

CSOs ask for increment in Trade, Cooperatives Budget to ease market access



CSOs meeting with Members of Parliament to discuss the Trade, Tourism and Industry ministerial policy statement for the FY2017/18, today, 10th April 2017 at Parliament. First on the right is Hon. Nsaba Buturo and 3rd left is CSBAG Budget Policy specialist, John Mark Agong | @CSBAG2017

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Civil society organizations (CSOs) are proposing an increment in the budget for cooperative societies, to ensure easy access to credit and market for produce, by farmers.

According to the budget estimates for the financial year 2017/2018, the government has

allocated only Sh3.5b, lower than the Shs.5.84b allocated to the subsector in the financial year 2015/2016.

Presenting their budgetary proposals to the Parliamentary committee on Trade today (Monday), the CSOs under their umbrella body Civil Society Budget Advocacy Group (CSBAG), said the cooperatives sector remains an underfunded yet there is need to operationalize cooperative societies.

“There is need to consistently train and build capacity of cooperative societies for them to carry out their mandates. Besides sensitizing cooperatives on warehouse receipt system, there are many salient issues, which if left unattended would prevent the development of cooperatives in Uganda,” John Mark Agong, a Budget policy specialist at CSBAG told the MPs.

In their proposals for uplifting the cooperatives, the CSOs want the government, to consider profiling cooperatives including farmer cooperatives, which they said can enhance opportunities for generating income and access to support from different partners.

The CSOs also proposed that government builds capacities of cooperatives, particularly on leadership and governance to guarantee their sustainable development.

“We need to strengthen our cooperatives movement, there are some cooperatives which were registered but they are underfunded,” Jane Nalunga, the executive director SEATINI said.

The CSOs showed concern over lack of support to district commercial officers, who they said play a critical role in undertaking feasibility studies especially in linking production to markets.

During the financial year 2016/17, the government allocated Sh2b to the Ministry of Trade, for the commercial officers programme, however according to the Ministry; the money is not enough to enforce the project.

“With the termination of the EU funded district commercial services support (DICOSS) project, it is important that it is mainstreamed into local government systems that shall ensure that all trade and production related issues are catered for, even beyond the project life cycle,” Agong said.

Ministry of Trade budget

In their presentation, the CSOs also highlighted the need by the government, to increase its funding towards the trade, industries and cooperatives sector, for improved local revenue generation and employment opportunities.

The CSOs noted that the current Shs.103b (0.4%) budgetary allocation to the Ministry of Trade is too low, to finance the sector, which they said if well-funded, can boost Uganda's economy.

“We cannot achieve the much anticipated Vision 2020 without trading. There is no way government can get revenue, without promoting trade and industry,” Nalunga said.

According to the CSOs, there is need to revise the Trade budget to at least 4%, to be able to fund priorities by the Ministry of Trade. The CSOs also noted the need by the government to promote exportation of Ugandan goods, as opposed to importation.

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