

CSBAG BUDGET NEWS



CSOs reveal Systematic failure as women bear the Price of Mismanagement



Pupils during a class lesson at Msafiri Primary School. (Source: msafiri blog)

CSOs today held a press conference on International Women's Day to deliver an assessment of the Auditor General's 2025 report, highlighting systemic failures in public financial management that disproportionately burden women and girls under the global theme "Give to Gain"

Speaking at a press conference moderated by Victor Tayebwa at the CSBAG Uganda Offices in Ntinda, Civil Society Budget Advocacy Group (CSBAG) Executive Director Julius Mukunda dissected the Auditor General's findings across **11** thematic areas, warning that Uganda's fiscal trajectory is unsustainable and that service delivery continues to collapse under the weight of mismanagement.

Mukunda noted that Uganda's public debt has ballooned to **UGX 115.4 trillion** in FY 2024/25—a staggering **66.7%** increase in just 5 years. "More concerning is the interest payments-to-domestic revenue ratio, which has risen to **23.66%**, Mukunda told journalists. "For every **UGX 100** collected in domestic revenue, approximately **UGX 24** is spent on interest payments alone. This significantly reduces fiscal space for health, education, agriculture, and infrastructure."

He pointed to the failure to implement the PPDA reservation scheme, which mandates that **15%** of procurements at national and subnational levels be reserved for women, youth, and persons with disabilities. The OAG's performance audit of **65** Procuring and Disposing Entities found that none had fully complied with PPDA Guideline No. 11 of 2024.

The health sector findings drew particular concern, with Mukunda detailing a system under sustained structural pressure. The National Medical Stores faced an 11% funding gap in FY 2024/25, receiving **UGX 1.393 trillion** against a requirement of **UGX 1.574 trillion**. At Mulago National Referral Hospital, the situation was dire—only **UGX 18.25 billion** was provided against a need of **UGX 72.396 billion**, a 75% funding gap for specialized medicines and supplies. "This affects women and children who are mostly affected by medicine shortfalls, which them vulnerable," Mukunda emphasized.

Blood shortages remain severe, with only **56%** of ordered units delivered to 67 health facilities. 34 facilities recorded blood stock-outs lasting between 3 and 365 days—"a huge threat to pregnant women and mothers," Mukunda noted.

Physical inspections across 157 sampled Local Governments revealed widespread infrastructure gaps in Universal Secondary Education schools. The findings paint a grim picture: 136 schools lack science laboratories, 270 have inadequately equipped laboratories, 182 lack libraries, and 380 have inadequate classroom facilities leading to congestion. These conditions undermine learning quality, compromise student safety, and weaken the intended impact of Universal Secondary Education, especially for the Girl Child.

Staffing coverage remains critically low, with only **65%** of required positions filled in secondary schools and **57%** in tertiary institutions. Schools have been forced to locally recruit **8,628** staff at a cost of **UGX 61.34 billion**, creating salary arrears of **UGX 1.6 billion**—shifting the cost burden to institutions and parents.

The Auditor General found that domestic arrears have escalated by **314.8%** over five years, rising to **UGX 13.814 trillion** in 2024. Although the stock reduced to **UGX 8.4 trillion** in 2025, this was largely technical following the conversion of **UGX 7.78 trillion** from Bank of Uganda advances into long-term Treasury Bonds. "The decline did not reflect actual clearance of outstanding obligations to suppliers and service providers," Mukunda clarified.

In regard to Land, the Value for Money audit of the Ministry of Lands revealed that only **70%** land registration applications were completed, leaving many applications pending. The average completion rate across Ministerial Zonal Offices declined sharply from **77%** to **41%** in FY 2024/25. Particularly damaging are delays in public infrastructure titling. Of 212 submissions for title transfers related to seed schools, health centres, and road projects, 196 cases (**92%**) experienced delays, with an average processing time of 197 days compared to the official 10-day standard.

These delays have direct fiscal implications. For 4 major infrastructure projects, 19,082 Project Affected Persons were assessed at **UGX 848.46 billion**, yet only **59%** had been paid by 30 June 2025, leaving 7,767 persons unpaid, worth **UGX 533.23 billion**.

In addition, the Auditor General's review revealed that only 49% of companies allocated land in industrial parks were operational—meaning more than half of allocated investments have not translated into active production, job creation, or value addition. It also highlighted weak monitoring of investor compliance, with some investors failing to develop land within agreed timelines without consequence.

Mukunda highlighted continued financial underperformance despite significant government capitalization. Uganda Airlines reported a loss of **UGX 230.8 billion** yet the government injected **UGX 1.984 trillion** into Uganda Airlines in FY 2024/25, yet the airline continues to fail to generate substantial revenue, with performance standing at **68.49%**. Compounding this, aviation fuel payments amounting to **USD 17,388,560** were made without a valid fuel supply contract.

As of December 2025, 35 Bills had been assented to, enabling the rationalization of 40 government entities. However, only 23 entities were successfully rationalized, while 17 remained pending. Of the 1,492 absorbed staff, 1,389 from seven entities were paid **UGX 46.8 billion** in terminal benefits despite Attorney General guidance that reappointed staff should not receive compensation where service continuity applies.

Mukunda concluded with a firm demand for accountability, urging Parliament, the Executive, and all accounting officers to treat these findings as an opportunity to reset priorities.

"Sustained fiscal credibility and improved service delivery will only be achieved if reforms are implemented with discipline, consistency, and accountability," he concluded.

CSBAG IN THE MEDIA



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CSBAG, together with Food Rights Alliance Uganda joined other to CSOs attend the SUN Civil Society Network Eastern and Southern Africa regional meeting in Botswana under the theme "Strengthening Accountable Food Systems for Nutrition Security."

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SOURCE: The Office of the Auditor General's Report FY2024/25