

Civil Society asks Government to organise national dialogue on budget financing



CSBAG Executive Director, Julius Mukunda (3rd right) addresses officials during a media briefing on the Quarter 1 release of funds for the FY2018/19. Second left is Commissioner Godwin Kakama of the Finance Ministry. 4th left is CSBAG Budget Policy Specialist, David Walakira. CSBAG2018

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The Civil Society Organizations under the umbrella body of the Civil Society Budget Advocacy Group (CSBAG) have called on government to organize a national dialogue for budget financing to educate the public on the importance of paying taxes and how to generate revenue for improved service delivery.

The executive director of CSBAG, Julius Mukunda emphasized that government needs to mobilize revenue for the implementation of the financial year 2018/2019 budget.

He observed that since the beginning of the financial year there has been uproar amongst the business

community and the citizens on the social media tax and the 1% tax slapped on mobile money transactions.

“The budget dialogue will be an opportunity for open conversations on how better we can finance the national budget and CSBAG is willing to be part of such a noble cause,” Mukunda told the finance officials and the members of civil society as well as the journalists.

Mr Mukunda made the remarks during the media briefing on quarter one releases of funds for the financial year 2018/19 at the ministry of finance, planning and economic development (MOFPED) headquarters in Kampala on Thursday.

Mukunda also presented the CSOs perspective of performance for the financial year 2017/18 and the civil society actors input for consideration in the implementation of FY2018/19. He emphasized that a national dialogue for budget financing is critical as it would involve citizens’ participation. He added that it would be good to take these dialogues out of Kampala to upcountry districts like Arua and others.

“Let it be held in the villages so that everybody will have an opportunity to ask questions about where the money/revenue comes from and how is it spent. It should not only be Members of Parliament to decide for us,” Mukunda said.

The executive director hailed Finance Ministry officials for incorporating CSOs in shaping Public Finance Management (PMF) reforms in the country.

Mukunda informed the audience that CSBAG in partnership with the Directorate of Budget and the Accountant General’s Office will embark on assessing the Programme Based Budgeting (PBB) performance and the Public Finance Management Act (PFMA) 2015 compliance for the FY2017/18 and FY2016/17 respectively. He stressed that the assessment will be based on service delivery perspective and called on the Finance ministry to provide information and data as it may be required.

Commenting on the President’s proposal to provide escorts for MPs, Mukunda said it would be a waste of resources and instead proposed building the capacity of Police and prosecution agencies. “The money should go to equip the security forces and strengthen the directorate of prosecution and not for MPs,” Mukunda told the press on the sidelines briefing.

Quarter 1 releases

In his remarks the Permanent Secretary and Secretary to Treasury, Keith Muhakanizi announced that a total of UGX4,398.79b has been released for Quarter 1 expenditure which represents 26.8% of the approved Government of Uganda Budget excluding external financing, Appropriation in Aid, debt, Karuma and Isimba.

Muhakanizi also disclosed the releases for Local Governments which amounts to UGX839b and called on accounting officers to prioritize payment of service providers on time to avoid accumulation of arrears. The Local Government funds will be spent on non-wage, wage, development pension and gratuity.

A summary of Quarter One releases to different sectors includes Road Fund UGX133b to cater for road maintenance, UGX66b for National Medical Stores and UGX97b towards education capitation requirements for Term 3.

Regarding the economic growth, Muhakanizi told the audience that the economy is expected to grow by 5.8% after enhancing three pillars of growth, which include commercial agriculture, financing private sector and industrialization. The permanent secretary hailed the Civil Society for supporting the ministry’s budget transparency initiative.

About revenue collection Muhakanizi informed the audience that the domestic revenue projections for the FY2018/19 amounts to UGX16,358.80b of which UGX15,938.8b will be collected by Uganda Revenue Authority (URA) as tax revenue and UGX420b as non-tax revenue.

Asked about disparity on incentives as government tends to favour foreign investors, the Secretary to the Treasury said the incentives have been rationalized according to national and international standards so as to attract more investors.