

Take Advantage of Budget Opportunities, Citizens Told



CSBAG's Executive Director, Julius Mukunda, giving his remarks during the Kampala Regional Budget Breakfast at Hotel Africana this morning. | @CSBAG 2019

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Passionate emotions and sheer eagerness to understand tax and expenditure opportunities that the 2019/2020 National Budget presents to Ugandans was evident throughout the well-attended budget engagement at Hotel Africana in Kampala earlier today.

The regional budget breakfast, the first of its kind jointly held by government (Ministry of Finance and Uganda Revenue Authority) and Civil Society Organizations represented by the Civil Society Budget Advocacy Group (CSBAG) brought together different tax payers from Kampala to understand what is in the budget for them.

The massive turnout, coming in weeks after the budget reading, demonstrated tax payers' interests in matters concerning the National Budget. With such an overwhelming attendance, no wonder the debate was highly emotional, exciting and elicited a number of reactions. However for the first time, government, the private sector and civil society appear to agree on a way forward despite varied opinions on approach and structure of the National Budget.

"2019/2020 budget is now over. What is demanded of us is to ensure performance and proper implementation of the budget," the Executive Director of CSBAG, Mr. Julius Mukunda, told participants.

"Everybody has a duty to monitor the budget because there is benefit in doing so. Already there are some direct benefits being witnessed in investment in infrastructure. But we need more accountability and involvement," he added. However, to sustain accrued benefits from the budget, Mr. Mukunda said, Ugandans must pay their fair share of taxes while government comes clean on the promise to deliver the required services because this is the only realistic and sustainable prescription to compliance, which in turn will widen the tax base. He also urged government to increase tax education, noting that Ugandans were eager to understand taxation issues.

In his remarks, the Executive Director of Private Sector Foundation Uganda, Mr. Gideon Badagawa, said government must rise to the task ahead, wondering whether government has put in place "what it takes to deliver on the promises embedded in the budget." He also noted that the National Budget encompasses about 82 per cent of the private sector aspirations, cautioning that it is time to focus more on tradable items as opposed to what he describes as non-tradable.

Where to look

Director Budget at the Ministry of Finance, Mr. Kenneth Mugambe, towed government's line, saying investment in agriculture was justified because it is what will unlock economic opportunities. However, he said, government is now focusing on easing the cost of doing business and investment in energy, especially in the transmission component of power.

He also said that incentives are open to all regardless of whether they are a domestic or a foreign investor, noting that this has been well documented in law books and is not a privilege to be granted but an opportunity to be taken advantage of.

Responding to Mr. Mukunda's concern of finding appropriate financing for small businesses, Mr Mugambe said, it is being catered for under Agricultural Credit Financing, which has been allocated up to Shs300b supplemented by women and youth revolving funds.

For private sector investment, he said capitalization of Uganda Development Bank with additional Shs103b, which brings the total capitalization to Shs385b, will continue until government realizes its promise of Shs500b within the five years. Absorption of funds, he said, has tremendously improved, even as Mr. Mukunda said more could still be done in this regard.

Lifeline

Finally, government could have started appreciating efforts by civil society, which has particularly advocated for fair and equitable budget. URA's Commissioner General, Ms. Doris Akol said: "The Budget is no longer something to read on a hot afternoon," noting it was now "a lifeline of our country and so we must give it due attention." And it is for this reason that Mr. Mukunda not only called for continuous collaboration between government and all stakeholders on Budget matters but urged the citizens to follow the money and ensure every single coin count. The same appeal was made by Finance State Minister, Hon. David Bahati, who pledged that the budget will be implemented accordingly.

The next call, he said, is to mobilize domestically Shs20 trillion, which is a target that URA is looking to mobilize from "you and me." Most of the collections will depend on how best the tax prefect enforces the tax administrative measures that are within its whims.