprise Risk Management Process

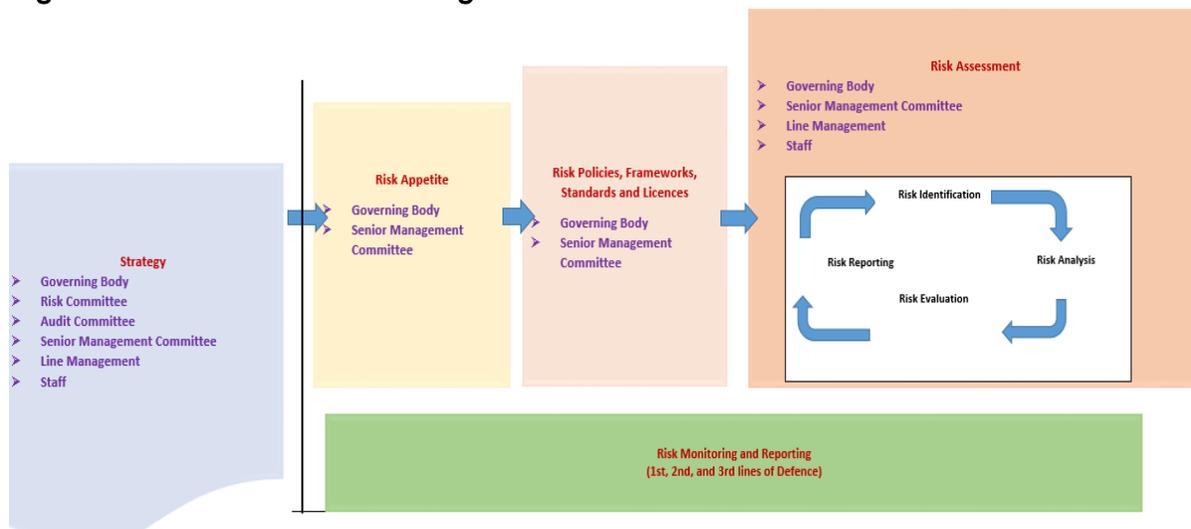


7.2.1 MoFPED Risk Management Process

If the strategy is doing the right things whereas operations is doing things right, then risk management is the capability of doing both effectively under uncertainty. MoFPED strategies face uncertainty in many forms. In addition to strategic and operational risks, they face financial, legal/compliance, and reputational risks. Enterprise risk management (ERM) is a global, widely accepted approach to identifying, assessing, measuring, and managing the key risks faced by an Organization, including the critical interdependencies between the risks

The above ERM Framework has been contextualized in MoFPED in the process illustrated below

Figure 7. 3 MoFPED Risk Management Process



The Risk management process envisages strategy development as a first step, defining risk appetite as a second step, developing risk management policies, frameworks, standards and licenses if any, and risk assessments all in the context of the defined risk appetite by the Top Policy Committee.

7.2.3 Key Strategies

The MoFPED 2020/21-2024/25 strategic plan is set to implement the following strategies;

- i. Macroeconomic Policy and Management
- ii. Development Policy and Investment Promotion
- iii. Financial Sector Development
- iv. Promoting Savings and Social Protection
- v. Budget Preparation, Execution and Monitoring
- vi. Supporting PPPs as an alternative source of Capital for developing Infrastructure
- vii. Deficit Financing and Cash Management
- viii. Public Financial Management,
- ix. Internal Oversight and Advisory Services
- x. Policy, Planning and Support Services

Leadership in the Ministry defines the Risk Appetite Statement to provide the basis for risk management policies and procedures necessary to support the creation and protection of strategic value meant to accrue from the above strategies.

7.3. Risk Appetite Framework

Risk Appetite is the amount of risk, at a broad level, that an organization is willing to accept in pursuit of its strategic objectives. Risk Appetite reflects the

risk management philosophy that a MoFPED Top Policy Committee wants the Ministry to adopt and, in turn, influence its risk culture, operating style and decision-making. A risk appetite framework is a management structure that helps Ministry determine the risks to goals and strategic objectives and define how much it can handle in order to achieve set strategic performance targets.

The primary purpose of this framework is to help raise each MoFPED Strategy Team's risk awareness so they can identify and quantify their risks accurately. In turn, this allows them to make more informed decisions and foster a better and more active risk culture.

There are three primary components that make a risk appetite framework, including:

i. **Risk Appetite Statement (RAS)**

The risk appetite statement describes the important details regarding the risks and presents that information in a document. This statement serves as a management tool to guide leadership and employees on the amount of risk the Ministry is allowing itself to take on for the sake of pursuing critical strategic objectives and goals.

As such, the statement helps the Ministry and staff members to make risk-informed decisions with regard to the allocation of resources, potential impacts on other organizational departments and management controls. The RAS serves to reduce any surprises or unforeseen losses since everyone is well-informed of the potential risks involved in their operations.

ii. **Risk capacity**

In contrast to risk tolerance, risk capacity is a mandatory metric that describes two conditions. First, it details how much risk the Ministry has to take on in order to achieve its objectives. Second, It depicts the maximum level of risk that the business can assume before a breach of its current finances and resources. This measurement usually refers to those unavoidable and inherent business-related risks.

The rate of positive returns for the Ministry to achieve its goals would require an examination of several factors like resource requirements and crucial time frames to complete essential business actions. You can then use the return rates to determine what the peak of the risk is. Objectives are defined first before one can calculate the risk capacity necessary to achieve them.

iii. **Outline of Key Roles and Responsibilities**

The outline describes the Roles and Responsibilities of Officers and Staff of the Ministry who are responsible for implementing and monitoring the risk appetite framework. The following categories of officers/Organs in the Ministry are depicted in, the diagram below, the four lines of defence against significant risks to strategic objectives and goals.

Figure 7. 4 Roles and Responsibilities for Monitoring Risks



iv. **First Line of Defence**

MoFPED Top Technical Committee establishes structures to manage risks which include the top-level policies of the organization, control frameworks and controls and management supervisory processes. Both organization structure and Job Descriptions represent the nature of management controls (Control framework) and internal control measures (controls). The MoFPED task force has been constituted by the Accounting Officer to spearhead the integration of ERM across key processes of the Ministry. The Task force is expected to be in the first line of defence over the risks to strategic objectives and goals.

v. **Second Line of Defence**

The second line includes exercises such as control risk self-assessment, risk and compliance reviews and Top Technical Committee supervisory processes. These tend to be operated or overseen by specialists within the organization (Risk Advisory Department) who are more separate from line management, which increases the level of confidence in the assurance.

vi. **Third Line of Defence**

The third line often only comprises internal auditors. The third line is the most separate internal line of defence from line management, which further increases the level of confidence in the assurance. Internal audit may better target its resources through the use of an assurance map. This is necessary given that there are several assurance providers under the Ministry’s mandate. A combined assurance framework need to be developed to coordinate all actors and avoid duplications in some areas.

vii. **Fourth Line of Defence**

The fourth line comprises external assurers, the most significant of which is often the Office of Auditor General. The fourth line is independent of the organization itself, with external assurers being required to comply with the Code of Ethics. External assurance may include an assessment of internal controls in the first three lines of defence.

The Governing Body by itself and through its Risk and Audit Committees provides risk governance oversight services.

7.4 **Control Frameworks**

Each significant risk identified will be treated using a defined control framework. The control framework comprises the following control types.

- i **Directive Controls**- Policies and procedures, Laws and regulations, Job descriptions and Meetings.
- ii **Preventive Controls** - Segregation of duties, Physical control over assets, Restricting physical and digital access, Disposal protocols for documents with confidential information and Training seminars/workshops.
- iii **Detective Controls**- Exception reports which list incorrect or invalid entries or transactions, Reviews, comparative analysis and reconciliations, and physical counts of inventories.
- iv **Corrective Controls** - Policies and procedures for reporting errors and irregularities so they can be corrected, Training employees on new policies and Continuous improvement processes to adopt the latest operational techniques and procedures as well as positive discipline to prevent employees from making future errors developed as part of the corrective actions.

7.5 **Establishing a Meaningful Risk Communications Programme**

A risk communications program is an effective way to engage stakeholders in risk discussions and introduce the principles of ERM. It can help stakeholders better understand the magnitude of risks, both on a broad level and in the processes and activities in which MoFPED participates. Communication upward and downward, from the highest-ranking leader through the most junior team member, helps bring each member of the Ministry into the risk discussion. A risk communications program will facilitate the flow of discussion by establishing a shared vocabulary about risk among all stakeholders. It is also to help the ERM task team assess and catalogue the risks and embed the principles of ERM into the Ministry's culture and mindset.

7.5 Risk Appetite Statement

The Risk Appetite Statement (“this Statement”) provides a comprehensive summary of Risk Appetite parameters guiding the operations of the MoFPED. Its main purpose is to facilitate concise presentation and informed periodic review of the amount of risk the Ministry is prepared to take in its key activities. It reflects market practice, enhances the quality of internal decision-making, and helps build entity-wide risk awareness culture. It assists the Ministry in communication with stakeholders, including investors, development partners, customers, general public/society and rating agencies, supporting continued delivery of services to beneficiary communities under Government programmes and projects.

The RAS is double faceted thus it has both Qualitative and Quantitative components.

7.5.1 Qualitative Risk Appetite Statement

All key MoFPED Strategies are subjected to this qualitative statement as it cuts across. The following is the qualitative risk appetite rating.

The Qualitative Risk Appetite Statement includes a management commitment statement declaring management’s intent to adhere to the set risk appetite level.

7.4.2 Quantitative Risk Appetite Statement

The Quantitative Risk Appetite Component represents the measurable aspects of risk appetite. It has been categorized along four primary strategic risk exposures thus; strategic, financial, operating, compliance and reputational risks.

The component also applies to all the above sets of MoFPED Strategies, it identifies the risk indicators (Metrics), sets the tolerance range against each risk indicator and captures the behaviour of the risk in form of a trend. There is a midterm trend and annual trend. The midterm trend has been captured in the Strategic Plan. Annual trend will be utilized in the management of annual operational plans across the Ministry.

Note that given the strategic nature of the Parish Development Model, it’s the honor of this chapter to upgrade its status to the level of Ministry strategies so that the respect it deserves in terms of oversight as a key economic policy instrument is equitably granted.

7.4.3 MoFPED Risk Registers

i **Risk Identification and Assessment**

One of the key strategic interventions under the third National Development Plan is the requirement of all NDP III implementors to focus on results without compromising the efficacy of systems and processes. Enterprise Risk Management is the most potent instrument in helping implementors deliver compliance on this requirement.

MoFPED mandate in any respect enables anticipation of fiscal risks to fiscal objectives. The Public Finance Management Act 2015 outlines key macroeconomic variables that the MoFPED has to keep an eye on. These variables are as such dynamic in nature and mostly, especially following COVID19 pandemic, of high velocity.

The PFM Actt 2015, therefore, anticipates fiscal risk factors associated with changes in the following listed macroeconomic parameters;

- a) the average and year-end gross domestic product;
- b) the rate of inflation (average and year-end);
- c) the rate of employment and unemployment;
- d) the average and year-end exchange rate;
- e) the interest rates; and
- f) the money supply.

The fiscal objectives are set on the basis of forecasts and assumptions made hence unleashing uncertainties that are potent enough to materialize into fiscal risks. Changes in these parameters are easily transmissible across the entire economy.

Risks to fiscal objectives are also known as fiscal risks. They have to be identified and their potential to affect fiscal objectives assessed

ii **Reporting of Significant Risks**

The existing policy and legal regime requires every Vote to maintain a sound system of risk management, internal control and internal audit. The FPM Act, 2015 requires every Budget Framework Paper to be supported by a Fiscal Risk Statement as part of the mechanism to enable fiscal transparency. The Treasury Instruction, 2017 requires every Vote to maintain an up-to-date Risk Register.

iii **Risk Profiles/Registers**

The MoFPED Risk Register captures all possible risks to fiscal objectives across the eight strategies. The MoFPED Risk Profiles capture only significant risks to fiscal objectives. Risks to the ten (10) strategic areas of intervention have been identified and assessed as indicated in the table below.

Table 7. 1 MoFPED Risk Profiles/Registers

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
1	Vision Statement: “A competitive Economy for National Development”.			
1.1	Mission Statement: To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to foster sustainable economic growth and development.			
1.1.1	MoFPED Goal Statement:			
	Failure to sustain economic recovery and achieve potential GDP growth of 6% to 7% by FY 2024/25	High	Fall in GDP Growth rate against target	Sustainable financing and fiscal policy credibility; <ul style="list-style-type: none"> i. Maintain fiscal sustainability ii. Achieve potential GDP growth iii. Maintain macroeconomic stability iv. Increase efforts in domestic revenue mobilization v. Improve the progressiveness and fairness of the tax system vi. Refocussing the Excise Duty regime to internalize externalities while maximizing revenue generation vii. Develop a strong extractive industry taxation regime viii. Provide the right incentives to support industrialization and development of domestic value chains Treasury Instruction (TI) Fiscal Rules; <ul style="list-style-type: none"> i. The debt servicing costs shall not exceed 40% of the re-current

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				<p>revenue during the medium term.</p> <p>ii. The ratio of public debt to the GDP in present value terms shall not exceed 50% of the GDP</p> <p>iii. the ratio of planned Government budget balance shall not exceed a deficit of 3% of GDP, except where exceeding reference value is exceptional and temporary and the ratio remains close to the reference value.</p> <p>Preventive Controls Define Risk Appetite for the strategy Risk-control assessments to come up with a fiscal risk statement containing risk mitigation strategies Sensitization meetings/training with political leaders, staff and other key stakeholders</p> <p>Detective Controls Joint review of risk dashboards for each strategy and implement recommendations Monitoring performance indicators Audit and other Assurance reviews</p> <p>Corrective Controls Agreed Recommendations</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Action Plans implemented
	Decrease in the proportion of the National Budget financed by domestic revenues from 53% in FY 2022/23 by FY 2024/25	Moderate	Decline in the proportion of domestic revenue to National Budget	<p>Directive Control</p> <ul style="list-style-type: none"> i. Increase efforts in domestic revenue mobilization ii. Improve the progressiveness and fairness of the tax system iii. Refocussing the Excise Duty regime to internalize externalities while maximizing revenue generation iv. Develop a strong extractive industry taxation regime <p>Preventive Control</p> <ul style="list-style-type: none"> Staff training in specialized healthcare service delivery Senior Management Oversight <p>Detective Controls</p> <ul style="list-style-type: none"> Exception Reports Quarterly Performance Reviews Line Management Supervision <p>Corrective Controls</p> <ul style="list-style-type: none"> Agreed Recommendations Action Plans

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
	Failure to reduce National Poverty Rate from 20.3% in FY 2019/20 to 18.8% by FY 2024/25	High	Increase in National Poverty level above target	<p>Directive Control Sustainably lower the costs of doing business; i. Increase access to affordable credit largely targeting MSMEs ii. Increase access to long-term finance iii. Mobilize alternative financing sources to finance private investment iv. PDM and other poverty reduction Initiatives</p> <p>Preventive Control Leadership, Senior Management, Staff and other key stakeholders sensitization/training in Financial Sector Development Senior Management Oversight</p> <p>Detective Controls Exception Reports Quarterly Performance Reviews Line Management Supervision</p> <p>Corrective Controls Agreed Recommendations Action Plans</p>
	Failure to reduce the external debt service/export ratio from 9 in FY2020/21 to 5 by 2024/25.	High	Increase in external debt service to export ratio	<p>Directive Control Sustainable deficit financing and cash management; Approved Strategic plan Treasury Instruction Fiscal Rule: i. ratio of public debt to</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				<p>the GDP in present value terms shall not exceed 50% of the GDP</p> <p>ii. The debt servicing costs shall not exceed 40% of the re-current revenue during the medium term.</p> <p>iii. Charter for Fiscal Responsibility may include other targets as deemed appropriate by the Minister, to support the delivery of Government's fiscal principles and objectives as well as the efficient management of public finances.</p> <p>Preventive Control Fiscal Risk Statement describing fiscal risk management strategy Sensitization meetings/training with political leaders, staff and other key stakeholders Define Risk Appetite for the strategy</p> <p>Detective Controls Joint review of risk dashboards for each strategy and implement recommendations Audit and other assurance reviews Performance indicator based monitoring reports</p> <p>Corrective Controls Agreed Recommendations</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Action Plans implemented
	Failure to maintain Macro Economic Stability by 2024/25.	High	Increase in inflation rate	<p>Directive Controls</p> <ul style="list-style-type: none"> i. - Maintain single digit inflation ii. - Maintain adequate foreign exchange reserve cover <p>Preventive Controls</p> <ul style="list-style-type: none"> Staff training in Macro-economic stability. Leadership/Senior Management Oversight <p>Detective Controls</p> <ul style="list-style-type: none"> Exception Reports Quarterly Performance Reviews Line Management Supervision Audit and other assurance Reviews <p>Corrective Controls</p> <ul style="list-style-type: none"> Agreed Recommendations Action Plans

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
	Increased inefficiency and ineffectiveness in the planning, allocation and utilisation of national resources.	High	Increase in supplementary budget requests	<p>Directive Controls Improved efficiency and effectiveness of the national budget and return to public investments; i. ensure optimal allocation of National Resources in line with NDP ii. ensure efficient and effective utilization of public financial resources iii. improve budget credibility iv. ensure budget execution is in line with the approved budget v. Strengthen Capacity in Planning, Budgeting and Monitoring</p> <p>Preventive Controls Leaders, Senior Management, Staff and other key stakeholders Sensitization/training in Budget Preparation, Execution and Monitoring Leadership/Senior Management Oversight Preparation of Fiscal Risk Statements to support BFPs</p> <p>Detective Controls Exception Reports Quarterly Performance Reviews Line Management Supervision</p> <p>Corrective Controls Agreed</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				<p>Recommendations Action Plans</p>
	<p>Increase in the number of households in the subsistence economy from 39% by 2024/25.</p>	<p>High</p>	<p>Increase in the number of households in the subsistence economy</p>	<p>Directive Controls Parish Development Model Initiatives. Approved PDM Strategic plan TI Fiscal Rules: i. Annual inflation, as measured by headline consumer price index shall be managed in the target range of 5 to 8 per cent. ii. achieve potential GDP growth of 6% to 7%. Preventive Controls PDM Training Plan (Staff, Managers & Leaders). PDM Risk Management Plan Sensitization meetings/training with political leaders and other key stakeholders</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Define PDM Risk Appetite for each of the strategies Detective Controls Audit Assurance Reviews Performance Improvement Reviews Inspections Corrective Controls Agreed Recommendations Action Plan
	Decrease in the share of public and private investment to GDP from 7.8% by 2024/2	High	Decrease in the share of public and private investment to GDP	Directive Controls Improve programmes spending and service delivery linkages for Private Sector Competiveness. Approved Strategic plan TI Fiscal Rule: i. Annual inflation, as measured by headline consumer price index shall be managed in the target range of 5 to 8 per cent. ii. Compensation of employees' costs shall not be more than 65% of the recurrent expenditure Preventive Controls Risk-control assessments Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite Detective Controls Joint review of risk dashboards for each

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				strategy and implement recommendations Corrective Controls Agreed Recommendations Action Plans implemented
	Failure to increase the number of jobs created annually to an average of 512,441 by 2024/25.	High	Decrease in number of jobs created	Directive Controls Improve programmes spending and service delivery linkages for Private Sector Competiveness; Approved Strategic plan TI Fiscal Rule: i. Annual inflation, as measured by headline consumer price index shall be managed in the target range of 5 to 8 per cent. Preventive Controls Risk-control assessments Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite Detective Controls Joint review of risk dashboards for each strategy and implement recommendations Corrective Controls Agreed Recommendations Action Plans implemented

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
	Inefficiency in the planning, allocation and utilisation of financial resources decreasing the proportion of clean audits by 2024/25.	Moderate	Increase in number of qualified audit opinion by Auditor General	<p>Directive Controls Improved efficiency and effectiveness of the national budget and return to public investments. Approved Strategic plan to achieve the goal. TI: Fiscal Rules; i. BFP and the annual budget shall be prepared based on the approved National Development Plan. ii. an Accounting Officer shall not include in the budget estimates any project which is not listed in the Public Investment Plan (PIP) that is linked to the NDP or which cannot be financed by private sector or PIP in a manner satisfactory to the Government. iii. (Development projects are reviewed and approved by the Development Committee as part of the PIP before being included in the budget. See Section 4.11 page 48</p> <p>Preventive Controls Risk-control assessments Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite</p> <p>Detective Controls</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Joint review of risk dashboards for each strategy and implement recommendations Corrective Controls Agreed Recommendations Action Plans implemented
	Failure to adequately measure and monitor performance of MoFPED Strategies	High	Existence of data gaps around key performance indicators	Directive Controls i. Clear results frameworks, defining inputs, outputs and expected outcomes; and detailing assumptions and the theories of change upon which the logic is based ii. Alignment to NDP iii. Performance indicators for outputs and outcomes that are specific, measurable, achievable, relevant and time-bound iv. Medium-term and annual targets for performance indicators that are demonstrably based on available resources v. A monitoring strategy, based on a matrix of performance indicators, indicating the source, timing, location and method of data collection for each. This strategy should incorporate indicators from all sector public investment projects.

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				<p>Vi. A management information system is required to facilitate the capture, processing, analysis and use of monitoring data</p> <p>Preventive Controls Risk-control assessments Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite</p> <p>Detective Controls Joint review of risk dashboards for each strategy and implement recommendations</p> <p>Corrective Controls Agreed Recommendations Action Plans implemented</p>
	<p>Failure to evaluate MoFPED grand strategy</p>	<p>High</p>	<p>Existence of data gaps around key performance indicators</p>	<p>Directive Control</p> <p>i. All MDAs, in collaboration with other members of their respective Sector Working Group, will prepare and implement a five-year rolling Evaluation Plan.</p> <p>ii. all projects over 70 billion shillings will be subjected to rigorous evaluation.</p> <p>iii. As a minimum requirement, each project in this category will be required to conduct</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				<p>the following:</p> <ul style="list-style-type: none"> a) A Baseline study during the preparatory design phase of the project b) A Mid-term review at the mid-point in the project to assess progress against objectives and provide recommendations for corrective measures c) A Final evaluation or value-for-money audit at the end of the project. <p>Preventive Controls</p> <ul style="list-style-type: none"> Risk-control assessments Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite <p>Detective Controls</p> <ul style="list-style-type: none"> Joint review of risk dashboards for each strategy and implement recommendations <p>Corrective Controls</p> <ul style="list-style-type: none"> Agreed Recommendations Action Plans implemented

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
	Terms of trade shocks	High	Fall in international commodity prices	<p>Directive Control</p> <ul style="list-style-type: none"> i. Provide for Contingency budgetary allowances ii. Maintain Stabilization Funds/Reserves <p>Preventive Control</p> <ul style="list-style-type: none"> Training Plan (Staff, Managers & Leaders). Risk Management Plan Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite for the strategy <p>Detective Controls</p> <ul style="list-style-type: none"> Audit and other Assurance Reviews Performance Improvement Reviews Quality control inspections <p>Corrective Control</p> <ul style="list-style-type: none"> Agreed Recommendations Action Plan
	Changes in monetary sector developments	High	Inflation rates	<p>Directive Controls</p> <ul style="list-style-type: none"> BOU Monetary Policy requirements <p>Preventive Controls</p> <ul style="list-style-type: none"> Training Plan (Staff, Managers & Leaders). Risk Management Plan Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite for the strategy <p>Detective Controls</p> <ul style="list-style-type: none"> Audit and other Assurance Reviews

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Performance Improvement Reviews Inspections Corrective Controls Agreed Recommendations Action Plan
	Increase in global commodity prices	High	Upward Movement in international commodity prices	Directive Controls i. Provide for Contingency budgetary allowances ii. Stabilization Funds/Reserves Preventive Controls Training Plan (Staff, Managers & Leaders). Risk Management Plan Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite for the strategy Detective Controls Audit Assurance Reviews Performance Improvement Reviews Inspections Corrective Controls Agreed Recommendations Action Plan

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
	Intensification of global financial markets volatility and tightness	High	Upward movement interest rates	<p>Directive Controls</p> <ul style="list-style-type: none"> i. Contingency budgetary allowances ii. Stabilization Funds/Reserves <p>Preventive Controls</p> <ul style="list-style-type: none"> Training Plan (Staff, Managers & Leaders). Risk Management Plan Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite for the strategy <p>Detective Controls</p> <ul style="list-style-type: none"> Audit Assurance Reviews Performance Improvement Reviews Inspections <p>Corrective Controls</p> <ul style="list-style-type: none"> Agreed Recommendations Action Plan
	Global Economic Depression/boom	High	Sudden fall/increase in economic growth	<p>Directive Controls</p> <ul style="list-style-type: none"> i. Stabilization Fund/Reserves ii. Contingency Budgetary Allowances <p>Preventive Controls</p> <ul style="list-style-type: none"> Staff sensitization on Disaster Preparedness and Management Policy Requirements, National Security Policy Requirements etc ERM Strategy Requirements Organizational Governance Oversight <p>Detective Controls</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Exception Reports Quarterly Performance Reviews Line Management Supervision Corrective Controls Agreed Recommendations Action Plans
	Increase in current account deficit	High	Decline in current account surplus	Directive Control i. Contingency budgetary allowances ii. Stabilization Funds/Reserves Preventive Control Training Plan (Staff, Managers & Leaders). Risk Management Plan Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite for the strategy Detective Controls Audit Assurance Reviews Performance Improvement Reviews Inspections Corrective Control Agreed Recommendations Action Plan

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
	Climate change related disasters	High	Rate of occurrence of climate change related disasters	<p>Directive Controls</p> <ul style="list-style-type: none"> i. Contingency budgetary allowances ii. Stabilization Funds/Reserves <p>Preventive Controls</p> <ul style="list-style-type: none"> Training Plan (Staff, Managers & Leaders). Risk Management Plan Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite for the strategy <p>Detective Controls</p> <ul style="list-style-type: none"> Audit Assurance Reviews Performance Improvement Reviews Inspections <p>Corrective Controls</p> <ul style="list-style-type: none"> Agreed Recommendations Action Plan

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
	Un aligned political directives	High	Incidences of non-approval of plans and budgets	<p>Directive Controls</p> <p>i. The Cabinet will determine a rolling 5-year agenda of public policies and topics of major national interest to be subjected to rigorous independent evaluation.</p> <p>ii. These evaluations will be managed under the Government Evaluation Facility, managed by the Office of the Prime Minister.</p> <p>iii. The Minister is the Head of the Treasury and may issue regulations and directives for the better carrying into effect of the PFMA 2015 as amended.</p> <p>Preventive Controls</p> <p>Cabinet Memo Papers Training Plan (Staff, Managers & Leaders). Risk Management Plan Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite for the strategy</p> <p>Detective Controls</p> <p>Audit Assurance Reviews Performance Improvement Reviews Inspections</p> <p>Corrective Controls</p> <p>Agreed</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Recommendations Action Plan
	Significant failure in the supply chain by a strategic partner- Interagency Risks	High	Fall in Shared outcomes performance indicators target	Directive Controls Coordination Policy Requirements Preventive Controls Training Plan (Staff, Managers & Leaders). Risk Management Plan Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite for the strategy Detective Controls Audit and other Assurance Reviews Performance Improvement Reviews Inspections Corrective Controls Agreed

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Recommendations Action Plan
	Damage to reputation and value because of ethical, legal or regulatory matters	High	Number of Significant Legal, Ethical, and Reputational Events	<p>Directive Control Zero Tolerance to Corruption Policy Public Procurement and Disposal Policy Penalties prescribed under the; Leadership Code Act, PFM Act, PPDA, Staff Disciplinary Procedures Act etc.</p> <p>Preventive Control Training Plan (Staff, Managers & Leaders). Risk Management Plan Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite for the strategy</p> <p>Detective Controls Audit Assurance Reviews Performance Improvement Reviews Inspections</p> <p>Corrective Control Agreed Recommendations Action Plan</p>
D	Losses due to fraud on the part of a strategic partner	High	Number of Significant Legal, Ethical, and Reputational Events	<p>Directive Control Zero Tolerance Policy Public Procurement and Disposal Policy Penalties prescribed under the; Leadership Code Act, PFM Act, PPDA, and Staff Disciplinary Procedures</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				<p>Act.</p> <p>Preventive Controls Training Plan (Staff, Managers & Leaders). Risk Management Plan Sensitization meetings/training with political leaders, staff and other key stakeholders Define Risk Appetite for the strategy</p> <p>Detective Controls Audit and other assurance Reviews Performance Improvement Reviews Inspections</p> <p>Corrective Controls Agreed Recommendations Action Plan</p>
	Goal(s) of MoFPED strategy(ies) not well understood by key stakeholders	Moderate	Fall in Key stakeholders' Satisfaction levels	<p>Directive Control i. Cabinet policy submission process requiring all Government policies, programmes and projects to integrate a communication strategy that will guide the dissemination of information to the public and other stakeholders. ii. communication should be embedded into policy formulation and implementation and not merely added as an afterthought.</p> <p>Preventive Control Training Plan (Staff, Managers & Leaders).</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Risk Management Plan Sensitization meetings/training with political leaders and other key stakeholders Define Risk Appetite for the strategy Detective Controls Audit and Other Assurance Reviews Performance Improvement Reviews Quality Control Inspections Corrective Control Agreed Recommendations Action Plan
	Depletion of stabilization funds/reserves	High	Fall in reserves	Directive Controls i. Regular continuous monitoring and evaluation of the effectiveness of current policy ii. Provide for Contingency budgetary Allowances Preventive Controls Leaders, Senior Management, Staff and other key stakeholders sensitization on sustainability risk factors Organizational Governance Oversight Detective Controls Exception Reports Quarterly Performance Reviews Line Management Supervision Corrective Controls

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Agreed Recommendations Implementation Action Plans
	Failure to operate and maintain economic infrastructure	High	Increased Stock of poorly maintained economic infrastructure	<p>Directive Controls</p> <p>i. National Asset Management Policy requirements</p> <p>Preventive Control</p> <p>Staff sensitization on sustainability risk factors Organizational Governance Oversight</p> <p>Detective Controls</p> <p>Exception Reports Quarterly Performance Reviews Line Management Supervision</p> <p>Corrective Controls</p> <p>Agreed Recommendations Action Plans</p>
	Climate change shocks	High	Increased rate of occurrence of climate change disasters	<p>Directive Controls</p> <p>i. Smart Agriculture Project requirements ii. Contingency budgetary Allowances</p> <p>Preventive Controls</p> <p>Staff sensitization on sustainability risk factors Organizational</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Governance Oversight Detective Controls Exception Reports Quarterly Performance Reviews Line Management Supervision Corrective Controls Agreed Recommendations Action Plans
	Failure to achieve effective Organizational governance oversight	High	Poor performance scores on outcome/impact indicators	Directive Controls Organizational Governance Oversight Strategy requirements Preventive Controls Staff sensitization/training in oversight function/activities factors Oversight risk assessments and management Detective Controls Exception Reports Quarterly Performance Reviews Line Management Supervision Oversight Assurance Reviews Corrective Controls Agreed Recommendations Action Plans

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
	Change in Regulatory Ratings	High	Fall in international regulatory rating scores	<p>Directive Controls</p> <ul style="list-style-type: none"> i. Develop and enforce service and service delivery standard across the public sector ii. Money laundering policy Requirements <p>Preventive Controls</p> <ul style="list-style-type: none"> Staff sensitization/training in Regulatory Rating Requirements Client satisfaction services <p>Detective Controls</p> <ul style="list-style-type: none"> Review Quarterly indicator based Performance Reports Carry out effective Line Management Supervision Audit and other Assurance Reviews Perform oversight assessments <p>Corrective Controls</p> <ul style="list-style-type: none"> Agreed Recommendations Action Plans

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
	Failure to meet stakeholder expectations	High	Fall in Key stakeholders' Satisfaction levels	<p>Directive Controls</p> <p>i. Develop and enforce service and service delivery standards across the public sector</p> <p>Preventive Controls</p> <p>Sensitize/train leaders, senior management, and other stakeholders in service and service delivery standards</p> <p>Carry out Client satisfaction surveys</p> <p>Detective Controls</p> <p>Review Quarterly indicator based Performance Reports</p> <p>Carry out effective Line Management Supervision</p> <p>Audit and other Assurance Reviews</p> <p>Perform oversight assessments</p> <p>Corrective Controls</p> <p>Agreed Recommendations</p> <p>Action Plans</p>
	Spike in drug resistance diseases	High	Increased medical costs	<p>Directive Controls</p> <p>i. National Public Health Policy requirements</p> <p>ii. National Drugs Management Policy requirements</p> <p>Preventive Controls</p> <p>Staff sensitization on Public Health Policy requirements</p> <p>Organizational Governance Oversight</p> <p>Detective Controls</p> <p>Exception Reports</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Quarterly Performance Reviews Line Management Supervision Corrective Controls Agreed Recommendations Action Plans
	Disease Outbreak/Pandemic	High	Sudden Increase in mortality rate	Directive Controls i. National Public Health Policy requirements ii. Pandemic/Epidemics regulatory Requirements/Guidelines iii. National Disaster Preparedness and Management Policy Requirements. Preventive Controls Staff sensitization on Public Health Policy requirements Organizational Governance Oversight Detective Controls Exception Reports Quarterly Performance Reviews Line Management Supervision Corrective Controls Agreed Recommendations Action Plans

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
	Loss of resources due to lack of an adequate workforce to execute the strategy or staff growth plans.	High	Increased percentage of staff not trained in existing/new strategy policies and procedures	<p>Directive Controls</p> <p>Set up/Maintain a staff training and Development Committee to;</p> <ul style="list-style-type: none"> i. Analyse training needs for staff identified by the Heads of Departments, irrespective of gender and disability. ii. Consider and approve training plans for each financial year. iii. Recommend Training Service Providers in line with government procurement regulations. iv. Assess whether training has achieved its aim in terms of subsequent work performance and recommend strategies. v. Conduct post-training evaluation. vi. Identify and propose career development courses for the staff. vii. Monitor and evaluate the national and global developments concerning the legal profession and keep members up to date. <p>Set HR Development service and service delivery standards</p> <p>Preventive Controls</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				Sensitise/train leaders, senior Management, Members of Staff Training and Development Committee ERM Strategy Requirements Organizational Governance Oversight Detective Controls Exception Reports Quarterly Performance Reviews Line Management Supervision Corrective Controls Agreed Recommendations Action Plans
	Poor performance results due to disengagement of workforce	High	Quarterly Reports issued on time	Directive Controls i. Apply the rewards and sanctions framework as part of the performance management system ii. The Frame shall include both monetary and non-monetary rewards iii. Performance management scheme shall support the working environment that values employees and facilitates a workplace that motivates, excites, encourages, stimulates and rewards iv. Set up and maintain an effective rewards and sanctions Committee to receive, evaluate nominations and

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				<p>determine the rewards for good performance.</p> <p>Preventive Controls Sensitize'/train leaders, senior Management, Members of Staff Training and Development Committee ERM Strategy Requirements Organizational Governance Oversight</p> <p>Detective Controls Review Quarterly indicator based Performance Reports Carry out effective Line Management Supervision Audit and other Assurance Reviews Perform oversight assessments</p> <p>Corrective Controls Agree a recommendations implementation action plan</p>
	Failure to implement economic policy reforms	High	Trend of policy outcome indicators	<p>Directive Controls i. A Public Officer shall be loyal to Government and implement government policy without fear or favour to ensure economy, efficiency and effectiveness in utilization of public resources</p> <p>Preventive Controls Continuous monitoring and evaluation of the</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				<p>effectiveness of the current policy</p> <p>Detective Controls</p> <p>Exception Reports</p> <p>Quarterly Performance Reviews</p> <p>Line Management Supervision</p> <p>Corrective Controls</p> <p>Agree Recommendations</p> <p>Implementation Action Plans</p>
	Failure to make economic policy reforms	High	Lack of data on policy outcome indicators	<p>Directive Controls</p> <p>i. Establish and maintain an effective Policy Analysis Units (PAUs) to support the policymaking function in the Ministry. The Policy Analysis Unit shall coordinate the following key steps involved in policy development and management;</p> <p>i. Policy issue identification</p> <p>ii. Policy Research</p> <p>iii. Policy Analysis and options development</p> <p>iv. Policy Communications and Consultations Planning</p> <p>v. Programme design and implementation planning</p> <p>vi. Policy Monitoring and Evaluation</p> <p>Preventive Controls</p> <p>Sensitize/train leaders, Senior Management, Staff and other key stakeholders in economic</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				<p>policy development and management.</p> <p>Detective Controls Exception Reports Quarterly Performance Reviews Line Management Supervision</p> <p>Corrective Controls Agree Recommendations Implementation Action Plans</p>
	Economic policy Reform failure	High	Trend of policy outcome indicators	<p>Directive Controls Programme design and implementation planning Continuous monitoring and evaluation of the effectiveness of the current policy</p> <p>Preventive Controls Sensitize/train leaders, Senior Management, Staff and other key stakeholders in policy monitoring and evaluation</p> <p>Detective Controls Exception Reports Quarterly Performance Reviews Line Management Supervision</p> <p>Corrective Controls Agree Recommendations Implementation Action Plan</p>
	Market risks	High	Changes in market prices	<p>Directive Controls i. Public Procurement and Disposal Policy Requirements</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				<p>Preventive Controls Market Price Surveys PPDA Guidelines Sensitize/train leaders, Senior Management, Staff and other key stakeholders in PPDA policy Requirements</p> <p>Detective Controls Exception Reports Quarterly Performance Reviews Line Management Supervision</p> <p>Corrective Controls Agree Recommendations Implementation Action Plan</p>
	Projects failure	High	Project delays	<p>Directive Controls i. Project development and Management Requirements</p> <p>Preventive Controls Training of staff in project development and management Sensitize/train leaders, Senior Management, Staff and other key stakeholders in project development and management Conduct regular Project Risk Assessments</p> <p>Detective Controls Project performance Exception Reports Project Quarterly Performance Reviews Line Management Supervision</p>

S/n	Risk	Risk Grade	Early warning Mechanism	Mitigation Measures
				<p>Corrective Controls Agree Recommendations Implementation Action Plan</p>

CHAPTER EIGHT

MONITORING, EVALUATION AND REPORTING FRAMEWORK

8.0 Introduction

Monitoring, evaluation and reporting will form a critical feature of the implementation of this strategic plan. This will entail regular data collection and analysis, which will provide timely, substantive and analytical information for the Ministry to evaluate achievements and assess progress on the implementation of its activities. The output of the process will be used to inform decision-making, including taking corrective action from the lessons learnt. It will also provide the necessary feedback on the status of implementation to enable the Ministry to make informed decisions based on evidence from M&E.

8.1 The Monitoring and Evaluation Framework

Implementation of this Strategic Plan will be done at all levels of the Ministry and its outputs will form part of the Ministry's quarterly and annual performance reports. Every implementing unit will ensure that their respective annual work plans are prepared within the framework of the Plan. The annual plans will be cascaded to all Directorates, Departments and individual levels. The Departmental and individual targets will be proposed, discussed and submitted to relevant divisions or sections in approved prescribed formats. Management will ensure that all policies, programs, rules and regulations are prepared and reviewed on the basis of the Plan.

The overall responsibility of monitoring and evaluating the implementation of the SP will be vested in the Performance Management Team headed by the PS/ST. However, every Commissioner or head of department or unit will be responsible for coordinating periodic reviews. A detailed M&E framework is attached as Annex 1.

8.2 Monitoring and Evaluation Responsibilities

Each Department in the Ministry will conduct programme input and output analysis. They will also conduct some basic evaluations, which will include an assessment of quality achieved, cost analyses and assessment of implementation. Monitoring, which is the first part of the process, will be based on the following guidelines:

- i) All Departments will monitor activities under their responsibilities based on the observations of progress in their levels of jurisdiction. Commissioners will be in charge of monitoring processes falling under their responsibility. This will include accounting for inputs, activities and outputs. The focus must be on the objectives listed for implementation in the strategic plan.
- ii) Each Department will monitor the outputs obtained by their Departments and generate the latest data on progress from within itself. This data will be transmitted to the Departments. Likewise, Departments/Divisions will monitor the

outputs realized by the units/sections under them to generate outcomes as indicated in this Strategic Plan.

- iii) It will be the ultimate responsibility of the Heads of Department to monitor the overall results of the Ministry in the implementation of this Strategic Plan. This will be done by tracking outcome indicators based on the achievements of the Directorates.
- iv) The Ministry will form a Performance Management Team to spearhead the monitoring and evaluation of the Strategic Plan. Its main responsibilities will be to: -
 - Develop a reporting template and other ministerial M&E instruments;
 - Receive, analyze, summarize, consolidate and forward reports to management on a timely basis as per specific deadlines;
 - Develop mid-term, end term and any ad hoc evaluations; and,
 - Report on performance contract targets.

8.2.1 Indicators

There are four types of indicators that will be tracked under this Strategic Plan: input, processes, output and outcome. The input, process and output indicators will be measured at the program level while the outcome indicators will be measured at the Ministry levels.

8.2.2 Data Collection, Maintenance and Management

Under this strategic plan, standardized tools will be developed to enable the Ministry have comparable aggregation and comparison of data from different sources. Outcome indicators will therefore be collected using survey methods and special studies while output, input and process indicators will be collected using program level reports.

8.3 Evaluation

Evaluation will be done to analyze the long-term effects of trends in specific programmes. There are three major evaluation activities that will be undertaken during the implementation of the Ministry Strategic Plan:

- a) **Mid-Term Evaluation:** The Ministry will undertake a mid-term review of the Strategic Plan by examining implementation progress at all functional levels. The report generated will be used to re-engineer the programmes so as to achieve the goals set in the strategic plan within the set time.
- b) **End-term Evaluation:** At the end of the strategic plan period, the Ministry will undertake an evaluation to ascertain the level of achievement and help in designing future activities of the strategic plan.

- c) An adhoc evaluation: In case of significant unexplained variation between goal and performance (especially in critical performance areas), an ad hoc evaluation will be conducted to inform decision-making and implementation.

8.4 Reporting

The reporting system will require that each implementing unit monitors its activities as contained in its annual work plan and budget and prepare periodic performance reports. This will in turn lead to a critical assessment of ministerial objectives in regularly- scheduled top technical, senior management meetings and in the staff meetings at the directorate level. M&E will be based on a framework that consists of various components: a definition of responsibilities, tracking of indicators, adoption of monitoring and evaluation mechanisms, a reporting process, timeliness and financing. All Departments in the Ministry will be involved in monitoring and reporting on the progress of achievement of results and objectives based on the key indicators agreed upon in this Strategic Plan. This will be achieved by ensuring the collection and provision of timely and accurate data during the plan period. The directorates will be expected to generate reports on a quarterly, bi-annual and annual basis.

M&E FRAMEWORK FOR VOTE 008 (MINISTRY OF FINANCE, PLANNING & ECONOMIC DEV'T)

Table 8. 1 M&E Framework for MoFPED Outcomes/Results

			Annualized Targets					
Strategic Area	Vote Outcome	Outcome Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Sustain economic recovery and achieve potential GDP growth	Achievement of potential GDP growth	GDP Growth Rate	3.0%	3.5%	4.7%	5.3%	6.0%	6.5%
Sustainable financing of Government Expenditures	Increase the share of domestic revenue in the national budget	share of domestic revenue to the national budget				53%	58%	61%
	Increased Domestic Revenue Mobilization	Ratio of Revenue to GDP	12.4%	13.4%	13.4%	13.9%	14.4%	14.9%
Household Incomes and Employment	Poverty Reduction	National Poverty Rate	20.3	20.0	19.7	19.4	19.1	18.8
Macro Economic Stability	Sustainable Financing and Fiscal Policy Credibility	Headline Inflation Rate	2.3%	2.5%	3.4%	8.3%	7.2%	5.5%
		Fiscal Balance(including grants) as a % of GDP	-7.1%	-9.0%	-7.4%	-5.2%	-4.6%	-4.23.0%

		Nominal Public Debt as a ratio of GDP	41.0%	47.0%	48.4%	53.1%	52.4%	51.2%
Competitiveness	Improved competitiveness of the Ugandan	Exports to GDP Ratio	14.2%	16.5%	12.2%	13.5%	14.5%	17.0%
Monetisation of the Economy	Reduction in the proportion of households in the subsistence	Proportion of households in the Subsistence Economy	39%	38%	37%	36%	35%	34%
Investment	Increased Public and Private sector investment	Share of Private investment in GDP	17.9%	16.1%	16.9%	17.7%	18.5%	20.0%
		Share of Public investment in GDP	5.6%	7.2%	6.6%	7.6%	8.6%	10.0%
Employment Creation	Increased job creation	Number of formal jobs created annually	591,000	775,000	852,500	937,750	1,031,525	1,134,678
Planning, allocation and utilisation of national resources	Improved efficiency in planning, allocation and utilisation of national resources	Level of compliance of the budget outturn compared with the NDP	53%			80%	90%	95%
Institutional Capacity	Strengthening institutional capacity and development of the Ministry	Proportion of top management meeting decisions implemented	45%	50%	69%	75%	80%	95%

M&E FRAMEWORK FOR STRATEGIC AREAS OF INTERVENTION (SAI)

SAI 1: MACROECONOMIC POLICY AND MANAGEMENT

Table 8. 2 M&E Framework for Macroeconomic Policy and Management Interventions

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Macroeconomic Policy and Management	Sustainable financing and fiscal policy credibility	Update on Charter for Fiscal Responsibility	No. per year	01	01	01	01	01	01
		Economic Growth Strategy	No. of times produced	01	01	01	01	01	01
		Medium-term Budget framework report(Resource envelope report)	No. of times produced	03	03	03	03	03	03
		Debt Sustainability Analysis Report	No. of times produced	01	01	01	01	01	01
		Government Finance Statistics Abstract	No. of times produced	01	01	01	01	01	01
		Budget Statistics tables	No. of times produced	05	05	05	05	05	05
		Report on climate change implications on the macroeconomy	No. of times produced	01	01	01	01	01	01

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Fiscal Risk Statement	No. of times produced	01	01	01	01	01	01
		Updated Integrated Macroeconomic Model Database	No. of times produced	02	02	02	02	02	02
		Macroeconomic Policy and Research Papers	No. of research papers produced	02	02	02	02	02	02
		Quarterly macroeconomic cash limit report	No. of times produced	04	04	04	04	04	04
		Monthly, Semi and Annual Performance of the Economy Reports	No. of times produced	14	14	14	14	14	14
		Economic and macro-econometric forecasts	No. of times produced	04	04	04	04	04	04

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Macroeconomic and Management	Sustainable Policy financing and fiscal policy credibility	Tax (Amendment) Bills (the bills are prepared annually). They include and are not limited to; (i) The income tax act,(ii) the VAT Act, (iii) the Excise Duty Act, (iv) the Stamp Duty Act, (v) the TPC Act, (vi) the URA Act, (vii) the Tax Appeals Tribunal Act, (viii) the Lotteries and Gaming Act and various revenue -related bills including NTR bills.	No. of times produced	1	1	1	1	1	1
		Analytical work on tax and Non-Tax policies (among others (i) to widen the tax base, (ii) evaluation of the impact of tax policies on the economy) conducted	No. of reports	12	12	12	12	12	12
		Revenue projections and targets	No. of times produced	4	4	4	4	4	4
		Monitoring and evaluation of revenue performance	No. of reports	12	12	12	12	12	12

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Tax Expenditures Assessment Reports	No. of reports	4	4	4	4	4	4
		Incentive system for employer-based training developed	No. of incentives created for employers to provide places for TVET Institutions and work-based training	-	4	4	4	4	4
		Skills development fund operationalized	40% of the skills dev't fund contributed by Govt	-	40	40	40	40	40
		Increased local financing for HIV/AIDs	Aids Trust Fund established and operational		1	1	1	1	1
		Resources for HIV and AIDS mobilized and their management streamlined for efficient utilization and accountability	Percentage of HIV and AIDS budget that is funded, disaggregated by funding source		60	65	70	70	70
		National Lottery Board supervised	No. of reports	4	4	4	4	4	4

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Increased local financing for immunization	Immunization Fund established and operational		0	0	1	1	1
		Private Health Sector financing enhanced	Medical Credit Fund provided		In place				
		Tax Appeal Tribunal supervised	No. of reports	4	4	4	4	4	4
		Coordination of implementation of DRMS	Number of reports	12	12	12	12	12	12

SAI 2: DEVELOPMENT POLICY AND INVESTMENT PROMOTION

Table 8. 3 M&E Framework for Development Policy and Investment Promotion Interventions

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		National BDS Policy and Regulations	BDS access rate for PDM Enterprises	N/A	N/A	N/A	25	50	100

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		District Investment and Enterprise (DINE) Profiles	Share of Households in Commercial Farming	18.9	18.9	18.9	25	30	48
			Share of households in the subsistence economy	39	39	39	20	18	17
		Strategic Plan for Informal Sector Umbrella Associations	Share of Informal Employment (%)	88.2	87.9	86	70	58	45
			Unemployment Rate	8.8	11.9	10	9.2	8	6.5
			Informal Sector Umbrella Association Membership Coverage (%)	N/A	N/A	N/A	TBC	TBC	50.0%
		ABCD Portal	Commodity GDP Annual Growth Rate	6.4	8.7	6.3	6.4	6.4	6.5
		Revised DC guidelines	Share of PIP projects completed within budget	71				100	100
			Share of PIP projects completed on time				100	100	100

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		NDPIII Business Licensing and Regulatory Reform (BLRR)Agenda	Ease of Doing of Business Ranking (Regulatory burden)	116	N/A	NA	N/A	100	99
		Economic Development Policy	Return on Investment (ROI) rate for PC/SoEs (%)	N/A	11.1	11.1	11.5	12.0	12.5
		National Public Investment Management Policy	Public Investment in GDP (%)	6.0	7.8	8.0	8.5	9.0	10.0
		NDP IV National Policy Catalogue	National Average policy implementation rate	N/A	N/A	N/A	50	75	100
		Procurement Opportunities reserved for SMEs	No. of good and services reserved for SME's	5	20	30	40	50	
			Development of Legal and Regulatory Framework to support Local Content	0	0	1	1	0	

SAI 3 & 4: FINANCIAL SECTOR DEVELOPMENT; PROMOTING SAVINGS AND SOCIAL PROTECTION

Table 8. 4 M&E Framework for Financial Sector Development Interventions

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
Access to and use of finance	Increased access to affordable credit	Government-owned commercial banks capitalized	Amount of funds for recapitalizing Post Bank	2.66b	2.66b	2.66b	2.66b	2.66b	2.66b
		Small Business Recovery Fund Set up	No. Of beneficiaries accessing Small Business Recovery Fund	0	0	0	489	800	1200
		Provide continuous support to EMYOOGA Micro-Enterprises	Average monthly nominal HH income	416,000	450,000	500,000	550,000	600,000	650,000
			Growth in average household income of the beneficiaries	0	1%	2%	3%	4%	1M
			Number of jobs created	0	250,000	500,000	750,000	1M	1M

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
		Operationalize the Parish Revolving Fund under the Parish Development Model (PDM)	No. of Households accessing the Parish Revolving Fund	0	0	0			
			Percentage of women-led projects funded by PRF	0	0	0	30%	30%	30%
			Percentage of Youth-led projects funded under PRF	0	0	0	30%	30%	30%
			Percentage of PWD-led projects funded under PRF	0	0	0	10%	10%	10%
			Non-performing loans Minimized	0	0	2%	2%	2%	

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
		Insurance Policy developed	Insurance Policy developed	0	0	0	0	1	0
		Fast-track the establishment of the National Health Insurance Scheme	National Health Insurance Scheme approved	0	0	0	0	0	1
	Increased access to insurance	Amend the Mandatory Motor Vehicle Insurance Act (Third Party risks 1989)	Mandatory Motor Vehicle Insurance Act approved	0	0	0	0	1	0
		Uganda Agriculture Insurance Scheme operationalized	Increase the No. of agriculture Insurance Premiums	0	42.9 Bn	50 Bn	70 Bn	80Bn	91 Bn
			Increase the number of Insured Farmers		259,224	375,640	400,000	450,000	500,000

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
		Promote use of agricultural insurance as collateral	No. of loans secured by agriculture insurance certificates	0	400	450	600	600	600
	Promote Digital Financial Services	Promote Digital and Mobile Banking, Agency Banking and automation of branch operation processes	No. of digital transaction	0	0	0	6m	7m	8m
			Value of digital transactions	0	0	0	161trn	180trn	200trn
	Increase financial literacy	Increased awareness about Fraud, digital financial literacy	Percentage of Population saving formally	18%	25%	35%	40%	45%	50%

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
	Increased access to affordable credit	Increase no. of borrowers in the formal financial services		0	0	0	4.7 trillion	3 trillion	2 trillion
		Increased availability of borrower information	Fast-track the integration of National ID database with financial sector databases through Application Programming interface *	0	0	0	0	0	1
		Asset Reconstruction Company(ARC) established and operational	Regulation to Operationalized finalized ARC developed	0	1	0	0	1	0
		De-risking mechanisms in place	No. of financial institutions accessing new de-risking mechanisms in place	0	0	0	1	0	0

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
		Fast track the development of Agriculture Finance Policy	Agriculture Finance Policy approved by Cabinet	0	0	0	0	1	0
	Strengthen the Development of Financial Institutions	Allocate additional resources for the Agricultural Credit Facility for agricultural mechanization and commercialization	Amount of capitalization to ACF	50Bn	50Bn	50Bn	50Bn	50Bn	50Bn
Increasing access to long-term finance		Development Finance Institutions Policy in place	A developed DFI policy in place	600M	47.8B	12.8B	20M	30B	

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
	Strengthen Uganda Development Bank	Capitalize UDB with Ushs. 1.5 trillion, by 2025	0	0	85.5b	85.5b	85.5b	85.5b	85.5b
		Savings mobilization strategy in place and reforms undertaken	Savings mobilization strategy	0	0	0	0	1	0
	Deepen and Widen the Capital Markets	Amend the Capital Markets Act and other relevant laws	Capital Markets Act and other relevant laws	0	0	0	0	1	0
		Secondary Market Trading enhanced	Fixed income Market company established		0	0	2	1	1

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
		Legal and regulatory frameworks for Private Equity and Venture Capital developed	No. of Private Equity Deals	0	0	0	1	0	0
		Increase the range of bonds issued by the public sector	Diaspora bonds, retails bonds, Green Bonds and Municipal Bonds issued	0	0	0	0	0	1
		Establish a conducive regulatory and legal framework for Uganda's Venture Capital and Private Equity Industry.	Legal framework for Venture Capital and Private Equity Industry	0	0	0	1	2	3

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
		Establish a conducive regulatory and legal framework for Uganda's Venture Capital and Private Equity Industry.	Value of Private Equity Funds accessed	USD 30.3M	USD 58.9M	USD 70M	USD 100M	USD 110M	
		Support the growth of Collective Investment Scheme	No. of collective Investment schemes increased		565.2b	1.147b	1.2b	1.3b	1.4b
		Increasing awareness levels and understanding of capital markets	No. of targeted T.V and Radio talk shows held		32,998	14,846	20000	30000	40000
	Expand coverage of the Retirement Benefits sector	Fast track the finalize the Public Service pension Scheme	Public Service pension Scheme in place	0	0	0	1	0	0

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
		Develop a strategy for informal sector pension workers	strategy for informal sector pension workers developed	0	0	0	1	0	0
Strengthening Financial Stability	Strengthen the framework for Anti Money Laundering and financing of Terrorism	Coordination of the activities of the Uganda Anti-money laundering/combating terrorism financing task force	No. of local coordination meeting held	12	12	12	12	12	12
			No. international coordination meeting held	5	5	5	5	2	2
		3 rd Round of ESAAMLG Mutual Evaluation	ESAAMLG Mutual Evaluation report produced	0	0	0	0	0	1
		National AML/ CFT Policy	National AML CFT Policy	1	0	0	0	0	1
		Develop the AML Amendment Regulations 2022	AML Amendment Regulations 2022 in place	0	0	0	1	0	0

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
	Strengthened framework for consumer protection	Consumer protection framework in place	% of resolved complaints to all complaints report to the financial sector regulators	66%	70%	75%	80%	85%	95%
	Strengthen the framework for Crisis management	Depositors deposits protected	protected deposits as a percentage of total deposits	16.6%	16.5%	15.5%	15.1%	14.6%	14.1%
	Support financial innovations	Regulatory Framework for regulatory Sand boxes developed	No. of innovations tested in regulatory Sandboxes	0	0	0	0	0	2
		Business Development Services framework established	SME-specific Business Development Service Framework in place	0	0	0	1	0	0

Objective	Sub-Intervention	Outputs	Output Indicators	Baseline 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
	Strengthen regulator and policy capacities	Capital Markets Authority Act Amended	Capital Markets Authority Act amendment Bill approved by Parliament	0	0	0	0	1	0
		Agriculture Finance Policy and strategy Finalized	Agriculture Finance Policy and strategy in place	0	0	0	0	1	0
		Microfinance Policy updated	Updated Microfinance Policy in place by 2023/24	0	0	0	1	0	0
		Financial Sector Legislations and Regulations updated	Anti-Money Laundering (Amendment) Regulations developed	0	0	0	1	0	0
	Financial sector stakeholders coordinated	Organize Annual Financial Sector Conferences and forums	No. of Financial sector conferences and forums held	0	0	2	3	3	3

SAI 5 & 6: BUDGET PREPARATION, EXECUTION AND MONITORING; SUPPORTING PPPs AS ALTERNATIVE SOURCE OF CAPITAL

Table 8. 5 M&E Framework for Budget Preparation, Execution and Monitoring Interventions

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Budget Preparation, Execution and Monitoring		Improved budget credibility	Supplementary expenditure as a % of the initial approved budget	5.3%	10.9%	14.2%	6.1%	<3%	<3%
			Stock of domestic arrears as % of total expenditure	10.2%	10.2%	9.5%	8%	7%	5%
			Stock of arrears excluding court awards	7.9%	N/A	N/A	5%	3%	2%
			% Deviation of approved annual Budget from initial NDP MTEF projections	30%	10%	5%	5%	5%	5%
			% of funds absorbed against funds released	96%	100%	100%	100%	100%	100%

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
			Ratio of investment annual expenditure to consumption expenditure	60:40	55:45	55:45	55:45	55:45	55:45
			% of projects implemented on time	60%	65%	70%	75%	75%	75%
			% of projects implemented on budget	80%	80%	82%	88%	95%	95%
Public Investment Management (PIM)	Increased Transparency and effectiveness in the preparation, appraisal, implementation, monitoring and evaluation of Public Investment Projects	Integrated Bank of Projects (IBP) phases 1, 2 & 3 developed and operationalized	Proportion of the IBP developed and function.	40%	40%	55%	70%	90%	100%

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
			Percentage of projects admitted into the PIP after completing the DC appraisal process	38%	39%	40%	42%	45%	50%
			Proportion of projects implemented within their original cost	51%	53%	55%	60%	65%	70%
			Proportion of projects implemented within their original timelines	49%	50%	52%	55%	60%	65%
	Improved PIMS legal, regulatory, policy and administrative regime	National Public Investment Management Policy Developed	National Public Investment Management Policy Developed	0	0	1	0	0	0

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Development Committee Guidelines reviewed and updated to include gender equity, green growth	Proportion of the DC guidelines reviewed and updated by 2023	0	20%	50%	90%	100%	0
		Quarterly Development Committee (DC)	No. of Development Committee (DC) Reports Prepared	1	1	2	4	4	4
		Programme-specific PIMS methodologies Developed	No. of PIMS User Manuals Developed	1	1	2	2	2	2
	Improved PIMS capacities in preparation, appraisal, implementation, monitoring and evaluation	A PIMS center of excellence at MUK operationalised	Proportion of the PIMS center of excellence operationalized	20%	30%	50%	70%	90%	100%
		DC members trained	Number of training	0	0	1	2	2	2

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Increased Transparency and effectiveness in the preparation, appraisal, implementation, monitoring and evaluation of Public Investment Projects	Integrated Bank of Projects (IBP) phases 1, 2 & 3 developed and operationalized	Proportion of the IBP developed and function.	40%	40%	55%	70%	90%	100%
		Specialised PIMS trainings	Percentage of projects admitted into the PIP after completing the DC appraisal process	38%	39%	40%	42%	45%	50%
		Programme Specific project preparation and appraisal manuals and guidelines	Proportion of projects implemented within their original cost	51%	53%	55%	60%	65%	70%

SAI 7: DEFICIT FINANCING & CASH MANAGEMENT

Table 8. 6 M&E Framework for Deficit Financing & Cash Management Interventions

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Medium Term Debt Management Strategy (MTDS)	No. of reports	1	1	1	1	1	1
		MTDS quarterly performance reports Assessment on alignment with the MTEF	No. of reports	4	4	4	4	4	4
		Annual BP prepared and published on the Ministry Website	Prepared by 31 st March	0	0	0	1	1	1
		ABP reviewed and revised	Number of reviewed and revised ABP	0	0	0	4	4	4
		Public Debt Management Framework prepared	A publication on MOFPED website	0	0	0	1	0	0

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Cash or liquidity management policies developed and operationalized with the buffer defined	Approved Cash or liquidity management policy	0	0	0	1	0	1
		Annual Cash plan prepared	Annual Cash Plan prepared by 31 March	0	0	1	1	1	1
		Annual Cash plan updated monthly	Cash Plans prepared and updated	0	0	4	12	12	12
		Consolidate monthly Cash Flow Forecasts submitted by MDAs	consolidated Cash Flow reports	4	4	4	4	4	4
		Cash Flow Forecasting Module activated in the PBS	Cash Flow Forecasting Module in PBS 24/25	0	0	1	0	0	0
		Training MDAs on the use of the PBS Cash Flow Forecasting Module	Percentage of MDAs trained each year	0	0	25%	25%	25%	25%

Sub-Sub Pogramme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Cash Flows analysed and brief of Cash Flow Performance prepared and submitted to the PS/ST	Number of Cash Flow Performance reports prepared	4	12	12	12	12	12
		Cash Flow Committee operationalized to review cash flow performance	Number of Cash Flow committee meetings organised	0	12	36	36	36	36
		Strategy for investment of short-term cash surpluses developed and implemented	Strategy developed and implemented by FY 24/25	0	0	0	0	0	1
		Engage relevant stakeholders on effective cash management	No. of meetings	2	2	2	2	2	2
		Issuance Calendar Prepared And website	Calendar ready before end June of every year and published on the BOU website	1	1	1	1	1	1

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Meetings held and record of domestic market stakeholders met	No. of meetings with Market stakeholders	1	1	2	2	4	4
		Procedure manuals on domestic borrowing developed	1 manual produced approved by Top Management and operationalised	1	1	1	1	1	1
		Mobile money System for Government Securities developed	Platform approved and operationalized	0	0	0	1	0	0
		Sensitizing the Ugandans both in country and Diaspora on infrastructure Bond	Issue the Infra Bond in 2023/24	0	0	0	0	1	1
		Strategy Produced to improve the country's Credit Rating	Strategy produced by end 2023/24	0	0	0	0	1	0

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Annual report on Contingent Liabilities produced and published	Report produced and published on the Ministry website by March Year	1	1	1	1	1	1
		Annual Public Debt, grants, guarantees and other financial liabilities Report Produced	Report prepared by 31 st March and published on the MOFPED Website	1	1	1	1	1	1
		Regular updates on external resource utilization submitted to Cabinet & Parliament	Quarterly Reports submitted to Cabinet and Parliament	4	4	4	4	4	4
		Guidelines for on-lending to State Enterprises and Agencies	Approved and published guidelines on the MOFPED website	0	0	0	0	1	0
		Procedures for undertaking derivatives & SWAPs developed	Guidelines approved and published on the MOFPED website	0	0	0	0	1	0
		Debt Statistical bulletin and Portfolio analyses	Produced with two months lag and Published on the MOFPED website Published on the MoFPED Web	4	4	4	4	4	4

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Staff in the Front, Middle and Back debt and related offices trained		0	0	25	25	25	25
		Effective regional cooperation and enhanced development Partner engagements	Stakeholder meetings	0	0	1	1	2	2
			Reports on regional activities and interventions	0	0	2	2	2	2
			Participation in Regional meetings	4	4	4	8	8	8
			Development cooperation policy Published	0	0	0	1	0	0
			Portfolio review meetings with Development Partners	10	5	5	10	10	10
			Development Partners Country Strategic Papers	10	5	10	5	3	3
			Meetings with Project Coordinators	2	0	4	4	4	4

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Effective acquisition of Financial Resources	High-level meetings with Development Partners- economic Management group meetings	2	0	4	4	4	4
			PIFS implementation strategy approved	0	0	0	1	0	0
			1 new Financing modality approved by Government	0	0	0	0	1	1
			Financial /Legal Advisors engaged	0	0	0	1	0	1
			Expression of interest Guidelines approved and published	0	0	0	1	0	0
			Climate Financing strategy approved and published	0	0	0	0	1	0

SAI 8: PUBLIC FINANCIAL MANAGEMENT

Table 8. 7 M&E Framework for Public Financial Management Interventions

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Reconciled GoU Funds Bank Accounts Statements/Reports	Monthly reports	36	36	36	36	36	36
		Consolidated Financial Reports on the GoU Operation Funds	Quarterly Reports	9	9	9	12	12	12
		Government Bank accounts maintained	Complete and Up to date Database	1	1	1	1	1	1
		The GoU Chart of Accounts reviewed and Aligned to International Standards of Classification (GSM 2014)	Up-to-date GoU COAs	1	1	1	1	1	1
		Accrual Basis of Accounting implemented	Accrual Basis of Accounting reports prepared	0	1	1	1	1	1
		Financial reporting and Accounting Standards for service delivery across Government Standardized	No. of times Accounting standards are reviewed	1	1	1	1	1	1

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Guidelines and Procedures for Strengthening Internal Control and Financial Reporting for MDAs/LGs prepared and issued	No. of Guidelines Issued	1	1	1	1	1	1
		Treasury Inspections conducted	No. of inspection reports	4	4	4	4	4	4
		Treasury Memoranda (TMs) prepared	No. of TMs prepared	4	4	4	4	4	4
		PFM practices and Systems Performance monitored and evaluated	No. of Reports	1	1	1	1	1	1
		PFM staff functional and professional training coordinated	No. of Staff Trained	-	-	-	-	-	-
		PFM regulations reviewed/ developed.	No. Of Instruments issued	1		1			

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		A robust, secure and efficient computerized Financial Management System for Government implemented and maintained	% of MALGs budgets executed using IFMS	90%	100%	100%	100%	100%	100%
		PFM systems uptime guaranteed	Systems uptime	90%	99%	99%	99%	99%	99%
		PFM systems Security Enhanced	No. Security incidents reported and resolved.	13	5	0	0	0	0
		Database of GOU debt Portfolio on the financial analysis system Created and maintained	Updated database	90%	95%	100%	100%	100%	100%
		DMFAS maintained and logs resolved	% of logs resolved	70%	100%	100%	100%	100%	100%
		GoU external & domestic debt statutory obligations settled	% of total creditors paid on time	100%	100%	100%	100%	100%	100%
		Financial Statements for Treasury operations' prepared	FS prepared & submitted	1	1	1	1	1	1

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		BFP and Budget for vote 130 prepared	Budget estimate	1	1	1	1	1	1
		A comprehensive inventory of loans, grants and guarantees maintained	Complete register	1	1	1	1	1	1
		DFPs monitored for financial compliance	Monitoring reports	4	4	4	4	4	4
		Government payments for MDAs/ LGs processed	% of payments processed	100	100	100	100	100	100
		Periodic salary, pension & release performance reports prepared	No of reports prepared	8	8	8	8	8	8
		A comprehensive inventory of Gou Investments maintained	An up-to-date register	1	1	1	1	1	1
		Annual and Adhoc Boards of Survey conducted	Consolidated Reports	4	4	4	4	4	4
		Accurate and up-to-date asset register maintained	Asset Register	1	1	1	1	1	1

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Fiscal and Financial Risk of investments evaluated and reported	Fiscal and Financial Report	1	1	1	1	1	1
		Asset Management automated	Asset Management system	1	1	1	1	1	1
		Asset management staff capacity developed	No. of staff and stakeholders trained						
		Good Governance enhanced and strengthened.	Law enacted setting up the Institute of Procurement and Supply chain management.	0	0	0	1	0	0

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
			Number of structures to enhance public procurement reviewed	1	0	1	1	0	0
		Improved compliance with the public procurement legal and regulatory framework	Number of Inspection Reports following monitoring and Evaluation of Public Procurement	29	40	40	40	40	40
			Number of Procurement Legal frameworks to enhance regulation of public procurement system reviewed	1	1	1	1	0	0

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Public sector procurement being used as a tool for socioeconomic development.	Development of Legal and Regulatory Framework to support Local Content	0	0	1	1	0	0
			The % of Sustainable Public Procurement National Action Plan interventions implemented	0%	20%	40%	60%	80%	100%
		Effective and efficient use of public funds in Government acquisition.	No of Stakeholders disseminated with the Procurement Risk Management Manual.	0	0	500	1000	1000	1000
			No of entities rolled out with eGP system in MDAS/LGs	25	11	50	132	137	137

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
			Assessment Report of the Public Sector Procurement System	0	0	1	0	0	0
			No of analytical studies conducted to inform collaborative procurement.	1	2	4	4	4	4
		Strengthened and enhance knowledge, skills and attitude of the human resource interfacing with Public Procurement.	Database developed and reviewed following head count of all procurement cadre in Central and Local Government entities	0	0	0	1	0	0
			Competency profiling report on procurement cadre undertake	0	0	0	1	0	0

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
			Capacity of stakeholders in Public Sector Procurement Built	100	300	300	400	500	500
			Capacity of procurement cadre built in emerging procurement trends	150	150	150	300	400	500
			Public sector procurement being used as a tool for social and environmental safeguards.	The % of Sustainable Public Procurement National Action Plan interventions implemented	0%	20%	40%	60%	80%
			No. SMEs offered government contracts through reservations	0	50	500	1000	1500	2000

SAI 9: INTERNAL OVERSIGHT & ADVISORY SERVICES

Table 8. 8 M&E Framework for Internal Oversight and Advisory Services

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Governance oversight of significant risks to strategic objectives conducted	Percentage of stakeholders satisfied with risk Advisory services (Percent)	TBD	TBD	50	60	70	80
			Percentage of significant risks quarterly reports reviewed by the Governing Body				60	70	100
		Preparation of quarterly update Risk Dashboards facilitated across government	Percentage of Strategic Plans with a statement on Significant risks to strategic objectives				50	80	90

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
			Percentage of Quarterly Risk dashboards reviewed by oversight Body				20	80	100
		Risk-based planning and budgeting facilitated	Percentage of significant Risk Mitigation Activities captured in Entity Work Plan & Budget				50	70	100
			Percentage of strategic projects with updated risk profiles	TBD			40	60	100
		Corruption and Fraud occurrences prevented	Percentage of Votes with Fraud and corruption risk assessment reports				40	70	100

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Corruption and Fraud occurrence detected	Percentage of suspicious transactions identified, reported and verified across				25	50	60
		Significant risks to strategic goals monitored	Percentage of Votes with updated quarterly risk dashboards					50	85
		Strategic Project Risks Monitored	Proportion of strategic projects with updated quarterly risk dashboards				50	100	100
		ERM Task Forces Supported across the government	Percentage of Votes with updated annual fiscal risk statements					100	100
		ERM Retooling conducted	Percentage of Votes on automated ERM						20

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
			Audit Reports on Risk Management Frameworks produced				60	75	90
		ERM Task forces trained across Government	Percentage of ERM task force trained.						
		Strategy development assessment facilitated across government	Percentage of strategy development assessment reports issued by oversight organs					40	75
		organizational performance and accountability assessment facilitated across government	Percentage of organizational performance and accountability assessment reports issued by oversight organs					40	75

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Internal Control System assessments facilitated across government	Percentage of Internal Control System assessment reports issued by oversight organs					40	75
		Compliance and Ethics assessments facilitated across government	Percentage of Compliance and Ethics assessment reports issued by oversight organs					40	75
		Financial Resources Commitment and utilization assessment facilitated across government	Percentage of Financial Resources Commitment and utilization assessment reports issued by oversight organs					40	75

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Partnership, Engagements, Resource Mobilization and Advocacy assessment facilitated	Partnership, Engagements, Resource Mobilization and Advocacy assessment reports issued by oversight organs					40	75
		Organizational governance frameworks, policies and procedures review, updates and dissemination facilitated	Percentage of Oversight organs Satisfied with internal oversight and advisory services					70	80
		Internal oversight capacity built across government	Percentage of organizational oversight organs trained					50	80
		Organizational Oversight Financial resources mobilized	Percentage of entity budget allocated to internal oversight activities					5	10

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Other tools and equipment procured	Percentage of oversight organs equipped and retooled					50	100
			Assurance report on oversight organs produced						
			No. of Internal Audit staff trained.				50	150	150
			% of coverage of internal audit units.				150	150	200
			Percentage of internal units conducting performance audit.				10%	30%	50%

Sub-Sub Pogramme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
			% of internal units using Modern audit techniques tools and technologies					15%	30%
			NO. of Internal Audit staff trained.				30	50	50
			No. of Internal Audit staff trained.				30	100	100
			Percentage of the Internal audit unit conducted performance audit.						
			Number of audits conducted.						

SAI 10: POLICY, PLANNING & SUPPORT SERVICES

Table 8. 9 M&E Framework for Policy, Planning and Support Services

Sub-Sub Pogramme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Ministerial Policy Statement prepared	EOC ranking	1	1	1	85%	88%	90%
		Ministry Budget Framework paper prepared	BFP in place	1	1	1	1	1	1
		Annual, semi-annual and quarterly Performance Reports prepared	Number of reports	6	6	6	6	6	6
		Monitoring and Evaluation of Ministry programmes and Projects carried out	Number of M&E reports	4	4	4	4	4	4
		Ministry Strategic Plan implemented	Level of implementation				20%	50%	95%
		Training Plan prepared	No. of staff trained				100	250	350
		Staff appraised	Percentage of staff appraised	96%	100%	100%	100%	100%	100%

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Client Charter produced	No. of Client Charter developed	1	0	0	1	0	0
		Staff establishment structure filled	Percentage of positions filled	22%			98%	98%	99%
		Staff provided with adequate working tools	Percentage of staff facilitated with working tools	96%	98%	100%	100%	100%	100%
		Updated Assets-register	Number of reports on assets management	0	1	1	1	1	1
		Adequate medical supplies provided in the sick bay	Proportion of staff accessing health care from the ministry sick bay		100%	100%	100%	100%	100%
		Communication Strategy developed	Communication strategy developed and validated	0			1		
		MoFPED times newsletter to communicate policy direction of the Ministry published	Number of newsletters	4	4	4	4	4	4

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Policy decisions from Top Management and Top technical meetings facilitate	% Of decisions implemented	100%	100%	100%	100%	95	96%
		Legislative agenda	The Annual legislative agenda for MoFPED prepared and submitted to Parliament	1	1	1	1		
		Cabinet Forward Agenda	Cabinet Forward Agenda prepared and submitted	1	1	1	1		
		Cabinet Research Agenda	Cabinet Research Agenda on economic policy and finance prepared and submitted	1	1	1	1		
		Report on Cabinet implementation of Cabinet Decisions	Report on Cabinet implementation of Cabinet Decisions prepared and submitted to Cabinet Secretariat	1	1	1	1		

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Report on implementation of Parliamentary Resolutions	Report on implementation of Parliamentary Resolutions prepared and submitted	1	1	1	1		
		Report on implementation of the Manifesto of the ruling government	Report on implementation of the Manifesto of the ruling government	1	1	1	1		
		Financial statements prepared	Number of Financial Statements prepared	1	1	1	1	1	1
		Audit Queries responded to	Number of Unqualified reports	1	1	1	1	1	1
		Internal audit reports produced	Number of internal audit reports	9	12	15	15	15	15
		Risk Management Strategy produced	Risk Management Strategy developed	1	0	0		1	

Sub-Sub Programme Results		Department Results		Annualized Targets					
Strategic Area	Outcomes	Outputs	Output Indicators	Baseline 2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Draft, review and amend legal memorandums of understanding and contracts between the ministry and other partners	% of contract without disputes		100%	100%	100%	100%	100%
		Legal support provided to the Ministry in Litigation processes	% of outstanding case		24%	20%	10%	9%	7%

CHAPTER NINE

PROJECT PROFILES

9.0 List of projects

During the plan period FY2021/22 - FY2024/25, the Ministry of Finance, Planning and Economic Development intends to implement the following key projects: -

- i) Resource Enhancement and Accountability Programme (REAP)
- ii) Investment for Industrial Transformation and Employment (INVITE) Project
- iii) Accrual Accounting and Asset Management Project

Table 9. 1MoFPED Project Profiles

		Output Costing (Ushs. Billion)				
		2020/21	2021/22	2022/23	2023/24	2024/25
Project Title	Resource Enhancement & Accountability Programme (REAP)					
Problem Statement	Significant challenges and gaps in the PFM reform programme that retard the gains made in macroeconomic stability, aggregate fiscal discipline and, operational efficiency					
(Linkage to NDPIII	Improve PFM and Consistency in the Economic Development Framework					
Goal	To increase resource mobilisation, improve planning and public investment management, and strengthen					

		Output Costing (Ushs. Billion)				
		2020/21	2021/22	2022/23	2023/24	2024/25
	accountability for quality, effective and efficient service delivery					
Outcome	i) Improved resource mobilisation for Uganda's sustainable development					
	ii) Enhanced Policy-Based Planning & Budgeting for Allocative Efficiency					
	iii) Strengthened public investment management (PIM) for increased development returns on public spending					
	iv) Strengthened effectiveness of accountability systems and compliance in budget execution					
	v) Improved transparency and accountability of Local Government PFM systems					
	vi) Strengthened oversight and PFM governance functions for the sustainability of development outcomes					
Outputs						
	i) Enhanced enabling environment for revenue mobilisation	2.96	3.83	2.15	1.81	2.31
	ii) Sustainable debt and development financing	3.41	1.50	0.56	0.29	0.41
	iii) Budgets aligned to NDPIII (strategic plans) and the medium-term expenditure framework	4.23	4.21	4.28	6.79	3.76

		Output Costing (Ushs. Billion)				
		2020/21	2021/22	2022/23	2023/24	2024/25
	iv) Efficient identification, selection and management of Public Investment Projects (PIPs) and Public-Private Partnerships (PPPs)	3.57	6.21	3.40	1.26	1.85
	v) Effectiveness and accuracy of payroll and pension management systems increased	8.00	14.23	10.28	3.98	15.85
	vi) Effectiveness and integrity of accountability systems strengthened	16.52	35.79	12.22	8.90	14.97
	vii) Increased contribution of LG own-source revenue	6.72	6.04	10.35	11.79	9.06
	viii) Enhanced impact of financial and VFM audit reporting and oversight	14.41	12.98	12.74	8.03	12.55
Total		59.82	84.79	55.98	42.85	60.76
Project Title	Investment for Industrial Transformation and Employment (INVITE) Project					
Problem Statement	The quality and quantity of investment remain low. And, the contribution of investment to GDP is both declining and below the recommended threshold for sustainable middle-income status.					
Linkage to NDPIII	The project seeks to mobilise private investment for jobs and in the process, accelerate structural transformation and strengthen the private sector to drive economic growth as one of the five objectives of NDP III (2021-2025).					

		Output Costing (Ushs. Billion)				
		2020/21	2021/22	2022/23	2023/24	2024/25
Goal	Accelerating growth in quality and quantity of private investment and employment along the country's growth triangle, including refugee host districts and in light of the impact of COVID-19					
Outcome	i) Increased level of manufacturing investment into Industrial Parks, Economic Zones and COVID-19 affected firms in the country by 30-fold					
Outputs	i) Market Studies and Designs for 6-7 Industrial Parks (IPs) and Economic Zones (EZs)		1.55	0.85	0.74	0.56
Total			1.55	0.85	0.74	0.56
Project Title	Accrual Accounting and Asset Management Project (AAAMP)					
Problem Statement	The problem at hand is that Government does not hold a complete picture of what it owns and owes. GOU assets have not been comprehensively defined, classified and recorded. Not all GOU assets have been recognised and verified. In addition, domestic arrears, contingent liabilities and multiyear commitments are equally not captured in a centralised system.					
Linkage to NDPIII	Develop a comprehensive and robust Asset Management System and					

		Output Costing (Ushs. Billion)				
		2020/21	2021/22	2022/23	2023/24	2024/25
	Implement Accrual Accounting in all MDALGs.					
Goal	To implement Accrual Accounting through effective and efficient management of public assets and liabilities in order to achieve sustainable public financial management.					
Outcome	Total value of Government assets and liabilities recorded.					
Outputs	i) Assets management system developed and deployed				8.99	7.71
	ii) ICT Infrastructure acquired (servers and computers)				0.29	0.47
	iii) IFMS enhanced to support Accrual Accounting and Asset Management.				3.88	4.38
	iv) MDALGs trained				1.40	2.95
	v) Monitoring and Evaluation				1.00	1.04
Total					15.56	16.54



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