

MPS, CSOs call for increased financing towards Local Government



Members of Parliament attending a meeting with CSOs to discuss Local Government Financing FY2017/18, today, 21st March 2017 at Hotel Africana. |@CSBAG2017

“ Members of Parliament, district officials and civil society organizations have called for increased financing towards Local Governments and the need to widen resource mobilization to improve service delivery.”

This was during the high-level policy meeting in which CSOs under the umbrella organization Civil Society Budget Advocacy Group (CSBAG) presented their position paper on local Government Financing at Hotel Africana in Kampala on March 21, 2017.

The chairpersons of Parliamentary Committee on Public Service and Local Government, Hon. Raphael Magezi emphasized the importance of adequate financing for local governments which can be achieved by exploring ways to generate more resources for effective service delivery. “Financing of Local Government is very important for the development of the country. If you have a weak local government as a result of limited resources you can’t improve service delivery,” Magezi said.

Presenting CSOs concerns for local government financing, Mark Agong, Budget policy specialist with CSBAG pointed out gaps such as limited capacity for effective revenue generation and management, limited staffing, absence of autonomy to control the locally generated revenue, inadequate facilitation for revenue officers in collecting revenue and ineffective legal provision for revenue mobilization and management. Other concerns raised include unfavorable political pronouncement, the creation of new districts and failure of integrated finance management among others.

The civil society made a raft of recommendations which include local governments should keep updated records of taxable properties in their areas of jurisdiction, stopping the proliferation of districts, need to review local government legal framework to provide robust and comprehensive revenue collection and management and taxing the informal sector among others.

Magezi welcomed the CSOs concerns on financing Local Government and said his committee was going to use it as a master document to convince Parliament to incorporate it in the budget process. “Can we stop the creation of new districts because of inadequate financing to support them,” Magezi stated. On his part, the Rukungiri MP Ronald Kaginda observed that unless the district leaders work together to find ways of expanding revenue collection improved service delivery will remain a dream.

“We would want to see more resource mobilization is ranked high in the agenda in the districts to improve service delivery and the district leaders need to work together,” Kaginda said.

Kinkizi County West MP James Kaberuka called for revamping of the economy to enable citizens to pay tax arguing that 68% of the would be taxpayers don’t have savings (earning from hand to mouth) meaning tax is being collected from the 32% of the tax bracket.

Present was Tom Kyakwise the deputy chief of party governance accountability participation and performance programme (GAPP) at USAID stressed the need to devise ways of resource mobilization and increase efficiency. Kyakwise called for the strengthening of enforcement at the district level to collect the tax and increase funding for the internal audits and accountant general office. “If we want to see revenue increase and improve accountability then policy makers and other actors should play their role. You must be on top of things,” Kyakwise said.

David On a youth from Gulu underscored the need to address the unemployment, especially for the youth if more revenue in the districts is to be generated.

“Government should strategize in creating employment for the youth so that more revenue is collected,” Ocan said.

Robert Kakuru from Kabale emphasized the need to fight corruption at local governments because even the little funds allocated to districts are swindled.

Jonathan Osimire revenue official from Masindi stressed the need to increase the threshold for local service tax from UGX3000 to UGX15000 to increase revenue at local governments. He also called for the reinstatement of graduated tax to the address the gap of low revenue. Osimire was supported by George Odong o Otto from Pader who said graduated tax should be given another name so as to encourage citizens to pay tax. He also proposed that boda-boda industry and sand miners should be taxed. Chealcious Angom from Lira told participants about the need to remunerate pensioners adequately and proper accountability of revenue collected as one way of encouraging taxpayers to keep paying taxes.