CSBAG
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CSOs call for new approaches to redeem middle-income aspirations

CSBAG Executive Director, Julius Mukunda speaks to the media during the press conference on the FY 2018/19 National Budget Framework Paper today at the CSBAG head offices in Ntinda. On the right is Agnes Kirabo, Executive Director, Food Rights Alliance. On the left is Patricia Bamanyaki of the Forum for Women in Democracy and Richard Sempala of the Uganda Debt Network. |@CSBAG2017

"We want to see more funding going towards the EOC and the Gender ministry because these are the people that promote gender equality"

The Members of the Civil Society Organizations (CSOs) have called upon the government to rethink its approaches, by coming up with innovative measures to redeem Uganda's growth prospects.

The CSOs under their body, Civil Society Budget Advocacy Group (CSBAG), said the approaches will help redeem Uganda's middle-income aspirations and ensure for a better life for all Ugandans.

Addressing journalists at the CSBAG headquarters in Ntinda on Tuesday, January 9th, 2018, Julius Mukunda, the Executive Director CSBAG noted that with the continued limited funding of key areas like Health, Agriculture and Transport, Uganda is unlikely to achieve its aspirations for a middle-income country by 2020.

"With a resource envelope of UGX 29.274 trillion and a projected GDP growth target of 5.5%, the FY National Budget Frame Work paper (NBFP) 2018/19 underscores the fact is that Uganda is unlikely to achieve its middle-income aspirations," Mukunda said. Agnes Kirabo from the Uganda food rights alliance added; "Physically we may go to 2020, but economically we may not go there."

Mukunda who was joined by CSBAG members such as the Uganda Debt Network, Forum for Women in Democracy and Uganda Food Rights Alliance among other stakeholders was briefing journalists about the National Budget Frame Work Paper, which was tabled before Parliament recently. According to the 2018/19 NBFP, the FY 2018/19 budget is being drawn under the theme: "Industrialization for job creation and shared prosperity," which according to the CSOs, is a welcome idea to tackle unemployment.

Concerns

In their brief to the media about the NBFP, the CSOs raised concerns over reductions in the budgetary allocation for the FY 2018/19, to key sectors like Health, Security, Accountability and Justice and Law order sector.

According to Mukunda, the above sector allocations have been reduced to UGX 188bn,116.2bn, 109.8bn and 15.5bn respectively in the 2018/19 budget. "We are concerned that the industrial action witnessed in the FY 2017/18 by the Health workers and Judicial officers over their remunerations, has not influenced Government allocation to the wage bill in these sectors," Mukunda said.

The CSOs noted that the underfunding frustrates service delivery if no substantive allocations are made to resolve the concerns. In the interim, the CSOs appealed to the Government to fast track the set up and constitution of the salary review commission, for better remuneration of public servants.

Allocations

According to the NBFP, 2018/19, the Energy & Mineral development, Works & Transport, Water & Environment are projected to have increments in the proposed allocations in comparison to FY 2017/18, with UGX 209.4bn, 119bn and 81.7bn respectively. The CSOS decried the continued under allocation of funds to sectors like Agriculture and Gender, which they said their funding needs to be increased. "We are not seeing any response to previous challenges we have raised regarding the agriculture sector. As a country, we don't have granaries we need to revitalize food reserves," Kirabo warned.

Patricia Bamanyaki, from the Forum for Women in Democracy urged the Government to consider fair allocations to the social development sector and the Equal Opportunities Commission, in order to achieve gender parity.

She added that; "we would want to see more funding going towards the Equal Opportunities Commission, and the Gender ministry, because these are the people that promote gender equality."

During the media briefing, the CSOs also pointed out the inadequacy in absorption of funds by some Government ministries, departments and agencies (MDAs), despite increments in allocations. "Over the past decade, the Works and Transport sector has been reported to absorb only 40% of the signed loans. Worse still sectoral budget cuts affect absorption of resources amongst spending agencies," David Walakira, a Budget Policy Specialist, at CSBAG said.

Debt burden

The CSOs also expressed dismay over the country's debt burden which they said affects service delivery since most of the budgetary allocations go into debt repayment. According to the Auditor General's report 2016/17, Government has UGX 2.908 trillion as outstanding commitments as at end June 2017.

"We want to appeal to the MPs that before you approve any loans, make sure that these loans are going into productive areas, we are paying back these loans using foreign exchange and that is very expensive for a country like Uganda," Richard Ssempala a member of CSBAG, representing Uganda Debt Network said.

Revenue mobilization

The CSOs also called upon Government to ensure improved revenue mobilization, adding that the tax effort in Uganda is still very low. By December 2017, the Uganda Revenue Authority, had collected 46.45% of the planned target for the FY 2017/18.