

CSBAG BUDGET NEWS



Uganda's New Public Finance Management (PFM) Strategy To Prioritize Development



Left to Right: Key Government and Development Partners including the Ag Accountant General, CSBAG ED, State Minister for Finance and PSST and UK FCDO Development Director pose for a group photo at the launch of the PFM Reform Strategy 2025—2030 (July 24 2025) Photo MoFPED.

Uganda has officially launched the Public Financial Management (PFM) Reforms Strategy for the period July 2025 to June 2030, aimed at improving transparency, domestic resource mobilization, and public service delivery.

The five-year plan, launched under the theme "Strengthening Accountability for Sustainable and Inclusive Growth," seeks to align public finance systems with the country's broader development goals, including Vision 2040 and the National Development Plans (NDPIII) and (NDPIV) and explores ways to strengthen the contribution of Foreign Direct Investment (FDI) to Domestic Revenue Mobilization (DRM)., recognizing that investments are a vital pillar of economic growth.

During the launch, State Minister for Finance Planning and Economic Development, Amos Lugolobi reaffirmed government's commitment to building a more accountable and effective financial management system. "This strategy reaffirms our obligation to manage public resources transparently and ensure that every shilling raised is used to improve the lives of Ugandans," he said.

The strategy is emphasizes a robust PFM overview system to achieve development outcomes, delivering essential services , managing risks and allocating resources effectively. It sets the foundation for fiscal strategy and budget delivery, targeting an estimated **\$500 million** annually to support these efforts. These include;

.Strategic Linkages with the Tenfold Economic Growth Strategy: The PFM reforms align with Uganda's ambitious economic growth plan with aims to strengthen key sectors such as infrastructure and domestic resource mobilization. This includes a projected **\$1.2 billion** investment over 5 years to enhance infrastructure and boost economic output.

.Theory of Change: By integrating PFM reforms with

resource allocation and citizen engagement, the strategy seeks to improve development outcomes, enhance service delivery and increase citizen trust. An allocation of **\$300 million** is planned to support citizen-centered initiatives and service enhancements over the 5 year period.

.Situation Analysis and Conceptualization of PFM

Results: Building on past PFM assessments, the strategy identifies improvement areas , ensuring efficient resource use. Approximately **\$200 million** will be channeled into capacity building and system upgrades to meet national objectives.

.Strengthening M&E of PFM through Domestication of PEFA: The plan enhances monitoring and evaluation by adapting the Public Expenditure and Financial Accountability (PEFA) framework with a **\$150 million** budget to ensure practical and timely progress tracking.

.PFM Sustainability Strategy: The reforms focus on institutionalizing PFM systems, building capacity and ensuring accountability. A **\$400 million** investment is earmarked to sustain long-term economic growth and improve service delivery.

An estimated total of **\$2.25 billion** investment has been earmarked to support the PFM Reforms Strategy. This marks a significant step towards optimizing Uganda's fiscal management ensuring transparency, efficiency and citizen centered outcomes.

The Executive Director of the Civil Society Budget Advocacy Group (CSBAG) Julius Mukunda has urged the government to ensure that the PFM Reforms Strategy is implemented to the fullest capacity. This will ensure fiscal development and enhance citizen trust more "If citizens can't see how money is used, they can't demand better services," Mukunda said.

CSBAG EVENTS

Event: -General Meeting

Convener: CSBAG

Date: -1st August 2025

Venue: -CSBAG Offices

Event: -Office of the Auditor General Regional Meetings with Local Leaders

Convener: CSBAG

Date: 29th July– 31st July 2025

Venue: Karamoja and West Nile Regions



#WASHNATIONALDIALOGUE

Civil Society Budget Advocacy Group joined WASH (Water Sanitation Hygiene) actors for a National dialogue on strengthening parliament advocacy for increased financing for WASH in schools organized by UPF-WASH at Parliament.

"The Public Financial Management (PFM) Reforms Strategy is designed to play a pivotal role in contributing to the realization of Uganda's ambitious tenfold economic growth strategy, which aims to expand the economy from \$50 billion to \$500 billion between 2023 and 2040.

SOURCE: GOVERNMENT OF UGANDA PUBLIC FINANCIAL MANAGEMENT (PFM) REFORMS STRATEGY JULY 2025—JUNE 2030 (MOFPEDU)

