



CSBAG BUDGET NEWS BRIEF



551ST EDITION | 15TH – 21ST JULY 2019

Advocating for a People Centered Budget that Dignifies Humanity



Increased Economic Growth Yields Revenue Surplus for URA

“...major revenue contributing sectors registered positive growth during the previous financial year, citing the mining and quarrying sector which grew by 17.6 per cent, trade and repairs at 6.6 per cent as well as construction which grew at 5.7 per cent.”



Uganda Revenue Authority (URA) Commissioner General, Ms Doris Akol speaking at an event in Kampala recently. | ©CSBAG 2019

Uganda Revenue Authority (URA) collected a revenue surplus of UGX258 billion in FY2018/19. The surplus has been attributed to an improvement in the economic environment of the last financial year, where the economy grew by 6.1 per cent against the projected growth of 6 per cent and thus triggering economic growth in some key revenue contributing sectors.

Others areas that registered growth include manufacturing (4.4 per cent), financial and insurance activities (8.3 per cent) and public administration (10.6 per cent). Ms. Akol acknowledged that these contributed to our estimated revenue surplus of UGX258.89 billion.

Increased import volumes, particularly of dry cargo import volumes in shillings, grew by 28 per cent in FY 2018/19 compared to the 16 per cent growth witnessed in FY 2017/18. Growth in import volumes led to the growth in goods that attracted Value Added Tax on imports, explaining the surplus registered in taxes on imports to a tune of UGX69 billion. Ms Akol also said that demand for private sector credit increased to 12 per cent in FY2018/19 up from 6.8 per cent in FY 2017/18.

Growth Sectors

Major sectors that registered growth in private sector credit were; mining and quarrying,

electricity and water, manufacturing, trade and business services. This, according to Ms. Akol, increased economic activities as reflected in their Gross Domestic Product (GDP) growth rates, leading to the surplus.

The main drivers that led to the revenue surplus were economic sub-sectors such as transport, storage and communication. Financial intermediaries and Pay as You Earn (PAYE) also registered a surplus of UGX148 billion.

Regional Performance

At the regional level, Uganda performed better than all the East African Community states with a 15 per cent growth in revenue for the previous financial year. Uganda was followed by Rwanda with 13.3 per cent, Kenya 11.3 per cent, Burundi 9 per cent and Tanzania with 2 per cent. Against its target of UGX16.4 trillion, URA registered a surplus of UGX259 billion.

UPCOMING EVENTS

1. South to South Learning and Sharing Summit for the East African Budget Network and Regional Blocs

Date: 25th – 26th July 2019

Venue: Metropole Hotel Kampala

Time: 8am – 5pm

2. Planning Meeting on Monitoring WASH Service Delivery

Date: 22nd July 2019

Venue: Eureka Place Hotel

Time: 8am – 1pm

OUR WORK IN PICTURES



CSBAG's Parliamentary Liaison Officer, Jeff Wadulo (holding microphone) making a presentation on Community Disaster Response Capacity Assessment in Mombasa on 18th July 2019. | © CSBAG2019



CSBAG's Budget Policy Specialist, Siragi Magara (standing) explains the relevance of prioritizing WASH in budgeting and planning during a CSO strategic meeting at Eureka Place Hotel in Ntinda on 17th July. | © CSBAG2019