



# CSBAG BUDGET NEWS BRIEF



184<sup>th</sup> EDITION | 7<sup>th</sup> -12<sup>th</sup> JUNE 2016

Advocating for a People Centered Budget that Dignifies Humanity



## The service delivery outlook of the FY 2016/17 budget

### UPCOMING CSO BUDGET ENGAGEMENTS #UGBUDGET16

**Event: CSO Post Budget Public Dialogue**

**DATE:** 16<sup>th</sup> June 2016

**CONVENER:** Civil Society Budget Advocacy Group

**Event: Press Conference on Government Budget Performance in FY 2015/16 and FY2016/17 Budget Outlook**

**DATE:** 15<sup>th</sup> June 2016

**CONVENER:** Civil Society Budget Advocacy Group

### OUR WEEK IN PICTURES



Ms Malamba Felister, a farmer from Kibuku District during the CSOs Budget listening in at Hotel Africana emphasizing that National Agricultural Advisory Services (NAADS) constitutes 40% of the sector budget yet they are not benefiting from it.



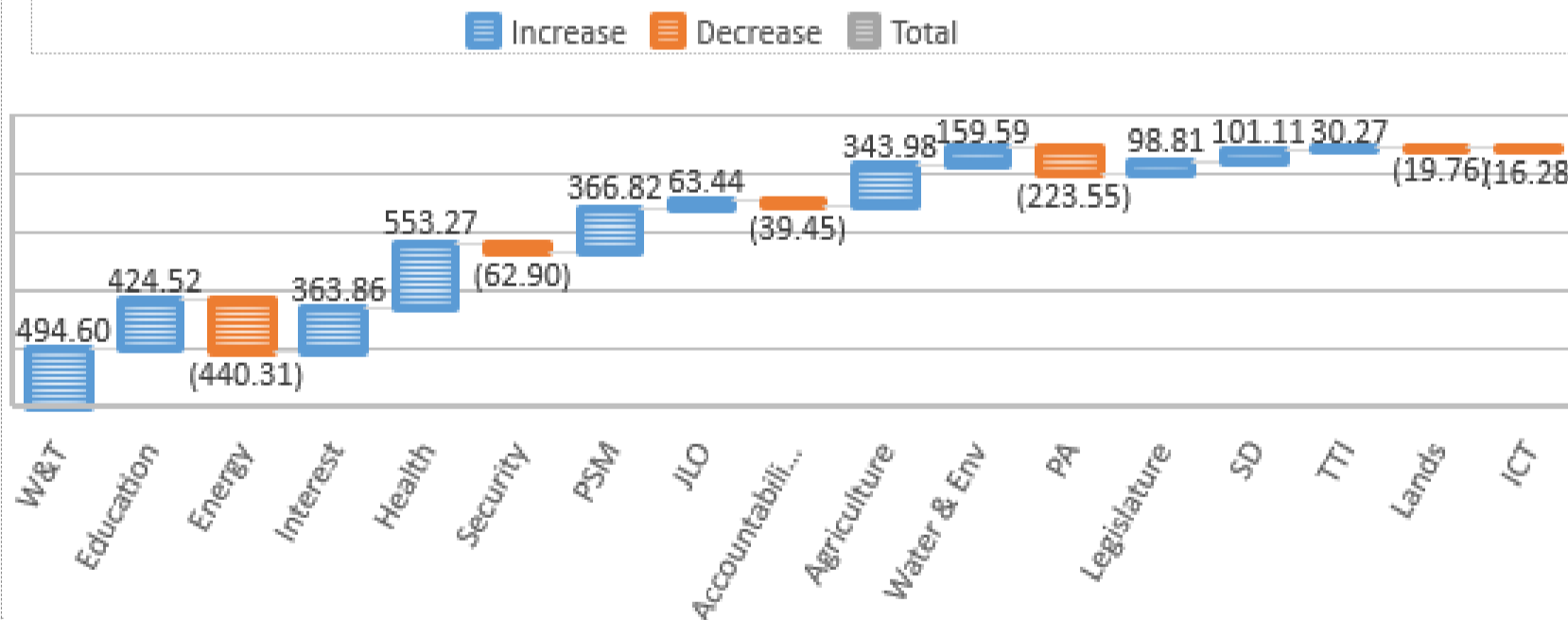
From left, Gyagenda Semakula, a political talk show host at UBC TV and David Walakira a Budget Policy Specialist at CSBAG discussing the National Budget FY2016/17 before the Budget speech was read on 8<sup>th</sup> June 2016.

**“On 8th June 2016, Hon Matia Kasaija on behalf of H.E the President read to the National the Financial Year 2016/17 National Budget Speech. Civil Society Budget Advocacy Group (CSBAG) presents a quick analysis of the budget in this week’s Edition”.**



Hon Matia Kasaija reading the National Budget speech FY2016/17 | Photo credit to New Vision

#### SECTOR BUDGET GAINS AND LOSSES IN THE FY 2016/17 (UGX, BILLIONS)



Source: MoFPED

if it's the AIDS patient who got excited by the new treatment guidelines (2013) that put them in the bracket to receive ARVs they will be disappointed because there isn't enough supply of the ARVs as per the UGX 151bn funding gap for the same. So, depending on who you are, and what your situation is, you can either perceive the FY 2016/17 budget as a good or a bad budget).

#### NOTABLE SOURCES OF REVENUE FOR FY 2016/17 INCLUDE:

- Increase in excise duty on;
  - Diesel and petrol by UGX 100/=;
  - Soft cup cigarettes to UGX 50,000/= per 1000 sticks and Hinge Lid cigarettes to UGX 80,000/= per 1000 sticks;
  - Sweets and confectionaries to 20%

- Increase from 1% to 1.5% in Stamp duty on transfer of property.
- Increase from UGX 5,000,000/= to UGX 20,000,000/= registration fees for personalized number plates

The FY 2016/17 budget will only deliver its promises to Uganda only if we organize the informal sector and the citizens at large to pay their fair share of taxes and monitor the implementation of the budget to the dot.



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The FY 2016/17 budget is a contribution to the continued implementation of the NDP II (FY 2015/16 – FY 2019/20). The needs of the country as articulated in the NDP II, Vision 2040 and the NRM Manifesto formed the basis of this budget. Budget resources continued to get planned for with a bias to infrastructure (Works and transport & ICT)- UGX 3.9 trillion and energy – UGX 2.4 trillion and this is foreseeable in the next three to five years. Security – UGX 1.58 trillion, is another big spender yet one cannot have a successful debate against the need for security as an enabling factor for development.

The down side to these huge allocations to energy, works & transport and security, is in the poor connection rate of the citizens to the very expensively acquired hydro power (currently at 14%), the ensnaring contracts signed with service providers like UMEME and the risks around the Standard Gauge Railway (SGR) construction- with Rwanda choosing the Tanzanian route and Kenya threatening or seriously considering not reaching Malaba with their end of the SGR. All these interventions in the three sectors will consume for 37% of the total budget – for service delivery.

Whether or not the budget is pro people depends on stakeholder. If it's the manufacturer who sees all the investment in energy and all, he/she could get excited, but not so much about the cost of the energy. If it's the parent who has to send a child to go through the UPE education system, then possibly there is not much excitement to talk about-as the per capita allocation per pupil is still a miserable UGX 10,000

Farmers would be happy with the FY 2016/17 budget given that LGs have been allocated funds to recruit Agriculture Extension workers. They will however still have to worry about the poor quality inputs both from the private sector and Government. The issue of markets for the farmers' produce is still left to the mercy of the private sector as the government doesn't guarantee or shelter farmers from exploitation.

Expecting mothers that Government tirelessly encourages to deliver at HCs will be disappointed by this budget from a number of fronts ranging from lack of delivery beds to buying mama kits even when they are provided free of charge at selected Health Centres.