



CSBAG BUDGET NEWS BRIEF



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Advocating for a People Centered Budget that Dignifies Humanity



Promote physical, capital investment to spur sustainable economic growth

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"CSOs implore Government, to take special interest in five fundamentals, if the country is to realise the much-needed economic growth and sustainable development."

Ministry of Finance, Planning and Economic Development this week on 14th -15th September 2017, held the Economic Growth Forum at Speke Resort Hotel Munyonyo Kampala, to discuss the state of Uganda's economy.



Prime Minister, Dr. Ruhakana Rugunda delivering his speech at the Economic Growth Forum in Munyonyo, Kampala last week.

At this Forum, Members of the Civil Society Budget Advocacy Group (CSBAG) have implored the government, to take special interest in transformation of the agricultural sector, Government to reap the country's demographic dividends, Linking Kampala's Growth to Rural Development, widening the country's tax base to increase locally generated revenue, as well as Maximising returns on investment in infrastructure. This was through a joint statement issued at the forum by CSBAG, Advocates Coalition for Development and Environment (ACODE), Uganda National NGO Forum (UNNGOF), Food Rights Alliance (FRA) and Oxfam Uganda.

According to the CSOs, Uganda's economy has experienced slow growth in the past five years, with the agriculture sector experiencing a recession in the last half of FY 2015/16, and the first half of FY 2016/17.

They advised the tax body, to consider establishing partnerships and external checks that enforce compliance between URA and Ministry of Finance, Ministries, Departments and Agencies, Information, Communications and Technology Service Providers, Banks, Development Agencies like DFID, World Bank and IMF.

Growth enablers

The organizations highlighted the key areas as enabling Uganda's economic growth through agricultural transformation; Reaping from Uganda's demographic dividends; Linking Kampala's growth to rural development; increasing domestic revenue mobilization (DRM) as well as maximizing returns to investment in infrastructure.

They noted that the Private sector market control is not necessarily conducive for poor farmers, adding that the agricultural sector needs to return to government control if production and marketing are to be efficient, with the government taking control and designing fair trade policies to regulate market prices and taxes.

Create efficiency in tariffs

In a presentation on increasing labour productivity for inclusive growth, Dr Suzan Kavuma said there is need to control population as a way of policy. She said there is need to promote human and physical capital investments, through education and health infrastructure.

Pointing out economic growth through agricultural transformation, the CSOs stated that; "This is imperative to overall inclusive growth.

Call for better enforcement

"Smallholder farmers are currently losing out in the market chain because of their information deficits. Cooperatives can play a major role in the production, marketing, agro-processing and savings," the CSOs explained. In their statement, the CSOs also urged the Uganda Revenue Authority (URA) to adopt a robust, all-inclusive, and open to innovation revenue system that enables it to seal all loopholes, capture all avenues of revenue streams and provide it with the capacity for continuous improvement.

"We need to strategies to release surplus labour in agriculture to other sectors by increasing the capital per worker in agriculture, to improve farming practices," Dr. Kavuma said. Participants called upon the government to invest more in the agriculture sector, and industrialization for economic growth. "We need to promote industrialization and also have flexibility in our tariffs. There should be low and higher tariffs depending on the circumstances," Jane Nalunga, the executive director SEATINI -Uganda said.

As such, creating a framework that benefits all farmers with intensifying input-based production, centred on seed varieties with higher productive potential and the fertilizers and pesticides. Improved technology through better seeds; advanced techniques of irrigation and crop rotation would play a key part in transforming the sector."

Civil Society Statement on the State of Uganda's Economy

Promoting an all inclusive and people centered Economy

This paper is an abridged version of the detailed papers produced independently by CSBAG, ACODE, FRA, OXFAM in Uganda and Uganda NGO Forum



Civil Society Budget Advocacy Group

CIVIL SOCIETY STATEMENT ON THE FY 2018/19 NATIONAL BUDGET STRATEGY

THEME: "Stimulating the Economy and Addressing Inequality"