



# **MOFPED TIMES**

*Privileged Insights*

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ISSUE No.13 Oct - Dec 2023

**GOVERNMENT TO ENROLL  
420 ENTITIES ON eGP  
BY 2025/26**

**FINANCE MINISTER  
APPLAUDS UGANDA'S  
ECONOMIC HEROES**

**2<sup>ND</sup> NATIONAL  
FINANCIAL INCLUSION  
STRATEGY(NFIS II)  
LAUNCHED**

**SCAN**  
TO READ ONLINE

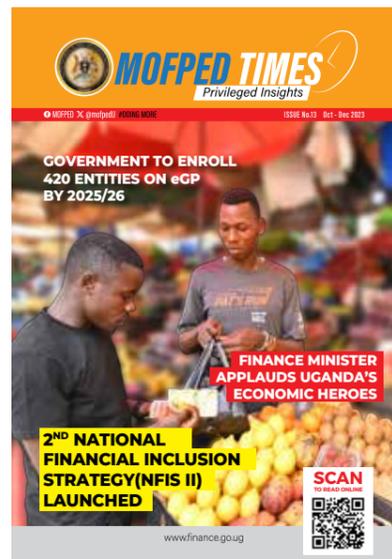


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# MINISTRY OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

## COVER PAGE



Cover Picture: Kyaligonza Aloysious (MoFPED)

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## Mission

To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to foster sustainable economic growth and development.



## Vision

A competitive Economy for National Development



## Values

- **Professionalism**  
We consistently demonstrate competence, knowledge, resourcefulness, quality, cooperation and a positive attitude, related to how we provide our professional services.
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We embrace a goal-oriented culture that focuses on outcomes and drives accountability and growth.
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We constantly demonstrate a commitment to be good stewards of the resources allocated to us, discover and apply safer, better, faster and more cost-efficient ways to provide the services.
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We create effective working relationships with team members by treating others fairly, maintaining an approachable atmosphere, sustaining open and honest two-way communication, and involving others in decision-making processes when appropriate.
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# Greetings

Greetings to our esteemed stakeholders,

I would like to begin by thanking you all, our stakeholders for the immense support you give the Ministry of Finance, Planning and Economic Development to deliver on its mandate.

We are pleased to note that our collective effort has kept the economy resilient amidst domestic and external headwinds. With proper coordination, government has kept the macroeconomy relatively stable, arresting inflation and reducing it below the target of 5%.

Our major focus is to turn challenges into opportunities and make our economy bigger and broad-based, with our people living improved lives. We are determined to accelerate monetization of our economy by fast-tracking programs such as the Parish Development Model (PDM) to achieve socio-economic transformation.

It is worth noting that Uganda's economy has expanded to a GDP of USD 50 billion (Shs.185 trillion) as at June 2023, from USD 46 billion last year and is projected to expand further to USD 55 billion by June 2024.

Our economy is also enjoying a favourable international perception and according to (Africa Risk-Reward Index,2023), Uganda is ranked the most attractive economy in the East African Community (EAC) and the third in Africa.

Government will continue to address the key binding constraints to doing businesses-the high cost of capital, electricity, logistics and red tape while harnessing opportunities in the oil and gas sector to complement agro-industry, manufacturing and services, particularly tourism, trade, ICT and finance.

The oil and gas sector had at end of September,2023 brought in USD 7.1 billion worth of investments since the announcement of the Final Investment Decision (FID) in February 2022.

We will also continue investing in the two opportunity equalizers-education and health as we grow the economy by ten-fold and pursue the path of fiscal consolidation.

I wish you a fruitful 2024.Enjoy reading the TIMES■

*Ramathan Ggoobi*  
Permanent Secretary and Secretary to the Treasury

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Permanent Secretary and  
Secretary to the Treasury

Ministry of Finance,  
Planning and Economic  
Development

**H.E President Yoweri Kaguta Museveni arriving for the Presidential Investors Conference at Kololo Ceremonial Grounds on 29th November, 2023**



# Our esteemed Stakeholders

Greetings from MoFPED,

I am once again very pleased to share with you Privileged Insights from MoFPED.

We have successfully delivered the National Budget Framework Paper (NBFP) for FY 2024/25, which is before Parliament for consideration. MoFPED is also continuing to ably execute the budget for FY 2023/24.

In this 13th edition of the TIMES, we share with you the salient issues in the new strategy for enhancing financial inclusion in the country.

We also bring to your attention, the numerous opportunities that will make Uganda's economy bigger, as well as the key platforms for driving competitiveness, innovation and employment creation.

This issue equally brings you the roadmap for rolling out the electronic government procurement system (e-GP) to the remaining procurement and disposing entities.

Finally, we share the highlights from COP28, efforts towards mobilisation of resources for climate finance and other initiatives to spur economic growth.

Happy New Year 2024.

Enjoy reading the MOFPED TIMES ■

*Apollo Munghinda*  
Principal Communications Officer

Apollo Munghinda  
Principal Communications  
Officer

Ministry of Finance,  
Planning and Economic  
Development

# PSST GGOOBI SAYS UGANDA HAS MANY OPPORTUNITIES TO MAKE THE ECONOMY BIGGER

By MoFPED Comms Team

The Permanent Secretary and Secretary to the Treasury (PSST), Ramathan Ggoobi has said the macroeconomy which is relatively stable and low inflation which is below the target of 5%, coupled with availability of the food basket to feed the region and the favourable international perception are key opportunities that must be harnessed to make Uganda's economy bigger, healthier and more broad-based.

The PSST made the remarks in the keynote address he delivered at the 7th annual Ministry of Finance and NTV Uganda Economic Summit held on December 5, 2023 at Serena hotel, Kampala under the theme: **Harnessing Current and Emerging Opportunities to Consolidate Economic Recovery.**

"Uganda is slowly turning into a land of inexhaustible opportunities. The economy is fast expanding to take full advantage of the equally fast expanding regional market," said Ggoobi adding that Uganda is ranked the most attractive economy in the East African Community (EAC) and the third in Africa according to Africa Risk-Reward Index, 2023.

The PSST said on average, investors in Uganda enjoy positive and growing returns on their investments, adding that the return on domestic investment grew to 13.6% in 2022, the highest in the EAC and 4th in the entire Africa.

He said keeping the macroeconomy stable tops the economic goals of government and this is followed by the other

goal of accelerating monetization of the economy to achieve socio-economic transformation.

Ggoobi also noted that, when more economic prosperity is extended to a number of citizens,

**Uganda is slowly turning into a land of inexhaustible opportunities. The economy is fast expanding to take full advantage of the equally fast expanding regional market," said Ggoobi**

Uganda will be able to overcome other socio-political challenges.

Quoting research work done by (Adam Przeworski and others, 2000), he said 47 democracies which have collapsed since 1946 are in poor countries.

"No democracy has ever fallen in a country with a per capita income higher than USD 6,055 i.e. Shs. 22.6 million a year," said the PSST. As a result of a stable macroeconomy the PSST highlighted the following achievements:

- i. **The economy has expanded to a GDP of USD 50 billion (Shs. 185 trillion) as at June 2023, and it is projected to expand further to USD 55 billion by June 2024.**
- ii. **The shilling has remained relatively stable against the dollar and other major currencies.**
- iii. **Exports of goods and services have grown to USD 6.2 billion by September 2023 (a growth rate of 49%). EAC is the major destination of Uganda's exports accounting for 40% of the total exports, followed by the Middle East (22%) and Asia (20%).**
- iv. **As a result, the goods trade deficit has declined by 8.9% to \$3.3 billion. Uganda has registered a trade surplus with the EAC and EU of USD 775m and USD 63m during the recent twelve months ending September this year 2023**
- v. **Apart from the traditional exports (coffee, tea, cotton, fish and food), Uganda is now a net exporter in the region of manufactured goods (Sugar USD 131 million; cement USD 90 million; plastics USD 68 million; beer USD 29 million and soap USD 2 million).**
- vi. **Tourism receipts have recovered to USD 1.07 billion (Shs 4 trillion), while remittances by Ugandans working abroad have increased to USD 1.4 billion (Shs. 5.2 trillion).**



PSST delivering keynote address at the Economic Summit



PSST shares a moment with guests at the MOFPED-NTV Economic Summit 2023



Participants at MoFPED-NTV Uganda Economic Summit

vii. Foreign Direct Investments have flowed in at the tune of USD 2.8 billion (Shs 10.5 trillion).

viii. As at end of September 2023, the Oil & Gas industry had brought in USD 7.1 billion (Shs. 26.5 trillion) worth of investments since the announcement of the FID in February last year. In the next 25 years we are projected to earn between USD 25 billion (Shs. 93.5 trillion) and USD 50 billion (Shs 187 trillion), after netting off the investment cost.

Regarding the issue of access to capital, Ggoobi said it is fast improving, adding that government is also keen on supporting small businesses (SMEs) which create jobs, lift families out of poverty and produce up to 70% of the gross domestic product (GDP).

**Where has Government deployed the Money?**

i. Government has deployed Shs. 1.4 trillion through UDB; invested another over Shs. 1 trillion

through UDC and deployed Shs. 890 billion through Agricultural Credit Fund (ACF). Arrangements have also been finalized to deploy USD 218 million (Shs 820 billion) under the "INVITE Fund" to facilitate Manufacturing SMEs to export.

ii. To equalize opportunities, a USD 217 million (Shs 815 billion) fund code-named GROW is underway to facilitate women in business to graduate their enterprises from informality. Government has also deployed Shs. 480 billion through Emyooga to the less privileged, and hitherto left out wealth creators.

iii. Government has also set up a Shs. 200 billion fund to support formally run small businesses that were hit hardest by the pandemic to recover.

iv. Shs. 2.32 trillion has so far been allocated for the Parish Development Model (PDM) to kick-start a mass financial inclusion drive across the country. The goal is to lift more Ugandans out of subsistence economy to achieve

faster structural change. As of October 2023, a total of 148,320 enterprise groups with over 1.6 million members had benefitted from the national roll-out of the PDM.

The PSST said government is mindful of the possible risks and has come up with the plan to mitigate the risks which include:

Low tax revenues which now stands at 14% of GDP compared to the regional peers at 18%.

"We are focused on improving tax administration, including use of ICT to fight tax evasion, rationalising tax expenditures to improve their effectiveness, but also to increase revenue and expanding the tax base," said Ggoobi.

Rising public debt, unpredictable weather patterns as well as regional and global geopolitical tensions are some of the other possible risks highlighted.

**What others said...**

*The Chief Executive Officer Stanbic Bank, Anne Juuko applauded government for maintaining a stable macroeconomic environment, but also called upon government to focus on accountability for taxes and better service delivery.*

*Andrew Kilonzo, the Managing Director Uganda Breweries expressed commitment to continue driving Uganda's industrialization agenda and job creation. He called upon government to formulate consistent tax policies.*

*The General Manager NTV Uganda, Johnson Omolo also pledged to continue investing in discussions that shape economic development of Uganda.*

# FINANCE MINISTER LAUNCHES SECOND NATIONAL FINANCIAL INCLUSION STRATEGY (NFIS II)



Finance Minister Kasaija launching NFIS II at Four Points by Sheraton, Kampala

By MoFPED Comms Team

**G**overnment has intensified efforts to enhance financial inclusion for all Ugandans.

The Ministry of Finance, Planning, and Economic Development, working together with Bank of Uganda and other Partners are sparing no efforts in ensuring all Ugandans are brought into the loop of the money economy.

Through the newly created national financial inclusion strategy (NFIS II) for 2023-2028, the ministry with its stakeholders envisions a Uganda

where all citizens have access to the financial services they need.

According to a Findex World Bank report for 2021, about a third of adults in Sub-Saharan Africa rely on family and friends for emergency funds but more than half of them find it very difficult to obtain those funds when needed. Additionally, worry over school fees is much more common in Sub-Saharan Africa, as are concerns around medical expenses - these are highest in Sub-Saharan Africa.

Reports however indicate that new financial technology (fintech) platforms have played a critical role in Africa in recent years in improving financial inclusion and this has brought millions of Africans into the realm of accessing financial services easily.

Titled: Driving Financial Inclusion in Africa, a new report from Boston Consulting Group (BCG) in collaboration with Elevandi, highlights the growth of financial inclusion in Africa since M-PESA was founded in Kenya in 2007.

The report indicates that while four African countries that include South Africa, Kenya, Uganda and Ghana are growing financial inclusion above Africa's average, fintech ecosystems in other African countries are maturing and attracting more investments.

The report also recommends key takeaways from the Inclusive FinTech Forum that was held in Rwanda in June this year during which it was concluded that the second wave of fintech growth will be driven by greater adoption of smartphones, better connectivity and cloud adoption in more advanced economies.

Speaking during the unveiling of the new national financial inclusion strategy recently, the Finance Minister Matia Kasaija said, "Our second National Financial Inclusion Strategy will take us up to 2028. I hope by then Uganda will be a country where everyone can access the financial services they need to thrive."

Explaining why financial inclusion is important for Uganda's national development, Kasaija noted that

financial inclusion helps in growing the economy.

"When farmers, for example, have access to affordable loans, they can purchase inputs for their farms and grow more produce. When they sell this extra produce, they have more money in their pockets to spend in shops or on services.

The extra money multiplies and the economy grows," the minister explained.

Kasaija argued that financial inclusion creates jobs by supporting entrepreneurship and business expansion.

"A tailor with access to affordable credit can buy more sewing machines and hire more employees. A carpenter can buy more materials and take on apprentices to make more furniture. One of our biggest challenges is to create good jobs for our young people, and financial inclusion can help us do this, just like how we see the PDM and Emyooga programs of government empowering people to create wealth and employment," Kasaija explained.

The finance minister emphasized the fact that financial inclusion reduces inequalities and promotes gender equality.

"Financially empowered women make independent financial decisions and have greater control over their lives. There can be no true national development without gender equality," the minister argued.

Related to the above, the minister noted that financial inclusion contributes to balanced national development and promotes rural development.

"The economic inequality between urban and rural areas in our country is clear for all to see. Lack of access to bank accounts, bank agents or affordable loans in rural areas holds people back. They cannot invest in their farms or businesses. We must give them the financial tools that they need to be successful," the minister proposed.

The minister explained that financial

inclusion interventions like insurance schemes safeguard citizens from economic shocks that would drive them back into poverty.

“For example, acquisition of an insurance policy ensures sustainability and income security. Insurance is a financial safety net, helping you and your

it has been with great pleasure that we have worked with Bank of Uganda, Financial Sector Deepening Uganda, and other valued stakeholders to develop this strategy. Through our collective efforts, we have developed a comprehensive document that will guide our action on financial inclusion for the next 5 years.”

therefore, that earlier this year government amended the MDI Act to allow Microfinance Deposit-Taking Institutions to roll out agent banking too,” he explained.

Ggoobi revealed that Uganda has also increased the prevalence of insurance among farmers, thanks in large part to the Uganda

**“Financially empowered women make independent financial decisions and have greater control over their lives. There can be no true national development without gender equality,” the minister argued.**

loved ones to recover after an unforeseen emergency – such as a drought, fire, theft, excessive rainfall or car accident. As just one example, a farmer accessing insurance through our government Agricultural Insurance Scheme will not lose their livelihood if their crops fail during a drought or excessive rainfall. The insurance company covers the loss, safeguarding them from destitution. This is especially important since a significant percentage of Ugandans (about 41%) are considered insecure non-poor, meaning they are just one small shock away from poverty,” Kasaija reasoned.

From the time he became the Finance Ministry’s Permanent Secretary and Secretary to the Treasury (PSST), Ramathan Ggoobi has been promising to build an economy that works for all Ugandans.

In building an economy that works for all, Ggoobi and other experts have guided government to repurpose the national budget to reallocate resources towards interventions that would improve the economic welfare of Ugandans and widen financial inclusion.

Speaking during the launch of the strategy, Ggoobi who was represented by the Acting Director Economic Affairs Moses Kaggwa said, “Financial inclusion is central to our mission at the Ministry of Finance, Planning and Economic Development. And so,

The PSST noted that the new financial inclusion strategy builds on the foundation that was laid by the first national financial inclusion strategy (NFIS I) of 2017 to 2022, which although faced several challenges including COVID-19, registered so much progress in promoting financial inclusion in Uganda. NFIS I made significant progress in expanding delivery channels and reducing exclusion barriers and particularly prioritized women, youth and rural dwellers.

“Ladies and gentlemen, compared to 2017, more Ugandans now have a financial account, more have access to credit when they need it, and more are able to save. Progress has been slow at times, but a greater share of Ugandans today is engaging with formal financial services than ever before,” Ggoobi stated.

He noted that a big success has been the rapid increase in financial access points from 548 per 100,000 adults in 2017 to 2,386 per 100,000 adults in 2022. This, according to Ggoobi, was achieved largely due to a sharp rise in the number of active banking agents from 133 in 2017 to 25,635 in June 2023.

“This was made possible by the Financial Institutions Amendment Act, 2016, which enabled agent banking. However, these agents remain too concentrated in urban areas, with 40% operating in Greater Kampala. I am pleased,

Agricultural Insurance Scheme, which was launched in July 2016.

“As of March 2023, the number of farmers insured through the scheme had reached 687,608. This is well above the target of insuring half a million farmers by financial year 2024/2025,” he stated.

He further pointed out progress in digital financial inclusion as well, noting that 61% of Ugandans made a digital payment in 2021, compared to 51% in 2017.

“Digital payment and account systems allow us to bypass the geographical and logistical challenges which have excluded our rural citizens for too long,” Ggoobi argued.

Explaining that so much progress is being made in expanding Uganda’s digital economy, he said the National Payment Systems Act, 2020 and the subsequent regulations were a big step forward for Uganda’s digital sphere. Ggoobi however noted that whereas some progress has been made, Uganda still has a long way to go since only 6% of Ugandans have used a debit card.

He promised that Government would continue working to modernize payments to promote digital transactions and sensitize the public about their value.

Outlining some of the milestones achieved in addressing gaps in



Finance Minister Kasaija, DG BOU Atingi- Ego and other officials in group photo at launch of NFIS II in Kampala

financial inclusion, Ggoobi said, “I am pleased that the gender gap in many indicators has now been eliminated. Women are now more likely than men to save and to borrow – particularly from savings clubs. I would like to congratulate all of you who contributed to this improvement. But let us not become complacent; gains in women’s financial inclusion are hard to earn but easy to lose.”

He however noted that there are other gaps and barriers that are yet to be solved which required concerted efforts of various stakeholders.

“According to the World Bank, one quarter of Ugandan adults say they do not have a financial account because financial institutions are too far away. So, we need to continue to extend the outreach of banks and other financial service providers. 37% say they avoid formal financial services because they are too expensive. So, we need to work to bring costs down. 31% say they lack the documentation necessary to open accounts. So, we need to help people fulfil these requirements. But we should also review instances where the process is too onerous,”

Ggoobi suggested. He expressed optimism that through the Parish Development Model (PDM), many of the barriers and challenges of financial inclusion are being addressed.

“I am proud to say that, as of mid-November 2023, we have disbursed more than 1.13 trillion shillings to 10,585 PDM SACCOs. 974.8 billion of this has so far been loaned to 965,243 beneficiaries. Emyooga is also playing its part. As of July 2023, the Microfinance

Support Centre had disbursed seed capital amounting to 259.1 billion shillings to the bank accounts of 6,721 Emyooga SACCOs,” Ggoobi stated.

As the country aspires for better performance in financial inclusion, Ggoobi emphasized the importance of the need by government entities to frequently compile reliable data to guide necessary interventions.

“Unfortunately, our financial data system is deficient in some

**“As of March 2023, the number of farmers insured through the scheme had reached 687,608. This is well above the target of insuring half a million farmers by financial year 2024/2025,” Ggoobi stated.**



Participants at launch of NFIS II

important areas. It lacks the frequency, detail and granularity necessary to properly evaluate financial inclusion interventions on an ongoing basis. This was noted as a challenge in the evaluation of the first National Financial Inclusion Strategy. This must be addressed, and monitoring and evaluation must be a top priority," Ggoobi stated.

displaced persons, youth, MSMEs, rural dwellers and people with disabilities. With increased infrastructure development including electricity facilities, the high growth of Uganda's exports, high projected economic growth of 6% to 7% which is much higher than Africa's

average growth of 3%, and increased investments in Uganda's economy including investments in the oil sector, Uganda's economy is closer to takeoff stage and it will be soon easy to enable every Ugandan access financial services. Light can be seen at the end of the tunnel.

## NFIS II Pillars

The Strategy will be implemented through the following five (5) pillars:

- i. Reduce financial exclusion and access barriers to formal financial services.**
- ii. Deepen and broaden the usage of quality and affordable formal financial products.**
- iii. Strengthen financial consumer protection and capability.**
- iv. Develop an inclusive green finance market.**
- v. Promote gender-inclusive finance.**

The Deputy Governor Bank of Uganda, Dr Michael Atingi-Ego on his part said financial inclusion has emerged as a cornerstone of global development, fueling progress towards the sustainable development goals (SDGs) and broader aspirations.

"Financial inclusion is pivotal in uplifting low-income and marginalized households from poverty by expanding access to essential financial services," said the Deputy Governor.

He said at the heart of NFIS II, lies a deep-rooted commitment to empowering underserved segments, including women, smallholder farmers, forcibly

# FINANCE MINISTER APPLAUDS UGANDA'S ECONOMIC HEROES

By MoFPED Comms Team



PM Nabbanja handing over award to Coca-Cola beverages Uganda the overall Excel Award winner.

Finance Minister Matia Kasaija has expressed gratitude to the top 22 resilient economic heroes (taxpayers) who have steadily honoured their civic duty by continuously complying to pay taxes efficiently and effectively, contributing to continuous economic growth and development of the country.

Kasaija made the remarks at the Uganda Revenue Authority (URA) Taxpayer Appreciation Day 2023, which was held at the URA headquarters in Nakawa on 23rd November, 2023.

The Finance Minister commended URA for tirelessly simplifying systems and processes in revenue mobilisation to make it easy, simple and convenient for the taxpayers to voluntarily comply.

"URA's efforts towards standardisation and transparency in tax administration are slowly causing taxpayers to develop trust and loyalty. I commend URA for the several innovations aimed at facilitating revenue administration in this era of digitalisation," said the Finance Minister, calling upon all Ugandans in the tax bracket to join efforts in sustaining the economy.

Prime Minister Robinah Nabbanja was the Chief guest at the 17th Taxpayer Appreciation Awards ceremony which was held under the theme: "Celebrating the Economic Heroes of Uganda" "I thank every taxpayer who has paid their due share of taxes. Thank you very much; the government relies on you to finance its service delivery," said the Prime Minister, adding that Government is committed to ensuring that the revenue collected is properly utilised.

Coca-Cola Beverages Uganda Limited emerged as the overall winner under the Excel awards



Prime Minister, Finance Minister, PSST & URA CG pose for photo with most compliant taxpayers

category, followed by Chop Gaming Ltd and Bank of Baroda Uganda Ltd among other winners.

In his keynote address at the taxpayers award ceremony, Permanent Secretary and Secretary to the Treasury, Ramathan Ggoobi said tax taxpayers contribution to the economy has seen Uganda's revenue collections consistently increase from Ushs. 134 billion in FY 1990/91 to Ushs. 25,567 billion in FY 2022/23, adding that, as a percentage of GDP, revenues have grown from 5% to 14% over the same period.

"The current level of revenue collections of 14% of GDP is an

**"Paying taxes is a noble cause. I urge you to continue this noble act of contributing to the greater good. Your taxes are not just numbers on a ledger; they are the threads that weave the fabric of our country's resilience," said Ggoobi.**

indication of a lot of progress, although it remains below the levels of regional peers and our estimated potential of between 18-20%," said the PSST.

He said taxpayers' sacrifices and hard work has contributed to a number of achievements in the sectors of education and health as well as infrastructure development, peace and security.

Ggoobi said government is fully funding the Parish Development Model, Small Business Recovery, Agricultural Credit Facility and Emyooga using resources contributed by the taxpayers. Government is also investing in other strategic sectors such as

Oil and Gas development, the services sector and promotion of science and technology development.

"Paying taxes is a noble cause. I urge you to continue this noble act of contributing to the greater good. Your taxes are not just numbers on a ledger; they are the threads that weave the fabric of our country's resilience," said Ggoobi.

He said the Finance Ministry and Government in general is committed to continue investing in improvement of government systems and processes with a view of ensuring efficient and better services to taxpayers and all Ugandans.

The PSST said the prosperity of Uganda reflects the collective commitment of its citizens.

Earlier on in his welcome remarks, URA Commissioner General (CG), John Musinguzi said taxpayers are the unsung economic heroes of Uganda contributing to the foundation upon which our shared aspirations are built.

"Your willingness to contribute your hard-earned income is not merely a legal obligation but a testament of your dedication to the well-being of our nation," said the CG, adding that every tax payment is a demonstration of citizenship and a tangible expression of the taxpayer's belief in the importance of a functioning society.

# UDF - DRIVING COMPETITIVENESS, INNOVATION AND EMPLOYMENT CREATION



By Shaka Isaac

The Uganda Development Forum (UDF), is a coalition of state and non-state actors who share a commitment to sustainably contribute on socio-economic development and better living standards of Ugandans.

UDF in conjunction with Uganda Development Corporation held the second annual conference

2023 at Chobe Safari Lodge which brought together Ministries, Departments Agencies and Local Government linked to private sector development, Corporations, Companies, Financial institutions and Civil Society.

This conference was designed to stimulate strategic thinking and generate commitments, as well as

**The majority shares will be owned by the private sector and working with other agencies that are already established, such as the Uganda Grain Council.**



PSST Ggoobi making a submission at the conference

strategic actions, that will shape effective and inclusive food systems in Uganda, synergy to re-invent the will for government and collaboration to build a strong private sector development.

Working under the theme: Working together to effectively develop sustainable end to end Agricultural value chains, the institutions came up with various resolutions to ensure the country's aspirations for growth can be fast-tracked. Senior executives from various institutions shared experiences and discussed strategic ideas that can shape Uganda's development agenda.

The Chairperson Uganda Development Forum, General Salim Saleh (Rtd) applauded the Permanent Secretaries and heads of various institutions as well as other key stakeholders that have continuously supported the development agenda of government to get the biggest number of Ugandans out of poverty.

He said success in these changing times, to achieve the sustainable development goals and Uganda's Vision 2040 calls for Partnerships than ever before, adding that no organization can bring about the much needed change alone.

Uganda Development Forum is building a network that can create joint value for its members and partners, by matching core competencies and resources of stakeholders with gaps in resources and capabilities in the country. UDF members provide complementary synergies, inspire new ideas as well as enable systematic sharing of experiences and best practices.

"I call upon members and partners to work together, using a coordinated and collaborative 'Team Uganda' approach, to among others: improve the efficiency and effectiveness of our public policies, strategies,

**One of the key areas of discussion included the formation of a National Market Company and prioritizing coffee value chain.**



The Chairman of UDF Gen Salim Saleh (Rtd) flanked by Justice Minister Nobert Mao officiated at the conference

initiatives, capacity, capabilities and competitiveness of our enterprises to create employment and innovation in the face of regional and global competition," said General Salim Saleh.

The Deputy Chairman, Hon.

Norbert Mao also Minister of Justice and Constitutional Affairs welcomed the idea of all government entities working together for development.

"This concerted energy is what government missed long ago to

realize its aspirations. That we can sit together like this, is a sign of maturity and the fruits of our labor within a shortest time will be felt in development of our country," he said.

Because of the challenges

**“This concerted energy is what government missed long ago to realize its aspirations. That we can sit together like this, is a sign of maturity and the fruits of our labor within a shortest time will be felt in development of our country,” said Mao.**



PS Ministry of ICT & National guidance, Dr Zawedde (L) & Chairperson National Planning Authority, Prof Mbabazi (R) with other participants at the conference

associated with getting land for investors to develop projects, Mao emphasized the need to engage the cultural leaders in Acholi with participation of their administrative structures. This will reduce land conflicts and misunderstanding of government development agenda by the Acholi people.

The main areas of focus at the annual meeting included; the creation of a national market company to market Uganda's produce, supporting the entire coffee value chain, supporting beef production and establishing diary cooling centers across the different regions. Other areas of focus were: Financing for various enterprises such as wheat, maize, macadamia and other grains with value addition mechanisms.

The Permanent Secretary and Secretary to the Treasury, Ramathan Ggoobi presented the state of the economy to the delegates highlighting the major areas of focus to achieve national objectives.

He particularly noted areas in the agriculture value chain that must be addressed to attain the economic aspirations especially at grassroot level. One of the key areas of discussion included the formation of a National Market Company and prioritizing coffee value chain.

"The National Market Company will be able to do business by taking the products out there. The majority shares will be owned by the private sector and working with other agencies that are already established, such as the Uganda Grain Council. That way we can do business in a more coordinated manner," said Ramathan Ggoobi.

#### Resolutions from the Conference include:

- i. Ministry of Lands Housing & Urban Development and MoFPED committed to coordinate with Uganda Land Commission and District Land Boards (DLBs) to address the issue of land titling, proper land documentation and computerization of land processes for the whole country and Capitalizing the Land Fund. MoLHUD further committed to reviewing and strengthening existing laws and policies that are relevant for solving land disputes.
- ii. National Social Security Fund NSSF and UDC committed to establish and invest in the National Marketing Company. The two parties committed to actively engage with key stakeholders on clear and specific roles and responsibilities.
- iii. MoFPED committed to continue supporting all agencies under wealth creation agenda in Uganda for efficiency. The Ministry committed to work with National Planning Authority (NPA) to strengthen Programme Working Groups (PWGs) and improve inter sectoral coordination.
- iv. MoFPED to work with
- v. MoFPED to work with MAAIF to ensure that a portion of the revenue generated from the Coffee Export Surcharge (CES) levied on coffee exports should be earmarked for funding coffee-related Research, Innovation, and Development as well as vital agricultural inputs for smallholder farmers such as coffee seedlings.
- vi. MoFPED to work with Agro-Industrialization program implementing institutions to ensure that all agricultural research interventions in the Program Implementation Action Plans are prioritized for implementation and adequately funded.
- vii. The relevant Ministries, Departments, Agencies and the private sector under the umbrella of Uganda Development Fund committed to support end-to-end development of the; Coffee value chain; Wheat value chain in Karamoja; Beef value chain; Grains sector and PDM value chains.
- viii. MoFPED to ensure adequate capitalization of UDC, UDB, and all government Banks.
- ix. NAGRC committed to work with the private sector, under the umbrella of UDF, to ensure the availability of superior breeding stock and relevant animal husbandry extension services for livestock farming in the communities.
- x. The conference acknowledged the importance of the South Sudan Market as tabled by the Uganda business delegation from Juba, and members agreed to work together using a "Team Uganda" approach to address the bottlenecks and harness this export opportunity for Ugandan products.

# EAST AFRICA RAMPS UP EFFORTS FOR CLIMATE FINANCE MOBILISATION



Minister of State for Microfinance Haruna Kasolo

By Climate Finance Unit

As we come to the end of this year 2023, the climate change governance space is not exempt from the rush to finish the unfinished business. As rains begin, climate induced floods are already greatly affecting greater Kampala and other parts of the country, further amplifying the need and urgency with which something must be done to alleviate the situation.

Many countries are increasingly hearing nature's call. Adamancy is no longer an option. Nations are showing up and desiring to

be counted at the table that is continuously and unrelentingly searching for answers to issues of Climate change.

The discussions which were previously at global level are becoming more evident at the regional levels and many countries are more interested in exploring contributions to address the challenge of the times.

September 2023 kicked off with the first ever Africa Climate Summit in Nairobi, which among others strongly amplified the role of climate finance, calling on the global community to keep past promises, swiftly operationalize the Loss and Damage facility agreed at COP27 and focus on climate-positive investments.

To pick up on the Africa Climate Summit and week, the East Africa Region Climate Finance Directors also met for the second time in 2023 to reflect on the Nairobi Declaration but also take stock on progress of agreed actions since

In his opening remarks, the Minister of State for Microfinance Mr. Haruna Kasolo Kyeyune who represented the Minister of Finance, reiterated the role of enhanced strategic partnerships and collaboration between governments and relevant stakeholders, in mobilizing additional and innovative climate finance. He applauded initiatives such as East African Climate Finance Directors meeting as a means for EAC countries to build consensus around the most critical and urgent actions that are feasible at country level so as to catalyze regional climate action.

Ms. Kate Airey noted that climate finance is a new territory for everyone and therefore presents a huge potential for learning.

She called for alignment of the national, regional and local level interventions for effectiveness. In appreciation of MOFPED's Policy Brief on the potential of Innovative Climate Financing

**Ms. Kate Airey noted that climate finance is a new territory for everyone and therefore presents a huge potential for learning.**

the last meeting held in February 2023. The meeting that was hosted in Entebbe Uganda was graced with high level representation by Uganda's Minister of Finance, Planning and Economic Development, H.E the British High Commissioner, Ms Kate Airey, and Ms. Dagmar Zwebe, the Country Director, Global Green Growth Institute (GGGI).

Instruments, Dr. Olufunso Somorin the Regional Principal Officer at African Development Bank noted that, "There is a difference between climate finance and climate funds. I want to appreciate this piece of work – I have read all of it. I wish we could do this for all countries. We need to look at which instrument can work for each country. How do we use traditional

finance, private capital and innovative financing together?" he questioned.

Resulting from the United Nations Framework Convention on Climate Change (COP 26) held in 2021 in Glasgow Scotland, a Task Force on Access to Climate Finance was set up to enhance access to climate finance in the most vulnerable countries by transforming the current system of climate finance through a new programmatic approach based on countries' own national climate action plans and priorities. Uganda and Rwanda were identified as pioneers among other countries.

The second EAC Climate Finance Directors meeting that attracted 45 participants from 8 countries including Burundi, DRC, Kenya

Rwanda, South Sudan, Tanzania, Uganda and the United Kingdom was another opportunity to share lessons learned.

Mr. Alex Muliisa, the Coordinator of the National Fund for Environment and Climate Change (FONERWA) generously shared Rwanda's programmatic orientation that is well aligned to existing institutional and investment set ups so as to ensure sustainable development; and the intentional focus on the private sector as a key contributor to climate finance.

"The National Financing Vehicle gives comparative advantage to a country as it positions itself for climate finance mobilization" concluded Mr. Muliisa as he shared emerging lessons from the Taskforce.

Through country updates, the potential for cross learning was very evident. On the part of the host country, Uganda updated the meeting on a fully operational Climate Finance Unit (CFU) in the Ministry of Finance, Planning, and Economic Development that has been put in place to fast-track climate finance access and mobilization.

The meeting ended with a reflection on the outcome of the Africa Climate Summit and harmonization of the region's climate finance position ahead of 28th annual United Nations Conference of Parties (COP28) in Dubai, the United Arab Emirates.

## "The National Financing Vehicle gives comparative advantage to a country as it positions itself for climate finance mobilization" concluded Mr. Muliisa



Minister of State for Microfinance, Haruna Kasolo together with British High Commissioner to Uganda Kate Airey OBE (L) & other officials at the 2nd East African Region Climate Finance Directors' meeting in Entebbe

# HIGHLIGHTS FROM THE UN CLIMATE CHANGE SUMMIT HELD FROM 30 NOVEMBER TO 13 DECEMBER 2023 IN DUBAI UAE

1. The United Nations Framework Convention on Climate Change (UNFCCC) held its 28th Conference of parties in Dubai UAE from November 30 to December 13 with delegates from nearly 200 countries participating. The climate conference for the first time saw nearly every country in the world agreeing to transition away from fossil fuels - a milestone for global climate progress. It is the first time such an agreement has been reached in all the 28 years of international climate negotiations.

2. A World action climate summit was equally held from 1st to 2nd December with over 100 Heads of states and Governments in attendance to affirm their commitment towards financing and addressing climate change. The Government of Uganda was led by the Rt. Hon Prime Minister Robinah Nabbanja with support from several Ministers, Members of Parliament, Senior Government and Technical Officers. Therefore, COP28 illuminated other priorities to scale investment and finance for climate action.

### Negotiation issues

3. Key negotiation issues at COP 28 included; Operationalization of the fund and funding arrangements for Loss and Damage (L&D), matters relating to adaptation fund, the New Collective Quantified Goal.

4. Four negotiation texts were adopted at technical level while the rest were entrusted with the COP Presidency and Ministers to provide political guidance. The four negotiation items were on: New Collective Quantified Goal, Global Environment Facility under authority of CMA & COP, and Matters related to Adaptation fund.

New Collective Quantified Goal (post \$100billion or 2025 goal): Discussions on the new collective quantified goal (NCQG) on climate finance, which is due to be decided at COP29 in 2024, agreed on a process which will continue the ad hoc work programme and include a series of technical expert dialogues in 2024. However, a huge effort will be needed to reach an agreement on the scope and scale of the goal. Indicative from the technical Expert dialogues propose \$1 Trillion annually.

### Financial Pledges, Outcome from COP28 and its implications for Uganda

5. Loss and Damage Fund: COP28 began with a historic agreement on a loss and damage fund to help developing countries cope with the effects of climate change. The fund was agreed to by delegates on the first day of the conference with several countries such as United Arab Emirates, Germany, United States, UK pledging money to the fund. The fund mobilized \$ 792 million in total, however, developing countries need \$400 billion annually to match the need in addressing climate induced disasters and recovery. However, the setting and initial capitalization of the fund is a significant step forward in addressing the issue of loss and damage and Uganda should be able to draw financial support from this fund once the institutional set is completed. The fund will be hosted by World bank with separate governance instruments and Board.

6. Operating entities of the financial mechanism of the UNFCCC has got a financial boost for example to the Green Climate Fund (GCF) that has become a vital part of the global climate finance architecture.

COP28 brought an additional \$3.5 billion in new pledges to the second replenishment of the Green Climate Fund (GCF) that was earlier standing at \$9.3 billion as per October 6, 2023 replenishment date. The GCF is the world's largest international climate

**The fund mobilized \$ 792 million in total, however, developing countries need \$400 billion annually to match the need in addressing climate induced disasters and recovery**

fund mandated to support low emission, climate-resilient development pathways and dedicated to support developing countries including Uganda in tackling climate change. The second replenishment now totals \$12.8 billion, 28% more than the first replenishment to serve the period 2024 to 2027. The first replenishment was \$ 9.9billion for period 2020 to 2023. The second GCF aims to empower climate action in developing countries and Uganda through the Ministry of Finance Planning and Economic Development will submit bankable projects for financing.

7. **Adaptation Fund:** An amount of \$165.8 million towards adaptation fund was announced at COP28. Doubling of adaptation finance remained key in the negotiation rooms as LDCs including Uganda reminded the developed countries that Glasgow COP26 committed to doubling adaptation finance but the current Adaptation gap report shows that the doubling is not happening. According to the standing Committee of Finance report 2023, adaptation finance stands at \$21 billion far from the at least \$49 billion anticipated. The adaptation report 2023 by UNEP estimates the updated costs of adaptation for developing countries to be in a plausible central range of \$215 billion to \$387 billion per year this decade. The \$387 billion per year estimate is based on extrapolation of costed nationally determined contributions (NDCs) and National Adaptation Plans (NAPs) and extends until 2030.

8. **Least Developed Countries Fund (LDCF):** COP28 also enabled the mobilization of \$141.74 million towards the LDCF. The LDCF was established in November 2001 under the United Nations Framework Convention on Climate Change to address the needs of least developed countries whose economic and geophysical characteristics make them especially vulnerable to the impact of global warming and climate change. The Global Environment Facility (GEF), as an operating entity of the Financial Mechanism of the Convention, was entrusted to operate this Fund.

9. **Special Climate Change Fund (SCCF):** At COP28, eight donor governments have pledged new commitments to Special Climate Change Fund (SCCF) totaling \$32.5 million, this signaled their political support for the unique roles these funds play in addressing climate resilience needs. The Special Climate Change Fund (SCCF) was established under the Convention in 2001 to finance projects relating to: adaptation; technology transfer and capacity building; energy, transport, industry, agriculture, forestry and waste management; and economic diversification. The fund complements other funding mechanisms for the implementation of the Convention.

10. The total of new pledges announced at COP28 was totaling \$174.2 million for both the LDCF and SCCF, which are hosted by the Global Environment Facility. Uganda is eligible for both funds and should prepare projects to draw financing for climate actions especially during the 9th GEF Cycle. Uganda through the Ministry of Finance Planning and

Economic Development programmed projects with its quota allocation of \$11.5 million under these funds during the 8th GEF Cycle this year in November.

11. Total of overall financial pledges so far announced at COP28 was over \$85Billion from governments, businesses, investors, philanthropists.

12. Away from the negotiations, COP28 brought a wave of new international pledges – covering everything from oil-and-gas company emissions and tripling renewables, through to food systems and how the world can better integrate action on climate change and biodiversity loss.

13. Outside the negotiation rooms, private sector finance commitment is also growing, for instance UAE Banking sector came together and announced a commitment to collectively mobilize more than \$270Billion in sustainable finance by 2030.

14. At the same time, the United Arab Emirates also pledged \$200 million for Special Drawing Rights (SDRs) for the International Monetary Fund (IMF)'s Resilience and Sustainability Trust.

15. Major launches also took place including; the launch of Africa Green Industrialization Initiative to leverage on the UAE- led \$4.5Billion Africa Green Initiative. This Initiative aims at accelerating and scaling green industries and businesses to catalyze economic green growth.

16. Therefore, Uganda through the Ministry of Finance should ensure project proposals are developed and submitted to attract financing from these funds.

### Conclusions

COP28 delivered a historic result of adoption of a fossil fuel phase-out agreement, which commits the parties to transition away from fossil fuels in energy systems, in a just, orderly and equitable manner, so as to achieve net-zero emissions by 2050.



Prime Minister Nabbanja with Ministers at COP28 in Dubai

Uganda was represented by the Prime Minister Robinah Nabbanja who called upon African countries to be the first beneficiaries of the funds allocated to Climate Change solutions.

She said Uganda is equally suffering from the effects of Climate Change such as long droughts and floods, adding that Uganda will utilise the Climate financing announced at COP 28 to address issues of climate change.

Uganda and the rest of Africa's position for COP28 is clearly articulated in the Addis Ababa Declaration of the 19th Session of the African Ministerial Conference on the Environment (AMCEN) and reaffirmed by African leaders in the Nairobi Declaration adopted at the inaugural African Climate Summit (ACS) in Nairobi.

African Common Position on Climate Change for COP28, revolved around: Climate finance; Global stock take; Strengthening adaptation actions; Operationalization of the Loss and Damage fund; Just energy transition; and Africa's quest to be granted the special needs and circumstances status.

COP28 presented Uganda with the unique opportunity to reshape her narrative as a "country of solutions" to the climate crisis. It also provided global leaders the opportunity to reaffirm their commitments made in various fora throughout the year.

Uganda made strides in achieving its renewable energy targets by signing a

## UGANDA AT THE 2023 UN CLIMATE CHANGE CONFERENCE (COP 28)

Memorandum of understanding that will see a UAE company construct a 150MW solar energy plant in the eastern part of the country (Kween district).

Uganda was also listed among the first seven developing countries that will benefit from the \$400 million loss and damage fund established to help victims of climate disaster.

Uganda continued to push for a Just Energy Transition as the world pushes for a phase-out of oil and gas or generally fossil fuel.

Numerous initiatives aimed at building Africa's climate resilience were announced at the 28th Conference of the Parties (COP 28) in Dubai in December 2023, including the establishment of green banks, greenhouse gas trading systems, public-private partnerships, transformative financing measures such as green bonds and sustainability-linked instruments, as well as a host of new funding pledges.

COP 28 delegates made commitments on enhanced financial support for climate adaptation and resilience by continuing to substantially scale-up financial resources for climate adaptation and resilience building in such situations, emphasizing the need for public and grant-based resources, as well as mobilizing a variety of financing sources, while recognizing the importance of environmental and social safeguards,

The also agreed on strengthening the technical and institutional capacity of national governments and local actors, to absorb, account for, report on, allocate, and leverage climate finance effectively.



Under Secretary and Accounting Officer Dr. Sengonzi Damulira (4th L, third row) and other Ministry staff pose for photo during the Treasury Service Centre Week.

MoFPED Treasury Service Centre Customer week run from 10th to 13th October, 2023. The Centre provides a unified, single point of service and comprehensive support to Users on systems and processes as well as general Public Financial Management (PFM) inquiries in a timely manner. The Treasury Service Center is utilized by Ministries, Agencies and Local Governments (MALGs) and the general public.

Scope of Services:  
Systems: IFMS, IPPS, PBS, Supplier e-Registration portal, Financial Management System for Foreign Missions (FMSFM), DMFAS, ISN, e-GP, MoFPED website, etc.  
Processes: Budget execution, procurement, accounting, reporting and audit and general PFM inquiries.

Dr. Sengonzi encouraged the staff at the service Centre to pick interest in feedback from the clients in order to offer quality services.



Minister of State for General Duties Henry Musasizi presented a paper on enhancing Uganda's development agenda. He said the action agenda for delivering exponential economic growth is based on five strategic anchor sectors including Tourism development; Agro-Industrial development; Mineral based Industrial development; Oil and Gas development and Knowledge economy.

Prime Minister, Nabbanja (5th R front row), Ministers and Development Partners pose for photo during the National Partnership Forum held at Serena Hotel, Kampala



Hon. Lugoloobi said the theme of the 4th Annual APSA Conference, "Sustainable Pension Inclusion in Africa," resonates deeply with the collective mission of Africa. He said Uganda has taken bold strides towards realizing this vision, adding that the pension sector has been revamped with robust reforms.

Minister of State for Planning Amos Lugoloobi (6th R) represented Finance Minister Matia Kasajja at the 4th Annual Africa Pension Supervisors' Conference in Kampala



Hon. Evelyn Anite while speaking at the Presidential Investors Conference at Kololo ceremonial grounds pledged government commitment to providing a conducive investment and business environment, job creation, incentives to deserving investors and access to affordable financing for investment.

Minister of State for Investment and Privatisation Evelyn Anite at the conference at Kololo ceremonial grounds

# GOVERNMENT TO ENROLL 420 ENTITIES ON e-PROCUREMENT BY 2025/26



By Shaka Isaac

The government has undertaken an initiative to roll out the electronic Government procurement (e-GP) system to all the remaining procurement and disposing entities (PDE's) within the next two years.

The e-GP is a web-based ICT-driven tool used to carry out public procurement and disposal and involves all stages right from procurement planning, bidding, evaluation, award, contract management, invoicing, and payment for supplies, works, and services.

As at the end of last financial year, there were 11,651 contracts drafted on the e-GP from the 36 enrolled entities. Various studies estimate that about 60% of national budget is spent through public procurement.

The Permanent Secretary and Secretary to the Treasury,

**The e-GP is a web-based ICT- driven tool used to carry out public procurement and disposal and involves all stages right from procurement planning, bidding, evaluation, award, contract management, invoicing, and payment for supplies, works, and services.**

Ramathan Ggoobi while recently officiating at the Leadership and Sponsorship Awareness Engagement event on e-GP at Serena Hotel, Kampala said the Finance Ministry has been pursuing strategic reforms in Public Sector Procurement in Uganda to achieve better value for money and enable effective, transparent, and accountable use of public resources as a basis for economic transformation and improved service delivery.

The PSST said the semi-automated procurement system which is predominantly paper-based continues to face challenges such as lack of real-time information for planning and decision making and uncoordinated purchases across government.

He said full implementation of e-GP is expected to generate significant efficiency gains and improve service delivery by reducing the endemic delays in public sector procurement, minimizing avenues for corruption through reducing human interaction, facilitating real time access to information for business opportunities, minimizing cost of doing business and increasing bidder participation, transparency and accountability.

Ggoobi thanked the Accounting Officers and technical staff who have pioneered the e-GP implementation in their entities, adding that effective leadership, sponsorship and support are critical for the successful roll out of the system to all the targeted



PSST Ramathan Ggoobi

entities.

He said MoFPED, in collaboration with Public Procurement and Disposal of Public Assets Authority, National Information Technology Authority - Uganda, Ministry of ICT and National

Guidance will endeavor to spearhead sensitization and awareness campaigns to positively influence the organizational culture and mindset necessary for successful e-GP adoption and implementation within the

entities.

The Accountant General, Lawrence Semakula appreciated the project sponsors and partners for the relentless support towards the implementation of the government electronic

**The PSST said the semi-automated procurement system which is predominantly paper-based continues to face challenges such as lack of real-time information for planning and decision making and uncoordinated purchases across government.**



Accountant General, Lawrence Semakula

procurement system, adding that Partners such as the World Bank were impressed with the

place measures that will enable government achieve the business case for this reform

due diligence, 100% information accuracy, timely delivery, easy to trail, trace and data access

**Semakula called upon all the Accounting officers, contracts committee members, Board of Directors and heads of procurement entities to put in place measures that will enable government achieve the business case for this reform**

procurement solution.

He called upon all the Accounting officers, contracts committee members, Board of Directors and heads of procurement entities to put in

Semakula said government and public sector agencies that have implemented e-GP system, have reported a number of benefits such as elimination of corruption, abuse of discretion, systems

on the system for mandatory audits, reporting obligations and accountability.

According to the Executive Director Public Procurement and



Technical team at the Engagement event

Disposal of Public Assets Authority Benson Turamye, only 60% of contracts in FY 2020/21 were completed within the contractual timelines.

"In other words, 40% of the procurement were mired to the detriment of the citizens who would be the beneficiaries of efficient service delivery," said Turamye, adding that delays in the completion of government projects calls for additional costs, which costs are born by the taxpayer.

e-GP transactions are electronic and easy to trail, trace and access data on the system for mandatory audits, reporting obligations and accountability requirements.

**“In other words, 40% of the procurement were mired in delays to the detriment of the citizens who would be the beneficiaries of efficient service delivery,” said Turamye**

# NLRGB: SOURCE OF GOVERNMENT REVENUE AND CHAMPION OF RESPONSIBLE GAMING IN THE REGION



By Aloysius Mugasa Adyeri

Where you find a strong love of sports, you will find sports betting as a natural consequence of that passion. Thus, it is with Uganda where the interest in sports is rapidly increasing, and the gaming industry has responded with dramatic expansion in the last few years.

Gaming operations in Uganda date back to the 1960s when the lottery was the main gaming activity. It was during this time that the first gaming laws were enacted that is, the National Lottery Act (1967) and the Gaming and Pool Betting Act (1968).

The period after 1980 was characterized by significant growth

of the Gaming Industry in Uganda and a wide geographical spread of Gaming activity across the country. The growth of the Gaming Industry was further accelerated by the advent of new innovative forms of gambling that emerged in the 2000s.

However, the growth of the Gaming Industry was associated with a number of regulatory challenges. These included: firstly, revenue leakage in a Sector whereby most Operators did not pay license fees and taxes to the Government, occasioned by inadequate regulation and supervision because gaming had spread throughout the whole country, yet the Ministry was thin



on the ground; Secondly, there was a marked lack of protection of the public from fraudulent Operators and the adverse effects of gaming occasioned by absence of standardization; and thirdly the law then (National Lottery Act, 1967 and Gaming and Pool Betting Act, 1968) was outdated and could not respond to the opportunities and challenges emanating from technological advancements and the conduct of new modes of gaming. On account of this, the Government undertook to reform the legal framework for the Gaming Industry.

Accordingly, in 2016, the National Lottery Act (1967) and the Pool Betting Act (1968) were repealed and replaced by the Lotteries and Gaming Act, 2016, which established the National Lotteries and Gaming Regulatory Board (NLRGB) as the independent, dedicated Regulator for the Gaming Industry.

Since its establishment, the National Lotteries and Gaming Regulatory Board has ensured that the gambling industry is regulated in a manner that protects consumers, promotes responsible gaming, and maintains the integrity of the industry. The strategic direction of the NLRGB is focused towards

achieving the foregoing objectives through the implementation of comprehensive regulations and the enforcement of industry standards.

To that end, the NLRGB has put in place an all-inclusive regulatory framework which has provided the foundation for effective regulation of the industry. The framework includes a range of measures whereby Operators are held accountable for their actions, including licensing requirements, financial reporting, and the enforcement of penalties for non-compliance.

However, several challenges continue to manifest in the execution of our mandate to supervise a technologically driven sector, albeit manually to a great extent. The NLRGB continues to face budgetary constraints that undermine our ability to curb the mushrooming illegal Operators and the impending rationalization of our Board as a residual function.

The challenges and complexity of the industry notwithstanding, the NLRGB remains committed to achieving our full potential in the execution of our mandate.

On 15th December 2022, we launched the Strategic Plan for a

period of FY2020/21 to FY2024/25 which is in line with the National Development Plan III (NDPIII).

The Strategic Plan aims to foster the ease of doing business in the Gaming Sector and emphasizes our commitment to serve with integrity, transparency, and fairness as outlined in the core values.

The Strategic Plan (FY2020/21 - FY2024/25) is the Board's five-year guide to becoming a technologically driven and revenue-generating gaming sector, free from adverse effects.

This is in line with our vision of "A technologically driven and revenue-generating gaming sector free from adverse effects" which is premised on the fact that Gambling is a global market phenomenon greatly influenced by a significant digital and data revolution. It is notable that online gambling has grown at a rapid rate. Therefore, our interest and focus are on internalising and addressing the implications of these developments for consumers, the Government, and for us, the Regulator.

In line with our Strategic Plan, we are placing emphasis on standards and strengthening our partnership with relevant stakeholders to

enhance compliance with the set standards. We are also focusing on enhancing research, innovation, and automation or uptake of technology in our regulation.

We are developing gaming software and equipment standards for testing and certification of gaming equipment and software, identifying a National Lottery Operator, establishing of Regional Offices and most importantly, setting up the National Central Electronic Monitoring System (NCMS).

The system will integrate data from all licensed Operators, allowing for real-time monitoring of all gambling activity, hence making it easier for the authorities to detect and prevent any illegal activity in real time. The introduction of the NCMS will also lead to a significant increase in tax revenue from the industry, enabling Government to collect taxes from all regulated Operators.

It is worth noting that the NCMS isn't just about increasing revenue. It's also about ensuring the industry is safe and fair for all participants. The system provides a level of protection for gamblers, ensuring that they can enjoy their favourite games without having to worry about being taken unfair advantage of.

The Board has also successfully addressed the challenges faced by the industry over the last decade. One of the biggest challenges has been the rise of online gambling, which has created new risks for consumers. The Board has responded to this challenge by developing a comprehensive set of regulations for online Operators, including measures to protect consumers from problem gambling, and to prevent underage gambling.

Another challenge that the Board has and continues to focus on is the issue of gambling addiction.

The Board has worked closely with industry stakeholders, including Operators and Treatment Providers, to develop a range of measures to address this issue. These measures include the implementation of responsible gaming programs, the provision of information and support to problem gamblers through a dedicated helpline, and the enforcement of penalties for Operators who fail to comply with responsible gaming standards.

The Gaming Sector has achieved an incredible 800% revenue collection growth for the Government since its 2016/2017 inception, growing from 17.168 billion or UGX 17,168,703,333 billion in FY 2015/16 to an impressive 151.972 billion or UGX 151,972,746,884 billion in FY 2022/23. Furthermore, the Board's continued commitment to responsible gaming and protecting vulnerable individuals has made it a vital player in ensuring the sustainability and reputation of the industry. The foregoing trend is a demonstration

that Government the significance of having an entity that is dedicated to the regulation of the Gaming Industry.

The Gaming Sector has a huge potential to contribute much more to Government coffers and save the population from the adverse effects of gambling. We aim to realize this potential through the effective implementation of our five-year Strategic Plan.

Going forward, the Board remains committed to ensuring that the gambling industry is regulated in a manner that protects consumers and promotes responsible gaming.

The Board shares the conviction that the gaming Sector can significantly grow into a formidable government revenue earner while ensuring responsible gaming by effectively controlling the activities of the industry.

The revenue collections from the Gaming Industry are projected

to grow to over UGX 300 billion annually following the implementation of the National Central Electronic Monitoring System and other interventions.

In conclusion, I wish to reiterate the fact that Gaming is an activity that is subjected to rigorous scrutiny and regulation by Governments in every jurisdiction where it has been legalized. Without a strong regulator, there would be several negative impacts on our society including gambling addiction,

underage gambling, cheating of the public, evasion of taxes, and money laundering, and can also be used as a vehicle for financing terrorism.

The gambling industry is not just an economic sector, but also a social and cultural one. The Regulator plays a crucial role in protecting the public and ensuring that gambling is conducted in a responsible and ethical manner.

The story of Uganda's transformed gambling atmosphere is a testament to the power of technology, a well-thought-out strategy, and a strong regulatory framework in transforming gaming industries even in jurisdictions that were once characterized by deep-rooted irregularities.

We are happy to note that over the last seven years, the Board's diligence, and oversight in implementing regulations, monitoring the industry, and ensuring compliance has raised the bar of the industry and propelled the growth and stability of the Sector. We aim to be the top contributors to Government coffers and the best implementers of responsible gaming in the region.

**The Writer is the Chairman National Lotteries and Gaming Regulatory Board**





By Apollo Munghinda

# UGANDA'S PLANNING AND BUDGETING PROCESS IS PARTICIPATORY AND INCLUSIVE

The Planning and Budgeting process for each financial year is done in accordance with Article 155 (1) of the Constitution of the Republic of Uganda and Section 13 (1 & 2) of the Public Finance Management Act, 2015 (Amended) which requires the Minister of Finance, Planning and Economic Development to prepare the Budget in a consultative manner on behalf of H.E the President.

The budget consultations for next financial year 2024/25 for example, started in the first quarter of this financial year (August and September 2023) with internal consultations. This process is pivotal in ensuring that the strategic priorities of government are agreed upon with all the relevant stakeholders including Ministries, Departments and Agencies (MDAs), Parliament, Local Governments, Development Partners, Private Sector and the Civil Society. The various levels of consultation ensure transparency and inclusiveness for effective decision-making.

The Finance ministry (MoFPED) coordinates the budget consultative process in

accordance with the existing planning and budgeting frameworks: The national development plan (NDP); the NRM manifesto; international and regional commitments, as well as the prevailing economic, political, and social circumstances at national, regional and global levels.

The internal stakeholder consultations involve the political and technical leadership of government institutions, H.E the President and Cabinet. The national platforms such as the Economic Growth Forum, the National Competitive Forum and the National Budget Conference give key stakeholders, an opportunity to make proposals to government regarding the priorities to consider in the national budget.

## National Budget Conference

The Finance Minister at the national budget conference presents governments' strategic areas of focus for investment and the preliminary resource envelope for the new financial year.

At the recent national

budget conference for FY 2024/2025, Finance Minister Matia Kasaija highlighted the budget priorities: Agricultural production and value addition; climate change and management of food security; implementation of the parish development model (PDM); accelerated development of the mineral sector; consolidating infrastructure development to reduce the cost of doing business; security and governance; human capital development; digitalization and automation of the economy; and private sector development.

The Minister on this occasion also unveiled the preliminary total resource envelope for FY 2024/25, which amounts to Ushs. 52,722.7 billion.

Participants at the budget conference for FY 2024/25, made recommendations which are now being considered by government. These include, improving domestic revenue mobilization to reduce the proportion of the budget financed through borrowing; identifying alternative sources of funding for public investments; expanding the tax base and ensuring that all Ugandans pay

their fair share of taxes. The stakeholders urged government to facilitate the development of the private sector by ensuring access to affordable financing, intensifying the fight against corruption by among other measures; fast-tracking automation of government; establishing service delivery standards and setting standard prices for commonly used goods and services, to ensure value for money in public procurement.

They also recommended improvement of production and productivity under the agro-industrialization programme by addressing challenges of quality seeds, water for production and post-harvest losses among other issues of concern in this programme. Fortunately, most of these issues had been identified as key priorities in the budget strategy for FY 2024/25.

## Local Government Regional Consultations

To ensure effective participation of local government stakeholders, regional workshops are conducted across the country involving local government political and technical leaders, area Members of Parliament and the Civil Society.

MoFPED uses this platform to communicate government's budget strategy and priorities for the proceeding financial year, the indicative planning figures (IPFs), and grant programme guidelines for the proceeding financial year to facilitate their preparation of budgets and identification of investment priorities to operationalize the development strategies.

Financial year 2024/25 consultative engagements with local governments (LGs) focused on status of implementation of the parish development model; improvement of local revenue mobilization; staffing challenges; Status of operationalization of new administrative units, and sharing of property between cities and mother districts.

There was concurrence during these engagements that physical planning in local governments should be prioritized to address the high rate of urbanization.

Improving absorption of the development budgets; titling of government land; building the capacity of local government councilors; strengthening extension services; monitoring and evaluation were also considered as key action points for government in the budget strategy for next financial year.

After consultations, government takes into consideration the proposals raised by stakeholders at the various consultative platforms to align the budget priorities to the national development plan and the major service delivery needs of the citizens.

MoFPED has already communicated the budget ceilings for FY 2024/25 to the program working groups and the program lead ministries. The lead ministries convene programme working group meetings to agree on programme priorities and vote level allocations in line with the budget strategy.

The programme working groups (PWGs) have been working on the budget framework papers (BFPs) which have been submitted to MoFPED for consolidation and onward submission to Cabinet and Parliament by 31st December, 2023. Parliament is also required to approve the BFP by 1st February 2024, and based on the recommendations by Parliament, MoFPED will adjust the vote allocations and issue the second budget call circular (2nd BCC) which will kick-start the preparation of the ministerial policy statements (MPS) and draft budget estimates for FY 2024/25.

The MPS and draft budget

**MoFPED has already communicated the budget ceilings for FY 2024/25 to the program working groups and the program lead ministries**

estimates are expected to be approved by Parliament not later than 31st May, 2024, ahead of the national budget reading by 15th June, 2024.

## Popularizing the Budget

The approval of the budget by Parliament gives MoFPED the greenlight to undertake deliberate and targeted activities to popularize the budget to citizens with a clarion call to participate in budget implementation, monitoring and demand for accountability with results.

The annual national budget month platform, is now a permanent fixture on MoFPED calendar intended to inspire public ownership of the national budget. With the support of budget transparency initiative (BTI) partners, through public dialogues, media engagements and corporate social responsibility, Ugandans have been encouraged to participate in government programs, appreciate voluntary tax compliance and fulfil their tax obligations.

Consequently, the gap between citizens and the government has continued to be bridged.

MoFPED is very grateful to all stakeholders who have played a role in ensuring that the budget process is validated at all levels. Uganda's budget process is very open and ranks number two in Africa, only next to South Africa in terms of budget transparency. It remains the duty of all stakeholders to take advantage of the opportunities in national budget.

**The Writer is the Principal Communications Officer, Ministry of Finance, Planning and Economic Development**

# **EXPLORE** **UGANDA**

## **ZIWA RHINO SANCTUARY**

Ziwa Rhino Sanctuary was established in 2005 to further the longevity of the conservation of the white rhinos in Uganda after the last rhino was killed in Murchison Falls National park by poachers in 1983. Ziwa Rhino Sanctuary is a private and non-profit conservation project for the endangered animals in Uganda. It proudly harbours a unique animal species called the White Rhinos and it is the only place you can find the rhinos in Uganda after getting depleted from Murchison Falls National Park and Kidepo National Park during the massive war in the 1970s together with the rampant poaching in the 90s.

Source: [www.murchisonfallsparkuganda.com](http://www.murchisonfallsparkuganda.com)

# HOMILY AT THANKSGIVING MASS FOR MINISTRY OF FINANCE, PLANNING AND ECONOMIC PLANNING ON 15TH DECEMBER 2023

By Rev. Fr. Dennis Ssebunya, Parish Priest Ggaba Parish

Thankfulness is a good test of your faith. Its absence demonstrates that your faith is more of lip service. So, thanking God together is an effective guard against ingratitude. On our own, we may be tempted to forget, to take for granted and to ignore the God from whom every perfect gift comes. As we have heard from the gospel of today, gratitude is the proper response to the abundance of gifts.

It is the posture of the soul that most readily increases receptivity. Gratitude demands humility since only those who acknowledge dependence on their God can be grateful.

Today, many of us as the year comes to an end, might feel burdened by the struggles that the world brings. Others might feel invisible or ignored by those around us, but we can take comfort in the fact that God cares and protects us even when we have not asked.

Today I recommend to you four forms of capital that will create a healthy Ministry of Finance.

## 1. Divine Capital

There is no better gift than knowing God. To love God and to live in Godly manner is a key game changer in the life of any professional person.

Knowing God will bring a balance between your family life and your work life. For many of us, we are so busy working at the expense of our family life. We have no time for our children and our marriages.

No wonder, many of our children are getting lost in the attractions of the world and worse still some have been caught up in drugs and drunkardness. Let us remember that the character that you build in your children will

make them add value to the society of tomorrow. With a good character, your children will be able to know and work with minimum supervision and use properly the technology at their hand. The child you fail to form today and you pamper with gifts and money, will make you cry tomorrow and will do a disservice to this nation.

Let us not be afraid to say No to our children's demands, let your child know that there is difference between a want and a need. Let your child know one has to struggle for anything in the world.

Nothing comes on a silver plate.

## 2. Intellectual Knowledge

It is important to appreciate that a human being was created a rational being able to differentiate between what is right and what is wrong. However, our consumer culture of today cheats us that the more you have, the happier you become. Our relativistic culture of today tell us that there is no truth, the truth is you. So, we end up destroying our capacity to live up to the agreed absolute truth. So, it is important to know your strengths and weaknesses. It is of essence that you don't only develop your thinking but you also develop your critical analysis of the narratives and figures as you sit on your desk.

Do not be afraid to consult others and to learn new things because you are only of value in this world when you remain a perpetual student. Learn to work with everybody and know that just as you tolerate them, they also tolerate you.

Stop being a complainer, there is nobody who is perfect in this world.

## 3. Social knowledge

It is important to have a network of a supportive team around you. Don't be too drunk with your own greatness in your field of expertise. You may feel you don't need anybody sometimes but my friend, money can build a house but not a home.

Money cannot talk to you or even advise you. The truth of the matter is that at the end of this life you will discover that all these things that you are running after in life are all vanity. Because just as the grass withers and the flowers fade, so does your life. So let people be important to you because they are the greatest wealth around you.

For the Ministry of Finance, Planning and Economic planning to go forward, you need team players not spectators. In life be careful of these three people;

### a) Frenemies

They first befriend you before destroying you. They are called destiny destroyers. They will walk with you till they see that you are rising and starting to shine, then they will bring you down. They don't have a problem with you as long as you are mediocre but they have a problem with you with what God has put in you.

### b) Household enemy

These are family members, your siblings and relatives at large. They fight what God has put in you. They forget it is less about where you come from than where God is taking you. We all know that our success may not be a joy to the others e.g the story of Joseph and his brothers.

### c) Opportunists

These are pretenders. They don't come to you because they are with you. Rather, they come to you because of the opportunity they have come to see in you which they like to exploit for their own advantage. They drain your strength; you invest in them and even lose yourself thinking they are with you only to discover they were never with you.

## 4. Economic

As a public servant, it should dawn on you that at one time you will retire. Many people don't prepare for their retirement and they live in a miserable life after working so hard and diligently serving this country. It is wise to use well your salary and benefits knowing that today prepares tomorrow. It is also important that you do not

only educate your children but you prepare them to be able to administer and have a sense of ownership on the investments that you are making. You always have to teach your children that work is not a punishment but it is part of life of every human being.

For some of you, your children are even at home now but they are not doing anything except watching TV and playing, due to the heavy deployment of house helps within your house.

These children will embarrass you in future when they grow up and they will not be able to perform the basic works like cooking, general hygiene, washing clothes, cleanliness, spreading their beds just to mention a few. You never know how life turns out tomorrow when you are out of work and they are grown. Teach your children to start owning the investments and development of the family.

I thank the Minister and State Ministers, the Permanent Secretary and Directors and all of you as a ministry for having thought it wise to have Mass today and thank God.

I do think that these few words of wisdom said with whole humility will add value to your ministry in the coming year.

Let us be grateful that we have a job. There are so many people on the streets of Kampala looking for jobs. Some we know were better than us in class. Let us be thankful that we have a salary to take home at the end of the month to feed, educate and care for our children and family. But let us not forget where God has got us from to become what we are today. We all know we were nowhere. Do not feel entitled to be where you are but look at it as God's mercy on you. So, give back to God today with an open and thankful heart. Don't complain because God is asking you to give.

Remember naked you came into this world and naked you will go.

But at some time, you will account for how you gave back to God when you had time to.

Support God's work please and God will support you.

God bless you



Ministers and the Accountant General (R)



Internal Auditor General Dr Fixon Okonye and Acting Director Jeniffer Muhuruzi



Ministry top leadership praising God



Staff at the meeting



Cutting of the cake at the staff party



Ministry top leadership at the staff meeting



Head Human Resource, Ayebazibwe (R) with her staff at the meeting



Top technical staff at the meeting



Ministers bringing their gifts to Rev. Fr. Ssebunya



Minister appreciating former Director Budget, Laban Mbulamuko for the services he rendered to the Ministry

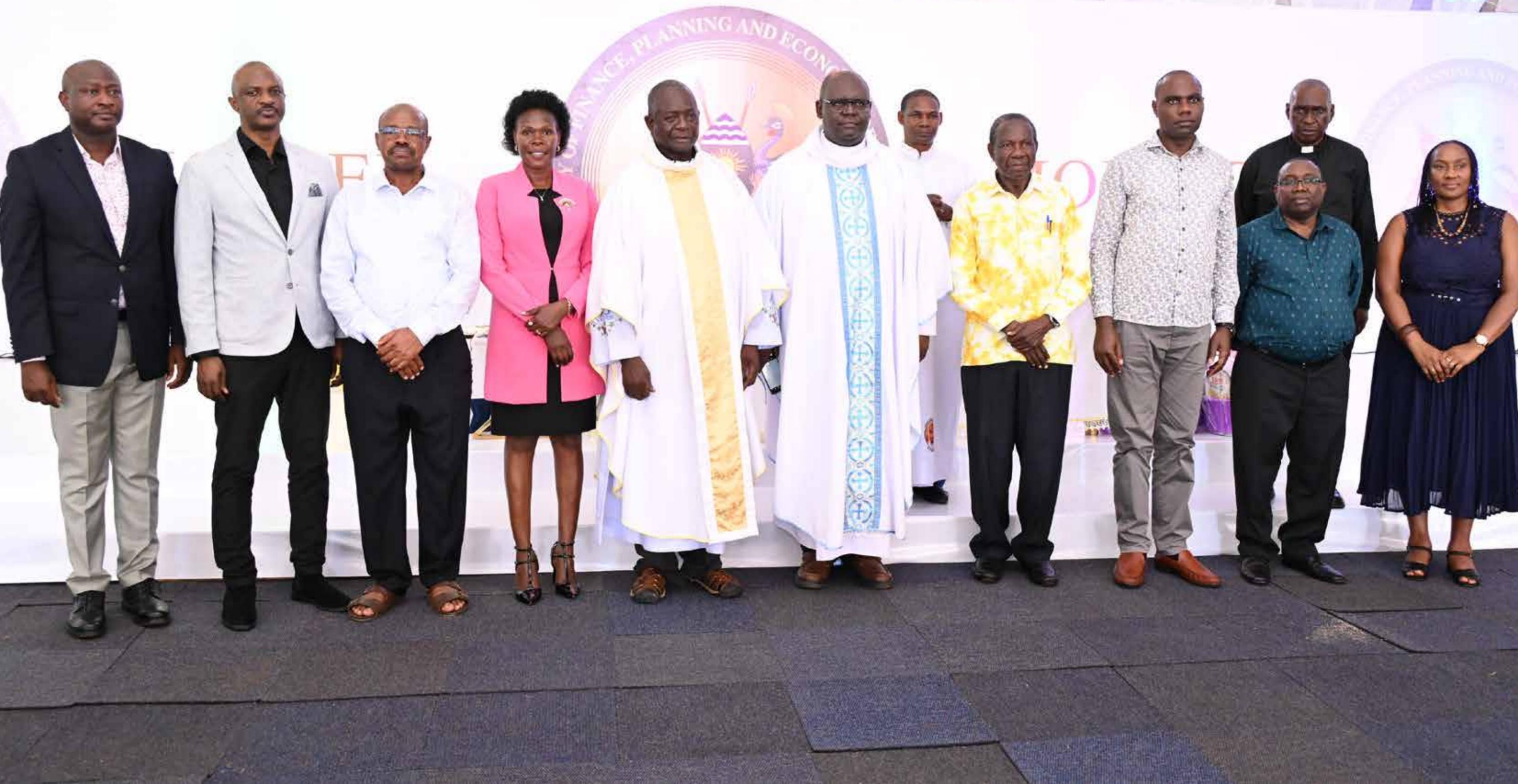


Finance Minister & PSST pose for photo with some of the best performers for calendar year 2023



Rewards and Sanctions Committee chaired by Acting Director Debt and Cash Maris Wanyera pose for photo with Finance Minister

# MoFPED leadership with religious leaders at end of year 2023 staff meeting and party



# NEWSBITS

## PSST Speaks on Building a successful model for the Oil and Gas Sector



The Permanent Secretary and Secretary to the Treasury (PSST), Ramathan Ggoobi has said building a successful oil and gas sector depends on a number of factors including the role of government in leading the strategic direction of the sector, coordinating private sector players and building a critical stock of requisite

infrastructure to optimize operations in the sector.

The PSST made the remarks at the 8th Uganda International Oil and Gas Summit in Kampala under the Theme: Uganda's Oil and Gas Revolution: Harnessing Opportunities, Overcoming Challenges, and Creating a Sustainable Future.

Ggoobi said the Ministry of Finance holds the oil and gas sector in high esteem, as a key development fundamental capable of transforming Uganda's economy through providing access to affordable energy, creating decent jobs and skills development, in addition to improving revenue and improving infrastructure among other development indicators.

He said International Oil Companies and government have so far invested about USD 8 billion in oil and gas development.

"I wish to emphasise the essence of partnerships in bringing Uganda's oil and gas dream to reality," said the PSST. The 8th Oil and Gas Summit provided an insight into the opportunities in the oil and gas sector.

## Frequency of Disasters calls for Innovative Financing - says Wanyera

The Acting Director Debt and Cash Policy, Maris Wanyera has called for accurate estimation of the quantity and cost of disasters to guide and enable mobilisation of adequate financial, technical and human resources.

She made the remarks during the first technical committee meeting of the National Disaster Risk Financing Strategy in Kampala.

Wanyera said government has undertaken significant steps over the years to guide interventions in disaster preparedness and management and these include the development of a disaster management strategy, development of a disaster management policy and ring fencing a fraction of the contingency fund for disaster management.

"Exploration of innovative disaster risk financing options is equally important to supplement traditional



public sector financing through the annual budget and support from development partners," said Maris Wanyera.

## PFM Reforms Strategy Design Taskforce Inaugurated



The Accountant General Lawrence Semakula officiated at the inauguration and orientation meeting and called upon nominated officers to consult their respective clusters and entities on the agenda for the new phase of

public financial management (PFM) reforms.

The Accountant General is leading the design process and coordination of an inter-ministerial taskforce to ensure the process is both consultative and timely. At the meeting, he clarified the scope of the assignment, roles and responsibilities of the taskforce as well as the proposed roadmap.

The current PFM Reform Strategy expires on 30th June 2025 and the new Strategy is expected to cover FY 2025/26 to FY 2029/30 and is aligned to the NDP IV development process.

"The design of the PFM Reforms Strategy is heavily evidence based and all recommendations are steeped in research and empirical evidence. We have a wealth of diagnostic studies and other thematic reports to back up our work," said the Accountant General.

## 31 New MOFPED staff inducted

The Under Secretary and Accounting Officer at MoFPED, Dr Sengonzi Damulira who officiated at the induction training called upon the newly appointed staff to uphold the code of conduct, values and work ethics of the public service.

The new common cadre staff inducted include: Economists, Accountants and Statisticians. He particularly emphasised discipline, professionalism, effectiveness and efficiency, time management, accountability, loyalty, diligence, secrecy, integrity, transparency and respect.

Dr. Sengonzi also advised the new staff members to focus on personal and professional growth by and also mastering the culture of the Finance Ministry.



"I call upon you to uphold the spirit of team work which you have exhibited during this training," said the Under Secretary, adding that they

should desist from divulging official information.

The new staff took both the Official Oath and Oath of Secrecy at the end of their induction training.

# DID YOU KNOW?

1

Economic activity has continued on the recovery path. Estimates by Uganda Bureau of Statistics (UBOS) indicate that the size of the economy increased to Uganda shillings 184,895 billion in FY 2022/23 from Uganda shillings 162,750 billion registered in FY 2021/22. In real terms, the economy grew by 5.2% from a growth rate of 4.6% registered in FY 2021/22.

In nominal terms, the contribution by the informal sector has grown over the years from 68.3 trillion shillings in 2018/19 to 100.6 trillion shillings in 2022/23 leading to 54.4% contribution in FY 2022/23 compared to 45.6% by the formal sector.

In terms of sector contribution to the Gross Domestic Product (GDP), the services sector continued to be the leading contributor to GDP, accounting for 42.4% of the overall GDP in FY 2022/23. This was followed by Industry (26.0%), Agriculture, forestry and fishing (23.8%) and taxes on products (7.3%).

3

A recent English Proficiency Index (EPI) published by EF Education First, an international education company that specializes in language training, educational travel, academic degree programs, and cultural exchange, scrutinized the English-speaking prowess of nations worldwide. African countries secured spots across different proficiency levels.

The countries in the ranking are considered non-native English speakers, and the data comes from assessments of 2.1 million adults across 111 countries. South Africa stands out as a beacon of English proficiency in Africa, landing in the very high category alongside nations like the Netherlands, Singapore, Austria, Norway, and Denmark.

Uganda ranks number 5 in Africa after Ghana, Nigeria and Kenya respectively. It should be noted that there is a correlation between ease of doing business and a country's English Proficiency.

2

Capital markets are avenues through which governments and the private sector raise long term non-bank financing. Capital Markets bring together providers of long-term capital (i.e. investors) with those who seek to raise capital for investment.

Capital markets broadly consist of the equity markets, where shares of companies are sold to the public to raise capital (in the primary market) and traded (in the secondary market). It also consists of bond markets, where debt securities are issued to borrow funds from investors.

The trading of stock that include shares issued by companies takes place at a designated platform at the Securities Exchange. The trading of debt instruments that include government treasury bills and treasury bonds, happens over the counter through approved primary dealer banks.

5

Tax policy describes the principles and guidelines established by Government for the imposition and collection of taxes. The Policy determines the objectives a government wishes to achieve using tax as an instrument of policy delivery. It seeks to address numerous issues including: Who to tax; what to tax; how much to tax; how to use the tax system to compensate for market failures; how tax exemptions, reliefs and allowance are decided upon and how to manage the entire tax system etc.

Taxation has guiding principles and these are: Neutrality, equity and fairness; sustainability; flexibility; low cost of tax administration; simplicity, certainty, clarity and transparency; as well as low compliance cost.

The Development Committee sitting on November 9, 2023 made decisions on projects for inclusion in the Project Implementation Plan (PIP) for FY 2024/25. 44 projects were exited from the PIP for FY 2024/25; 221 projects were retained; 44 projects were extended and 7 projects were transferred to the recurrent budget effective FY 2024/25. It should also be noted that 10 projects were downgraded to pipeline from the PIP of FY 2024/25, while 32 projects were recommended for re-scoping.

4

6

# QUOTE



“To reverse the poverty and low agricultural productivity trajectory, investments such as increased water for agricultural production, mechanization of agricultural production and other related systems, enhanced farm infrastructure for mobility and interconnectivity, storage, market access of farm produce, access to quality crop, livestock and fisheries breeding material, research and development of climate resilient technologies are required to enhance sustainable agriculture,” said Finance Minister Matia Kasajja in a brief to Parliament seeking authorization to borrow up to USD 325 million and receive grant of up to SDR 19.5 million (equivalent to USD 25 million from the International Development Association of the World Bank to finance the Uganda Climate Smart Agricultural Transformation Project. ■



“The NRM government very much believes in and supports evidence based decision making which is only possible with the availability of quality statistics. Government shall continue to provide the necessary funding for statistics and advocating for use of quality statistics in all Ministries, Departments and Agencies including Local Governments,” said Minister of State for Planning, Amos Lugolobi while inaugurating the new Board of Directors of the Uganda Bureau of Statistics. ■



“The PDM provides immense potential for promoting empowerment, inclusivity and sustainable development at the grassroots level in Uganda. With concerted efforts from the government, development partners and communities, the PDM can significantly improve household incomes and contribute significantly to the 10-fold exponential growth aspirations of the country,” said Hon. Musasizi while delivering a paper at the National Partnership Forum in Kampala. ■



“I would like to emphasize to all Ugandans, that the process of opening an Emyooga account is completely free, and for SACCOs, the minimum balance is only Ugx 5000 with no additional over-the-counter fees. I encourage each and every Ugandan to adopt a savings-oriented mindset, because this will significantly contribute to the improvement of household incomes,” said Hon. Kasollo Kyeyune while monitoring Emyooga and PDM in Teso region. ■



“Uganda has earned the title of East Africa's premier investment hub, given its thriving potential and strategic positioning. This is an opportune moment for the UAE to embark on an investment journey into Uganda's bright future,” said Minister of State for Investment and Privatisation Hon Anite, during the recent Uganda-UAE Investment and Business Summit in Kampala. ■



“Uganda's industrialisation intentions will be turned into sustainable results only if the key players (those who are highly interested and powerful) are mobilized to lead the agenda, and the subjects (those highly interested but powerless) are empowered by giving them more formal authority and/or resources,” said PSST Ramathan Ggoobi at Uganda Development Forum Annual Conference 2023 at Chobe Safari Lodge. ■

# POLICY

## The African Trade Report (2023): Export Manufacturing and Regional Value Chains in Africa under a New World Order

The African Trade Report (2023) indicated that, the value of intra-African trade reached USD 193.17 billion, growing at 18.6% in 2022, while Africa's merchandise trade expanded by 20.9% (USD 724.1 billion) over the same period, owing to the implementation of the AfCFTA.

The report notes that, African exports are characterized by few manufactured products which are concentrated in few sectors from a limited number of countries. African countries are urged to extensively invest in the manufacturing sector to accelerate the development of the regional/continental value chains and structural transformation. This is premised on the fact that manufactured products account for about 50% of the continent's imports.

NDP III identified the African Continental Free Trade Area (AfCFTA) as one of the key markets to facilitate Uganda's export promotion agenda mainly due to its proximity and similar phyto-sanitary requirements. Uganda's export trade on the continent (excl. COMESA) however, remains low accounting for only 1.4% (USD 22.6 million) of the total export revenue even when Intra-Africa trade has continued to recover from COVID-19 drawbacks.

In April 2023, the AfCFTA Secretariat assessed Uganda's readiness to start trading under the Guided Trade Initiative (GTI) – a framework under which the AfCFTA Secretariat facilitates participating countries to undertake meaningful trade activities under AfCFTA. Government has since offered key products (Dairy products, Coffee, Tea, pharmaceutical product, fruits and vegetables among others) for trade under the framework.

## Competitiveness: Power Tariffs and Electricity Connections

The objective of these interventions is to lower the cost of electricity and increase access to electricity. The NDP III recognizes that the supply of reliable energy is critical in fostering the ease of doing business and expanding the industrial base of the country. However, high electricity connection costs erode power tariffs for both domestic and industrial users. As such, low energy uptake due to high electricity unit costs and unreliable supply undermine the production and productivity of enterprises. To address these constraints, Government has undertaken the following measures:

1. Launched the revised Energy Policy 2023 in April 2023. It builds on the achievements of the Energy Policy, 2002 and is cognizant of the following:
  - a) Need for increased energy supply and access to Uganda's fast-growing population and industrialization
  - b) Emerging trends in technologies in the energy sector
  - c) Energy demand requirements and utilization in a sustainable manner.
2. Government is implementing a Ushs 2.2 trillion energy access scale-up project for a period (2022-2027) to increase access to electricity, both on-grid and off-grid for households, commercial enterprises, and public institutions (schools, hospitals, and water supply schemes). The project aims to increase access to clean energy cooking services by supporting private sector enterprises that promote clean cooking solutions. The Project will therefore support grid expansion and connectivity for last mile connections of both households and commercial enterprises; financial intermediation for energy access scale-up through the provision of credit lines and guarantees to promote productive use of electricity; and increase energy access in refugee host communities.
3. Continued with the implementation of the Energy Rebate initiative to encourage the speedy establishment of electricity infrastructure for investors to establish power line extensions. Government reimburses customers who meet the following requirements:
  - a) The investment should have a maximum demand of 500kva
  - b) Should be located within an Industrial Park or any location approved by the Electricity Regulatory Authority
  - c) Should be able to connect at least 10 potential customers within one year of commissioning
  - d) A maximum network length of 500 meters.
4. Launched the hybrid electricity customer connection credit framework in 2022 for a no-pole electricity connection. The intervention provides an option for paying the full Ushs 470,000 upfront or a minimum of Ushs 200,000 and accessing a credit facility of up to Ushs 270,000 availed under the Uganda Development Bank (UDB) financing scheme.

# BRIEFS

## Environmental Sustainability: Natural Disaster incidences and Seasonal Changes in rainfall

The Natural Resources, Environment, and Land Management Programme of NDP III aims to reduce the adverse effects of climate change and improve utilization of existing natural resources for sustainable economic growth and livelihood security.

However, wetland degradation and unplanned human settlement have catalytically increased the negative impact of climate change. The following interventions by Government have been undertaken to minimize the effects.

1. In February 2023, the National Environment Management Authority issued the following administrative measures to strengthen the implementation of environmental laws for individuals and companies in a bid to safeguard the environment.
    - a) All projects, whose implementation requires an Environment Sustainability Impact Assessment (ESIA) and Environment Risk Assessment (ERA) should acquire an ESIA or ERA certificate before commencement. The failure to undertake these assessments by companies or individuals will attract express penalties ranging from Ushs. 1 billion for individuals and Ushs. 6 billion for corporate bodies or imprisonment.
    - b) Destruction, damage, or disturbance of wetlands in a manner that is likely to cause adverse effects on the ecosystem attracts a fine of Ushs 3,000,000. In addition, irresponsible waste management attracts a fine of Ushs. 6,000,000.
  2. The Development Committee has also adopted the requirement for projects entering the Public Investment Plan, to have an ESIA Certificate.
  3. The National Policy for Disaster Preparedness and Management 2011 was developed. It establishes an integrated and multi-sectoral approach to disaster preparedness and management (floods, Landslides, and Mudslides, epidemics, etc). The overall policy goal is to reduce vulnerability levels, risk mitigation, disaster prevention, preparedness, effective response and recovery in a manner that integrates disaster risk management with development planning and programming.
  4. The National Climate Change Act 2021 was enacted. The Act is purposed to give effect to the UN Framework Convention on Climate Change and mandates the Minister responsible for Water and Environment to create a Framework Strategy for Climate Change, National Climate Change Action Plan, and District Climate Action Plans.
  5. Cabinet issued a Policy Directive prohibiting the allocation of industrial land to investors in wetlands. The Directive states that investors who had been given land in wetlands should be reallocated elsewhere. It further states that the affected factories will be compensated.
  6. Government continues to support the adoption of irrigation to mitigate against over-reliance on rainfed agriculture to increase crop production. The Uganda Intergovernmental Transfer Program provides irrigation equipment to farmers through a cost-sharing arrangement.
  7. Government has developed water for production facilities as well as micro and small irrigation schemes for communities to increase crop and livestock production. This is aimed at reducing the losses to farmers as a result of no or little rainfall.
- Microeconomic Outlook:** The onset of the rainy season is expected to result in bumper harvests. The good harvest is expected to drive food prices further down. On the other hand, the resurgence of global supply chain distortions is likely to increase global prices.

# When we blame technology, We fail to fix our own IT security glitches!



By Leone Byereeta

Cyber criminals know that people always want to take the easiest route to resolving any issue encountered in their day-to-day lives and that is why these "Virtual" criminals design their attacks to take advantage of this human weakness. IT Security attacks through Social Engineering, which is the psychological manipulation of people into performing actions or divulging confidential information, has become one of the major concepts that is taken advantage of.

Below are some of the attacks that the cyber criminals use to manipulate

their victims.

## 1. Phishing attacks:

Phishing is a type of social engineering attack often used to steal user data, including login credentials, ATM card pin codes and credit card numbers. It occurs when an attacker, masquerading as a trusted entity, dupes a victim into opening an email, instant message, or text message. This attack can have devastating results.

## 2. Baiting attacks:

As its name implies, baiting attacks use a false promise to a victim's greed or curiosity. Baiting is in many ways similar to phishing attacks. However, what distinguishes them from other types of social engineering is the promise of an item or good that malicious actors use to entice victims. Baiters may leverage the offer of free music or movie downloads, for example, to trick users into handing in their login credentials.

## 3. "Quid Pro Quo" social engineering attacks:

'Quid pro quo' means something for something: An attacker calls random numbers at a company, claiming to be calling back from technical support. Eventually this person will hit someone with a legitimate problem, grateful that someone is calling back to help them.

## 4. Pretexting attacks:

This is a form of social engineering used to manipulate victims into divulging sensitive information. Hackers often research their victims in advance of their first conversation. The most common example of a pretexting attack is when someone calls an employee and pretends to be someone in power, such as the CEO or on the information technology team. The attacker convinces the victim that the scenario is true and collects information that is sought.

## 5. Piggybacking attacks: or the cloud).

Our final social engineering attack type of the day is known as tailgating or "piggybacking." In these types of attacks, someone without the proper authentication follows an authenticated employee into a restricted area. The attacker might impersonate a delivery driver and wait outside a building to get things started.

How can you avoid falling a victim of the social engineering schemes !

- DO NOT open emails in the spam folder or emails whose recipients you do not know.
- DO NOT open attachments in emails of unknown origin.
- Use a reputable antivirus software – some of the recommend antivirus software are Kaspersky or Symantec etc
- Perform a regular backup to an external medium (external hard drive

After backing up, disconnect your drive. Current ransomware is known to encrypt your backup drive as well.

- DO NOT pay the ransom. The reason why the criminals keep utilizing this form of blackmailing attacks is that people keep paying. To try to get your data back, consult a professional or contact the Computer Emergency Response Team/Coordination Center (CERT.UG/CC), the official National Computer Security Incident Response Team [<https://www.cert.ug/>].

Have a blessed new year 2024!

**The Writer is a Systems Officer, Accountant General's Office**

**An attacker calls random numbers at a company, claiming to be calling back from technical support.**



Finance Minister Kasajja with Internal Affairs Minister Maj.Gen. Kahinda Otafire at the Presidential Investors conference at Kololo ceremonial grounds



Minister of State for General Duties, Musasizi with Internal Auditor General Dr Fixon Okonye at annual general meeting of Local Government Internal Auditors Association at Colline hotel, Mukono



Deputy Secretary to the Treasury Patrick Ocailap flanked by Under Secretary & Accounting Officer Dr. Sengonzi & representative from Swedish Embassy, represented Finance Minister Kasajja at handover ceremony of certificates to officials trained in sustainable public procurement



Minister of State for Investment & Privatization Hon. Anite (M) meeting the group of Chinese Investors ready to invest in Mbale Industrial Park



DST Ocailap (middle) handing over certificate to sustainable public procurement agent at MoFPED



Minister of State for General Duties Henry Musasizi (4th R) was guest of honour at the 40th Anniversary of Centenary Group at Sheraton Hotel,Kampala



PSST Ggoobi (2nd R) front row officiated at 8th graduation ceremony of the Insurance Training College at Hotel Africana



Minister of State for Planning, Amos Lugoloobi (4th R) launched the Local Government Public Private Partnerships/Pooled Finance Guidelines at Sheraton Hotel, Kampala



US/AO Dr. Sengonzi, Head of Human Resource Prudence Ayebazibwe together with other ministry technical staff pose for photo with the new team after induction at Imperial Resort Beach Hotel, Entebbe



Minister of State for Microfinance Haruna Kasolo (R) accompanied by Minister of State for Fisheries, Hellen Adoa during the monitoring of Emyooga & PDM in Serere district recently



Minister of State for General Duties, Musasizi (3rd L) represented MoFPED at farewell dinner for Keith Kalyegira at Mestil hotel in Kampala to mark his end of tenure at the helm of Capital Markets Authority



Minister of State for Investment and Privatisation Hon. Anite meeting prospective Investors from China at MoFPED

# NDP III PROGRAMMES AND CORRESPONDING LEAD VOTES



MINISTRY OF FINANCE, PLANNING  
AND ECONOMIC DEVELOPMENT

Programme/Sub-Programme code	Programme	Lead MDAs/VOTE
010000	Agro-Industrialization	MAAIF
020000	Mineral Development	MEMD
030000	Sustainable Petroleum Development	MEMD
040000	Manufacturing	MoTIC
050000	Tourism Development	MoTWA
060000	Natural Resources, Environment, Climate Change, Land and Water Management	MoWE
070000	Private Sector Development	MoFPED
080000	Sustainable Energy Development	MEMD
090000	Integrated Transport Infrastructure and Services	MoWT
100000	Sustainable Urbanization and Housing	MoLHUD
110000	Digital Transformation	MoICT&NG
120000	Human Capital Development	MoES
130000	Technology Transfer and Development	State House
140000	Public Sector Transformation	MoPS
150000	Community Mobilization and Mindset Change	MoGLSD
160000	Governance and Security	OP
170000	Regional Balanced Development	MoLG
180000	Development Plan Implementation	MoFPED
190000	Administration of Justice	Judiciary
200000	Legislature, Oversight and Representation	Parliament

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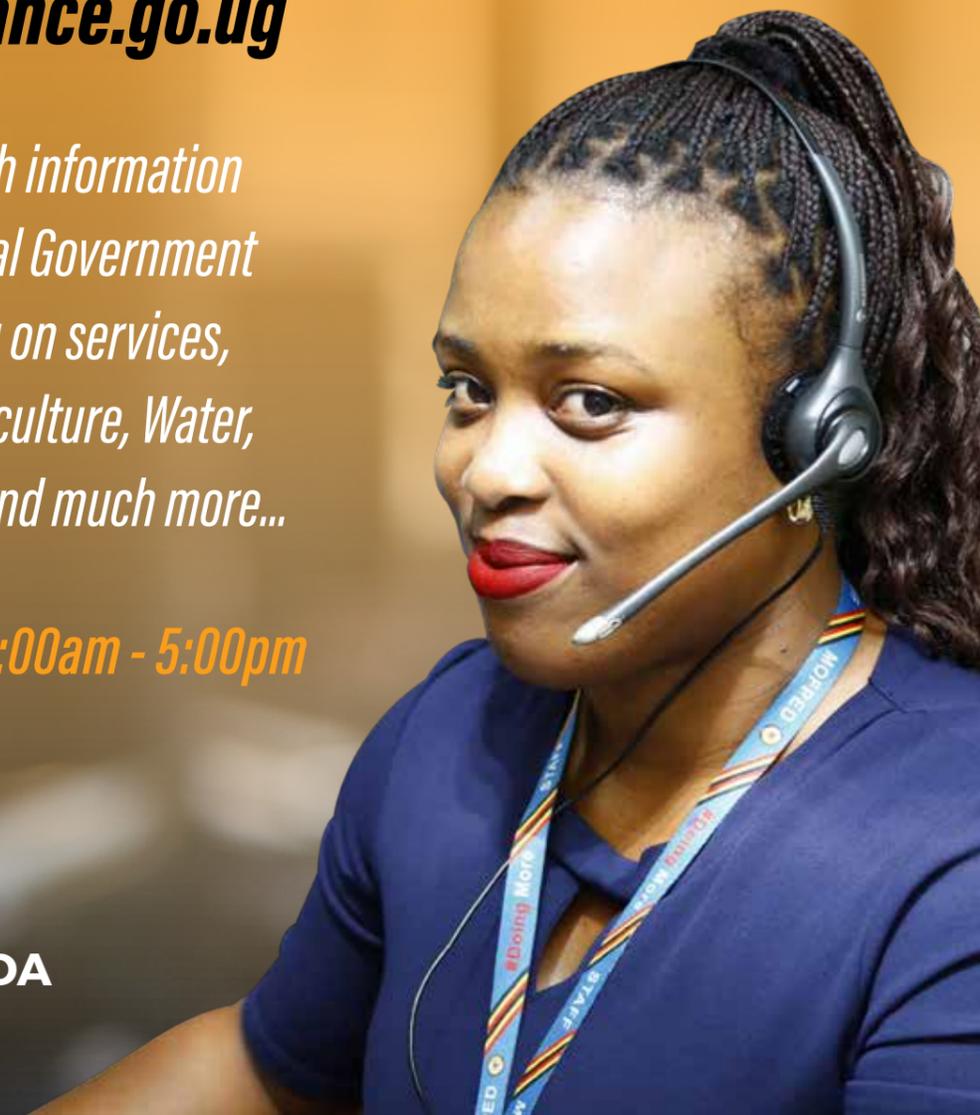
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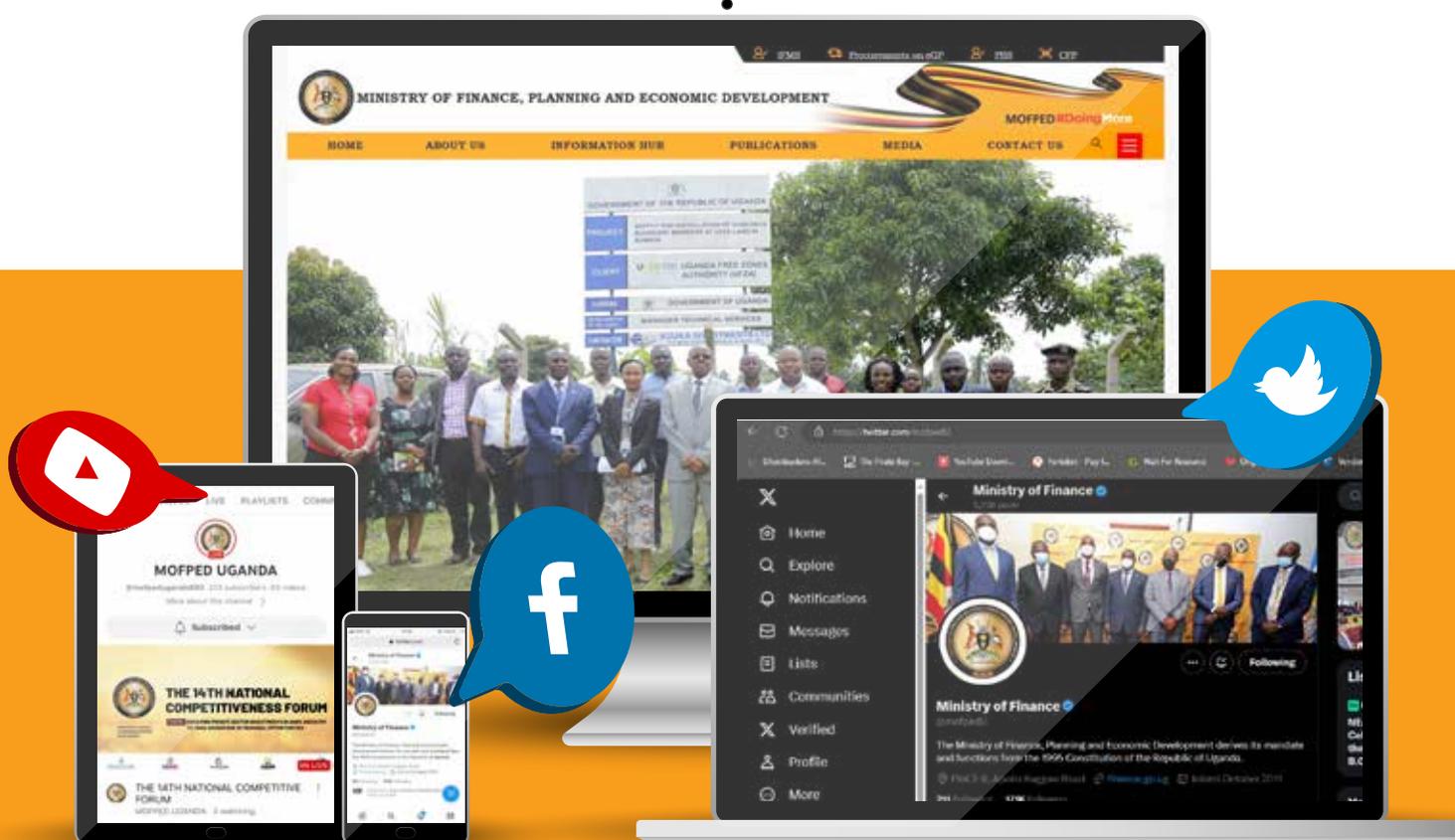




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