



# CSBAG BUDGET NEWS BRIEF



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Advocating for a People Centered Budget that Dignifies Humanity



## CSOs ask gov't to support local firms on infrastructure projects

**"...government should develop the capacity of local firms to be able to undertake major infrastructure projects to save tax payers' money paid to foreign firms."**



Jude Ssebuliba (Second Left), a Programs Officer at the Food Rights Alliance presenting the CSO position paper on the Lands Sector during a meeting with the Parliamentary Committee on Physical Infrastructure on the Works and Transport as well as the Lands Ministerial Policy Statements for FY 2019/20

Civil Society Organizations (CSOs) have implored the government to empower and build the capacities of local firms to develop and undertake big projects, so as to create more domestic revenue, jobs and reduce the cost of infrastructure development in the country.

The CSOs, under their umbrella, the Civil Society Budget Advocacy Group (CSBAG), want the government, through its universities, to design training programs for the private sector as a way of equipping individuals with skills, knowledge and technology applicable in the sector.

Presenting their Position Paper on the Ministerial Policy Statement (MPS) on the works and transport sector for FY 2019/20 before Parliament's Committee on Physical Infrastructure recently, the CSOs noted that there is need to do a needs assessment to identify sector needs and gaps so that training courses are properly tailored to create problem solvers.

"This will also empower the private sector to develop the capacity of undertaking big projects, which could create domestic revenue, jobs and reduced cost of infrastructure development." Said James Ssempijja, a Research Fellow- Road Sector with the Uganda Debt Network (UDN), a member of CSBAG.

According to the Construction Sector Transparency Report (2018), Uganda already spends approximately \$1billion per year on public infrastructure which is equivalent to about 17% Gross Domestic Product. The government also spends at least Ugx.3.3 trillion annually to improve its road network to bitumen standard of which the biggest share of this money goes to foreign firms operating locally in Uganda.

### Cost of road construction

In their position paper, the CSOs also raised concern over the increased cost of road construction in Uganda, valued between \$650,000 and \$2million which is approximately UGX 2.4 billion to UGX 7.4 billion per kilometer respectively.

The CSOs proposed that the government develops the capacity of local firms to be able to undertake major infrastructure projects to save tax payers' money paid to foreign firms.

"The Ministry of works and transport should invest in research and development of new road construction materials and technology as a way of reducing the cost of road construction," Ssempijja noted.

### Underfunding of the road sector

CSOs were also concerned about underfunding of the roads sector. Despite receiving the biggest share of the national budget from UGX 3.82b in FY 2016/17 to UGX 4.5 trillion in FY 2017/18 and to UGX 4.7 trillion in FY 2018/19, the sector remains underfunded.

They recommended that the Uganda Road Fund Act should be fully enforced to ensure that the agency receives the funds from the different sources revealed in the Act.

"At least 30% of all revenue collected from fuel levy and environmental tax should be remitted directly to the road fund reserves. Government should also consider other financing models for the sector, road annuity program and infrastructure bonds," The CSO position paper recommended.

### Land Management

While presenting the CSO Position paper on the Lands, Housing and Urban Development sector MPS, CSOs expressed concern over incomplete legal frame works to

deliver land services. They recommended that the government, through the ministry of lands, should focus on the completion of the Land Acquisition, Resettlement, and Rehabilitation (LARR) Policy and the review of the 1965 Land Acquisition Act, in order to expeditiously respond to the concerns of land acquisition and development.

The CSOs further proposed that sensitization should be done to include all land laws and regulations which are key in strengthening tenure security, guide public and private investment and aid lawful transactions and land acquisition.

"The government needs to obtain data on sensitization work done by both state and non-state actors to popularize land laws and regulations and thereafter determine areas for intervention." Said Jude Ssebuliba, a Programs Officer at the Food rights Alliance (FRA), a member of CSBAG.

In response to the submissions of the two position papers put together by CSBAG, UDN, and FRA, the Parliamentary Committee on Physical Infrastructure, which was chaired by Nakifuma county MP Hon. Ssekitoleko Kafeero, commended CSBAG and its members for their observations and recommendations, saying that these would inform their interaction with responsible sectors.

## UPCOMING EVENTS

**9<sup>th</sup> Annual High Level Policy Dialogue on the Budget**

**Organizers: ACODE, CSBAG, MoFPED**

**Theme: Improving Efficiency and Effectiveness of the National Budget for Sustainable Economic Growth and Service Delivery in FY 2019/20**

**2<sup>nd</sup> May 2019, 2pm- 5pm**

**Invite Only | Live Broadcasts on NBS TV, BBS TV and TV West**

**Meeting on Public Financing Efforts to Eliminate Gender Based Violence (GBV) through the FY 2019/20 National Budget**

**Organizer: CSBAG**

**Date: 25<sup>th</sup> April 2019**

**Time: 7:30 am**

**Golf Course Hotel, Kampala**

## OUR WORK IN PICTURES



Africa Kiiza, a Program Officer, Trade and Negotiations with SEATINI Uganda presenting the CSO Position Paper on Trade, Industry, and Cooperatives at Parliament on 15<sup>th</sup> April. | @CSBAG 2019