



# STATEMENT ON STRENGTHENING UGANDA'S BUDGET PROCESS

Presented by  
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at the  
Ministry of Finance Budget Directorate Retreat  
on  
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## 1.0 Introduction

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1. First and foremost, I would like to thank the Chairperson for this opportunity yet again to share the Civil Society Organisations (CSOs) insights into strengthening the Budgeting process in Uganda.
2. The Civil Society Budget Advocacy Group (CSBAG) is a coalition of CSOs formed in 2004 to bring together CSOs at national and district levels to influence government decisions on resource mobilization and utilization for equitable and sustainable development. To date, CSBAG membership is at 100 CSOs that are committed to working towards promoting prudent and transparent allocation of public resources for the benefit of all, especially the poor and marginalized.
3. CSBAG annually develops a '*Citizen's Budget*' and sectoral position papers on the National Budget containing alternative budget proposals and strengthens the capacity of local CSOs to improve engagement and participation in budget financing and accountability. CSBAG has also engaged in the execution of fiscal and monetary policies to be responsive to the needs and aspirations of poor and marginalized people.
4. In line with the budgeting process, we commend Government efforts in making the budget process participatory and inclusive particularly through; i) the invitation of CSOs and citizens to participate in the 20 regional Local Government Budget Consultative Meetings and the National Budget Conference; ii) Joint Sector Annual Reviews, and; iii) provision of budget information. We further commend Government, especially the Ministry of Finance, Planning and Economic Development (MoFPED) for providing CSO spaces for engagement at the higher technical level including Public Expenditure Management Committee (PEMCOM), the Economic Management Group (EMG) and the inter-ministerial budget consultations.

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5. It is through such formal engagements that the right information to citizens is secured and disseminated, the capacity of CSOs to provide better alternatives, and government's understanding of CSO roles enhanced.

## 2.0 How we interfaced with the FY 2017/18 budget process thus far!

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6. The FY 2017/18 budget process has so far been one of the most participatory and inclusive processes since the enactment of the Public Finance Management Act (PFMA) 2015 (as amended). Despite the insurmountable challenges faced we were able to successfully develop and present CSO Perspectives in various fora including; the National Budget Conference, 2 Sector Performance Reviews for FY 2015/16, 20 Local Government Budget Consultative meetings, 7 inter-ministerial sector reviews meetings, 9 sectoral committees of Parliament and many others.
7. With this, 145 CSOs under CSBAG have effectively participated in the budget process and this has resulted in government adopting 52% of the 91 CSO proposals presented on different sectors.

8. The budget process guided CSOs engagement and as such CSBAG and her members organised and mobilised citizens to actively engage at the different stages of the budget cycle. CSBAG, together with its members organised budget dialogues targeting CSOs in 85 districts. Furthermore, we facilitated budget discussions through a Media Campaign rallying citizens to effectively participate in the budget process. We also designed and implemented a ‘*National Budget Speech Countdown*’ campaign in both print and electronic media for a month calling on citizens to listen to the National Budget Speech for FY 2017/18. We have just concluded the CSO Budget Digest which attracted over 400 citizens from 85 districts of Uganda, while others followed proceedings on two national television stations, allowing ordinary people to know their budget.

### **3.0. Strengthening the Budgeting Process: Our Views!**

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#### **3.1 Enhance Participatory Budgeting**

9. It is our wish that the Ministry of Finance takes a leading role in enforcing the Principle of Participatory Budgeting at national and sub-national level. The Ministry of Finance must cajole, if not force, Accounting Officers to institutionalize citizens participation in the budget process. Currently, the participation of CSOs and citizens in the planning and budgeting process is at the mercy of Accounting Officers.

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We propose a review of the  
Public Finance  
Management Act, 2015 to  
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#### **3.2 The need to review the budget cycle as provided in the PFM Act 2015**

10. Whereas section 13(5) of the PFMA requires that the Ministers for respective Ministries, Departments and Agencies (MDAs) to submit their Ministerial Policy Statements (MPS) by 15<sup>th</sup> March, we have observed that MDAs continue to submit their MPSs to Parliament late and those who manage to submit by or before the deadline, submit substandard work. Secondly, the Equal Opportunities Commission (EOC) and National Planning Authority (NPA) are not considered in the budget cycle yet they have a legal mandate under the PFMA, 2015 to review sector budgets. Furthermore, it was a complaint from Local and National Accounting Officers that indicative planning figures from Ministry of Finance were received late especially the 2<sup>nd</sup> Budget Call Circular. We propose the Public Finance Management Act, 2015 is reviewed to provide extra room for preparing and reviewing of budget documents. Merging the review of the National Budget Framework Paper and Ministerial Policy Statements would be a good idea.

#### **3.3 Production and Publication of Citizen’s Budget**

11. For the citizens to own the National Budget, the need to simplify the budget information provided is fundamental. In this regard, we find the provision of simplified budget information extremely wanting and the budget website ([www.budget.go.ug](http://www.budget.go.ug)) itself is not regularly updated and is only available to those who have access to the internet. We strongly feel that it is the role of Ministry of Finance to provide budget information and explanations underpinning any fiscal or monetary measure of government. Even the 2016 PEFA assessment agrees with us.

#### **3.4 Feedback to citizens budget proposals**

12. It is with utmost concern that despite our good working relationship with Government, we have never received official feedback on our CSOs budget proposals. Particularly, for the last two financial years, CSOs under CSBAG have collected budget performance information at the Local Government level and submitted it to Ministry of Finance on a quarterly basis, but to date, we have no official feedback on the recommendation made in these reports, yet our stakeholders keep asking

for this feedback. It is just prudent that for purposes of a constructive and structured engagement, that feedback on the proposals is provided.

13. We thank the accountability sector for recognizing our input in improving Public Finance Management in Uganda.

#### **4.0 Major recommendations to improve the budget process**

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- a) Institutionalizing citizens consultation and participatory budgeting
- b) Review of the Public Finance Management Act, 2015 with the intention of merging the National Budget Framework Paper and Ministerial Policy Statements parliamentary reviews to create more time for scrutiny and engagement
- c) Incorporate the work of the EOC and NPA in the budget process
- d) Production of simplified budget information and communication to the public on new and existing policy measures.
- e) Institutionalize the feedback mechanism of citizens views on the budget process

#### **5.0 CONCLUSION**

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14. Once again it is our pleasure that we are part of this important meeting. Allow me to reiterate that on behalf of CSOs, the CSBAG membership, our pledge to be supportive in providing alternatives on how to improve budget outcomes is unwavering. We thank the MoFPED for partnering with us even when we have disagreements. It is our desire that you understand that our work entails being critical and objective. We all belong to this country and we all want it to grow and prosper.

**Because every shilling counts  
For God and My Country!**

#### **Contacts**

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