



CSO POSITION PAPER ON THE SOCIAL DEVELOPMENT SECTOR FY2017/18

The paper is based on the analysis of the FY 2017/18 Ministerial Policy Statement for the Social Development sector FY2017/18.



Developed by the Civil Society Budget Advocacy Group and Submitted to the Parliament Committee on Social Development sector.

May 2017

1.0 INTRODUCTION

This paper presents the CSBAG position on the Ministerial Policy Statement of the Social Development Sector national budget priorities for the next FY 2017/18.

1.1 About CSBAG

Civil Society Budget Advocacy Group (CSBAG) is a coalition formed in 2004 to bring together civil society actors at national and district Levels to influence Government decisions on resources mobilisation and utilisation for equitable, gender responsive and sustainable development. Since 2004, CSOs under the umbrella of CSBAG have engaged Government in influencing the budget process to ensure that both the local and national budgets address the needs and aspirations of the poor and marginalized groups of people in Uganda.

Acknowledgement

CSBAG would like to appreciate Uganda Youth Network, African Youth Development Link, JENGA AFRIKA, and Forum for Women in Democracy and Women and Girl Child Development Association for participating in the development of this position paper.

1.2 The Social Development Sector

The Social Development Sector contributes to all NDP II objectives and strategies but is particularly focused on increasing household incomes and promoting equality, enhancing the availability and quality of gainful employment and increasing access to quality social services. Social Development entails empowerment of people to participate more in state affairs and to be able to hold leaders accountable. It applies to social protection of vulnerable persons for example women, children, the elderly and those in areas of conflict and prone to violence.

The sector contributes to 3 main targets on social protection 1.3, 5.4, 10.4(Poverty, inequality, gender) plus target 3.8 on universal health coverage as well as 8 on

decent work of the Sustainable Development Goals (SDGs). The sector comprises of state and non-state actors including; Ministry of Gender, Labour and Social Development, National Women's Council, National Youth Council, National Council for Children, National Council for Disability, Uganda Culture Centre, National Library of Uganda, Industrial Court and Equal Opportunity Commission, CSOs, Cultural institutions and Development partners.

It has four (4) core programme areas namely; Community Mobilization and Empowerment, Mainstreaming Gender and Rights, Promotion of Labour Productivity and Employment, and Social Protection for Vulnerable Groups.

1.1 Sector mandate

The role of the social development sector is to improve standards of living, equity, and social cohesion. It focuses on empowerment of communities to harness their potential through skills development, increased labor productivity, and cultural growth. The sectors empowerment efforts target women, youth, children, Persons with Disabilities (PWDs) and other vulnerable persons.

2.0 SECTOR PERFORMANCE

2.1 Overview of Sector Expenditure

| Year | Wage | Non-wage | Development | Total GoU | External financing | Total + Ext Fin |
|----------------|-------------|--------------|---------------|---------------|--------------------|-----------------|
| 2016/17 | 6.40 | 32.80 | 153.59 | 192.79 | 0 | 192.62 |
| 2017/18 | 6.57 | 47.77 | 108.98 | 163.32 | 3.78 | 167.10 |
| 2018/19 | 6.90 | 57.33 | 141.67 | 205.9 | 3.78 | 209.68 |
| 2019/20 | 7.25 | 63.06 | 170.01 | 240.31 | 5.53 | 245.84 |
| 2020/21 | 7.61 | 72.52 | 204.01 | 284.14 | 0 | 284.14 |
| 2021/22 | 7.99 | 72.52 | 204.01 | 284.52 | 0 | 284.52 |

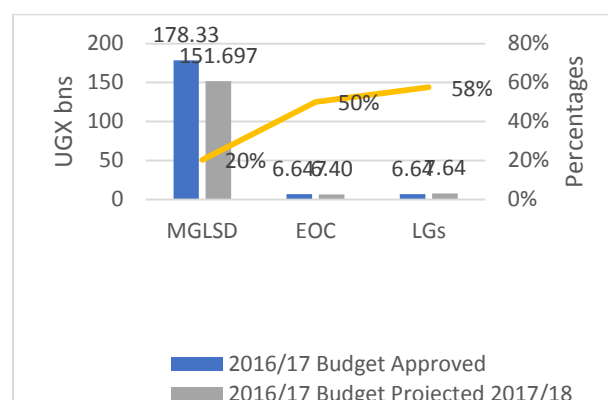
Source: Draft Estimates 2017/18 and CSBAG Calculations

Notwithstanding the crucial role that the Sector plays in creating demand for social services and laying a foundation for other sectors to improve their outcomes, the Sector is one of the least funded. In the MTEF for FY2017/18, it has been allocated UGX 167.10Bn representing 0.58% out of UGX 28,990.54Bn the national resource envelope showing a decrease of UGX 27.37Bn in nominal values and 13.3% over FY2016/17. During the FY2016/17, the Sector approved budget was **UGX 192.62Bn**. Out of that amount, **MGLSD** was allocated **UGX178.33Bn**. A total of **UGX 7.64Bn** was allocated to **LGs** and **UGX 6.65Bn** was allocated to **Equal Opportunities Commission**.

The non-wage expenditure is expected to increase by 46% from UGX 32.80 Bn in FY 2016/17 to 47.77 Bn in FY 2017/18. On the other hand, the GoU Development Expenditure is expected to reduce by 15.3% from **UGX 192.79 Bn** in **FY 2016/17** to **UGX 163.32 Bn** **FY 2017/18**. The 15.3% decrease in GoU development expenditure implies that the sector whose target is wide may not effectively achieve its targets as a lot of its key outputs are in unfunded and underfunded priorities.

2.2 Intra-sectoral Analysis of the Social Development Sector

Figure 2: Intra-sectoral Analysis of the Social Development Sector FY 2017/18



Source: Social Development MPS 2017/18 and CSBAG calculations

It has been noted that the Ministry of Gender will continue to take the largest proportion of the sector budget as was in FY 2016/17 as well as in FY 2017/18 projections, though at a decreasing rate. The figure above indicates that there will be a reduction of financing to MGLSD amounting to UGX 26.633 bn (14.9%) with UGX 151.697bn in FY 2017/18 from 178.332bn in FY 2016/17. That notwithstanding, we note that by half year, MGLSD which is taking the lion's share of the budget had a release performance of only 20%. This indicates a holding onto a large portion of the entire sector budget by the MoFPED by half year.

Local Government allocations will increase from UGX 6.64 bn in 2016/17 to UGX 7.64 bn in FY 2017/18, while the EOC will realize a reduction in funding of UGX 0.247 bn in FY 2017/18. We particularly note that the reduction in the EOC funding will curtail the

Commission's efforts to implement its mandate including monitoring CGE compliance, sensitization of MDAs about gender mainstreaming, investigation and follow up of complaints. CGE Compliance has a funding gap of UGX 4.9 bn.

2.3 Compliance with NDP II

The social development sector financing as per NDP II for FY 2017/18 is allocated 70.00Bn whereas the MPS allocates a total of UGX 167.10 Bn to the sector, which is 138% higher than the NDP II allocation for Year 3 (FY 2017/18). This is commendable and illustrates Government commitment to

ensure social development and protection amidst sector financing challenges.

In terms of the status of implementation of projects underscored in the NDP II, the sector is currently implementing the Promotion of "Green" Jobs and Fair Labour market in Uganda (PROGRES) and the Uganda Women Entrepreneurship Programme (UWEP). However, the sector in FY 2017/18 has a total of underfunded and unfunded outputs to a tune of UGX 262.479 Bn to implement most of the key sector programs like the UWEP, PROGREL, YLP and SAGE among others, which may curtail achievement of outcomes in these areas over the period.

2.4 Past performance for the sector

2.4.1 Achievements for FY 2016/17

| Output Areas | What was supported | Target beneficiaries |
|-----------------|--|--|
| Gender | Supported 8785 projects | 100,000 youth (45% female) |
| | Implementation of GBV activities | 10 districts in Busoga |
| | Stopping FGM/C | Kapchorwa Region |
| | Generation of More Wealth | 1000 women groups |
| Equity | Rolled out SAGE | 20 LGs in FY2016/17 |
| | Support to the Uganda Child helpline to be established | 54 LGs |
| | Training in skills development | 170 PWDs in Ministry Institutions |
| | Support to access formal education | 31 children from Ministry institutions |
| Outcomes | | |
| Gender equity | <ul style="list-style-type: none"> ➤ Improved livelihood of 92,866 youth of which 40,166 were female youth ➤ Increased coverage and access to the Uganda child helpline ➤ Increased access to cash transfers by the senior citizens ➤ Over Shs40.00Bn has been released on specific programmes: Youth Livelihood Program; SAGE, UWEP; ➤ Gender sector-specific concerns in various MDAs and LGs identified and integrated into the sector policies and plans ➤ The capacity of 5 district staff built-in human rights mainstreaming, promotion, protection, and reporting built. | |

Source: National Budget Framework Paper FY 2017/18

3.0. SECTOR CONCERNS AND RECOMMENDATIONS

3.1 External Funding not captured in the Budget

The sector has not recorded external funding allocation in the budget proposals (BFP and MPS) for FY 2016/17 and yet the sector has been receiving funding from development partners and UN agencies to fund the expansion of social protection programs among others under the MGLSD. The only reflection is for FY 2017/18 of UGX 3.775 Bn to be spread across wages and salaries, social contributions, general expenses and professional services and fixed assets. The question is whether no external financing was made for FY 2016/17.

Recommendation (s):

- We recommend that all income be recorded in the sector expenditure budget for easy tracking, monitoring, and accountability by actors.

3.2 Poor Performance of the Youth Livelihood Programme

The Youth Livelihood Programme is a Government of Uganda UGX 265 Bn [for the initial 5 years] initiative to tackle the high unemployment and poverty among the youth. The programme Covers 116 Districts (KCCA inclusive). The YLP has a Medium-Term Expenditure Framework (MTEF) Budget of UGX 65.00Bn in FY2016/17; UGX 55.00Bn in FY2017/18 and UGX 46.00Bn in FY2018/19.

We appreciate government for the involvement of the youth in wealth creation and employment through increased support of UGX 62.8 Bn to 8,663 youth income generating projects to 111,088 beneficiaries under the Youth Livelihood Project. It is also reported that **46%** of these projects are in the

¹ Semel Institute of Neuroscience and behaviour, University of California-Los Angeles

² YLP March 2016 Progress Report

agriculture sector while **25.9%** are in the trade.

We are however concerned about many challenges faced in the implementation of the program including the low rate of recovery of funds from the groups. According to the MGLSD YLP repayment status report for FY 2016/17, the repayment levels were minimal across the country with many districts registering poor performance such as; Apac, Lamwo, and Pader in Northern Uganda, Kamuli, Mayuge in Busoga region and Bundibugyo in western Uganda. More still, only 36%¹ of the expected recoveries had been made by January 2016.

While the YLP monitoring and evaluation strategy indicates that 39% of the total disbursement should be recovered by the end of the third year, only UGX 2.2 billion (4.8%) of the UGX 45.5 billion disbursed had been recovered by March 2016². The good news is that as at 27th March 2017, UGX 9.842 Bn, had been recovered, which is 66% of what is due from 5,449 projects. Overall, 8,963 projects so far funded worth UGX 64 Bn. A total of 14.8 Bn is due for disbursement³. YLP being a revolving fund implies that ensuring recovery of funds is key to the success of the programme.

We also note that in the MPS 2017/18, more funds (UGX 1.320 Bn) have been allocated for transport to monitor the selection and documentation of the youth groups and procuring motorcycles for the coordinators.

Recommendation(s):

- The Gender and Social Development Committee should constitute itself into a sub-committee to devise a new repayment strategy which is robust and convenient for the collection of funds to ensure sustainability of YLP and value for taxpayer's money.

³MoGLSD YLP project disbursements by district report April 2017

- The sector should have a policy that regulates and streamlines all special interest loan mechanisms for youth, women, PWDs and the elderly.
- There is a need for comprehensive training of youth groups that are to get the monies. A training for at least one week in project management, finance and bookkeeping and project identification based on their needs and abilities.

3.3 Limited Funding and Protection for Innovations and Support to Creative Arts

The creative arts industry was estimated to be the fastest growing sector in Uganda and could be worth more than \$1 billion in 1 year by 2016 and create jobs in music, poetry, crafts and paintings, film, and theater among others, thus contributing 7% of the workforce. The limited protection for innovations, the absence of music academies notwithstanding implementation of the copyright regime has a negative impact on innovation in this industry⁴. The Presidential Investment Round Table (PIRT) proposed giving priority to investing in performing Arts/ Creative Economy which is spearheaded by MGLSD. The Ministry developed the Creative Economy Action Plan to operationalize the PIRT, but there is no mention of any funding or effort towards strengthening this sector in the MPS 2017/18.

Recommendation(s):

- The Ministry has finalized the Creative Economy Action Plan which requires UGX 55Bn in the first year for its implementation. We, therefore, recommend this to be considered for purposes of spurring the Creative Industry in Uganda by creating jobs for the unemployed, generating income and revenue to the economy.

⁴ www.contadorharrison.com/creative-industries-can-drive-uganda-competitiveness/.

3.4 Poor Protection of Vulnerable and Marginalised People from Deprivation

There has been an increase in the marginalization of vulnerable persons – mainly Persons with Disabilities (PWDs), Orphans and the Elderly, and yet there was a deliberate effort to protect the marginalisation of such categories of people by enacting supportive laws such as the Building Control Act 2013 to promote access to building for PWDs, Older Persons Policy and the FGM Act among others.

We have identified challenges facing the vulnerable groups (children, youth, PWDs and Elderly) in regard to accessing, controlling, owning, benefiting and participating in the overall development process of vulnerable groups through increased training and development of skills for 170 PWDs in 5 institutions in employable skills; 150 youth trained in the two youth skills training centres, as well as 31 children from the ministry institutions supported in formal education, we note with concern the limited funding towards people with special needs, including children below 18 years who, according to the sector information system, total to 19, 566,430 of whom 7,692,042 (39.31%) are orphans and other vulnerable children, and 3,852,283 (50.08%) are male while 3,839,759 (49.92%) are female.

Recommendation(s):

- Implement policies and legislation that are in place to protect such categories of people from possible marginalization and bad treatment.
 - The **Build Control** Act which compels owners of buildings to cater for facilities of the PWDS has not been effectively implemented. According to the ministry of Lands, Housing and Urban Development, only 14.8% buildings have access for PWDS.

- **The FGM Act** has also not been enforced which leaves many women in danger of facing the above inhuman act.
- There should a policy that seeks to give the competent PWDs an opportunity to join the workforce.

3.5 Scaling up of Social Assistance Grants for Empowerment (SAGE) Program

The total number of older persons aged 60+ Years is 1,598,000 representing 3.7% of the total population⁵. However, this percentage has been on a reducing trend over the last 2 decades with 5% in 1991. A total of 11,860 is old Persons with Disabilities of which 58,167 are female and 53,692 are male. The Elderly Dependency Ratio is 5%.

For the last 5 years, the government in conjunction with development Partners has been implementing SAGE on a pilot basis. This project was on-going in 15 districts in Uganda and over 110,000 senior citizens benefited from direct cash transfers amounting 25,000 per person. During the discussion of sector budget and policy statements for FY 2015/16 on the floor of Parliament, MPs unanimously agreed to rollout SAGE to other local governments.

Consequently, development partners in principle agreed to fund the rollout if the government can counter fund with a minimum of UGX 149 Bn in the MTEF period. However, in the National Budget Framework Paper for FY 2016/17 -2020/21 and the Ministerial Policy Statement FY 2016/17, UGX 9 Billion was provided against the required of UGX 17.59 Bn, leaving a funding gap of UGX 8.59 Bn. While we appreciate the sector efforts to roll out SAGE to 20 LGs in FY2016/17, we note with concern that the programme is underfunded by UGX 11.65 Bn in the MPS for 2017/18.

⁵ Projections for 2017 based on Uganda National Population Census 2014 figures.

Recommendation(s):

- The government should increase funding of this vote function so as to improve the lives of the vulnerable people.
- Allocate 11.65 bn to the SAGE program to cover the funding gap
- The government should commit to counter-fund a minimum of 29.15billion in the MTEF period to necessitate development partners' rollout of the programme to all parts of the country to give other vulnerable older persons access to the Fund.
- Finalize the Older Persons Bill to have a clear law that caters for this category of citizens.

3.6 Community Development Functions at Local Governments

CSOs appreciate the sector contribution towards mobilizing and empowering communities with the provision of the regulatory frameworks through printing and dissemination of 5,000 copies of the National Community Development Policy (NCDP) to 72 District Community Development Officers (DCDOs) and Municipal Principal Community Development Officers (PCDOs), the Creative Economy Action Plan, Consultations on the UNCC Act, validation of parenting guidelines as well as the passing of the National Policy and Action Plan on the Elimination of GBV on 17th August, 2016.

We, however, note with concern the limited funding for community mobilization and empowerment which has left communities ignorant about government programs, their rights and responsibilities hence limiting budget and service delivery monitoring and accountability.

The sector handles a lot of groups including men, women, children, youth, elderly and people with disability, but still, receives very

limited funds. Community Mobilization and Empowerment receives the lowest funding and has a funding gap requirement of UGX 32.360 bn for FY 2017/18, yet it is the most clogged. This affects the sector in terms of bringing people together to participate in the community.

Recommendation(s):

- We call upon the government to consider funding initiatives aimed at improving the welfare of people and especially at the community level and ask the government to allocate more funds to this vote since most of the vulnerable persons that need more empowerment are in the local communities.

3.7 Underfunding to the Equal Opportunity Commission

We commend government efforts of making operational the Equal Opportunities Commission. In this case, the Government in its MPS commits to strengthening the capacity of the Equal Opportunities Commission for effective and efficient service delivery. However, CSOs are concerned about the limited funding for the Commission whose funding requirement is UGX 20.300 billion for facilitating its functionality. Specifically, Gender and Equity Certification has an unfunded gap of UGX 8 Bn of which UGX 4.9 Bn is for enforcing compliance with equal opportunities and affirmative action according to the PFMA 2016. The commission also lacks adequate transport to facilitate monitoring and supervision hence underperformance of its functions.

Recommendation(s):

- Given the poor performance of sectors on the CGE, we recommend that the EOC certification process is funded adequately, especially the UGX 4.9 bn for enforcing compliance.
- We recommend that the Equal Opportunity Commission be funded to procure 4 vehicles for allocation to each region to strengthen monitoring.
- The commission should also be facilitated to carry out Sensitization on Gender and Equity Certificate.

3.8 Limited Empowerment, Support, Care and Protection of Vulnerable Groups

CSOs are concerned about the limited Empowerment, Support, Care and Protection of Vulnerable Groups referring to programme 04, output 05. Whereas we appreciate the sector for the increased participation of vulnerable groups through increased training and development of skills for 170 PWDs in 5 institutions in employable skills; 150 youth trained in the two youth skills training centres as well as 31 children from the ministry institutions supported in formal education, we note with concern the limited funding towards people with special needs including children below 18 years who according to the sector information system total to 19,566,430 of which 7,692,042 (39.31%) are orphans and other Vulnerable children. 3,852,283 (50.08%) are male and 3,839,759 (49.92%) are female.

Recommendation(s):

- The government should commit to counter fund a minimum of UGX 29.15 Bn in the MTEF period to necessitate development partners roll out the funding requirement of UGX 11.6250 Bn to support this sector. Otherwise, we risk losing the contribution by the development partners.

3.9 Implementation of the Uganda Women Entrepreneurship Program (UWEP)

We appreciate government for putting in place this programme and supporting 349 women groups (4,627 women beneficiaries) with Women Enterprise Funds worth UGX 1,708,725,080 for starting income generating activities. However, we are concerned about the programme facing the same challenges as the Youth Livelihood Program through the poor administration of the fund including corruption. The Programme is underfunded with a gap of UGX 3.00 Bn. Despite this, we are also concerned about the allocation of UGX 0.240 Bn for office accommodation in FY 2017/18 which will increase the cost of administration.

Recommendation(s):

- Strengthen and increase the budget for gender and community development offices to handle UWEP and reduce on the amount of structural and administrative expenditure. There is also need to allocate funds for training on enterprise development, loan management, leadership, and management to ensure the success of the program.
- The Programme is being piloted in 20 Local Governments only. We strongly recommend that the programme is rolled out to other Districts.
- Continue supporting Local Governments to implement the UWEP Programme by putting in place systems for efficient delivery of services.

4.0 CONCLUSION

We are grateful to the government for meeting some of the propositions of the FY 2016/17. We, however, take note that particular programmes in the sector like PROGREL, YLP, AND UWEP suffer cuts a year in year out. The Sector has a total of underfunded and unfunded outs to a tune of UGX 262.479 Bn (with UGX 124.4 - underfunded and UGX 138.00 Bn – unfunded). For example, the underfunded activities that amount to UGX Shs124.479 Bn include the Youth Livelihood Programme UGX 8.00Bn; Social Assistance Grant for Empowerment (SAGE) UGX 11.65Bn; Uganda Women Entrepreneurship Programme (UWEP) UGX 3.00Bn; Children Welfare UGX 1.700Bn; Community Development Functions at the LGs UGX 32.360Bn; and Green Jobs UGX 64.80Bn.

This practice must be changed especially that there is a dwindling external financing. This is a must if the sector is to have a meaningful impact on the economy through the creation of more jobs for young people, women, and other vulnerable groups, on whose success the growth of the economy depends.

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