

Telephone : 256 41 4341305/230487
Fax : 256 41 4233524
Email : finance@finance.go.ug
Website : www.finance.go.ug
Plot No. 2-8 Apollo Kaggwa Road



Ministry of Finance, Planning
& Economic Development,
P.O Box 8147
Kampala, Uganda

In any correspondence on
This subject please quote No. BPD/107/86/02

15th February 2022

*All Accounting Officers (Central and Local Government Votes) and,
All Chief Executive Officers of State Owned Enterprises and Public
Corporations*

THE SECOND BUDGET CALL CIRCULAR ON FINALISATION OF THE BUDGET FOR FINANCIAL YEAR 2022/2023

A. INTRODUCTION

1. The Second Budget Call Circular for FY 2022/2023 is hereby issued pursuant to Part III, Section 10 – 13 of the Public Finance Management Regulations, 2016.
2. The National Budget Framework Paper (NBFP) for FY 2022/2023 – 2026/2027 was approved by Parliament on 28th of January 2022 respectively, with recommendations in line with Sections 9 (5 & 8) of the Public Finance Management (PFM) Act, 2015.
3. Furthermore, Section 13 (3) of the PFM Act 2015 requires that Detailed Budget Estimates should be presented to Parliament by the 1st of April for Parliament's approval and appropriation by the 31st of May.
4. In line with the above, Ministries should prepare and submit their respective Ministerial Policy Statements (MPSs) for FY 2022/2023 to this Ministry by 11th March 2022 and subsequently to Parliament by 15th March, 2022. In order to ensure consistency between the Detailed Budget Estimates, the Ministerial Policy Statements, the Medium Term Expenditure Framework (MTEF) allocations and Government priorities, all Ministries, Departments and Agencies (MDAs) should submit a hard and soft copy of their respective Policy Statements for FY 2022/23 to this Ministry.
5. Section 13 (7) of the PFM Act, 2015 requires the Minister of Finance, Planning and Economic Development to present the proposed Budget Estimates in Parliament accompanied by a Certificate of Compliance of the annual budget of the previous financial year, issued by the National Planning Authority. **Accounting Officers should submit to the**

National Planning Authority (NPA) copies of the following documents for review and issuance of the Certificate of Compliance, by Friday, 11th March 2022:

- i) Approved MDA Strategic Plan 2022/2023;
- ii) MDA BFPs for FY 2022/2023 - 2026/2027;
- iii) Ministerial Policy Statements (MPS) for FY 2021/2022;
- iv) Annual Performance Report for FY 2020/2021;
- v) Half-annual physical progress reports for FY 2021/2022; and
- vi) MDA Project Specific Progress Reports for FY 2020/2021 and 2021/2022.

6. The purpose of this Circular therefore, is to communicate the following:

- i) The Economic Growth and Budget Strategy for FY 2022/2023 as approved by Parliament in the Budget Framework Paper;
- ii) The Comments and Recommendations of Parliament on the NBFP for FY 2022/2023 and those of the Local Governments Regional Consultative Workshops for FY 2022/2023;
- iii) Government expenditure ceilings for FY 2022/2023 and the Programme MTEF for FY 2022/2023 and the Medium Term; and
- iv) The Policy and Administrative Guidelines for the finalization of the Budget for FY 2022/2023;

B. THE ECONOMIC GROWTH, BUDGET STRATEGY AND PRIORITIES FOR FY 2022/2023

7. The Budget Strategy for FY 2022/2023 and the medium term focuses on two broad objectives:

- i. Restoring economic activity to the COVID-19 pre-pandemic levels; and
- ii. Accelerating the pace of Socioeconomic Transformation.

8. On account of the above, economic recovery will be achieved through boosting aggregate demand by increasing household incomes, restoring domestic consumption, renewing private and public investment and enhancing export promotion.

9. Our economic policy in Financial Year 2022/23 and the medium term therefore seeks to achieve the following three broad objectives: -

- i) Ensure Peace and Stability through enhanced security and macroeconomic stability, as key foundations for growth and development;



- ii) Mitigate the impact of the COVID-19 pandemic through widespread vaccination, support to businesses, and full re-opening of the economy to enable all sectors to function optimally; and
- iii) Enhance socio-economic transformation by redirecting budgetary resources towards wealth and job creation, industrialization, export promotion and other areas with high returns on investment.

10. The Economic Strategy is expected to result in the recovery of economic growth to a rate of 6% in FY2022/23 and to at least 7% in the medium term.

11. The budget and programme priorities for the next Financial Year 2022/2023 are guided by the following key actions:

- i) Addressing Security and Governance, including Corruption.
- ii) Attaining Economic Recovery by: -
 - a) Revitalizing business activities through implementing fiscal and monetary measures to boost aggregate demand.
 - b) Enhancing agro-industrialization and light manufacturing through sustaining the resilience of agriculture along the value chain, agro-processing, and support to light manufacturing.
 - c) Enhancing the quality and stock of productive infrastructure through maintaining a good road network system, completing existing contracts, rehabilitation of the railway, electricity transmission to industrial parks, undertaking studies and acquiring infrastructure corridors for future investments.
 - d) Commercializing Minerals and Oil and Gas; and
 - e) Re-boosting tourism development.
- iii) Enhancing Human Capital Development (Health, Education and Water for human consumption).
- iv) Rationalizing Government and automating processes to promote efficiency and effectiveness.

12. All Accounting Officers are advised to ensure that the detailed budget estimates demonstrate the value addition and compliance with the priority areas under the Budget Strategy. Any allocation that is not consistent with the priorities under the Budget Strategy will centrally be reallocated to other areas that have a higher impact on the priority interventions for FY 2022/23 as detailed under the Budget Strategy.



13. The key strategic priority intervention areas for FY 2022/2023 include the following;

Restoring Business Activity & Deepening Financial Inclusion through;

- i. Implementation of the Parish Development Model
- ii. EMYOOGA Funding to provide seed capital for special interest Enterprising groups.
- iii. UDB Capitalization and other financing schemes such as the Agricultural credit facility.
- iv. Establishment of functional Business Development support service Centres regionally.
- v. Strengthening Regulatory Framework:

Agro-industrialization & Light manufacturing with focus on

- i. Expanding storage and processing capacity within the 18 zones of the country.
- ii. Providing funds for private sector equity investment through UDC to
- iii. Investing in key commodity agro-processing value chains
- iv. Supporting industries that use locally sourced raw materials
- v. Capitalizing UDB to provide affordable and long-term capital
- vi. Developing the iron and steel industry to reduce the cost of construction.
- vii. Strengthen standards for quality assurance.

Enhancing Wellbeing of Ugandans with focus on;

- i. Countrywide vaccination to mitigate the COVID19 impact.
- ii. Increasing the capacity for other communicable and non-communicable diseases.
- iii. Fast-tracking the national health insurance policy
- iv. Sustainably bringing back education to normality and attaining pre-COVID19 levels of access to education.
- v. Reforms to enhance learning, technology use, and facilities that enable an early return of learners to school

Innovation, technology development & transfer with focus on: -

- i. Developing scientifically accredited indigenous medicines.
- ii. Fast-tracking virus research and domestic production of human and animal vaccines



Improving Productive Infrastructure with focus on: -

- i. Maintaining a good road network system.
- ii. Completing existing contracts,
- iii. Undertaking studies and acquiring infrastructure corridors for future investments
- iv. Implementing last mile connectivity
- v. Providing digital literacy training to SMEs and communities

Minerals & Petroleum Focus will be on:-

- i. Maintaining existing investments in exploration and quantification.
- ii. Fast-tracking the East African Crude Oil Pipeline (development and refined product pipeline.
- iii. Preparatory work for the petrochemical industry.
- iv. Capitalization

Promoting Tourism with focus on:-

- i. Sustaining upstream investment in ongoing product development and tourism-related infrastructure –
- ii. Increasing access to recovery financing
- iii. Intensification of domestic tourism.

Promoting Public Sector Efficiency with focus on: -

- i. Continued rationalization of government.
- ii. Phased salary enhancement.
- iii. Enhance implementation of the Parish Development Model
- iv. Strengthen the administration of Justice through: -

Climate Change & Urbanization with focus on:-

- i. Commercial tree planting; eviction of wetland encroachers, restoration of the wetlands etc.
- ii. Implementation of the integrated physical and economic development plans in the new cities
- iii. Implementation of projects in line with the Greater Kampala Metropolitan Area Strategy.

14. The detailed Programme priority interventions for FY 2022/2023 are attached as **Annex 1**. Details of the Budget Strategy are provided in the National Budget Framework Paper for FY 2022/2023 as approved by Parliament and Cabinet accessible on the Ministry's website <https://www.finance.go.ug> and the Budget information website <https://www.budget.go.ug>



C. RECOMMENDATIONS OF THE 5TH HIGH LEVEL ECONOMIC GROWTH FORUM; THOSE OF PARLIAMENT, ON THE NATIONAL BUDGET FRAMEWORK PAPER (NBFP) FOR FY 2022/2023 AND THOSE FROM THE LOCAL GOVERNMENTS' REGIONAL BUDGET CONSULTATIVE WORKSHOPS FOR FY 2022/2023.

Recommendations from the Economic Growth Forum

15. The Ministry organized the 5th high level Economic Growth Forum in January 2022 with the following objectives.
- i) Provide a policy framework and strategies to accelerate and sustain high economic growth over several decades.
 - ii) Provide strategies that ensure that growth is a means to development, not an end in itself resulting into productive employment, poverty reduction and human development.
 - iii) Provide evidence, growth policies and strategies to inform national budget priorities.
16. As such, a number of recommendations were made on how to achieve economic resilience against future shocks and, sustaining recovery and rapid economic growth. Key recommendations from the 5th Economic Growth Forum were on economic policies under the following thematic areas;
- i. Preparedness and management of economic shocks
 - ii. Mitigation and management the impact of climate change
 - iii. Exploiting benefits from regional integration
 - iv. Driving export growth
 - v. Making growth in Uganda inclusive
 - vi. Practices for Uganda's local and regional development transiting from subsistence to market economy.
 - vii. Priorities for small and medium enterprises
 - viii. Achieving sustainable growth
 - ix. Increasing renewable energy in the energy mix.
17. The recommendations are detailed in the Ministry's Website <http://www.finance.go.ug> for guidance to all Accounting Officers as they prepare and finalize their detailed Estimates.

Recommendations of Parliament on the National Budget Framework Paper for FY 2022/2023

18. Parliament approved the National Budget Framework Paper for FY 2022/2023 with recommendations, some of which are critical to the



overall process of the Budget cycle and others for the finalization of the detailed final estimates for FY 2022/2023. The key recommendations included, but not limited to the following:

- i. Consistence with the Charter for Fiscal Responsibility requirements, coupled with fiscal discipline;
- ii. Compliance of the Budget with priorities of the third National Development Plan (NDPIII);
- iii. Expanding the Tax Base to enhance revenue collection in order to meet the national budget needs;
- iv. Decentralization of the Parish Development Model implementation approach, and non-creation of further structures;
- v. Strengthening gender and equity responsiveness of the overall National Budget, starting at Vote level;
- vi. Promotion and support of Local Content (BUBU); and
- vii. Strengthening public investment management.

19. This Ministry requests all Accounting Officers to repurpose and redirect their plans and budgets in line with the above areas and the overall Budget Strategy for FY 2022/2023.

Recommendations from Local Government Budget Workshops

20. Similarly, a number of recommendations on how to improve planning, budget preparation and execution for FY 2022/2023 were raised during the Local Governments' Budget consultative workshops for next financial year and these are attached as **Annex 2** for your guidance and use. The key recommendations included, but not limited to the following:

- i. Alignment of the Budget to the Third National Development Plan and Programme Implementation Action Plans.
- ii. Timeliness of Dissemination of the Indicative Planning Figures for FY 2022/23, and Grant Guidelines.
- iii. Operationalization of all newly created Administrative Units in preparation of full implementation of the Parish Development Model
- iv. Timely undertaking of preliminary activities for the implementation of the financial inclusion pillar of the Parish Development Model
- v. Timely issuance of Guidelines for implementation of the Parish Development Model.
- vi. Equipping Local Governments to undertake monitoring and supervision of Government Programmes.



vii. Provision of technical support on new budget process developments like Alignment of the budget and budget system changes

21. Local Government Accounting Officers are urged to take into consideration the recommendations provided therein as they finalize their Budgets for next financial year to avoid further and similar errors during execution, but which arise during the planning and budgeting phase.

D. RESOURCE ENVELOPE FOR FY 2022/2023

22. The proposed total Budget for FY 2022/2023 is **Ushs. 45,325.7 Bn**, of which, **Ushs. 21,899.8 Bn** is available for allocation to Government priorities for next financial year; **3,472.30 Bn** is Domestic Financing; **Ushs. 5,725.18 Bn** is Interest Payments; **Ushs. 8,008.0Bn** is Domestic Refinancing; **Ushs. 2,412.21 Bn** is External Debt Repayments; External Financing is **Ushs. 6,677.13 Bn** **Ushs. 395.5 Bn** is for payment of Domestic Arrears and **Ushs. 212.4 Billion** is Local Revenues raised by Local Governments.

23. Program and respective Vote Allocations are detailed in the MTEF ceilings for FY 2022/2023 – 2025/2026 provided in **Annex 3**.

Non-Tax Revenue

24. Non-tax revenue and Local Revenue constitute part of the overall resource for appropriation by Parliament. In line with Section 29 [2(a) and 3] of the PFMA 2015, All MALGs should collect and remit Non-Tax Revenue and Local Revenue to the Uganda Consolidated Fund. **Accounting Officers should submit realistic projections of Non Tax Revenue for appropriation by Parliament.**

Exchange Rate for FY 2022/2023

25. For planning and budgeting purposes, the Exchange Rate for FY 2022/2023 will be as per the existing rate by Bank of Uganda (www.bou.or.ug). All MDAs should plan and budget using the Ugandan Shilling. For Missions abroad, they may budget in the existing country's currency but reflect all budgets on the Program Budgeting System (PBS) in Uganda Shillings.

26. On the same note, this Ministry continues to receive requests of reconsideration to contract in foreign currency. I wish to reiterate my



earlier position that, apart from Missions Abroad, no Accounting Officer of any Government MDA is allowed to contract or undertake any financial transactions, on behalf of the Government of Uganda, in any foreign currency.

E. GUIDELINES FOR PREPARATION OF DETAILED BUDGET ESTIMATES AND MINISTERIAL POLICY STATEMENTS (MPSs)

Resource Rationalization and Review of the budget for FY 2022/2023

27. This Ministry undertook a review of the Budget for FY 2022/2023 to ensure the following:

- i) That all expenditure needs are in line with the NDPIII priorities and the Budget Strategy for FY 2022/23;
- ii) Recurring expenditure items that were part of the supplementary schedules for FY 2021/22 are provided for in the MTEF for FY 2022/23 to avoid unnecessary supplementary budget requests in the future; and
- iii) Statutory expenditure takes a first call on resources.
- iv) The review was also to establish and provide for minimum expenditure requirements for MDAs and identify additional areas of saving to raise resources for financing the fiscal deficit.

28. The total funds which have been raised therefore amount to **Ushs 1,585 billion** including **Ushs 205.6 billion** from the consolidation of Wealth Creation Funds. These have been allocated to the critical priority areas of Government including: Operationalization of the Parish Development Model (financial inclusion pillar); Enhancement of salaries for scientists, indexation of pensions and ex-gratia payments; and Operationalization of new Administrative Units (only new Sub-counties and Town Councils for this purpose).

29. As a result, the Indicative Planning Figures (IPFs) of a number of Votes have been adjusted. **All accounting officers should finalize their detailed budgets for the next financial year in line with the revised IPFs herewith attached.**



Budgeting for the Implementation of the Parish Development Model (PDM)

- 30.** In FY 2022/2023, Government will fully implement the Parish Development Model (PDM) as a mechanism to alleviate poverty by improving household incomes and welfare through employment and wealth creation. A total of 39% of households which are still outside the money economy has been targeted.
- 31.** In FY2021/2022, Government released **Ushs. 200 Bn** for all Parishes in the country to kick start the implementation of PDM. Of the **Ushs 200bn**, **Ushs 126.56bn** was allocated for Revolving Funds, **Ushs 17.58bn** as administrative costs, **Ushs 29.06bn** for Staff costs and **Ushs 26.8bn** for procurement of Information Technology (IT) equipment and tools.
- 32.** For FY 2022/2023, Government has programmed **Ushs. 100 Million** per parish to be released under the Financial Inclusion pillar for FY 2022/2023. Apart from the Financial Inclusion Pillar that has been allocated a total of **Ushs. 1,050 Bn**, all Accounting Officers of Ministries and Agencies in charge of the seven pillars should rationalize and budget for PDM activities under their respective jurisdictions as no specific additional resources will be allocated.
- 33.** Please, note that implementation of the PDM is top among the priorities of FY 2022/2023 and over the medium term.

Alignment of the Budget for FY 2022/2023 to the Third National Development Plan (NDPIII) and Program Implementation Action Plans (PIAPs)

- 34.** The National Planning Authority (NPA) and all MALGs, completed the exercise of aligning the budget for FY 2022/2023 to the NDPIII PIAPs in November 2021. The process included the development of new budget outputs that are critical to achievement of NDPIII targets. The budget outputs and service areas have since been coded in the PBS and IFMS.
- 35.** Therefore, as you finalize your budgets for FY 2022/2023, **Accounting officers should ensure that their respective budget outputs are clearly aligned to the NDPIII priority areas to avoid further inconveniences during execution.** Any funds allocated to areas that are not critical to the achievement of government priorities for the next financial year, as detailed in the Budget Strategy will be deducted as efficiency savings and re-allocated to other critical priority interventions.



Budget Allocative and Operational Efficiency

- 36.** Given the impact of the Covid-19 Pandemic on the overall economic growth and revenue performance, MALGs should identify and budget for efficiency measures by giving priority to key service delivery areas. Allocative efficiency can be achieved by budgeting for: joint monitoring, supervision and appraisal of projects; promotion of online/virtual activities to reduce expenditure on items such as workshops and seminars; printing and publication, among others.
- 37.** In order to facilitate proper budgeting and effective implementation of the Programme Budgeting reform, all Accounting Officers should ensure strong harmonization of budget priorities and resource allocation both among and within the Programmes and sub-programmes. This will facilitate harnessing of the inter-programme linkages in implementation of interventions and achievement of programme objectives.

Reconfiguration of Program Budgeting System (PBS) and IFMS

- 38.** The Program Budgeting System has been re-configured in line with the program approach to planning. Accordingly, the budget architecture and the Chart of Accounts have also been revised in line with Section 46(3) (a – c) of the PFMA, 2015 (Amended), to include segments that accommodate the NDPIII requirements and the new budget structure.
- 39.** The new features in the Chart of Accounts include segments on NDPIII Programmes, sub-Programmes and budget output. Training sessions were carried out on the new system changes. My Ministry will deploy the new system module to facilitate timely preparation and finalization of the detailed Budget Estimates and Ministerial Policy Statements (MPSs). In case of need for technical support, **Accounting officers should officially request this Ministry for technical assistance clearly highlighting the areas where support is needed to ensure timely finalization and submission of detailed budget estimates and MPSs.**

Preparation of the Detailed Budget Estimates, Ministerial Policy Statements and Work plans

- 40.** All MALGs should prepare and submit to this Ministry their Ministerial Policy Statements and Detailed Budget Estimates using the re-configured Program Budgeting System. There should be a very clear linkage between budget resources and outputs as aligned to the Program Implementation Action Plans and their corresponding indicators.



41. Accounting Officers are required to include in the Ministerial Policy Statements, among others, physical and financial half-year budget performance for your respective Votes for the current fiscal year, vehicle utilization reports, and the assets register in the format issued by the Accountant General and in accordance with Section 13 (15) of the PFMA, 2015. The revised structure of the Ministerial Policy Statements is attached as **Annex 4**.
42. Accounting Officers should adequately consult the political leadership of their respective Votes, Programs and Sub-programs and subsequently share all relevant budget information with them for purposes of ownership in Budget preparation, implementation and reporting.
43. Your Detailed Budget Estimates for Financial Year 2022/2023 must include annual work plans, quarterly work plans, recruitment plans, procurement plans, and staff lists (with pensioners' lists)
44. **Therefore, all Accounting Officers should prepare (using the re-configured Program Budgeting System) and submit their Detailed Budget Estimates for FY 2022/2023 to this Ministry by Monday, 28th February, 2022 for consolidation and submission to Parliament, in line with Section 10 (4) of the Public Finance Management Regulations, 2016.**
45. Similarly, all Accounting Officers should finalize their Ministerial Policy Statements, to be submitted to Parliament by their respective Ministers, by 15th March 2022 as required by the Law.

Observance of Budget Preparation and Execution Timelines

46. We have encountered persistent delays in the submission of Budget documents such as Quarterly performance reports and Budget Framework Papers to this Ministry contrary to the Budget Process Calendar. **In line with that, Accounting Officers are strongly warned against such delays which hamper and impact on the overall process of finalization and submission of key Budget documents to Parliament. Accordingly, you are advised to strictly observe the Budget Process Calendar and execution timelines as required.**

Budgeting for Domestic Debt Arrears

47. The Auditor General Report for the year ending December 2021 indicates that Government has an outstanding Domestic Arrears Stock amounting to **Ushs. 4,651 Bn** and the Internal Auditor General has validated this stock up to a total amount of **Ush. 4,523 Bn**. For FY



2022/2023, Government has committed **Ushs. 395.5 Bn** to pay and reduce the existing stock of domestic arrears as detailed in **Annex 5** in line with the overall Domestic Debt Arrears Strategy.

48. While planning and budgeting for FY 2022/2023, and in line with the Allocation Criteria spelt out in the Strategy, Accounting Officers are seriously advised to prioritize the following items:

- i. All pay-roll related payments, e.g., NSSF, PAYE;
- ii. Tax deductions;
- iii. Classified arrears;
- iv. Critical Presidential directives;
- v. Small and medium sized businesses and suppliers;
- vi. High interest related arrears;
- vii. Subscriptions to International Organizations;
- viii. Counterpart funding; and
- ix. Utilities (Telephone, Water, Electricity); and
- x. Rent.

49. In order to avoid and ensure Court Awards and Compensations do not arise and accrue, Accounting Officers should clear the above items using resources provided.

50. It has come to my attention that overtime, domestic arrears are not paid according to the details in the verified schedule. **As such, for your provisions to be maintained in the budget estimates, you must submit a detailed list of beneficiaries and amounts owed to them to be cleared in FY 2022/2023 in your respective work plans. Otherwise your provision will be removed from your respective budget.**

51. Accounting Officers should note that Government will no longer finance any further arrears accumulated by a Vote. They will automatically be deducted by this Ministry from the MTEF allocations of the corresponding Votes in the following financial year and this will take the first call on the available resources. This also applies to court awards as a result of irresponsibility of the respective Vote's Accounting Officers.

Budgeting for Rent and Utilities

52. Accounting Officers should make adequate provision for rent and utilities (water, electricity, telephone etc) when finalizing their detailed budget estimates. By now, all MDAs should be on the pre-payment systems for utilities; therefore, going forward;



i). **Government will no longer finance utility arrears arising from poor planning. Any such arrears accumulated in FY 2022/2023 will be fully paid from the MTEF allocations of the corresponding Votes in the following financial year and this will take the first call on the available resources;**

ii). Any allocation for rent must be in accordance with the financial obligations under the tenancy agreement. Without a proof of the tenancy agreement, no rent provision will be cleared in the budget.

Travel Abroad

53. Cabinet has maintained its earlier position to freeze travel abroad. In the same vein, you are advised **NOT** to plan and budget resources under **Item 227002 (Travel abroad)** as this will be deemed as wasteful expenditure. Similarly, it has come to my attention that some Accounting Officers mischarge funds from other budget items to facilitate illegal trips abroad. This is wrong and will not be tolerated any more. You are therefore, advised to maintain financial discipline till further notice when you will be advised on the conditions of lifting this freeze.

Budgeting for Outstanding Commitments

54. In order to avoid budget overruns and persistent requests for supplementary funding, outstanding commitments and contractual obligations should have the first call on the available resources. Any additional expenditure requirements that cannot be accommodated within the MTEF ceilings should be deferred and programmed over the medium.

Public Investment Management

Exited Projects from the PIP for FY 2022/23-2025/2026.

55. The Development Committee (DC) reviewed projects in the Public Investment Plan (PIP) for FY 2021/22-2024/25 and made recommendations ranging from retention of projects which were noted to be on track, extension of projects to align with financing agreements and completion of outstanding contractual obligations, transfer to recurrent budget for projects whose activities were found to be recurrent in nature and exited some projects whose time in the PIP had expired and financing had concluded. **Accounting Officers are restricted from allocating funds to projects that have been exited as per**



Annex 6. Please, note that **Ushs. 105.9 Bn** realized as savings from Exited Projects have been allocated as in **Annex 7** attached.

Completion of Appraisal Process.

56. The Development Committee recommended 5 projects (**Annex 8**) for re-scoping. This allows for re-assessment of viability of the project when a new scope has been added on to the project. **Accounting Officers of these projects should submit new project documents highlighting the change in scope and cost implication before entering into any new commitment for these projects.**

Retooling Projects

57. The main objective of considering an investment under retooling projects is to **enable the MDAs acquire fixed assets needed to support staff** in executing the delivery of daily services under the mandate of that MDA. Accounting Officers are advised to seriously note that such fixed assets exclude such capital projects as: construction of office space; land acquisition; and acquisition of heavy duty equipment.

58. Over the past recent years, it has been noted that some Accounting Officers misallocate resources of capital projects under retooling projects. Therefore, as communicated earlier in the 2nd BCC for FY 2018/2019, I wish to repeat that you are not allowed to budget for construction and other related projects of capital nature under retooling. Resources of any such projects will be redirected without prior notice to the respective Accounting Officers.

59. For the Budget of FY 2022 – 2023, all Retooling Projects have been subjected to a 40% cut to realize more resources required to implement other more important policy and executive directives. The assumption is that all projects categorized as retooling can be postponed or rescheduled. The remaining resources under this category should be used to purchase office furniture, computers etc. but not infrastructure development. **Accordingly, all Accounting Officers must adhere to this budget reversal and adjust their priorities to fit within the issued indicative planning figures for next financial year.**

Over commitment of the Development Budget.

60. The Development Budget is currently over-committed. This is reflected by the “drip financing” allocated by accounting Officers to new projects.



As such, new projects will only be admitted into the PIP on a replacement basis. Additionally, we have over the past noted that MDAs continue to request for project codes for unready projects. Projects without feasibility studies will not be entertained by the Development Committee effective 1st July 2022, going forward. **Furthermore, I have directed officers in my Ministry to ensure that this is strictly adhered to, during analysis of submissions.**

61. Implementation of unready projects has often times resulted into time and cost overruns. As such, all new projects for admission into the PIP, irrespective of the source of financing shall be required to complete the DC appraisal process in line with the Public Investment Management Systems (PIMS) framework to ascertain viability of investments. Additionally, all new projects are now required to meet readiness conditions stipulated in the Project Selection Criteria.

Budgeting for Operation and Maintenance of Public Assets.

62. Our public investment drive has yielded several public assets. To improve outcomes from these assets, Accounting Officers should look to both maintain them, routinely preserve the quality of individual infrastructure assets and renovate them in good time. Several benefits are associated with maintaining and renovating assets including longer asset life spans, reduced fiscal costs in the medium and long terms, and economic and social benefits for users. **Accounting Officers should therefore provide adequate funding for operation and maintenance of assets under their respective Votes.**

Budgeting for Salaries, Pension, Gratuity and Acting Allowance

Salaries

63. Wage Allocations and Ceilings for FY 2022/2023 are based on the approved wage budgets for staff in-post, any reported shortfalls this FY 2021/2022, the enhancement of salaries for scientists and lunch allowances for Medical Workers.
64. Therefore, Accounting Officers should plan and budget for staff under their respective departments of deployment in order to eliminate mischarges. Similarly, you must ensure that Staff on local contracts and Staff of Subvention Agencies are budgeted for under the Non-Wage Budget under either the **Item 211106 - Allowances** or **Item 263402** for transfers to Other Government Units. As such, all necessary adjustments should be done before finalization of the budget estimates for FY 2022/2023 to ensure accurate budgeting for wages to facilitate proper payroll management and processing of Wage payments.



65. All Accounting Officers should ensure that all Heads of Department accurately plan and budget for all staff in-post and approved recruitments in their departments. Accounting officers who fail to utilize funds meant for the cleared recruitments within the set timelines shall be sanctioned and shall have to forfeit the equivalent amount for FY 2023/2024.

Pension and Gratuity

66. Pension & Gratuity requirements for FY 2022/23 have been computed based on your submissions in line with the computed retirement benefits in the IPPS for all staff retiring in the FY 2021/22. Therefore, you are not expected to report any shortfalls in the FY 2022/23.

67. The allocations for salary, pension, and pension & gratuity arrears for FY 2022/23 have been based on verified submissions made by various Accounting Officers by the deadline of 15th February, 2022. All votes that did not submit or submitted after the deadline will not receive an allocation. Such votes will either finance verified arrears using the allocations under their respective MTEF provisions or be provided for in FY 2023/24.

Delay in Recruitment of Staff.

68. We have continuously observed funds earmarked for recruitment (wages) being returned to the Consolidated Fund at the end of the financial year partly as a result of delays in the recruitment exercise. The Accounting Officers are advised to ensure that;

- i). The required non-wage budget for recruitment is adequately provided for; and
- ii). **Advertisement for approved recruitment for FY 2022/2023 is carried out by 15th July 2022 and the recruitment exercise finalized not later than 15th September 2022. Any Accounting Officer who does not recruit within this timeline will be held personally liable for constraining service delivery.**

Budgeting for Missions Abroad

69. Accounting Officers of Missions Abroad should ensure the following as they finalize their detailed budgets for FY 2022/2023:

- i) The detailed budgets are fully aligned to the NDPIII PIAPs, the Mission Charter and Strategic Plans.



- ii) Program for 100% release of all funds in two tranches i.e July (Q1) and January (Q3). This should be clearly reflected in your Work plans and Cash flow plans.
- iii) Allocate adequate resources for Utilities especially rent to avoid further accumulation of arrears; and
- iv) Properly capture all Non-Tax Revenue projections in the budget and remit all collections to the Consolidated Fund as required under the PFM Act, 2015.
- v) Missions with capacity gaps in planning, budgeting and reporting are advised to notify this Ministry in time to facilitate planning and budgeting for the necessary capacity building. This will help address the challenges of poor quality budgets and reports.
- vi) Plan and budget for all your mission staff salaries in line with your Mission Charter.
- vii) **Avoid uncoordinated, unplanned in-year recruitment and deployment of local staff and foreign service officers respectively to avoid unnecessary salary related supplementary requests. Accounting Officers for Missions who do not take this seriously will be personally held responsible, including revoking of their appointment letters as Accounting Officers.**

Management of Off-budget Development Assistance by MALGs

70. All MALGs are required to disclose Off-budget support to the Ministry of Finance, Planning and Economic Development for effective planning purposes. A module was introduced on the PBS to facilitate planning, budgeting and reporting on off-budget support. It is illegal to implement a project which is not disclosed and authorized.

71. All Accounting Officers for Ministries, Agencies and Local Governments that have off-budget support over and above the direct financing as appropriated by Parliament should have these funds integrated in their respective budgets. This will help to ensure that all interventions are geared towards achieving the set critical government priorities in addition to improving budget credibility, reporting and accountability. Avoid unnecessary utilization of these funds.

72. Guidelines have been prepared for Development Partners on incorporation of all off-budget support in the budget effective FY 2022/23, these will be shared with MALGs and Development Partners respectively.



Authorization to receive grants by the Minister of Finance

73. We have noted that a number of MALGs are receiving grants without Authorization from this Ministry, which contravenes Section 44 (i) and (ii) of the Public Finance Management Act, 2015 (Amended). An exception may be provided to MALGs in writing under section 44 (3).

74. Accounting Officers of all MALGs should adhere to the provisions of the law to avoid queries in future.

Budgeting for Data management in MALGs

75. It has come to my attention that a number of MALGs have very many disjointed systems which almost serve the same purpose. This is an element of duplication. **All Accounting officers should budget for and harmonize data management systems under their jurisdictions to stop duplications.**

Budgeting for Titling and Acquisition of Land

76. Project Implementation continues to face challenges of delayed acquisition of land and right of way for development projects. Accordingly, **Accounting Officers should prioritize and allocate adequate resources for land acquisition where necessary to avoid unnecessary delays in project implementation. A budget provision shall not be approved for FY 2022/23 unless there is a confirmation on availability of land/right of way.**

77. We have observed that many Government institutions do not have titles to the land they own which can lead to encroachment and loss of government property. **Accounting officers for MALGs whose land is not titled should ensure that they budget for titling of all land owned by their respective Votes.** Going forward, for land donated by religious institutions, cultural institution and private citizens should have land titles (as proof of ownership by the donor), the donation agreement (Memorandum of understanding) should give leeway to MALGs to process separate titles in the name of the Vote. **No infrastructure project will be undertaken on untitled land.**

78. It is now a requirement that Government will only invest in titled land.

Contracting and Construction of Public Infrastructure

79. In a bid to improve quality, efficiency and reduce unit costs in construction of public infrastructure funded 100% by Government of



Uganda, in Health and Education sub-programs, H.E the President issued a directive to have all construction contracts in these sub-programmes awarded to the Army construction brigade beginning FY 2021/2022. **Accounting Officers are advised to strictly observe this policy direction as they request for expression of interest for contracts to be undertaken in FY 2022/23**

80. As you budget and plan for all new projects going forward, whether Government of Uganda or externally financed, you should take into account the directive issued by H.E the President.

Quality of Budget Documents

81. We have observed that a number of Votes merely edit the old work plans and procurement plans of the preceding years when preparing submissions for the detailed budget estimates of the next financial year. This leads to submission of substandard documents to this Ministry. **As you finalize your budgets for FY 2022/2023, please pay attention to the quality of your budget documents, and the time frames provided by the PFM Act, 2015. When in need of technical support from my Ministry, please ensure your request is timely.**

F. LOCAL GOVERNMENT SPECIFIC ISSUES

Final Local Government IPFs for FY 2022/23

82. The final Indicative Planning Figures (IPFs) for Local Government Votes (**Annex 9**) have been generated from the Online Transfer Information Management System (OTIMS) following the revision of the indicators under the respective programs, and LG Performance Assessment Results that informed the Allocation Formulae by respective MDAs. **In order to avoid Budget Execution challenges arising from planning and budgeting errors, Accounting Officers should budget as per the ceilings communicated by this Ministry and in line with the issued Program Grant Guidelines in order to ensure that the respective Local Government budget is aligned to Government priorities.**

83. My Ministry has continued to receive requests for budget adjustment during execution arising from poor budgeting by Accounting Officers. **Accordingly, you should ensure that they budget correctly using relevant budget lines as no budget adjustments outside the PFM Act 2015 will be accepted during budget execution.**



Issuance of Grant Guidelines by Central Government MDAs

84. We have noted that responsible Ministries continuously delay to issue Local Government grant guidelines to facilitate timely finalization of detailed budget estimates. **All responsible MDAs should issue guidelines under their respective jurisdiction not later than Monday 28th February 2022 to enable Local Government Accounting Officers finalize their Detailed Estimates for next financial year.** We shall follow up and take appropriate action on non-adherence to these guidelines during execution of next year's budget.

Locally Raised Revenue

85. COVID-19 pandemic has greatly impacted many revenue sources. As such, you were requested to provide realistic Local Revenue projections, clearly indicating the Non-Wage Recurrent and Development components, as well as the proportions to be remitted to the Sub-Counties and Municipal/City Divisions. **Therefore, the Local Revenue projections herein attached with the final IPFs for FY 2022/23 have been provided based on each respective Local Government submission, and where no submission was made on time, the current FY 2021/22 performance level was considered to avoid challenges during execution.**

86. Please ensure that, you budget appropriately by recurrent and development, and these should be approved by your respective Local Councils together with all other grants before submission to this Ministry in the Budget Estimates for appropriation by Parliament in line with the PFM, Act 2015.

BUDGETING FOR FUNDS APPROPRIATED UNDER CENTRAL GOVERNMENT VOTES BUT DISBURSED TO LOCAL GOVERNMENTS.

87. While a number of Wealth creation Funds which were previously under the Center but transferred to Local Governments have been rationalized and consolidated, there still remains a number of projects whose funds are appropriated under Central Government Votes but whose interventions are undertaken in the Local Government Votes. These include but not limited to Road Fund, and National Medical Stores among others.

88. However, some Local Governments are not informed of the expected funding levels under these Programs in time, to enable them include these funds in their detailed budget estimates, procurement plans and annual work plans. This has been one of the causes of delayed project implementation leading to unspent balances at the end of the financial year. **Accounting Officers of the responsible MDAs should ensure that they provide Local Governments with the IPFs for these grants not**



later than Friday, 25th February 2022 to enable them budget appropriately. The same grants should be shared with my Ministry for appropriation by Parliament.

Operationalization of New Administrative Units

89. Government has over the years created a number of new Administrative Units. However, these Units have for long not been operational on account of resource constraints. Therefore, in FY 2021/22, Government provided a supplementary of **Ushs.29.3billion** to kick-start operationalization of these Units. For FY 2022/23, a total of **Ushs.46.3billion** has been provided in the final resource envelope for operationalization of the newly created Town Councils and Sub Counties; of which; **Ushs.29.3billion** is Wage, and **Ushs.17billion** is Non-Wage Recurrent.
90. *As such, these Units have been provided with budget codes in the PBS for use and all Accounting Officers are strongly advised to use the revised boundaries following operationalization of new sub-counties and Town Councils while finalizing the Budget Estimates for FY 2022/23 to avoid challenges during execution.*

Budgeting for Ex-Gratia and Councilors' Allowances

91. A number of Local Governments have continuously reported shortfalls on Ex-gratia and Honoraria for their respective Political Leaders based on the recently concluded elections in New Administrative Units and Changes in the Law. As such, this Ministry has provided the IPF for this category and where these the funds are not adequate, a Local Government is expected to use their Unconditional Grant to budget for this requirement. ***All LGs should adequately Budget for their Political Leaders as this Ministry expects no shortfalls in the budget for FY 2022/23. You are further advised to ensure that the funds are budgeted for using correct item lines as per the Chart of Accounts to avoid any limitations during budget execution.***

Budgeting for the District Service Commissions

92. Over the years, several Local Government Votes have returned Wage at the end of the Financial Year on account of failure to recruit and fill the staffing gaps. This has been attributed to limited financing of the District Service Commissions (DSC) to carry out its routine operations including recruitments. ***You are therefore, advised to ensure adequate funds are allocated to the DSC for their effective operations.***



DEEPENING FISCAL DECENTRALIZATION: THE UGANDA INTER-GOVERNMENTAL FISCAL TRANSFER REFORM FOR RESULTS

Recruitment of Substantive Head Teachers, Deputy Head Teachers, and Teachers in Primary and Post Primary Schools

93. Findings from the various Joint Monitoring reports of UGIFT indicate that a number of recently constructed Seed Secondary Schools have staffing gaps, with care-taker Head Teachers, and have not constituted/inaugurated Boards of Governors. This is likely to cause instability in the Education Sub-program since such care-taker Staff are not firm in their positions, may be assigned without relevant qualifications and cannot be held accountable but can easily be replaced or transferred without recourse to Service Commissions.
94. Accordingly, Ministry of Education and Sports is undertaking recruitment of substantive Teachers across Government to uplift staffing for the newly constructed Seed Secondary Schools to thirty-one (31) members of staff, the least staffed Primary/Secondary Schools, decentralized Tertiary Institutions transitioned Refugee Primary Schools, including School Inspectors in selected Local Governments out of the additional Wage bill provided. **All Local Governments are required to program for the planned staff postings to avoid supplementary budgets during execution of the budget for FY2022/23.**

Provision of Utilities (Water and Electricity) to the newly constructed Seed Secondary Schools and Upgraded Health Facilities

95. The Ministry notes that majority of the newly constructed Seed Secondary Schools and several of the recently upgraded health facilities have not been connected to the electricity national grid neither have access to permanent water supply. ***As such, the Ministry of Water and Environment and that of Energy and Mineral Development have been requested to prioritize provision of these utilities to the constructed facilities in FY 2022/23.***

Operationalization of completed projects

96. Construction has been completed for a number of facilities under UGIFT and therefore, all Local Government Accounting Officers should make adequate provisions for wage and activities for their operationalization.

New/on-going Construction projects

97. In FY 2022/23, Local Governments with pending construction projects should facilitate the Project Management Team (PMT) to ensure regular



monitoring and supervision of these projects; by budgeting using the Project Investment Service Costs under budget items 281502 and 281504.

Strengthening of the Inspection function

98. Arising out of the various Joint Monitoring of UGIFT Projects, several Health Facilities and Seed Secondary Schools were found untidy with bushy compounds. Therefore, starting FY 2022/23, All LGs are advised to allocate adequate funds for purposes of regular inspection of Health facilities, Education facilities and any other public workplaces under their jurisdiction.

Provision of additional Rain Water Harvesting and Storage facilities in newly constructed Schools and Health facilities

99. All UGIFT newly constructed schools and upgraded health facilities were fitted with water gullies as per the contract specifications. However, it has been noted that storage facilities for the harvested rain water are inadequate. ***As such, LG Accounting Officers, using the District Water and Sanitation Development Grant, should budget for additional rain water harvesting facilities at these Centres.***

Budgeting for Environment and Social Compliance Safeguards

100. The Ministry disseminated Environmental and Social, Safety and Health Safeguards Guidelines in 2020. However, non-implementation of Environment and Social Management Plans (ESMPs) across LGs has been reported. ***All LG Accounting Officers are advised to ensure compliance and adherence to these guidelines in all projects. You should therefore, make adequate budgetary provisions for the Environment and Social Management Plans (ESMPs). This should be budgeted for under Output Code 098309 under investment service costs.***

Budgeting for Cost Centers

101. I have received various concerns on the non alignment of the budgets for Cost Centers/Schools in line with the budget process calendar as guided by the PFM Act, 2015 which greatly affects release of funds, especially for Tertiary Institutions. As such, you are once more reminded to fully participate in the Budget Preparation process to avoid distortions in the release of the funds during execution. Any Accounting Officer who fails to align the cost centers will be held personally responsible for non-release of funds to the affected facilities. Where inconsistencies exist, these should be identified and brought to my attention by **Friday 25th February, 2022** for corrective action.



Timely Submission of Performance Contracts (Form B)

102. In line with PFM Act 2015, Accounting Officers are required to submit their Performance Contract on a timely basis, as one of the requirements to renew your role as an Accounting Officer and to commence Budget Execution for the following financial year. Accordingly, Accounting Officers are advised as follows:

- i. Ensure that the Budget Performance Contract for FY 2022/23, which includes the annual and quarterly work plans for FY 2022/23, is submitted to this Ministry not later than **15th June 2022** using the issued Budgeting Template;
- ii. Note that, an extract of the Budget Performance Contract should be submitted to the relevant Programme/MDAs to confirm the consistency between the work plans and the Grant Guidelines issued; and
- iii. Note that in FY 2022/23, no funds shall be released to any Accounting Officer who has not complied with the requirements on submission of the Budget Performance Contract for FY 2022/23.

G. CROSS CUTTING ISSUES

COVID-19 Mainstreaming

103. As the Covid-19 pandemic has devastated the livelihoods of many Ugandans, with more people slipping back into poverty, we have noticed that other health concerns including HIV/AIDS, death from preventable diseases and reduction in Vaccinations against the killer diseases have been neglected leading to more deaths from preventable causes as compared to those from Covid-19.

104. As you finalize your detailed budget estimates, you are reminded to adequately budget for; Covid-19 related expenditures including the Standard Operating Procedures (SOPs); surveillance activities; and Mitigation against preventable diseases.

HIV/AIDS Mainstreaming

105. To facilitate implementation of the HIV and AIDS Mainstreaming Guidelines issued in 2018, following the alignment of the budgeting to the NDPIII programmatic approach, the budget output **Code 000013** was created and activated in the IFMS by this Ministry. This replaces the various MTEF codes that had been created across all sectors, effectively providing an alignment of HIV /AIDS interventions to the



NDPIII. Unlike other budget output codes, this has been created as a special purpose code that can be used across all the 20 Programmes of the NDPIII.

106. You are advised effectively to allocate 0.1% of your total budget (excluding pension, gratuity and transfers) towards various HIV&AIDS interventions as per the HIV&AIDS mainstreaming Guidelines issued by Uganda AIDS Commission. All Accounting Officers are instructed to clearly use the Budget output code to outline and cost their HIV / AIDS related activities for the FY 2022/23 including; Counselling, Social support, Awareness Campaigns, Workplace policies and Care and treatment.

Malaria Mainstreaming

107. Whereas Uganda has experienced a reduction in malaria prevalence, it is one of the leading killer diseases and largely affects the strength of labor force through sickness and time taken to treat and care for those affected. As part of the budget preparation for FY 2020/21, Accounting Officers are advised to plan for a malaria free environment by ensuring that resources are earmarked for bush clearing around the offices as well as sensitization of staff to adopt malaria preventive measures, among other budget cross cutting actions, in their homes.

108. Furthermore, in the development of work plans where the intended intervention(s) have a community focus, the issue of malaria prevention should be incorporated. The Permanent Secretary, Ministry of Health issue the Guidelines on specific details related to malaria prevention to guide Accounting Officers in the course of preparing their work plans and detailed budget estimates for FY 2022/2023.

109. A copy of the Guidelines can be accessed on the link <https://www.afro.who.int/publications/guidelines-mainstreaming-malaria-multisectoral-national-and-district-plans>.

Gender and Equity Budgeting

110. The mainstreaming of gender and equity issues remains one of the government's primary commitments under the Sustainable Development Goals (SDGs). Section 9(6) of the PFM Act 2015 requires the Minister of Finance, Planning, and Economic Development to certify that MALG budgets are gender and equity responsive in consultation with the Equal Opportunities Commission (EOC).



111. All MALGs should ensure that gender and equity issues are addressed in their respective budgets and that a copy of the detailed Budget estimates is submitted to EOC for assessment and issuance of the certificate of gender and equity compliance by 11th March 2022.

112. As you finalize the budget estimates for FY 2020/2021, Accounting Officers should illustrate inclusiveness in access, participation, and benefits from public goods and services by all men and women of all ages; persons with disability; and all income groups.

Mainstreaming Environment and Climate Change Interventions

113. All MDALGs should identify and budget for interventions for protection and conservation of environment as well as mitigation and adaptation to climate change. Accordingly the programme and sub-programme work plans should clearly indicate the specific planned interventions, resource allocation, expected outputs and appropriate indicators to facilitate fast-tracking progress on these interventions. The Ministry of Water and Environment and National Environment Management Authority should ensure that adequate guidance is provided to all MDALGs

114. All MDALGs should mainstream environmental issues in their detailed budget estimates taking into consideration the key issues captured in the BFPs for FY 2022/2023

H. CONCLUSION

115. All Accounting Officers are required to adhere to the guidelines stipulated in this circular as well as the requirements of the Public Finance Management Act 2015 (Amended).

116. All Ministries are requested to finalize and submit their Ministerial Policy Statements and Draft Estimates for the FY 2022/2023 to this Ministry by Thursday, 11th March 2022 for consistency checks and to Equal Opportunity Commission for assessment of compliance on Gender and Equity responsiveness.

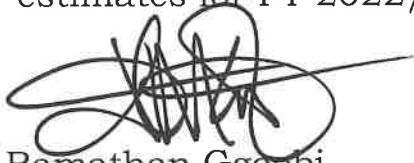
117. All Accounting Officers should submit their Detailed Budget Estimates and Project Profiles for FY 2022/2023 online, using the PBS and in hard copies generated off the PBS to the Permanent Secretary/Secretary to the Treasury for the attention of the Director Budget not later than Friday, 11th March 2022.



118.All Accounting Officers are requested to submit their performance contracts and work plans and budgets on the PBS by 11th March, 2022 for analysis by this Ministry in preparation for approval by Parliament by 1st April.

119.In case of any queries regarding the new PBS features, please contact out Technical Support Team on 0414707151 from Monday to Friday 08:00Hrs – 17:00Hrs, email: pbssuppo@gmail.com or contact respective desk officers for immediate assistance. Budget related information is available on the Budget Website www.budget.go.ug or through the Toll Free Line: **0800229229**.

120.I thank you for your continued efforts towards Improving Service Delivery and wish you success in finalization of your detailed budget estimates for FY 2022/2023.



Ramathan Ggoobi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

cc: Rt. Hon. Speaker of Parliament

Rt. Hon. Deputy Speaker of Parliament

Rt. Hon Prime Minister

Hon. Minister of Finance, Planning and Economic Development

All Hon. Ministers and Ministers of State

The Chairperson/Parliamentary Budget Committee

All Hon. Members of Parliament

The Chairperson, National Planning Authority

The Head of Public Service and Secretary to Cabinet

The Principal Private Secretary to H.E the President

The Clerk to Parliament

Auditor General/Auditor General's Office

Internal Auditor General/MoFPED

~~The Director/Parliamentary Budget Office~~

All Resident District Commissioners

All Chairpersons LCV and Mayors of Municipalities

The Inspectorate of Government

**SUMMARY LIST OF ANNEXES TO THE 2ND BUDGET CALL
CIRCULAR FY 2022/2023**

ANNEX	DESCRIPTION	STATUS
1	Program Interventions	Done
3	LG Workshops Recommendations	Done
3	The MTEF	Done
4	Structure of the MPS	Done
5	Domestic Arrears for FY 2022/2023	Done
6	Projects Exited from PIP FY 2022/23 – 2025/26	Done
7	Additional Allocations to MALGs	Done
8	Projects Re-scoped in the PIP FY 2022/2023 – 2025/26	Done
9	Local Government Indicative Planning Figures FY 2022/2023	Done



ANNEX 1: NDPIII PROGRAMME PRIORITY INTERVENTIONS FOR FY 2022/2023

PROGRAMME	PRIORITY INTERVENTIONS
1. Agro-Industrialization	<ul style="list-style-type: none"> i. Acquisition of sufficient doses of vaccines and drugs for control and management of epidemic diseases such as Foot and Mouth Diseases, Contagious Bovine Pleuropneumonia (CBPP), and Peste de Petit Ruminants (PPR). ii. Agro-Processing and Value Addition along the value chain; iii. Procurement of agricultural farm and Irrigation equipment; iv. Enhancing commercialization of agriculture; v. Completion of the National Agricultural Research Organization (NARO) vaccine research and production facility at Namalere Livestock Research Institute (NaLIRI) and acquire high-tech equipment for production of sufficient doses for on-farm trial. vi. Roll-out e-extension to enhance provision of agricultural extension services. vii. Operationalize the Parish Development Model by scaling up access to improved inputs including seeds, seedlings, stocking materials and fertilizers through the e-voucher inputs distribution model viii. Establishment, renovation, and operationalization of regional quality certification and testing centers for agricultural inputs and products. ix. Renovate and equip Namalere certification laboratory and laboratories at border points with modern equipment such as high chromatographic machines, autoclaves, cold rooms, cold trucks, green houses, gamma ray radiation machines. And provide operational resources for inspection and training. x. Renovate and equip the national coffee analytical laboratory at Lugoggo and construction of other regional laboratories; xi. Expand storage and processing capacity for agricultural commodities within the 18 zones of the country; xii. Optimally utilize the existing grain storage facility by providing credit guarantee funding to grain processors and traders; xiii. Provide funds for private sector equity investment through UDC to invest in zonal agro-processing value chains in: Sugar – East, Cassava – North and East, Tea – Zombo and Kyenjojo Lines, Fruit Processing – Greater Masaka, Nwoya and Kayunga, Yumbe and Arua.



2.	Mineral Development	<ul style="list-style-type: none"> i. Organize, formulate and regulate the artisanal and small-scale miners; ii. Develop and implement an incentive regime for actors in the priority mineral value chain. iii. Through Uganda Development Cooperation (UDC), Government will offer support to Steel industries
3.	Sustainable Development of Petroleum Resources	<ul style="list-style-type: none"> i. Construct the East African Crude Oil Pipeline (EACOP); ii. Undertake EACOP Resettlement Action Plan (RAP) with the consideration of the elderly, youth, women and Persons with Disabilities; iii. Establish and equip the National Petroleum Data Repository; iv. Undertake the feasibility study on establishment of a robust petrochemical Industry; v. Acquire Land for the pipeline and storage facilities; vi. Secure financing for UNOC operations; vii. Secure financing for the Jinja Storage Terminal (JST) Oil jetty and pipeline construction.
4.	Tourism	<ul style="list-style-type: none"> i. Sustaining upstream investment in product development; ii. Increasing access to tourism recovery financing; iii. Intensification of domestic tourism and specialized tourism promotions and campaigns; iv. Hiring and deployment of market destination representative firms in key markets v. Provide adequate accommodation for Tourism security personnel provided; vi. Management of Human-wildlife conflicts in districts hosting/surrounding conservation areas
5.	Natural Resources, Environment, Climate Change, Water and Land Management	<ul style="list-style-type: none"> i. Evict encroachers from wetlands, forests, and riverbanks ii. Establish 35.5M commercial tree plantations through sale of quality tree seedlings to the public. iii. Demarcate, gazette, and restore 850KM of wetlands iv. Resurvey, mark, and maintain 6200km of Central Forest Reserve boundaries. v. Establish alternative livelihood options (aquaculture, bee keeping, pottery and crafts) in natural resources neighboring communities under the PDM. vi. Climate change mitigation actions, including commercial tree planting; the eviction of wetland encroachers, and restoration of the wetlands; and the enactment of by-laws by local government authorities. vii. Implementation of the integrated physical and economic development plans in the new cities and issuance of guidelines for their operationalization.



		viii. Implement projects in line with the Greater Kampala Metropolitan Area (GKMA) Strategy
6.	Private Sector Development	<ul style="list-style-type: none"> i. EMYOOGA Funding to provide seed capital for special interest enterprising groups ii. Small Business Recovery Fund capitalization iii. UDB Capitalization and other financing schemes such as the Agricultural credit facility iv. Strengthening Private Sector Institutional and Organizational Capacity by focusing on the establishment of functional Business Development support service centres regionally. v. Institutional capacity support to UNBS to facilitate Standards enforcement by UNBS
7.	Manufacturing	<ul style="list-style-type: none"> i. Provide funds for private sector equity investment through UDC to be invested in key commodity agro-processing value chains ii. Support industries that use locally sourced raw materials to produce most of the goods that we import. iii. Capitalize Uganda Development Bank (UDB) to provide affordable and long-term capital at lower interest rates for manufacturing iv. Strengthen standards for quality assurance to improve access of Uganda's export to regional and international markets v. Government investment in and support to private sector industries with untapped export potential particularly in agro-industry and light manufacturing vi. Develop the iron and steel industry to reduce the cost of construction
8.	Integrated Transport and Infrastructure Services	<ul style="list-style-type: none"> i. Increase resources for road maintenance to cover additional 10,447 kms of National Roads and 16,035Km of District Urban and Community Access Roads (DUCAR) with special priority on the Greater Kampala Metropolitan Area (GKMA) roads. ii. Fast track construction and completion of critical oil, tourism roads and other upgrading and rehabilitation projects. iii. Completion of Kabaale International Airport iv. Completion of Upgrade and Expansion of Entebbe International Airport (Phase I) project v. Rehabilitation of Tororo-Gulu (375Km) and Malaba-Kampala Meter Gauge Railway; vi. Physical works for Bukasa Port Phase II
9.	Sustainable Energy Development	<ul style="list-style-type: none"> i. Increase primary energy consumption from 15.20 million tonnes of oil equivalent to 21.74 million tonnes in 2025;

		<ul style="list-style-type: none"> ii. Increase proportion of the population with access to electricity from 24 percent in FY2018/19 to 60 percent in 2025; iii. Increase per capita electricity consumption from 100 kWh to 578kWh; iv. Reduce share of biomass energy used for cooking from 88 percent to 50 percent; v. Increase the share of clean energy used for cooking from 15 percent in FY2018/19 to 50 percent; vi. Increase transmission capacity from 2,354km to 4,354km of high voltage transmission lines; and vii. Increase grid reliability to 90 percent. viii. Increase national Liquefied Petroleum Gas (LPG) uptake from the current 1percent to 8 percent on the energy balance.
10	Digital Transformation	<ul style="list-style-type: none"> i. Implement last mile connectivity/rollout broadband infrastructure in key government service delivery units ensuring all essential services such as schools, hospitals, post offices, tourism sites, police, LGs etc) are connected. ii. Support development and commercialization of local ICT products and build a critical mass of talent to develop applications and services. iii. Support the roll-out of e-services in key sectors such as e-extension, e-education, e-health as well as remote collaboration solutions, to digitally transform public service delivery particularly considering COVID iv. Provide digital literacy training to SMEs and communities to create awareness about ICTs and empower them in the use of ICT products and services
11	Sustainable Urbanization and Housing	<ul style="list-style-type: none"> i. Develop and implement integrated physical and economic development plans in the new cities and issue guidelines for their operationalization. ii. Develop and implement an investment plan for adequate and affordable housing. iii. Develop and implement bankable projects in line with GKMA Strategy
12	Human Capital Development	<ul style="list-style-type: none"> i. Country-wide vaccination against COVID-19, targeting 22 million people, to mitigate against the spread of the disease; ii. Maintaining resources in the budget for increasing the capacity for other communicable and non-communicable diseases; iii. Fast-tracking the national health insurance policy, including the national ambulance system to reduce the cost of the services on the government;



		<ul style="list-style-type: none"> iv. Scale up Community disease surveillance mechanisms through strengthening the Village Health Teams (VHTs) mechanisms and integrated case management: VHT support offer training and equip VHTs with a smart phone and bicycle for transport; and recruit additional Health assistants and surveillance officer to support and supervise the VHTs. v. Functionalization of existing public health facilities through progressive and sequenced functionalization of all existing health facilities (National Referral Hospital, Regional Referral Hospital, General Hospitals, Health Center IVs, Health Center IIIs) based on agreed service delivery standards, for example: (a) Recruitment of additional health workers, (b) Provision of additional equipment and medical supplies. vi. Invest in efforts for eradication of malaria vii. Maintain instructional materials and capitation grants at pre-COVID levels on condition of automatic promotion viii. Support the lagging private sector institutions (primary, secondary, tertiary) by providing for an education recovery fund to enable them to meet the basic requirements and minimum standards and maintain or increase enrolment of learners. ix. Provide Universities Research and Innovation Fund for increased Covid-19 solutions. x. Enhance Early Childhood Development (ECD); xi. Implement an integrated ICT enabled teaching, school level inspection and supervision xii. Develop and implement a distance/e-learning strategy in line with the COVID-19 environment; xiii. Upgrade the Education Management Information System (EMIS) to include tracking enrolment, drop-out, retention, and uniquely identify learners, teachers, and institutions. xiv. Integrate Education for Sustainable Development into the school curriculum xv. Roll out the modularized TVET curricula for all formal TVET programmes as to attain a flexible demand driven TVET system in Uganda. xvi. Refocus and support Vocational Training Institutions (schools, institutes and colleges) to deliver a dual training system for TVET (i.e. 80percent training in industry and 20 percent learning in the institution) and Universities (ie 40percent training in industry and 60 percent training in institution).
13	Innovation, Technology	<ul style="list-style-type: none"> i. Establish indigenous knowledge centers & develop scientifically accredited Indigenous medicines;



	Development and Transfer	<ul style="list-style-type: none"> ii. Establish and operationalize a multipurpose virus research Centre; iii. Enhance support to scientific research and development of vaccines and equip research institutions with the required infrastructure; iv. Develop and Implement a National Science and Technology Innovation Advancement and Outreach Strategy; v. Support the review of the curriculum and delivery methods at all levels of education with a view of promoting innovation; Design and implement special programmes for Nano technology, space exploration, nuclear technology, bio sciences, ICT and engineering
14	Community Mobilization and Mindset Change	<ul style="list-style-type: none"> i. Sensitizing families, citizens and communities about national and community development programmes; ii. Mobilizing and encouraging families, communities and citizens to actively participate in development initiatives; iii. Increase media coverage of national programmes; iv. Accountability and Transparency in all Government development initiatives; v. Increased uptake and/or utilisation of public services (education, health, child protection, population services, water and sanitation, livelihood programmes etc.) at the community and district levels; vi. Improve and increase adult literacy (from 72.2 to 80 percent); vii. Reduction in prevalence of negative social norms and cultural practices that perpetuate gender inequality
15	Governance and Security	<ul style="list-style-type: none"> i. Strengthen capacity of security agencies to address emerging security threats; ii. Strengthen policy, legal, regulatory and institutional frameworks for effective governance and security; iii. Strengthening transparency, accountability and anti-corruption systems; iv. Enhancing the welfare and housing of security personnel; v. Keeping border controls and immigration management; vi. Finalize the CCTV surveillance project country-wide; and vii. Strengthen early warning and response mechanisms.
16	Public Sector Transformation	<ul style="list-style-type: none"> i. Continued rationalization of Government institutions by merging some Ministries and Agencies to reduce and save on costs of public administration and associated expenditures;



		<ul style="list-style-type: none"> ii. Phased salary enhancement for scientists, health workers and all categories in the Public Service; ii. Full scale implementation of the Parish Development Model; iv. Enhanced capacity building of the public service
17	Regional Development	<ul style="list-style-type: none"> i. Stimulating the growth potential of the sub-regions in the key growth opportunities of Agri-business, Tourism, Minerals and Manufacturing; ii. Closing regional infrastructure gaps for exploitation of local economic potential; ii. Strengthening and developing regional based value chains for LED; iv. Strengthening the performance measurements and management frameworks for local leadership and public sector management
18	Development Plan Implementation	<ul style="list-style-type: none"> i. Alignment of the Budget to the National Development Plan; ii. Restoration of fiscal discipline through management of supplementary expenditures and domestic arrears; iii. Expand the scope of revenue mobilization and collection
19	Administration of Justice	<ul style="list-style-type: none"> i. Strengthening the Commercial Division of the High Court; ii. Management of Case Backlog; iii. Recruitment of adequate man power for effective delivery of justice; iv. Promotion of alternative dispute resolution mechanism through roll-out of small claims procedures; use of Information and Communication Technology; Extension and Upgrade of the Judiciary ICT backbone infrastructure; Court Recording and Transcription Systems; and Creation of Infrastructure and Environment Division.
20	Legislature	<ul style="list-style-type: none"> i. Strengthen legislative processes in Parliament and Local Government Councils to ensure enhanced scrutiny and quality of legislation, and to improve their representative function; ii. Develop and upgrade systems essential for fast tracking Parliamentary and LG Council business and enhance capacity to optimize efficiency; iii. Strengthen the oversight role of the legislature in enforcing accountability and efficiency in the implementation of Government Programmes; and iv. Fast tract the construction of the New chambers at Parliament to provide adequate space to suit the expanded size of Parliament



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
CROSS-CUTTING ISSUES				
Alignment of the Budget to the Third National Development Plan (NDP III) Programmes, objectives and interventions	Conduct hands-on training of all the Budget Desk Officers and Heads of Departments in the LGs so that they can use the Template for aligning the Budget to NDP III Plan.	MoFPED, NPA	Immediate	
	Timely feedback from MFPED and NPA whenever information is submitted to ensure that corrective measures can be <u>addressed promptly</u> .	MoFPED, NPA	Immediate	N/A
Dissemination of the Indicative Planning Figures (IPFs) for FY 2022/23, and Grant Guidelines. Concerns were raised on the resource envelope largely on reducing IPFs despite the increasing cost of service delivery	LGs requested that the PDM IPFs should be formula based and consider population of the parish, number of parishes and villages/LC.1s, and the poverty index.	MoFPED	Medium Term	N/A
Operationalisation of all newly created Administrative Units: Participants argued that for the Parish Development Model to be successfully implemented, there is need for full scale operationalisation of all newly created Administrative units. However, no funding had been provided nor communicated to that effect.	Participants were informed that Cabinet had just approved supplementary funding totalling Ushs. 29.3 Bn for operationalisation of all newly created Town Councils and Sub Counties; and upon approval by Parliament, these funds shall be released to start up the new Administrative Units.	MFPED, MoLG, Parliament	Immediate	29.3BN
No Issued Guidelines for PDM: Participants noted that LGs had received funding for implementation of the PDM but no Guidelines had ever been received nor disseminated; and as such, many LGs are stuck with little or no knowledge of the PDM nor its details	Cabinet approved the Implementation Guidelines for the PDM at the start of October, 2021 and these would soon be endorsed by the Hon. Minister, MoLG and disseminated in time for implementation of the Revolving Funds.	MoLG	Oct, 2021	
Reporting Template for PDM: Participants requested for a uniform template where Parish Chiefs can enter the collected data in the meantime as Gadgets are awaited	NPA, UBOS, MFPED and MoLG shall work closely to address this matter	NPA, UBOS, MoLG	Immediate	
The workshops noted that Parish Chiefs seemed to have too much power under the PDM and were concerned with record keeping and accounting for funds under a thin Administrative Structure for a Parish	The power vested in a Parish chief is aimed at limiting unwanted consultations with the Higher LGs, center of responsibility and increased success of the Programme	Parish Chiefs	Immediate	
In some sections, the meetings proposed that the Parish Development Model should be specifically ringfenced for the Active poor since not all the poor can ably participate in the money economy	It was agreed that such matters shall be left to the discretion of the Parish Development Committees, that best understand their local persons.	Parish Development Committee	Immediate	



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
Transport equipment for monitoring and supervision of Government programmes	Government should provide resources for purchase of transport equipment for Accounting Officers and Political leaders in the next Budget.	MoFPED, MoLG	Medium Term	



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
PROGRAMME SPECIFIC ISSUES				
AGRO-INDUSTRIALISATION				
Centralization of revenues from fishing licenses: MAAIF has centralized all revenue from fishing activities in the island Local Governments like Buvuma and Kalangala with no share being left for the host DLG	MAAIF should review revenue sharing arrangements to ensure that a decent share of the revenue from fishing licenses should be remitted to the respective LGs	MAAIF	Medium Term	
Agricultural Extension Workers: Agricultural extension services have resulted into increased performance of the agricultural sector. However, there is need for recruitment of additional extension workers. E.g Kiryandongo District has 6 sub-counties without a single extension worker.	Government should consider recruitment of extension workers in LGs without any extension workers.	MAAIF, MFPED	Immediate	
Quality of Agricultural Outputs: There are challenges for quality management across the entire agriculture value chain. This affects the quality of agricultural products due to poor post-harvest handling	In order to ensure that the products are improved, MAAIF should develop a standard curriculum of climate smart agriculture to train all farmers.	MAAIF, UNBS	Medium Term	
Quality Control of Agricultural Inputs; Local Governments were concerned about the rise in the number of counterfeit agricultural products such as seedlings, crop and animal drugs, farm implements among others. They attributed this to low quality control both for inputs produced locally and imported	The Ministry of Agriculture, Animal Industry and Fisheries should work closely with the enforcement arms such as Uganda Bureau of Standards to protect farmers against counterfeit inputs	MAAIF, UNBS	Medium Term	
Persistent Foot and Mouth Disease has led to a drop by about 40% of the entire local revenue in the LGs within the Cattle Corridor; especially on account of the blanket quarantines on sale of cattle	Participants requested that MAAIF should undertake mass cattle vaccination against FMD in the cattle corridor as opposed to closure of cattle markets that has drastic negative impact on local revenue collection, which has already been affected by the COVID-19 pandemic	MAAIF	Immediate	
Some participants requested that the PDM should not consider use of the e-voucher system used under the ACDP, but has miserably failed the programmes due ease of manipulation of information and supply details	A member of the ACDP Steering committee noted that such informations shall be investigated and addressed in due course	MAAIF	Medium Term	



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
<p>Unauthorized fishing by the UPDF:The Fishing LGs of Kalangala and Masaka noted that the UPDF had overstepped its mandate of enforcing use of appropriate fishing gear and methods on Lake Victoria; and instead, the army had started directly fishing, without licensing by the host LGs nor MAAIF</p>	<p>MAAIF was requested to investigate allegations of unauthorized fishing by the army. In addition, the institution was requested to continually assess the efficacy of the UPDF's enforcement of appropriate fishing practices and use of proper fishing gears.</p>	<p>MAAIF</p>	<p>Immediate</p>	



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
Mineral Development				
<p>Alienation of LG from the Mining subsector: Participants stated that all key Mineral resources in LGs are manned by Soldiers; and as such Local Authorities can not monitor activities nor collect any revenues. In addition, most of these companies in these sites are disguisedly operating under Exploration licences and not mining licences on royalties can be claimed by the LGs.</p>	<p>The Political Leaders of the affected LGs were advised to formally petition the Minister of Energy and Mineral development for review and reconsideration of the issues surrounding Mining activities in Local Governments.</p>	MEMD, LG Political Leaders	Medium Term	
Tourism Development				
<p>Participants requested that Government meetings, conferences and events should be mandated to mainstream local tourism in their programmes so as to encourage sustained growth of the Industry</p>	<p>This is a good proposal that should be fast tracked by the Ministry of Tourism, Wild Life and Antiquities for cascading to all MDAs</p>	MCTWA	Medium Term	
<p>Centralized nature of the service of tourism: This service is currently carried out by the Production and Commercial Officers in the LGs. There are no tourism officers recruited in the Local Governments thus the sector is not providing its mandate in the LGs</p>	<p>The Government through MoFPED and MoPS should provide wage bill for recruitment of tourism officers in Local Governments and provide a grant to support the function of tourism activities.</p>	MoFPED, MoPS	Medium Term	
<p>Unreachable attractions: LGs have tourism attractions that are not reachable by tourists. In most cases, they are hard to reach thus affecting revenue performance in the Country</p>	<p>CGs and LGs should make efforts to provide access to these sites as well as gazette them such that revenue performance is boosted</p>	UWA, MoWT, LGs	Dec, 2021	
<p>Land fragmentation: Especially in protected areas that are encroached on like Mt. Elgon. This land fragmentation causes many negative effects including higher costs, increased negative externalities, loss of land due to boundaries among others. This land loss is directly related to the number of plots</p>	<p>There is need for more community sensitization of the population in regards to the benefits of tourism and conservation. In addition, LGs should gazette areas of tourism.</p>	MCTWA & LGs	Medium Term	
WATER, CLIMATE CHANGE AND ENVIRONMENT AND NATURAL RESOURCE MANAGEMENT				
<p>There is wide spread encroachment on natural Forests and wetlands e.g. Nawandigi forest in Butambala that was demolished</p>	<p>i). The community stake of the forest in question was sold to Ambiance Company and hence the community is now encroaching on the remaining part of the forest.</p>		Medium Term	
	<p>ii). Also NFA has inadequate staff to effectively enforce the laws. As such, NFA was requested to formally submit a paper to PSST, enumerating strategic and operational proposals for sustainable capacity and protection of our Forests and Environment for enhanced service delivery starting FY2022/23</p>	NFA, MFPED	Medium Term	



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
Lack of Funding for Environmental and Social safeguards: The participants stated that under the ongoing UGIFT programme, the LGs are expected to institute measures in observance of the World Bank principles on Environmental and Social Safeguards which funding is dismal.	The Meetings agreed that going forward, funding for Environmental and Social Safeguards shall be incorporated under DDEG.	MoFPED, MoGLSD	Immediate	
PRIVATE SECTOR DEVELOPMENT				
Participants noted limited sensitization and information about the Emyooga Programme and this was attributed to the mandated MSC, whose Team can only engage a few Local Government Heads and Technocrats in a limited time frame. The locals think this money was given in appreciation for voting the President in the recent elections	MFPED should review guidelines on sensitization for Emyooga and related programmes to allow for increased participation of HLGs and LLGs in the sensitization of masses on the Emyooga funds as opposed to the MSC, whose presence on ground is too thin	MFPED	Nov, 2021	
Digital Transformation				
Unreliable Internet connectivity. The participants were concerned that the unreliable internet connectivity and lack of adequate gadgets and tools especially where videos are required, made the virtual platforms like Zoom not very effective means of conducting Government business like trainings and lengthy meetings upcountry	Need to conduct physical training meetings upcountry and NITA-U should look at the issue of improving internet connections across the Country	NITA-U, MFPED and All MDAs	Medium Term	
TRANSPORT INTERCONNECTIVITY				
Lack of Road Construction Units: Districts indicated a need for a second Road Construction Unit; while Some LGs actually lack a Unit in place despite impassable roads	Requests for Road Construction Units shall always be considered by Ministry of Works upon availability of resources	MoW&T	Medium Term	
Revision of the URF allocation formula based on population and level of economic activities. The Residents pay taxes in KCCA where they work yet reside in the MC but not even a Road Construction Unit exists. There is need to open more roads to decongest Entebbe road and the few tarmacked roads	MFPED, MoLG & LGFC committed to making adjustments in the future	MFPED, MoLG & LGFC	Medium Term	
Transport Equipments for LCVs: A number of District Chairpersons have never received transport vehicles yet most DLGs cannot afford purchase of sound vehicles every 5 years.	The MoLG shall have procured Vehicles for 8 District Chairpersons without one, including the newly created Terego and these shall soon be delivered to the rightful beneficiaries	MoLG	DEC. 2021	



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
Inadequate funds for Road Maintenance: Inadequate funding for road maintenance in LGs which affects the state of the road network especially in times of bad weather and heavy rains.	It was recommended that MoFPED and URF should take into consideration revising the funds allocated to roads maintenance in LGs and should increase funding to LGs to enable them fulfil their mandate.	MoFPED, URF	Medium Term	
Servicing of Road Equipments: The road equipment that were bought for the LGs are not working due to lack of service and simple spares like tyres. There is also a general problem of failure to access excavators and low-beds by LGs from the MoWT regional zonal centres.	MoWT should fast track payment to Victoria Motors who were contracted to service the equipment, increase the number of regional zonal centres and also procure backhoes for LGs which are cheaper than excavators but can do the same work.	MoWT	Immediate	
Lack of supervision vehicles for District Engineer and motorcycles for road inspectors. Some LG Engineers carry out supervision of road works using trucks which is not a good idea.	MoFPED should prioritize procurement of supervision vehicles for Local Government Engineers and motorcycles for road inspectors subject to availability of funding.	MoWT, MoFPED	Medium Term	
SUSTAINABLE URBAN DEVELOPMENT				
Lack of Funding for Physical Plans: Government has failed to fund physical planning and development of masterplans despite high rates of urbanisation. Currently, none of the newly created Cities has a well informed Masterplan	MLHUD should engage the various LGs and offer as much support in the development of physical plan and Masterplans. In addition, the NPA has identified critical interventions for the new Cities and had them incorporated within the PIAPs	MLHUD, MCFPED	Medium Term	
For the new Cities like Masaka City, the current DDEG is too low to undertake any structural developments on time. This is on account of the limited land in the Cities, with all architectural plans allow for the more expensive storied buildings. The current DDEG allocation of 100M, therefore, is too little to construct even ONE acceptable staff quarter	MoLG should consider possibilities of revising the allocation formulae to enable the new Cities attain desired outputs on time	MOLG, MFPED	Immediate	
Lack of funding for titling of Government property: LGs are expected to protect Government Land starting with securing of Titles but most of them indicated lack of funding for titling of Public Land under their jurisdiction	Guidelines for the DDEG require prioritisation of Titling of Government land under the jurisdiction of respective LGs. In addition, no facilities under Health and Eductaion shall be constructed on untitled Land under the New Presidential Directive relating to the UPDF Army Construction Brigade. LGs and MLHUD should therefore, fast track titling of all Public Land under them	MLHUD, MOFPED, LGs	Medium Term	
HUMAN CAPITAL DEVELOPMENT				
Lack of guidelines on how to implement the Presidential Directive on use of the UPDF Engineers' Brigade, risk of delayed implementation and impact on the local contractors	MoES, MoH and PPDA to finalise the guidelines.	MoES, MoH and PPDA	Immediate	N/A
Participants requested Government to consider a two day public Holiday to ensure mass vaccination at designated centers close to the population, in preparation for reopening of schools and other sectors of the Economy	The Ministry committed to engaging the MOH on the need for public Holidays dedicated to vaccination.	MOH/MOFPED	OCTOBER	

ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
Lack of additional funds release for implementing the Directive to pay Lunch allowances for the Medical workers	The directive was passed in July after the budget for FY 2021/2022 was finalized, however the payroll has been adjusted to cater for the enhancement. In addition, releases for Q2 and Q3 shall administratively be accelerated to match the required funding for Lunch Allowances; as MOFPED fast tracks approval of supplementary budget by Parliament, in time for Q4 release at the latest	MOFPED	Medium Term	
Participants noted that the biggest component of the Wage returned to the Consolidated Fund is for Tertiary and Secondary School Teachers, whose recruitment and Management is external to the LGs and only a reserve for the ESC and the MOES. In addition to lengthy recruitment process, a number of Teachers are posted but not less answerable to LGs and this makes inspection, enforcement of Rules hard especially on absenteeism	MFPEd shall engage the ESC, MOES and other stakeholders to ensure that recruitment and management of Teachers in Tertiary and Secondary Schools is under the control of LG, since they already hold the budgets.	MFPEd, ESC, MOES	Immediate	
The Govt has only focused on Govt aided Schools and neglected the Private Education Facilities rather than supporting institutions and Private Teachers to remain in business and adequately prepare for the scheduled reopening of schools	Govt shall make review to consider supporting all stakeholders in the Education Sector	MCES	Medium Term	
Participants needed to know whether the Directive by H. E The President on the UPDF Army brigade taking over civil works for the UGIFT funded projects under Health and Education Sectors; shall apply only to World bank or donor funded projects?	The Directive would apply to all civil works irrespective of the source of funding. However, PPDA shall consultatively develop Guidelines for seamless implementation of the Presidential Directive	PPDA, MOES, MCH, MFPEd		
Majority of the homesteads in the rural Lower Local Governments did not get learning materials during the Lockdown despite the timely release of funds	Accounting Officer were requested to confirm such allegations and bring them to the attention of the MOES for further investigation and planning purposes	Accounting Officers, MOES	Immediate	
In some sections, representatives of UNATU informed meetings that mass vaccination of Teachers had been abused; with a number of Teachers securing vaccination cards without necessarily taking the jabs	The Meetings were informed that the RDCs had already started undertaking mass mobilisation of teachers with stern warnings against anyone found in possession of fake vaccination cards. In addition, all LG leaders and MOH were asked to jointly investigate these claims for the safety of our Children, Learner and population at large	RDCs, MOH	OCT, 2021	
A number of Teachers are leaving the profession and the Accounting Officers and DEOs should make effort to update records or else schools may open with fewer or no teachers in a number of schools	UNATU was asked to work with MOES to fast track preparation of Teachers for effective reopening of schools through mobilisation, refresher courses and materials where possible	UNATU, MOES	DEC, 2021	



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
Participants argued that Staff ceiling for most of the Education Institutions were no longer commensurate with the increased population and school enrollments for most areas; and as such, the staff ceilings should be lifted to allow increased recruitment of Teachers and access to payrolls	The Meetings learnt that staff enrollment was still adequate at 8 & 21 for Teachers for primary and Seed Secondary Schools respectively. In addition, MOES has increasingly posted several Teachers and LGs were asked to contact MOES to reconcile gaps	LGs, MOES	Medium Term	
A number of schools and Education facilities built by private parties and or NGOs have failed to be coded under the MOES	It was observed however, that the priority funding pressure is to increase salaries for Science Teachers and as such cannot ably code new schools until there is enough funding for both Wage and Non Wage	MOES	Immediate	
A number of LGs have unsuccessfully followed up on efforts to secure a Technical School for each Constituency, while others completely lack Technical schools in their District	The policy is for Each Constituency to have a Technical School and that these considerations shall be made upon availability of NWR and Wage Devt budgets. In the meantime, the LGs should encourage students to apply for vacancies in neighbouring Technical Schools.	MOES	Medium Term	
COMMUNITY MOBILISATION AND MINDSET CHANGE				
Lack of Barazas to the community: Barazas were effective ways through which accountability could be made to the community. OPM implemented barazas as a pilot on understanding that Local Governments should adopt and include them in their workplans	DINU has a component of barazas which will be implemented in the Northern Local Governments where it covers	OPM	Medium Term	
Lack of provision of facilities for breast feeding mothers at work places: Local Governments requested that at least a facility or special rooms should be created to allow breast feeding mothers to breast feed their babies while at workplace without interruption. This will motivate them and thus lead to good working relationship among Officers	Government, through the Ministry of Local Government and Ministry of Gender, Labour and Social Development should provide special rooms where breast feeding mothers can breast feed their babies without interruption	MoPS, MoLG	Medium Term	
Mindset change was only appropriated Ushs. 9 Bn of the required 900 Bn in FY 2021/22 yet it is a critical pillar of the PDM	It is the MoGLSD to take lead on this Pillar and in Liaison with the Parliamentary Committee on Gender, should fast track increased funding for this pillar			
The funding for Mindset Change under PDM, totalling to Ushs. 8.8 Bn for FY2021/22 was all Appropriated at the MoGLSD. How possible would the MoGLSD reach the grassroots yet LGs have been left with no funding.	The MoGLSD is charged with development and dissemination of Guidelines for the Mindset Change Pillar and how best these funds shall be ably spent between the Center and the LGs	MoGLSD	Nov, 2021	
DEVELOPMENT PLAN IMPLEMENTATION				
Most of the newly created LLGs are not coded in the PBS and as such cannot be directly budgeted for during Budget preparation	Parliament has not approved funding for operationalisation of new Administrative units and as such, these can not be reflected in the PBS. However, MOFPED/MOLG shall engage Parliament on the need for funding of new Administrative Units	MoFPED/MoLG/ PARLIAMENT	DEC, 2021	



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
Participants noted lack of Approval and certification of LG Development Plans despite the NDP III being in its second year of implementation	The NPA committed to Approving and Certifying outstanding LG Development Plans by End of October, 2021	NPA	Oct, 2021	
Some Saving groups deposited funds as a prerequisite for accessing Emyooga funds, unfortunately they neither received the Emyooga money nor their deposit refunded	CAOs take up matter and provide information to MoFPED			
More programs are implemented in district with “Powerful figures” in government institutions. Also a number of Contractors do not want to account to the officers at LG level and only respond to orders from the center/line ministries	All contractors should be accountable to the LGs. In addition, Accounting Officers were advised to always inform the Hon. MFPEP, in writing for his follow up, on specific Cases where contractors are not responding to LG pleas	CAOs/Town Clerks, MFPEP		
The Members wanted to know the implications of the two new NDP III Programmes (Legislature and Administration of Justice) on the already approved NDP III and the LG Budgets	The NPA shall develop the two new Programmes under an addendum to the NDP III and not necessarily issuance of a new NDP III. As such, future budgets shall have further realignment in relation to the new two programmes	NPA	Immediate	
The funds available in the Budget for recruitment of Parish chiefs were released under Non Wage Recurrent yet the LGs are expected to recruit Parish Chiefs on a Permanent basis. As such, a number of them were being recruited on a temporary basis	All recruitments for the Parish Chiefs should be on a Permanent basis. To avoid irregularities, the PSST shall soon issue a circular granting permission for recruitment of Parish Chiefs on contract basis using the NWR under Production Department for FY2021/22 and thereafter regularisation on permanent basis starting FY2022/23	MOFPED	Immediate	N/A
Allocation of PDM Funds in the Budget: Participants questioned the rationale behind equal allocation of Funds for each Parish yet some are more populated than others and/or worse off. A case in point was a Parish in Kayunga DLG whose entire population had been displaced by Floods to other neighbouring Parishes yet Funds are still allocated to it. It was proposed that future allocations should be based on the number of people in the Parish.	Noted that in future, more parameters would be incorporated into the formula for allocation of Funds under the PDM.	MoLG	Nov, 2021	
Dwindling resources in LGs: Over the Financial Years, IPFs to LGs have been reducing over years. This is therefore, not sufficient to support the Programme based approach as per NDP III. In addition, MoFPED should not allocate funds to programmes that do not fall under Local Governments. This is because not all the 20 programmes are applicable to LGs	LGs recommended that there should be stability in resource allocation in LGs so as to support the program based approach	MOFPED	Medium Term	
Realignment of the current LG staff structures: MoFPED began the process of moving toward PBB by implementing the PBS in order to transform the budget from an output-based to a more result and performance-based approach. However, these programmes are not aligned to the current staff structures in LGs.	Government through NPA should re-align the current staff structures in LGs from departments to programmes so as to implement the new programmes planning approach	MoFPED, NPA	DEC, 2021	



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
<p>Alignment of all Government Systems to NDP III: Overtime, budgeting for results has significantly improved but financial resource alignment to plans still requires strengthening. In view of the above, all Government systems for instance PBS, IFMS, IPPS among others need to be harmonized with the new programmes planning approach of NDP III on time in order for the votes to submit their budget framework papers and quarterly performance reports</p>	<p>NPA and MoFPED should consider harmonizing and aligning all the Government systems to NDP III so as to ease the reporting process</p>	<p>MoFPED, NPA, MoPS</p>	<p>Immediate</p>	
<p>Delayed release of funds by the MoFPED: The last minute funds released by the MoFPED disorganizes the way the budget approval is always done. This is on account that the said funds are sometimes released to LGs towards the close of financial year. This does not give LGs ample time to plan and implement their activities and results into unspent balances at the close of financial year and un finished projects</p>	<p>Government through MoFPED and URF should always release funds to LGs on time to ease planning and implementation. This will also reduce on unspent balances and finished projects in LGs</p>	<p>MoFPED, URF,OPM</p>	<p>Immediate</p>	
<p>Returning of unspent balances: There is delayed returning of unspent balances especially for UGIFT funds which does not come on time thus affecting the implementation of UGIFT projects. These funds sometimes come towards the end of the financial year thus being returned back again.</p>	<p>These delays are caused by non-submission of the requirements to have the supplementary processed. The requirement include among others the progress report, coloured photographs of the project and a reconciliation of the unspent balances with the AGO's office. LGs were encouraged to always submit the above required information on time to enable the Ministry process the supplementary on time</p>		<p>April, 2021</p>	
<p>Unstable IFMS in various LGs: Most Local Governments still face the challenge of unstable IFMS which delays service delivery such as payment of salaries, invoicing funds to Lower Local Governments, warranting among others.</p>	<p>LGs should take advantage of the regional treasury centres and if possible, diversify the connectivity of the various internet service providers.</p>			
<p>Delayed submission of quarterly performance reports: The delayed reporting of quarterly performance reports by LG Votes is sometimes due to delayed upload of financial performance data by MoFPED and/or system challenges as well as poor internet connectivity.</p>	<p>The challenges in the reporting system will be addressed with immediate effect.</p>	<p>MoFPED</p>	<p>Immediate</p>	
<p>Most of the Unspent funds were under UGIFT and this was due</p>	<p>The MFPED Committed to improving seamless system operations to reduce delays in processing of requests and approvals from the Center</p>	<p>MOFPED</p>	<p>Immediate</p>	
	<p>LGs were advised to regularly invite the various prospective donors into their budget preparatory meetings to ensure timely incorporation of information</p>	<p>Accounting Officers</p>	<p>OCT, 2021</p>	



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
to delayed approvals from the Centre MDAs. In addition, a number of OGTs and External funding remain unspent due to delayed approval of requests for supplementary budgets by the MoFPED	MoFPED to engage URF on deadlines for release of funds; failure of which these would be automatically released to the LGs in time for absorption within the respective FY	MFPED/URF	OCT, 2021	
	Accounting Officers should often hold periodic meetings with Heads of Departments to fast track procurements and contracts. Where low absorption of funds by the end of the Year is projected, these should be brought to the attention of MFPED and other relevant Central Govt MDAs for timely resolution, reconciliation and adjustments in future budgets	CAGs/TCs		
Participants questioned the rationale behind OPM being more an implementer and less of an overseer of operations by other Agencies.	MFPED should engage OPM on the need for limited implementation of programmes in LGs to ensure increased Monitoring and Evaluation of Government Agencies	MFPED, OPM		
The participants noted that the current Local Government Annual Performance assessment neglects Lower Local Governments yet their activities impact highly on the performance of Higher Local Governments. It was requested that in future, the assessments should be cascaded to the LLGs	OPM informed Meetings that development of the Tool is underway and starting FY2022/23, under which LLGs shall be sampled and later rolled out. However, MFPED offered to engage OPM on this given that it is the duty of HLGs to appraise LLGs. It is therefore, the duty of Accounting Officers in MC and Cities and DLGs to supervise and assess LLGs or else it would be reversing Decentralization	OPM, MFPED	DEC, 2021	
PUBLIC SECTOR TRANSFORMATION				
Lack of Approved Structures for the operationalization of new Cities	Need for Ministry of Public Service and Local Government to issue approved Structures to enable new Cities operate as centres of excellence	MOPS, MOLG	DEC, 2021	
Participants were dissatisfied with the uneven salary enhancements for Science cadres in disregard of other Categories and requested Government to address the existing Disparities in salary by fast tracking salary enhancement for other non science cadres	MoPS committed to increasing all salaries for Public Servants and over the next Five years, more categories of Civil Servants shall be increased in a phased manner upon availability of resources	MoPS	Medium Term	
Participants noted Inadequate wage ceilings in some of the Departments, which restricts meaningful recruitment of key staff for the Departments without filled positions	Given that Funds for Wage were returned to the CF, LGs were requested to always under take comprehensive Wage Analysis to allow for readjustments of Grant allocations and move resources where they are better needed and can be absorbed on time	Planners/CFOs & HoDs	Medium Term	
Wage shortfalls for Recruitment of Parish Chiefs: In a number of LGs, the funding available is insufficient to cater for recruitment of Parish Chiefs in all Vacant posts yet LGs have been asked to ensure 100% recruitment.	The MoLG advised that the respective DSCs should run adverts for all the vacant posts. However, appointment letters should be issued in a phased manner upon confirmation of additional funding	MoLG, MoPS	Medium Term	



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
<p>Technical trainings: Participants requested that Technical trainings by the NPA and MoFPED should be much longer and not just days especially on matters of Budgeting and Planning and as such requested for more physical trainings on the alignment of Budgets to teh NDP III</p>	<p>It was noted that there was no time for more trainings on Alignment of Budgets to the NDP III and that LGs with challenges should contact Desk Officers at the NPA and MFPED. In addition, Participants were asked to embrace ZOOM and other Virtual and/or digital platforms for future trainings and consultations. Further, the exisiting logistical challenges cannot allow for direct training for each Officer in LGs and as such the Planners shall preferably be trained as Trainers of Trainers and the rest of the support shall be remotes.</p>	<p>NPA, MFPED, Central Govt MDAs, P.anners.</p>	<p>Nov, 2021</p>	
<p>The Meetings noted that whereas we are now under Programme Approach to Planning and Budgeting, the Local Government Annual Performanec Assessment Manual was still structured along the already disbanded Sectors</p>	<p>The Meetings were informed that much as the Manual shall remain as it is for the next round of assesment, the assessment results shall be released in a Programme Approach manner and consistent with the NDP III Programmes</p>	<p>OPM</p>	<p>Medium Term</p>	
<p>There are continued delays in payment of Salaries, Pension and Gratuity by a number of LGs despite MoFPED releasing funds on time, with some LGs having a record of not paying any pensioners in single year.</p>	<p>It was guided that MFPED shall soon write to perennial culprits requesting them to handover their current records of Pensioners for ease of reconciliation by the Ministry.</p>	<p>MFPED, Affected LGs</p>	<p>Medium Term</p>	
	<p>The IPPS had been found to have many challenges leading to inconsistencies in data and a more efficient new System, the Human Capital Development Information System, shall soon be rolled out by the MoPS. In addition, asked LGs to engage the center on seamless harmonisation of records and dissemination of information.</p>	<p>MoPS</p>		
	<p>In the meantime, LGs were requested to engage the MoPS, MoFPED on seamless harmonisation of records and dissemination of information relating to Wages, Pension and Gratuity</p>	<p>LGs, MFPED, MoPS</p>		
	<p>Guided that the respective Heads of Human Resource in the LGs should prepare retiring staff 6 months before date of effectiveness</p>	<p>Heads of Human Resource in LGs</p>		
	<p>There was commitment that MFPED shall work closely with the Ministry of Public Service to disseminate the formulae for generating pension and gratuity payments.</p>	<p>MFPED/MoPS</p>		
	<p>UNATU should compile and submit to MOFPED, schedules of pensioners with challenges on accessing their Wage, Pension and Gratuity. The same should be copied to PS MOES, MoPS, MoLG</p>	<p>UNATU/MOES, MoPS, MoLG</p>		
<p>Some of the new Town Councils have no Town Clerks and participants had requested that their recruitment should be fast tracked for purposes of seamless supervision of all Parish Chiefs</p>	<p>The Meetings learnt that recruitment of Parish Chiefs was a directive that can not be delayed any further and as such all were reminded to ensure 100% recruitment of Parish Chiefs by October, 2021</p>	<p>ACCOUNTING OFFICERS</p>	<p>OCT, 2021</p>	
<p>In some circles, it was argued that formation of new Administrative Units (like Cities) had led to disruptions in salary payments for the staff coming from areas that were annexed and payrolls not updated on time</p>	<p>Affected LGs were requested to work with MoPS to seamlessly resolve migration of staff payrolls between the old and new Administartive Units</p>	<p>LGs/MoPS</p>		
<p>GOVERNANCE AND SECURITY STRENGTHENING</p>				



ANNEX 2: MATRIX OF ISSUES RAISED DURING THE LOCAL GOVERNMENT BUDGET CONSULTATIVE MEETING FOR FY 2022-23

ISSUES	REACTIONS/WAY FORWARD	RESP. CENTER	TIME FRAME	FINANCIAL IMPLICATIONS
LGs raised the concern of not being involved in the design and implementation of government projects. This hinders proper supervision and effective monitoring of these projects during their implementation.	Government is encouraged to involve Local Governments during the design, implementation and evaluation of all projects. This will ensure proper utilization of the resources allocated to these projects and any deviation from the expected project can easily be rectified.	MoPFED, MoLG, MoES, MoH		
Operationalization of new Administrative Units: Delayed operationalization of these new administrative units. In addition, there were also a number of conflicting circulars from Central Government Institutions regarding the operationalization of the newly created Units.	CG Institutions should harmonize all their positions before they are communicated to LGs. Secondly, while they were informed that the funding of these Lower Local Governments will be done in the medium term, Government should be cognizant of the pressure that is being placed upon Accounting Officers by the elected leaders and immediately provide funds for these units.	MoPFED, MoLG		
The mother LGs were being treated unfairly in terms of office space because in addition to the new Cities or Town Councils taking over the premises of the District LGs or Sub Counties respectively, the startup funds from the Ministry of Finance are still given to the same displacing LGs.	The Ministry of Finance is to reverse the policy by ensuring that the startup funds are given to the displaced mother Local Governments to enable them construct their administrative blocks.	MoPFED, MoLG		
Councilors' remuneration and allowances are not sufficient to ensure effective service delivery and active involvement in various Government Programs under implementation. In addition, these allowances are subjected to tax which further demotivates them.	Councilors should be paid their remunerations by the CGs so as to avoid over constraining LG limited resources. Alternatively, Government should enhance LG funding to facilitate improved remuneration for the Councilors.	MoPFED, MoLG		
LGs were also concerned that when they make submission to the MoFPED, feedback takes long and sometimes they are not notified when action is taken on their submissions.	MoFPED should put in place feedback mechanisms on the PBS and IFMS that automatically notifies LGs on submission status such that they take action immediately.	MoFPED	Immediate	
The outbreak of Covid-19 pandemic led to poor performance in Local Revenue collections thus affecting the planned activities. In addition, Local Revenue performance is affected by failure by town councils to remit revenue collections to District LGs.	Government should find alternative ways of providing additional resources to facilitate LGs whose Local Revenue collections drastically reduced due to the adverse effects of Covid-19. In the same vein, there is need for additional Budget support to LGs to effect decentralization of services.	MoFPED		



ANNEX 4: PROPOSED VOTE MINISTERIAL POLICY STATEMENT (MPS) REPORT STRUCTURE FY 2022-23

Vote: 008 Ministry of Finance, Planning and Economic Development Ministerial Policy Statement FY 2022/23

I. VOTE MISSION STATEMENT

XX

II. STRATEGIC OBJECTIVE

XX

III. MAJOR ACHIEVEMENTS IN 2021/22

XX



ANNEX 4: PROPOSED VOTE MINISTERIAL POLICY STATEMENT (MPS) REPORT STRUCTURE FY 2022-23

IV. MEDIUM TERM BUDGET ALLOCATIONS

Table 4.1 Overview of Vote Expenditure (Ushs Billion)

		MTEF Budget Projections				
		2022/23 Proposed Budget	2023/24	2024/25	2025/26	2026/27
Recurrent	Wage					
	Non-wage					
Dev.	GoU					
	Ext Fin.					
GoU Total						
Total GoU+Ext Fin (MTEF)						
Arrears						
Total Budget						
Grand Total						
Total Vote Budget Excluding Arrears						



ANNEX 4: PROPOSED VOTE MINISTERIAL POLICY STATEMENT (MPS) REPORT STRUCTURE FY 2022-23

Table 4.2: Budget Allocation by Sub-Sub Programme, Department and Project (Ushs Billion)

<i>Billion Uganda Shillings</i>	MTEF Budget Projections				
	2022/23	2023/24	2024/25	2025/26	2026/27
Programme: Development Plan Implementation					
Sub-Sub Programme 1404: Development Policy Research and Monitoring					
[Department Code] [Department Name]					
[Department Code] [Department Name]					
Total for the Sub-Sub Programme					
Total for the Programme					
Total for the Vote					



ANNEX 4: PROPOSED VOTE MINISTERIAL POLICY STATEMENT (MPS) REPORT STRUCTURE FY 2022-23

V. PERFORMANCE INDICATORS AND PLANNED OUTPUTS

Table 5.1 Performance Indicators

Programme: xxxxxxxxxxxxxxxxxxxx								
Department: xxxxxxxxxxxxxxxxxxxx								
Budget Output: xxxxxxxxxxxxxxxxxxxx								
PIAP Output: xxxxxxxxxxxxxxxxxxxx								
Indicator Name	Indicator Measure	Base Year	Base Level	Performance Targets				
				2022/23	2023/24	2024/25	2025/26	2026/27
1.								
2.								

Table 5.2 Planned Outputs for FY2022/23

Priorities FY 2022/23	
NDP III Programme Interventions	
PIAP Output	
1	
2	
3	



ANNEX 4: PROPOSED VOTE MINISTERIAL POLICY STATEMENT (MPS) REPORT STRUCTURE FY 2022-23

VI. VOTE NARRATIVE

Vote Challenges

Plans to improve Vote Performance

(This is should be in line with the NDPIII objectives)

VII. Off Budget Support

Table 7.1 Off Budget Support by Project

<i>Billion Uganda Shillings</i>	2021/22 Approved Budget	2022/23 Draft Estimates
Sub-Sub Programme 1411 Financial Sector Development		
Total for the Vote		



ANNEX 4: PROPOSED VOTE MINISTERIAL POLICY STATEMENT (MPS) REPORT STRUCTURE FY 2022-23

VIII. VOTE CROSS CUTTING POLICY AND OTHER BUDGETARY ISSUES

Table 8.1: Cross- Cutting Policy Issues

Issue Type:	HIV /AIDS
Objective:	To provide health services and promote healthy life styles for all staff
Issue of Concern:	Limited access to medical services at the work place including medicare for staff living with HIV/AIDS Limited access to health information by staff especially non communicable diseases like cancer, Diabetes
Planned Interventions:	Improve Supplies of drugs and equipment for the Sick Bay Carry out health awareness campaigns
Budget Allocation (Billion) :	0.050
Performance Indicators:	Availability of basic drugs and equipment in the sick bay Number of staff living with HIV/AIDS receiving medical treatment
Repeat for all objectives in all cross cutting issues (Gender, Environment and Covid)	



ANNEX 4: PROPOSED VOTE MINISTERIAL POLICY STATEMENT (MPS) REPORT STRUCTURE FY 2022-23

IX. PERSONNEL INFORMATION

Table 9.1: Staff Establishment Analysis

Title	Salary Scale	Number of Approved Positions	Number of filled Positions

Table 9.2 Staff Recruitment Plan

Post Title	Salary Scale	No. of Approved Posts	No. of Filled Posts	Vacant Posts	Number of Posts Cleared for Filling FY 2022/23	Gross Salary Per Month (UGX)	Total Annual Salary (UGX)
Total							



**ANNEX 4: PROPOSED VOTE MINISTERIAL POLICY STATEMENT
(MPS) REPORT STRUCTURE FY 2022-23**

A handwritten signature in black ink, consisting of a stylized 'S' followed by a vertical line and a horizontal line, all crossed out by a diagonal line from the top-left to the bottom-right.

ANNEX 5: DOMESTIC ARREARS ALLOCATIONS FOR FY 2022/23

Vote Code	MINISTRY/DEPARTMENT	Utilities	Rent	Contributions to Int Organisations	Court awards and Compensations	Taxes and Other deductions	Goods & Services	Other Recurrent	Total Allocation (Ushs)
001	OFFICE OF THE PRESIDENT	-	-	-	-	-	742,662,680	362,823,555	1,605,486,234
004	MINISTRY OF DEFENCE	-	-	-	-	-	9,627,227,644	1,373,489,629	11,500,717,273
005	MINISTRY OF PUBLIC SERVICE	-	-	13,043,611	-	-	42,754,419	-	55,798,031
006	MINISTRY OF FOREIGN AFFAIRS	-	-	2,488,152,756	-	-	4,598,814	-	2,492,751,570
007	MINISTRY OF JUSTICE AND CONSTITUTIONAL AFFAIRS	-	176,576,254	-	9,954,114,935	7,254,401	355,901,226	21,273,799	10,515,120,615
008	MINISTRY OF FINANCE, PLANNING AND ECONOMIC	-	-	-	-	-	5,484,646,463	5,221,783,661	10,706,430,124
011	MINISTRY OF LOCAL GOVERNMENT	-	-	-	-	-	1,571,379,492	-	1,571,379,492
012	MINISTRY OF LANDS, HOUSING & URBAN DEVT	46,958,074	-	-	11,083,943,901	-	-	1,208,563,144	12,339,465,119
013	MINISTRY OF EDUCATION AND SPORTS	-	-	-	-	-	-	-	-
	o/w Court Awards to Coil	-	-	-	11,000,000,000	-	-	-	11,000,000,000
015	MINISTRY OF TRADE, INDUSTRY AND COOPERATIVES	-	-	801,934,277	-	-	20,259,478	-	822,193,755
016	MINISTRY OF WORKS & TRANSPORT	-	-	-	-	-	3,283,637,596	-	3,283,637,596
	o/w Namugongo Church of Uganda	-	-	-	-	-	15,600,000,000	-	15,600,000,000
017	MINISTRY OF ENERGY AND MINERALS	-	-	4,934,705	-	-	17,061,378	750,884,092	772,880,174
019	MINISTRY OF WATER & ENVIRONMENT	-	-	-	-	-	1,355,883,459	3,333,081,599	5,288,965,058
020	MINISTRY OF COMMUNICATION & ICT	-	11,753,427	-	-	-	-	-	11,753,427
022	MINISTRY OF TOURISM, WILDLIFE & HERITAGE	-	-	159,443,785	-	-	5,617,350	-	165,061,135
101	JUDICIARY	2,100,507	105,926,557	-	-	-	236,682,833	-	344,709,897
107	UGANDA AIDS COMMISSION	-	-	-	-	-	3,803,819	-	3,803,819
109	LAW DEVELOPMENT CENTRE	-	-	-	-	-	-	89,692,027	89,692,027
111	BUSITEMA UNIVERSITY	-	-	-	-	-	298,020	67,370,484	67,668,504
112	DIRECTORATE OF ETHICS & INTEGRITY	-	-	-	-	-	22,104,855	-	22,104,855
113	UGANDA NATIONAL ROADS AUTHORITY	-	-	-	-	-	2,624,765,443	5,315,376,246	7,940,141,688
114	UGANDA CANCER INSTITUTE	-	-	-	-	-	2,428,207	-	2,428,207
115	UGANDA HEART INSTITUTE	-	-	-	-	1,013,213,482	59,877,024	-	1,073,090,506
120	NATIONAL CITIZENSHIP & IMM CTRL (NCIC)	-	-	-	-	-	3,495,442	11,374,145	14,869,586
121	DAIRY DEVELOPMENT AUTHORITY (DDA)	-	-	-	-	-	8,895,570	-	8,895,570
122	KCCA	-	-	-	-	-	622,313,153	-	622,313,153
125	NAGRC & DB	-	-	-	-	-	62,679,024	-	62,679,024
126	NITA-U	-	-	-	-	-	295,037,263	5,269,703	300,306,965
127	MUNI UNIVERSITY	-	-	-	-	-	-	78,627,757	78,627,757
130	TREASURY OPERATIONS VOTE	-	-	-	13,372,337,361	-	1,000,000	-	13,373,337,361
132	EDUCATION SERVICE COMMISSION	-	-	-	-	-	12,772,933	-	12,772,933
133	DIRECTORATE OF PUBLIC PROSECUTIONS	-	-	-	-	-	61,445,600	-	61,445,600
134	HEALTH SERVICE COMMISSION	-	-	-	-	-	1,988,845	-	1,988,845
136	MAKERERE UNIVERSITY	-	-	-	-	-	3,000,000,000	-	3,000,000,000
137	MBARARA UNIVERSITY	-	-	-	-	-	15,955,348	-	15,955,348

139	KYAMBOGO UNIVERSITY	23,480,932	-	-	-	180,102,125	431,121,791	21,889,859	656,594,706
140	UGANDA MANAGEMENT INSTITUTE	-	-	-	-	-	1,427,648	-	1,427,648
142	NATIONAL AGRICULTURAL & RESEARCH ORG.	22,394,798	-	114,555,417	-	-	6,812,302	-	143,762,517
144	POLICE	-	-	-	-	-	5,112,947,155	-	5,112,947,155
145	PRISONS	-	-	-	-	-	4,923,775,017	160,091,621	5,083,866,637
146	PUBLIC SERVICE COMMISSION	-	-	-	-	-	2,438,405	-	2,438,405
148	JUDICIAL SERVICE COMMISSION	-	-	-	-	-	6,910,955	-	6,910,955
151	UGANDA BLOOD TRANSF SERVICE	15,764,908	-	-	-	-	-	8,144,472	23,909,380
153	PUBLIC PROCUREMENT & DISPOSAL OF ASSETS (PPDA)	1,995,358	25,340,856	-	-	-	12,523,127	10,369,890	50,229,231
156	UGANDA LAND COMMISSION	-	-	-	8,051,324,517	-	138,684,444	256,042,602	8,446,051,563
159	EXTERNAL SECURITY ORGANISATION	-	-	-	-	-	519,716,337	413,214,551	932,930,888
301	LIRA UNIVERSITY	-	-	-	-	-	1,499,974	42,805,114	44,305,088
307	KABALE UNIVERSITY	-	-	-	-	-	93,631,284	-	93,631,284
308	SOROTI UNIVERSITY	-	-	-	-	-	4,776,000	12,893,674	117,674,674
310	UGANDA INVESTMENT AUTHORITY	201,754	120,955,520	-	-	-	1,105,357,310	1,25,203,872	2,351,718,456
312	PETROLEUM AUTHORITY OF UGANDA	-	-	-	-	-	6,962,559	-	6,962,559
162	BUTABIKA HOSPITAL	-	-	-	-	-	2,200,010	-	2,200,010
164	FORT PORTAL HOSPITAL	-	-	-	-	-	2,506,686	-	2,506,686
166	HOIMA HOSPITAL	3,746,969	-	-	-	-	-	-	3,746,969
167	JINJA HOSPITAL	15,215,160	-	-	-	-	21,504,283	-	36,719,443
171	SOROTI HOSPITAL	4,222,831	-	-	-	-	2,265,022	-	6,487,854
173	MBARARA REG HOSPITAL	17,622,367	-	-	-	-	34,911,533	-	52,533,900
175	MORO TO REG HOSPITAL	-	-	-	-	-	1,168,630	-	1,168,630
176	NAGURU REFERRAL HOSPITAL	-	-	-	-	-	41,136,473	-	41,136,473
178	KAWEMPE REFERRAL HOSPITAL	25,153,547	-	-	-	-	14,805,790	-	39,959,337
179	JENTEBBE REGIONAL REFERRAL HOSPITAL	27,738,339	-	-	-	1,842,857	-	-	29,581,195
180	MULAGO SPECIALIZED WOMEN AND NEONATAL	9,114,822	-	-	-	21,169,418	14,924,480	55,333,809	100,542,529
203	UGANDA HIGH COMMISSION IN CANADA	-	-	-	-	31,220,108	-	-	31,220,108
	CLASSIFIED								
001	Office of the Minister for Security								7,158,048,000
159	External Security Organisation (ESO)								19,576,872,310
	SALARY, PENSION & GRATUITY								
	Former Workers of UPTC - 50% of Shs. 213.03 Bn								106,513,444,159
	Former Workers of URC - Ushs 41 Bn NOT Verified								
	OTHER								
	Compensation arising from URC 57.95 Acres of Land Transferred to Uganda Land Commission, Ushs 69.542 Bn- NOT Yet verified								
Various	SGP - Various Votes								
	o/w Salary								13,000,000,000
	o/w Pension & Gratuity								111,000,000,000
	GRAND TOTAL	215,710,366	440,552,615	3,582,064,552	53,461,720,714	1,254,802,390	57,651,180,592	21,545,604,303	395,500,000,000

ANNEX 6: PROJECTS EXITED FROM THE PIP FOR FY 2022-23

PROGRAMME NAME	VOTE CODE	VOTE NAME	CODE	PROJECT TITLE	START DATE	END DATE	GOU FY 2021/22
Agro-Industrialisation	010	Ministry of Agriculture, Animal Industry & Fisheries	1263	Agriculture Cluster Development Project	7/1/2013	6/30/2022	0.7
Agro-Industrialisation	010	Ministry of Agriculture, Animal Industry & Fisheries	1363	Regional Pastoral Livelihood Improvement Project	7/1/2015	6/30/2022	12.6
Agro-Industrialisation	010	Ministry of Agriculture, Animal Industry & Fisheries	1493	Developing A Market-Oriented and Environmentally Sustainable Beef Meat Industry in Uganda	7/1/2017	6/30/2022	0.7
Agro-Industrialisation	010	Ministry of Agriculture, Animal Industry & Fisheries	1365	Support to Sustainable Fisheries Development Project	7/1/2015	6/30/2022	5.0
Agro-Industrialisation	010	Ministry of Agriculture, Animal Industry & Fisheries	1411	The COMESA Seed Harmonization Implementation Plan (COMSHIP) Project	7/1/2016	6/30/2022	3.8
Agro-Industrialisation	015	Ministry of Trade, Industry and Cooperatives	1495	Rural Industrial Development Project (OVOP Phase II)	7/1/2017	6/30/2022	1.2
Digital Transformation	126	National Information Technology Authority	1400	Regional Communication Infrastructure	7/1/2016	6/30/2022	1.6
Human Capital Development	013	Ministry of Education and Sports	1106	Support to UMI infrastructure Development	7/1/2015	6/30/2022	1.2
Human Capital Development	013	Ministry of Education and Sports	1241	Development of Uganda Petroleum Institute Kigumba	7/1/2015	6/30/2022	5.0
Human Capital Development	013	Ministry of Education and Sports	1339	Emergency Construction of Primary Schools Phase II	7/1/2016	6/30/2022	12.6
Human Capital Development	013	Ministry of Education and Sports	1412	The Technical Vocational Education and Training (TVET-LEAD)	7/1/2016	6/30/2022	17.5
Human Capital Development	014	Ministry of Health	1519	Strengthening Capacity of Regional Referral Hospitals (DRIVE)	1/7/2018	30/06/2025	21.7
Natural Resources, Environment, Climate Change, Land and	019	Ministry of Water and Environment	1359	Piped Water in Rural Areas	7/1/2015	6/30/2022	5.5
Natural Resources, Environment, Climate Change, Land and Water Management	019	Ministry of Water and Environment	1399	Karamoja Small Town and Rural growth Centers Water Supply and Sanitation Project	7/1/2016	6/30/2022	14.9
Regional Development	011	Ministry of Local Government	1360	Markets and Agricultural Trade Improvements Programme (MATIP 2)	7/1/2015	6/30/2022	1.0
Regional Development	003	Office of the Prime Minister	1293	Support to Refugee Settlement	7/1/2014	6/30/2022	0.6
			Total				105.6



ANNEX 7: ADDITIONAL FINANCING FY 2022/23 (Ushs Billions)

Vote	Vote Name	Amount	Purpose
Agro-Industrialisation Programme			
015	Ministry of Trade, industry and Cooperatives	3.00	Renovation of office premises at Farmers House
		0.78	Salaries for Management Training and Advisory Centre
155	Cotton Development Organisation	2.00	Emergency Intervention for Procurement of Pesticides, Pumps and Logistics for Controlling Pests
Sub-Total- Agro-Industrialisation		5.78	
Manufacturing Programme			
310	Uganda Investment Authority	5.36	Funding for Owners Engineer's Fees. Counterpart funding for the development of Infrastructure at Kampala Industrial and Business Park, Namanve
Sub-Total- Manufacturing		5.36	
Governance and Security			
001	Office of the President	3.00	Funding for operationalization of the APEX Platform
		3.00	Carry forward of supplementary expenditure to budget for FY 2022/23 -
		1.40	Actualizing the Government campus at Bewebajjaa
		3.2	Rent for Senior Presidential Advisors
		2.70	Procurement of Medals and Investiture facilitation
		3.00	Facilitation to the OWC Secretariat to monitor and evaluate implementation of wealth creation projects
		2.00	Facilitation of the Minister of Security
		0.80	Additional financing to the Manifesto Unit to monitor and evaluate implementation of the NRM Manifesto
		1.50	Maintenance of the NALI infrastructure and purchase of Furniture -
006	Ministry of Foreign Affairs	1.00	Development of the Integrated foreign affairs system
		3.82	Operationalization of Uganda Embassy in Havana, Cuba and Wage for Deputy Head of Abuja Mission
008	Ministry of Finance, Planning and Economic Development	2.50	Implementation of the Asset Management Strategy
009	Ministry of Internal Affairs	2.00	Office and Field Operational Costs for the New Minister's Offices
		0.48	Rent for Special Security Coordination Office
021	Ministry of East Africa Community Affairs	2.00	To facilitate coordination and implementation of the East African Community integration agenda
144	Uganda Police Force	1.50	Additional funding to the Directorate of Crime Intelligence
Sub-Total- Governance & Security		33.90	

ANNEX 7: ADDITIONAL FINANCING FY 2022/23 (Ushs Billions)

Vote	Vote Name	Amount	Purpose
Human Capital Development Programme			
320	Uganda Business and Technical Examination Board	5.50	Modularization of 63 TVET programs in a phased manner and construction of Office Block
921	Rubanda District	6.50	Upgrading of Muko HCIV in Rubanda to a General hospital
		0.50	Transitional grant towards construction of council Chambers
		0.10	Transitional grant to support public sector transformation interventions within the district
817	Bukedea District	1.00	Transitional grant towards improvement of service delivery in the Health, Education and Roads sectors
851	Kanungu District	0.50	Transitional grant to Kanungu District
858	Kayunga District	0.70	Upgrade of Bunyobe HCII to HCIII
		0.50	Rehabilitation of Ntenjeru HCIII
		0.40	Transitional grant towards construction of Administration Block
Sub-Total- Human Capital Development		15.70	
Development Plan Implementation Programme			
108	National Planning Authority	5.00	Undertake feasibility studies and evaluations
003	Office of the Prime Minister	8.00	To strengthen Monitoring and Evaluation of Government Programmes and accountability for results
008	Ministry of Finance, Planning and Economic Development	8.00	To facilitate budget process activities
Sub-Total- Development Plan Implementation		21.00	
Private Sector Development Programme			
015	Ministry of ICT and National Guidance	3.00	Additional Funding for Phase one upgrade of DTT transmission sites and broadcasting services and shadow area signal coverage under UBC.
Sub- Total Private Sector Development		3.00	
Public Sector Transformation Programme			
102	Electoral Commission	0.54	To cater for the shortfall on the Chairperson and Commissioners entitlements
105	Uganda Law Reform Commission	2.00	Funds to print more sets of the 7th revised Edition of the Laws of Uganda in accordance with Section 2(3) of the Law Revision Act, 2020, Act 4 of 2020.
124	Equal Opportunities Commission	2.00	Rent Obligations
		2.23	To facilitate the tribunal, decentralisation of EoC services, staffing and capacity building
103	Inspectorate of Government	2.40	Wage and Non Wage for Implementation of new IG organisational and salary structure
		1.00	Construction of Kabaale Regional Office
146	Public Service Commission	1.00	E-recruitment system
005	Ministry of Public Service	0.28	Ex-gratia for PS's who recently retired
Sub - Total Public Sector Transformation		11.45	

ANNEX 7: ADDITIONAL FINANCING FY 2022/23 (Ushs Billions)

Vote	Vote Name	Amount	Purpose
	Community Mobilisation and Mindset Change		
018	Ministry of Gender, Labor and Social Development	3.8	To facilitate establishment of the enterprise fund for elderly persons; operationalization of grass root structures for National Council for elderly
		3.00	Additional funding to the Women Council
		1.00	To implement the Mindset Change interventions under the Parish Development Model
Sub - Total Digital Transformation Programme		7.80	
	Administration of Justice Programme		
148	Judicial Service Commission	1.91	To cater for salaries for the additional JSC staff to be recruited for the full implementation of the Judiciary Act, 2020 and expanded organisational structure
Sub-total Administration of Justice		1.91	
GRAND TOTAL		105.90	



ANNEX 8: PROJECTS FOR RE-SCOPING										
PROGRAMME NAME	VOTE CODE	VOTE NAME	PROJECT CODE	PROJECT TITLE	START DATE	END DATE	GOU FY 2021/22	DONOR FY 2021/22	TOTAL FY 2021/22	DEVELOPMENT COMMITTEE DECISION
Agro-Industrialisation	010	Ministry of Agriculture, Animal Industry & Fisheries	1663	China-Uganda South-South Cooperation Project Phase III	07/01/2020	30/06/2023	2.0	0.0	2.0	Rescope
Agro-Industrialisation	010	Ministry of Agriculture, Animal Industry & Fisheries	1330	Livestock Diseases Control Project Phase 2	01/07/2015	30/06/2023	0.0	0.0	0.0	Rescope
Agro-Industrialisation	010	Ministry of Agriculture, Animal Industry & Fisheries	1386	Crop pests and diseases control phase 2	01/07/2016	30/06/2023	2.0	0.0	2.0	Rescope
Intergrated Transport Infrastructure and Services	113	Uganda National Roads Authority	0265	Upgrade Atiak - Moyo-Afoji (104km)	7/1/2003	6/30/2024	19.1	38.8	58.0	Rescope
Intergrated Transport Infrastructure and Services	113	Uganda National Roads Authority	1280	Najjanankumbi-Busabala Road and Nambole-Namilvango-Seeta	3/31/2014	6/30/2024	60.0	0.0	60.0	Rescope

