PARLIAMENT OF UGANDA

OFFICE OF THE

LEADER OF THE OPPOSITION

COMPENDIUM OF THE ALTERNATIVE BUDGET PRIORITY AREAS FY 2025/26

MARCH, 2025

FOREWORD

This compendium of alternative budget priorities was born out of listening to the real struggles of ordinary Ugandans. Every morning, farmers load their produce onto bicycles, praying that the bad roads do not damage their crops before they reach the market. Mothers across Uganda arise with the concern of whether today will be the day their child's school receives textbooks. Patients sit patiently in dilapidated health centers, hoping that medicines will finally arrive.

We have engaged with nurses who tell us they use their salaries to purchase gloves because hospital funds have been mismanaged. These are not mere grievances; they are evidence that a system is failing its citizens. We have sat down with parents who point to the same broken school roof that was meant to be repaired three budgets ago. These are the consequences of corruption, which robs our people daily.

The figures tell the same story. According to the Auditor General's Report for the year ending June 2024, an alarming amount of shs 6.329 trillion, was lost due to some aspects of corruption and wasteful expenditure, of which revenue losses amounted to shs 3.352 trillion, wasteful expenditure reached shs 2.930 trillion, overpayments totalled shs 0.02989 trillion, and irregular payments were shs 0.0172 trillion. This funding could have been used to construct numerous health centres, extend electricity to rural areas, or improve the road network with paved roads, but it has vanished into thin air. And this is only a small aspect of the general corruption because the IGG report of 2021 indicated that as a country, we lose over 10 trillion shs to corruption annually. While officials accumulate wealth through corruption, some children are learning underneath trees. While our teachers dig into their own pockets for chalk, some Government officials are building mansions using stolen money. While our grandmothers walk kilometers to fetch dirty water, a Government official somewhere is running off with money meant to deliver piped water.

But here is the truth we must hold onto: corruption only triumphs when good people remain inactive. Our alternative priorities provide concrete steps to reclaim what belongs to the people. We propose placing every government contract online where citizens can effectively hold the government accountable. We advocate for the protection of those courageous enough to expose wrongdoing, rather than punishing them. We outline appropriate methods necessary for equitable resource allocation and efficient service delivery.

To every Ugandan reading this compendium: these priorities are yours. Share them in your churches and mosques. Discuss them in your trading centers. Demand them from your leaders. The Uganda we deserve, with functional hospitals, proper schools, and paved roads, is achievable if we are committed to the fight against corruption.

Our children's future cannot wait. Let us start building it today.

Joel B. Ssenyonyi (MP)

Leader of the Opposition

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LIST OF ACRONYMS

AAPAM	Association of African Public Administration and Management
ACF	Agricultural Credit Facility
ADB	African Development Bank
ADF	Allied Democratic Forces
AFCFTA	African Continental Free Trade Area
AGDP	Gross Domestic Product
AMISOM	African Mission in Somalia
AMTIS	African Transition Mission in Somalia
APS	Alternative Policy Statement
ATMIS	African Union Transition Mission in Somalia
AUSSOM	African Union Support and Stabilization Mission in Somalia
BFP	Budget Framework Paper
Bn	Billion
BoU	Bank of Uganda
BSC	Balance Scorecard
BUD	Budget
CAO	Chief Administrative Officer
CBR	Central Bank Rate
CDF	Chief of Defense Forces
CDO	Cotton Development Organization
CFR	Charter for Fiscal Responsibility
CG	Central Government
CID	Criminal Investigations Directorate
CITCC	China International Telecommunication Construction Corporation
CNY	Chinese Yuan
COMMESA	Common Market for East and Southern-Africa
CSCU	Civil Service College Uganda
DAES	Digital Authentication and Electronics Signatures
DCDF	Deputy Chief of Defense Forces
DDA	Diary Development Authority
DPP	Director of Public Prosecutions
DRC	Democratic Republic of Congo
DRMS	Domestic Revenue Mobilization Strategy
DRS	Disaster Recovery Site
DSC	District Service Commission
EAC	East African Community
EACJ	East African Court of Justice
e-GP	e-Government Procurement

EMS	Environmental Management System
EOC	Equal Opportunities Commission
ESP	Expanding Social Protection
Est.	Estimate
EXIM	Export-Import
FIA	Financial Intelligence Authority
FY	Financial Year
FY	Financial Year
Gbps	Gigabyte per second
GBV	Gender Based Violence
GKMA	Greater Kampala Metropolitan Areas
GKMA	Greater Kampala Metropolitan Affairs
GoU	Government of Uganda
HC	Health Centre
HCD	Human Capital Development
HoD	Head of Department
HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
HRP	Human Resource Planning
HTR	Hard To Reach
ICT	Information Communication and Technology
IDA	International Development Association
IFMS	Integrated Financial Management System
IPPS	Integrated Personnel and Payroll System
ISP	Internet Service Providers
IT	Information Technology
ITIS	Integrated Transport Infrastructure and Services
KCCA	Kampala Capital City Authority
LC-1	Local Council One (village level
LC-ll	Local Council Two (parish level
LC-lll	Local Council Three (sub-county level)
LG	Local Government
LGFC	Local Government Finance Commission
LGPAC	Local Government Public Accounts Committee
LGs	Local Governments
LOP	Leader of Opposition
LVBC	Lake Victoria Basin Commission
M&E	Monitoring and Evaluation
MAAIF	Ministry of Agriculture, Animal Industries and Fisheries

MAN	Metropolitan Area Network
MBAU	Monitoring and Accountability Unit
Mbps	Megabytes per second
MC	Municipal Council
MDA	Ministries Departments and Agencies
MDAs	Ministries Department and Agencies
MEACA	Ministry of East African Community Affairs
MFPED	Ministry of Finance, Planning and Economic Development
MGLSD	Ministry of Gender, Labor and Social Development
MGR	Meter Gauge Railway (MGR)
MOA	Memorandum of Agreement
MODVA	Ministry of Defense and Veteran Affairs
MoES	Ministry of Education and Sports
MoFPED	Ministry of Finance, Planning and Economic Development
MoGLSD	Ministry of Gender, Labor and Social Development
MoICT	Ministry of ICT
MoLG	Ministry of Local Government
MoLHUD	Ministry of Lands, Housing and Urban Development
MoPS	Ministry of Public Service
MPC	Monitory Policy Committee
MPS	Ministeriol Policy Statement
MPS	Ministerial Policy Statement
MTEF	Medium Term Expenditure Framework
MTWA	Ministry of Tourism, Wild Life and Antiquities
MTWA	Ministry of Tourism, Wild Life and Antiquities
NAGRC & DB	National Animal Genetic Resource Centre and Data Bank
NARO	National Agricultural Research Organization
NBFP	National Budget Framework Paper
NBI	National Backbone Infrastructure
NDC	National Data Centre
NDP	National Development Plan
NDPIII	National Development Plan III
NDPIV	National Development Plan IV
NEC	National Enterprise Corparation
NG	National Guidance
NGO	Non-Governmentol Organisation
NITA - U	National Information Technology Authority - Uganda
NIXP	National Internet Exchange Point
NMS	Network Monitoring System

NRM	National Resistance Movement
NSSF	National Social Security Fund
NSSF	National Social Security Fund
NTBs	Non-Tariff Barriers
NTR	Non Tax Revenue
NUP	National Unity Platform
OAG	Office of the Auditor General
ODPP	Office of the Director of Public Prosecutions
OES	Optimized Engine Search
OLOP	Office of the Leader of the Opposition in Parliament
OP	Office of the President
OPM	Office of the Prime Minister
PDM	Parish Development Model
PFIs	Participating Financial Institutions
PFMA	Public Finance Management Act, 2015
PMA	Plan for Modernization of Agriculture
PPDA	Public Procurement and Disposal of Public Assets Authority
PSC	Public Service Commission
PSPF	Public Service Pension Fund
PSRRC	Public Service Review and Reform Commission
PTIPA	Prevention of Trafficking in Persons Act
PWDs	Persons with Disabilities
R&D	Research and Development
RDHs	Refugee Host Districts
ROW	Right of Way
SADC	South African Development Community
SAGE	Social Assistance Grant for Empowerment
SCG	Senior Citizens Grant
SDS	Service Delivery Standards
SGR	Standard Gauge Railway
SHACU	State House Anti-Corruption Unit
SMEs	Small and Midsize Enterprises
SMS	Simple Message Service
SMT	Senior Management Team
SN	Serial Number
TC	Town Council
TIP	Trafficking in Persons
Tn	Trillion
UA	Unit of Account
UACC	Uganda Air Cargo Corporation

UCC	Uganda Communications Commission
UCDA	Uganda Coffee Development Authority
UDAP-GOVNET	Uganda Digital Acceleration Project – Government Network
UDBL	Uganda Development Bank Limited
UEPB	Uganda Export Promotion Board
UGX	Uganda Shillings
UICT	Uganda Institute of Information and Communications Technology
UMC	Uganda Media Centre
UMCS	Government Unified Messaging and Collaboration Systems
UNRA	Uganda National Roads Authority
UPDF	Uganda People's Defence Forces
UPF	Uganda Police Force
UPS	Uganda Prisons Service
URA	Uganda Revenue Authority
URF	Uganda Road Fund
US$	United States Dollars
USD	United States Dollars
USMID-AF	Municipal Infrastructure Development Additional Financing Programme
UTB	Uganda Tourism Board
UTCL	Uganda Telecommunications Corporation Limited
UWA	Uganda Wild Life Authority
UWEC	Uganda Wild Life Education Centre
VGF	Viability Gap Funding
WTO	World Trade Organization

CHAPTER ONE: OVERVIEW OF THE OPPOSITION PRIORITY AREAS FOR FY 2025/2026

1.0 Introduction

The Alternative Budget Priorities for the Financial Year 2025/2026 have been guided by the theme: **"*Combating Corruption: The Sure Way to Effective Service Delivery*."** This theme reflects the urgent need to tackle the systemic corruption that has plagued Uganda's public institutions, leading to substantial losses of public resources and undermining service delivery across all sectors. The Inspectorate of Government's (IGG) 2021 Report on the Cost of Corruption in Uganda estimates that various forms of corruption cost the nation over UGX 9.144 trillion annually. This staggering sum, equivalent to nearly 44% of the annual tax revenue, underscores the severity of the issue.

Despite robust anti-corruption legislation and institutions, Uganda's Corruption Perception Index (CPI) has fallen from 29% in 2012 to 26% in 2023, as reported in the Transparency International Corruption Perceptions Index 2023. This decline illustrates the inadequacy of government policies in effectively addressing corruption. According to the Transparency International Corruption Perceptions Index (CPI) 2023, Uganda ranks 142nd out of 180 countries, with a score of 26 out of 100, where 0 indicates highly corrupt and 100 indicates very clean. This ranking places Uganda among the most corrupt nations globally and highlights the pervasive nature of corruption in public institutions. The CPI report specifically notes that Uganda's score has stagnated over the past decade, with no significant improvement despite the establishment of numerous anti-corruption agencies and laws. Furthermore, the World Bank's Worldwide Governance Indicators (WGI) (2023) corroborate the Uganda CPI statistics by revealing that Uganda performs poorly in government effectiveness and control of corruption, thus affecting its ranking both domestically and internationally.

The Alternative Government's approach to combating corruption is founded on four key principles, namely: a) transparency and accountability to ensure that public resources are managed transparently and that public officials are held responsible for their actions; b) citizen participation with the aim of empowering citizens to engage in governance and hold their leaders accountable; c) institutional strengthening aimed at ensuring that anti-corruption institutions are supplied with the necessary resources and independence to perform their functions effectively; and d) targeted resource allocation to redirect resources saved from combating corruption towards improving service delivery in critical sectors such as health, education, and infrastructure.

The opposition's comprehensive anti-corruption strategy seeks to transform governance by rooting out systemic graft so as to build a transparent and accountable administration that truly serves Ugandan citizens. This vision goes beyond mere rhetoric; it represents a fundamental reordering of priorities to place people's needs at the center of government operations. This document is structured into eight clusters, each focusing on critical sectors that are essential for the country's development. The clusters are designed to address the root causes of corruption, promote transparency and accountability, and ensure that public resources are effectively allocated to improve service delivery.

1.2 A Holistic Approach to Combating Corruption

The alternative priority areas for the Financial Year 2025/2026 have been structured into eight clusters, each focusing on critical sectors essential for Uganda's national development. It should be noted that these clusters are interconnected and work in tandem to form a unified and cohesive framework that is aimed at tackling corruption and enhancing service delivery across the country. Below is an overview of each cluster and its role in the broader fight against corruption.

1.2.1 Economic Development and Planning

This cluster includes the sectors of Finance, Planning, and Economic Development; Trade, Industry, and Cooperatives; Works and Transport; Lands, Housing, and Urban Development; and Information Communications Technology (ICT). These sectors are plagued by systemic corruption, mismanagement, and inefficiencies that have hindered the country's economic growth. The Auditor General's Report on the Financial Statements of the Government for the Financial Year ended 30th June 2024 reveals that over UGX 1.5 trillion was lost to corruption in public procurement, leaving critical infrastructure projects incomplete. In the Lands sector, 65% of land disputes are linked to corruption and illegal evictions, with 40% of Ugandans lacking secure land tenure, according to the Uganda Bureau of Statistics (UBOS) Statistical Abstract 2024. The Works and Transport sector suffers from shoddy workmanship and inflated costs, while the ICT sector struggles with limited access to affordable internet, especially in rural areas. The opposition proposes reforms such as transparent procurement processes, fair tax policies, and ICT investments to address these challenges and improve Uganda's ranking in the World Bank's Ease of Doing Business Report 2024, where it currently stands at 118th out of 190 countries.

1.2.2 Agriculture, Environment, and Natural Resources

This cluster encompasses Agriculture, Animal Industry, and Fisheries; Water and Environment; and Energy and Mineral Development. Corruption in these sectors has led to the mismanagement of natural resources, environmental degradation, and food insecurity. According to the Ministry of Agriculture, Animal Industry and Fisheries Annual Report 2024, over UGX 450 billion allocated for agricultural inputs was misused, leaving farmers without essential resources. The Uganda Bureau of Statistics (UBOS) Statistical Abstract 2024 reported that Uganda has lost 82% of its natural forests over the past 25 years due to illegal logging and mismanagement, further exacerbating environmental degradation and threatening livelihoods.

1.2.3 Social Services and Human Development

Corruption in critical sectors such as Education and Sports, Health, and Gender, Labor, and Social Development has devastating effects on human capital development and social equity in Uganda. It directly robs citizens of essential services and opportunities for a better life. According to the Auditor General's report for the period July 2023 to June 2024, poor management and corrupt practices led to the expiration of vital medical supplies including ARVs and test kits worth UGX 316.65 billion. Additionally, corruption in health sector procurement processes resulted in a staggering loss of UGX 614.41 billion, funds that were meant to improve healthcare delivery across the country. The same report also revealed the misallocation of UGX 131 billion in school grants, diverting much-needed resources away from schools and leaving countless learners without adequate support.

These figures translate into real and painful consequences for ordinary Ugandans. When money intended for schools and hospitals is stolen or misused, children are denied access to quality education, and patients are left without life-saving medicines and proper care. The situation is further compounded by inadequate public funding. The Uganda Bureau of Statistics Statistical Abstract 2023 shows that only 6.5% of the national budget is allocated to health—well below the 15% target set by the Abuja Declaration—highlighting the chronic underfunding of essential services.

In light of these challenges, the Alternative Government calls for urgent reforms to ensure transparency in the allocation of funds to the education and health sectors, fair remuneration for frontline workers, and equitable distribution of resources, particularly with regard to promoting gender equality. Only through such measures can we begin to restore public trust and ensure that government resources truly serve the people.

1.2.4 Governance, Justice, and Constitutional Affairs

This cluster includes the Judiciary, Presidency, Internal Affairs, and Kampala Capital City Authority (KCCA). These institutions form the backbone of Uganda's governance structure, and corruption within them undermines the rule of law, accountability, and service delivery. According to the Auditor General's Report on the Financial Statements of the Government for the Financial Year ended 30th June 2023, mismanagement of public funds in these sectors has led to significant financial losses, with over UGX 500 billion unaccounted for in the Judiciary and KCCA alone. When judicial officers are compromised, citizens lose faith in the justice system. Our policy direction as the Alternative Government is to strengthen oversight mechanisms, promote transparency through e-governance, and reform the judiciary and law enforcement agencies to ensure accountability.

1.2.5 Security and Defense

The Defense and Veteran Affairs Sector plays a pivotal role in safeguarding the country's national security and ensuring the welfare of veterans. However, corruption within this sector has severely undermined its effectiveness, compromising national security and leading to the mismanagement of resources meant to protect citizens. According to the Auditor General's Report on the Financial Statements of the Government for the Financial Year ended 30th June 2024, over UGX 350 billion allocated for defense procurement was either misused or unaccounted for. This mismanagement has left critical security operations underfunded and the nation increasingly vulnerable to both internal and external threats.

In response, the Alternative Government has outlined a comprehensive approach to address these challenges. This includes enhancing transparency in defense procurement through the implementation of open contracting processes, improving the welfare of security personnel by ensuring timely payment of salaries and providing adequate housing. These measures are aimed at restoring public trust in the defense sector and ensuring that resources are used effectively to safeguard national security. The urgency of these reforms is further underscored by Uganda's ranking in the Global Peace Index 2024, published by the Institute for Economics and Peace, which places the country at 126th out of 163 nations. This ranking reflects the deteriorating state of national security, exacerbated by corruption and mismanagement in the defense sector. Without immediate and decisive action, Uganda's ability to protect its citizens and maintain regional stability will remain at risk.

1.2.6 Foreign Relations and Regional Integration

This cluster focuses on Foreign Affairs and East African Community Affairs. Corruption in these sectors undermines Uganda's international reputation and its ability to engage in meaningful regional cooperation. When diplomatic processes are tainted by corruption, Uganda loses credibility on the global stage. Similarly, corruption in regional trade agreements stifles economic growth and limits the benefits of regional integration. To combat this, the opposition advocates for transparency in diplomatic processes.

1.2.7 Tourism, Culture, and Heritage

This cluster has focused on Tourism, Wildlife, and Antiquities, a sector with immense potential to fuel Uganda's economic growth by harnessing our rich cultural heritage, wildlife and natural landscapes. However, this potential is steadily being eroded by corruption and mismanagement. When tourism revenues are squandered or stolen, communities that rely on this sector are left without the basic infrastructure they need such as roads, clean water, and facilities that not only serve residents but also attract visitors and boost local incomes. At the same time, wildlife conservation suffers. Funds meant to protect our national parks and wildlife reserves often vanish, leaving animals exposed to poaching and illegal activities.

The World Wildlife Fund (WWF) Living Planet Report 2023 shows that Uganda's wildlife population has dropped by 60% over the last 30 years. This decline has real consequences for communities that depend on wildlife and tourism to earn a living. If this trend continues, our children and grandchildren may never get to see the rich natural beauty and diverse wildlife that we grew up with and take pride in today.

The cost of corruption in this sector is measured not only in shillings but in livelihoods lost, ecosystems destroyed, and a diminished national identity.

1.2.8 Public Administration and Local Governance

This cluster includes Public Service and Local Government. Corruption in this sector undermines the decentralization of governance and leads to poor service delivery at the local level. The Auditor General's Report on the Financial Statements of the Government of Uganda for the Financial Year Ended 30th June 2023 revealed that over UGX 600 billion allocated for local government projects was misused, leaving communities without basic services such as clean water, sanitation, and roads. When local government officials embezzle funds, the most vulnerable populations suffer. The Uganda Bureau of Statistics Statistical Abstract 2023 reveals that only 30% of rural households have access to clean water, a stark reflection of how corruption and mismanagement at the local government level have hindered the delivery of essential public services.

1.3 Conclusion

The Alternative Budget Priorities for FY 2025/2026 present a clear and actionable roadmap for tackling corruption and enhancing service delivery across all sectors of Uganda's economy. Focusing on the eight clusters outlined in this chapter, the opposition seeks to foster a government that is transparent, accountable, and responsive to the needs of its people. The theme *Combating Corruption: The Sure Way to Effective Service Delivery* is very timely because meaningful development and a better quality of life for all Ugandans cannot be achieved without first confronting and eliminating corruption.

CHAPTER TWO: ECONOMIC DEVELOPMENT AND PLANNING

2.1. Finance, Planning, and Economic Development

Executive Summary

This 2025/26 Alternative Policy Statement is presented in accordance with Rule 147 of the Rules of Procedure of Parliament of Uganda. This document provides a strategic framework to ensure realistic budget planning and efficient allocation of taxpayer funds, centering on the theme of combating corruption as a means to achieving effective service delivery.

Drawing from key reports, National Development Plans, the Charter for Fiscal Responsibility the 1st and 2nd Budget call circular for FY 2025/26, Civil Society Organizations, Auditor General's Reports, BOU Reports and fiscal policies, the Alternative policy document highlights critical financial inefficiencies, including the mismanagement of Vote 130- Treasury Operations where UGX469.778 billion was lost to commitment fees between FY 2018/19 to FY 2023/24 , persistent tax revenue challenges that include among others a low tax-to-GDP ratio , tax evasion, a narrow tax base and the numerous loopholes in tax administration, and untapped gold tax revenues on gold export values amounting to UGX.11.2 trillion .

Corruption continues to drain resources, in 2021, corruption costed Uganda UGX.9.144 trillion in one year alone, exacerbating service delivery failures despite existing anti-corruption mechanisms.

Additionally, the proposed UGX.66.086 trillion budget for FY 2025/26 is deemed unrealistic due to historical spending inefficiencies and inflated budget figures.

The opposition presents alternative proposals, including realistic resource envelope adjustments to account for the lost revenue due to corruption and tax evasion. We also deducted all the statutory expenses from the discretionary resources in addition to making provisions for Contingencies Fund as mandated by the law. Stringent public financial management reforms regarding strengthening enforcement of the Public Finance Management Act, Cap. 171.This alternative proposes enhancing revenue mobilization strategies- such as taxing gold exports on top of enhanced anti-corruption measures. By prioritizing financial discipline and transparency, these recommendations aim to optimize public resources utilization, reduce financial wastage, and drive sustainable economic growth.

Introduction

Rule 147 of the Rules of Procedure of Parliament of Uganda provides the opposition with the opportunity to present alternative policy statements to Parliament.

The Shadow Finance Minister therefore in line with this Rule presents this Alternative Policy Statement. This Statement seeks to guide Parliament in the formulation of a Realistic Budget and ways in which taxpayer's money can be put to better use.

These proposals are centered around, **"Combating Corruption: The Sure Way for Effective Service Delivery"** a theme chosen for the 2025/26 alternative Policy Statements.

Background

The Ministry of Finance, Planning and Economic Development derives its constitutional mandate from Article 155 to prepare and lay before parliament the annual budget and related economic planning reports. This Ministry executes this mandate through; formulating economic policies, strategies, and budgets, mobilizing financial resources for national development, regulating public expenditure and financial management. It also promotes macroeconomic stability and growth. It also coordinates economic development planning.

This Ministry is projecting to use 22,129.869 billion of which UGX. 360.836 billion is wage for the Ministry Staff to carry out their mandate. The non-wage is proposed to be UGX. 21,517.070 billion particularly managed by Vote 130-Treasury Operations under the Ministry.

Below is a Programme Overview and a snapshot of the Medium Term Budget Allocations (Ugx. Billions)

Billion UGX	**FY2024/25**		**FY2025/26**	**MTEF Budget Projections**			
	Approved budget	**Spent by End Sept**	**Proposed Budget**	**2026/27**	**2027/28**	**2028/29**	**2029/30**
Wage	361.351	75.147	**360.836**	378.878	397.822	417.713	438.599

Non-wage	35,500.395	6,715.739	**21,517.070**	28,184.334	25,287.880	28,909.860	33,848.644
GoU	269.642	18,937	**251.963**	283.428	311.771	374.125	448.950
ExtFin	6.654	0.670	**0.000**	0.000	0.000	0.000	0.000
GoU Total	36,131.388	6,809.823	**22,129.869**	28,846.640	25,997.473	29,701.698	34,736.192
GoU+ExtFin(MTEF)	36,138.042	6,809.823	**22,129.869**	28,846.640	25,997.473	29,701.698	34,736.192
AIA	0.000	0.000	**0.000**	0.000	0.000	0.000	0.000
Grand Total	**36,138.042**	**6,810.493**	**22,129.869**	**28,846.640**	**25,997.473**	**29,701.698**	**34,736.192**

Source; NBFP FY 2025/26.

Methodology

This Alternative Policy Statement considered views from the different Opposition Political Parties, the National Budget Framework Paper FY 2025/26-2029/2030, the Fourth National Development Plan, the Charter for Fiscal Responsibility, the first and second budget call circular 2025/26, Civil Society Organizations, Past Alternative Policy Statements, the Auditor General's Reports, UBOS, BOU Reports, in addition to reference to the PFM Act, Cap.171.

Situational Analysis

Procurement/ Mobilization and Utilization of Resources.

Vote 130- Treasury Operations: The Epicenter of Wasteful Expenditures in the National Budget.

Because of the huge sums of money involved, vote 130- Treasury Operations was formed to particularly execute Central Government Payments, Public debt servicing, cash flow and liquidity management, consolidated fund management, guarantee and contingent liability management, managing statutory Obligations and transfers.

Vote 130- under the Ministry which takes a lion's share of the National Budget has become a conduit through which Government makes all sorts of financial hemorrhage in form of frequent supplementary expenditures, commitment fees, high interest rates to mention but a few. This Vote 130 – Treasury Operations is projected to take UGX. 21,517.070 billion representing 33.48% of the National Budget for FY 2025/26. Unfortunately, it is the most abused vote where tax payers' money is put to waste through wasteful expenditures every year. The Auditor General's Report for the FY2023 noted with concern that whereas, vote 130- TOP had an Approved Budget of UGX. 16,812.16 billion it **LACKED A VOTE STRATEGIC PLAN** (OAG Report 2023 page 518). Actually, the frequent Supplementary Budgets are actually symptoms of a lack a Strategic Plan.

In the FY 2023/24, Vote 130 received a Supplementary Budget of **Ugx.46.153 billion to cater for Commitment Fees**. Being charged commitment fees every year is characteristic of lack of due diligence in the acquisition of loans! The Nation deserves an explanation why billions of tax payers' money is wasted through Commitment Fees. One is easily tempted to imagine a connivance to deprive Ugandans of their hard earned money for selfish gains of those in authority.

4.2.1 Commitment Fees becoming costly to tax payers.

The Cost of Non-Compliance with the laws is reflected in the amount this Government pays in Commitment fees and as long as we continue ignoring Financial Laws, this Vote will continue to a be a conduit through which Uganda's Resources are drained. Failure to abide by the established financial laws, regulations and procedure is becoming an incurable cancer that erodes the country's meagre resources. For instance, this country Uganda has lost **UGX. 469.778 billion** to commitment fees from FY 2018/19 to FY 2023/24.

Commitment fees paid between FY 2018/19 – 2023/24.

Financial year	Commitment fees paid (UGX'Bn)	Percentage change
2023/24	73.904	1.4%
2022/23	72.909	-6%
2021/22	77.524	-2%
2020/21	79.117	1%
2019/20	78.558	-10%
2018/19	87.766	140%
Total	**469.778**	

Source: Treasury Operation prior years' Audited Financial Statements.

The **UGX.469.778 billion** paid in commitment fees from FY 2018/19 to 2023/24 would have been put in productive projects that benefit the general public. One can easily conclude that the high Commitment fees paid is a cost of Government inefficiency , no value for money spent and increased cost of servicing debt[1].

Section 21(2) of the PFM Act,2015 requires that all government expenditures must be within approved budgets and **funds must be used efficiently and effectively. Failure to absorb loans effectively leads to financial losses**. Remember Section 45(2) (b) of the PFM Act, 2015, mandates Accounting Officers to ensure proper use of public resources, and failure to do so constitutes financial mismanagement.

Treasury Instructions, 2017, Paragraph 10.10.7 requires that no payments due in a financial year remain unpaid at the end of that year. Therefore, failure to clear outstanding invoices violates this directive.

The Auditor General Report of 31st December 2024 revealed that undisbursed funds for various Government Projects have resulted in the accumulation of significant Commitment Fees, totaling USD. 21,568,332.16 and UA 1,444,813.87 as of 30th June 2024 (page 70). These fees represent avoidable financial costs incurred by the Government for funds committed but not utilized.

On page 180 of the Auditor General's report of 31st December 2024, mention was made of the growing number of non-performing government loans meant to finance Government Projects and Programs. A total of five (5) credit facilities were non-performing. The funds have not been used and the Government is incurring costs in terms of interest repayments, commitment fees and associated penalties. In the financial year ended 30th June 2024, Government paid UGX 73.82billion in commitment fees.

The accumulation of such unnecessary and avoidable fees places an unnecessary financial burden on the Government, diverting resources from critical development initiatives.

Some of the Projects where Commitment fees have been paid to the detriment of service delivery include;

Project Name	**Undisbursed funds**	**Commitment fees**
Kampala-Jinja Expressway(KJE) Project	USD 229,470,000	USD 1,718,445

[1] Annual Report of the Auditor General to Parliament for the Year ended 31st December 2024.

Kigumba-Masindi-Hoima-Kabwoya-Road Project ADF Loan No. 2100150028796-Project ID No.P-UG-DBO-021 (RSSP-4)	UGX. 26.52 bn	USD. 2.93 Mn
Kabale-Lake Bunyonyi and Kisoro-Mgahinga Road Improvement Project ADB Credit No.2100150042497 and Ug-Project Id P-Ug-D00-003	USD 63.39 Mn	USD 982,053.44
Busega Mpigi Road Project (ADB Loan No.2100150035493	UGX. 27.71 Bn	USD 1.55 Mn
Kapchorwa Suam Road upgrading Project for the year ended 30th June 2023	USD 33,482,654	USD 1,379,406
Koboko-Yumbe-Moyo road corridor Project	USD 95.98 Mn	USD 1.78 Mn
UNCST	UGX. 48.3 bn	UGX. 48.3 Bn
Road Sector Support Project V (RSSP-V) (Project ID No: P-UG-DBO-022 and Loan No: 2100150032194) implemented by UNRA for period ended 30th June 2023.	USD 14.7 Mn	USD 2.9 Mn

Source: Auditor General's Report 31st Dec,2024.

Surprisingly, the causes for the accumulation of Commitment Fees are known and they include[2]:

i. Delayed acquisition of right of way (Project land),
ii. Insufficient GoU counterpart funding,
iii. inadequate project preparedness,
iv. delayed achievement of conditions of effectiveness,
v. non-adherence to environmental and
vi. social safeguards, delayed procurement, prolonged loan approval process (page 30 of the Report).

[2] Report on Public Debt Management (Domestic and External) Loan) Grants, Guarantees and Other Financial Liabilities for FY 23/24)

In addition, Public Debt and Other Financial Liabilities Management Framework outlines the guidelines and benchmarks for sourcing, utilizing, and managing public debt in Uganda.

This framework aims at ensuring that borrowed funds are effectively used for their intended purposes to prevent unnecessary financial liabilities. The presence of non-performing government loans and the associated costs, as reported by the Auditor General, reflect violations of this framework.

Government must begin to carry out proper due diligence before acquiring new loans. It is unfortunate, this Government has not learnt any lessons, it has budgeted to once again waste tax payers' money amounting to **UGX. 5,648,742,125 as Commitment fees for the FY 2025/26.** The table below shows the details.

Vot130: Treasury operations Breakdown for the FY 2025/26

Item Code	Description	Non-Wage
244003	Debt Management fees	42,836,965,475
241001	Loan interest	1,265,436,616,005
242003	Other	575,106,400,000
244002	**Commitment fees**	**5,648,742,125**
242002	Interest on Treasury Bonds	7,479,435,422,875
244001	Listing Fees	1,500,000,000
242003	Other	78,530,866,618
352883	External Debt Budgeting	3,396,512,554,790
242001	Interest on Treasury bills	814,103,941,835
352884	Securities Redemption Budgeting	6,611,577,368,760
263404	Contingency Transfers	169,000,000,000
282105	Court Awards	287,000,000,000
	Total Amount	**21,612,907,742,068**

Source: BFP 2025/26 Budget Estimates.

We argue Government to avoid; Delayed acquisition of right of way (Project land); Insufficient GoU counterpart funding; inadequate project preparedness; non-adherence to environmental, and social safeguards, delayed

procurement in addition to avoiding the prolonged loan approval process (page 30 of the Report).

4.3 Tax Revenue Challenges in a Mineral-Rich Economy: The Case of Untaxed Gold.

Whereas, the Ministry of Finance, Planning, and Economic Development aims at driving Uganda's Economic Transformation through; ***improved revenue mobilization among others,*** the current situation reveals unfulfilled goal in the area of tax revenue mobilization for instance; ***Revenue mobilization in the country has remained consistently weak, Uganda's tax-to-GDP ratio alarmingly low, there is rampant tax evasion coupled with a narrow tax base combined with various and loopholes in tax administration, domestic revenue collection is severely affected.***

Consequently, Uganda runs deficit budgets where income is much less than expenditure. worryingly, the income side and particularly tax revenue has a lot of leakages, yet the expenditure side is marred by waste and corruption. The end result is the poor services delivery.

Local Revenue Mobilization.

This country faces challenges in raising local revenue due to a narrow tax base, weak enforcement, high informality and low taxpayer compliance. The Gold sector is an example where there is limited regulation, smuggling result in little or no revenue from the most lucrative industries.

Gold Tax Revenues.

''The Untapped Wealth: The Case for Taxing Uganda's Lucrative Gold Industry''

In an effort to raise more tax revenue, the Government came up with the Domestic Revenue Mobilization Strategy (DRMS) but this has not yielded much. Every budget process, new tax bills are introduced by government purportedly to raise revenue for the Financial year's budget. New clauses are enacted trying to look for revenue from every possible taxable activity/item you can think about. **Unfortunately, despite the public concern, one of the most lucrative minerals – Gold goes without a proper statutory tax instrument!**

The Mining and Minerals (Export Levy on Refined Gold) Regulations ,2023 which government recently came up with and signed by the Minister **primarily focused on the collection of outstanding tax arrears** related to the export levy on refined gold which the affected gold exporting companies have not paid. Whereas this instrument was intended to enhance revenue collection from the lucrative gold sector no tangible tax revenues have come from the gold export from Uganda. It also suggests that prior to its enactment in 2023, the country had a lot of gaps and non-compliance in gold taxation leading to lots of revenue losses.

Here we list down some of the very many Gold Mines that this Government has licensed for operation or exploration. These mines are spread across the country. Some of the recently licensed Gold Mines that go untaxed include; **Kitaka Gold Mine (Mubende District)** – Licensed to **AMF Mining Company Ltd** in **2015**, with operations ongoing since then, **Tira Gold Mine (Busia District)** – Licensed to **Jan Mangai Mining Company Ltd** in **2016**, and has been operating since, **Busia Gold Mine (Busia District)** – Licensed to **Wagagai Mining Ltd** in **2017** for gold mining, **Buhweju Gold Mine (Buhweju District)** – Licensed to **Hima Cement Ltd (Lafarge)** in **2018** for exploration, **Namayingo Gold Mine (Namayingo District)** – Licensed to **African Gold Refinery (AGR)** in **2020** for exploration and many others as shown in the table below:

Mine Name	**Location**	**License Holder**	**Licensing Year**	**Status**	**Remarks**
Licensed Gold Mines					
Busia Gold Mine	Busia District	Wagagai Mining Ltd	2017	Operational	Largest gold mine in Uganda, primarily focused on gold extraction.
Makuutu Gold Mine	Bugweri District	Rwenzori Rare Metals Ltd	2019	Exploration	Focused on gold and rare earth elements, in advanced exploration stages.
Kitaka Gold Mine	Mubende District	AMF Mining Company Ltd	2015	Operational	Small-scale gold mining operations.

Mine Name	Location	License Holder	Licensing Year	Status	Remarks
Buhweju Gold Mine	Buhweju District	Hima Cement Ltd (Lafarge)	2018	Exploration	Exploration for gold and other minerals.
Namayingo Gold Mine	Namayingo District	African Gold Refinery (AGR)	2020	Exploration	Part of the gold supply chain for refining operations.
Lolita Gold Mine	Namayingo District	AMF Mining Company Ltd	2017	Exploration	Exploration activities ongoing.
Tira Gold Mine	Busia District	Jan Mangal Mining Company Ltd	2016	Operational	Another site operated by Jan Mangal in the Busia region.
Kisita Gold Mine	Kassanda District	PMM Gold Refinery Ltd	2018	Operational	Small-scale mining and refining operations.

On top of that list, the country has other Gold Mines it has discovered[3] and these are pending exploration an indication of a big potential of the Gold mineral resource in Uganda. The table below shows the details[4].

[3] **Mineral Development Programme Annual Budget Monitoring Report FY 2023-24:** Published by the Ministry of Finance, Planning, and Economic Development https://www.finance.go.ug/sites/default/files/reports/Mineral%20Development%20Programme%20Annual%20Budget%20Monitoring%20report%20FY%202023-24.pdf?utm

[4] **The Mineral Industry of Uganda in 2019**, U.S. Geological Survey https://pubs.usgs.gov/myb/vol3/2019/myb3-2019-uganda.pdf?utm

Gold Areas Discovered (Pending Exploration) in Uganda[5]

Gold Area	**Location**	**Artisanal Mining**	**Exploration Status**	**Remarks**
Karamoja Gold Fields[6]	Karamoja Region	Yes	Pending Exploration	Significant gold deposits discovered; awaiting formal licenses.
Otuke Gold Area	Otuke District	No	Pending Exploration	Gold deposits identified; exploration licenses not yet issued.
Agago Gold Area	Agago District	No	Pending Exploration	Gold traces found; exploration pending formal licensing.
Napak Gold Area	Napak District	Yes	Pending Exploration	Gold deposits discovered; awaiting exploration and licensing.
Moroto Gold Area	Moroto District	Yes	Pending Exploration	Gold traces identified; exploration licenses not yet issued.

Sources: Uganda Extractive Industries Transparency Initiative (UGEITI) Report for Fiscal Year 2020-21 https://www.acode-u.org/uploadedFiles/UGEITI-Report-FY-2020-2021.pdf?utm

Information coming from Bank of Uganda, Gold ranks number one as the most valuable exported item in the country. For comparison purposes, the table below shows the details of Exports of Gold and Coffee in US$ millions values for the years 2019/20, 2020/21, 2021/22, and FY 203/24.

[5] Third Karamoja Integrated Development Plan (KIDP 3) 2021/22 – 2025/26 https://karamojaresilience.org/wp-content/uploads/2022/06/KIDP-Final-PDF.pdf?utm

[6] Karamoja Investment Profile 2016 https://www.ugandainvest.go.ug/wp-content/uploads/2016/04/uia-Karamoja-profile.pdf?utm

Exports of merchandise in values (US$ millions)					*Preliminary*
	FY	**FY**	**FY**	**FY**	**FY**
	19/20	**20/21**	**21/22**	**22/23**	**23/24**
Total Exports (in US$ million)	**3,807.09**	**5,278.73**	**3,836.58**	**5,450.84**	**7,941.14**
1. Coffee (Value)	**497.41**	**554.89**	**862.22**	**845.41**	**1,143.82**
Gold	**1,118.38**	**2,249.73**	**0.00**	**1,135.33**	**3,092.12**

Total exports for Gold increased from USD 1,118.38 million in FY 2019/20 to USD 3,092.12 million in FY 2023/24.

To bring it in context, a look at '' Uganda's Top Ten Booming Exports: Gold Leads the Surge Amidst Revenue Gaps''. The table below illustrates this well.

Table showing the Top ten leading exports (Ugx.bn) for Uganda[7]: (page 56).

Description	**FY 23/24**	**FY22/23**	**FY21/22**	**FY20/21**	**FY19/20**
Gold	11,278.57	3,343.42	-	8,969.58	4,174.82
Coffee	3,929.98	2,343.50	2,379.31	2,066.56	1,746.86
Iron Ore	1,059.70	385.55	0.00	-	0.00
Cocoa	1,004.00	291.39	344.22	387.94	324.16
Portland Cement	324.74	334.43	321.79	288.34	224.83
Fish Fillet	320.86	272.09	329.87	227.54	309.29
Cane or Beet Sugar	300.19	263.14	378.15	223.59	148.76
Tea	249.63	339.99	302.77	314.89	263.16
Mushroom	220.51	219.45	224.53	213.37	176.93
Maize Corn	216.68	124.63	26.18	77.24	92.78

Source: URA Databases.

[7] Annual Revenue Performance Report for FY 2023/24.

As noted above, there was a considerable increase in the values of the top exported items according to the Annual Revenue Performance Report for FY 2023/24: Gold, Coffee, Cocoa, Iron ore, Maize corn, Medicaments and Dried Legumes were top on the list. **To be specific, the value of the top five exported items grew by a very big margin with; Gold, Iron Ore, Cocoa, at more than 100 percent. Gold alone scoped the highest value of UGX. 11.2 trillion during the FY 2023/24.** This was followed by Coffee with export value of UGX. 3.9 trillion, Iron Ore with UGX. 1.05 trillion and Cocoa with UGX. 1.05 Trillion. These exports were mainly exported to UAE, India, Hong Kong[8].

Despite Gold being the most exported item in terms of value, we still need to convince and persuade Government to find time and enact a proper Statutory Instrument that will enable URA to tax Gold mining and Exports.

The Annual Revenue Performance Report for FY 2023/24 (Page 11) had already noted that the lack of a Statutory Instrument governing gold exports continued to hinder the collection of export levies on gold and other unprocessed minerals. According to this report, this deficiency resulted in an estimated loss of UGX. 31.23 billion in unpaid levies on 41,566.93 kgs of exported gold.

In the previous FY 2022/23, Annual Revenue Performance Report for FY 2022/23, revealed that a total net weight of **46,008.16 kilograms of Gold with export levy assessed worth Ugx.34.58 billion was exported mainly to**: **United Arab Emirates, China, India and Italy *was uncollected due to lack of statutory instruments* (page 45[9]).**

This Gold export breaches other laws as noted in ***the Auditor General's report for the year ending 31st December 2024. The Auditor General noted that gold exports valued at approximately UGX. 11 trillion (USD 3.014) were conducted without the required Export Permits from the Minister of Energy, as stipulated by Section 149 of the Mining and Minerals Act Cap.159.***

The participants in this trade refused to pay UGX. 68.843 billion on Gold Exports on top of violating the 2011 presidential moratorium (suspension) on the export of unprocessed minerals.

Since, this government taxes even the poorest of the poor, why then can't it tax the minerals sector? it is our considered opinion that let everybody contribute to Nation Building through paying taxes without discrimination or favor. Fair taxation demands just that.

[8] Annual Revenue Performance Report for FY 2023/24.

[9] The Annual Revenue Performance Report for FY 2022/23.

To raise more local revenue, government needs to create more awareness through tax education, promote digital tax systems, broaden the tax base in addition to strengthening enforcement mechanisms.

5.0 The FY 2025/26 Resource Envelope.

The MoFPED is mandated to formulate, manage, and project the National resource envelope to ensure sustainable financing for government programs. This mandate is guided by the Public Finance Management Act. Cap 171, and the Constitution of Uganda, 1995. In so doing, under revenue mobilization, it estimates and projects domestic revenue from taxes, non-tax revenues and grants. It also handles debt management where it assesses and incorporates external and domestic borrowing while ensuring debt sustainability. On Macroeconomic forecasting, it analyzes economic trends to estimate future government revenue. It also works on the Budget Framework Development where it determines available resources to align with national priorities and above all, Expenditure Planning where it balances resources available with expenditure needs for efficient service delivery.

In executing the above tasks and roles , the preliminary resource Envelope developed by the Ministry for FY 2025/26 is projected at **UGX.66.086 trillion**[10] having reduced by **UGX.6.051** trillion from last year's Budget of **UGX.72.137** trillion. It is our considered request and prayer, that Government doesn't bring a corrigendum at the last hour to inflate this UGX,66 trillion budget the way it did during the 2024/25 budget process. The table below shows the detailed Resource Envelope for the FY2025/26 which government produced for the coming Financial year.

Table 1. Resource Envelope for FY 2025/26

S/N	Source	FY 2024/25 Budget	FY 2025/26 Projections	Variance
(1)	(2)	(3)	(4)	(5=4-3)
1	Domestic Revenues	32,097.3	35,692.9	3,595.6
2	Budget Support	1,393.7	26.6	(1,367.0)
3	Net Domestic Borrowing	8,968.0	9,215.0	247.1
4	BOU repayment	7,778.5	-	(7,778.5)

[10] Second Budget Call Circular 2025.

5	Project Support (External Financing)	9,583.5	11,191.0	1,607.6
6	Domestic Refinancing (Roll-over)	12,021.7	9,641.9	(2,379.8)
7	Local Revenue for Local Governments	293.9	319.4	25.5
	Total Resource Inflows **(1+2+3+4+5+6+7)**	**72.136.5**	**66,086.9**	**(6,049.6)**
8	External Debt Repayments (Amortization)	(3,149.2)	(4,287.7)	1,138.5
10	Project Support (External Financing)	(9,583.5)	(11,191.0)	1,607.6
11	Domestic Refinancing	(12,021.7)	(9,641.9)	(2,379.8)
12	Domestic Arrears	(200.0)	(200.0)	-
13	Appropriation in AID (AIA)- Local Revenue	(293.9)	(319.4)	25.5
14	**GOU MTEF:** Resource Envelope less External Debt Repayments, Project Support, Domestic Refinancing , Arrears and AIA	**46,888.2**	**40,446.9**	**(6,441.3)**
15	Interest Payments	(9,606.0)	11,698.3	2,092.3
16	Domestic Debt Payment (BOU)	(9,100.0)	493.0	(8,607.0)
17	**GOU Discretional Resources (MTEF less Interest Payments and Payment to BOU)**	**28,182.2**	**28,255.5**	**73.3**

Source: MoFPED (2nd BCC FY 2025/26).

5.1 The Proposed Government Budget/Resource Envelope is FALSE.

Just as it was last Financial year 2024/25, the proposed budget for the FY 2025/26 is ambitious and therefore unrealistic. Here is why;

Empirical evidence has revealed a series of **unmatched expenditure budgets, warrants, and actual payments** across the 2020/21, 2021/22, and 2022/23 fiscal years showing Underutilized Warrants of UGX 5.822 trillion in 2022/23, UGX 4.432

trillion in 2021/22, and UGX 3.257 trillion in 2020/21[11]. The table below shows the details;

Table showing Expenditure budgets, warrants, and actual payments across the 2020/2021-2022/23.

Fiscal Year	Revised Budget(UGX tn)	Total warrant (ugx.tn)	Total payments(ugx.tn	Unwarranted budget funds (Ugx tn)	Variance btn warrants& actual payments	Var. btn revised budget and actual payments
2022/23	**52.548**	49.226	**43.404**	3.322	5.822	**9.144**
2021/22	**51.561**	48.854	**44.421**	2.707	4.432	**7.140**
2020/21	**51.626**	46.657	**43.64**	4.969	3.257	**7.986**

Source; Audit reports, FY 2020/21- 2022/23 and PBO computations.

The Government operates a Single Treasury Account System which uses Warrants to specify spending limits. Government Entities submit invoices, which the Treasury pays based on available cash. Therefore, the difference between issued warrants and actual payments reflects the government's current cash limitations. Referring to the table above, in the FY 2022/23 Government had budgeted for UGX. 52.54 trillion but ended up spending only UGX. 43.40 trillion thereby falling short of the planned budget by a whopping UGX.9.14 trillion.

We believe that, Government passes inflated budgets to benefit from the 3% window of the supplementary budgets.

We strongly object to the government's production of such ambiguous Budgets and Warrants, knowing it lacks the cash to cover them. This uncontrolled mismatch between warrants and payments is the root cause of accumulated arrears, as it leads Accounting Officers to make contractual commitments and payment schedules based on warrants that the government ultimately fails to honor.

The Opposition's proposed '' Realistic Resource Envelope'' is based on the estimated revenue government can generate in a financial year. We also make adjustments on the Government Resource Envelope namely.

[11] Audit Reports for FY 2020/21-2022/2023.

i. **Add the revenue lost through corruption, consider collecting Gold Tax revenue to come up with the correct figure for the Revenue.**

ii. **Subtract all statutory expenses from the Discretionary Resource envelope,**

These adjustments are necessary because, the proposed budget portrays a higher Discretionary Resource which is far from real. **The FY 2025/26 GoU Discretionary Resource amounting to UGX. 28,255.5 is over exaggerated. We consider subtracting all statutory expenses from the Discretionary Resource because we believe that such monies MUST be made available as and when they are required. Therefore, that money is not available for Government to spend on anything else.**

i. **Contingencies Fund.**

We provide for the Contingencies Fund as stipulated in Article 157 of the 1995 Constitution. Section 26 of the PFM Act,2015 stipulates that the contingencies fund shall be replenished with an amount equivalent to 0.5% of the appropriated annual budget of the previous financial year, excluding any supplementary budgets. This fund is designated to address urgent and unforeseen expenditures including natural disasters. Section 27 of the PFMA specifies that responses to natural disasters are to be financed from the Contingencies Fund. In light of this, we shall deduct UGX. 360.68 billion to take care of the legal requirement of the Contingencies Fund.

ii. Salaries and Wages.

Salaries and wages are considered statutory expenses and are governed by the Employment Act,2006 which mandates employers to pay their employees' wages promptly. Section 43(1) stipulates that wages must be paid directly to the employee, ensuring timely and full payment. From the proposed budget, we shall remove **UGX. 9,856** from the Discretionary resource.

iii. Pensions and Gratuities.

The Pensions Act (Cap 286), Section 7(1) specifies that all pensions, gratuities, or other allowances are charged on and payable out of the Consolidated Fund without further appropriation than this Act.

In light of the above, pension and gratuity, salaries and wages are treated as statutory expenses, with clear guidelines for payment, taxation, and social security contributions.

Guideline for determining Domestic Revenue

a) Using Domestic Revenue Estimates.

Domestic Revenue Projections 2019/20- 2024/25.

Revenue Projection						
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**2024/25**
	Actual	**Actual**	**Actual**	**Actual**	**Estimated**	**Estimated**
Net Tax Revenues	15,912.2	18,336.8	20,425.6	23,733.0	27,423.9	27,784.0
Total NTR	1,373.7	1,361.0	1,405.5	1,569.9	2,248.1	2,174.0
Total Revenues	17,285.9	19,697.8	21,831.2	25,302.9	29,672.0	29,958.0
Nominal growth rate		14.0%	10.8%	15.9%	17.3%	1.0%
GDP	**139,689.0**	**148,310.2**	**162,749.9**	**184,895.4**	**201,987.0**	**229,559.0**
Overall Revenue:GD	**11.4%**	**12.4%**	**12.6%**	**12.8%**	**13.6%**	**12.1%**

Source: *Ministry of Finance, Planning and Economic Development and PBO Computations*

The realistic domestic revenue estimate was calculated basing on the revenue performance of the past five financial years, using the average nominal growth rate over this period.

In FY 2024/25, the government projected UGX 31.98 trillion in revenue. According to the 2nd Budget Call Circular for FY 2025/26, the government projects revenue collection of UGX. 35.69trillion.

Applying the average realistic estimated nominal growth rate of 11.8%, we arrive at a projected revenue of UGX. 35.75 trillion – very close to the government's projection. Therefore, we maintain revenue at this level.

b) **Using Audited Budgets, Warrants, and Actual Payments.**

Table showing Expenditure budgets, warrants, and actual payments across the 2020/2021-2022/23.

Fiscal Year	**Revised Budget(UGX tn) (a)**	**Total warrant (ugx.tn)**	**Total payments(ugx.tn** (b)	Budget performance
2022/23	**52.548**	49.226	**43.404**	**82.5%**
2021/22	**51.561**	48.854	**44.421**	**86.15%**

2020/21	**51.626**	46.657	**43.64**	**84.53%**

Source; Audit reports, FY 2020/21- 2022/23, PBO, and OLOP computations.

Based on the average performance of the most recent audited budgets for FY 2020/21, 2021/22, and 2022/23, we can estimate that the projected budget performance for the FY 2025/26 will be 84.42%. The government has projected a resource envelope of UGX. 66,086.9 trillion. However, considering past performance trends and applying the 84.42% performance rate, the Opposition projects a more realistic budget for the FY 2025/26 at **UGX. 55.79 trillion**. The details are shown in the table below.

5.2 The Realistic Resource Envelope.

S/N	Source	FY 2024/25 Budget	FY 2025/26 Projections	Realistic Opposition Budget for FY 2025/26
	(2)	(3)	(4)	
1	Domestic Revenues	32,097.3	**35,692.9**	**35,692.9**
2	Budget Support	1,393.7	**26.6**	26.6
3	Net Domestic Borrowing	8,968.0	9,215.0	6,215
4	BOU repayment	7,778.5	-	-
5	Project Support (External Financing)	9,583.5	11,191.0	8,191
6	Domestic Refinancing (Roll-over)	12,021.7	9,641.9	5,345.6
7	Local Revenue for Local Governments	293.9	319.4	319.4
	Total Resource Inflows (1+2+3+4+5+6+7)	**72,136.5**	**66,086.9**	**55,790.5**

8	External Debt Repayments (Amortization)	(3,149.2)	(4,287.7)	(2,730)
10	Project Support (External Financing)	(9,583.5)	(11,191.0)	(8,191)
11	Domestic Refinancing	(12,021.7)	(9,641.9)	(5,345.6)
12	Domestic Arrears	(200.0)	(200.0)	(400.0)
13	Appropriation in AID (AIA)-Local Revenue	(293.9)	(319.4)	(319.4)
14	**GOU MTEF:** Resource Envelope less External Debt Repayments, Project Support, Domestic Refinancing , Arrears and AIA	**46,888.2**	**40,446.9**	**38,804.5**
15	Interest Payments	(9,606.0)	(11,698.3)	(9,606.0)
16	Domestic Debt Payment (BOU)	(9,100.0)	(493.0)	-
17	**GOU Discretional Resources (MTEF less Interest Payments and Payment to BOU)**	**28,182.2**	**28,255.5**	**29,198.5**
Less				
Other Statutory Obligations				
Less Wages & Salaries				9,856
Less Contingency Fund				360.68
Sub-total				
Proposed Opposition Discretionary Resources				**18,981.82**

Source: MoFPED (2nd BCC FY 2025/26) & OLOP Computations.

In brief, our realistic budget is projected at UGx. 55,790.5 a departure from the exaggerated government resource envelope of UGX. 66,086.9 billion. Our proposed Discretionary Resource at UGX. 18,981.82 from what the proposed Government proposal of UGX. 28,255.5 billion.

6.0 Multidimensional Corruption Draining the Available Little Resources.

The corruption can be defined as the misuse of public resources for personal gain. This can be exhibited in different forms namely; **bribery, financial leakages, conflict of interest, embezzlement, false accounting, fraud, influence peddling, nepotism, theft of public funds, or theft of public assets**. Greed, poor worker supervision, low salaries, a lack of stringent punishment for corruption, and moral decadence are listed as the main causes of corruption[12].

Government spends resources to Agencies whose mandate is to combat corruption in the country. Incidentally, their role in fighting corruption seem to be very minimal. These Agencies include; The Inspectorate of Government, The Office of the Director of Public Prosecutions (ODPP), The Office of the Auditor General (OAG), Criminal Investigations Directorate (CID) of the Uganda Police Force, Public Procurement and Disposal of Public Assets Authority (PPDA), Uganda Revenue Authority (URA), Financial Intelligence Authority (FIA),State House Anti-Corruption Unit (SHACU); and the Directorate of Ethics and Integrity[13].

According to the 2021 Report on the Cost of Corruption in Uganda, the financial impact of corruption was categorized based on the affected actors. The report revealed that corruption cost:

The public budget UGX 4.544 trillion, below is the breakdown showing how corruption has impacted the public budget and therefore service delivery.

Table I: Summary of the Cost of Corruption in Uganda

S/N	Cost description	Actor bearing the Cost	Estimated Cost
1	Loss of environmental resources	Public budget	2,281,377,131,090
2	Cost of corruption in procurement	Public budget	614,414,529,915

[12] Prevalence of Corruption in Uganda, 2022/23 Report.
[13] Also charged with the responsibility of chairing the inter-Agency Forum, a coordinating mechanism for the Anti-Corruption Agencies.

3	Loss of government salaries paid despite absence in the health sector	Public budget	495,103,123,932
4	Loss of government revenue from fees for public utilities	Public budget	424,529,391,990
5	Loss of public education funds	Public budget	244,613,871,795
6	Loss of government salaries paid despite absence in the education sector	Public budget	180,468,000,000
7	Loss of Government salaries paid despite absence from work in other sectors	Public budget	180,468,000,000
8	Loss of government tax revenue due to tax evasion by firms	Public budget	107,164,777,778
9	Loss of government revenue form permit fees	Public budget	14,227,880,342
10	Loss of government tax revenue due to tax evasion by citizens	Public budget	1,740,500,000
	Sub-total		**4,544,107,206,842**

Source*: Report on the Cost of Corruption in Uganda, 2021.*

Through corruption the citizens are burdened with **UGX.4.261 trillion**, in the following areas shown in the table below;

S/N	Cost description	Actor bearing the Cost	**Estimated Cost**
13	Loss of education hours to student	Citizen	**1,465,031,743,590**
14	Cost of bribing judges	Citizen	**762,906,612,759**
15	Environmental pollution/degradation	Citizen	**536,794,619,080**

16	Cost of bribing official to receive permit	Citizen	**243,720,615,540**
17	Cost of bribing healthcare providers	Citizen	**140,800,000,000**
18	Cost of bribing security official	Citizen	**90,940,512,532**
19	Cost of bribing official providing public utilities	Citizen	**53,699,851,718**
20	Cost of bribing teacher/examiner	Citizen	**39,085,200,000**
21	Loss of treatment due to not affording a bribe	Citizens	**33,349,313,354**
22	Cost of bribing tax official	Citizens	**26,772,719,937**
23	Corruption in contract royalties	Firms	**8,797,508,547**
24	Corruption in contract royalties	Citizen/companies	**859,208,000,000**
	Sub-total		**4,261,106,697,057**

Source: *Report on the Cost of Corruption in Uganda, 2021.*

Corruption further affected the broader society cost of UGX. 338 billion disaggregated as follows;

S/N	Cost description	Actor bearing the Cost	**Estimated Cost**
11	Undereducated and inefficient workforce	Society at large	**320,490,570,910**
12	Loss of foreign Direct Investment	Society at large	**18,453,867,521**
	Sub-total		**338,944,438,431**

Source: *Report on the Cost of Corruption in Uganda, 2021*

The summation of the above gives the total cost of corruption for that year to UGX.9.144 trillion[14], as shown in the table above.

TOTAL COST OF CORRUPTION		**9,144,158,342,330**

Source: *Report on the Cost of Corruption in Uganda, 2021.*

Losing more than UGX. 9.144 trillion through corruption severely affects service delivery in this country and the sooner we get a solution to it the better.

It is known that the country lacks enough revenue for both re-current and development expenditure, but it is also true that, in this country, there exists a lot of tax leakages depriving the State the ability to provide better services to the people. At times, sheer negligence costs the country billions of shillings every Financial year in the form of commitment fees, penalties and fines, lack of mere regulations to enable proper taxation mention but a few. When these are combined with corruption, one needs not wonder why the deplorable physical infrastructure and poor services in the country's crucial sectors like Health, Education.

Our proposal is for the government to have the political will to fight corruption. There must be zero tolerance to corruption. The country has enough Agencies and laws to mitigate corruption. Let the government enable all concerned agencies do their work.

7.0 Conclusion.

The Ministry of Finance, Planning, and Economic Development despite its constitutional mandate to manage national financial resources efficiently, faces significant challenges in budget execution and fiscal discipline. Vote 130- has become a conduit for wasteful expenditures. The Government inefficiencies in loan management have resulted in substantial losses, with billions wasted on unutilized funds and avoidable penalties. Additionally, Uganda's failure to properly tax the lucrative gold sector exacerbates revenue shortfalls, while corruption and financial mismanagement continue to drain public resources.

To ensure sustainable economic growth, the government must strengthen fiscal discipline, improve revenue collection and enforce financial laws to curb wasteful spending and corruption.

I beg to submit.

[14] *Report on the Cost of Corruption in Uganda, 2021.*

2.2. Trade, Industry, and Cooperatives

Executive Summary

This alternative Budget for Trade, industry and Cooperatives is moved under Section 82(A) of the Constitution of the Republic of Uganda, 1995 as amended, Section 6E (4) of the Administration of Parliament Act (as amended), and Rules 14(4) and 147 of the Rules of procedure of Parliament of Uganda. It is intended to revive the economy to enable the facilitation of human rights. It analyses the sector's situation, highlights the Opposition sector objectives, their funding priorities for FY 2025/26, and the targeted outcomes.

The Trade, Industry, and Cooperative sector is central to Uganda's economic development, job creation, and poverty reduction. However, the sector faces significant challenges, including limited industrial growth, trade imbalances, weak cooperative structures, and inadequate support for small businesses.

Currently, the sector is grappling with major challenges of expensive and inaccessible capital, with commercial bank lending rates over 18.4%, high costs of operation in terms of rent, electricity, transport, and others, and limited market access.

The alternative policy statement aims at (i) increasing access and affordability of capital; (ii) reducing costs of operation; (iii) Market access; (iv) balancing indigenous Capital with Foreign Capital Participation; (v) Building cooperative societies.

This Alternative Ministerial Policy Statement (AMPS) presents a people-centered, inclusive, and transformative approach aimed at enhancing local industrial production to reduce reliance on imports as well as promoting fair trade and market access for Ugandan products. The statement also prioritizes the strengthening of cooperatives to empower smallholder farmers and entrepreneurs.

Introduction

Article 40(2) of the Constitution of the Republic of Uganda (1995, as amended) guarantees every citizen the right to practice their profession and engage in lawful trade or business. This fundamental right is further reinforced by Article 8A, which operationalizes National Objectives IX, XI, and XII, ensuring the right to development, the state's role in fostering growth, and balanced, equitable economic progress.

However, Uganda's trade and industry sector is facing severe decline, marked by skyrocketing prices, widespread business closures, and industries operating at half capacity, leading to significant job losses. These challenges stem from rising production costs, prohibitively expensive capital, particularly for small and medium enterprises (SMEs), and inadequate infrastructure, which stifles market access and trade efficiency. Additionally, the lack of product standardization further limits competitiveness.

Cooperatives, which traditionally play a vital role in economic revitalization, have been undermined by excessive state interference, insufficient knowledge-sharing, and a shortage of skilled personnel.

This Alternative Budget for Trade, Industry, and Cooperatives seeks to reverse this downward trajectory by reviving the economy and safeguarding socioeconomic rights. It provides a comprehensive analysis of the sector, outlines the Opposition's key objectives, and details funding priorities for the 2025/26 financial year, along with expected outcomes. Presented under Article 82(A) of the Constitution, Section 6E (4) of the Administration of Parliament Act (as amended), and Rules 14(4) and 147 of the Rules of Procedure of Parliament, this proposal aims to restore growth, empower businesses, and ensure equitable development.

Methodology

During preparation of this alternative Budget statement for Tourism, Wildlife and Antiquities. We were guided by the NUP Manifesto; other Opposition political parties manifestos; the Opposition Legislative Agenda; the Opposition's response to the Charter for Fiscal Responsibility; Opposition Response to the Budget Framework Paper; Previous alternative Policy Statements, among others.

Situation Analysis

1. **Sector Performance Overview**

The Trade, Industry, and Cooperatives sector continues to face significant challenges that hinder its potential as a driver of economic transformation in Uganda. According to the Uganda Bureau of Statistics 2023/24 Statistical Abstract[15], the manufacturing sector's contribution to GDP remains stagnant at 8.3%, reflecting persistent industrial underperformance despite policy commitments outlined in the Third National Development Plan (NDPIII) 2020/21-2024/25.

2. Limited funding to the Uganda National Bureau of Standards (UNBS)

The Uganda National Bureau of Standards (UNBS) plays a key role in enhancing the competitiveness of Ugandan goods and services through product standardization. However, the bureau faces significant funding challenges, receiving only UGX 56 billion annually against the UGX 200 billion required to fulfil its mandate. This is further constrained by the government's program-based budgeting system, where UNBS receives funding from only 5 of 18 relevant programs. Despite these limitations, UNBS has achieved notable milestones, such as automating processes, enforcing quality standards, and conducting inspections. Fee reductions introduced in July 2021 phased out the UGX 250,000 Initial and Surveillance Audit Fees and lowered annual certification costs to UGX 500,000 for Micro and Small Enterprises (a UGX 350,000 reduction) and UGX 1,000,000 for Medium and Large Enterprises (a UGX 300,000 reduction). As a result, certified exports increased to 4,942 products, surpassing the FY target of 4,500 and exceeding the previous year's 4,200 products, driven by a 16% annual growth in certifications.

Despite these achievements, high laboratory testing fees remain a challenge for MSMEs, with fees varying based on product parameters. Additionally, most testing focuses on exports, leaving the quality assurance needs of the local market which consumes most products largely unmet. These issues underline the need for increased funding, targeted support to reduce standardization costs, and a stronger emphasis on local market quality assurance to ensure broader access to certification benefits.

3. High cost of doing business due to high interest rates, high electricity tariffs, high taxes and exchange rate fluctuations.

Uganda's business landscape presents a mix of opportunities and challenges, with the government reporting a positive trend in doing business, as highlighted in the April 2024 Economic Performance Report by the Ministry of Finance. This reflects the potential for growth and investment in the private sector. However, entrepreneurs recognize areas for improvement, including addressing high costs related to interest rates, taxes, currency fluctuations, and infrastructure.

Despite government efforts to reduce electricity prices, they continue to exceed the target of 5 cents per unit[1]. Additionally, the uneven distribution of electricity access across regions further exacerbates the problem. Areas with limited access to the grid, such as West Nile (0.9%) and Karamoja (1.1%), face greater economic challenges compared to well-connected regions like Buganda South (34.8%) and Kampala (61.7%).

According to the Bank of Uganda, there has been an increase in loan uptake for trading activities, driven by reduced lending rates from 20.3% in FY 2017/18 to 18.6% in FY 2022/23. However, these rates remain relatively high compared to regional peers, with Kenya at 15%, Tanzania at 17%, and Rwanda at 17%. The high cost of finance, especially loans, continues to restrict business growth and expansion, impeding Uganda's private sector development and diminishing its regional competitiveness. By tackling these challenges, Uganda can unlock the full potential of its private sector and create a more conducive environment for sustained growth and innovation.

4. Limited accessibility to affordable and inclusive financing

Uganda has made notable strides in reducing barriers to formal financial services under the National Financial Inclusion Strategy (NFIS I). The 2018 Finscope survey revealed that the proportion of the adult population with an account at formal financial institutions (both bank and non-bank) increased from 54% in 2013 to 58% in 2018.

While Uganda's financial sector is stable and robust, as evidenced by recent reports from industry players and the Bank of Uganda, this strength has not yet translated into the expected support for private sector growth, particularly in the form of affordable credit. Private Sector Credit as a percentage of GDP stood at 12.81%, below the FY 2021/22 target of 17.6% and the previous year's performance of 15.4%. The lower-than-targeted and previous year's performance was mainly due to risk aversion of the lenders as exhibited by reduced loan approval rates. The high cost of borrowing makes Ugandan businesses uncompetitive, with many struggling to survive, and others being sold off. For instance, interest rates for most borrower’s average around 20%, creating a higher risk of loan defaults.

This challenge is particularly severe for start-up entrepreneurs and young people, who face barriers to accessing credit from financial institutions. This situation raises critical questions: "How can we realistically and innovatively address this issue?

5. **Lack of prioritization for trade negotiations.**

Another critical area not funded in the National Budget framework paper is trade negotiations, yet the main strategy for this program is export promotion and creating more markets abroad. The NBFP under manufacturing focuses on harmonizing the already concluded negotiations but does not consider the ongoing trade negotiations in which the Government is involved. These include, inter alia, the African Continental Free Trade Area (AfCFTA) third-phase negotiations and the World Trade Organization (WTO) negotiations.

There is a need for adequate funding for these negotiations for the government to negotiate independent positions that protect and promote trader's interests/positions, policy space, and sovereignty. This is critical in supporting a conducive policy environment for industrialization and Trade and ensuring that we benefit from the negotiated markets.

6. **Financial and Operational Constraints**

Access to affordable financing remains a critical constraint for businesses. The Bank of Uganda Monetary Policy Report, June 2024, indicates that commercial lending rates remain prohibitively high at 18.1%, while the Uganda Investment Authority Annual Investment Report 2023/2024 reveals that 65% of small businesses identify expensive financing as their primary operational challenge. These financial constraints are compounded by rising operational costs across the sector. The Ministry of Energy and Mineral Development Annual Sector Performance Report 2023/24 confirms that industrial electricity tariffs remain elevated at $0.11 per kWh, and the World Bank Uganda Logistics Performance Index 2024 ranks Uganda 116th out of 160 countries for trade logistics efficiency, with poor infrastructure contributing to high transport costs.

7. **Market Access and Export Challenges**

Market access limitations continue to constrain sector growth. The East African Community Trade and Investment Report 2024 documents that Uganda's exports remain heavily concentrated in low-value primary commodities, with 82% being agricultural raw materials. This export composition leaves the economy vulnerable to global price fluctuations. Furthermore, the Uganda Export Promotion Board Annual Performance Report 2023/24 indicates that only 12% of Ugandan firms meet international certification standards, significantly limiting their ability to access premium regional and global markets.

8. **Cooperative Sector Weaknesses**

The cooperative movement, which should serve as a vehicle for economic empowerment at the grassroots level, faces severe institutional weaknesses. The Auditor General's Report on the Performance of Cooperative Societies in Uganda, December 2023 found that 70% of registered cooperatives are non-functional due to mismanagement and governance challenges. These findings are corroborated by the Ministry of Trade, Industry and Cooperatives Cooperative Sector Assessment Report 2024, which reveals that only 15% of cooperatives have proper financial management systems in place.

9. **Industrial Sector Performance**

Industrial sector performance remains suboptimal, with the Uganda Manufacturers Association's State of Manufacturing Sector Report 2024 showing that factories operate at below 50% capacity utilization. This underperformance is attributed to multiple factors, including high input costs and unfair competition from smuggled imports. The Private Sector Foundation Uganda Business Climate Index 2024 further highlights systemic challenges, reporting that 78% of firms encounter corruption in licensing and taxation processes, creating significant barriers to business growth.

10. **Emerging Challenges**

Emerging challenges, particularly climate change and macroeconomic instability, are compounding existing sectoral constraints. The UBOS Climate Change Statistical Abstract 2024 documents an 18% decline in agricultural yields due to erratic weather patterns, directly impacting agro-processing industries. Concurrently, the Bank of Uganda Financial Stability Report June 2024 notes that currency depreciation has increased import costs for manufacturers by 25%, further squeezing already tight profit margins.

11. **NDPIII Implementation Gaps**

The NDPIII Mid-Term Review Report 2024 acknowledges significant implementation gaps in key industrialization initiatives. Only 4 out of 25 planned industrial parks are fully operational, the National Single Window System for trade facilitation remains incomplete, and the cooperative sector receives a meager 0.5% of the national budget allocation despite its potential role in grassroots economic development. These implementation shortfalls represent missed opportunities to address the sector's structural challenges and achieve the industrialization targets outlined in Uganda's development blueprint.

Funding Priorities for FY 2025/2026

Export Diversification and Value Addition

Uganda's economy remains highly dependent on raw agricultural exports, making it vulnerable to global price fluctuations. To address this, we propose financial incentives for industries engaged in value addition, such as agro-processing and mineral processing. Additionally, funding should be allocated to research and development to identify new export products and improve existing ones. Expanding export infrastructure, including cold storage and improved transport logistics, is crucial to accessing global markets.

Industrialization and Infrastructure Development

Uganda's industrial sector remains underdeveloped, contributing less than 10% to GDP. To enhance industrial growth, we propose the expansion of industrial parks across the country, particularly in underdeveloped regions. Subsidies should be provided to businesses for building and upgrading manufacturing facilities. Furthermore, investment in key infrastructure such as roads, electricity, and water supply will support industrial growth and job creation.

Strengthening Small and Medium Enterprises (SMEs)

SMEs are the backbone of Uganda's economy, yet they struggle with limited financing and market access. To support SMEs, we propose the establishment of low-interest loan facilities and financial guarantees. Capacity-building programs should also be implemented to enhance financial literacy and business management skills. Additionally, tax incentives and subsidies should be provided to SMEs engaged in value addition and export production.

Support for Cooperatives

Cooperative societies play a crucial role in economic inclusion but face governance and financial challenges. We recommend increasing funding for cooperative societies to strengthen their production, marketing, and distribution capacities. Legal and institutional frameworks should be improved to enhance accountability and transparency. Financial support for training and skills development in cooperative management is also necessary.

Trade Facilitation and Market Access

Uganda's trade sector faces barriers such as poor infrastructure and limited knowledge of international trade agreements. To improve trade facilitation, we propose the modernization of border posts and customs facilities. Businesses should be trained on trade agreements such as AfCFTA to leverage regional markets. Additionally, Uganda should invest in promoting its exports at international trade fairs and exhibitions to enhance visibility and competitiveness.

Innovation and Technology Adoption

Uganda lags behind in industrial technology and innovation, limiting competitiveness. We recommend increased support for industrial research and development through government grants and partnerships with academia. Investment in technology parks and innovation hubs should be prioritized to foster industry collaboration. Financial incentives should be offered to industries that adopt clean and efficient technologies.

Alternative Policies

The government should prioritize increased budgetary allocations to UNBS to enable the construction and operationalization of regional laboratories. Decentralizing UNBS services will reduce costs for businesses and enhance the overall quality of locally produced goods.

2. High Cost of Doing Business

The Ugandan business environment is characterized by high operational costs due to expensive credit, high electricity tariffs, heavy taxation, and an unstable exchange rate. These factors limit private sector growth, discourage foreign direct investment, and reduce Uganda's regional competitiveness.

Alternative Policies

Strengthening regulatory oversight through the Electricity Regulatory Authority (ERA) will prevent price exploitation by electricity distributors and ensure fair pricing mechanisms.

Implementing widespread solar energy generation programs in rural and remote areas will reduce reliance on the national grid and provide cost-effective, sustainable energy solutions for businesses.

3. Limited Accessibility to Affordable and Inclusive Financing

Although progress has been made under the National Financial Inclusion Strategy, financial services remain largely concentrated in urban areas. The high cost of borrowing, with average interest rates around 20%, limits business expansion, particularly for startups, women-led enterprises, and youth entrepreneurs.

Alternative Policies

Expanding financial service points in underserved rural areas will bridge the financial inclusion gap, ensuring equitable access to credit and savings facilities.

Strengthening electronic payment systems, mobile banking, and fintech solutions can increase access to financial services. This should be accompanied by enhanced cybersecurity measures to protect consumers from fraud and data breaches.

4. Lack of Prioritization for Trade Negotiations

Uganda's participation in critical trade negotiations, such as the African Continental Free Trade Area (AfCFTA) and World Trade Organization (WTO) discussions, is hindered by inadequate budget allocations. The absence of structured funding for trade negotiations weakens Uganda's position in shaping trade agreements that affect its economy.

Alternative Policies

Establishing a well-funded advisory council will ensure that Uganda conducts thorough consultations and develops independent trade positions that protect its economic interests.

Regular updates to Parliament and its committees on trade negotiations will ensure accountability and strengthen Uganda's strategic policy alignment in international trade agreements.

5. Enhancing Access to Finance

Alternative Policy

Re-establishing a cooperative bank will provide affordable financial services to cooperatives, farmers, and small enterprises. This will reduce reliance on commercial banks with high interest rates, thereby facilitating economic growth.

6. Developing Industrial Infrastructure

Alternative Policy

Establishing clear guidelines for industrial parks will attract foreign direct investment, enhance regional development, and promote sustainable industrialization through structured policies and incentives.

7. Strengthening Policy Coordination and Implementation

Alternative Policy:

Enhancing coordination between government ministries and agencies will improve the execution of industrial and trade policies, ensuring seamless policy implementation and reducing bureaucratic inefficiencies.

8. Supporting Micro, Small, and Medium Enterprises (SMEs)

Alternative Policy

Strengthen SME support programs through targeted financial products, mentorship initiatives, and business incubation centers will boost their contribution to economic growth and job creation.

9. Promoting Value Addition and Export Diversification

Alternative Policy

Enhance value addition in the agricultural sector and diversifying into light manufacturing will promote export-led growth, reduce reliance on raw material exports, and increase foreign exchange earnings.

10. Enhancing Skills Development

Alternative Policy

Offering specialized training in entrepreneurship, technical skills, and trade-related fields will improve productivity and competitiveness in key economic sectors.

11. Strengthening Cooperative Governance

Alternative Policy

Strengthening governance frameworks for cooperatives will ensure adherence to cooperative principles, reduce mismanagement, and enhance the sustainability of cooperative-based enterprises.

12. Facilitating Market Access

Alternative Policy

Streamlining trade regulations, reducing non-tariff barriers, and investing in transport infrastructure will enhance market access for local producers, fostering business expansion and regional trade integration.

Conclusion

This Alternative Ministerial Policy Statement presents a comprehensive roadmap to revitalize Uganda's Trade, Industry, and Cooperatives sector, addressing critical challenges including prohibitive financing costs (18.4% lending rates), industrial underutilization (50% capacity), and dysfunctional cooperatives (70% inactive). Our evidence-based proposals prioritize value-added industrialization, SME financing reforms, cooperative revitalization, and trade facilitation infrastructure to stimulate job creation and inclusive growth.

2.3. Works and Transport

Executive Summary

The Alternative Policy Statement is presented in accordance with Rules 14(4) and 147 of the Parliamentary Rules of Procedure, which require the Shadow Ministers to submit the Alternative Policy Statements to Parliament by the 29th day of March every year.

The Works and Transport Alternative Policy Statement FY 2025/26 acknowledges the fact that the works and transport sector plays a critical role in being a growth enabler of the country.

However, the sector's potential to drive growth is hindered by several issues. These include among others:

1) disjointed transport modes; 2) a bias towards road transport; 3) delayed absorption of loans from development partners; 4) non-compensation of Project Affected Persons (PAPs); 5) delayed payments to contractors leading to increased interest charges; 6) high Cost on Financing for local contractors; 7) delayed Government projects completion; and 8) loopholes in the provision of ferry services

These critical issues have been identified through a thorough and wide consultation with key stakeholders, a review of Opposition critical guiding documents and Government documents plus the sector's corresponding performance reports and work plans.

As a result, the opposition has come up with five sector priority areas in FY 2025/26 and has set corresponding objectives and targets. These include: developing a holistic, multi-modal development plan for the Works and Transport Sector as opposed to fragmented isolated developments; investing in capacity building and skills development; deploying Innovative technologies; adopting Public-Private Partnerships; and focusing on sustainable practices.

This is aimed at improving accessibility of transport networks, enhancing efficiency in logistics; and promoting sustainable practices within the transport sector.

By doing this, the Opposition targets improving infrastructure networks; enhancing the public transportation systems; and integrating technology to streamline operations.

Introduction

The Office of the Leader of the Opposition in Uganda is mandated to keep the Government in check and hold it accountable. This mandate is drawn from Article 82A of the Constitution of the Republic of Uganda, 1995, and Section 6E of the Administration of Parliament (Amendment) Act, 2006.

From the above background, the Opposition in Parliament, in line with its statutory mandate, presents feasible alternatives to Government policies and responses to the budget as per Rule 14(4) of the Rules of Procedure of Parliament.

Therefore, the Works and Transport Sector Alternative Policy Statement (APS) is presented in accordance with Rule 147 of the Parliamentary Rules of Procedure of the Parliament of Uganda.

Sector Overview

The Works and Transport Sector is covered under the Integrated Transport Infrastructure and Services (ITIS) Programme of the National Development Plan IV (NDPIV), whose main goal is to have a seamless, safe, inclusive, and sustainable multi-modal transport system. The Programme aims to:

i) develop an inter-modal and seamless transport infrastructure and services;

ii) strengthen transport asset management;

iii) reduce the cost of transport infrastructure development and maintenance;

iv) strengthen governance and management of the Programme

As it is well captured in the National Development Plan IV, the ITIS Programme is designed to facilitate the efficient movement of goods and passengers between different modes of transport and boost both domestic and international trade by providing more reliable and faster routes in addition to supporting regional integration and contributing to the social inclusion by connecting especially through railway and water transport. These are marked as crucial for reducing the cost of doing business and enhancing competitiveness, attracting foreign and domestic investment.

It is also well-captured that the infrastructure facilitates the movement of raw materials to production centres and finished goods to markets, supporting industrialization and value addition. The Programme appreciates the fact that investing in safe and reliable railways and corresponding water infrastructure is crucial for reducing the cost of transportation which is a key factor in the cost of doing business. Additionally, the Programme recognizes that transport infrastructure and services are essential in the attainment of global, regional, and national development aspirations.

Whereas the Programme recognizes the critical role of the Works and Transport sector as a growth enabler of the country, the sector's potential to drive growth is hindered by several issues. These include among others: limited interoperability (disjointed) of the transport modes; a bias towards road transport; inadequate maintenance and rehabilitation of the existing transport infrastructure; lack of mass public transport system especially in Greater Kampala Metropolitan Areas (GKMA); inadequate infrastructure systems and services and high cost of infrastructure development and maintenance.

Methodology

While preparing the FY 2025/26 Alternative Policy Statements, the Opposition in Parliament undertook wide consultations with key stakeholders. These among others include Memoranda from the general public, opposition political parties, civil society organizations, the media, donors, the private and public sector, think tanks, the inter-religious council of Uganda, and all the Opposition Members of Parliament.

In addition, the following documents were reviewed for additional information:

1) the Opposition Legislative Agenda;
2) the Opposition Response to the Charter of Fiscal Responsibility;
3) the National Development Plans III and IV;
4) the National Budget Framework Paper FY 2025/2026 – FY 2029/30;
5) the Sector Budget Framework Papers and Work plans;
6) the Auditor General Reports for FY 2023 and FY 2024;
7) Annual Budget Performance Report FY 2023/24;
8) Votes Performance reports for quarters 1 and 2.
9) Second Budget Call Circular on Finalisation of the Budget for FY 2025/26;
10) Ministerial Policy Statements;
11) Public Finance Management Act, CAP. 171.

Situation Analysis

The National Development Plan IV notes among other issues that:

1. **transport infrastructure stock is biased towards roads, leading to a high cost of freight, increased depreciation of stock, increased travel time, and limited interoperability (disjointed):**

It is noted that over 95% of freight and passenger transport is by road, which has led to accelerated deterioration, higher maintenance costs, and traffic congestion. This issue has been recurring throughout the NDPIII period where transport investment prioritization has remained biased towards road transport over other modes.

It is further noted that whereas the stock of paved national roads was **targeted to increase to 7,500 Km of paved National Roads by FY 2024/25 from** 3,264km in 2010/11, this has not been achieved. Considering such performance, the Government can only manage, on average, to add only 244.5km of paved national roads to the network annually. Hence, poor performance considering the annual paved national road expenditure. This could be due to some encumbrances observed by the auditor general's reports to Parliament, as discussed herein.

As a result, over 81% of the entire road network is currently in poor condition,

2. **Underdeveloped railway transport, which is meant to reduce the burden on roads for more efficient and cost-effective cargo transportation**

It is noted that Uganda has a Meter Gauge Railway (MGR) network of 1,266 km of which **only 21.2% (270km) is operational.** That is, the Malaba- Tororo – Kampala, Kampala–Port–Bell, and Mbale- Tororo routes and the operational sections are observed to be constrained by low handling capacity and low speed. **The Standard Gauge Railway (SGR), which was expected to reduce transportation costs and lead time failed to kick start since its launch in 2014 hence, non-existent.**

3. **Underdeveloped maritime transport infrastructure which is meant to reduce the burden on the roads**

The National Development Plan IV makes it clear that the country has not leveraged the potential of Lake Victoria as a critical transportation hub to unlock regional and international markets. It is noted that **only two regional routes are operational on Lake Victoria;** Port Bell-Mwanza and Port Bell-Kisumu which connect to the rail network with only two vessels, MV Kaawa and MV Pamba that are operational.

The development of Bukasa Port which is meant to handle international cargo from the ports of Kisumu and Mwanza is very much behind schedule.

4. **Non-strengthened air transport, which is meant to boost the Country's trade and tourism**

NDPIV Programme situation analysis indicates that currently, the national carrier has a fleet of 7 aircraft and offers 14 routes. It is noted that Uganda Airlines has not optimised its operations due to a lack of mid-range aircraft and cargo freighters to complement the existing fleet. As observed by the Auditor General in the Audit report to Parliament in the audit year ended December 2024, National Airlines incurred a net loss of UGX 237.854 Mn in 2024. This loss threatens the financial sustainability yet the national carrier is supposed to be self-sustaining.

The inability of the national carrier to procure spare engines, meet insurance costs, and settle outstanding obligations on the maintenance contract is an indicator of a struggling subsector.

Budget Analysis

The total program allocation has been increased from UGX 4.91796 trillion in FY 2024/25 to UGX 5,857.89 as summarized in the tables below:

Table 1: FY 2024/25 Approved Budget

Vote No.	**Vote**	**FY 2024/25 Approved Budget (UGX Bn)**					
		Wage	**Non-Wage Recurrent**	**Domestic Dev**	**Ext. Fin.**	**Total Excl. Ext. Fin.**	**Total incl. Ext. Fin.**
016	Works and Transport	15.40	138.12	484.05	1,365.59	637.57	2,003.16
023	Ministry of Kampala Capital City and Metropolitan Affairs	-	-	-	-	-	-
113	Uganda National Roads Authority (UNRA)	68.55	24.66	417.50	1,311.46	510.71	1,822.18
118	Road Fund	3.95	399.29	-	-	403.23	403.23

122	KCCA Road Rehabilitation Grant	-	-	161.07	308.01	161.07	469.08
609	Local Governments	-	176.00	44.31	-	220.31	220.31
	Total	**87.90**	**738.07**	**1,106.93**	**2,985.06**	**1,932.89**	**4,917.96**

Table 2: FY 2025/26 Budget Estimates

Vote No.	**Vote**	**FY 2025/26 Budget Estimates (UGX Bn)**					
		Wage	**Non-Wage Recurrent**	**Domestic Dev**	**Ext. Fin.**	**Total Excl. Ext. Fin.**	**Total incl. Ext. Fin.**
016	Works and Transport	49.39	634.56	709.45	3,862.07	1,393.39	5,255.46
023	Ministry of Kampala Capital City and Metropolitan Affairs	-	-	-	-	-	-
113	Uganda National Roads Authority (UNRA)	-	-	-	-	-	-
118	Road Fund	-	-	-	-	-	-
122	KCCA Road Rehabilitation Grant	-	-	122.00	260.12	122.00	382.12
609	Local Governments	-	176.00	44.31	-	220.31	220.31
	Total	**49.39**	**810.56**	**875.76**	**4,122.19**	**1,735.70**	**5,857.89**

The growth is largely because of the increment in external allocation to the program by UGX 1,137.13 Bn from UGX 2,985.06 Bn in FY 2024/25 to UGX 4,122.19 Bn in FY 2025/26.

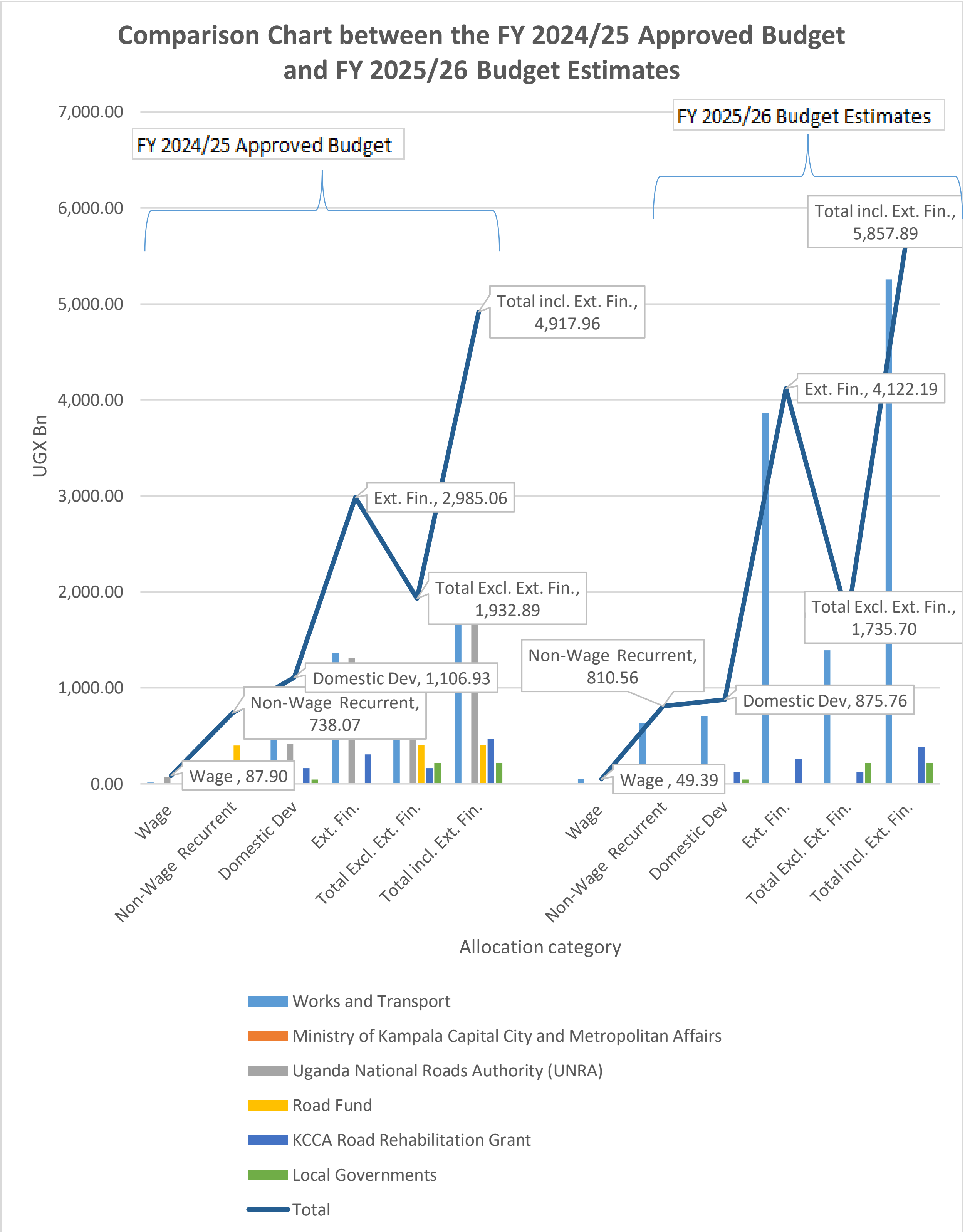
The growth in external financing is due to the anticipated start of SGR construction for the Eastern Route in FY 2025/26 and the completion of ongoing externally funded projects.

The program allocation in the medium-term expenditure framework grows from FY 2026/27 and FY 2027/28 due to the planned external resource allocation for SGR Construction.

UNRA's budget and that of the Uganda Road Fund have been absorbed in the Works and Transport's budget to give effect to the Government Policy of Rationalization. Hence, zero budget allocation for the former two rationalized votes.

Whereas the total wage budget for the program has gone down by UGX 38.51bn from UGX 87.9Bn in FY 2024/25 to UGX 49.39Bn in FY 2025/26, the total non-wage recurrent budget for the program has increased by UGX 72.49Bn as observed from UGX 738.07Bn in FY 2024/25 to UGX 875.76 in FY 2025/26.

This is mainly due to an increase in the non-wage budget for the Ministry of Works and Transport from UGX 138.12 Bn in FY 2024/25 to UGX 210.61 Bn in FY 2025/26, assuming that the non-wage budget for the road fund and that of UNRA was maintained. **This could imply an increase in operational costs by the Ministry of Works and Transport.**


Comparison Chart between the FY 2024/25 Approved Budget and FY 2025/26 Budget Estimates
FY 2024/25 Approved Budget
FY 2025/26 Budget Estimates
7,000.00
6,000.00
5,000.00
4,000.00
3,000.00
2,000.00
1,000.00
0.00
UGX Bn
Total incl. Ext. Fin., 4,917.96
Ext. Fin., 2,985.06
Total Excl. Ext. Fin., 1,932.89
Domestic Dev, 1,106.93
Non-Wage Recurrent, 738.07
Wage , 87.90
Total incl. Ext. Fin., 5,857.89
Ext. Fin., 4,122.19
Total Excl. Ext. Fin., 1,735.70
Non-Wage Recurrent, 810.56
Domestic Dev, 875.76
Wage , 49.39
Wage
Non-Wage Recurrent
Domestic Dev
Ext. Fin.
Total Excl. Ext. Fin.
Total incl. Ext. Fin.
Allocation category
Works and Transport
Ministry of Kampala Capital City and Metropolitan Affairs
Uganda National Roads Authority (UNRA)
Road Fund
KCCA Road Rehabilitation Grant
Local Governments
Total

Emerging Issues

6.11 Delayed absorption of loans from development partners

As noted by the Auditor General[16], the Government incurs huge commitment charges due to the delayed absorption of loans from development partners. For example, a review of three donor-funded road projects (North Eastern Road-Corridor Asset Management Project, Kabale-Lake Bunyonyi/Kisoro-Mgahinga Roads Upgrading Project, and Kampala-Jinja Expressway Project revealed a total of US$ 458.759Mn (Est. UGX 1.683 trillion) was Undisbursed loan funds as at 30th June 2023. These accumulated commitment fees amount to US$10.63Mn (Est. UGX 39.012 Bn) on un-disbursed donor funds since the effective dates of the projects.

The 2024 Audit report [17] revealed that undisbursed funds for various government projects have resulted in the accumulation of significant commitment fees, totaling USD 21,568,332.16 (Est. 79.155 Bn) and UA 1,444,813.87 as of 30th June 2024. As noted by the Auditor General, these fees represent avoidable financial costs incurred by the government for funds committed but not utilized.

The accumulation of such fees places an unnecessary financial burden on the government, diverting resources from critical development initiatives.

It is, therefore, prudent for the Government to adopt automated procurement processes to reduce delays in the procurement of contractors for civil works and corruption-related syndicates that lead to lengthy project approvals.

In addition, the Government ought to ensure the timely disbursement and utilization of project funds. This will save the government from incurring huge sums of money in commitment fees.

6.12 Non-Compensation of Project Affected Persons (PAPs)

Audit report [18] of December 2024, the audit revealed unpaid liabilities of undisbursed funds for various government projects amounting to UGX 3.491Tn as of 18th October 2024 for Project Affected Persons (PAPs) under land acquisition programs managed by the now Ministry of Works and Transport.

Failure to pay PAPs is not only unconstitutional but also poses a risk to project timelines and may result in additional administrative costs for reassessments

[16] Annual Report of the Auditor General to Parliament for the Financial Year ended 30th June 2023.
[17] Annual Report of the Auditor General to Parliament for the Audit Year ended December 2024.
[18] Ibid.

and potential litigation by affected PAPs thereby fully escalating project expenses.

The Government ought to ensure prompt compensation pursuant to Article 26 of the Constitution of Uganda, 1995, of all outstanding PAPs and prioritize the release of funds for outstanding compensation. This will mitigate costs associated with compensation delays and ensure that Ugandans' rights are protected.

6.13 Delayed payments to contractors leading to increased interest charges

Delayed payment to contractors has been and continues to be one of the major factors negatively affecting the construction industry in the Works and Transport sector. For example, before streamlining UNRA functions in the Works and Transport Ministry, **UNRA had over UGX 1 trillion in arrears to contractors**.

Table: National Roads: Summary of Debt (UGX Bn)

CATEGORY	AMOUNT
GOU Development debt	691,222,065,747
Land and Property Compensation debt	505,959,472,368
GOU Recurrent debt	2,762,468,029
URF debt	151,964,877,011
Total	**1,351,908,883,155**

Long-standing payables are an indication of poor budgeting and cause a risk of litigation and payment of penalties (interest) for delayed payments.

Consequently, Contractors lose the properties they used as collateral to acquire loans to execute government projects.

Commercial Banks, who are the main financiers of the industry, are losing confidence in government-funded projects making these projects less competitive and hence more expensive. Local Contractors have also lost credibility before associated stakeholders as they are looked at as high-risk borrowers.

Additionally, contractors have been frustrated and hindered from performing ongoing works and other obligations – hindered from generating requisite revenue to maintain a skilled labor force, pay taxes, and other statutory obligations like NSSF, and insurance.

Continued non-payment triggers a downstream spiral, with the negative effect of suppressing related manufacturing and smaller businesses along the supply chain.

The Government, therefore, ought to issue a commitment letter to contractors as a tool to restore confidence in Banks and other suppliers owed by Contractors until all outstanding payments are made.

It is also prudent that the Bank of Uganda relieve pressure on non-performing loans by contractors and allow loan restructuring; and

Prioritize timely payments for works executed to reduce challenges that come with constrained cash flows.

6.14 High Cost on Financing for local contractors

Credit lines are expensive for national firms, which makes it difficult for them to favorably compete with Foreign Providers whose Governments provide subsidies. The current cost of financing capital in Uganda is over 23% while foreign counterparts are accessing funds at as low as 2%interest rate.

Consequently, local firms that have the required technical capacity are unable to afford the required guarantees to secure work, purchase equipment or retain competent personnel.

The delayed payment to contractors by the Government has exacerbated this challenge as contractors grapple with interests and penalties from financial institutions on the already expensive credit.

Due to such capacity limitations, over 80% of civil works contracts in Uganda are still undertaken by foreign companies[19].

The Government ought to enhance the current Uganda Development Bank Limited (UDBL)'s Ugandan Contractors Financing Initiative to make it more inclusive by increasing the annual limit from UGX 150Bn to UGX 500Bn and offer both contract and trade financing solutions at an interest rate of at most 5% per annum.

Additionally, the Government ought to facilitate the acquisition of a Construction Guarantee Pool of UGX 500Bn in State-owned commercial banks to enable national providers recommended by the Contractors' Association to

[19] Ugannda National Association of Builders, Suppliers and Engineering Contractors, 2024. Issues affecting the Construction Industry.

access the required bid, performance, and payment guarantees to secure work.

6.15 Delayed Government projects

i. Kampala - Jinja Expressway

The Procurement process for the Kampala – Jinja Expressway (KJE) was initiated in May 2018. The project remains incomplete to date due to delays in approving the Partial Risk Guarantee (PRG) requested by prequalified consortia.

As of last year, June 2024, the cumulative donor disbursements for the project amount to only USD 343,983.50 (Est. UGX 1.262Bn) significantly lower than the expected USD 229,470,000 (Est. UGX 842.154bn), leaving undisbursed funds of USD 229,126,016.50 (Est. UGX 840.892Bn).

The Commitment fees so far incurred by the Government amount to USD 1,718,445 (Est. UGX. 6.306Bn). **This has further escalated the project cost.**

It is noted[20] that the Government of Uganda has contributed UGX 508.12Bn, of which UGX 498.44 was used to compensate 4,505 out of 16,058 Project Affected Persons (PAPs). **However, progress has been hindered by budget constraints.**

It should be noted that the Government of Uganda (GoU) is supposed to provide financing for the Viability Gap Funding (VGF) and the Right of Way (ROW). The ROW clearance component by GoU amounted to USD 300m; 19.39% of the total project cost as per the financing agreement (Est. UGX 1.101 trillion).

The Government ought to prioritize this project and ensure that land acquisition is strongly prioritized in the short term as compared to the long term. The project is highly important as it is highly relied on to decongest the Kampala – Jinja highway.

ii. Standard Gauge Railway (SGR)

The construction of the 273km Malaba – Kampala route (first phase) of the SGR project has not yet commenced since its launch in 2014. The first phase was expected to cover approximately 16% of the total proposed project length of 1,724km

[20] Annual Report of the Auditor General to Parliament for the Audit Year ended December 2024

The Government of Uganda has so far spent UGX 180.98 Bn on compensation of PAPs[21]. This amount has acquired 1,575 acres of land between Malaba and Jinja and parts of Buikwe. However, the UGX 180.98 Bn spent is only part of the approved reports worth UGX 363.2 Bn for this section.

The total land acquisition estimate from Malaba to Kampala currently stands at UGX 620.87 Bn for 3,006 acres, and the acquired land translates to a length of about 135km out of the 232km mainline Right of Way (RoW), which is about 58%.

The allocated UGX 79.03 Bn under the GoU for the SGR project in the FY 2025/26 is significantly inadequate to compensate the PAPs.

The GoU's commitment to providing and releasing funds for PAPs' compensation on this project remains sluggish years after its launch in 2014 and its implementation since 2016. The delayed acquisition of the RoW has implications since some PAPs may require revaluation of their land. This has a cost implication for the taxpayer since land appreciates. This is evidenced in the way that there is an ongoing reassessment of the section between parts of Buikwe to Kampala.

iii. Busega - Mpigi Expressway

As noted by the Auditor General[22], the Busega – Mpigi Expressway project is facing shortcomings in technical preparation and funding management. Initially, the Auditor General notes that the project was contracted at UGX 547.5Bn without adequate detailed designs, subsequent revisions escalated the project cost to UGX 1.35Tn by March 2023. By May 2024, the original contract funds for civil works were fully depleted, with physical progress at only 40.86% and certified works worth UGX 30.8Bn remained unpaid, posing risks of delayed payment and legal claims.

Falling short of targets, delayed payments, unplanned costs, and funding shortfalls threaten timely completion and cost containment generally speaks to poor project planning and management.

The Government ought to reduce risks of payment and contractor accumulation of interest claims on delayed payments by acting expeditiously.

iv. Development of New Port at Bukasa

[21] Ministry of Works and Transport, 2025. Responses to issues raised by the Committee on Physical Infrastructure on the Integrated Transport Infrastructure Services Programme (ITIS) Budget Framework Paper FY 2025/26 – FY 29/30.

[22] Annual Report of the Auditor General to Parliament for the Audit Year ended December 2024

On 25 April 2016, the Government of Uganda signed for a Euro 31.671Mn (Est. UGX 122.123Bn) loan with COMMERZBANK to develop an inland port at Bukasa.

The project aimed to address the country the country's rapidly growing traffic demands using the Central Corridor across Lake Victoria to Kenya and Tanzania, thereby reducing over-dependence on the Northern Corridor. This will promote Regional Trade, Transport Corridor Competition, and Regional Integration, reduce traffic on the Northern Corridor, reduce Road Maintenance Costs, and reduce the cost of doing business, hence increasing socioeconomic development and consequently achieving the socio-economic transformation of Uganda.

The project closing date was 31st December 2024 but to date, disbursement performance stands at 47.79%.

The first concern to note is that the loan has not been fully absorbed by the end of its tenure and this **attracts commitment charges which increase the cost of servicing debt.**

Secondly, delayed compensation of PAPs hinders the progress of the project.

Therefore, delayed procurement and delayed land acquisition remain a big challenge to the progress of Government projects in the works and Transport sector.

The Government should prioritize the allocation of funds towards land acquisition to expedite the completion of compensation and enable the project to commence.

The project is key as it will act as a gateway for 90% of Uganda's trade, which will trigger economic growth in Uganda and the African region. It will also promote increased Transport Demand along the Central Corridor, hence avoiding the natural monopoly of the utilization of high Transport Cost Northern Corridor., hence reducing road maintenance costs and cost of doing business.

6.16 Loopholes in the provision of ferry services

Inland water transport has been neglected over time with concerns about limited connectivity, ferry breakdowns, and makeshift boat use persist, with up to 5,000 deaths occurring annually on Lake Victoria alone due to boast accidents.

Water transport is a lifeline for many, connecting islands in lakes and bridging shores separated by rivers and lakes. However, the current ferry services in Uganda fall short of demand, and some of the populace is still not reached by the existing ferry routes, limiting people's ability to safely access important services.

As the Auditor General notes[23], ferry support infrastructure is inadequate. No single ferry had in place all the minimum requisite infrastructure to support the provision of ferry services at the time of the audit by the Auditor General. Specifically, no ferry had docking sites that incorporate ferry support infrastructure, and gaps in ferry designs.

These among other concerns have rendered the ferry services inefficient with a lack of capacity to provide the services.

As noted by the Auditor General, the Government ought to:

i. **undertake long-term, comprehensive countrywide planning (including needs assessment, demand projection, and cost implication) to inform prioritization and optimization of ferry service provision;**
ii. **regularly assess and compare the efficiency of ferries across Uganda to identify opportunities for improvement or optimization;**
iii. **put in place adequate ferry support infrastructure at all landing sites to ensure smooth, efficient, and dignified ferry service provision;**
iv. **Regularly maintain and repair ferries and landing sites and develop contingency plans to reduce the number of breakdowns and mitigate the effects of unexpected events.**

Other challenges faced by the sector include but are not limited to inadequate roads and other transport infrastructure - about 80% require maintenance; inefficiencies in financial and funding systems to support infrastructural development; outdated sector technology and in many cases, research and development is not supported; very few plans to address urbanization and population increase to escape the chronic debt; governance and regulatory issues plus the environmental concerns.

[23] Annual Report of the Auditor General to Parliament for the Financial Year ended 30th June 2023

Alternative Budget Priorities FY 2025/25 & The Corresponding Justifications

The depth of the challenges in the works and transport sector suggests a comprehensive approach to finding complementary solutions across several interrelated issues, and no single package or set of interventions is likely to be sufficient.

Additionally, investment in the sector might be needed but throwing money without a plan at the problem is unlikely to see a solution.

The existence of reliable and efficient roads, properly functioning trains, maritime systems, and civil aviation networks helps in moving passengers and freight to and from work, enterprises, and homes.

Supporting innovative practices enables the various stakeholders to appreciate the changing context of the works and transport sector. It promotes the adaptive management necessary to promote resilient operational and performance outcomes.

In light of the above, the following sector priorities with their corresponding justifications have been adopted for the FY 2025/26 to boost the potential of the sector to contribute to economic growth, poverty reduction, and service delivery:

7.11 Developing a holistic, multi-modal development plan for the Works and Transport Sector as opposed to fragmented isolated developments

Transport policies have been tendered to be based on projects rather than strategies. Policies provide the rationale and justification and form the basis for a range of other instruments and strategies such as legislation, planning, programming, monitoring, and regulation.

National Transport Policy must establish clearly the national goals in relation to transport and provide an agreed means of appraising the alternative ways of allocating resources among the competing sectors and within the transport sector itself.

The National Transport Policy should be responsive and adaptive to prevailing changing technologies, spatial patterns, and levels of development.

It is important that decisions on which bridges to build and repair and which roads in which region for instance to upgrade or extend are driven by evidence. Decisions should follow a rigorous and logical process, using relevant data for validation and informed decision-making.

This will enhance citizens' participation in the process and offer all the necessary support needed for a government project to go on smoothly to completion as opposed to continuous hesitation.

7.12 Investing in capacity building and skills development

The delivery of high-quality and efficient services in the sector is dependent on the capacity of the sector players. Despite the educational qualifications, the practitioners in the sector require education and reorientation to bridge the gap between 'what is' and 'what should be' according to the profession.

The type of training that is required includes competencies in, and appropriate for, various management and professional roles such as planning, design, implementation, maintenance, and operation of infrastructure such as transport, roads, ports, harbors, airports, energy and utilities, environment, and water supply.

This is to enable a logical process of implementation and advances in policy changes that may occur from time to time. Training programs help support the capacity required for modern construction practices for efficient work and transport-related facilities.

7.13 Deploy Innovative technologies

Innovative technologies such as tools for making data-driven, evidence-based decisions, using time and unread tickets for data analysis, automated vehicle technologies, and automated testing systems ought to be adopted.

These systems and tools are aimed at the modernization of transport and its integration into spatial development planning, and thus contribute significantly to sustainable development.

The development and use of these digital tools for traffic engineering and management, transport planning, logistics, maintenance, asset management, real-time operations, safety and security, marketing, and customer services will ensure the timely execution and completion of projects effectively and efficiently.

A key outcome of these innovative technologies is further aimed at optimizing traffic management, improving safety and accessibility, lowering the system's vulnerability, reducing transport's carbon footprint, improving customer service and operational efficiency, improving the business environment, and promoting value-for-money investments. This is seen as a game-changer.

7.14 Adopt Public-Private Partnerships

In order to foster the efficient operations and growth of transportation systems, Public-Private Partnerships (PPPs) are a positive intervention. PPPs refer to the possibility of diversifying public resources by leveraging private investment in public works and transport infrastructure assets with public good output.

With PPPs, weaknesses on the public side can be overcome with the presence of the business sector. PPPs are also a vehicle for meeting infrastructure investment targets as opposed to excessive borrowing to finance government projects.

The private sector is also capable of contributing innovative proposals for delivering more efficient services.

Relevant reforms, therefore, ought to be applied not only to institutional and procedural arrangements at the central government level but also to the enactment of laws on public investment that ensure integrated development of the public works and transport sector.

7.15 Focus on sustainable practices

These practices and strategies include the incorporation of eco-design, the use of alternative, low-energy materials, the selection of long-term designs, low-cost sealing technologies, and the creation of easily maintainable assets.

Making the sector more sustainable can bring about a range of social, economic, and environmental benefits. Sustainable transport can influence global climate change through a number of different mechanisms.

The benefits of sustainable practices can be incorporated into several stages of project planning and execution to raise awareness and ultimately the priority and outcome of initiatives.

Objectives and Targets

Objectives

i) Improving accessibility;

ii) Enhancing efficiency in logistics; and

iii) promoting sustainable practices within the transport sector.

Targets

i) improving infrastructure;

ii) enhancing the public transportation systems; and

iii) integrating technology to streamline operations.

Conclusion

Efficient and effective sector performance is built on effective and efficient planning, having in place clear and precise work plans, and ensuring that priorities out of priority areas are selected for expedited handling.

Whereas we acknowledge other sector performance issues like the irregular collection of data on transport infrastructure and service to have evidence-based decisions, the identified priority areas are critical for effective and efficient service delivery in the works and Transport sector.

I, therefore, implore Parliament to adopt these priority areas for a transformed Works and Transport sector.

I beg to move.

2.4. Lands, Housing, and Urban Development

Executive Summary

The Lands, Housing, and Urban Development Sector Alternative Policy Statement is presented in accordance with Rules 14(4) and 147 of the Parliamentary Rules of Procedure. This mandate is drawn from Article 82A of the Constitution of Uganda and Section 6E (4) of the Administration of Parliament (Amendment) Act, 2006.

In developing the Alternative Policy Statement (APS) for the Lands, Housing, and Urban Development Sector FY 2025/26, the opposition adopted a methodology that involved consultations with key stakeholders and receiving memoranda. Subsequently, relevant government and opposition documents were reviewed.

These engagements and the situation analysis revealed sector challenges including but not limited to high and increasing urbanization and housing deficits, and a dilapidated, neglected, and disorderly urban environment. In specific terms, Unaffordable Housing, Overcrowding in Housing, Unimproved sanitary facilities and unimproved water sources, Improper waste disposal methods, Low levels of land registration and documentation, and challenges with the implementation of Municipal Infrastructure Development Additional Financing Programme (USMID –AF).

These are viewed as major deterrents to economic development, as they generate inefficient resource-use patterns, discourage and limit new investments, and overall living standards.

It is against this background that five Alternative sector priority areas FY 2025/26 have been identified. These are: investing in Innovative Financing Models for Affordable Housing, adopting Sustainable Urban Planning and Design Strategies (Smart City Innovation) engaging in Public-Private Partnerships in Infrastructure Development, Invest in digital platforms for land registration and management (e-services), and Streamlining permitting processes.

Introduction

The Lands, Housing, and Urban Development Sector Alternative Policy Statement is presented in accordance with Rules 14(4) and 147 of the Parliamentary Rules of Procedure. This mandate is drawn from Article 82A of the Constitution of Uganda and Section 6E (4) of the Administration of Parliament (Amendment) Act, 2006.

Sector Overview

The Lands, Housing, and Urban Development sector falls under the Sustainable Urbanization and Housing program of the National Development Plan IV. The program aims to attain well-planned and productive urban centers with affordable housing.

The sector covers votes - 012 Ministry of Lands, Housing and Urban Development and 156 Uganda Land Commission. However, in the program working group, the sector coordinates closely with the Ministry of Local Government, the Ministry of Works and Transport, the Ministry of Kampala Capital City and Metropolitan Affairs, the Kampala Capital City Authority, and the Uganda Free Zones Authority.

The Sector currently is challenged with high and increasing urbanization and housing deficits, a dilapidated, neglected, and disorderly urban environment. These are viewed as major deterrents to economic development, as they generate inefficient resource-use patterns, discourage and limit new investments, and overall living standards.

The lack of financial self-sufficiency, coupled with the deteriorating quality of urban environments, has in essence become one of the most central challenges faced by the sector.

This calls for targeted efforts at transforming the existing stock of urban areas into functional and well-coordinated habitats through an effective and efficient land governance system.

Methodology

The Opposition while developing these alternative policy statements FY 2025/26 undertook extensive consultation with key stakeholders; the memoranda received from the general public, opposition political parties, civil society organizations, the media, donors, the private and public sector, think tanks, and all the opposition Members of Parliament.

The other texts reviewed include the Opposition Legislative Agenda, the Opposition Response to the Charter of Fiscal Responsibility, the National

Development Plans, III and IV, the National Populations and Housing Census, 2024, the Auditor General's Report 2024, the Annual Police Crime Report, 2024, the National and Sector Budget Framework Paper FY 2025/26 – FY 2029/30, the Annual Performance Report FY 2023/24 and the Votes performance reports for quarter 1 and 2, the Second Budget Call Circular on finalization of the Budget for FY 2025/26 and the Sector Ministerial Policy Statement.

Situation Analysis

In recent years, focus has been put on the land subsector and ignored the other two subsectors: housing and urban development. These subsectors have continuously been sidelined.

The following areas were identified to have some glaring gaps:

1. Unaffordable Housing

Given the high percentage of owner-occupied dwelling units (65.8%) and the significant variation in ownership across regions [24] and the high rate of urbanization as one of the highest in the world (5.4%), the government ought to implement policies that promote affordable housing initiatives.

Although housing needs vary with income, family size, and regional socio-economic conditions, it should be possible for at least "minimum housing needs" to be met for all.

As highlighted by the National Development Plan IV (NDPIV), the rate of urbanization has not been matched with the corresponding rate of physical planning, infrastructure development (including value addition infrastructure), the necessary social services, security, and drainage and water management system.

The census report suggests providing subsidies, low-interest loans, or tax incentives to encourage home ownership, especially in regions like Buganda where renting is more prevalent.

Collaborating with private developers to construct affordable housing units can help meet the demand.

2. Overcrowding in Housing

The Census 2024 results indicate that 46.0 % of households do experience overcrowding. According to NDPIV situation analysis of the programme, 96% of Ugandans cannot afford the cheapest typical house formally constructed by a private developer and the housing deficit has increased to 2.5 million

[24] The National Housing and Population Census 2024.

housing units. This has led the majority of urban dwellers to live in unplanned neighborhoods with poor road networks, drainage, sanitation, and waste disposal.

The situation analysis further indicates that only 14 out of 31 (45%) municipalities and 45 of 580 (8%) town councils have Physical Development Plans. It is highlighted that even those with development plans have not developed detailed plans to guide and regulate development. On average, the NDPIV indicates that less than 25% of existing physical development plans have been implemented.

Unplanned urbanization, therefore, limits the realization of the potential economic, and social, environmental benefits associated with well-planned urbanization.

The Government ought to involve zoning regulations that promote the development of larger homes and multi-unit housing options.

3. Unimproved sanitary facilities and unimproved water sources

18.9% of households rely on unimproved water sources and 49.7% on unimproved sanitary facilities according to the Census Report, 2024. **The government ought to invest in water infrastructure, such as boreholes and piped water systems as well as expanding sanitation programmes that encourage the construction of safe toilet facilities, especially in areas with high rates of open defecation.** This will improve access to clean drinking water and adequate sanitation.

4. Improper waste disposal methods

The Census report, 2024, indicates that 91.6% of households use improper waste disposal methods. The NDPIV recognizes that there are inadequacies in the stages of waste collection, transportation, recycling, and disposal. It is further pointed out that the municipal authorities are inadequately equipped and financed to execute their mandate of providing waste management services.

Therefore, solid waste management should be taken as a matter of urgent importance by establishing waste collection systems, promoting community-based waste management initiatives, and educating the public about proper disposal practices.

The government ought to integrate waste management into planning to mitigate environmental hazards and improve public health.

5. Low levels of land registration and documentation

The Census Report, 2024 reveals that half of the population (58%) own land with documents of ownership. Since land is a critical factor of production its registration enables transfer which in turn eases access to other factors of production like capital.

The Annual Police Crime Report, 2024[25] indicates that there was an increase in the crimes reported in the category of land Fraud in the year 2024 by 46.5% from 271 cases reported in 2023 to 397 cases in 2024.

These cases were more of fraudulent procurement of Certificates of title and obtaining Registration by False Pretenses, criminal trespass, obtaining Money by False pretenses, and forgery, among others.

On the side of the Government, the Auditor General[26] observed that 67 local governments invested a total of UGX 247.4Bn on 1,128 acres of land without evidence of ownership in terms of land titles risking loss of funds while settling land disputes including loss of the infrastructure.

Under education, there were 108 projects on 986 acres of untitled land, and under Health, there were 69 projects (upgrading of HC II to HC III and supply of medical equipment) on 142 acres of untitled land.

The NDPIV culminates that there is still bureaucracy in obtaining land titles and a lot of information in land acquisition which has contributed to the distortion of the value of land, created artificial title processing costs, and unnecessary increased cost of land acquisition.

It is noted that the absence of a public land banking scheme complicates the acquisition of land for foresighted infrastructure projects.

T**he Government ought to ease the land registration and documentation process and reduce the bureaucracy and fees involved by well streamlining the process**.

Additionally, the Government ought to fast-track the process of land titles for ongoing projects and desist from investing government funds in untitled land.

There is also a need to promote equal access to land and property rights for marginalized groups and women. This may entail legal reforms to strengthen tenure security and awareness campaigns to educate communities about the importance of equitable asset ownership for improving household welfare.

[25] Uganda Police Force, 2025. Annual Crime Report 2024.

[26] Auditor General's Report to Parliament for the Audit Year ended December, 2024

6. Municipal Infrastructure Development Additional Financing Programme (USMID –AF) Implementation Challenges

The USMID–AF Program is undertaken by the Ministry of Lands, Housing and Urban Development (MoLHUD). The Ministry secured additional financing of USD 360 million (Est. UGX 1.32trillion) on behalf of the Government from the International Development Association (IDA/World Bank) to finance Uganda's Support for the USMID – AF program.

The 22 Municipalities and Cities participating in the program include; Arua, Gulu, Kitgum, Lira, Apac, Soroti, Moroto, Mbale, Tororo, Busia, Kamuli, Jinja, Lugazi, Entebbe, Hoima, Mubende, Fort Portal, Kasese, Mbarara, Ntungamo, Kabale and Masaka.

As noted by the Auditor General’s Value for Money Audit [27], there are inconsistencies in some of the quantities certified resulting in overpayments of UGX. 1.651Bn on the USMID-funded projects and UGX 95.961Mn on the non-USMID-funded projects.

There was a lack of necessary supporting documents which increased the risk of overpayments and payments for unexecuted activities. Other funded projects delayed the completion of works which denied intended users timely usage of the infrastructure.

The Auditor General observed defects in 21 projects. These defects include broken walkway slabs, non-functional street lights, damaged stone pitching, segregation in asphalt concrete, bleeding, missing drainage covers, and missing guard rail bolts. These defects compromise the durability and functionality of the infrastructure.

As further highlighted by the NDPIV, the condition of roads (both paved and unpaved) in the GKMA has continued to deteriorate, with a significant portion of paved roads requiring rehabilitation due to fair or poor conditions.

The percentage of paved road networks in good condition has reduced to 35.46% in FY ended June 2024. This implies that 64.54% of paved roads have remained in a poor state.

The government, therefore, ought to review the USMID-AF program and address the prevailing issues to avoid losing funding due to emerging anomalies in the implementation process.

[27] Ibid.

Budget Analysis

The Sustainable Urbanization and Housing Programme budget is proposed to increase by 105% from UGX 630.4Bn approved in FY 2024/25 to UGX 1,291.05Bn proposed in the Budget for FY 2025/26.

The increase is largely due to an increase in external funding of UGX 1,143.46Bn in the proposed budget FY 2025/26 under the Ministry of Kampala Capital City and Metropolitan Affairs from UGX 444.4Bn approved in the FY 2024/24.

However, the Ministry of Lands, Housing, and Urban Development's total Budget has been reduced by 46% (UGX 59.26Bn) from the approved UGX 129.41 in FY 2024/25 to UGX 70.15Bn in the proposed budget FY 2025/26. This is largely due to a significant reduction in the non-wage budget, domestic development budget, and lack of external financing budget under the Ministry.

There is also a significant increase in the wage bill (53% increase) from UGX 7.69Bn to UGX 16.4Bn.

The Uganda Land Commission didn't have a budget under the program. This is because the vote was transferred from the Natural Resources program to Sustainable Urbanisation and Housing in the National Development Plan IV.

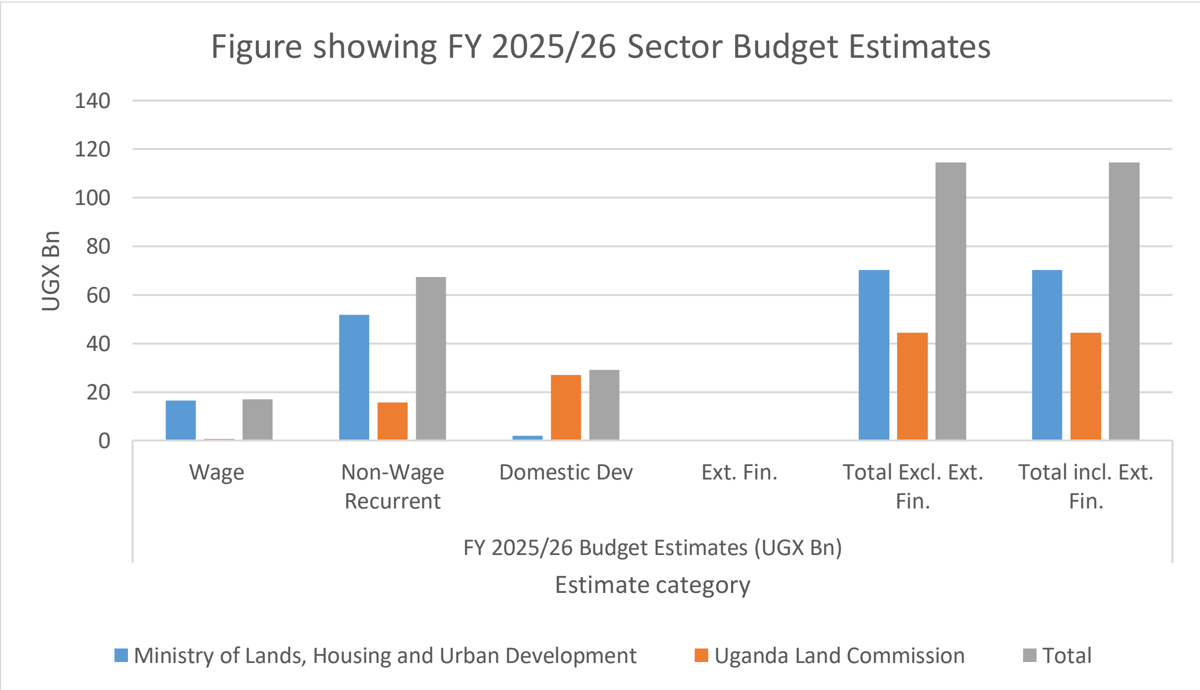
In a nutshell, the sector is proposed to have a total budget of UGX 114.51Bn in the Budget FY 2025/26. These budget allocations are summarized in the tables below:

Table showing FY 2024/25 Sector Approved Budget (UGX Bn)

Vote	**FY 2024/25 Approved Budget (UGX Bn)**					
	Wage	**Non-Wage Recurrent**	**Domestic Dev**	**Ext. Fin.**	**Total Excl. Ext. Fin.**	**Total incl. Ext. Fin.**
Ministry of Lands, Housing and Urban Development	7.69	79.93	6.34	35.44	93.97	129.41
Uganda Land Commission	-	-	-	-	-	-
Total	**7.69**	**79.93**	**6.34**	**35.44**	**93.97**	**129.41**

Table Showing FY 2025/26 Sector Budget Estimates (UGX Bn)

Vote	FY 2025/26 Budget Estimates (UGX Bn)					
	Wage	**Non-Wage Recurrent**	**Domestic Dev**	**Ext. Fin.**	**Total Excl. Ext. Fin.**	**Total incl. Ext. Fin.**
Ministry of Lands, Housing and Urban Development	16.4	51.67	2.08	-	70.15	70.15
Uganda Land Commission	0.68	15.76	26.92	-	44.36	44.36
Total	**17.08**	**67.43**	**29**	-	**114.51**	**114.51**



Alternative Budget Priorities FY 2025/25 & The Corresponding

The Land, Housing, and urban development sector must emphasize environmentally friendly sustainable practices, promote equitable access to affordable housing for all individuals and families, and enhance urban infrastructure to support community growth and resilience.

The target is to encompass the promotion of sustainable urban practices that enhance the overall quality of life, the advancement of affordable housing initiatives designed to promote residents with better living options, and the development of robust infrastructure that supports inclusive economic growth while ensuring that all community members benefit from such progress.

Therefore, bold measures ought to be initiated to ensure that the sectors is vibrant, cost-effective, and render the highest benefits of national development.

The opposition's sector alternative priority areas FY 2025/26, therefore, are anchored on the highlighted objectives and targets.

1. Investing in Innovative Financing Models for Affordable Housing

The proliferation of programs or facilities relying on subsidized government or donor capital to fund government or nonprofit entity initiatives has contributed largely to the urban housing shortage in Uganda.

Leveraging the transformational movable asset-based approach could provide an alternative pathway to the provision of affordable houses and secure urban dwellers a comfortable lifestyle.

This implies building using locally available and eco-friendly technologies, where the focus is on the poor and the public-private partnership facilities by relevant initiates. This will render the sustainable and vibrant affordable residential housing sector achievable.

It is also a potential vehicle for effective transformative development with great social impacts across the income strata and other social challenges.

2. Adopting Sustainable Urban Planning and Design Strategies (Smart City Innovation)

The planning concept considers the city as a complex system where all elements, including the social and economic ones, are regarded as basic and vital.

The use of information and communication technology can enhance the city by integrating all its elements and helping its inhabitants and visitors; it reduces capital investment and running costs for a complex system, helps avoid copying models from other cities, and therefore maintains the uniqueness of each city; it can assist in the personalization of services and offer great advantages for handicapped and elderly citizens.

To be effective, the feasible solutions and the technology to be enhanced need to contribute to making the urban environment comfortably and efficiently habitable. **To ensure this, sustainable urban planning and design strategies are necessary to link sustainability and information and communication technology.**

This could involve public transit payment integration to improve inter-city connection, integrating Urban Management Systems and operation Centres, and the use of autonomous vehicles.

There is also a need for situation awareness, public service provision, land use and transportation management, and emergency management operations.

3. Engage in Public-Private Partnerships for Infrastructure Development

Low participation of the private sector in many instances leads to low levels of infrastructure development activities.

The structure of new public-private partnerships that allow for the active participation of the public sector in charge of general infrastructure plays the important role of bill collectors and brokers.

Such partnerships would rely heavily on the dominant capabilities of national and city governments, often acting as landlords and contractors of general infrastructures through the full range of public-controlled and fully budgeted, to public-controlled yet autonomously funded, managed and operated, partnership-financed and partnership-managed, and citizen and user ownership or contracted-out local government agencies.

Private financiers, capital and risk imitators, operators, other countries and cities, and users, current and future, by groups, categories, and authorities should be diversified during project implementation for effective participation in development.

4. Invest in digital platforms for land registration and management (e-services)

The Government ought to engage in a continuous and dynamic transformation process to ensure that the Ministry of Lands, Housing, and Urban Development addresses the needs of the sector as well as maintain high standards of effectiveness and efficiency.

There is increasing appreciation of the role that technology and information-based systems can play in the management of data for purposes of mapping, planning, development approval, service provision, management, valuation, title registration, and security, among other benefits.

Existing legislation, rules, and regulations suppress this role rather than use them to simplify, facilitate, and improve data management, decision-making, and service delivery.

The primary means of delivering this required change is through the use of digital platforms. This requires a robust information management system that can serve as a base to allow for the delivery of a host of land services and systems, including spatial data infrastructures, land information systems, application systems, and specialist land-related databases. Hence reduces bureaucracy and corruption involved in the whole process.

To harness the potential benefits of digital land administration and management systems, requires a significant reengineering of the current land development and management systems to deliver an operational environment that responds to the needs of the intended users and beneficiaries, and substantial investment in the skills and capacity of implementers, as both will be essential prerequisites to realizing the intended benefits.

5. Streamlining permitting processes

Administrative procedures to deal with land use and real estate development processes are complex, requiring multiple levels of approval and input.

Land use development involves many types of permissions from the public and private sectors; building development requires specialized trade permits before construction can begin.

Some requests also require a special use permit, site plan, architectural review board permission, or similar body action before a final binding permit is issued. This normally takes two to three years and this is a long time.

The time for issuance of the ground and site work permits needs to take a shorter time. The sequence of permits at the site can be done by different divisions of the municipality.

Air, water, and storm water retention issues are other restrictions involved in site and construction permits. It is important how many days this latter process can last, but not averaging 12 to 24 months. **Any municipality is entitled to impose impact fees and procedures that can influence the timing of the final construction permit.**

Conclusion

The Opposition in Parliament believes that designing long-term approaches, exploiting opportunities in information technology researching urban slums and settlements, fostering institutional development of the private sector, and harmonizing global, regional, and national agendas in the sector are key to developing an effective and efficient land, housing and urban development sector.

In utilizing these approaches, there are two general principles to adhere to: designing strategies for integrating public transport with private sector activities and fostering good governance by making the performance of the sector more open, participatory, accountable, and effective.

In implementing the strategies, it is important to change many of the current attitudes and mindsets. By implementing the above strategies and changing attitudes and mindsets, significant endeavors in national and global urban policy could be changed to become more inclusive, effective, and efficient in promoting positive urbanization that supports a better living environment, balanced development, and social justice for all.

I beg to move.

2.5. Information Communications Technology (ICT)

Executive Summary

The Alternative Policy Statement (APS) for Information Communications Technology (ICT) and Anticorruption presents a concise overview of the ICT sector, the methodology adopted when coming up with these alternatives, the sector situation analysis, budget analysis, identified emerging gaps and provides plausible alternatives. These plausible alternatives are in line with the opposition's set objectives and targets.

The ICT sector situation analysis indicates growing concerns about the high cost of digital services and end-user devices, the low level of digital literacy, cyber risk and exposure, and inadequate opportunities for digital innovations and entrepreneurship.

The emerging issues identified include the mismanagement and sluggish implementation of ongoing loan projects under the National Information Technology Authority - Uganda (NITA- U). These projects include the Uganda Digital Acceleration Project – Government Network (UDAP-GOVNET) Project and the NBI Phase V (NBI/EGI) Project.

Other sector-identified issues include but are not limited to low automation of Government systems or processes, the existence of many stand-alone systems in Government that don’t work in sync., and inadequate ICT uptake across the country due to the high cost of internet and ICT equipment.

There is also a shortage of infrastructure and skilled personnel, and available infrastructure is of poor quality and unaffordable to vast sections of the population.

The FY 2025/26 Alternative Budget Priorities focus on Infrastructure Development, initiating well-functioning policies and regulatory framework, Development of Human Resources, Promoting Innovation and Research, Digital Inclusion and Access, and investment in cybersecurity measures.

This is all aimed at enhancing digital infrastructure, promoting innovative technologies, and ensuring equitable access to digital resources with a focus on improving infrastructure, enhancing digital literacy, and fostering innovation to drive economic growth.

Introduction

The Alternative Policy Statement (APS) for Information and Communications Technology (ICT) is presented in line with Rules 14(4) and 147 of the Rules of Procedure of the Parliament of Uganda. This obligation is drawn from Article 82A of the Constitution of Uganda, 1995, and Section 6E (4) of the Administration of Parliament (Amendment) Act, 2006.

Sector Overview

The Information Communications Technology (ICT) sector, is covered under the Digital Transformation Programme of the National Development Plan IV (NDPIV). The Sector covers two votes. Vote 013 – Ministry of ICT and National Guidance (MoICT & NG) and Vote 126 – National Information Technology Authority (NITA – U).

The following agencies are overseen by Vote 013 - The Ministry of ICT and National Guidance under the sector. These are: The Uganda Communications Commission (UCC), the Uganda Broadcasting Corporation (UBC), Uganda Posta Ltd (Posta Uganda), Uganda Institute of Information and Communications Technology (UICT), Uganda Media Council, Uganda Media Centre (UMC), Vision group and Uganda Telecommunications Corporation Limited (UTCL)

The sector as envisaged by the NDPIV has the potential for digital transformation. However, it is hindered by: limited connectivity across the country; the high cost of end-user devices and digital services; low levels of digital literacy; cybersecurity risks and inadequate data protection and privacy; limited support systems for digital innovations and entrepreneurship; lack of a national spatial data infrastructure; and weak enforcement of policies, legal & regulatory frameworks and institutional coordination.

Methodology

While preparing the FY 2025/26 Alternative Policy Statements, the Office of the Leader of the Opposition interacted with the following key stakeholders and received memoranda: The Opposition Political Parties represented in Parliament, the Opposition Members of Parliament, the general public, donors, the private and public sector, the Civil Society Organisations, think tanks among.

The other sources of information for beefing up the documents were as follows:

i) The Opposition Legislative Agenda, 2021;

ii) The Opposition Response to the Charter of Fiscal Responsibility for FY 2021/2022 – FY 2025/26;

iii) The National Development Plan IV;

iv) The National Budget Framework Paper FY 2025/26 – FY 2029/30;

v) The First and Second Budget Call Circulars FY 2025/26;

vi) Annual Budget Performing Report FY 2023/24;

vii) Sector performance reports for Quarter 1 and 2;

viii) The Auditor General Reports for the Audit Years 2023 and 2024;

ix) Public Finance Management Act, CAP 171;

x) Sector Ministerial Policy Statements;

xi) Briefs from the Department of Research of the Parliament of Uganda.

Situation Analysis

Whereas broadband coverage has improved, the National Development Plan IV highlights that fixed connectivity which offers more reliable and high-speed internet remains low. Last-mile connectivity to the National Backbone Infrastructure (NBI) is low, which is affecting the adoption of e-government services.

The High cost of digital services and end-user devices

The cost of internet access of USD 35 (Est. UGX 128,590) per megabyte per second (Mbps) and 1Mbps/Month for commercial Internet Service Providers (ISP) of USD 85 (Est. UGX. 312,290) is high. In addition, the average cost of an entry-level smartphone ranges from UGX 200,000 to UGX. 500,000. This is also high and altogether hinders Internet penetration and affects the rollout of electronic Government. This is one of the reasons why many people are not using the internet and associated services.

Low level of digital literacy among the population

The available data indicates that the proportion of the population that was digitally skilled in 2021 was estimated at 20% and as of 2023, over 1.5 million Ugandans had received **some form** of digital training. Considering Uganda's current population, this is a very low percentage (est. at 3%) of the total population.

There are also challenges of lack of equitable access to digital skills, especially for rural and underserved communities.

Cyber risk and exposure

There was a 93.5% increase in cases of cybercrimes countrywide in the year 2024[28]. These crimes led to a loss of UGX 72.125Bn. Out of which only UGX 420Mn was recovered. This speaks to the fact that personal data and networks are insecure and susceptible to cybercrime.

Inadequate opportunities for digital innovations and entrepreneurship

There is low government uptake of home-grown digital products and services. It is also noted[29] that there are 15 privately managed ICT hubs across the country with One National ICT Innovation Hub at Nakawa. These Innovation Hubs are supposed to support ICT innovations to nurture ideas towards the development and commercialization of their products. Failure to provide for these digital innovations, therefore, limits the growth of start-ups.

In this circumstance, it is judicious to increase connectivity across the country, enhance support systems for digital entrepreneurship, increase uptake of end-user devices and digital services, foster digital skills & literacy, and promote cybersecurity and data protection among other interventions to harness the full potential of digital transformation as an enabler for all sectors and a provider of development opportunities.

Budget Analysis

The Digital transformation programme had an approved budget of UGX 228.59 Bn in the FY 2024/26 as seen in the table below.

Table: FY 2024/25 Programme Approved Budget (UGX Bn)

Vote	FY 2024/25 Approved Budget (UGX Bn)					
	Wage	Non-Wage Recurrent	Domestic Dev	Ext. Fin.	Total Excl. Ext. Fin.	Total incl. Ext. Fin.
013 - Ministry of ICT and National Guidance	1.79	38.01	0.57	-	40.37	40.37
126 - National Information Technology Authority	8.85	16.83	0.02	162.53	25.69	188.22

[28] Uganda Police Force, 2025. Annual Crime Report for the year 2024

[29] NDPIV

Total for Digital Transformation	**10.64**	**54.84**	**0.59**	**162.53**	**66.06**	**228.59**

Source: Second Budget Call Circular for FY 2025/26 Medium Term Expenditure Framework

The Ministry of ICT and NG's budget was revised up to UGX 124.272Bn as follows:

Budget category	Revised 2024/25
Wage	10.459
Non-Wage	57.87
GoU	0.59
Ext Fin	0
GoU Total	**68.919**
Arrears	55.353
Total Budget	**124.272**
Total Vote Budget Excl Arrears	**68.919**

Source: Sector Budget Framework Paper FY 2025/26

This increase is due to a supplementary budget received by the Ministry during the first half of the FY 2024/25 towards the Ministry's non-wage of UGX 6.79bn, wage provision of UGX 7.654Bn for UBC and UGX 11.33Bn for UBC nonwage and arrears of UGX 55.353Bn as seem on the table above.

NITA-U in the FY 2024/25 had a revised budget of 191.027Bn of which UGX 28.502Bn from GoU and 162.525 from external funding.

Considering the total revised budget for the Sector for FY 2024/25 (excl. arrears), the proposed budget for the Sector has been increased by 51.344Bn (19.8%) from UGX 259.946Bn in the FY 2024/25 to UGX 311.3Bn in the FY 2025/26 as seen in the table below:

Table: FY 2025/26 Programme Budget Estimates (UGX Bn)

Vote	FY 2025/26 Budget Estimates (UGX Bn)					
	Wage	**Non-Wage Recurrent**	**Domestic Dev**	**Ext. Fin.**	**Total Excl. Ext. Fin.**	**Total incl. Ext. Fin.**

013 - Ministry of ICT and National Guidance	2.81	75.42	0.57	-	78.80	78.80
126 - National Information Technology Authority	8.85	16.63	13.22	193.81	38.70	232.50
Total for Digital Transformation	**11.66**	**92.05**	**13.79**	**193.81**	**117.50**	**311.30**

Source: Second Budget Call Circular for FY 2025/26 Medium Term Expenditure Framework

Whereas the sector allocation has been increased in the FY 2025/26 Budget Estimates, the efficient and effective utilization of the funds on projects has remained a great challenge in the sector as shall be discussed in the section below:

Emerging Issues

6.1 Performance of Loans under NITA –U

In the FY 2024/25, projects under NITA-U were appropriated UGX 162.525Bn (USD. 42.956 million) and **for the FY 2025/26, NITA-U's budget projection under the GoVNET – UDAP project stands at UGX. 341.86Bn.**

To date, the disbursements made by the World Bank to fund the project activities stand at UGX 166.666Bn (USD 44.185 million) representing (22%) of the project funds. However, these face implementation challenges as discussed below:

6.11 Uganda Digital Acceleration Project – Government Network (UDAP-GOVNET) Project

Cabinet on 29th August 2022, approved the Uganda Digital Acceleration Project - Government Network (UDAP – GOVNET) Project[30]. The Project is being funded by the International Development Association (IDA)/ World Bank to the tune of USD200 million (Est. UGX 734.8Bn) of which USD60 million (Est. UGX 220.44Bn) is a grant. The Project was declared effective on 17th May 2023 and is **yet to be efficiently and effectively implemented.**

[30] National Information Technology Authority Uganda (NITA- U), 2025. Report on Responses to the Committee of Parliament on ICT and National Guidance Report

UDAP-GovNet is comprised of three key components as detailed in the table below.

No.	Component	Activities under the Project
1.	**Component 1: Expanding Digital Connectivity**	i. Extension of an additional **1500 Km** of the National Backbone Infrastructure (NBI) across **20 major** Districts and towns across the country ii. Extension of last mile connectivity to **2900** Government administrative units and service centres and implementation of **828 Wi-Fi Hotspots** across the country. iii. Pre-purchase of **27Gbps** of International/ upstream Internet Bandwidth iv. Deployment of Mobile Broadband in hard-to-reach areas by implementing **130Masts** across the Country including refugee host districts v. Establish the **3rd National Data Centre (NDC) and Disaster Recovery Site (DRS)** to provide redundancy for hosting all Government Data and applications vi. Upgrade of the Metropolitan Area Network (MAN) Centre and the establishment of the National Internet Exchange Point (NIXP) vii. Establishment of the **Regional** Electronic Waste Collection and Management Centres
2.	**Component 2: Enabling Digital Transformation of the Government**	i. Expansion of the Government System Integration Platform (UgHub) to an additional **20 Government Entities** ii. Scale up e-Government services **e-Government Procurement (e-GP), Government Unified Messaging and**

No.	Component	Activities under the Project
		Collaboration System (UMCS), (50,000 users), Digital Authentication and Electronics Signatures (DAES) Platform, e-Payment system iii. Support the development of **e-services in 6 priority sectors (Health, Agriculture, Education, Tourism, Trade and JLOS)** iv. Strengthening **Cybersecurity and Data Protection and Privacy (establishment of systems, tools, frameworks, standards and Security Operation Centre etc.)**
3	**Component 3: Promoting Digital Inclusion of Refugee Host Communities**	i. Extension of connectivity to **13 host districts and refugee communities** ii. Establishment of **24Telecenters** across the host districts and communities iii. Establish **2 e-waste Management centres** in Refugee Host Districts (RDHs) i. Deploy **172 Wi-Fi Hotspots** across the RDHs iv. Digital support (Assistive Technologies) for Persons with Disabilities (PWDs)

NITA-U reports[31] that the project received the first disbursement from the World Bank on 26th December 2023. Since then, **US$ 94.67m out of $200m has been fully programmed and initiated representing 47% movement on the project. Of the US$ 94.67m, US $ 17.01m worth of contracts representing 18% have been signed. This implementation is very sluggish. There ought to be expedited implementation of the project to avoid delays and in other cases, to avoid loss of funds.**

6.12 The NBI Phase V Project (Chinese Yuan 1,049bn)

[31] Ibid.

The Project was presented to the Cabinet on 14th August 2023 and approved. In addition to that, the Project was further tabled on the floor of the Parliament by the Committee on National Economy on 6th December 2023 and was also cleared.

The NBI project sought to further expand the NBI across underserved areas of Uganda. The NBI phase V Project is being financed by the Export-Import (EXIM) Bank of China to the tune of Chinese Yuan 1,049 billion (Approx. USD 150 million; Est. UGX 551.1Bn).

The table below provides the scope of the Project.

No.	Project	Scope
1.	**Phase 5 of the NBI/EGI**	Under Phase 5 of the NBI/EGI, the following activities will be undertaken. **(a) Expansion of the Backbone:** (i) Extend **5,845.75** Km of Optical Fiber Cable covering an additional **63 Districts** across the Country (ii) Build **21 NBI Transmission sites** across the Country. (iii) Extend last mile connectivity to **2,800 sites** across the country added onto the NBI (iv) Extend connectivity to all sub-counties across the country. (v) Expand the Wi-Fi coverage by an additional **1,754 public Wi-Fi** sites across the Country. (vi) Installation of solar power at all new NBI Transmission sites (vii) Upgrade the Network Monitoring System (NMS) and Environmental Management System (EMS) for the entire network. (viii) Segments of the entire NBI upgraded to at least **60Gbps** protected rings **(b) Data Centre built** in Namanve to upgrade the existing Primary Data Centre and achieve Tier III Government Cloud Infrastructure

		(c) Purchase of service access equipment for Special Interest Groups/Target User Groups to access e-Government services.

Whereas a total sum of **314,999,870.40 (CNY)** which is 30% of the total loan has been advanced to the contractor, China International Telecommunication Construction Corporation (CITCC), the implementation of the project is yet to commence.

It is evident from the work below that only a few preliminary activities have commenced reflecting sluggish implementation of the project.

SN		2025 Q1 & Q2 Target Work Plan		Scope	Q1 & Q2 Target	Status
1	Backbone works	Fiber Route Survey		5800 km	5800 km	Work in Progress
		Output Survey Drawings		5800 km	5800 km	Work in Progress
		Implementation of Backbone works		5800 km	**550 km**	Pending
		Site Survey & Ground Opening		1	1	Pending
		Design Drawing		1	1	Pending
		Design Review, Certification and Approval		1	1	Pending
		Site Clearing & Hoarding		1	1	Pending
		Setting Building Foundation and Construction		1	1	Pending
3	Transmission Sites	Upgrade of transmission and Hub sites	Surveys completed	30	30	Completed
			Upgrade Equipment Delivered	30	30	Completed

		(TX Sites & IP BB)	to the respective 30 sites			
		New Transmission sites to be built (TX Sites & Backbone IP)	Site Survey	21	21	Ongoing
			Output Survey Drawings	21	21	Ongoing
			Site construction	21	21	Pending
			Equipment Installation	21	10	Pending
4	IP Hubs	Site Survey		63	63	Completed
		Output Survey Drawings		63	63	Completed
		Equipment Installation		63	63	Ongoing
5	MDAs (Last Mile Connections)	Site Survey		2800	2800	75/2800
		Output Survey Drawing & Design		2800	2800	75/2800
		Equipment Installation		2800	100	Pending
6	Wi-Fi	Site Survey		300	300	Pending
		Output Survey Drawings & Designs		300	300	Pending
		Hardware Installation		1	1	Pending
		System Configuration and Customisation		1	1	Pending
		Functionality Testing before Commercialization		1	1	Pending
		Commercial Network Integration		1	1	Pending

6.13 Management of the National Backbone Infrastructure (NBI/EGI) by NITA-U

As noted by the Auditor General[32], 366 sites without signed acceptance of Memoranda of Understanding and Service Level Agreements were allocated more bandwidth than signed capacity.

In addition, the signed capacity is what is billed and over-delivered bandwidth is not billed leading to a revenue loss of UGX 9.864Bn on over-delivered bandwidth of 5,781 Mbps.

It was also noted that out of the 719.47km of dark fiber rolled out in the country, only 15% (108.67 kilometers) of dark fiber service was provided to 6 MDAs compared to the 85% (610.8 Kilometers) provided to 7 private customers.

It was further noted that nine MDAs and LGs that had applied for access to the NBI/EGI or upgrading their internet bandwidth had not been connected for periods as long as six months and others for more than one year.

This mode of operation and mismanagement of the NBI/EGI project by NITA-U shows that the country has a long journey towards realizing the expansion of the National Backbone Infrastructure to the underserved and unserved regions. This frustrates the vision/mission of achieving the country's Digital Agenda and delivering secure e-government services.

It further denies citizens access to affordable e-government services as well as investment within the ICT sector by private players across the country.

The Government, therefore ought to reduce revenue loss by tasking the Inspectorate of Government to investigate or cause investigation, arrest or cause arrest, and prosecute or cause to prosecute the individuals involved in the revenue loss to the Government under unclear circumstances.

Other sector issues include but are not limited to low automation of Government systems or processes, the existence of many stand-alone systems in Government that don't work in sync., and inadequate ICT uptake across the country due to the high cost of internet and ICT equipment.

There is a shortage of infrastructure and skilled personnel, and available infrastructure is of poor quality and unaffordable to vast sections of the population.

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[32] Auditor General Report to Parliament for the Audit year 2024

The ICT sector is recognized as an important driving force for achieving economic development. It is an essential part of modern societies and its advances lead to tremendous changes in various areas of employment, market, state activity, and human life at large.

A strong and effective ICT sector is critical for successful socioeconomic development. It is a crucial aspect of the promotion of a knowledge economy. The use of ICT can transform society from a resource-dependent to a resource-based one thereby increasing the per capita income of people.

In light of the hurdles identified above, a set of alternative priority areas are identified to provide some strategic solutions:

7.11 Infrastructure Development

Infrastructure is a key catalyst for the development of the ICT sector. Its development deserves a high priority. Infrastructure includes both backbone and distribution networks. **The most important issue in promoting and encouraging infrastructure development is the cost involved and how such costs can be recovered.**

The connectivity infrastructure must be based on accessibility and affordability to a wide range of ICT services, not only telephones. **The more investment is made in infrastructure, the more it will spark a market consisting of millions of micro**-sectors.

This infrastructure refers to the physical and digital framework on which related services are delivered, such as telecommunications, data centers, and increasingly high-quality, high-speed internet. These generally include both telecommunications systems that offer essential services and data centers that store and process information.

As ICT booms, the demands on infrastructure also grow necessitating not only the construction of new infrastructure but significant modernization of dated facilities.

Without a complementary infrastructure, investment can be considerably undermined, and the true benefits to be exploited are not forthcoming.

Infrastructure is crucial for improving levels of competition and innovation in both the ICT sector and the wider economy.

Therefore, the development of modern and flexible infrastructure would improve the availability and speed of ICT, while simultaneously making it cheaper and more reliable to use. This would enhance user satisfaction, increase spending by those who already use technology, and where

infrastructure exists and is used, expand the ICT market from supply to effective demand.

Competitors in the international ICT market are also likely to have invested heavily in infrastructure, and not just improved efficiency in the production of their services, but also the high standards expected within their country.

Providing robust infrastructure means providing a service delivery platform from which physical networking systems and digital organization can be depicted.

7.12 Initiating well-functioning policies and regulatory framework

Parallel to infrastructure, there is a need for policies and a well-functioning regulatory framework to drive the market. The legal and regulatory frameworks are the backbone of an effective and efficient telecommunications market.

If designed properly and implemented diligently, the regulations will foster economic competition and bring benefits to the end users. In competitive markets, new products and services will be made available to consumers at better quality and/or at a better price. As with other commodities, telecommunications regulations have become increasingly global in nature. This has been done with the intent of establishing a basis for global agreements as well as providing stakeholders promoting a similar development approach to use a common terminology and reference frame.

It is common knowledge for government and regulatory agencies to work with international standards and protocols in the conduct of regulatory and policy formulation and implementation in the ICT sector. In Nigeria, policy formulation has reached new levels with the implementation of a National Transmitting Regime, **which mapped out the immediate, midterm, and long-term goals for the ICT sector.**

It is therefore prudent to engage in formulating or revising national policies due to the changing landscape of ICTs, technological development, trends of services, and increasing consumer needs. Take, for instance, the emergence of Artificial Intelligence.

The National ICT Policy 2014 for example which sets the strategic direction for ICT development and usage in Uganda has not been reviewed for the past 10 plus years now. This is regrettable because an adaptive policy must be reviewed within a maximum of five years.

Policies, therefore, need to be adaptive and constantly revised to ensure that appropriate regulations are in place that can balance the principal goal of regulation with the sector's dynamic nature.

It must be ensured that the regulations for every sector layer are in place, efficient, and can provide support on a timely basis or swiftly where necessary. Long-winded, convoluted processes have no place in the digital era. The processes for policy and regulatory pronouncements must be open and transparent, avoid bureaucracy, and must not allow for any window for corruption. Preference must be given to allowing innovative solutions and ideas to flourish so that the conditions for robust competition in the ICT industry are given the necessary chance to take root.

Policies that promote competition and the economic justification for antitrust enforcement, the development of innovative products, and the assessment of the economic impact of innovation are imperative.

A lack of sufficient regulatory actions is likely to be a major factor contributing to the apparent stall in demand for broadband access.

A crucial factor for effective regulation is forward-thinking regulatory behavior to ensure, as far as possible, long-term and consistent regulation.

Regulatory practices assisted by transparent, accountable, and open processes that are focused on objectives and not along rigid prescriptive processes and procedures are beneficial in the context of the fast uptake of new technologies and more complex business models within the global domain. Thus, the development of a sound policy foundation in the ICT sector is crucial if a market-led economic development plan is to be implemented.

7.13 Development of Human Resources

There is a need for people inside and outside the structures of ICT who can use, develop, and improve the sector. The emphasis on human resource development in the skills of ICT operations, innovations, entrepreneurship, and ICT management is key to developing an effective and efficient ICT sector.

Whereas the digital skilling program is focused on promoting digital literacy within unserved and underserved communities to facilitate the uptake of e-government services, their implementation has remained sluggish.

The human capital development pillar ought to provide a platform for basic education and continuous training as fundamental elements for the successful and efficient integration of ICT. These educational systems can be manifested in the form of formal, non-formal, and informal education and its relevance to work needs.

The need is to establish continuous links between educational institutions and the technology industry for them to do their part in developing human capacity and for the technology industry to be part of the process of determining the necessary skills for the new recruits.

People are the most important assets in the ICT era. Therefore, concentrating on IT strategies for tomorrow's workforce; technical and generic skills in the use of ICT; and fostering a culture of learning and innovation is key.

7.14 Promoting Innovation and Research

The most effective way of moving the ICT and research sector forward is to increase the intrinsic and extrinsic motivation for innovative solutions and research initiatives.

Research is important for two reasons. The first reason is that research drives technological breakthroughs that filter into procedures to alleviate existing work problems or increase customer satisfaction. In essence, these procedures would increase the likelihood of greater ICT use.

Also, innovation in products per se could encourage the domestic economy to become more efficient through greater use of ICT. Innovation in business processes could also increase the efficiency of service delivery in the government.

For research projects, funding mechanisms need to encourage consortia research involving a researcher from for-profit and not-for-profit organizations, such as commercial firms, academia, and government.

Institutions need to ensure that researchers are motivated in two ways. First, for research to be effective, the subject of research must provide clear benefits to society.

The other dimension is to reward researchers with an element of commercial benefit when the application of the research yields outcomes that increase the organizations' effectiveness.

A performance-based research fund should be a key incentive for recruiting appropriate talent, rather than it being the sole driver. A similar approach should be developed at universities to assist researchers in developing courses that invest heavily in ICT. Furthermore, intellectual property arrangements should be developed with staff members that encourage innovation.

7.15 Digital Inclusion and Access

The priority for reducing the digital divide and increasing internet access should be given, for example, in rural areas, where certain Indigenous groups are located, where connectivity is necessarily slow, or in peripheries, in parks, or some fragile cities.

In this sense, priority should be given to remote areas, areas that are home to rural workers and family farmers, rural areas with the highest concentration of extreme poverty, and indigenous regions.

In addition, gender and racial bias should be further assessed, as access to technology is greater among city dwellers than among other groups in rural areas.

7.16 Cybersecurity measures

Developments Cybersecurity is becoming an increasingly important issue due to greater connectivity and more data available from more areas.

The ubiquity of cyber incidents could both increase the impact of incidents and considerably damage trust in the ICT and, by extension, the digital economy among consumers. Many SMEs, in particular, are likely to rely on the information that they gather and therefore are likely to hold confidential and sensitive data, thereby making strengthening cybersecurity necessary.

Boosting consumer confidence in the security of transactions and storage mechanisms is thus the key to attaining both government and industry ICT targets and goals.

With the increase in data and the number of users using ICT for trade and interactions, there is an increasing avenue for action for cyber attackers.

Using regulatory and legal measures to formalize responsibilities, including those of individual stakeholders, would help to bring about a step change in preventative work for guaranteeing that individuals and firms are best protected.

Objectives and Targets

i. Enhancing digital infrastructure;

ii. Promoting innovative technologies, and

iii. Ensuring equitable access to digital resources

Targets

i. Focus on improving infrastructure;

ii. enhancing digital literacy, and

iii. fostering innovation to drive economic growth.

These targets are essential for measuring progress and ensuring accountability in the sector.

Conclusion

The development of the ICT sector needs to be given serious priority as a powerful catalyst and driver of regional economic competitiveness, a significant revenue maker, and an employment provider. The acceleration of the country's economy towards the digital era makes the ICT industry a high-speed field.

To achieve that, policy reform through the development of effective and efficient digital infrastructure is a priority. Technology alone is not enough; society needs to know about the technology that exists. This policy will need priority areas in the development of ICT infrastructure and human resources, as well as the reform of ICT governance.

2.6. Science and Technology

Executive Summary

Since 2021, Parliament resolved under the guidance of the President that the Ministry of Science, Technology, and Innovations became a Science, Technology and Innovation (STI -OP) secretariat under the office of the President Vote 001 to make it more focused as a key driver for achievement of Vision 2040.

This left this critical entity to be subjected to the known incompetence, corruption, and lopsided management of State House, hence killing it. It is in this sector that corruption is seen most as many innovators have acquired huge amounts of funds (billions) from the secretariat to engage in various innovations and no clear output is seen matching the funds invested in by the Government. This has led to wastage of tax payers' money which would have been used in other benefiting key sectors like health and agriculture.

Introduction

The Innovation, Technology, Development and Transfer (ITDT) programe is led by the STI-OP and has thee following goal; "To grow the contribution of knowledge-based goods and services to the national economy by increasing domestic productivity, importing substitution, and exporting products resulting from science, technology and innovation, as well as using known technology to add value to the whole spectrum of our raw materials"[33].

Science and Technology constitute the gathering and generation of knowledge about the physical and biological environment and the application of that knowledge for the welfare of mankind. The progression of science and technology is driven by innovation, which refers to changes in techniques, processes or technologies to produce a new or improved product or service[34].

Today there is an even more crucial role for STI in national development. The technological advancement the world has experienced in recent years would have been unimaginable two or three decades ago. The revolutionary effect of new technologies particularly information and communication technology (ICT), biotechnology and nanotechnology, has transformed human activities and inter-state relations in several dimensions.

In agriculture, industry, education, health, commerce, finance and other sectors of the economy, the new technologies have enhanced production,

[33] Response to matters of concern raised by the committee on science, technology and innovation dated 19th February,2025

[34] NATIONAL SCIENCE, TECHNOLOGY & INNOVATION POLICY.

processing and marketing both quantitatively and qualitatively. With regards to the internet, the scope of socio-economic realities has expanded into virtual space. The challenge of building a national scientific and technological capacity has become more urgent and intensive. Whereas previously the talk was mainly about "science and technology", now it is about "science, technology and innovation" and their effective application in the national economy and the wider society[35]

Vote 167 falls under the ITDT program in the National Development Plan IV and has the following objectives; To develop STI infrastructure, to increase the stock of specialized STI human capital, to develop an STI ecosystem for Technology development, transfer, industrialization and commercialization and to strengthen policy, legal, institutional and coordination framework facilitative of the STI idea to market journey[36].

Subventions under ITDT include; Uganda National Council for Science and Technology (UNCST), The Presidential Initiative on Banana Industrial Development (PIBID), Kiira Motors Corporation (KMC) and National Science Technology Engineering and Innovation Skills Enhancement Project (NSTEI-SEP). (Ended in November, 2024 and awaiting a legal framework to operationalize activities done here and Vote 110. Uganda Industrial Research Institute (UIRI).

Government through this secretariat has invested large amounts of funds in these innovations but their outputs do not match. The Alternative statement therefore, seeks answers to accountability to all funds allocated and ownership of these innovations to save the tax payers money.

Methodology

Among the sources consulted for the preparation of this Alternative Sector Budget are the National Unity Platform (NUP) Manifesto; other Opposition political party manifestos; the Opposition Legislative Agenda; the National Budget Framework Paper for Financial Year 2025/26 and the National Development Plan (NDP IV).

Situational Analysis

STI sector is grappling with abandoned innovations which were funded earlier under the Ministry before it was dissolved. These innovations were half funded and operations had started. With the sudden cut off in funding, many have wasted away leading to wastage of tax payer`s money. Such innovations

[35] NATIONAL SCIENCE, TECHNOLOGY AND INNOVATION POLICY (2017 – 2020)

[36] Response to matters of concern raised by the committee on science, technology and innovation dated 19th February,2025

among others include; National Agricultural Research Organization which engaged in the development of healthy-rich tea varieties and value-added tea products for improved livelihoods in Uganda and a total of 931,100,000 UGX was to be given to them, 251,680,000 UGX was received and 679,420,000 UGX was the balance [37] .

Kiira Motors Corporation

This is a significant player in the mobility industry of Uganda and it was established to promote local manufacturing of vehicles to reduce on the country`s reliance on imported vehicles. Kiira Motors was established in 2018 as a joint initiative between the Uganda Government and private sector. Government has so far invested over USD 89 million to develop, make and sale sustainable mobility solutions. The progress of this initiative is as seen below;

Technical performance – Half year 2024/25

	Key result area	**%progress**	**weights**	**Weighted performance**
1.	Construction, retooling and furnishing Kiira Vehicle plant start up facilities	98%	37%	36.5%
2.	Productivity of 30 vehicles	50%	27%	13.6%
3.	Talent management	80%	2%	1.4%
4.	Jinja City E-mass transit Bus system	25%	4%	1.0%
5.	Market System Development	80%	2%	1.4%
6.	Corporate Governance and administration	47%	28%	13.7%
	Total		100%	67.1%

Source. Statement in response to matters raised by the committee on Government Assurance and Implementation February, 2024.

There is need to account for low production of only 39 buses out of the 2,500 expected target per year yet the plant facility is almost at 98% completion. In addition, the market strategies are at over 80% but with nothing much to market.

Kiira Motors (KMC) had no Board of Directors as at the time of audit (September 2024) to provide strategic guidance and direction to the Corporation.

[37] Report on the committee of STI on innovations that were abandoned September, 2024

The Corporation did not have the insurance cover for its high capital investment in inventory in form of work-in-progress, bus motor vehicle chargers, parts and materials for Kayoola buses at Luwero Industries Limited worth UGX.16.11Bn [38].

The Corporation projected to collect revenue amounting to UGX.197Bn, however, only UGX.2.3Bn was collected, representing 1.2% performance.

Banana Industrial Research Development Centre (BIRDC).

Established by an Executive Instrument in 2005. The project occupies 24 acres of land in Nyaruzinga, Bushenyi District, and Sanga, Kiruhura District in Western Uganda. The project aims to create a state -of -the art banana processing enterprise capable of processing 14 metric tons of free matooke daily. It employs over 150 staff and collaborates with more than 6,543 farmers.

A trend analysis of the domestic arrears showed a movement in arrears from UGX.2.64Bn in the previous year to UGX.4.26Bn, representing an increase of 62%.

Existence of an asset base net worth of UGX.57.88Bn which is yet to be valued.

The Company made a net loss of UGX.1.1Bn which continues to stifle the Company's operations.

The Company has not fully operationalized the flour mill processing plant, delayed implementation of the irrigation system and has failed to improve farmers' incomes as expected, which are activities that are critical in executing its mandate.

The entity had an approved budget of UGX.78.109Bn out of which UGX.37.289Bn was warranted resulting in a shortfall of UGX.40.82Bn representing a 48% performance and this affected implementation of the Company's critical activities.

The Uganda National Council for Science and Technology (UNCST). Established in 1990 by Act of Parliament (CAP 209), is a semi-autonomous government agency that advises, develops, and implements policies and strategies for integrating science, technology, and research in Uganda.

The project procured 214 pieces of engineering equipment worth UGX.148.2Bn, out of these, 109 pieces worth UGX.75.5Bn had been hired by National Enterprise Corporation -Works. The balance of 105 pieces worth

[38] Auditor General Report 2024 December

UGX.72.7Bn were parked and lying idle in Lyantonde, Namanve and Rwebitete since 2022.

UNCST has had no substantive Executive Secretary for the last four (04) years. This has affected the effectiveness of governance and oversight over Council operations.

Contracts for 43 out of 46 UNCST staff had expired. This implies that there are no clear terms of employment of these staff which further demotivates them

Uganda Industrial Research Institute(UIRI)

It was established in 2003 to play a central role in Uganda`s industrialization journey offering vital research and development services. Government has invested in the establishment of an industrial hub in Nakawa, Namanve and one in western Uganda. Majorly there is no public awareness on what is happening and what is produced in this hubs and worst of all the hubs are stuck with many start up industrial projects of innovators that have failed to stand on their own without Government support.

Uganda's human capital in STI is characterized by gaps in knowledge, skills, and attitudes, which limit employability. Despite numerous skilling programs to boost youth employment, there is limited alignment between the skills supply and demand. This is attributed to; limited instructors with pedagogical skills and industry experience, limited work-based training, and inadequate training infrastructure & facilities[39]

Lack of proper accountability for the funds allocated.

STI transferred UGX.145.93Bn to DEI-BIO PHARMA in two tranches on 3rd October 2023 and 12th January 2024 prior to signing of the MOU between the company and Government which was done on 6th March 2024. Out of the Innovation funds released worth UGX.32.72Bn, only UGX.2.2Bn had been disbursed to grantees by 30th June 2024. The balance of UGX.30.52Bn (93.2%) was still held in the UDBL, DFCU and Post Bank accounts.

Other sector like Kiira Motors Corporation established in 2018, the Banana Industrial Research Development Centre (BIRDC) established in 2005, Uganda Industrial Research Institute (UIRI), Inspire Africa Coffee Factory in Ntungamo, DEI Pharma in Matuga among others have had billions invested in their establishment and equipping but no proper accountability for funds can be made by the proprietors in addition to outputs produced. The public is yet benefit from these innovations

[39] National Development Plan IV

The question of ownership of some of the entities in STI

In the Financial Year 2023/24, the government of Uganda allocated resources through the Science, Technology and innovation secretariat under the office of the President towards the establishment of a modern Industrial Coffee Park in Rwashamire Town Council, Ntungamo District. It is noted that no Memorandum of Understanding between the Government of Uganda and this private entity exists[40]. Government of Uganda was allocated 9.4% of the shares in DEI Bio Pharma for UGX.724Bn. No valuation report and audited financial statements of DEI Bio Pharma were provided to confirm if the Government investment was equivalent to the shareholding proportion allocated.

It is therefore wrong for tax payers' money to be spent without any clear relationship binding.

Lack of STI Law.

The secretariat lacks legal frameworks, regulations that innovators can use to protect their intellectual property. The absence of these laws has led to duplication of innovations and lack of rights to ownership. Rapid STI-led industrial growth and global technological change is affecting Ugandans and straining our natural environment and increasing societal inequalities in an age of constant, complex, and disruptive technological innovation, knowing what, when, and how to structure regulatory interventions has become more difficult. Regulatory design needs to become more proactive, dynamic, and responsive.

Uganda has made much investment in science and technology infrastructure and in creating a national STI system over the years. Although some significant achievements have emerged from the system, these investments have not yielded the expected improvements in economic growth. This can be attributed to a number of constraints including the following:

- Inadequate scientific expertise in the country;
- Inadequate budget and resource allocation to STI
- Weak linkages between various agencies and organizations in STI
- Inadequate science teaching and learning in our pre-tertiary education system
- Low science and technology culture among the populace

[40] Report on oversight visit to Inspire Africa Coffee Factory in Ntungamo by the Leader of Opposition 2025

Budget:

Budget performance overview for Vote 167, Q2 FY 2024/25 (Ushs- Billion)

Category	Approved Annual Budget	Cumulative Release	Cumulative Expenditure	%Budget Release	% Release Spent
Wage	4.159	2.080	2.028	50%	97.5%
Non. Wage	314.840	195.299	144.589	62.0%	74.0%
Dev-GOU	2.998	2.998	0.928	100%	31.0%
Dev-Ext	0	0	0	0	0
Total	321.997	200.377	147.545	62.3%	73.6%

Source. Committee Report on Presidency 2023

As of December 2024 total release amounted to Ushs 200.377 Bn and actual expenditure amounted toUshs147.545Bn. Released funds performed at 62.2% against the approved budget while expenditure outturn reflected 73.6% absorption capacity.

Comparison between Approved FY2024/25 and Indicative FY2025/26 Budget (Ushs. Bn)

Expenditure category	**FY 2024/25 Approved**	**FY 2025/26 Indicative**	**%change**
Wage	4.159	4.159	0.0%
Non. Wage	314.840	136.443	56.7%
Dev`t GOU	2.998	2.998	00
Ext. Fin	0	0	0
Total	321.997	143.600	55.4%

Source. Committee Report on Presidency 2023

In the FY 2025/26 the total indicative allocation to Vote 167 is Ushs 143.600 Bn, reflecting a 55.4% reduction against the FY 2024/25 approved budget.

Indicative allocation to non-wage recurrent expenditure category is indicated to experience a 56.7% reduction while wage and development expenditure categories will be maintained at the FY 2024/25 approved levels.

Funding Priorities.

No.	Priority	Justification	Alternative
1.	Develop policies, laws, and regulations that govern and facilitate the national STI system.	These laws are essential for fostering an environment that supports research and innovation	The alternative budget seeks Government to table these laws to enable the legal and regulatory framework to take shape.
2.	Mobilize financing for the idea-to-market journey Research and Innovation Fund	Public Universities like are stuck with innovations that were partly funded and now stalled.	The alternative budget urges Government to increase funding for research.
3.	Accelerated Conversion of Ugandan workforce through specialized Industrial STI Capacity Development Programs.	Uganda's human capital in STI is characterized by gaps in knowledge, skills, and attitudes, which limit employability	The alternative budget seeks Government to undertake school outreach under the UgInnovate Project roll out.

Develop policies, laws, and regulations that govern and facilitate the national STI system.

The National Science Technology and Innovation Policy 2009, the National Science Technology and Innovation Law, review and amend the Acts of Uganda National Council for Science and Technology (UNCST) and Uganda Industrial Research Institute (UIRI). These laws are essential for fostering an environment that supports research, technological advancements, and the commercialization of innovations. They aim to strike a balance between promoting creativity, protecting intellectual property (IP), ensuring public safety, and addressing ethical and social concerns at all levels which is missing today.

The alternative priority is to seek Government to table these laws to enable the legal and regulatory framework shall provide a systematic way for benefit sharing, resource exploitation and utilization, intellectual property ownership and technology adoption.

Mobilize financing for the idea-to-market journey Research and Innovation Fund

There is need to lobby Government to increase the funding for the National Research and Innovation Programme (NRIP) to over UGX 50bn and ring fence this. Additionally, efforts should be made to attract funds from the green financing sources and the private sector both nationally and internationally.

The NRIP facilitates research activities especially in the new areas of discovery and emerging fields. Many universities like Gulu, Busitema, Soroti are stuck with innovations that were partly funded and now stalled and this has led to their wastage. Many students have also failed to graduate because of incomplete research work done.

The alternative priority is to urges Government to increase funding for research and distribute it equally amongst all universities to allow research and innovations to be done.

Accelerated Conversion of Ugandan workforce through specialized Industrial STI Capacity Development Programs.

Uganda's human capital in STI is characterized by gaps in knowledge, skills, and attitudes, which limit employability. Despite numerous skilling programs to boost youth employment, there is limited alignment between the skills supply and demand. This is attributed to; limited instructors with pedagogical skills and industry experience, limited work-based training, and inadequate training infrastructure & facilities[41]

The alternative priority is to seek Government to undertake school outreach under the UgInnovate Project roll out. UgInnovate is project that is targeting reaching out to secondary school children and interest them in Science Technology Engineering and Mathematics areas (STEM) and working with the universities, identifying young graduates in these areas. Areas of training include leadership and management, research and innovation, development

[41] National Development Plan IV

economics, work place dynamics among others. These are conducted in a work environment.

Conclusion

Science, Technology and Innovation is a great venture for this country, which is trying to address significant challenges that impede effectiveness and growth and Government needs to invest in educating human resource, prioritize in key innovations and call for accountability to avoid corruption in this sector. This would significantlcy contribute to eradicating poverty and fostering economic growth in Uganda. The degree of interaction between science and society in line with STI is still limited, despite the implementation of numerous research and development projects, to promote understanding and appreciation of the role of STI in the socioeconomic development of the nation, scientific institutions must actively engage with society and vice versa. We must constantly foster dialogue between the scientific community and society as well as a robust and informed democratic debate on the creation and application of scientific knowledge. In terms of training, career advancement, promotions, and adequate social security plans.

CHAPTER THREE: AGRICULTURE, ENVIRONMENT, AND NATURAL RESOURCES

3.1 Agriculture, Animal Industry, and Fisheries

Executive Summary

Agriculture contributes tremendously to Uganda's socioeconomic development, employing close to 70% of the population, 24.7% of the GDP (UBOS, 2024), and 35% of export earnings[42]. About 33% of Ugandans are engaged in subsistence agriculture, underscoring its critical role in food security and economic growth. If the sector is well prioritized, it can reduce hunger, grow trade volumes of the country, increase investments, grow industrialization, especially agro-industries, diversify the economy, and create Jobs.

Aware that as a country, the agricultural sector can continue to be essential to Uganda's development and fully realize the goals of Vision 2040 of "A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 Years[43]", Vision 2040 in addition to NAP 2013 that prioritizes and recognizes the role of the agriculture transformation process in competitive, Profitable, and Sustainable Commercial agriculture with an overall objective of promoting food and nutrition security and improving household incomes.

Whereas there are registered interventions by the government to actualize the country's Vision 2040 like the Youth Livelihood Programme(YLP), Parish Development Model (PDM), Emyooga, the Agriculture sector is still faced with inadequate government spending, the unresolved problem of the provision of extension and advisory services, limited access to agriculture credit and Finance, High cost of agricultural inputs and the influx of counterfeits, inadequate and minimal attention given to the fisheries subsector, Limited attention to key perennial crops like coffee, tea, cotton among others.

A situation analysis reveals how the government has not prioritized public spending on a sector that employs close to 70% of the total population even when the Malabo and the recent 2025 Kampala declarations over the sector recommends so. If the sector is prioritized, it has the potential to feed over 200 million people in Africa and the rest of the world.

The decisive Alternative Policy Statement 2025/2026 is a subject after the reviews in Budget allocations to the agro-industrialization program in the BFP

[42] https://www.trade.gov/country-commercial-guides/uganda-agricultural-sector, and UNs Food and Agriculture Organisation

[43] Uganda Vision 2040-Green growth Knowledge Platform

2025/2026, the MPS 2024/2025, and the performance reviews of MAAIF is to mitigate the current and future strains affecting the sector.

The country needs to implement the National Agricultural Finance Policy to align it with the Malabo 2014 and Kampala CAAP 2025 declarations and commitment, the first tracking of the revamping of the national seed company, and expediting the National Agricultural extension strategy among others.

Justifications for the Alternative Budget Priorities;

a) Inadequate budget allocation to the Agro-Industrialisation program to align with the NDPIV target.

b) Unresolved problem of the provision of Extension and Advisory services in the Agricultural sector that has reduced production and productivity.

c) Limited access to Agricultural Credit and Finance by many Agricultural households that has constrained production.

d) Limited progress on the access to water for Agricultural production

e) Inadequate spending and attention to the Fisheries sub-sector in the country

f) Limited attention to key perennial crops like coffee, cotton, and tea that have sustained the country's economy and GDP for a long time

g) High cost of Agricultural inputs like fertilizers and the influx of counterfeit on the market.

h) Poor Quality of agricultural products exported in the region and international markets.

Key suggested Policy alternatives;

a) The government should endeavor to implement the Malabo 2014 and the recently concluded Kampala CAADP 2025 declarations that prioritize agriculture and food Security public spending to up to 10% of the national budget.

b) It's high time this country prioritized the extension services bill and strategy as a tool to increase production and productivity. The government should allocate sufficient resources for the recruitment of extension staff to offer extension services.

c) The government should implement the Parliament resolution of the establishment of an Agricultural Bank.

d) The government needs to finalize the delayed National Irrigation Master Plan to boost Agricultural production, and also, the co-financing component percentage should be reduced from the current 25% to only 10% to increase the uptake of the Micro irrigation systems amongst the local farmers.

e) The government should prioritize funds in the National BFP FY2025/2026 for the operationalization of the Fisheries and Aquaculture Act, 2022.

f) Government should establish an Agency to manage the pride of the perennial crops in the country

g) The government should first track and revamp the National Seed Company to ensure the provision of quality and improved seeds to farmers throughout the country.

h) The government, through an act of parliament, should establish a National Food Regulatory Agency to control and regulate issues of food quality and food safety that are critical for market access

Introduction

Agriculture remains the biggest employer and a source of livelihood for close to 70% of the total population of the country, with nearly 68% employed as youth and Women[44]. The role of Agriculture and Agro-Industrialization in accelerating Uganda's Economic growth and development remains unprecedented. The sector's growth rate is still recorded at 3.8% below the 6% target and less than 10% Budget allocation as envisaged under the Malabo and Kampala declarations of June 2014 and 2025 respectively, for which Uganda is a signatory.

The FY2025/2026 is the first year for NDP IV, the NDPIII mid-term report saw an overall NDP III progress performance, indicating that only 646 (14%) out of the total 4,619 indicators have been achieved[45]. While 1,002 indicators (22%) have not been achieved yet, more than half (64%) of the indicators have no data to assess their progress, of which the Agricultural sector is not excluded.

In the fiscal year 2022/2023, the agriculture sector contributed 24.09% of the Country's GDP and about 35% of export earnings, just below Industry (Including construction) at 26.18% and the Services sector at 43.01%, which registered 43% of total export earnings. It's dominated by the production of food crops, cash

[44] National Adaption Plan for Agriculture 2019

[45] EPRC,highlights NDPIII at the Midpoint, what are the achievements and what does it imply for expected NDPIV

crops, livestock, and fisheries that primarily come from the 33% smallholder subsistence farmers who own an average farm size of about 2.5 hectares.

According to the recent Population and Housing Census 2024, 33% of Ugandan households are still locked in subsistence farming reflecting the heavy reliance on agriculture for daily survival.

The government's strategy of commercializing agriculture to increase production and productivity as well as access to critical inputs and enhanced extension services has registered less and minimal success because of limited funding to the sector as many projects are externally funded, poor irrigation infrastructure, extension services, inadequate market linkages, low levels of technology adoption among others that need to be addressed.

The Agro-industrialization Programme Strategy and Analysis

Agro-industrialization is clustered under the Production and Value Addition group of programs by the NDP IV and aims to increase value addition to agricultural products. The AGI program's strategic objectives as per the NDP IV include:

i. Sustainably increase production and productivity in agriculture;
ii. Improve harvest & post-harvest handling and storage;
iii. Develop, operationalize, and optimize value-addition infrastructure;
iv. Increase access to agricultural finance and insurance;
v. Increase market access and competitiveness of agricultural products in domestic and international markets; and
vi. Strengthen coordination and legal and institutional frameworks for the agro-industry.

Currently, of the 2,263 Agro-Processing Facilities (APFs) established nationwide, including zonal industrial hubs, industrial parks, and urban markets, 40% of the APFs are non-functional, and more than 50% are performing below capacity.

Additionally, all tea factories in the country operate below 60% capacity; the biggest (9) Dairy processing firms are operating at only 57%; almost all the coffee processing facilities are operating at only 40%; a few known maize mills are at 46%; the fish processing at less than 30%; while some major abattoirs such as Bombo abattoir are operating at less than 30% of their capacity.

The cumulative storage capacity for grains though increased to 1,236,219 MT in FY 2022/23 from 550,000 MT in FY 2017/18, is not yet sufficient as our farmers continue to suffer post-harvest losses. The value of agriculture exports is still low at USD 1.53 billion in 2022/23 from USD 0.93 billion in FY 2017/18. Most of the agricultural products like coffee, tea, maize, cocoa, fruits and vegetables, vanilla, and others are exported in raw form in the EAC region, Asia and Europe mostly.

The overall proportion of households with access to agricultural extension services is still quoted at 49% in FY2022/2023[46], from 11.7% in FY 2017/18 with cattle-keeping only at above 70% highest access. The loan portfolio to the agricultural sector increased from UGX. 1,127 billion in FY 2020/21 to UGX. 1,699 billion in FY 2022/23.

Counterfeit inputs are estimated to comprise 30% of the agro-inputs market, with farmers continuing to suffer losses resulting from counterfeits and banned substances that are harmful to crops, animals, and human health.

About 30% of farmers in Uganda are involved in commercial agriculture, leaving 70% of Uganda's agriculture standing on the shoulders of subsistence farmers.

Methodology

The Alternative Policy Statement for the Financial Year 2025/2026 reflected the Opposition response to NDPIII and reviews of the NDPIV, the Opposition responses to the Charter of Fiscal Responsibility, the Opposition responses to the National Budget Framework Paper (NBFP) FY 2025/2026, MAAIF Policy statement FY2025/2026 and the Opposition Political parties' Manifestos 2021-2026.

Situation Analysis

The Government of Uganda as per Article 8A of the 1995 Constitution which operationalizes National Objectives and Directive Principles of State Policy, is mandated, under objective, XX (II) a) encourages the Government to take appropriate steps to encourage people to grow and store adequate food; (b) establish national food reserves; and c) encourage and promote proper nutrition through mass education and other appropriate means to build a healthy state.

Uganda is a party to the Comprehensive African Agriculture Development Programme (CAADP), as reinforced in the 2014 Malabo Declaration[47] and the recently concluded Kampala Declaration 2025 on the same, which aims to improve nutrition and food security as well as address poverty and hunger, promote sustainable practices and agroecology and regional integration,

[46] Uganda Bureau of statistics,Household access to Extension services
[47] https://www.nepad.org/caadp/publication/malabo-declaration-accelerated-agricultural-growth

empower youth and women, and set ambitious goals for resilience, investment, and governance by 2035.

At the regional level, Uganda subscribes to the EAC Vision 2050[48] which aims to enhance agricultural productivity for food security and a transformed rural economy under its pillar on Agriculture, Food Security, and Rural development. The same is enshrined in Africa's Union Agenda 2063. The UN Sustainable Development Goals (SDG) give a central place to agriculture with their focus on sustaining natural resources and on overcoming hunger, malnutrition, and food insecurity[49].

Whereas Uganda is endowed with low-temperature variability, fertile soils, and two rainy seasons for multiple harvests per year, the Government has not prioritized quantifiable spending on the sector, averaging at less than 3% of the national Budget for almost a decade.

It is also worth noting that close to 40% of the population's labor force is still lodged in subsistence farming due to inadequate public spending on the sector, unresolved problems of extension services, poor quality of agricultural inputs applied by farmers, the unmatching costs associated with Agricultural Finance and credit, the poor storage facilities, and the unresolved issue of water for agricultural production among others. All these have negatively impacted the sectors to perform below average.

Budget Analysis of the Sector

Despite the 72.2 trillion shillings National Budget approved by Parliament for the year 2024/2025[50] representing a 36% increase from the previous year, the Agro-Industrialization program still suffers budget cuts from 2.064 trillion for FY2024/2025 to 1.689 trillion for BFP FY2025/2026 proposed reflecting a reduction of Ugx 375 billion (-18%) and falling significantly short of the NDP IV costing of Ugx 2.448 trillion.

The external financing component for the program has increased from 929.26 billion to 1.048 trillion while Government expenditure to the program is continuously reducing from 1.135 trillion in FY 2024/2025 to 640.0624 billion as per the proposed BFP FY 2025/2026. This means the sector's big component is externally funded with associated problems like delayed disbursements and high interest rates, among others negatively impacting the industry given the country's comparative advantage in the region.

[48] https://www.foreign.go.tz/uploads/eac_vision_2050-_web.pdf
[49] https://uganda.un.org/en/sdgs/2-United Nations Uganda/Sustainable Development Goals
[50] Budget.finance.go.ug

It should also be noted that in November 2024, Parliament passed resolutions to rationalize agencies of NAADS, DDA, CDO, and UCDA and be main-streamed in the mother Ministry, MAAIF[51]. The government assured the country and other stakeholders that the functions of these agencies were to be transferred to the Ministry and that the critical technical team would be absorbed to carry on these functions. In the previous budget for FY 2024/25, these agencies had a total budget of Ugx 119.601 billion.

The above implied that these votes were fully suppressed, and the budget was reduced by 28.1% to increase MAAIFs at Ugx 119.6 billion or 10%, mostly wages of the absorbed staff. Critically analyzing the non-wage budget enhanced by Ugx 47.33 billion, equivalent to 50% of the total non-wage of the rationalized votes. MAAIF's Development component has declined by 88.9%, affecting the development component[52].

National Budget Framework Paper Projected Budget for the Sector votes FY2025/2026

	FY 2024/25					FY 2025/26				
	Wage	**Non-Wage**	**Gou Dev't**	**Ext Dev't**	**Total**	**Wage**	**Non-wage**	**Gou D**	**Ext Dev't**	**Total**
Vote 010: MAAIF	23.67	34.83	479.05	644.95	**1182.5**	42.43	82.16	54.04	672.03	**850.65**
Vote 121: DDA	3.7	4.76	2.49	-	**10.95**	-	-	-	-	-
Vote 125: NAGRC&DB	5.74	4.96	28.34	-	**39.04**	5.74	4.96	25.49	-	**36.19**
Vote 142: NARO	43.46	27.39	34.96	-	**105.82**	43.46	20.96	30.5	-	**94.92**
Vote 152: NAADS	2.97	31.98	0.64	-	**35.59**	-	-	-	-	-

[51] Parliament of Uganda-November 2024 Committee on Agriculture on Rationalisation of Agencies;
[52] National Budget framework paper FY2025/2026

Vote 155: CDO	1.96	2.85	0.27	-	**5.08**	-	-	-	-	-
Vote 160: UCDA	10.13	54.54	3.32	-	**67.99**	-	-	-	-	-
Vote 601: LGs 01	141.51	56.86	82.73	-	**281.1**	141.51	57.22	82.73	-	**281.46**
Total	**233.13**	**218.17**	**631.8**	**644.95**	**1728.1**	**233.13**	**165.3**	**192.76**	**672.03**	**1263.2**

Source: NBP 2025/26 and OLOP Computations

Other Contributing Agencies to Agro-Industrialization Program

It should also be noted that there are other votes that contribute to the Agro-industrialisation program as envisaged in NDPIII and the recent NDPIV that contribute to 25% of the program Budget, and their distribution is as follows.

Other Contributing Programs

	FY 2024/25 Budget Approved					**FY 2025/26 Budget Estimates**				
	Rec't	**Gou Dev't**	**Ext Dev't**	**GoU Total**	**Total**	**Rec't**	**Gou Dev't**	**Ext Dev't**	**GoU Total**	**Total**
Vote 011: MoLG	0.396	-	-	0.396	**0.396**	0.33	-	-	0.33	**0.33**
Vote 015: MTIC	1.07	-	-	1.07	**1.07**	1.82	-	-	1.82	**1.82**
Vote 019: MWE	1.618	44.461	284.31	46.08	**330.39**	1.6	42	376.7	43.6	**420.3**
Vote 021: MEACA	0.25	-	-	0.25	**0.25**	0.19	-	-	0.19	**0.19**

Vote 108: NPA	0.738	-	-	0.738	**0.738**	0.61	-	-	0.61	**0.61**
Vote 119: URSB	-	-	-	-	-	0.1	-	-	0.1	**0.1**
Vote 122: KCCA	0.35	-	-	0.35	**0.35**	0.27	-	-	0.27	**0.27**
Vote 138: UIA	-	-	-	-	-	0.2	-	-	0.2	**0.2**
Vote 150: NEMA	1	1	-	2	**2**	0.7	0.9	-	1.6	**1.6**
Vote 154: UNBS	0.94	-	-	0.94	**0.94**	0.72	-	-	0.72	**0.72**
Total	**6.36**	**45.46**	**284.3**	**51.823**	**336.13**	**6.54**	**42.9**	**376.7**	**49.44**	**426.13**
Y2Y change						***2.8%***	***-5.6%***	***32.5%***	***-4.6%***	***26.8%***

Source: NBFP 2025/26 & OLOP Collections

Accordingly, in the NBFP2025/2026, the contribution by these agencies to the program will grow by only 26.8% to Ugx 426.13 billion in FY 2025/26, mainly on account of a 32.5% increase in the External Development component's projected budget.

The Ministerial Policy statement for the Agroindustrialisation program for the Financial Year 2025/2026 and the Budget ceiling are indicated as follows;

2024/2025	**Wage**	**Non-Wage**	**Gou Dev't**	**Ext Dev't**	**Total**	**Wage**	**Non-wage**	**Gou D**	**Ext Dev't 2025/2026**	**Total**

Vote 010: MAAIF	23.67	34.83	479.05	644.95	**1182.51**	35.92	100.62	79.04	481.4	**696.95**
Vote 121: DDA	3.70	4.76	2.49	-	**10.95**	-	-	-	-	-
Vote 125: NAGRC&DB	5.74	4.96	28.34	-	**39.04**	5.74	4.96	45.49	-	**56.19**
Vote 142: NARO	43.46	27.39	34.96	-	**105.82**	43.46	27.06	80.50	-	**151.02**
Vote 152: NAADS	2.97	31.98	0.64	-	**35.59**	-	-	-	-	-
Vote 155: CDO	1.96	2.85	0.27	-	**5.08**	-	-	-	-	-
Vote 160: UCDA	10.13	54.54	3.32	-	**67.99**	-	-	-	-	-
Vote 601: LGs 01	141.51	56.86	82.73	-	**281.10**	141.51	57.22	82.73	-	**281.46**
Total	**233.13**	**218.17**	**631.80**	**644.95**	**1728.06**	**226.63**	**189.86**	**287.76**	**481.4**	**1.185.62**

Source: Ministerial Policy Statement FY2025/2026

Other Contributing Programs for the Agro-industrialisation;

	FY 2024/25 Budget Approved					**FY 2025/26 Budget Allocations**				
	Rec't	**Gou Dev't**	**Ext Dev't**	**GoU Total**	**Total**	**Rec't**	**Gou Dev't**	**Ext Dev't**	**GoU Total**	**Total**
Vote 011: MoLG	0.396	-	-	0.396	**0.396**	0.33	-	-	0.33	**0.33**
Vote 015: MTIC	1.07	-	-	1.07	**1.07**	1.82	-	-	1.82	**1.82**
Vote 019: MWE	1.618	44.461	284.31	46.08	**330.39**	1.6	42	142.66	43.6	**186.26**

Vote 021: MEACA	0.25	-	-	0.25	**0.25**	0.19	-	-	0.19	**0.19**
Vote 108: NPA	0.738	-	-	0.738	**0.738**	0.61	-	-	0.61	**0.61**
Vote 119: URSB	-	-	-	-	-	0.1	-	-	0.1	**0.1**
Vote 122: KCCA	0.35	-	-	0.35	**0.35**	0.27	-	-	0.27	**0.27**
Vote 138: UIA	-	-	-	-	-	0.2	-	-	0.2	**0.2**
Vote 150: NEMA	1	1	-	2	**2**	0.7	0.9	-	1.6	**1.6**
Vote 154: UNBS	0.94	-	-	0.94	**0.94**	0.72	-	-	0.72	**0.72**
Total	**6.36**	**45.46**	**284.3**	**51.823**	**336.13**	**6.54**	**42.9**	**142.66**	**49.44**	**192.1**

Source: Ministerial Policy Statement FY2025/2026

From the above figures adjusted in the MPS, the Agro-industrial program MTEF ceiling stands at 1.3771 trillion representing again a reduction of 317.46 billion from the original 1.689 trillion at the time submitting the BFP2025/2026. The external financing component is only reducing by 430 billion under Vote 010 MAAIF 190.62 billion and Vote 019 MWE by Ugx.239.91 billion. The wage component is reduced by Ugx 6.5 billion while domestic development is at only Ugx 95 billion without any mention of the Extension staff recruitment.

Agricultural Sector Alternative Budget Priorities for FY 2025/2026

The Alternative Budget priorities for the FY2025/2026 are formulated with a call to the Government to increase public spending on the sector that employs close to 70% of the population. This is in line with the AU-CAADP summit commitments of Malabo 2014 and the recent Kampala 2025 declarations to prioritize the Agricultural sector.

The declaration applauds the increased contribution of the sector to wealth creation, economic opportunities and prosperity, improved food security and nutrition, and increased resilience and sustainability. The policy alternatives are targeting the increase in the use of quality Agricultural inputs, lowering the cost of Agricultural credit, improving storage facilities, increasing water use for irrigation, and a comprehensive approach to the neglected fisheries subsector.

Inadequate Budget Allocation to Agro-industrialization program in line with NDPIV target;

Whereas Parliament approved a 72.2 trillion Budget for the year 2024/2025 representing an increase of approximately 36% from the previous year Budget, the Agro-Industrialization program still suffers budget cuts from 2.064 trillion for FY2024/2025 to 1.689 trillion for BFP FY2025/2026 proposed reflecting a reduction of Ugx 375 billion (-18%) and falling significantly short of the NDP IV costing of Ugx 2.448 trillion.

The adjustments increase the external financing component for the program to 1.048 trillion from 929.26 billion. In the same way, Government expenditure on the program is reducing from 1.135 trillion in FY 2024/2025 to 640.0624 billion as per BFP FY 2025/2026. This leaves the sector's big component to be externally funded with implications of delayed disbursements, and the high interest rates, which all impacts negatively the industry in both the short and long run.

Alternative(s)

The government should allocate at least 10% of the National Budget of FY2025/2026 to Agro-industrialization as per the Malabo Declaration of 2014 and the recently concluded Kampala Declaration of January 2025. This will match the NDPIV financing target of more than Ugx 2.448 trillion.

The Budget should have allocations for rationalization activities like staff absorption, payment of benefits, and the updated physical performances of the rationalized Votes in the Budget for FY2025/2026

Unresolved problem of Extension services

In the BFP FY2025/2026, there are mentions of retooling the Agricultural extension staff without prioritizing the Agricultural extension strategy. Agricultural production and productivity have always stagnated due to the inadequate provision of extension services. In modern farming, extension workers are very critical in assisting farmers with knowledge on production, farm management, and farmer group re-organizations, among others.

Agricultural extension staff is lagging at only 4,310 with over 5000 vacant positions representing a 1:1800 ratio of extension staff to households, This is still far below the recommended ratio of at least 1:500. Critical programs like the Emyooga, and PDM are inadequately performing due to inadequate extension because the program alone needs at least 7000 extension staff to target the 3.5million households.

Alternative(s)

It's high time this country prioritized the extension services bill and strategy as a tool to increase production and productivity.

The government should allocate sufficient resources for the recruitment of extension staff to offer extension services

Limited access to Agricultural credit and finance

Limited access to Agricultural Credit Finance by many Agricultural households[53] has impacted heavily on the farmers' credit balances and also constraints on Agriculture production. The Agricultural Credit Facility was created in 2009 to increase access to finance in the Agricultural sector, targeting more smallholder farmers, but the responsibility of Marketing the scheme was left to participating Commercial Banks and other financial institutions. They instead market their credit products, and in turn, our farmers fall short of the program because they don't have business proposals or collaterals to present to these institutions. This has, in turn, remained a big challenge to our farmers' ability to adopt modern methods and machinery in the promotion of commercial Agriculture.

It should be noted that since its inception (ACF), GoU has only remitted UGX 860 billion to the ACF to cover disbursements,[54] and Participating Financial Institutions (PFIs) have matched the GoU contribution in line with the Memorandum of Agreement MoA (2018). Reports from BOU by the end of June 2024, indicate that close to half of the loan applications by farmers are rejected. Out of 7,726 loan applications worth shs.1.58 trillion, only 57% were approved, representing only 4,442 approvals worth shs.981 billion[55].

In the same report, participating Financial institutions received 3,530 applications worth Shs. 364.15 billion, but only 987 beneficiaries benefited, worth 162.71 billion, representing only 30% of the 81.46 billion approved by June 2023.[56] The uptake of Block Allocation is still small at 5.1 billion and for only 654 micro borrowers, who are mostly men, representing 69% of about 170.94 billion

[53] Global Development Network/Access to credit by small holder farmers
[54] Bank of Uganda Annual Report 2021
[55] Bank of Uganda -ACF reports June 2024
[56] Bank of Uganda -ACF reports June 2023

of allocations compared to 19% of about 19.9 billion for women and 12% of 789.961 billion for the big companies and farmers group.

Alternative(s);

The government should act on the resolution of parliament to establish an Agriculture Bank[57] to avail affordable credit to the farmers within a framework that relates to agricultural practice, that looks at maturity and harvests of crops and Animals involved. Some of the monies channeled through UDB can be disbursed through the Agricultural Bank as much of the credit through UDB is still inaccessible to many people due to inadequate requirements needed for access.

The government should provide technical assistance to SACCOs and MFIs that do Agricultural Financing. This can be followed with the establishment of a Public database of farmers and implement measures that improve their creditworthiness.

The Government should develop value chain financing by regulating value chain instruments and control enforcement.

Limited progress on access to water for Agricultural production.

Uganda has one the highest irrigation potential in the world with over 15% of her surface area covered by freshwater resources[58]. As a country, micro irrigation schemes are still quoted at 15%, which is very minimal with close to 90% of the districts failing to utilize allocated funds on the project and lack of water management capacity.

Worth to note is that, a few valley tanks and water dams constructed across the country by the Ministry of Agriculture and Ministry of Water to arrest the problem of water for agricultural production primarily storing rainwater to provide irrigation during dry seasons, for areas like Karamoja and many other northeastern parts of the country where water scarcity is prevalent; dams like Kobebe dam in Moroto and Nakicumet dam in Napak district, which can also support fisheries alongside irrigation are less or non-functional as others are not launched to date even after completion[59].

[57] Parliament of Uganda-Parliament Resolutions 2023

[58] Ministry of Water and Environment - https://www.mwe.go.ug/sites/default/files/library/Uganda%20National%20Irrigation%20Policy.pdf

[59] BMAU briefing Paper (27/22)-Water for production in Uganda's progress and constraints in reducing the dominance of rain fed Agriculture.

It should again be noted that our farmers are still constrained by the co-funding component of the solar-powered irrigation machines locking out many farmers in the arrangement. This is followed by the delayed procurements, staled, and incomplete works that have stalled production and productivity amongst our farmers[60].

Alternative(s)

The government needs to finalize the delayed National Irrigation Master Plan to boost Agricultural production and also, the co-financing component percentage should be reduced from the current 25% to only 10% to increase uptake of the Micro irrigation systems amongst the local farmers.

The Government should strengthen the institutional capacity at all levels for coordination, planning, and development in the management of irrigation systems. This will ensure efficient water use and functionality of irrigation schemes and also promote the generation and utilization of irrigation research, innovations, technologies, and technical support services to ensure reliable water for irrigation to optimize, intensify, and diversify crop, livestock, and fisheries production and productivity.

Inadequate public spending of the Fisheries sub-sector;

Uganda's fisheries subsector continues to be a major source of food and is still very crucial to the livelihoods and local economies. The fisheries subsector remits more than Ugx 25 billion to the national treasury and contributes 3% of the country's GDP[61]. It is estimated that between 1.0 and 1.5 million Ugandans work directly in capture fisheries, with more than 5,000 people engaged in fishery processing.

In the BFP for the FY 2025/2026 priorities, there is no mention of the allocation for the operationalization of the Fisheries and Aquaculture Act 2022 as passed by Parliament and accented to by the President on 8th February 2023. The operationalization of the Fisheries and Aquaculture Act 2022 is long overdue to solve the many problems affecting Fishermen that include among others, the continued harassment of fishermen by Uganda Peoples Defence Forces, the inconsistencies and conflicting directives by the Ministry and security personnel on the major lakes, the incompetencies of Uganda Bureau of Standards to enforce quality fishing nets and gears, the long question of the non-operational Beach Management Units.

[60] https://www.agriculture.go.ug/the-agriculture-cluster-development-project-acdp/
[61] https://mepd.finance.go.ug/documents/MFP/MFP-FY202324.pdf

Also, Parliament has been receiving many petitions, especially from Fish Maws and Traders Association Uganda Ltd over the unrealistic excessive taxes, the missing trade agreement, treaties, and protocols with trading partners in the region in addition to the ever-increasing brutality by security personnel even when Parliament passed the Fisheries and Aquaculture Act 2022 to manage the Fisheries subsector in our country.

Alternative(s)

The government should prioritize funds in the National Budget FY2025/2026 for the operationalization of the Fisheries and Aquaculture Act, 2022

The government, through the URA, should make fish and fish products, including fish maws, be treated as raw material in the taxation process like Coffee and tea, which are under Agricultural supplies and are given a 1% withholding tax. Fish should be given a 1% withholding tax like coffee and tea.

The government, through the Ministry of Trade and Cooperatives, should negotiate for better and more favorable economic treaties and agreements with exporting countries to curb Ugandan fish Maws entering countries like China through smuggling.

Limited attention to strategic perennial Cash crops of coffee, Tea, and Cotton

Coffee is one of Uganda's forex earners, contributing between 11% and 22% of commodity exports in the last 11 years, averaging at 14% over the period. Coffee employs close to 12 million Ugandans in the value chain, though the production of 20 million bags of the coffee road map by 2030 is still highly skeptical· Local coffee growers are still constrained to access quality inputs and planting materials in addition to the global market threats, especially by the European Union in compliance with new Deforestation guidelines[62].

The tea industry, once a leading traditional exporter earner after coffee, is also faced with unprecedented challenges to stay afloat with farmers protesting against the absurdly low prices averaging at less than US$1 at the Mombasa auction market just below the production cost. Green leaf prices have declined by over 50% from Shs. 600 to less than Shs. 200 per kilogram, a situation that has caused many tea farmers to cut down their tea bushes[63]. The crisis has led to the loss of close to 100,000 jobs in factories and along the tea value chain, including tea Pluckers, plantation laborers, suppliers, and transporters. This is in addition to close to 60,000 livelihoods that do production and about

[62] https://environment.ec.europa.eu/topics/forests/deforestation/regulation-deforestation-free-products_en

[63] Parliament of Uganda-Report of the committee on Tourism, Trade and Industry on the Petition of Uganda Tea farmers December 2024

49000 hectares of land almost rendered unproductive due to tea industry shocks.

The recent government interventions in revitalizing the industry like the provision of subsidized fertilizers, and allocations to tea processing factories have registered inadequate success seeing Tea export revenues at only a 1.8% increase from $5.63 million in April 2024 to $5.73 million in May 2024 at a substantial 41.4% rise in tea export volumes[64].

Cotton is one of the most strategic crops for resolving a number of multi-sectoral challenges affecting the county. It is capable of increasing household incomes and poverty alleviation. However, Uganda's cotton subsector is still constrained by low domestic value addition, dependence on volatile international market prices, inadequate funding for research, climate change impacting weather patterns, poor quality cotton due to inadequate inputs, and a weak cooperative system which leaves close 250,000 farmers into cotton vulnerable to fluctuating farm gate prices and limited access to support[65]. The listed challenges have made cotton export revenues drop by 43.1%, from $1.99 million in April 2024 to $1.13 million in May 2024, due to a 5.2% reduction in volumes from 6,959.13 (185 kg bales) to 6,600.19 (185 kg bales) as of June 2024.

Alternative (s)

The government should prioritize budget allocations to the Ministry for a holistic approach to Uganda's compliance with the EUDR guidelines on Exports. This will guarantee the expeditious implementation of the traceability system development, awareness, capacity building, and other regulations as stated by the Uganda Coffee Development Authority before rationalization.

The government should rejuvenate interventions to revive tea growing in the country through the formulation of a comprehensive tea policy and implementation strategy. The Policy instruments will emphasize the subsidizing of fertilizers for tea out-growers to a tune of up to 75% and also recapitalization of fertilizer fund. This will come along with investments in product diversification and the marketing of the new tea products.

The Government should subsidize cotton inputs to the tune of 75% to scale up its growth and also facilitate research for the multiplication and specialization of cotton varieties.

[64] UDB-Uganda Macroeconomic Digest. June 2024

[65] https://unctad.org/system/files/official-document/1617K_Survey_Uganda.pdf

High cost of Agricultural inputs and influx of counterfeits on the market

The rise in the global prices of both fuel and manufacturing materials has heavily impacted the retail price of Agricultural inputs on the market. Counterfeits and the unregulated prices of inputs by dealers and traders make it impossible for any practicing farmer to earn maximumly from Agriculture. If there are no interventions by the Government, a large population is threatened to abandon Agriculture, which will negatively affect the economy and food security in the country.

Agricultural inputs are seeds, pesticides, machinery repairs, and ownership costs, and the concern is on a cost-price squeeze on the operating margins. In the end, farmers have opted for cheap counterfeit agricultural inputs that have led to reduced productivity, reduced aggregate demand, and low incomes amongst farmers.

Alternative;

The government should revamp the National Seed Company to ensure the provision of improved quality and subsidized inputs to farmers throughout the country. This will ensure the availability of quality and affordable seeds on the market.

The government should provide funding in the budget FY2025/2026 to procure and make available to farmers a variety of subsidies, including seeds and seedlings, fertilizers, fish gear and fishing vessels, and irrigation equipment that are essential to raising productivity in both the rain-fed and irrigated areas

Subsidies should be considered in key commodity value chains as per NDPIV and PDM.

Poor quality of Agricultural products exported both within the region and international markets.

Ugandan producers often find it difficult to meet the sanitary and phytosanitary standards required to export goods to Europe, Asia, and the United States. This is attributed mostly to a lack of quality packaging capabilities, insufficient storage facilities, and poor post-harvest handling practices. This has not only affected farmers' incomes and increased poverty amongst the population but also affected the country's forex earning rating.

In March 2021, Kenya banned the importation of maize from Uganda, noting that it contained high levels of aflatoxins[66]. This caused losses to many farmers and related trade deficits in the country. Also in June 2023, South Sudan

[66] Uganda Revenue Authority ,ban on the importation of Maize by Kenya

impounded many trucks of Ugandan maize at the Nimule-Elegu border, alleging that the Maize was contaminated with aflatoxins and was unfit for human consumption[67]. This affected the income tax collections from the Agricultural value chain.

If the quality is improved, Uganda stands a chance to be a large beneficiary of the African Continental Free Trade Area (AfCFTA) in East Africa, with exports to the rest of Africa increasing by USD 199 million[68].AfCFTA is the lead market for the majority of Agro-Industry products like Tea, fisheries, Vegetable Oil, Beef byproducts, Maize, Dairy, and Cassava. China and the European Union have also offered space for Uganda's Agricultural products[69].

A lot of Poultry, beef, dairy, fish and its products, hides and skins, cow horns, processed coffee, semi-processed cotton, simsim, and cocoa have been sold in these markets. The World Trade Organization (WTO) and Economic Partnership Agreement have also offered access concessions for Uganda's agricultural products.

Alternative(s);

The government, through an act of parliament, should establish a National Food Regulatory Agency to control and regulate issues of food quality and food safety that are critical for market access. The objective of the new Food Safety and Standards Act is to lay down science-based standards for articles of food to regulate their manufacture, storage, distribution, sale, and import to ensure the availability of safe and wholesome food for human consumption.

Conclusion

To enhance the sector's contribution to wealth and Job Creation, there is a need to address the critical gaps in the production, Transport, Post-Harvest handling, processing, and marketing of Agricultural products to maximize the benefits from the agricultural value chains.

[67] https://www.parliament.go.ug/index.php/news/493/presidents-intervene-uganda-south-sudan-maize-row
[68] African International Free Trade
[69] https://beijing.mofa.go.ug/media/uganda-signs-new-trade-protocols-china-boost-exports#:~:text=During%20the%20Beijing%20Summit%20of,facilitating%20the%20transfer%20of%20skills.

3.2 Water and Environment

Executive Summary

The environment is critically important for all living beings, including humans. It encompasses everything around us; the air, water, soil, plants, animals, and ecosystems, providing the foundation for life on Earth.

This alternative policy statement outlines the legal and regulatory framework that governs the water and environment sector. It is based on constitutional provisions and international conventions, emphasizing strategies designed to combat corruption, which is essential for ensuring effective service delivery in the water and environment sub-sector.

Corruption in the water and environment subsector creates a vicious cycle of poor service delivery, environmental degradation, and public health crises. Tackling corruption through transparency, accountability and strong regulatory enforcement is essential for ensuring sustainable water access, environmental conservation, and equitable service delivery.

Through a review of key Opposition and Government documents, we present the water and environment sector overview and situational analysis of Uganda's forest cover, wetlands, and access to safe drinking water. Climate change and variability continue to have major impacts on key sectors in Uganda, particularly agriculture, health, water resources, and forestry among others.

The situational analysis of Uganda's water and environment sector highlights significant challenges and vulnerabilities. Climate change and variability exacerbate these challenges, impacting key sectors such as agriculture, health, water resources, and forestry. The agricultural sector, a vital source of livelihood for the majority of Ugandans, faces threats from rising temperatures, extreme droughts, and floods, endangering crop yields and livestock and thereby affecting food security and agribusiness.

This alternative policy statement underscores the critical importance of the environment as the foundation of human existence and socio-economic development. It emphasizes leveraging natural resources for equitable and sustainable development, aligning with constitutional provisions and international conventions.

Introduction

The Republic of Uganda's 1995 constitution recognizes the critical importance of water, a healthy environment, and a favourable climate for its citizens' well-being and survival. National Objective XXVII and Article 39 specifically enshrine the right to a clean, healthy environment and the sustainable use of resources for the benefit of both present and future generations. This constitutional provision underscores Uganda's commitment to environmental protection, sustainable development, and ensuring that its citizens have access to essential resources necessary for life and prosperity.

The NPD IV[70] highlighted climate change and unsustainable use of natural resources as a threat to development. Uganda has suffered from increased frequency and intensity of extreme weather due to climate change. Climate change has led to increased variability in rainfall patterns, with both prolonged droughts and intense rainfall events. Data from the Uganda National Meteorological Authority [71] indicates that rainfall has become increasingly unpredictable, affecting agricultural productivity and water supply.

The National Climate Change Act of 2021 is a significant legislative measure by Uganda to address climate change comprehensively. The Act aims to integrate international climate agreements into national law and establish a structured approach to climate action.

Ensuring access to safe drinking water and sanitation is a fundamental accountability tool in Uganda for several critical reasons. It directly impacts health, dignity, and social equity while holding governments and stakeholders responsible for fulfilling their obligations to citizens. In addition, ensuring access to safe drinking water is a fulfilment of fundamental human rights obligations by the government; improves health outcomes; enhances social equity and inclusion; and environmental accountability

The Uganda Land Act (Cap. 227) mandates the Government to hold in trust for the people and protect wetlands for the common good of the citizens. This legislation reflects Uganda's commitment to conserving wetlands, which are crucial for maintaining biodiversity, regulating water flow, and providing various ecosystem services essential for human well-being.

Similarly, the National Forestry and Tree Planting Act (2003) underscores Uganda's dedication to sustainable forestry management and environmental

[70]National Development Plan IV, 2024

[71] Uganda National Meteorological Authority, 2022

conservation. This act provides a framework for the sustainable management of forests, tree planting, and the protection of forest resources. By regulating forestry activities and promoting tree planting, the legislation aims to ensure the conservation of Uganda's forests and the sustainable use of forest resources for the benefit of present and future generations. Both the Land Act and the National Forestry and Tree Planting Act are key legislative instruments aimed at promoting environmental conservation, sustainable natural resource management, and the protection of essential ecosystems in Uganda. Accordingly, the country should aim at balancing economic development with environmental sustainability to ensure the well-being of its citizens.

Therefore, pursuant to Article 82(A), Section 6E (4) of the Administration of Parliament (Amendment) Act (2006), and Rules 14(4) and 147 of the Rules of Procedure 2022, this Alternative Policy Statement for Water and Environment highlights funding priorities for the Opposition for FY2025/26

Methodology

In preparing this Water and Environment budget priorities, we considered the different party Manifestos, the National Budget Framework Paper FY2025/26-FY2029/30 and the corresponding Opposition response, the fourth National Development Plan (NDP IV 2025/26-2029/30), the Charter for Fiscal Responsibility and the corresponding Opposition response, the Opposition direction and the Earth Charter, among others.

Situation Analysis

Forest Cover and Deforestation

Uganda's forest cover has been declining at an alarming rate over the past century. According to the [72]Global Forest Watch (2022**)**, Uganda has lost 41.6% of its forest cover since 1921, with forest cover decreasing from 54% in 1900 to just 12.4% in 2017**.** This loss is primarily driven by the demand for firewood and charcoal, which 94% of Ugandans rely on for energy**[73]**.

The National Forestry Authority (NFA) manages 506 Central Forest Reserves (CFRs)**,** covering approximately 1.265 million hectares (26% of Uganda's total forest cover)**.** However, these reserves are under constant threat from illegal

[72] Global Forest Watch. (2022). *Uganda Forest Cover Report 2022*. Washington, DC: Global Forest Watch.

[73] Ministry of Water and Environment. (2023). *Water and Environment Sector Performance Report 2023 (2023, p. 15)*

logging, encroachment, and land conversion for agriculture. District Local Councils manage 196 Local Forest Reserves, covering 5,000 hectares (0.02% of total forest cover), but these reserves are particularly vulnerable due to weak enforcement of forestry laws and limited resources for management.

The primary drivers of deforestation include agricultural expansion, illegal logging, and the high demand for charcoal and firewood. The World Bank[74] (2023, p. 45) estimates that Uganda loses 122,000 hectares of forest annually, contributing to biodiversity loss, soil erosion, and reduced carbon sequestration. Despite reforestation efforts, the lack of affordable alternative energy sources and weak enforcement of forestry laws have hindered progress.

Pollution and Plastic Waste

Uganda is grappling with a growing pollution crisis, particularly from plastic waste. According to the National Environment Management Authority (NEMA, 2024, p. 12), Uganda generates over 600 tonnes of plastic waste daily, with only 10% of it being collected for recycling. The [75]UNHCR report on *plastic waste recycling and production facility in Ugandan refugee settlements (*[76]2023, p. 8**)** reports that Uganda consumes 600 tonnes of plastics daily, with most of it being single-use plastics such as polythene bags and bottles. The lack of recycling infrastructure and weak enforcement of waste management regulations have exacerbated the problem. Plastic waste is a major pollutant in Uganda's water bodies, including Lake Victoria, the Nile River, and other critical water sources. The Ministry of Water and Environment Sector Performance Report (2023, p. 22) estimates that 30% of urban flooding incidents are caused by blocked drainage systems due to plastic waste.

Poor waste management practices have serious health implications, including the spread of waterborne diseases such as cholera and dysentery. The World Health Organization[77] estimates that 30% of Uganda's disease burden is linked to Poor Sanitation And Waste Management.

Wetland Degradation

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[74] World Bank. (2023). *Uganda Forest Cover Assessment 2023*. Washington, DC: World Bank.

[75] UNHCR. (2023). *Plastic Waste Recycling and Production Facility in Ugandan Refugee Settlements (p.8)*. Geneva

[76] Ministry of Water and Environment. (2023). *Water and Environment Sector Performance Report 2023*

[77] World Health Organization (WHO). (2023). *Health and Sanitation Report 2023 (p18)*. Geneva

Wetlands are critical ecosystems that provide essential services such as water filtration, flood control, and habitat for biodiversity. However, Uganda's wetlands are under severe threat from encroachment and degradation. According to the Wetland Degradation Report published[78] by the Ministry of Water and Environment(2020, p. 10), Uganda's wetland coverage has declined from 15.5% in 1994 to just 8.4% in 2019.

Over the past two decades, Uganda has lost 30% of its wetlands due to agricultural expansion, urbanization, and infrastructure development (*Ministry of Water and Environment, 2024, p. 14*). This loss has had serious implications for water resource management, biodiversity, and livelihoods. The [79]IMF Uganda Climate Resilience Report (2024, p. 7) estimates that wetland degradation costs Uganda $500 million annually in lost ecosystem services, including water filtration, flood control, and fisheries. Wetland loss has also increased the frequency and severity of floods, particularly in urban areas such as Kampala.

Despite legal protections under the Uganda Land Act (Cap. 227), wetlands continue to be encroached upon for agriculture, settlement, and industrial activities. The [80]NEMA Solid Waste Management Report (2024, p. 9) reports that 40% of Uganda's wetlands are under threat from encroachment, with weak enforcement of wetland protection laws being a major challenge.

Access to Clean Water and Sanitation

Access to clean water and sanitation remains a significant challenge in Uganda, particularly in rural areas. The Uganda National Household Survey[81] (UBOS, 2023, p. 23)**,** indicates that only 57% of Ugandans have access to clean water, with rural areas particularly underserved at 44%**.**

Uganda has 136,671 domestic water points, serving approximately 28.5 million people. However, 5,312 water points (4%) are non-functional, leaving millions without access to clean water[82] (*MWE Uganda Water Atlas, 2023, p. 18*). Only 15% of Ugandans have access to piped water, with the majority concentrated in urban areas. Rural areas rely heavily on boreholes, springs, and other unprotected water sources, which are often contaminated.

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78 Ministry of Water and Environment. (2020). *Wetland Degradation Report 2020*
79 International Monetary Fund (IMF). (2024). *Uganda Climate Resilience Report 2024*. Washington, DC
80 National Environment Management Authority (NEMA). (2024). *Solid Waste Management Report*
81 Uganda Bureau of Statistics (UBOS). (2023). *Uganda National Household Survey 2023*
82 MWE Uganda Wetland Atlas, Vol. 2

Access to improved sanitation facilities is also limited, with 25% of Ugandans still practicing open defecation (*UBOS, 2023, p. 25*). Poor sanitation contributes to the spread of waterborne diseases, particularly among children.

Climate Change Impacts

Uganda is one of the most climate-vulnerable countries in Africa, with climate change posing significant risks to key sectors such as agriculture, water resources, and health. According to the UNEP Climate Vulnerability Index (2024, p. 5), Uganda ranks among the top 10 most climate-vulnerable countries in Africa.

Uganda is experiencing more frequent and intense extreme weather events, including floods, droughts, and landslides. The World Bank (2024, p. 12) estimates that climate-related disasters could cost Uganda 2-4% of GDP annually. The agricultural sector, which employs 70% of Uganda's workforce, is particularly vulnerable to climate change. Rising temperatures, erratic rainfall, and prolonged droughts have led to reduced crop yields and livestock losses, threatening food security and livelihoods (*Ministry of Agriculture, 2024, p.* 9).

Climate change is also affecting Uganda's water resources, with reduced rainfall and increased evaporation leading to water scarcity in many regions. The [83]Water Resource Management Report (2024, p. 16) points out that 60% of Uganda's water resources are at risk due to climate change and over-Extraction.

Waste Management and Sanitation

Waste management remains a critical challenge in Uganda, particularly in urban areas. According to the [84]NEMA Solid Waste Report (2024, p. 7), Uganda generates over 2,500 tons of waste daily, with only 40% of it being properly managed.

Cities such as Kampala, Jinja, and Mbarara are struggling with inadequate waste collection and disposal systems. The [85] UNEP Waste Management Review (2024) warns that poor waste disposal contributes to 30% of urban flooding incidents. Poor waste management practices have serious health

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[83] Ministry of Water and Environment. (2024). *Water Resource Management Report*

[84] National Environment Management Authority (NEMA). (2024). *Solid Waste Management Report 2024*

[85] United Nations Environment Programme (UNEP). (2024). *Waste Management Review 2024*

implications, including the spread of waterborne diseases such as cholera and dysentery. The **World Health Organization**[86] estimates that **30% of Uganda's disease burden** is linked to poor sanitation and waste management.

Governance and Policy Challenges

Despite the existence of strong legal and policy frameworks, weak enforcement and inadequate funding remain major challenges in Uganda's water and environment sector. The National Climate Change Act (2021) and the National Forestry and Tree Planting Act (2003) provide a solid foundation for environmental protection, but implementation has been slow.

The Water and Environment Sector Performance Report (2023) reveals that only 40% of the required funding for environmental protection and water resource management is allocated in the national budget. Furthermore, the 87Auditor General's Report on Environmental Protection (2023) highlights weak enforcement of environmental laws, particularly in relation to wetland protection, forest conservation, and waste management.

Percentage of Households with improved sanitation

An evaluation of the sanitation condition in 2019 showed that safely managed sanitation was at around 54% in 2015 and increased to 60% by 2019. Regardless of these efforts, there remain challenges such as the use of unlined pit latrines (39%), 50% of the population relying on shared toilet facilities, poor levels of hygiene and hand-washing in households, schools, health centres and public facilities. While open defecation (1%), continues to be a concern in some of the low-income areas and the current faecal sludge emptying efficiency is only about 60%.[88]

These statistics underscore the significant challenge of inadequate sanitation services, which contribute to health risks and environmental pollution. Improved sanitation is crucial for the prevention of diseases and enhancing overall public health.

NWSC seems to have prioritized water supply systems, often at the expense of sewerage management. In Kampala, for instance, frequent sewage leakages are a persistent issue, with some households resorting to releasing sewage into

[86] World Health Organization (WHO). (2023). *Health and Sanitation Report 2023*
[87] Auditor General of Uganda. (2023). *Auditor General's Report on Environmental Protection 2023*
[88] KCCA. Kampala Sanitation Improvement and Financing Strategy. Available at: https://www.kcca.go.ug/uDocs/KAMPALA%20SANITATION%20IMPROVEMENT%20AND%20FINANCING%20STRATEGY.pdf (Accessed on October 14, 2024).

drainage channels. This not only poses serious public health risks but also undermines environmental sustainability.

Sector Budget

Ministry of Water and environment	**FY 2024/2025 (UGX Bn)** **Approved**	**FY 2024/2025 (UGX Bn)** **Spent by the End of Dec**	**FY 2025/2026 (UGX Bn) Budget Estimates**
Wage Expenditure	16.300	6.794	23.620
Non-Wage Recurrent	15.118	4.223	19.332
Development (GOU)	216.738	58.161	219.009
Development (EXTERNAL FINANCING)	776.384	94.211	976.403
GoU Total	**248.156**	**69.178**	**261.961**
Total GoU+Ext Fin (MTEF)	**1024.540**	**163.389**	**1238.363**
Arrears	6.115	6.097	0.000
Total Budget	**1030.655**	**169.486**	**1238.363**
Total Vote Budget Excluding Arrears	**1024.540**	**163.389**	**1238.363**

Source: Ministerial Policy Statement 2025/2026

Budget Analysis and Critique

The proposed budget for the Ministry of Water and Environment for FY 2024/25 highlights significant gaps in funding and implementation. While the total budget stands at **UGX 1,030.655 billion**, only **UGX 169.486 billion** had been spent by the end of December 2023, indicating poor budget execution. The wage expenditure was particularly underutilized, with only **UGX 6.794 billion** spent out of **UGX 16.300 billion** approved.

The budget also reveals a heavy reliance on external financing, which accounts for **UGX 776.384 billion** of the development budget. This dependence on external funding raises concerns about sustainability and the government's commitment to addressing environmental challenges. Furthermore, the allocation for non-wage recurrent expenditure was underutilized, with only **UGX 4.223 billion** spent out of **UGX 15.118 billion** approved.

The opposition argues that the budget does not adequately address the urgent needs of the water and environment sector. Key areas such as rural water supply, waste management, and wetland restoration are underfunded, and the lack of enforcement of environmental laws remains a significant challenge.

Alternative Priorities, Justifications, And Policy Alternatives

Alternative Priorities	Justification	Alternative Policies
Enhancing Access to Safe and Clean Water	According to the **Uganda Bureau of Statistics (2023)**, only **57%** of Ugandans have access to clean water, with rural areas even lower at **44%**. The **World Bank Uganda Water Sector Assessment (2022)** states that water scarcity costs Uganda **$200 million annually**.	- **Decentralized Water Governance**: Empower local governments and communities to manage water resources. - **Urban Rainwater Harvesting**: Promote rainwater harvesting in and provide subsidies for water harvesting equipment.
Improving Waste Management and Sanitation Services	The **National Environment Management Authority (NEMA) Solid Waste Report (2024)** states that Uganda generates over **2,500 tons of waste daily**, with only 40% properly managed**. The** UNEP Waste Management Review (2024) warns that poor waste disposal	- **Eco-Sanitation and Biogas Generation**: Promote ecological sanitation toilets and waste-to-energy initiatives. - **Mandatory Industrial Waste Recycling**: Enforce industrial waste recycling and impose strict penalties on polluters.

	contributes to **30% of urban flooding incidents**..	
Restoring Degraded Wetlands and Forests	The **Ministry of Water and Environment Wetland Degradation Report (2024)** states that Uganda has lost **30% of its wetlands in the last two decades** due to encroachment and agriculture. The **IMF Uganda Climate Resilience Report (2024)** estimates that wetland loss increases disaster risks, costing the economy $500 million annually**.**	- **Community-Led Wetland Restoration**: Incentivize locally-led wetland rehabilitation initiatives. - **Compensation for Farmers**: Provide incentives for farmers who avoid wetland encroachment.
Strengthening Climate Change Mitigation and Adaptation	The **UNEP Climate Vulnerability Index (2024)** ranks **Uganda among the top 10 most climate-vulnerable countries in Africa**. The **World Bank Climate Resilience Report (2024)** estimates that Uganda could lose **2-4% of GDP annually** due to climate-related disasters.	- **Water-Efficient Agricultural Policies** Promote drip irrigation, climate-smart farming, and drought-resistant crops. - **Early Warning Systems** Invest in real-time climate monitoring and disaster preparedness.
Enhancing Water Resource Management	The **Ministry of Water and Environment Water Resource Management Report (2024)** reveals that over **60% of Uganda's water resources are at risk** due to pollution and over-extraction.	- **Mandatory Industrial Water Recycling**: Enforce strict industry recycling measures and provide incentives. - **Public-Private Partnerships in Water Infrastructure**: Encourage private

		sector investment in clean water initiatives through tax incentives.

4.1 Enhancing Access to Safe and Clean Water

Justification

Access to safe and clean water is a fundamental human right and a key driver of health, productivity, and economic growth. According to the [89]National Household Survey (UBOS, 2023, p. 24)**, only 57% of Ugandans have access to clean water, with rural access being even lower at 44%**. This leaves a significant portion of the population vulnerable to waterborne diseases and economic hardship. Furthermore, the [90]**World Bank Uganda Water Sector Assessment (2022, p. 18) estimates that water scarcity costs Uganda $200 million annually in lost productivity and health-related expenses**.

The Water Act (Cap 152, Section 4) mandates the government to ensure equitable access to safe water, but its implementation remains inconsistent due to inadequate funding and infrastructure deficits. In many rural areas, people still rely on unsafe sources such as wells and surface water, exposing them to contamination risks.

Alternative Policies

Decentralized water governance is a viable approach that empowers local governments and communities to manage water resources efficiently. This can be achieved by transferring decision-making powers to district authorities and establishing community-led water committees responsible for maintenance and supply regulation.

Additionally, **rainwater harvesting** should be incorporated into city and local government planning codes to increase water availability. The government can provide subsidies and incentives for household and commercial rainwater

[89] Uganda Bureau of Statistics (UBOS, 2023). National Household Survey Report. Kampala: UBOS.

[90] World Bank (2022). Uganda Water Sector Assessment Report. Washington, DC: World Bank.

storage systems. Countries like India and Brazil have successfully implemented such policies to reduce water shortages in urban centers.

4.2 Improving Waste Management and Sanitation Services

Justification

Poor waste management remains a critical challenge in Uganda's urban areas. According to the **National Environment Management Authority Solid Waste Report**[91], **Uganda generates over 2,500 tons of waste daily**, but only **40% is properly managed**. This inadequate disposal contributes to pollution, public health risks, and urban flooding. The UNEP Waste Management Review[92] highlights that 30% of urban flooding incidents in Uganda are directly linked to clogged drainage systems filled with plastic waste and other debris.

Despite existing regulations under the National Environment Act (2019, Part III, Section 55), enforcement remains weak, and waste collection services are inefficient, especially in low-income areas.

Alternative Policies

The adoption of **eco-sanitation and biogas generation** can help reduce waste while producing clean energy. Implementing ecological sanitation toilets, which convert human waste into organic fertilizers, can significantly improve hygiene in informal settlements and rural schools.

Additionally, **mandatory industrial waste recycling** should be enforced to reduce environmental degradation. Industries must be required to adopt waste management plans and implement circular economy practices, with strict penalties for non-compliance. The government can also incentivize businesses that invest in recycling technologies by offering tax holidays and **Funding Support.**

4.3 Restoring Degraded Wetlands and Forests

Justification

Uganda's wetlands and forests play a crucial role in regulating climate, supporting biodiversity, and maintaining water cycles. However, these ecosystems are under severe threat. According to the **Ministry of Water and**

[91] **National Environment Management Authority (NEMA, 2024).** Solid Waste Report. Kampala: NEMA

[92] **United Nations Environment Programme (UNEP, 2024).** Waste Management Review. Nairobi: UNEP. **Page 9**

Environment Wetland Degradation Report[93] **(2024, p. 33)**, **Uganda has lost 30% of its wetlands in the last two decades due to encroachment, agriculture, and urbanization**. The IMF Uganda Climate Resilience Report (2024, p. 21) estimates that wetland loss has increased disaster risks, costing the economy $500 million annually in flood damage, soil erosion, and loss of ecosystem services.

Alternative Policies

Community-led wetland restoration is a sustainable approach that involves engaging local communities in conservation efforts. The government should establish financial incentives for communities that actively participate in wetland restoration projects, such as payment-for-ecosystem services schemes.

Furthermore, compensation for farmers should be introduced to encourage them to shift away from wetland farming. Offering alternative livelihood programmes, such as agroforestry and fish farming, the government can reduce dependence on wetlands while promoting sustainable land use.

4.4 Strengthening Climate Change Mitigation And Adaptation

Justification

Uganda is highly vulnerable to climate change, experiencing increased droughts, erratic rainfall, and extreme weather events. The UNEP Climate Vulnerability Index (2024, p. 7) ranks Uganda among the top 10 most climate-vulnerable countries in Africa. Additionally, the World Bank Climate Resilience Report (2024, p. 15) projects that Uganda could lose 2-4% of its GDP annually due to climate-related disasters, affecting agriculture, infrastructure, and public health.

Despite Uganda's commitment to the Paris Agreement and the National Climate Change Policy (2015, Section 2.1), **adaptation measures remain underfunded, and early warning systems are inadequate.**

Alternative Policies

Early warning systems should be strengthened through investments in meteorological infrastructure and mobile-based climate alerts. Countries like

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[93] Ministry of Water and Environment (2024). Wetland Degradation Report. Kampala: MWE.

Kenya and Ethiopia have successfully implemented similar systems and these have reduced disaster-related losses.

4.5 Enhancing Water Resource Management

Justification

Uganda's water resources are increasingly threatened by pollution and over-extraction. The Water Resource Management Report[94] (2024, p. 29) reveals that over 60% of Uganda's water resources are at risk due to industrial discharge, agricultural runoff, and unregulated water abstraction.

The **Water Act (Cap 152, Section 31)** provides for pollution control measures, but enforcement remains weak due to limited monitoring capacity and lack of incentives for industries to comply.

Alternative Policies

Introducing mandatory industrial water recycling to reduce water wastage. Industries must be required to install water treatment systems and reuse wastewater in production processes. The government can offer tax incentives to businesses that adopt these practices.

Promoting public-private partnerships (PPPs) in water infrastructure development. This should entail encouraging private sector investment in clean water projects that can improve service delivery while reducing the financial burden on the government. PPP models have been successfully implemented in countries like South Africa, improving water access in underserved communities.

Conclusion

The water and environment sector is at a critical juncture. The country faces significant challenges, including deforestation, wetland degradation, water scarcity, and poor waste management, all exacerbated by climate change. The current budget allocations and implementation strategies are insufficient to address these challenges, particularly in rural areas where access to clean water and sanitation remains limited. This alternative policy statement calls for urgent action to restore degraded ecosystems, improve access to clean water, enhance waste management, and strengthen climate resilience. It emphasizes the need for increased funding, stronger enforcement of

[94] **Ministry of Water and Environment (2024).** Water Resource Management Report

environmental laws, and the promotion of sustainable practices to ensure equitable and sustainable development for all Ugandans.

3.3 Energy and Mineral Development

Executive Summary

In accordance with Article 82(A) of the Constitution and Section 6E (4) of the Administration of Parliament (Amendment) Act (2006), Rules 14(4) and 146 of the Rules of Procedure of the Parliament of Uganda, this Alternative Budget for the Energy and Mineral Development Sector articulates budget priorities for Uganda for the Financial Year 2024/2025. The Ministry of Energy and Mineral Development (MEMD) has consistently failed to harness Uganda's vast energy and mineral resources, leaving the country grappling with systemic inefficiencies, poor governance, and missed opportunities for economic transformation.

Uganda's energy sector remains underdeveloped, with limited access to electricity, particularly in rural areas, where only a small fraction of households is connected. The over-reliance on hydropower, which is vulnerable to seasonal rainfall fluctuations, has led to frequent power outages, disrupting economic activities. Despite the country's immense potential for renewable energy sources like solar and geothermal, the government has failed to implement a robust policy framework to attract investment and scale up these projects. High electricity tariffs, among the highest in the region, further burden households and deter industrial growth, undermining Uganda's competitiveness.

The mineral sector, though rich in potential, is plagued by weak governance, illegal mining, and environmental degradation. Small-scale and artisanal mining dominate the sector, often operating informally with unsafe practices and harmful environmental impacts. The government's failure to enforce environmental regulations and streamline the licensing process has deterred investment and stifled growth. Additionally, the lack of focus on value addition has resulted in the export of raw materials, depriving Uganda of significant revenue and industrial development opportunities. The oil and gas sector, often touted as a game-changer, has seen painfully slow progress, with delays in infrastructure development and unresolved compensation issues for Project-Affected Persons (PAPs).

The proposed budget for FY 2024/2025 reveals significant shortcomings, with inadequate allocations for critical areas such as rural electrification, mining regulation, and power transmission infrastructure. The wage expenditure remains stagnant, failing to address the severe understaffing in key regulatory bodies, which has led to rampant illegal mining and environmental degradation. The MEMD budget, representing a small fraction of the national budget, is insufficient to address the sector's pressing needs and reflects the government's misplaced priorities.

The opposition proposes a clear roadmap to address these challenges and unlock the full potential of Uganda's energy and mineral sectors. Key priorities include expanding rural electrification through off-grid solar and mini-grid solutions, resolving delayed compensation for PAPs, strengthening mining regulation, promoting value addition in mining, and investing in critical minerals like lithium and graphite. Additionally, reducing electricity tariffs and upgrading transmission infrastructure are essential to improving energy access and reliability. These measures, if implemented with strong leadership, transparency, and accountability, can transform Uganda's energy and mineral sectors into engines of economic growth and prosperity for all citizens.

Introduction

Uganda's energy and mineral sectors hold immense potential to drive economic growth, industrialization, and improved livelihoods for its citizens. However, despite the country's abundant natural resources, including oil, gold, and renewable energy potential, these sectors remain underdeveloped, plagued by inefficiencies, poor governance, and a lack of strategic planning. The Ministry of Energy and Mineral Development (MEMD) has consistently failed to address critical challenges, leaving Uganda grappling with limited energy access, high electricity tariffs, environmental degradation, and missed opportunities for value addition in the mineral sector.

The energy sector is characterized by a glaring disparity in electricity access, with rural areas particularly underserved. Over-reliance on hydropower, which is vulnerable to seasonal rainfall fluctuations, has led to frequent power outages, disrupting economic activities. Despite the potential of renewable energy sources like solar and geothermal, the government has failed to implement a robust policy framework to attract investment and scale up these projects. High electricity tariffs, among the highest in the region, further burden households and deter industrial growth, undermining Uganda's competitiveness.

In the mineral sector, weak governance, illegal mining, and environmental degradation are rampant. Small-scale and artisanal mining dominate the sector, often operating informally with unsafe practices and harmful environmental impacts. The government's failure to enforce environmental regulations and streamline the licensing process has deterred investment and stifled growth. Additionally, the lack of focus on value addition has resulted in the export of raw materials, depriving Uganda of significant revenue and industrial development opportunities. The oil and gas sector, often touted as a game-changer, has seen painfully slow progress, with delays in infrastructure development and unresolved compensation issues for Project-Affected Persons (PAPs).

This document, prepared in accordance with Article 82(A) of the Constitution and Section 6E (4) of the Administration of Parliament (Amendment) Act (2006), Rules 14(4) and 146 of the Rules of Procedure 2017, presents an alternative budget framework for the energy and mineral development sector. It critiques the government's failures and proposes a clear roadmap to address these challenges, unlock Uganda's potential, and ensure sustainable development. With strong leadership, transparency, and accountability, Uganda can transform its energy and mineral sectors into engines of economic growth and prosperity for all its citizens.

Methodology

This Alternative Budget considered the National Unity Platform Manifesto - 2021-2026; other Opposition Political Party manifestos; the Opposition Legislative Agenda; the National Budget Framework Paper FY2025/26; the Third National Development Plan (NDPIII 2020/21-2024/25); the Medium-Term Expenditure Framework; the Charter for Fiscal Responsibility; the First Budget Call Circular FY 2025/2026, the Appropriation Act, 2022, among others.

Situation Analysis of the Ministry of Energy and Mineral Development

The energy and mineral sectors are critical to Uganda's growth. They're essential for powering industries, businesses, and households, and provide the foundation for industrialization. Uganda is rich in resources like oil, gold, and other minerals, which could play a massive role in the country's economic transformation. However, these sectors aren't yet fulfilling their potential. Energy access, especially in rural areas, remains poor, and the mineral sector continues to struggle with inefficiencies, poor governance, and unregulated practices.

Challenges in the Energy Sector

One of the major hurdles in Uganda's energy sector is limited access to electricity. The Uganda Bureau of Statistics (UBOS) noted that only about 30% of the population has electricity[95], with rural areas lagging behind at just 7%. This glaring gap in energy access significantly hampers economic opportunities in these regions. For agriculture and small-scale industries in rural

[95] Uganda Bureau of Statistics (UBOS). **Uganda National Household Survey 2023**. UBOS, 2023, p. 52

areas, access to reliable power could drastically improve productivity and create income-generating opportunities.

Another major issue is Uganda's over-reliance on hydropower. More than 80% of the country's electricity comes from hydroelectric plants, which is problematic because the sector is highly vulnerable to seasonal fluctuations in rainfall. When there's low rainfall, power shortages become common, affecting both consumers and businesses. The Auditor General's Report from 2024 paints a grim picture, showing how inconsistent water levels lead to power outages and disrupted economic activities[96].

High energy costs are another pressing concern. Despite having abundant hydropower potential, Uganda's electricity costs remain among the highest in the region, especially for industrial users. The Ministry of Energy Annual Energy Report (2023) highlights several inefficiencies across the energy generation, transmission, and distribution systems [97] . Transmission losses, outdated infrastructure, and high operational costs are contributing factors that make electricity too expensive for many Ugandans, particularly small businesses and industries that rely heavily on power.

Moreover, while renewable energy sources like solar and geothermal hold immense potential, the country has made little progress in exploiting these resources. The World Bank highlighted in its 2023 report[98] that financing remains a major obstacle to scaling up renewable energy projects. While solar mini-grids and home solar systems have made headway, the absence of a strong policy framework to support renewable energy development remains a critical bottleneck.

Challenges in the Mineral Sector

Uganda's mineral sector, though rich with potential, also faces several obstacles. Small-scale and artisanal mining dominate the sector, and according to UBOS (2023), small-scale mining contributes a significant portion of Uganda's mineral output, with gold being the leading mineral[99]. However, these miners often work informally with poor productivity, unsafe conditions, and harmful environmental practices. Lack of proper tools and technical skills leads to wasted resources, and the use of toxic chemicals like mercury and

[96] Auditor General's Office. **Auditor General's Report on Energy Sector, 2024**. Office of the Auditor General, 2024, p. 22.
[97] Ministry of Energy and Mineral Development. **Annual Energy Report 2023**. Ministry of Energy and Mineral Development, 2023, p. 28
[98] World Bank. **World Bank Energy Sector Review, 2023**. World Bank, 2023, p. 63
[99] Uganda Bureau of Statistics (UBOS). **Uganda Mineral Resources Report, 2023**. UBOS, 2023, p. 35

cyanide in gold extraction has caused severe environmental damage, including water pollution and soil degradation.

Environmental concerns are compounded by weak governance in the sector. The Auditor General's Report (2024) flagged the lack of oversight and regulatory enforcement, particularly with small-scale mining operations[100]. Mining often occurs without environmental impact assessments, resulting in severe consequences for local communities and ecosystems. The unclear land ownership and disputes over mining rights only add to the sector's problems, preventing effective management and sustainable development.

Another critical issue is Uganda's underdeveloped regulatory framework for mining. Although there have been efforts to improve the legal framework, many regulations remain unenforced, and the process for acquiring mining licenses is slow and opaque. The Ministry of Energy and Mineral Development itself admits that the licensing process is often delayed, making it difficult for potential investors to get the permits they need. This uncertainty has a chilling effect on both local and foreign investment in the mining sector, slowing down much-needed development.

The oil and gas sector, while promising, faces its own set of challenges. Though Uganda's oil reserves in the Albertine Graben have drawn significant international interest, infrastructure development has been sluggish. Delays in financing and land acquisition issues have pushed production timelines back. The World Bank (2023) has raised concerns about the impact these delays could have on Uganda's ability to emerge as a significant oil exporter[101]. Consequently, timely infrastructure development is key to unlocking the sector's potential.

Untapped Opportunities in the Sector

Despite these challenges, both the energy and mining subsectors hold great potential. Solar power, for instance, could significantly expand energy access in rural areas. Uganda's abundant sunshine makes solar energy an ideal solution, and there have already been successful pilot projects like solar mini-grids and home solar systems. Scaling up these projects could address the electricity access gap, especially in off-grid communities, and drive sustainable development.

Geothermal energy represents an additional unexploited resource. Uganda's position inside the East African Rift System offers the potential to exploit

[100] Auditor General's Office. **Auditor General's Report on Mining and Minerals, 2024**. Office of the Auditor General, 2024, p. 47

[101] World Bank. **World Bank Oil and Gas Sector Review, 2023**. World Bank, 2023, p. 72

geothermal energy, tthus diversifying the nation's energy portfolio and diminishing dependence on hydropower. Despite the current limitations in geothermal exploration, preliminary evaluations indicate it has the potential to produce a substantial share of Uganda's electricity. The World Bank encourages further exploration and development of this resource to ensure energy stability and reduce vulnerability to climate variability[102].

In the mining sector, Uganda could benefit greatly from focusing on value addition. Instead of simply exporting raw materials, such as gold, the country could invest in mineral processing and refining industries. This would increase revenue, create jobs, and contribute to local economic development. The Ministry of Energy and Mineral Development **Annual Report[103] on Mining Industry (2023),** affirms that establishing local processing industries is key to making the mining sector more sustainable and profitable.

Uganda’s oil and gas sector is often touted as having substantial potential, but the reality is far from promising. Progress has been painfully slow, and despite all the talk, the necessary infrastructure remains a distant dream. Even if it were eventually completed, there is no guarantee that Uganda would become a regional energy hub. Instead of fostering development, this delayed progress could continue to leave Uganda reliant on a volatile global market, with little to show in terms of actual economic benefits. The notion that oil and gas will generate revenue and promote regional integration is overly optimistic, considering the lack of clear strategic planning and the mounting challenges the sector continues to face.

With the right investments, policy reforms, and a focus on sustainable practices, Uganda can transform its energy and mineral sectors into key drivers of economic growth. However, this will require strong leadership, collaboration between public and private sectors, and consistent implementation of policies. Unfortunately, without these efforts, Uganda’s rich natural resources will continue to remain largely untapped.

Sector Budget Analysis – FY 2025/2026

3.1 Budget Allocation (UGX Trillions)

[102] World Bank. **World Bank Energy Sector Review, 2023**. World Bank, 2023, p. 63

[103] Ministry of Energy and Mineral Development. **Annual Report on Mining Industry, 2023**. Ministry of Energy and Mineral Development, 2023, p. 50.

Ministry of Energy and Mineral Development Budget	FY 2024/2025 (UGX Bn) Approved	FY 2024/2025 (UGX Bn) Spent by End of Dec	FY 2025/2026 (UGX Bn) Budget Estimates
Wage Expenditure	16.711	7.436	16.711
Non-Wage Recurrent	54.922	20.579	109.412
Development (GOU)	176.254	57.914	129.979
Development (EXTERNAL FINANCING)	963.575	316.850	1,322.251
GoU Total	**247.887**	**85.929**	**256.103**
Total GoU+Ext Fin (MTEF)	**1,211.462**	**402.779**	**1,578.354**
Arrears	0.381	0.314	0.000
Total Budget	**1,211843**	**403.093**	**1,578.354**
Total Vote Budget Excluding Arrears	**1,211.642**	**402.779**	**1,578.354**

Source: Ministerial Policy Statement

3.2 Critique of the Proposed Ministry of Energy and Mineral Development (MEMD) Budget for FY 2025/2026

The proposed budget for the Ministry of Energy and Mineral Development (MEMD) for the Financial Year (FY) 2025/2026, as outlined in the Ministerial Policy Statement, reveals several critical shortcomings that could undermine the sector's ability to address pressing challenges and achieve its development goals. While the total budget for FY 2025/2026 is estimated at **UGX 1,578.354 billion**, a closer examination of the allocations reveals significant gaps in funding priorities, inefficiencies in expenditure, and a lack of focus on key areas that are essential for driving economic growth and improving energy access. Below is a detailed critique of the proposed budget, organized into subsections.

3.2.1 Wage Expenditure

The wage expenditure for FY 2025/2026 is estimated at **UGX 16.711 billion**, the same as the approved budget for FY 2024/2025. This stagnation in wage allocation is concerning, given the urgent need to attract and retain skilled personnel in the energy and mineral sector. The **Directorate of Geological Survey and Mines (DGSM)**, for instance, remains severely understaffed, with only **16 inspectors** responsible for regulating mining activities across the entire country. This inadequate staffing has led to rampant illegal mining, environmental degradation, and unsafe practices, such as the unregulated use of mercury in gold mining (Auditor General, 2023, pp. 23–24).

The opposition contends that the wage expenditure should be increased to recruit and train additional mining inspectors and technical staff. Strengthening regulatory capacity is critical for addressing illegal mining, enforcing environmental and safety standards, and ensuring that the sector operates efficiently. Without this, the government's efforts to regulate the mineral sector will continue to fall short, leaving communities and ecosystems vulnerable to exploitation.

3.2.2. Non-Wage Recurrent Expenditure

The non-wage recurrent expenditure for FY 2025/2026 is estimated at **UGX 109.412 billion**, a significant increase from the **UGX 54.922 billion** approved in FY 2024/2025. While this increase is commendable, it is unclear whether these funds will be sufficient to cover the operational costs associated with rural electrification and the **Electricity Regulatory Authority (ERA).** The ERA plays a critical role in expanding rural electrification and regulating electricity tariffs, yet its operational budgets have historically been constrained[104].

The opposition argues that the non-wage recurrent budget should be further increased to ensure that agencies like ERA have adequate resources to perform their functions effectively. Specifically, the additional funds should be availed to scale up off-grid solar and mini-grid solutions as well as hydroelectricity extension to rural areas. Without such interventions, rural electrification efforts will continue to delay, leaving millions of Ugandans without access to reliable electricity.

[104] Ministry of Energy and Mineral Development. (2023). *Uganda Oil and Mineral Development Report 2023*. Government of Uganda, p. 17

3.2.3. Development Expenditure

The development expenditure for FY 2025/2026 is estimated at **UGX 1,352.230 billion**, comprising **UGX 129.979 billion** from government funds and **UGX 1,222.251 billion** from external financing. While this represents a substantial portion of the budget, the allocation remains insufficient to address the sector's pressing needs. Key areas such as rural electrification, compensation of **Project-Affected Persons (PAPs)**, and upgrading power transmission infrastructure require significantly more funding. For example, only **19% of rural households** have access to electricity, and **UGX 28 billion** in unpaid compensation for PAPs remains unresolved[105] as of August 2024.

The opposition recommends prioritizing critical areas such as rural electrification, PAP compensation, and power transmission infrastructure.

3.2.4. Total MEMD Budget as a Percentage of the National Budget

The MEMD budget for FY 2025/2026 represents a relatively small portion of the national budget, estimated at **3.1%,** down from **3.2%** in the previous fiscal year. This slight decrease is concerning, given the sector's critical role in driving economic growth and industrialization. The energy and mineral sector is a key enabler of other sectors, and underfunding could have ripple effects across the economy[106].

The opposition recommends increasing the MEMD budget to at least **3.5% of the national budget** to reflect the sector's importance and address its pressing needs. This would provide additional resources for critical areas such as rural electrification, mining regulation, and strategic mineral development. Without a larger share of the national budget, the sector will continue to struggle to meet its development goals, leaving Uganda's economic potential untapped.

3.2.5. Lack of Specific Allocations for Key Priorities

The proposed budget does not provide specific allocations for key priorities such as **value addition in mining**, **critical mineral exploration**, and **reducing electricity tariffs**. These areas are critical for maximizing domestic revenue, promoting industrialization, and improving energy access, yet they are not adequately reflected in the budget[107].

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[105] Parliament of Uganda. (2024). *Report of the Committee on Natural Resources on the Compensation of Project Affected Persons (PAPs) for the Financial Year 2023/2024*. Government of Uganda, p. 5.

[106] World Bank. (2023). *Uganda Energy and Mineral Development Sector Analysis*. World Bank Group, pp. 13–14

[107] Auditor General. (2023). *Report on the Audit of the Energy and Mineral Development Sector for the Financial Year Ended 30th June 2023*. Office of the Auditor General, pp. 23–24

The opposition contends that the budget should include specific allocations for enforcing value addition in mining, promoting critical mineral exploration, and reducing electricity tariffs. For example, funds should be allocated for geological surveys of critical minerals such as **lithium** and **graphite**, and for targeted subsidies to reduce electricity tariffs for households and SMEs. Without these allocations, Uganda will continue to miss out on opportunities to maximize the value of its mineral resources and improve energy access for its citizens.

3.2.6. Inadequate Focus on Power Transmission Infrastructure

The budget does not explicitly allocate funds for upgrading power transmission infrastructure, which is responsible for **30% of electricity losses** due to obsolete infrastructure. This undermines efforts to improve the reliability and efficiency of power delivery, particularly in industrial zones.

The opposition recommends including a specific allocation for modernizing transmission lines and substations, adopting **smart grid technology**, and reducing transmission losses. The **Uganda Electricity Transmission Company Ltd.** has highlighted the need for increased investment in this area to improve the reliability of power delivery and support industrial growth[108]. Without this investment, Uganda will continue to face frequent power outages and inefficiencies in its energy sector, hindering economic development.

4.0 Alternative Priority Areas

Alternative Priority	**Justification (with Source)**	**Alternative Policy**
1. Expanding Rural Electrification	As of 2023, only 19% of rural households had access to electricity, highlighting a significant energy access gap. The rationalization of the Rural Electrification Agency (REA) disrupted rural electrification efforts, despite Uganda's surplus generation capacity.	Expand the Rural Electrification Programme with increased funding, restore key REA functions, and promote off-grid solar and mini-grid solutions through public-private partnerships, especially in hard-to-reach rural areas.

[108] Uganda Electricity Transmission Company Ltd. (UETCL). (2024). *Annual Transmission and Power Loss Report for the Financial Year 2023/2024*. Government of Uganda, pp. 7–8

2. Addressing Delayed Compensation of PAPs	Compensation delays for Project-Affected Persons (PAPs) have affected key infrastructure projects such as Karuma Hydropower and EACOP.	Establish a transparent, time-bound compensation framework, including independent monitoring and legal enforcement mechanisms, to expedite payments and maintain project momentum.
3. Strengthening Mining Inspection Capacity	According to Auditor General (2023), *Annual Report on the Energy and Mineral Sector* (pp. 23–24), the Directorate of Geological Survey and Mines (DGSM) has only 16 inspectors for the entire country. This has led to rampant illegal mining, environmental degradation, and unsafe practices such as unregulated mercury use in gold mining.	Increase funding for recruitment and training of mining inspectors, equip district offices with tools for compliance monitoring, and strengthen enforcement of environmental and occupational safety standards.
4. Operationalizing	Uganda imported $22.1 million in salt (2022) and $527 million in iron and steel (2023), despite domestic	Prioritize reviving Katwe Salt and Osukuru Phosphate mining, and incentivize local iron ore processing to reduce imports, create

Strategic Mineral Resources		jobs, and support industrialization.
5. Enforcing Value Addition in Mining	Uganda's value addition policy is unevenly enforced. While local investors must process minerals before export, some foreign companies continue exporting raw materials, diminishing revenue and industrial potential (Auditor General (2023), *Annual Report on the Energy and Mineral Sector*, p. 28).	Enforce uniform value addition requirements, provide tax incentives for establishing local processing facilities, and penalize illegal export of unprocessed minerals to ensure fair practices and maximize domestic value retention.
6. Promoting Critical Mineral Exploration **7. Reducing Electricity Tariffs**	Uganda has unexplored reserves of lithium and graphite, critical for clean energy transitions. However, the focus on oil has sidelined investment in these resources, limiting Uganda's role in the global green economy. (*Uganda Energy and Mineral Development Sector Analysis*, pp. 13–14). Uganda's electricity tariffs are the highest in East Africa, limiting industrial competitiveness and burdening low-income households. High tariffs discourage investment and increase living costs. **(**Electricity Regulatory	Allocate resources for geological surveys of critical minerals, provide exploration incentives, and position Uganda as a regional hub for supplying materials essential to renewable energy technologies. Introduce targeted subsidies for households and SMEs, renegotiate power purchase agreements (PPAs) for cost efficiency, and invest in low-cost generation sources like solar and geothermal to sustainably lower tariffs.

	Authority (ERA), *Annual Tariff Review Report 2024*, p. 10).	
8. Upgrading Power Transmission Infrastructure **Alternative Priority**	Uganda loses 30% of generated electricity due to obsolete transmission infrastructure, causing frequent outages and inefficiencies in power delivery, especially in industrial zones. **(**Uganda Electricity Transmission Company Ltd. (UETCL), *Annual Transmission and Power Loss Report 2024*, pp. 7–8).	Invest in modernizing transmission lines and substations, adopt smart grid technology, and strengthen system maintenance to reduce losses, improve reliability, and support industrial power demands.

4.1 Analysis of Alternative Sector Priorities, Justifications, and Policies

The government's mismanagement of Uganda's energy and mineral sectors has left the country grappling with systemic inefficiencies, missed opportunities, and widespread inequities. Despite the abundance of natural resources, the energy sector remains underdeveloped, with rural electrification lagging far behind, while the mineral sector is plagued by illegal mining, environmental degradation, and weak governance. The opposition proposes a comprehensive set of alternative priorities and policies to address these challenges. This analysis critiques the current government's failures and outlines a clear path forward to unlock the full potential of Uganda's energy and mineral sectors.

4.1.1. Expanding Rural Electrification

The **National Housing and Population Census 2024** reveals that only **22% of rural households** have access to electricity, compared to **67% in urban areas** (UBOS, 2024, p. 18). This glaring disparity underscores the government's failure to prioritize rural electrification, despite Uganda's surplus generation capacity. The **rationalization of the Rural Electrification Agency (REA)** has further disrupted efforts to expand electricity access, leaving millions of Ugandans in the dark and stifling economic growth in rural areas.

The opposition proposes an **expanded Rural Electrification Programme** with increased funding, reactivation of projects that were put on hold following the rationalization of REA, and a focus on **off-grid solar and mini-grid solutions**. If we leverage public-private partnerships, especially in hard-to-reach rural areas, the country will be able to bridge the energy access gap and empower rural communities. This approach not only aligns with global best practices but also ensures that no Ugandan is left behind in the quest for sustainable development.

4.1.2. Addressing Delayed Compensation of Project-Affected Persons (PAPs)

Delays in compensating **Project-Affected Persons (PAPs)** have become a recurring issue, stalling key infrastructure projects such as the **East African Crude Oil Pipeline (EACOP)**. As of August 2024, **UGX 28 billion** remains unpaid, triggering legal disputes and undermining project momentum (Parliament of Uganda, 2024, p. 5). These delays reflect the government's lack of transparency and accountability in handling compensation matters, eroding public trust and delaying critical development projects.

The opposition advocates for the establishment of a **transparent, time-bound compensation framework**, supported by independent monitoring and legal enforcement mechanisms. This framework will ensure timely payments, maintain project momentum, and uphold the rights of affected communities.

4.1.3. Strengthening Mining Inspection Capacity

The Directorate of Geological Survey and Mines (DGSM) is severely understaffed, with only 16 inspectors responsible for the entire country (Auditor General, 2023, pp. 23–24). This lack of capacity has led to rampant illegal mining, environmental degradation, and unsafe practices such as the unregulated use of mercury in gold mining. The government's failure to address these issues has not only undermined the sector's potential but also endangered the health and livelihoods of local communities.

To address this, the opposition proposes increased funding for recruitment and training of mining inspectors, equipping district offices with tools for compliance monitoring, and strengthening enforcement of environmental and occupational safety standards. By building a robust inspection framework, Uganda can curb illegal mining, protect the environment, and ensure safer working conditions for miners.

4.1.4. Operationalizing Strategic Mineral Resources

Uganda's mineral sector remains underexploited, with projects like Katwe Salt and Osukuru Phosphate failing to reach their full potential. Despite domestic reserves, Uganda imported $22.1 million worth of salt in

2022 and $527 million worth of iron and steel[109] in 2023[110]**.** This reliance on imports undermines industrial development and highlights the government's failure to prioritize domestic mineral processing.

The opposition calls for the revival of Katwe Salt and Osukuru Phosphate mining, coupled with incentives for **local iron ore processing**. By reducing imports, creating jobs, and supporting industrialization, Uganda can harness its mineral wealth to drive economic growth and self-sufficiency.

4.1.5. Enforcing Value Addition in Mining

Uganda's value addition policy is unevenly enforced, with some foreign companies continuing to export raw materials, while local investors are required to process minerals before export (Auditor General, 2023, p. 28). This double standard diminishes revenue and industrial potential, perpetuating Uganda's role as a supplier of raw materials rather than a producer of finished goods.

The opposition proposes uniform enforcement of value addition requirements, tax incentives for establishing local processing facilities, and penalties for the illegal export of unprocessed minerals. By ensuring fair practices and maximizing domestic value retention, Uganda can transform its mineral sector into a driver of industrial growth.

4.1.6. Promoting Critical Mineral Exploration

Uganda possesses **unexplored reserves of lithium and graphite**, critical for the global transition to clean energy. However, the government's focus on oil has sidelined investment in these resources, limiting Uganda's role in the **global green economy**[111] (World Bank, 2023, pp. 13–14). This short-sighted approach deprives Uganda of the opportunity to become a regional hub for critical minerals.

The opposition advocates for geological surveys of critical minerals, exploration incentives, and strategic positioning of Uganda as a regional supplier of materials essential to renewable energy technologies. By prioritizing critical mineral exploration, Uganda can tap into new markets and contribute to global sustainability efforts.

[109] United Nations COMTRADE. (2023). *Uganda Trade Statistics*. United Nations
[110] Ministry of Energy and Mineral Development. (2023). *Uganda Oil and Mineral Development Report 2023*. Government of Uganda.

[111]

4.1.7. Reducing Electricity Tariffs

Uganda's **electricity tariffs are the highest in East Africa**, limiting industrial competitiveness and burdening low-income households [112] (Electricity Regulatory Authority, 2024, p. 10). High tariffs discourage investment, increase living costs, and undermine the government's industrialization agenda.

To address this, the opposition proposes **targeted subsidies for h**

ouseholds and SMEs, renegotiation of **power purchase agreements (PPAs)** for cost efficiency, and investment in **low-cost generation sources** such as solar and geothermal energy. By sustainably lowering tariffs, Uganda can attract investment, reduce living costs, and enhance industrial competitiveness.

4.1.8. Upgrading Power Transmission Infrastructure

Uganda loses **30% of generated electricity** due to **obsolete transmission infrastructure,** causing frequent outages and inefficiencies in power delivery (Uganda Electricity Transmission Company Ltd., 2024, pp. 7–8). This outdated infrastructure undermines industrial productivity and limits the sector's ability to meet growing energy demands.

The opposition calls for **modernizing transmission lines and substations,** adopting **smart grid technology**, and strengthening system maintenance. By reducing losses, improving reliability, and supporting industrial power demands, Uganda can build a resilient and efficient energy sector.

Conclusion

The government's failures in the energy and mineral sectors have left Uganda far behind its potential. From low rural electrification rates to unregulated mining and high electricity tariffs, the challenges are vast but not insurmountable. The opposition's alternative priorities and policies offer a clear roadmap for addressing these issues, ensuring sustainable development, and unlocking the full potential of Uganda's energy and mineral sectors. With strong leadership, transparency, and accountability, Uganda can transform these sectors into engines of economic growth and prosperity for all its citizens.

[112] Electricity Regulatory Authority. (2024). *Annual Tariff Review Report 2024*. Government of Uganda

CHAPTER FOUR: SOCIAL SERVICES AND HUMAN DEVELOPMENT

4.1. Education and Sports

Executive Summary

The Constitution of the Republic of Uganda and the Administration of Parliament Act (2006) as amended in Article 82(A) (i), Section 6 E (4) provides that the Office of the Leader of the Opposition is mandated to provide policy proposals to the Government.

The alternative budget statement for Education and Sports spells out some of the budgeting proposals for FY 2025/26 as Provision of scholarships, payment of capitation grant to all health training institutions, provision of assorted sports equipment, training the Directorate of education services, retooling Technical and Vocational Education and Training among others.

The Alternative Budget highlights some of the funding priorities of recruiting more teachers, training teachers for the implementation of the new lower secondary curriculum and the abridged A 'level curriculum, enhancing salary for Arts teachers, establishment of infrastructure in schools among others.

Introduction

Education is a key component of social growth, Economic development, and transformation. The right to education principally focuses on the need for learners to easily access education and an education of good quality. Article 30 of the Constitution of Uganda guarantees all people the right to education. It also states that the education provided in institutions must meet minimum standards set by the state.

Primary education is considered the first level of formal education in which pupils follow a common basic curriculum. This is followed by a secondary cycle of six years (four at lower secondary and two and higher secondary) before proceeding to university education for three to five years depending on the duration of the course offered[113].

Alternative Policy Statement.

Therefore, in accordance with Article 82(A)(i), Section 6E (4) OF THE Administration of Parliament (Amendment) Act (2006), Rules 14(4) and 147 of the Rules of Procedure 2025, the Office of the Leader of the Opposition is

113 https://www.ugandainvest.go.ug/uia/images/Download_Center/SECTOR_PROFILE/Education_Sector_profile.pdf

mandated to provide policy proposals to the Government and this Alternative Budget statement for Education and Sports highlights some of the funding priorities.

Methodology

This Alternative Budget considered the National Unity Platform Manifesto; other Opposition political party's manifestos; the Opposition Legislative Agenda; and the Opposition response to the Charter of Fiscal Policy.

Sector Objectives

This alternative budget has been informed by the following objectives:

a) Rightful access to appropriate and quality education and training;

b) Ensure delivery of relevant and quality education and training; and c) Enrich efficiency and efficacy of education and sports service delivery at all levels, which still has challenges.

Situational Analysis

Under rule 145(2) of the Rules of Procedure of Parliament, the sectoral committee on Education and Sports is mandated to oversee the following sectors and votes

VOTE: 013 Ministry of Education and Sports

VOTE: 111 National Curriculum Development Center

VOTE: 128 Uganda National Examinations Board.

VOTE: 132 Education Service Commission

VOTE: 164 National Council for Higher Education

VOTE: 165 Uganda Business and Technical Examinations Board

VOTE: 166 National Council of Sports

VOTE: 301 Makerere University Kampala

VOTE: 302 Mbarara University of Science and Technology

VOTE: 303 Makerere University Business School

VOTE: 304 Kyambogo University

VOTE: 305 Busitema University

VOTE: 306 Muni University

VOTE: 307 Kabale University

VOTE: 308 Soroti University

VOTE: 309 Gulu University

VOTE: 310 Lira University

VOTE: 312 Uganda Management Institute

VOTE: 313 Mountain of the Moon University

VOTE: 501-850 Local Governments and;

VOTE: 122 KCCA.

The education sector in Uganda has not been given the attention it deserves and this is seen in the continuous budget cuts and late release of funds. The 2024/25 budget for this sector was almost cut to a half leaving many sectoral agencies struggling to operate[114] .

Existence of uncoordinated figures in the enrollment of learners in both primary and secondary schools across the country. The Education Management Information Systems (EMIS) has different figures and the head teachers have different figures. This has led to the existence of ghost learners in schools causing corruption in the education system [115].

Failure of the Ministry of Education and Sports together with the National Curriculum Development Centre (NCDC)to train and provide authentic learning materials to all teachers and learners to fully implement the New Lower Secondary Curriculum.

Existence of so many unfunded priorities yet critical for this sector like provision of totally free primary education (UPE)to all learners across the country, funds to implement the new abridged curriculum for A 'level yet students are already reporting for term one 2025 [116].

Existence of continuous complaints from school stakeholders in urban centers over the unfair grading system based on regions. This is based on the just concluded Primary Leaving Examinations (PLE) 2024 in addition to the wide confusion brought about by the new grading system in the just released results under the New Lower Secondary Curriculum 2024.

[114] Report of the sectoral committee on Education and Sports on the National Budget Framework Paper 2025/26

[115] Auditor General's Report 31st December 2024

[116] Response to the National Budget Framework Paper from Ministry of Education and Sports 2025

High failure rates in just concluded national exams of Uganda Primary Leaving Examinations (UPE)and Uganda Certificate of Examinations (UCE) 2024. Over 64,251 and 6,900 learners totally failed and cannot move to any other level of education. The Ministry has no clear plan on what is next for these learners [117].

This has left the education system in the country limping despite being a sector of great concern. Many stakeholders including Parliament have continuously come up to advocate for its betterment but nothing much is done.

Budgetary allocations by Vote in the Education, Sports and Skills Development Sub-Programme in the FY 2025/26 and in the Medium Term (UShs bn)

VOTES	Approved Budget FY 2024/25	Proposed Budget Estimates FY 2025/26	Change	% Change	MTEF Projections			
					FY2026/27	FY2027/28	FY2028/29	FY2029/30
013-MOES	853.799	789.068	-64.731	-8%	766.523	806.968	818.756	1,344.85
111-NCDC	23.389	25.035	1.646	7%	28.127	31.315	35.983	41.504
122-KCCA	65.649	69.879	4.23	6%	92.326	99.476	109.106	120.148
128-UNEB	129.146	127.51	-1.636	-1%	147.306	167.341	198.505	235.787
132-ESC	11.221	10.617	-0.604	-5%	12.037	13.447	15.659	18.288
164-NCHE	17.227	17.049	-0.178	-1%	19.013	21.047	23.967	27.408
165-UBTEB	38.29	41.801	3.511	9%	43.625	49.361	58.213	68.784
166-NCS	262.65	262.798	0.148	0%	52.591	60.107	71.631	91.41
301-MAK	357.211	352.853	-4.358	-1%	386.046	420.109	467.483	522.499
302-MUST	60.732	60.198	-0.534	-1%	65.352	70.586	77.786	86.08

[117] Statement of the release of the results of the 2024 Uganda Certificate of Education and Uganda Primary Leaving Examinations

303-MUBS	124.759	130.563	5.804	4.70%	134.303	145.54	160.743	178.29
304-Kyam Univ	138.27	138.755	0.485	0.35%	154.202	170.05	192.951	219.877
305-Busitema Univ	57.546	55.986	-1.56	-3%	61.585	67.743	74.517	81.969
305-Muni Univ	35.824	34.606	-1.218	-3%	37.592	40.58	44.797	49.663
307-Kabale Univ	62.981	62.653	-0.328	-1%	68.019	73.514	80.989	89.598
308-Soroti Univ	40.625	31.764	-8.861	-22%	36.655	39.926	44.4	49.766
309-Gulu Univ	71.055	73.383	2.328	3%	80.758	88.139	98.915	111.504
310-Lira Univ	39.214	38.786	-0.428	-1%	42.266	45.711	50.68	56.433
312-UMI	42.022	41.947	-0.075	0%	44.718	49.315	55.854	63.535
313-MoMU	41.217	40.597	-0.62	-2%	44.444	48.38	53.886	60.284
LGs(501-850)	2,563.44	2,331.03	-232.41	-9.07%	4,353.20	4,684.27	5,165.88	6,529.76
Grand Total	**5,036.27**	**4,736.88**	**-299.39**	**-6%**	**6,670.69**	**7,192.93**	**7,900.70**	**10,047.44**

Source: MTEF reports of the votes in the education, sports and skills sub program 2025/26

Specifically, the Education, Sports and Skills sub programme budget for the FY 2025/26 is projected at Ushs. 4,736.88 bn from Ushs. 5,036.27bn in FY 2024/25 representing a reduction of 299.39bn (6%).

The Medium-Term Expenditure Framework (MTEF) Programme ceilings for FY 2025/26 shows that most of the votes have decreased in regard to budgetary allocations in comparison to FY 2024/25 except for Vote 165-UBTEB which increased by Ush 3.511bn represented by 9% mainly on account of a Ushs 3.833bn wage increment and Vote-111 NCDC which increased by Ushs 1.646bn represented by a 7% increment while Soroti University saw the largest reduction in its proposed budget of 22% on account of a Ushs 8.861bn reduction in its GoU development budgetary category.

This remains the position considering the limited resource envelope. However, the Alternative budget, finds it viable to increase on the non-wage to cater for enhancement of the capitation grant, and the completion of infrastructure development especially in universities, funding the curriculum for O'level and A 'level, recruitment of more human resource among others.

Funding Priorities

No.	Priority	Justification	Alternative
1.	Provision of learning materials	• Schools lack authentic learning materials in form of textbooks.	The alternative priority highly considers the provision of learning materials to improve students` engagement.
2.	Train teachers to implementation the New curriculum	• Only 35% of the teachers for lower secondary were trained by 2024. • Many are using both the old method of teaching and the new one.	The alternative priority is to prioritize teacher training to equip educators with the skills and knowledge to effectively implement student-centered curriculum.
3.	Teacher recruitment and posting.	• There is shortage of teachers especially in sciences and languages in Secondary schools.	The alternative priority considers teacher recruitment as key priority component in bettering the education sector.

		• Ratio of pupil to teacher in Primary schools is high.	
4.	Increase in capital grant allocation.	There has been significant increase in the enrolment rate of learners at all levels but the capitation grant allocated has remained the same.	The alternative priority considers increasing capitation grant to improve educational quality and access.
5.	Salary harmonization for all teachers.	The education sector has been grappling with disparities in salaries of science and Arts teacher since 2022.	The alternative priority considers equal pay for all teachers.
6.	Improve infrastructure development in all education institutions.	The existence of limited funds allocated and the continuous budget cuts have limited infrastructure development in many education institutions.	The alternative priority is to increase funds allocated to education institutions to improve infrastructure.
7.	Increase funds allocated to research	Effective research and innovation is critical for driving the development agenda of the university and the country.	The alternative priority is to increase funds allocated to research and equally distribute them.
8.	Equal funding allocation across all disciplines.	Over the years, football has received a disproportionate share of funding, leaving with less.	The Alternative priority believes in provision of equal funds to all sports disciplines to enable

			equal growth in development.
9.	urgent renovation of all national stadia.	These stadia are very dilapidated and there is need to identify talent from the grassroots and prevent land grabbing.	The alternative priority seeks urgent need to avail funds for the renovation of these stadia.

Provision of learning materials

Justification

Lower Secondary section lacks authentic learning materials inform of textbooks and teacher guides. This is seen in the science subjects (Physics and Chemistry) and languages especially Kiswahili and this is as a result of the existence of many publishers who are not guided by the National Curriculum Development Centre. This has left information in text books to differ from one another hence confusing learners. In addition, due to the large numbers of learners in Public schools, the learner book ratio is high 1:6 instead of 1:2 and this has limited book use in schools.

Many schools are not connected to the national power grid and this affects computer use. Schools have very few computers shared amongst many 1:12 in addition to shortage of internet because it is very expensive and not easily accessible. This has limited the study ICT and research which are core in competence learning.

Majority of the Public schools do not have funds to fully equip their laboratories to enable the study of the compulsory science subjects. This has led to failure of science subjects all year round.

The alternative priority is to consider the provision of learning materials as they enhance quality teaching, improve student engagement, and boost academic performance, making learning more accessible and effective.

5.2 Train teachers to implementation the new lower secondary curriculum and the Abridged curriculum for A 'level.

Only 35% of the teachers for lower secondary were trained by 2024 to implement the New Lower Secondary competence based teaching however, this training involved selecting a few teachers, was generalized and not specific subject training yet these same teachers had to go back and educate those they left at school. This made teachers to teach what they themselves never understood and others using both the old curriculum and new curriculum. Master trainers feel that it would have been more beneficial if each teacher had been trained in the subject they teach [118].

The alternative priority is to prioritize teacher training because it will equip educators with the skills and knowledge to effectively implement student-centered, innovative teaching methods, fostering critical thinking and problem-solving abilities in students.

5.3 Teacher Recruitment and Posting.

A review of 136 Local Governments indicate that out of 111,101 Primary school teachers on approved structure, 85,073 (77%) were in post leading to a staffing gap of 26,028 (23%) teachers [119]. The recommended teacher pupil ratio by the Ministry of Education and Sports is 1:53 but according to inspected schools in many Local Governments the ratio is 1: 75 which is below the standard and not contusive for learning. There is shortage of teachers especially in sciences and languages in Secondary schools leaving the few available with high teacher pupil ratio of 1:100 hence the poor performance as seen in the just concluded national exams 2024. The same is true for universities as staffing levels are below 50% with Lira having only one professor.

An alternative priority for improving the education sector is enhancing teacher recruitment. This will alleviate the burden on the current understaffed teachers by distributing workloads more effectively, ultimately improving the teacher-student ratio and fostering a better learning environment.

5.4 Increase in Capitation Grant Allocation.

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[118] https://eprcug.org/press-releases/eprc-survey-finds-gaps-in-the-implementation-of-revised-o-level-curriculum/

[119] Auditor General's Report December 2024

There has been significant increase in the enrolment rate of learners under the Universal Primary Education (UPE), Universal Secondary Education (USE) and Universal Post 0'level Education and Training (UPOLET) across the country.

Learners have increased from 3.1million learners in 1996 to over 8.6 million learners in 2025 (UPE), 1.2 million students to over 1.99 million learners (USE) and over 7,647 (UPOLET) however, Government has continued to provide capitation grant ranging from 17, 000 - 20,000 per pupil per year under UPE from 2019 -2024. This is not different from other levels of learning and his has affected service delivery and managing school operation costs.

The alternative priority is to increase capitation grant allocated to enable improvement in education quality and access, leading to better infrastructure, more teaching resources, and potentially higher student enrolment and retention rates.

5.5 Salary Harmonization for all Teachers.

The education sector has been grappling with disparities in salaries of science and Arts teacher since 2022 when the Government revised the salaries of all science related head teachers and teachers leaving the Arts teachers out.

Under these reforms, salaries of science teachers at degree level was revised from 1.2 million to 4 million shillings and 930,000 at diploma to 2.2 million shillings. Salaries of head teachers rose from 4.5 million to 6.5 million shillings leaving that of Arts teachers at 1.3m for degrees and 784,000Shs for diplomas. These teachers all teach the same learners and go to the same market places. This act has led to demoralization of so many Arts teachers and many are opting out of the teaching profession. There is urgent need by the Government to equal the pay for all teachers to create fairness and promote harmony in the teaching profession.

An alternative priority is ensuring equal pay for all teachers, as higher salaries serve as a powerful motivator. When teachers feel valued and financially secure, they are more dedicated and driven to perform at their best. This, in turn, enhances student engagement, as motivated and passionate teachers inspire a love for learning.

5.6 Improve Infrastructure Development in All Education Institutions.

The existence of limited funds allocated and the continuous budget cuts have limited infrastructure development in many institutions. Universities like MUNI, Soroti, Kabale among others have had crucial construction projects that have stalled for over 5 years, many primary and secondary schools lack basic facilities in form of classrooms in a sample of 811 schools in 103 Local

Governments according to Ministry of Education Standards the classroom pupil ratio should be 1:53 and according to inspected schools it is 1:101 which is below the standard and not conducive for learning. The pit latrines in a sample of 741 schools in 92 Local Governments the standard is 1:40 but on ground it is 1:80 and this affects hygiene and sanitation in schools.

Many secondary schools are not connected to the power grid and have no access to internet, many have no science laboratories and are not equipped yet science subjects are compulsory, many have no libraries for research and teachers' quarters. The absence of these facilities has created congestion in classrooms, failed competence teaching and absenteeism of teachers since they have nowhere to reside. There is need to avail funds for the completion of the stalled construction projects in universities and carrying out massive construction of science and computer laboratories to enable competence teaching and learning.

An alternative priority is to increase funding for educational institutions to complete stalled infrastructure projects and construct new buildings. This will provide adequate classrooms, lecture halls, and laboratories to accommodate the growing number of learners. As a result, overcrowding will be reduced, improving concentration, academic performance, and overall student well-being.

5.7 Increase Funds Allocated to Research

Effective research and innovation is critical for driving the development agenda of the university and the country. Public Universities are grappling with low and limited funds for research as many have to write proposals to the grants fund committee and Makerere University. Much of the funding for FY 2023 -2024 went to Makerere University leaving others out. Review of the post graduate students in Gulu university revealed that one hundred forty-seven (147) masters' students have taken more than two academic years to complete research for the Master's program which is beyond the ideal programme duration[120]

An alternative priority is to increase research funding and ensure its equitable distribution across universities. This will foster balanced growth in research and innovation, enabling institutions to make groundbreaking discoveries, drive technological advancements, and contribute to national development.

SPORTS SUB SECTOR

[120] Auditor General's Report 2024

5.8 Equal funding allocation across all disciplines to ensure equitable development and talent identification.

Over the years, football has received a disproportionate share of funding, leaving other sports like netball with only 0.265bn, boxing, volleyball, swimming, and rugby underfunded, despite their equal importance nationally and internationally.

Provision of equal funds to all disciplines will enable identifying and nurturing of talent is at grassroots levels because this provides a solid foundation for sports development programs.

The Alternative priority is to provide equal funds to all sports disciplines to enable identifying and nurturing of talent is at grassroots levels because this provides a solid foundation for sports development programs.

5.9 urgent renovation of all national stadia to promote talent identification across the country.

Regional stadia nationwide, such as Barifa, Bugembe/Kakindu, Mbale Municipal Stadium, Masaka Recreational Grounds, Kabale Stadium, and King George Stadium, are in a dilapidated state and inaccessible to the public. This has hindered talent identification for athletes. Urgent government funding is needed to renovate these facilities, unlock sporting potential, and prevent land grabbing.

The alternative priority is to avail funds for the renovation of these stadia to avoid land grabbing and attract sports men and women to join sporting activities to represent the country at national and regional level.

6.0 National Recognition and Reward Scheme. Whereas the National Sports Act Cap 151 established a National Recognition and Reward Scheme to recognize and award outstanding and deserving sports personalities who bring honour to the Country, it has not been operationalized fully**.**

Awards as external validation for their efforts provide a sense of accomplishment that can increase individual focus and drive. Whether it's the most valuable player (MVP), a team spirit award, or a sportsmanship honour.

The alternative priority is to enforce recognition in sports as crucial for validating achievements, boosting morale and motivation, enhancing visibility, and fostering a positive and respectful environment, ultimately contributing to an athlete's overall well-being and success.

6.1 Professionalize the Human Resource in Sports.

These people play a crucial role in talent identification, training, mentoring of these sportsmen and women however due to constant budget cuts they are left out in continuous training to match international standards. Failure to keep up to standards has made many of their clients doubt their abilities and this has left them demotivated much of the time. When these trainers and coaches are trained, they will be able to understand and apply concepts in the various sports disciplines they train in, they will also be able to develop tools for the correct performance of the role in their sports entities, and they will also be able to acquire the necessary skills up to the international prospects. It is through these trainings that the human resource will be equipped with the best practices to be able to deliver in their various disciplines.

This Alternative priority therefore interests itself in making this a priority for an admirable sports sector of this country. This is mainly because an efficient human resource plays a key role for the success of the sports sector, since these are regarded as a catalyst for efficient standards of management in any industry.

Conclusion

To realize its vision, the Ministry of Education and Sports must prioritize strategic investments in teacher recruitment, professional development, infrastructure, learning resources, and teacher salary harmonization, with a particular focus on science, physical education, languages, and Arts education.

4.2. Health

Executive Summary

In accordance with Article 82(A) of the Constitution, Section 6E (4) of the Administration of Parliament (Amendment) Act (2006), and Rules 14(4) and 146 of the Rules of Procedure of the Parliament of Uganda, this Alternative Budget for the Health Sub-Programme articulates budget priorities for Uganda for the Financial Year 2025/2026.

The health sector, a cornerstone of Uganda's development, faces significant challenges, including underfunding, inadequate infrastructure, shortages of health workers and medicines, and a rising burden of diseases. The Budget Framework Paper 2025/2026 allocates UGX 5.7 trillion (6.1% of the national budget) to the health sector, which falls short of the 15% Abuja Declaration target. Key issues include high out-of-pocket health expenditures (41%), frequent stockouts of essential medicines, and inadequate funding for primary healthcare, mental health, and emergency response systems. The health workforce is critically understaffed, with 1 doctor per 25,000 people, far below the WHO recommendation of 1: 1,000. Maternal and child health outcomes remain poor, with a maternal mortality rate of 336 deaths per 100,000 live births and under-five mortality at 43 per 1,000 live births.

The Opposition proposes several evidence-based policy alternatives to address these challenges, including increasing funding for primary healthcare, reducing maternal mortality through mobile clinics, combating NCDs through nationwide screening, strengthening emergency response systems, and expanding access to mental health services. These proposals aim to improve healthcare accessibility, equity, and efficiency, ensuring better health outcomes for all Ugandans.

Introduction

Health is a fundamental human right and a cornerstone of Uganda's development. As articulated in the *Third National Development Plan (NDP III, 2020/21–2024/25)*, a healthy population is pivotal for achieving sustainable economic growth and social transformation. However, Uganda's health sector continues to face persistent challenges, including underfunding, inadequate health infrastructure, a shortage of essential medicines and health workers, and rising disease burdens—particularly from non-communicable diseases (NCDs).

According to the *National Population and Housing Census (2024),* Uganda's population reached 48.6 million in 2024, growing at 3.3% annually. This rapid growth is putting unprecedented pressure on the already overstretched health system. Despite some improvements in immunization coverage and disease surveillance, health outcomes remain suboptimal. The census statistics further indicate that **maternal mortality rate stands at 336 deaths per 100,000 live births**, and **under-five mortality at 43 per 1,000 live births**[121]. Meanwhile, **life expectancy is 63 years**, lower than the Sub-Saharan Africa average of 65[122] .

The Budget Framework Paper 2025/2026 **allocates UGX 5.7 trillion to the health sector, constituting 6.1% of the national budget, which falls short of the 15% Abuja Declaration commitment. Additionally, out-of-pocket health expenditures account for 41%** of total health spending, disproportionately affecting poor households[123]. These figures point to systemic issues in health financing, access, and equity, necessitating strategic reforms and resource reallocation. This Alternative Policy Statement analyzes the health sector's current state, critiques the 2025/2026 budget allocations, and proposes evidence-based opposition alternative priorities and policies to enhance healthcare delivery.

2.0 Situation Analysis of the Health Sector

2.1 Health Infrastructure and Service Delivery

Uganda's health service delivery is organized in a tiered structure, ranging from community-based Health Centre I to National Referral Hospitals. According to the *Ministry of Health Annual Health Sector Performance Report 2024*, **30% of health facilities lack essential medical equipment**, while 40% operate in substandard physical conditions. Power outages affect 35% of rural health

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[121] Uganda Bureau of Statistics (UBOS). *National Population and Housing Census 2024 – Final Report*. Kampala
[122] *World Bank Uganda Health Profile 2024*
[123] *World Bank Uganda Economic Update 2024*

centres weekly, compromising service delivery. Moreover, only 45% of Health Centre IVs offer caesarean section services, limiting access to emergency obstetric care in rural areas. In addition, referral systems remain ineffective, with 70% of patients bypassing lower-level health centres due to a lack of medicines, staff, or diagnostic equipment. This places enormous pressure on referral hospitals, which often operate at 150% bed occupancy rates.

2.2 Disease Burden and Health Outcomes

Communicable diseases dominate Uganda's disease profile. **Malaria accounts for 27% of outpatient visits and 19% of inpatient deaths** annually (*Ministry of Health Annual Health Sector Performance Report 2024*). Uganda remains among the top 10 countries globally for malaria burden. **HIV/AIDS prevalence is 5.3%**, with higher rates among women and urban populations (*UNAIDS Uganda Country Factsheet 2024*). Tuberculosis cases stand at **200 per 100,000 people**, with a treatment success rate of 72%—below the WHO's 85% target.

NCDs are rising sharply, now responsible for **33% of hospital admissions** and **11% of deaths** (*MoH Health Sector Report 2024*). The prevalence of hypertension is **26% among adults**, while diabetes stands at **5%**, with most cases undiagnosed or poorly managed.

Maternal and child health remains precarious. **Skilled birth attendance is at 74%**, but this varies widely, with only **55% in rural areas** accessing skilled care. The **contraceptive prevalence rate is 39%**, contributing to high fertility and unmet family planning needs (*UBOS Census 2024*).

1.2 Methodology

This Alternative Budget considered the National Unity Platform Manifesto - 2021-2026; other Opposition Political Party manifestos; the Opposition Legislative Agenda; the National Budget Framework Paper FY2025/26; the Third National Development Plan (NDPIII 2020/21-2024/25); the Medium-Term Expenditure Framework; the Charter for Fiscal Responsibility; the First Budget Call Circular FY 2025/2026, the Appropriation Act, 2022, among others.

2.3 Human Resources for Health

Uganda's health workforce is critically inadequate. The country has **1 doctor per 25,000 people** and **1 nurse/midwife per 11,000**, compared to the [124]WHO-recommended **1 doctor per 1,000** and **1 nurse per 400**. Furthermore, **25% of health workers are absent daily** due to low pay, poor working conditions, and

[124] *WHO Health Workforce Report 2024*

lack of housing, particularly in rural areas (*Auditor General's Report 2024*). The Ministry of Health estimates a **33% vacancy rate for health worker positions**, exacerbating the service delivery crisis.

Training capacity is limited, with only **5 public medical schools** producing around **500 doctors annually**, insufficient to meet population needs. Community health workers, who provide vital services in remote areas, remain unpaid and unsupported, contributing to attrition and demotivation.

2.4 Health Financing and Resource Allocation

Health financing remains inadequate and inequitable. The **health sector budget of UGX 5.7 trillion for FY 2025/2026** represents a **6.1% share of the national budget**, unchanged from the previous year (*Budget Framework Paper 2025/2026*). This is far below the **Abuja Declaration target of 15%** and insufficient to meet Uganda's **Health Sector Development Plan (HSDP) II** goals.

Per capita public health expenditure is **USD 37**, well below the **WHO minimum threshold of USD 86** for essential health services (*World Bank Uganda Health Profile 2024*). Over **41% of health costs are paid out-of-pocket**, exposing families to catastrophic health expenditures and impoverishment. Furthermore, 45% of the development budget relies on donor funding, posing sustainability risks in the face of shifting global funding priorities.

The **Auditor General's Report 2024** highlighted procurement inefficiencies and poor absorption of allocated funds, with **20% of budgeted resources unspent** due to bureaucratic delays and corruption risks.

2.5 Medicines, Emergency Response, and Mental Health

Access to essential medicines is a major challenge. **40% of health facilities reported stockouts of key drugs** such as antimalarials, antibiotics, and antiretrovirals in 2023[125]. The **National Medical Stores (NMS)** faces logistical challenges, and delayed disbursements further disrupt supply chains.

Emergency response services are grossly inadequate. Uganda has **one ambulance per 200,000 people**, and only **12% of health facilities have emergency care units[126]**. During COVID-19, ICU bed shortages and oxygen supply deficits highlighted the fragility of emergency infrastructure.

Mental health services remain underfunded and neglected. According to the *Uganda Mental Health Report 2024*, 75% of people with mental health

[125] *Auditor General's Report 2024*

[126] *Annual Health Sector Performance Report 2023/24*

disorders receive no treatment. There are only five mental health units countrywide, and mental health spending accounts for less than 1% of the health budget, far below WHO's recommended 5%.

3. Sector Budget Analysis – FY 2025/2026

3.1 Budget Allocation (UGX Trillions)

Ministry of Health	**FY 2024/2025 (UGX Bn) Approved**	**FY 2024/2025 (UGX Bn) Spent by End of Dec**	**FY 2025/2026 (UGX Bn) Budget Estimates**
Wage Expenditure	23.346	9.752	22.346
Non-Wage Recurrent	129.477	56.887	131.517
Development (GOU)	66.311	18.059	118.176
Development (EXTERNAL FINANCING)	1,125.723	138.020	1,240.643
GoU Total	**218.134**	**84.698**	**272.039**
Total GoU+Ext Fin (MTEF)	**1,343.858**	**222.718**	**1,512.683**
Arrears	0.010	0.000	0.000
Total Budget	**1,343.867**	**222.718**	**1,512.683**
Total Vote Budget Excluding Arrears	**1,343.858**	**222.718**	**1,512.683**

Source: Budget Framework Paper 2025/2026 (MoFPED)

3.2 Critical Analysis of the Health Budget FY 2025/2026

Underutilization of allocated funds

One of the most glaring issues in the Ministry of Health budget is the underutilization of allocated funds. By the end of December 2024, only **UGX 84.698 billion** of the **UGX 218.134 billion** approved for the Government of Uganda (GoU) had been spent. This represents a mere **38.8% utilization rate**, which is alarmingly low and indicative of inefficiencies in budget execution. The wage expenditure, which is critical for retaining skilled healthcare workers, saw only **UGX 9.752 billion** spent out of the **UGX 23.346 billion** approved, representing a utilization rate of just **41.8%**. This underutilization of funds, particularly in wage expenditure, raises serious questions about the Ministry's capacity to manage its budget effectively and deliver essential health services to the population.

The low utilization of funds is particularly concerning given the dire state of Uganda's healthcare system. According to the *National Household Survey*[127] *(2023)*, only **65% of Ugandans have access to basic healthcare services**, with rural areas being disproportionately underserved. The underutilization of funds exacerbates these disparities, as critical programs such as maternal and child health, immunization, and disease prevention are underfunded and poorly implemented. The opposition calls for a thorough audit of the Ministry's expenditure patterns to identify and address the bottlenecks that are hindering effective budget execution.

Overreliance on external financing

The Ministry of Health budget for FY 2025/2026 reveals a heavy reliance on external financing, with **UGX 1,125.723 billion** allocated for development projects funded by external partners. This represents **82.5% of the total development budget**, leaving only **17.5%** to be funded by the Government of Uganda. While external financing is essential for addressing the funding gaps in the health sector, overreliance on donor funds undermines the sustainability of Uganda's healthcare system. External funding is often tied to specific projects and timelines, which limits the government's ability to allocate resources based on national priorities.

The **Auditor General's Report (2023)** highlights the risks associated with overreliance on external financing, including the potential for funding disruptions due to changes in donor priorities or global economic conditions. The health sector is already experiencing a lot of difficulty meeting the HIV/AIDS budget obligations following the termination of USAID funding. The opposition urges the government to increase domestic funding for the health sector to reduce dependence on external financing and ensure the sustainability of healthcare programs.

Inadequate funding for critical health programs

Despite the apparent increase in the overall budget, critical health programs remain underfunded. The **non-wage recurrent expenditure**, which covers essential items such as medicines, medical supplies, and operational costs, was allocated **UGX 129.477 billion**, but only **UGX 56.887 billion** had been spent by the end of December 2024. This represents a utilization rate of just **43.9%**, which

[127] Uganda Bureau of Statistics (UBOS). (2023). *Uganda National Household Survey 2023*. Kampala: UBOS

is insufficient to meet the growing demand for healthcare services. The **Ministry of Health Annual Performance Report[128] (2023)** highlights chronic shortages of essential medicines and medical supplies in public health facilities, which have led to poor service delivery and increased out-of-pocket expenditures for patients.

The **World Health Organization** estimates that Uganda's healthcare system requires at least **$86 per capita** to provide basic health services, but the current budget allocation falls far short of this target[129]. The opposition calls for increased funding for critical health programs, particularly in rural areas where access to healthcare services is limited. This includes increasing the allocation for non-wage recurrent expenditure to ensure the availability of essential medicines and medical supplies in public health facilities.

Neglect of primary healthcare

The budget for FY 2025/2026 continues to prioritize tertiary healthcare at the expense of primary healthcare, which is the first point of contact for most Ugandans. The Ministry of Health Annual Performance Report (2023, p. 20) and the World Bank[130] Uganda Health Sector Assessment (2022, p. 15) highlight the poor state of primary healthcare facilities, particularly in rural areas, where many facilities lack basic infrastructure, equipment, and staff. This neglect of primary healthcare has led to overcrowding in tertiary facilities, which are ill-equipped to handle the high patient load.

The opposition calls for a reallocation of resources to prioritize primary healthcare, including increasing funding for the construction and rehabilitation of primary healthcare facilities, training and retaining healthcare workers, and ensuring the availability of essential medicines and medical supplies.

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[128] Ministry of Health. (2023). *Annual Performance Report 2023*. Kampala: Ministry of Health.

[129] World Health Organization (WHO). (2023). *Health Financing Report 2023*. Geneva

[130] World Bank. (2022). *Uganda Health Sector Assessment 2022*. Washington

4.0 Alternative Priority Areas

ALTERNATIVE PRIORITY /POLICY GAP	JUSTIFICATION	Proposed Opposition Alternative Policy
Eliminating Shortages of Essential Medicines	Frequent stock outs of essential medicines in government hospitals are a critical issue. According to the *Auditor General's Report (2024)*, 40% of hospitals experience stock outs, leading to preventable deaths and suffering. This calls for urgent investment in reliable drug supply systems.	Partner with local pharmaceutical manufacturers to produce essential medicines to reduce stock outs.
Increasing Funding for Primary Healthcare	Primary healthcare, especially in rural areas, remains severely underfunded. The *Ministry of Health Annual Health Sector Performance Report (2024)* highlights a 35% funding gap in health centers, leaving millions without access to basic healthcare services. Increased funding is essential to bridge this gap.	Introduce a 5% health levy on luxury goods to generate revenue for primary healthcare. This is intended to increase health center funding.
Reducing Maternal Mortality Rates	Maternal mortality remains unacceptably high due to limited access to emergency obstetric care. The *Uganda Bureau of Statistics (UBOS) National Population and Housing*	Deploy 100 mobile maternal health clinics to the most underserved rural areas to reduce maternal.

	Census 2024 – Final Report reveals a maternal mortality rate of 336 deaths per 100,000 live births. Investing in maternal health services is critical to save lives.	
Addressing Health Worker Shortages	Uganda faces a severe shortage of healthcare workers. The *World Health Organization (WHO) Health Workforce Report (2024)* indicates a doctor-to-patient ratio of 1:25,000, far below the WHO-recommended 1: 1,000. Funding is needed to train, recruit, and retain healthcare professionals.	Offer at least 1000 fully funded scholarships for medical and nursing students annually, with a 5-year service commitment in rural areas. This will increase the healthcare workforce.
Combating Non-Communicable Diseases (NCDs)	The burden of non-communicable diseases like diabetes and hypertension is rising rapidly. The *Ministry of Health Annual Health Sector Performance Report (2024)* shows that NCDs account for 33% of hospital admissions. Increased funding is required for prevention, early detection, and treatment programmes.	Launch a nationwide NCD screening programme in at least 500 health centres, targeting early detection. This is aimed at reducing NCD-related hospital admissions.
Strengthening Emergency Response Systems	Uganda's emergency response system is under-resourced, with limited ambulances and critical care facilities.	Establish a toll-free emergency hotline and train community volunteers to provide first aid. Procure 200

	The *Ministry of Health Annual Health Sector Performance Report (2024)* reports only 1 ambulance per 200,000 people. Investing in emergency infrastructure will save lives during critical situations.	additional ambulances and train 1,000 emergency responders within 2 years
Expanding Access to Mental Health Services	Mental health services are severely underfunded, leaving many without care. The *Uganda Mental Health Report (2024)* reveals that 75% of Ugandans with mental health disorders receive no treatment. Increased funding is needed to expand mental health services and reduce the treatment gap.	Train 500 community health workers in basic mental health care and establish mental health units in 100 primary health centres within 2 years.
Malaria control and elimination	Malaria is the biggest disease burden accounting for 20 million cases per year The 2024 World Malaria Report released by WHO highlights Uganda as a high burden malaria country, with a significant number of cases and deaths. There is therefore need for accelerated efforts to address inequity an reach vulnerable persons.	Promote mosquito control programmes to complement the existing and on-going Malaria Control Programs; with the objective to: a) Reduce the mosquito Populations below a threshold where malaria cases reduce to nearly zero in

		the human settlement areas were under intervention. b) Prevent Mosquito-borne diseases like Malaria, Dengue, Zika etc c) To use environmentally friendly methods and integrated pest management.
Specialist care	It is a crucial component of health care delivery providing access to advanced medical expertise and treatment by way of better diagnosis and treatment, reduced morbidity and mortality and enhanced quality of life.	Supporting specialists with effective and advanced diagnostic techniques and supporting them through the procurement of new treatments and therapies.

The Opposition proposes a strategic reorientation of Uganda's health sector priorities to address longstanding challenges and improve healthcare outcomes. These alternative policies are grounded in current evidence and are aimed at enhancing accessibility, equity, and efficiency in healthcare delivery across the nation.

4.1 Eliminating Shortages of Essential Medicines

Frequent shortages of essential medicines have been a persistent issue in Uganda's healthcare system. The Annual Health Sector Performance Report for FY 2023/24 highlights that stockouts of vital drugs, including antimalarials and antibiotics, continue to undermine patient trust and health outcomes. To combat this, the Opposition proposes partnering with local pharmaceutical manufacturers to produce essential medicines domestically. This strategy aims at reducing dependency on imports, improving supply chain reliability, and stimulating the local pharmaceutical industry. A similar approach in Kenya, where the Kenya Medical Supplies Authority (KEMSA)[131] collaborated with local producers, resulted in a significant reduction in stockouts. Uganda can emulate this model to enhance medicine availability and ensure timely access to treatments.

4.2 Increasing Funding for Primary Healthcare

Primary healthcare serves as the foundation of an effective health system, yet it remains underfunded in Uganda, particularly in rural regions. The National Budget Framework Paper for FY 2025/26 indicates that while there have been increases in health sector allocations, challenges persist in adequately funding primary healthcare facilities. To address this, the Opposition proposes introducing a 5% health levy on luxury goods, such as high-end vehicles, alcoholic beverages, and tobacco products. The revenue generated would be earmarked to expand funding for Health Centres II and III, thereby improving access to basic care in underserved areas. This approach draws inspiration from Rwanda's success with health levies and community health financing, which have significantly improved rural service delivery. By adopting a similar strategy, Uganda can mobilize domestic resources to strengthen its primary healthcare infrastructure and reduce out-of-pocket expenditures.

4.3 Reducing Maternal Mortality Rates

Maternal mortality remains a critical concern in Uganda. The Annual Health Sector Performance Report for FY 2023/24 reports that maternal mortality rates, though improved, are still unacceptably high, with significant disparities between urban and rural areas. Contributing factors include limited access to emergency obstetric care and a shortage of skilled birth attendants in remote regions. The Opposition proposes deploying 100 mobile maternal health clinics within 12 months to serve these underserved areas, providing comprehensive antenatal, delivery, and postnatal care. This initiative aims to reduce maternal mortality by at least 15% within the first two years. Tanzania's implementation of mobile maternal health clinics led to a notable reduction in maternal deaths

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[131] *Kenya Medical Supplies Authority (KEMSA) Annual Report 2020-2021* *https://www.oagkenya.go.ke/wp-content/uploads/2023/04/Kenya-Medical-Supplies-Authority-KEMSA-2020-2021.pdf*

in targeted regions between 2018 and 2022. Uganda can adopt a similar approach to enhance maternal healthcare accessibility and outcomes.

4.4 Addressing Health Worker Shortages

Uganda faces a significant shortage of healthcare workers, with a doctor-to-patient ratio far below the World Health Organization's recommended standards. The Annual Health Sector Performance Report for FY 2023/24 highlights that this shortage is particularly acute in rural areas, leading to inequitable healthcare delivery. To mitigate this, the Opposition recommends offering 1,000 fully funded scholarships annually for medical and nursing students, coupled with a mandatory five-year service commitment in rural areas. This policy is aimed at increasing the healthcare workforce and ensure equitable distribution across the country. Ethiopia's Health Extension Worker Programme, which required rural service bonds, significantly improved health coverage and outcomes. Uganda can adopt a similar model to strengthen human resources for health, especially in underserved regions.

4.5 Combating Non-Communicable Diseases (NCDs)

Non-communicable diseases are an emerging challenge in Uganda, accounting for a growing proportion of hospital admissions. The Annual Health Sector Performance Report for FY 2023/24 notes that most health facilities lack the capacity for early detection and treatment of NCDs. The Opposition proposes a nationwide NCD screening initiative in 500 health centres within 18 months, focusing on early detection of hypertension, diabetes, and cancers. This policy aims to reduce the NCD burden through timely interventions and public awareness. Botswana's similar initiative led to a significant increase in early detection rates, reducing complications and hospital admissions. By focusing on preventive care, Uganda has the potential to enhance health outcomes and lower long-term healthcare expenses. This approach not only addresses health issues before they become severe but also reduces the financial burden on the healthcare system and households.

4.6 Strengthening Emergency Response Systems

Uganda's emergency response infrastructure is limited, with inadequate ambulance services and emergency care facilities. The Annual Health Sector Performance Report for FY 2023/24 indicates that these limitations contribute to preventable fatalities. The Opposition recommends establishing a toll-free emergency hotline, procuring 200 additional ambulances, and training 1,000 emergency responders within two years. Ghana's expansion of its National

Ambulance Service[132], which included adding ambulances and introducing a toll-free number, improved response times significantly between 2020 and 2023. Uganda can emulate this success to reduce emergency-related fatalities and enhance national health security.

4.7 Expanding Access to Mental Health Services

Mental health remains a neglected aspect of healthcare in Uganda. The Annual Health Sector Performance Report for FY 2023/24 indicates that a significant proportion of Ugandans with mental health conditions do not receive treatment, and there is a scarcity of mental health units nationwide. The Opposition proposes training 500 community health workers in basic mental healthcare and establishing 100 mental health units in primary health centres within two years. This approach leverages existing community structures to expand coverage. Zambia adopted a similar approach in 2018 and it was a success story in community mental health[133]. Uganda can adopt this cost-effective model to address the treatment gap and reduce stigma associated with mental health.

Conclusion

Uganda's health sector is at a critical juncture, with systemic challenges that require urgent and strategic interventions. While showing marginal growth, the 2025/2026 health budget fails to address the sector's most pressing needs, including underfunding primary healthcare, neglect of mental health and NCDs, and inadequate emergency response systems. The heavy reliance on donor funding and inefficiencies in procurement further exacerbate the situation, leaving millions of Ugandans without access to essential healthcare services.

The government must prioritize domestic resource mobilization, strategic investments in primary healthcare, and strengthening the health workforce to achieve sustainable health outcomes. The Opposition's proposed policies, such as introducing a health levy on luxury goods, deploying mobile maternal health clinics, and expanding mental health services, offer practical solutions to these challenges. By reorienting health financing and focusing on equity, accessibility, and efficiency, Uganda can build a resilient health system that meets the needs of its growing population and moves closer to achieving Universal Health Coverage.

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[132] *Ghana National Ambulance Service (NAS) Annual Report (2023). Available at https://www.ghanahealthservice.org*

[133] *World Health Organization -WHO (2021).* Mental Health Atlas 2020. *Geneva: World Health Organization.*

4.3. Gender, Labor, and Social Development

Executive Summary

In the proposed NDP IV strategic direction, Gender, Labour, and Social Development contributes to the second objective of the NDP IV i.e. "*Enhancing human capital development along the entire life cycle*". The Ministry of Gender majorly contributes to Human Capital Development and the Administration of Justice programs

Uganda's policies on gender, labour, and social development prioritize equity, social protection, and the inclusion of marginalized groups. However, these policies are compromised by tendencies that limit the effectiveness of programs and services designed to empower vulnerable populations.

Therefore, the alternative policies suggested here build on existing frameworks to address gaps, improve implementation, and enhance outcomes.

The country's human capital is characterized by low labour productivity, which can be attributed to several factors. These include violations of basic rights, weak talent development, high youth unemployment, poor population management such as child marriages and teenage or unwanted pregnancies insufficient social protection coverage, and various gender and other inequalities.

Therefore, we propose these funding priorities for the next financial year 2025/2026 under Gender, Labour and Social Development: enhancing occupational safety and health standards at all workplaces; regulations to support the implementation of the GROW Project; prevention and response to Gender-Based Violence (GBV); funding gaps for social protection programs; and regulation and management of the labour externalisation program.

It should be acknowledged that the sector plays a crucial role in promoting human capital development, however, the government has not prioritised resource allocation to this sector over the years, resulting in it being among the least funded. Without proper funding, the country risks achieving superficial development that increases existing inequalities and excludes the most vulnerable and marginalised citizens. To ensure that no citizen is left behind as the country realizes its vision, it is essential to allocate adequate resources to this sector.

Introduction

The Government is mandated under Chapter 4 Articles 31-40 and Chapter 16 Article 246 of the Constitution to protect and promote the rights of vulnerable populations, to address gender inequalities, and to ensure cultural growth, labour and employment as well as community mobilization and empowerment. More so, according to the National Objectives and Directive Principles of State Policy, the Government is assigned to promote Gender balance and fair representation of marginalised groups (VI); protection of the aged (VII); recognition of the role of women in society (XV); recognition of the dignity of persons with disabilities (XVI); protection of the family (XIX); and cultural objectives (XXIV).

To contribute effectively to these objectives, this Alternative Policy Statement is aimed at identifying the funding priorities and building a spending forecast for the next financial year 2025/2026. The gender sector currently has many flagship programs and target groups which have not been prioritized and are underfunded as highlighted.

Therefore, in accordance with Article 82A of the Constitution, Section 6E (4) of the Administration of Parliament (Amendment) Act (2006), Rules 14(4) and 147 of the Rules of Procedure 2022; this Alternative Budget Statement for Gender, Labour and Social Development highlights funding priorities of the Office of the Leader of Opposition.

Methodology

The analysis under this Alternative Policy Statement utilized data from the NUP Manifesto; other Opposition Political Party's manifestos; the Opposition Legislative Agenda; the Opposition response to the Charter of Fiscal Responsibility; among others.

Situation Analysis

1. Prevention and response to Gender-Based Violence

The issue of limited funding for prevention and response to GBV in Uganda is a significant challenge that affects efforts to protect and empower vulnerable populations, particularly women and girls. Uganda has one of the highest rates of GBV in the world, with violence against women and girls being particularly prevalent.

According to national statistics; 56% of married women report experiencing some form of domestic violence; sexual violence, including defilement and marital rape, is alarmingly high and; many cases of GBV remain unreported due to stigma, cultural norms, and lack of trust in the justice system.

A study by the Forum for Women in Democracy (FOWODE) revealed that Uganda loses approximately UGX 31 trillion annually due to the socio-economic consequences of violence against women and girls. These losses stem from decreased productivity, healthcare expenses, and other related costs.

Despite the significant economic impact, there is a notable funding gap in GBV prevention and response. It should be noted that less than 5% of the budget for the Ministry of Gender and other relevant agencies is allocated to addressing GBV. This underfunding undermines the implementation of existing laws and policies designed to protect women and girls. There is a need for the establishment of dedicated budget lines for GBV prevention and enhanced monitoring frameworks to ensure effective implementation

2. Under regulated Labour Externalisation Programme Review

The Externalization of Labour Programme was launched in 2005 to provide a legal and safe option for Ugandans seeking employment abroad, as an alternative to trafficking. The programme is governed by the Employment Act, 2006, and the Employment (Recruitment of Ugandan Migrant Workers Abroad) Regulations, 2022. The primary objective of both instruments is to safeguard the rights of migrant workers by implementing strict licensing requirements and placement procedures.

The Employment Act of 2006, while providing some level of protection to domestic workers, falls short in addressing the complexities of the Labour Externalization program. This program involves sending workers abroad for employment opportunities, which requires a different set of safeguards. The Act's limitations in this regard leave workers vulnerable to exploitation, and there is a need for more comprehensive legislation that accounts for the unique challenges of working abroad. Such legislation must prioritize the safety, fair treatment, and protection of the rights of workers who participate in the Labour Externalization program.

3. Gender and Social protection

The NDP IV as the Country's development blueprint requires plans and budgets to be aligned with social protection[134]. It proposes expanding social protection safety nets as a key component of Uganda's development strategies.

Despite the evident need to prioritise social protection, budget allocations for social protection programs have been consistently inadequate. In FY2025/26,

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[134] National Planning Authority (December 2024) Fourth National Development Plan (NDP IV) 2025/26-2029/30

gender and social protection will receive UGX 144.298 bn. While this may seem like an increment, in substantive terms, it is not, especially in light of existing arrears within the Country's flagship social protection program, SAGE. In this FY 2024/25, SAGE faced a UGX 21 bn budget reduction from UGX 121 bn in FY 2023/24 to UGX 100 bn. Older persons make up 5% of Uganda's population, representing 2.3 million people[135] of whom 56% are women and 43% are men. Of these 1 in 8 have a profound disability, and 10.7% live alone.

The consequence of these budget cuts is that the program has only been able to reach 197,000 older persons (65% of those supported in the previous years) who will be paid their quarter 4 entitlements. 109,000 older persons above 80 years who are already enrolled on the program will not be paid in the last quarter of this FY (April-June 2025). UGX 8.9 bn will be accumulated as beneficiary arrears resulting from non-payment of Q4 entitlements this FY.

Skills development through initiatives like the Youth Livelihood Programme (YLP). Recovery of YLP funds is low. By June 2024, shs. 40.744 billion had been recovered against the amount disbursed of shs 169.414 billion leaving shs 129.145 billion outstanding. In addition, recovery of the UWEP funds is below the target. By June 2024, shs 36.379 billion had been recovered against the amount disbursed of shs 116.8 billion leaving shs 83.562 billion outstanding

4. Economic Contribution of the Creative Industry to GDP

The creative industry in Uganda has shown significant growth in its contribution to the country's Gross Domestic Product (GDP) over recent years. According to the Uganda Bureau of Statistics (UBOS), the Arts, Entertainment, and Recreation services sector increased its GDP contribution from 2.2% in FY 2021/2022 to 4.1% in FY 2022/2023. In monetary terms, this reflects a rise from approximately UGX 3.58 trillion to UGX 7.58 trillion, considering the total GDP grew from UGX 162.75 trillion to UGX 184.90 trillion during the same period.

Earlier data indicates that between 2004 and 2008, Uganda's exports of cultural goods and services were valued at $239 million, with the creative and cultural industries contributing about $6.7 million to the GDP between 2014 and 2016.

The government has on so many occasions acknowledged the potential of the creative and cultural industries to generate employment and income, especially for the youth. However, challenges such as limited financial

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[135] National Population and Housing Census 2024 preliminary results https://www.ubos.org/wp-content/uploads/statistics/NPHC-2024-Preliminary-Tables-Upload.xlsx

resources, inadequate awareness among policymakers, and a lack of official statistics to inform policy persist. Efforts should be geared towards supporting and formalising the creative sector, to enhance its economic impact and sustainability.

5. **Labour and Industrial relations**

Labour relations in Uganda are marked by ongoing challenges, including disputes over salary disparities, inadequate legal protections and efforts to improve workers' rights. A significant portion of Uganda's workforce operates without formal employment contracts, leaving them vulnerable to exploitation.

Uganda ratified the International Labour Organization's Convention 190 on Violence and Harassment in August 2023. This landmark treaty aims to protect workers from violence and harassment in the workplace. However, as of September 2023, the Employment (Amendment) Bill 2023, designed to align national laws with the convention, awaits Presidential assent. The bill seeks to obligate all employers to prevent sexual harassment and extend labour law protections to domestic workers.

Overall, while there have been efforts to address labour issues in Uganda, significant challenges persist. Ongoing disputes over salary disparities, inadequate legal protection, and the need for effective implementation of international labour agreements continue to impact the status pf workers in Uganda.

Objectives and Targeted Outputs of the Programme

Objectives

1. Enhance Labour quality and productivity
2. Adoption of a holistic social protection system
3. Attract investment and livelihood enhancement for all content creators

FUNDING PRIORITIES FOR FINANCIAL YEAR 2025/2026

Objective/Funding priority	Situation Analysis	Alternative Policies *Justification*
Enhance Occupation Safety and Health (OSH) standards at all workplaces	• Limited enforcement of OSH regulations • Insufficient awareness and training on OSH standards • Inadequate funding for OSH activities • Lack of accurate data and reporting on workplace accidents and diseases due to fear of job loss, and lack of awareness.	**Strengthen enforcement and compliance mechanisms** • Increase funding for labour inspections and OSH monitoring. • Develop mobile inspection units to reach remote and informal workplaces. • Introduce penalties for non-compliance to deter unsafe practices. **Policy integration and mainstreaming** • Integrate OSH into broader national policies on health, labor, and economic development. **Improving Data Collection and Reporting** • Establish a centralized national database for workplace accidents and diseases. • Encourage anonymous reporting mechanisms to protect workers who report incidents.

		• Use digital tools for data collection and real-time monitoring.
Regulations to support the implementation of the GROW Project	• Limited access to financial services by women entrepreneurs due to stringent collateral requirements • Policy and regulatory barriers, like high taxes and business registration fees	**Improved Access to Finance** • Collaborate with microfinance institutions and banks to design women-friendly financial products, including low-interest loans and grants. • Establish guarantee schemes to reduce collateral requirements for women entrepreneurs. **Building Resilience to External Shocks** o Provide training on risk management and diversification strategies to help women entrepreneurs navigate economic uncertainties. o Create emergency funds to support women-led businesses during crises.

Prevention and Response to Gender Based Violence (GBV)	• The high number of GBV cases reported has been attributed to low funding towards GBV prevention and interventions.	**Mandatory Gender Budgeting:** • Require all government ministries and departments to allocate a percentage of their budgets to gender-responsive programs. **Enhanced GBV Response Framework** • Establish specialized courts for GBV cases to expedite justice and introduce community-based shelters for survivors. **Support for Women in Informal Sectors** • Provide subsidized credit and training programs for women in agriculture and informal enterprises, addressing systemic barriers like land ownership and access to financing. **Men and Boys as Gender Allies** • Develop programs that engage men and boys as advocates for gender equality to shift cultural norms.

Funding gaps for social protection programs	• Despite the evident need to prioritise social protection, budget allocations for social protection programs have been consistently inadequate.	• Provide adequate financing starting this FY to support the full operationalisation of all livelihood programs, including support to local Governments for the recovery of funds • Adopt a holistic approach to social protection
Regulation and Management of the Labour Externalisation Program	• Lack of efficient and reliable monitoring system in the destination countries • Delays in resolving cases involving migrant workers • Denial of access to adequate medical services by employers •	• Fast-track the Labour Externalization Bill into law. • Establish an audit of the program and a monitoring system.

Analysis of Alternative Priorities

i. Enhancing Occupation Safety and Health (OSH) standards at all workplaces

According to ILO estimates, every year 2.34 million people die due to occupational fatalities, 2.02 million of which result from work-related diseases, equivalent to 5,500 deaths every day. As these figures suggest, there are too many avoidable fatalities. Uganda's Annual National Labour Force Survey 2021 showed that 35% of the working population was exposed to dust, fumes or chemicals with proportions of 42% in industry, 39 % in Agriculture and 30% in Services.

Resources to effectively regulate OSH management are inadequate, yet enforcement of OSH contributes to Non-Tax Revenue generation. According to the AG report 2024, 426 Government institutions/workplaces were operating without occupational safety and health registration, and no fines were imposed on these institutions, contrary to existing regulations

ii. Regulations to support the implementation of the GROW Project

The GROW Project aims to increase access to entrepreneurial services that enable female entrepreneurs to grow their enterprises from micro to small, and from small to medium-scale women-owned and women in refugee host districts.

The project was designed to respond to multiple constraints hindering women in business from growing their businesses including inadequate business management skills, lack of access to affordable capital, limited access to common user manufacturing infrastructure and negative social norms that affect their participation in business.

According to the Auditor General's report of 2024, the program has faced delays in training of women beneficiaries and this has affected the absorption of funds. Out of the expected disbursement of UGX 112.57 bn, only UGX 52.18 bn had been disbursed resulting in a shortfall of UGX 60.38 bn. In addition, most of the activities had not started due to a lack of sensitization and training coupled with late disbursement, for instance in the first year of implementation

By addressing these challenges through targeted interventions and fostering a supportive ecosystem, the GROW project can better empower women entrepreneurs to achieve sustainable business growth and contribute to Uganda's economic development.

iii. Prevention and Response to Gender Based Violence (GBV)

According to the Uganda Police Force's Annual Crime Report for 2024, there was a slight decrease in the total number of crimes reported, from 231,653 cases in 2022 to 228,074 cases in 2023. However, domestic violence remains a significant concern. The report indicates that 14,681 cases of domestic violence were reported in 2023. Of these, 1,520 cases were taken to court, resulting in 423 convictions, while 889 cases are still pending. During this period, 15,184 individuals were victims of domestic violence, including both adults and juveniles of both genders.

The high number of GBV cases reported has been attributed to low funding towards GBV prevention and interventions. Justice is frustrated by the inadequate number of critical facilities such as shelters where GBV victims can be accommodated and receive counselling as well as the absence of specialized courts where it is safe for women specially to report GBV cases. In addition, there is poor implementation of laws against GBV making such cases of violence against girls and children in general rampant.

The persistent prevalence of GBV in Uganda underscores the urgent need for increased funding and comprehensive strategies to prevent and respond to such violence. Stakeholders, including government entities, civil society organizations, and international partners, must collaborate to allocate adequate resources, implement existing laws effectively, and raise awareness to challenge and change harmful cultural norms that perpetuate GBV.

iv. Funding Gaps for Social Protection Programs

The NDP IV as the Country's development blueprint requires plans and budgets to be aligned with social protection[136]. It proposes expanding social protection safety nets as a key component of Uganda's development strategies.

Despite the evident need to prioritise social protection, budget allocations for social protection programs have been consistently inadequate. In FY2025/26, gender and social protection will receive UGX 144.298 bn. While this may seem like an increment, in substantive terms, it is not, especially in light of existing arrears within the Country's flagship social protection program, SAGE. In this FY 2024/25, SAGE faced a UGX 21 bn budget reduction from UGX 121 bn in FY 2023/24 to UGX 100 bn.

The budget for the SAGE program in the current financial year was reduced from UGX 121.220 billion to UGX 100.260 billion resulting in a shortfall of UGX 21 billion. The implication of this is that only 197,000 older persons (65% of the total beneficiaries) will be paid their Q4 entitlements. The rest totalling 109,000 will not be paid thus leading to the accumulation of beneficiary arrears.

In addition, the program still has outstanding arrears of UGX 4.6 billion accruing from unpaid grants for 270,203 beneficiaries who were not paid in the 4th quarter of FY 2020/21 because of an inadequate budget. With the current budget cuts, the arrears are likely to increase by an additional UGX 8.927bn by the end of this FY. It should be noted that older persons make up to 5% of Uganda's population, representing 2.3 million people[137] of whom 56% are women and 43% are men. Of these 1 in 8 have a profound disability, and 10.7% live alone.

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[136] National Planning Authority (December 2024) Fourth National Development Plan (NDP IV) 2025/26-2029/30

[137] National Population and Housing Census 2024 preliminary results https://www.ubos.org/wp-content/uploads/statistics/NPHC-2024-Preliminary-Tables-Upload.xlsx

Skills development through initiatives like the **Youth Livelihood Programme (YLP)**. Recovery of YLP funds is low. By June 2024, shs. 40.744 billion had been recovered against the amount disbursed of shs 169.414 billion leaving shs 129.145 billion outstanding. In addition, recovery of the UWEP funds is below the target. By June 2024, shs 36.379 billion had been recovered against amount disbursed of shs 116.8 billion leaving shs 83.562 billion outstanding

v. Regulation and management of the Labour Externalization Program

There are several challenges faced by the programme and these are due to the lack of an efficient and reliable monitoring system in the destination countries; delays in resolving cases involving migrant workers by the judicial authorities of the host countries, and missions abroad and embassies have been unable to offer legal aid to Ugandan migrant workers in court. Additionally, migrant workers have been held in accommodation centres (shelters) for extended periods due to delays in issuing work permits and exit visas.

Furthermore, the recruitment agencies have been inadequately monitored and supervised, and the consular assistance provided to migrant workers, especially those in distress, has been ineffective.

In addition, other issues such as denial of access to adequate medical services by employers, incomplete and/or non-payment of wages, denial of access to communication services such as telephone and internet, confiscation of identification documents, as well as cases of torture and mistreatment of domestic workers have ensued.

A Report from the Uganda Human Rights Commission (UHRC) indicates that over 90 externalised Ugandans are involved in gross domestic violence cases, 257 cases of unattended illnesses, and 88 deaths every year. Although the report did not provide names, places and causes of the demise of the migrant workers, there is an indication that the majority died in Saudi Arabia.

vi. Revamping the Creative Arts Industry

Culture is still a low priority in the national vision and national development programming and financing for heritage development across almost all priority areas with the exception of museums and cultural leaders.

The Art and culture industry plays an important role in many societies. They contribute not only to the social well-being of people but also to the social and economic development of countries. According to the Uganda Performing Rights Society (UPRS), the society supports 4,044 members of all categories of performing arts as of December 2022 with a registered 30,616 total works and 17 total affiliates[138].

Much as the creative Arts sector is dominated and best known for music, the sector has a wide scope of actors like musicians, dancers, dramatists, poets, instrumentalists, producers, graphic designers, photographers, fashion designers, fine artists etc. The sector has largely been funded and sustained by individual stakeholders whose incomes cannot favour the global market targets that we aim to achieve.

Conclusion

The crucial role played by the Gender sector in strengthening human capital development and improved governance through promoting the rights of the vulnerable persons is recognized. The acknowledgement of this role has however not been supported by adequate government prioritization in resource allocation over the years. The sector remains among the least funded. Without proper resourcing, for this sector, the country runs a risk of achieving superficial development that increases existing inequalities and excludes the most vulnerable and marginalised citizens. It is essential that no citizen is left behind as the country realizes its vision.

[138] Uganda Performing Rights Society https://uprs.go.ug/

CHAPTER FIVE: GOVERNANCE, JUSTICE, AND CONSTITUTIONAL AFFAIRS

5.1 Justice, Constitutional Affairs, Parliamentary Commission, and the Judiciary

Executive Summary

The sectors and votes that sit at the heart of the dispensation of justice and governance of our Country play a very critical role by guaranteeing protection, respect, and the upholding of human rights, a sound environment for economic development, and the deepening of the rule of law.

The Opposition in Parliament has over time highlighted the key causes of this state of affairs, and to date nothing much has been addressed by the ruling Government; these range from weak policy, legal and regulatory frameworks for effective governance; weak business support environment; low respect for and observance of human rights and fundamental freedoms; limited access to and affordability of justice; high crime rates; weak societal security structure and low recovery rate of public funds from individuals implicated in corruption.

The ruling Government has gradually and deliberately eroded the rule of law and overrun State Institutions for political expediency, thus leaving Uganda in a state of legal and constitutional crisis, just pending a trigger to plunge the Country in shambles.

We hereby present to you the policy alternatives aimed at revamping our country from the looming constitutional crisis. Our proposals are mainly anchored on law reforms that will see cleansing of state agencies and also substantial budget cuts intended to curb budget excesses, financial indiscipline, plunder, and wastage of public resources.

Introduction

Articles 1, 8A, 20-50, 59 and 126 of the Constitution mandate the Government to accord good governance and justice to the people of Uganda in conformity with the law and the people's values, norms and aspirations,

Despite several assurances from the Government for revamping the rule of law and administration of justice and allocation of significant resources in regard thereto, there are various impediments inhibiting the administration of justice, observance of human rights and the rule of law. These clogs have grossly retarded economic development and transformation.

This alternative budget statement aims to identify funding priorities and ensure equitable allocation of resources for the next fiscal year 2024/25 to guarantee good governance, access to justice and restoration of the citizens' confidence in the rule of law and the justice system in accordance with the Opposition budget theme for the year;

"Fostering Resilient Communities by Combating Corruption and Promoting Efficient Service Delivery: A Human Rights-based Approach to Resource Allocation".

Therefore, under Article 82A of the Constitution, Section 6E (4) of the Administration of the Parliament (Amendment) Act (2006), Rules 14 (4) and 147 of the Rules of Procedure 2022, this Alternative Budget Statement for Justice and Constitutional Affairs highlights funding priorities as recommended by the Opposition.

Methodology

This Alternative Budget considered the NUP Manifesto, the National Budget Framework Paper FY2024/25 – FY2028/29, the Third National Development Plan (NDPIII 2020/21 – 2024/25), the Charter for the Fiscal Responsibility, and the First Budget Call Circular among others.

The APS further analyzed and addressed Ministerial Policy Statements for the MDAs aligned to the dispensation of justice and governance, namely;

1. Vote 101- Judiciary
2. Vote 007- Ministry of Justice and Constitutional Affairs (MoJCA)
3. Vote 102- Electoral Commission (EC)
4. Vote 103- Inspectorate of Government (IG)
5. Vote 104- Parliamentary Commission (PC)

6. Vote 105- Uganda Law Reform Commission (ULRC)
7. Vote 106- Uganda Human Rights Commission (UHRC)
8. Vote 109- Law Development Centre (LDC)
9. Vote 119- Uganda Registration Services Bureau (URSB)
10. Vote 133- Directorate of Public Prosecutions (DPP)
11. Vote 148- Judicial Service Commission (JSC)

Situational Analysis

A just society ensures that everyone is equitably treated and everyone's rights are regarded with the highest esteem, protected, guaranteed and enforced by the State and non-state actors. When justice is well administered, the citizens will live in harmony and the State will develop since sustainable social, political and economic progress can only exist in societies where the rule of law and respect for human rights thrive.

In a bid to achieve a just and fair society, the National Development Plan III (2020/21- 2024/25) sets out key results to be completed over the next five years, as follows:

(i) Increasing the Democratic index from 6.5% to 8.6%;

(ii) Increasing the percentage of citizens' participation in electoral processes from 80% to 90%;

(iii) Increasing the rate of case disposal from 60% to 75%;

(iv) Decreasing the percentage of backlog cases in the system from 18% to 10% and

(v) Increasing the percentage of districts with one-stop frontline JLOS service from 67.5% to 90%.

The attainment of these targets has been significantly hindered owing to various factors ranging from weak policy, legal and regulatory frameworks for effective governance; weak business support environment; low respect for and observance of human rights and fundamental freedoms; limited access to and affordability of justice; high crime rates; weak societal security structure and low recovery rate of public funds from individuals implicated in corruption,[139] among others as shown hereunder.

[139] Third National Development Plan 2020/21-2024/25 Pg. 191

Case backlog in Courts of law.

The right to a fair hearing under Article 28(1) of the Constitution, warranties speedy hearings for matters before Courts of law; however, this has been rendered a myth due to case backlog.

During the FY 2022/23, the pending caseload was 156,349 cases, of which 42,960 cases were backlog since they were older than two years in the system. Even when this backlog at 27.48% was a slight reduction of 2.83%(7,632 cases) from the 30.11% registered in the last FY2021/22.

The caseload comprised 143,205 cases brought forward from FY2022/23 and 258,064 freshly registered cases in FY2023/24. Courts closed with a pending caseload of 161,838 cases of which 42,588 were backlog that accounted for 26.32%. Case backlog reduced slightly by 0.87% (372 cases) from FY2022/23.[140]

Nevertheless, the **26.32%** rate of the backlog is still higher than the 10% projected in the NDPIII.

For FY2023/24, the highest number of pending cases at 58,476 and backlog cases at 9,374 was at the Chief Magistrates Courts. However, if the number of backlog cases compared to pending cases is considered, the Court of Appeal/ Constitutional Court had the highest percentage backlog at 59.26%. More than half of the pending cases at the Court of Appeal/ Constitutional Court were backlog cases.

It should also be noted that the highest number of pending cases (72,234) were less than 1 year in the system, while the highest number of backlog cases (29,561) were between 2 to 5 years in the system.

The continued delays bring about mistrust of the court system within the people hence increase of vices like mob justice, impunity and gross abuse of human rights. Unfortunately, there is laxity o part of the Government as no viable measures are taken to solve this problem. This has, led to an accumulation of pre-trail detentions.

Access to Justice

Although there has been an increased number of judicial officers following the passage of the Administration of Judiciary Act, Uganda still has a severe human resource deficit in the judiciary with a ratio of one judge per 1,200,000 people and one Magistrate per 176,000 people.[141] The limited geographic

[140] Annual Performance Report 2023/24

[141] Judiciary Annual Performance Report 2022/23

reach of courts further compounds challenges, with only 40% of districts having operational High Courts.

A survey conducted between September and October 2023 revealed that 95% of the 6300 Ugandans interviewed faced one or more legal problems in the last four years, with land and neighbour disputes being the most common yet only **30% of Ugandans** have access to formal legal services, with rural and marginalized groups facing the greatest barriers. The ratio of lawyers to citizens is approximately **1 lawyer per 10,000 people**.[142]

Corruption and Accountability: Uganda ranks **142 out of 180** countries in the 2023 Transparency International Corruption Perceptions Index. Corruption in the judiciary and law enforcement undermines public trust in the sector.

Human Rights Concerns: The Uganda Human Rights Commission's (UHRC) report of 2023 highlights an increase in cases of unlawful detention and torture, with over 456 complaints in 2023[143].

Alternative Dispute Resolution (ADR): There has been a growing emphasis on ADR mechanisms, with mediation resolving over 5,000 cases in 2022/23, reducing court congestion.

Case backlogs under the Office of the Directorate of Public Prosecutions

The Auditor General reviewed the annual casework performance report for the FY 2023/2024 to establish the management of prosecution cases during the year under review. The report analyses the General Casework performance for the financial year 2023-24, focusing on key metrics related to criminal cases prosecuted, new cases pursued, and stakeholder engagement. The report evaluates performance against established targets and identifies reasons for variances. According to the report, the ODPP did not meet any of the annual targets for the different cases that were examined[144].

Table1

Description	**Target**	**Actual**	**Variance**
Criminal Cases Prosecuted	200,000	195,656	4,344
New Crimanal Cases persued	120,000	97,993	22,007
Cases Sanction for Prosecution	80,0000	61,009	18,991

[142] https://dashboard.hiil.org/data-by-country/uganda-justice-needs-2024/?utm_source=chatgpt.com
[143] The 26th Annual Report on the state of Human Rights and Freedoms in Uganda in 2023, page 141.
[144] Annual report of the auditor general to parliament for the audit year ended 31st december 2024

The Auditor General's Report attributed the shortfall to performance problems within the ODPP, including poor investigations, high case dismissals and inadequate data collection.

Over detention of suspects and sanctioning of files without evidence by the DPP.

It is also a concern that the DPP mainly relies on police to conduct investigations[145]. The Ugandan police is accustomed to arresting people and then conducting investigations later. Thus, the police end up incarcerating suspects pending further inquiries.

The over detentions in some instances can easily be interpreted as persecution of political dissidents whereby renowned NUP supporters have been on remand for more than 3 years over bail-able offences without trail.

Gross human rights abuses.

Pursuant to the aforementioned treaties Uganda has several laws including; *Chapter Four (4) of 1995 Constitution, Prevention and Prohibition of Torture Act 2012, The Equal Opportunities Act of 2007, and The Uganda Human Rights Commission Act;* all aimed at protection and promotion of fundamental and other human rights and freedoms;

To the contrary, today, there has been gross abuse and infringement of human rights and freedoms in the Country by the State and Non-State actors, manifesting mainly through enforced disappearances, arbitrary arrests and detention, torture in detention, detention without trial, extrajudicial killings, property grabbing, political persecution, gagging the media and other professionals in the course of duty among others [there are numerous statements made by the Opposition on this subject on the floor of Parliament].

Inaction/ slow intervention of Uganda Human Rights Commission in the face of gross human rights abuse

The principal role of the Uganda Human Rights Commission is to investigate either at its initiative or upon a complaint by another person on all matters of human rights violations[146]. However, the UHRC's intervention into human rights

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145 https://www.hrw.org/report/2013/10/21/letting-big-fish-swim/failures-prosecute-high-level-corruption-uganda

146 See Article 52(1)(a) of the 1995 Constitution of the Republic of Uganda

violations has been slow, and in most cases, no action has been taken by Uganda Human Rights Commission[147].

This inaction by the Commission regarding abusive actions against citizens especially in cases involving government personnel and agencies, can be wholly blamed on the mode of appointment of the Commission's officials. The Constitution provides that the President appoints the Commissioners with the approval of the Parliament[148]. Such appointments with the executive taking charge of the process somehow compromise the Commission.

High failure rate of the Law Development Centre (LDC)

On average, only 20% of students enrolled for the Bar Course completed the course within the one-year duration of study of the course[149]. LDC was further accused of failing to provide sufficient time and facilities for appeals and verification of marks[150]. As a result, there is a cloud of obscurity about students' marking and grading schemes. These issues have lasted for many years, leaving many unsatisfied and doubtful of the standards of LDC. Furthermore, the high failure rates have reduced the ratio of practicing advocates to the population, thus making the legal fees high for most Ugandans to afford.

Justice and Constitutional Affairs Sector Budget Projection for FY 2025/26

Table 2

Category	**Budget for FY 2024/25(Bns)**	**Budget for FY 2025/26(Bns)**
Recurrent Wage	16.120	16.120
Non-Wage	115.865	75.438
Development	32.738	8.636
Arrears	0.047	0.000
Total	**164.723**	**100.195**

Source: BFP FY 2025/26.

Under wage, out of a total of UGX 16.120bn, UGX 8.060bn was released and UGX 6.948bn (86.2%) was spent leaving the unspent balance at UGX 1.112bns.

[147] During and following of the 2021 general elections, reports of human rights abuse ranging from abductions and extrajudicial killings escalated with glaring evidence against the perpetrators, to date, the UHRC has not taken any action against the errant individuals.
[148] Article 51(2) of the 1995 Constitution of the Republic of Uganda.
[149] Report of the Auditor General 2022.
[150] https://observer.ug/news/headlines/70635-nche-investigates-ldc-over-students-marks

Under non-wage, out of a total budget of UGX 115.865bn, UGX 55.282 bn was released of which a total of UGX 48.112 (87%)was spent. This leaves 25% unspent.

Development, out of the approved budget of UGX 8.636bns was revised to UGX 32.738bn, UGX 24.104bns was released of which a total of 24.059 was spent.

Alternative Policy Interventions and Funding Priorities for FY 2025/26

Table3

Priority	**Justification**	**Alternative**
Case backlog	We appreciate the effort to increase the number of magistrates courts however these numbers are not properly supported since the State Attorney from the DPP's office and the Attorney General Office are still low to match the increased number of magistrates– thus compounding the crises of backlog.	The pecuniary jurisdiction of Magistrate's Courts be increased from UGX 50,000,000/= to UGX 200,000,000/=. henceforth
Escalating Human Rights Abuses	Auditor General found that, of 100 files revealed delays of more than one year, with some complaints going up to 10 years before the completion of investigations. The Commission had not started on the investigation of 90 out of 681 cases (13.2%) for	Human Rights Committee in Parliament be an accountability committee led by the Opposition in Parliament.

	over five (5) years. Further analysis showed that the disposal of complaints by the UHRC tribunal in the financial year 2023/2024 and noted that out of 1,325 cases brought forward, only 171 (13%) cases were closed.	
Constitutional and electoral reforms.		
Appointment to Offices	Change the manner of appointments to the UHRC, DPP, Judges and EC in such a way as to delineate them from the President Consequently,	a process of open application, public hearings and scrutiny conducted by the Judicial Service Commission. Parliament shall vet the successful applicants and, upon approval, be submitted to the President to issue instruments of appointment.
Demilitarizing elections	The military should not be involved in the electoral process. The police deployed to provide security, law and order during the elections period should be under the supervision and direction of the Electoral Commission.	**Electoral Commission takeovers supervision of elections as opposed to the military**

Restoration of Presidential term limits	The Constitution of the Republic of Uganda 1995 as amended has no term limits.	Amend Article 105 of the Constitution by restoring Presidential term limits to only two terms of five years each. The term limits will guarantee orderly succession to power and political stability.
Local Council Courts.	Research has demonstrated that 46% of Ugandans trust Local Council Courts when it comes to the resolution of their disputes, far above the 8% that trust courts for their dispute resolution [151]. However, there are limited efforts by the Government to appropriately facilitate these courts with some basic training and resources. Capacitating the LC Courts will help reduce time spent in the mainstream Judiciary over dispute settlements. According to the Ministry of Local Government, the annual budget for Local Council Courts in Uganda is approximately UGX 20billion. This funding is	**Increase the funding of the local council courts for effective administration of Justice.**

[151] **Cepil**; In Dire Straits? The State Of The Judiciray Report 2016 Pg. 33 36

	intended to cover the operational costs of over 10,000 local council courts nationwide.	

1. **Raise the Magistrates' Courts Pecuniary Jurisdiction.**

The Magistrate's Courts Act [152] vests with the Minister powers to establish Magistrate courts in magisterial areas. These courts exercise territorial jurisdiction and support the High Court, which exercises original jurisdiction in all matters. There is need to revise the pecuniary jurisdiction of Magistrate's Courts by increasing the same from UGX 50,000,000/= to UGX 200,000,000/=.

We appreciate the effort to increase the number of magistrates courts however these numbers are not properly supported since the State Attorney from the DPP's office and the Attorney General Office are still low to match the increased number of magistrates– thus compounding the crises of backlog.

2. **Human Rights Committee in Parliament be an accountability committee led by the Opposition in Parliament.**

Auditor General found that, of 100 files revealed delays of more than one year, with some complaints going up to 10 years before the completion of investigations.

The Commission had not started on the investigation of 90 out of 681 cases (13.2%) for over five (5) years. Further analysis showed that the disposal of complaints by the UHRC tribunal in the financial year 2023/2024 and noted that out of 1,325 cases brought forward, only 171 (13%) cases were closed.

It was noted that files spent an average of four (4) years at the tribunal between the first hearing and the last tribunal decision, and more than 97% of the total cases pending at the tribunal level were six years old or more[153].

3. **Training and capacity building for Local Council Courts.**

Research has demonstrated that 46% of Ugandans trust Local Council Courts when it comes to the resolution of their disputes, far above the 8% that trust courts for their dispute resolution[154]. However, there are limited efforts by the

[152] See Section 3
[153] Audtor Generals Report 2024
[154] **CEPIL**; IN DIRE STRAITS? THE STATE OF THE JUDICIRAY REPORT 2016 Pg. 33 36

Government to appropriately facilitate these courts with some basic training and resources. Capacitating the LC Courts will help reduce time spent in the mainstream Judiciary over dispute settlements.

According to the Ministry of Local Government, the annual budget for Local Council Courts in Uganda is approximately UGX 20billion. This funding is intended to cover the operational costs of over 10,000 local council courts nationwide.

The costs associated with operating local council courts include salaries for court officials such as presiding officers and clerks, maintenance of court facilities, and procurement of equipment and supplies such as stationery and furniture.

It is important to note that the funding for local council courts is limited, and resources are often scarce to support their operations adequately. This can result in delayed justice and poor service delivery, particularly in rural areas where local council courts are the primary form of justice.

4. Settle court compensations and rewards.

Unpaid compensations and awards arise from suits successfully pursued against the Government of Uganda. The Auditor General, in his report in 2021/22[155], showed that 71 human rights awards, court awards, ex-gratia and compensations ordered by courts worth UGX.1.976Bn remained unpaid for a period ranging from 2 years to over 10 years, which has resulted in additional interest totaling to UGX.159Mn by the end of the financial year 2023/2024[156]

The failure to provide a sufficient budget for liabilities results in delayed settlement (ranging between 5 to 10 years) without repayment and further accumulation of interest on the outstanding debt.

5. Constitutional and electoral reforms.

(i) Appointment to Offices

Change the manner of appointments to the UHRC, DPP, Judges and EC in such a way as to delineate them from the President (a process of open application, public hearings and scrutiny conducted by the Judicial Service Commission). Consequently, Parliament shall vet the successful applicants and, upon approval, be submitted to the President to issue instruments of appointment.

[155] Report Of The Auditor General On The Financial Statements Of Ministry Of Justice And Constitutional Affairs For The Year Ended 30th June 2024 Office Of The Auditor General Uganda .
[156] Supra12

The selection of secretariat staff of the Electoral Commission at all levels as well as that of returning and presiding officers and polling assistants, must go through a competitive recruitment process which should be open to the public at all stages.

The Electoral Commission must compile a new, clean and verifiable register of voters, which should include eligible Ugandan voters in the diaspora.

(ii) Demilitarizing elections

The military should not be involved in the electoral process. The police deployed to provide security, law and order during the elections period should be under the supervision and direction of the Electoral Commission.

(iii)Restoration of Presidential term limits

Amend Article 105 of the Constitution by restoring Presidential term limits to only two terms of five years each. The term limits will guarantee orderly succession to power and political stability.

6. Funding legal aid services

Legal aid services are essential to ensuring access to justice for all citizens, regardless of their socioeconomic status, especially for indigent persons, marginalized groups and vulnerable individuals.

The Government must adequately fund legal aid services to ensure that they can effectively serve the needs of the most vulnerable members of society.

7. Refund bail cash deposits to claimants

Upon granting of bail as provided under Article 20(6)(a) of the Constitution of the Republic of Uganda, 1995 as amended the accused enters a recognisance which involves an amount of money payable to court either in cash or non-cash as security that the accused/suspect will attend court on appointed days for hearing of their case. That amount is refundable upon the expiration of bail. However, the Auditor General in 2020 [157] reported that in FY of 2019/2020, the Judiciary had not refunded a sum of UGX. 26,440,252,650 to its claimants.

Conclusion

In conclusion, the Opposition has recommended the aforementioned funds to the stated MDAs basing on the resource envelope that the Opposition have analyzed and realized that it is the true and realistic envelop for the Nation.

[157] Report Of The Auditor General On The Financial Statements Of The Judiciary For The Year Ended 30th June 2024 Office Of The Auditor General Uganda

We strongly believe that by addressing the policy issues highlighted herein it will help curb wasteful expenditure and in turn empower our communities.

5.2 Presidency

Executive Summary

Article 82(A)(i) of the Constitution, Section 6E(4) of the Administration of Parliament (Amendment) Act (2006), Rule 14(4) and 147 of the Rules of Procedure of Parliament 2022, establish the Office of the Leader of the Opposition in Parliament. The Leader of the Opposition in Parliament is empowered to work with their Shadow Ministers to study and respond to all policy statements of the government and propose alternative policies.

Articles 98 and 99 of the Constitution of the Republic of Uganda respectively, which vest all Executive Authority in the Presidency[158] which is comprised of **Vote 001** – Office of the President, **Vote 002** – State House, Vote **107** – Uganda Aids Commission, **Vote 110** – Uganda Industrial Research Institute, Vote 112 – Ethics and Integrity **Vote 158** – Internal Security Organisation, **Vote 159** – External Security Organisation and **Vote 167** – Science, Technology and Innovations.

The sector that is crucial to Uganda's overall policy direction has been plagued by political, administrative, and financial misconduct. It has deviated significantly from the policy direction it is supposed to follow, with corruption, duplicate mandates, and poor public administration being rampant issues.

As a result, in accordance with the Office of the Leader of the Opposition's (OLOP) mandate, the Shadow Minister for the Presidency and Security hereby presents an Alternative Budget Statement for the Office of the President for the Fiscal Year 2025–2026, emphasizing our suggested funding priorities and acknowledging the Office of the President's repeated failure to fulfill its constitutional mandate.

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[158] Constitution of theRepublic of Uganda

Introduction

Articles 98, 99, and 108 of the Constitution of the Republic of Uganda mandate and enjoin the Offices of the President (OP) and Vice-President (VP) to promote citizen welfare and security and protect Uganda's territorial integrity.

The Presidency is also responsible for overseeing all aspects of national planning, providing leadership in public policy management, and promoting good governance and development. As a result, the OP is in charge of creating and carrying out public budgets that are attentive to and compliant with regional, national, and international human rights obligations.

To this end, the Public Finance Management Act (PFMA) requires the President (represented by the Ministry of Finance) to prepare, submit, and lay before Parliament an indicative, preliminary revenue and expenditure framework of government for the next financial year.

But there has been a pattern of gross financial and budgetary indiscipline with the OP and, consequently, the State House (SH) – Vote 002. The two sectors have been leading recipients of classified expenditures, rising to extraordinary increments of 488% and driving up domestic borrowing to finance classified budgets, along with the Internal Security Organization (ISO) and the External Security Organization (ESO) under Votes 158 and 159, respectively.

Additionally, they have bloated, expensive staffing and administrative structures with duplicate agencies, budgets, and outputs, which raises monitoring costs and obstructs transparency. Due to this, the budget's sacred status as the most crucial instrument for influencing social and economic policy as an inalienable right has been violated.

However, the OP, and by extension State House (SH) – Vote 002, have consistently featured gross budgetary and financial indiscipline. The two sectors, together with the Internal Security Organisation (ISO) and the External Security Organisation (ESO) under Vote 158 and Vote 159 respectively have been at the forefront as key destinations of classified expenditures[159] rising to extraordinary increments of 488%[160] and driving up domestic borrowing to finance classified budgets.

The administrative and staffing structures in Uganda are often bloated and expensive, with agencies duplicating efforts and causing higher monitoring costs and less transparency. This has led to a loss of trust in the budget as a tool for influencing economic and social policies that benefit the people of Uganda.

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[159] Classified expenditure refers to expenditures for confidential operations of a nation.

[160] Parliament of Uganda (2020). Minority Report of the Budget Committee on Supplementary Budget Addenda 1 and 2 to Schedule 2.

Methodology

Among the sources consulted for the preparation of this Alternative Sector Budget are; the National Unity Platform (NUP) Manifesto; other Opposition political party manifestos; the Opposition Legislative Agenda; the National Budget Framework Paper for Financial Year 2025/26- Financial Year 2027/2028 and earlier Budget Framework Papers; the Forth National Development Plan (NDPIV]; the Medium-Term Expenditure Framework; the Charter for Fiscal Responsibility; and the Budget Call Circular, among others.

Situational Analysis

Vote 001 has set medium-term policy objectives, which include; implementing the Intelligent Transport Monitoring System to curb road traffic violations, Strengthening Security and control mechanisms, Improve policy development capacity, analysis, research and implementation, Strengthen oversight, monitoring, inspection and socio-economic research especially regarding the NDP IV priorities and the Ten-fold Growth Strategy among others.

3.1 Classified Budgets

In the purported pursuit of the above, the OP has consistently featured budgetary indiscipline with OP and SH emerging as destinations for classified budgets.[161]

Because of this, the Government has borrowed uncontrollably on non-concessional conditions, increasing borrowing costs and the burden of debt servicing, which has reduced discretionary spending.[162] This has resulted in an asphyxiation of the economy to the tune of 12.3% of the national GDP[163], thereby crowding out the private sector because of competition for credit and capital.

State House on its part, spends approximately Shs 2.8 billion daily as revealed by an analysis of its financial year and supplementary budget allocations between FY2016/17 and 2022/23. Merged budget allocations to the State House have progressively increased from Shs 497 billion in 2019 to Shs 857 billion in 2020 and Shs 1.02 trillion in 2021. In April and October 2020, the State House received two supplementary budget allocations worth Shs 90 billion and Shs 450 billion respectively. The latter was on top of the Shs 407 billion that the State House had been allocated hardly three months after the start of the 2020/21

[161] Parliament of Uganda Budget Office. Approved Budget estimates

[162] Civil Society Budget Advocacy Group (CSBAG)

[163] Ministry of Finance, Planning and Economic Development (201). Debt Sustainability Analysis Report 2018/19. Kampala Uganda

financial year. On the flip side, several other key ministries and agencies of the economy continue to endure decreasing budgets.[164]

3.2 Wasteful Expenditure

Facilitation for Resident District Commissioners (RDCs) and newly introduced category of Assistant RDCs.

The creation of new districts to 146, has occasioned a proportionate growth in the number of Resident District Commissioners (RDCs) as well. The Presidency is seeking UGX 20.124 billion for the facilitation of their offices purportedly to monitor Government programs and service delivery despite the existence of appropriate functions under the decentralization system of governance.

However, the said officials are instead State and party functionaries doing espionage under the guise of being custodians of security, a role carried out by DISOs and GISOs. Besides, they have no alignment whatsoever with the implementation of government programmes and service delivery, which renders them a liability to public resources.

Facilitation for newly recruited Presidential Advisors

The number of Presidential Advisors stands at 139 with the potential to grow. These stretched the Wage budget to the tune of 27.513 billion as projected in the National Budget Framework Paper for the Financial Year 2025/2026 to cover their emoluments.[165] The Presidential advisors' offices appear to be redundant, as their roles can easily be carried out by existing MDAs. It seems that these appointments are being used as a way to reward regime loyalists, rather than for any practical purpose. MDAs have diverse human resource capacities and can also play an advisory role if needed.

3.3 Monitoring the Mainstreaming Manifesto Commitments

The Manifesto Implementation Unit, which is responsible for implementing the government's election manifesto, is requesting a budget allocation of UGX 5.018 billion for political purposes. However, there are concerns that this allocation may be neglecting the importance of democratization in subsequent budgets. In other words, there is a fear that the focus on political objectives may be overshadowing other crucial areas that need to be addressed in the budget. This raises questions about the government's priorities and whether it is truly committed to promoting democracy and good governance.

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[164] https://observer.ug/news/headlines/76563-state-house-spends-shs-2-8-billion-a-day

[165] NBFP 2025/26

3.4 Science Technology and Innovation

The Science, Technology, and Innovations function was, in Financial Year 2021/2022 moved to be domiciled in the State House under the government's move to merge and rationalize functions of 77 public institutions and agencies. On 2nd September 2021, Parliament resolved, under the guidance of the Attorney-General, to transfer funds previously appropriated under the Ministry of Science, Technology and Innovation to Vote 001 (Office of the President).

Relegating a critical entity such as the Ministry of Science, Technology, and Innovation is to subject it to the known incompetence, corruption, and lopsided management of State House, hence killing it.

3.5 Poor Budget Performance

On 27 January 2022, Parliament approved a total Supplementary Expenditure of UGX 4,768,640,0121.[166] Article 156 of the Constitution and Section 25 of the Public Finance Management Act allow for supplementary budget estimates to be put before Parliament for scrutiny, which must be 'unabsorbable, unavoidable, and unforeseeable.'[167] In total disregard of the said provisions of the law, the External Security Organisation (ESO), and the Internal Security Organisation (ISO) as part of security sought a further allocation of UGX 81 billion at just UGX 1 billion less than the Ministry of Health.[168]

Earlier in Financial Year 2020/2021, State House had a total approved budget of UGX 410 billion which was later revised to UGX 861.339 billion on account of a supplementary budget of UGX 451.091 billion. As of December 2020, in the Financial Year 2020/2021, UGX 723 billion was paid out.[169]

The Presidency has, for budgetary expediency, duplicated the roles of existing MDAs at the expense of critical services such as health, education, agriculture, and others making the sector bloated. A review of both sectors regarding value for money is overdue.

With the existence of several government agencies engaged in the monitoring of government programmes, there is a clear duplication of roles and a waste of resources. The State House Anti-corruption Unit, for example, is doing work meant for the IGG, the Police, and the DPP.

The sector is also no stranger to wasteful expenditures on budgetary items like the Procurement of Medals for Awards for which UGX4.23 billion is required. A

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[166] Certificate of Financial Implications received by the Clerk to Parliament on January 7th, 2022
[167] Constitution of the Republic of Uganda and Public Finance Management Act
[168] www.cmi.no/publications/7279
[169] https://www.politicalfinanceafrica.org/2021/03/25/state-house-is-an-expensive-house

modest budget on items more representative of the drawn from a wide range of themes would be suitable.

For the Financial Year 2025/2026, the State House requires UGX 83.033 billion to facilitate payment of pending Presidential donations. At the expense of badly needed required service delivery, the President has been known to dish out freebies to sections of the populace, many times in clear exchange for votes.

3.6 Retooling State House

In the Budget Framework Paper presented for the Financial Year 2025/2026, the government proposed an allocation of UGX 10 billion[170] for the repair and maintenance of various state lodges. The repairs would cover Entebbe State House, Nakasero State Lodge, and 23 other lodges situated in different parts of the country and also maintainance of the Presidential Jet and Helicopter and procuring exerggatively sophiscated security and ICT equipments.

However, this proposal would come at a cost to other vital sectors, as budget cuts may have to be made to accommodate the repairs. Furthermore, the state lodges in question have been considered liabilities, with many arguing that their upkeep costs far outweigh their benefits.

Despite this, the government remains committed to maintaining these lodges and ensuring that they remain in excellent condition and making them more habitable and appealing to guests.

3.7 Interventions to Reduce HIV Prevalence in Uganda

Uganda, like the rest of the world, prioritizes control of HIV/AIDS and is also implementing the Presidential Fast Track Initiative (PFTI) on Ending the AIDS Epidemic by 2030[171].

In the Financial Year 2025/2026, the total indicative allocation to Vote 107 is UGX 16.793 billion, of which wage is 6.118 Bn, non wage recurrent at Ushs 10.118 Bn and domestic development at Ushs. 0.557 Bn.

Besides, the Commission prioritizes such items as Administrative and Support Services as well as Human Resource Management, Outreach, and Compliance, Research, Advocacy, and Communication. However, existent challenges after 40 years of the prevalence of HIV/AIDS in Uganda like the fight against stigma are not accorded significance in the budgetary proposals.

UAC reports that HIV incidence and new HIV infections in Uganda have dropped significantly in the last decade, with new infections falling by 52% from

[170] National Budget Framework Paper FY2025/26
[171] The National HIV and AIDS Strategic Plan 2020/21 – 2024/25

the 2010 levels while AIDS-related deaths fell by 60%. However, there is still more to be done to meet the Sustainable Development Goals target of 75%.

It is worth noting, however, that the activities and performance of the Uganda AIDS Commission have been hampered by inadequate funding at the expense of classified expenditures to entities under the same sector[172].

3.8 Corruption

Uganda has established a comprehensive anti-corruption system to combat the pervasive issue of corruption within the country. However, despite the presence of such measures, Uganda continues to be ranked among the most corrupt countries in the world. This indicates that there may be underlying systemic issues that contribute to the persistence of corruption in Uganda, and further efforts may be required to address this issue effectively.

According to a study conducted by the Inspectorate of Government (IGG) from February 2021 to December 2021 with respect to the calendar year 2019, the Total Cost of Corruption was estimated at **UGX 9,114,158,342,330 (UGX 9.1 Trillion)** as the lower bound estimate, with **UGX 20 trillion** as the upper bound estimate. Costs were categorized in three categories as follows; Costs of Corruption directly incurred by the Public Budget estimated at **UGX 4,363,639,206,842 (UGX4.4 trillion).** Costs directly incurred by Citizens are estimated at **UGX4,252,309,188,510 (UGX 4.3 trillion).** Costs of Corruption incurred by the Society are estimated at **UGX 347,741,946,978 (UGX 348 billion)**. It is also envisaged that fully eradicating corruption in Uganda is estimated to result in savings of at least **UGX 9,114,158,342,330 (UGX 9.1 trillion)** or **44%** of Total Government Revenue in 2019.[173]

Corruption in Uganda has been majorly attributed to a skewed power dynamic, many times originating from the Presidency, allowing those in high office to continue to redirect cash flows unhindered with the misuse of public funds accounts for as much as 20% of government revenue. Corruption has largely gone unpunished because enforcement agencies such as the police and judiciary rank fairly high on the index of corrupt entities in the nation.[174]

As a result, economic development is stifled as funds intended for development and investment are redirected to private consumption.

Objectives

- Curb Wasteful Expenditure;

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172 Uganda aids commission ministerial policy statement fy 2021/22
173 IGG - summary of the cost of corruption in uganda
174 saxton, jared

- Realign governance policy with service delivery; and
- Decisively propagate transparency, accountability, and anti-corruption systems.

Targeted Outputs

1. A comprehensive Constitutional and policy review.
2. A leaner workforce for increased efficiency and effectiveness in service delivery.
3. The deployment of an E-Platform for effective accountability.

Funding Priorities

6.1 Comprehensive Constitutional and Policy Review

The APEX platform, while designed to empower Parliament, is viewed by some as unnecessary and contradictory to the legislative mandate. Instead of investing in technology, resources should be allocated towards conducting a comprehensive Constitutional and Policy Review.

Target Outcome

This review would ensure that all legislation is aligned with the country's founding principles and goals and that it reflects the changing needs of society. By focusing on this broader strategy, legislators can ensure that their work is effective and meaningful in the long term.

6.2 Deploy a full cross-sectoral E-Government Platform to counter corruption

The adoption of digital technology and processes in the functioning of government and society can play a crucial role in combating corruption, which in turn can lead to improved economic performance and better public service delivery. By digitizing government functions, it would be possible to increase transparency and accountability, making it easier to track and trace financial transactions and identify instances of corruption.

To make this possible, there needs to be a deliberate investment in terms of resources, talent, and infrastructure to enable centralization and quick accessibility of data. By centralizing data, it would be possible to facilitate meaningful audits, thereby improving the accuracy and efficiency of the auditing process.

Such investment in digital infrastructure would need to include the necessary hardware and software, as well as the development of robust cybersecurity protocols to protect sensitive data from cyber threats. Additionally, there would need to be a concerted effort to train personnel in the use of digital tools and processes to ensure the smooth adoption and integration of these technologies into government functions.

6.3 Phase out the Offices of the RDCs

The Offices of the RDCs, which are responsible for overseeing the administration of districts in Uganda, have been subject to scrutiny for their inefficiencies and lack of value added to the administrative structure where they exist. The proposal is to phase out these offices and redirect their budget and resources towards enhancing offices that perform similar roles, such as the DISO and the Police, which are more efficient and effective.

The appointment and replacement of RDCs, RCCs, and their Deputies are solely reserved for the Head-Of-State, in consultation with some stakeholders or institutions as he may desire. However, the selection process for these positions often lacks prioritization of competence and instead prioritizes political affiliations, which has resulted in the appointment of individuals who are not qualified for the job. This has made the office a liability to the taxpayer, as it adds little or no value to the administrative structure where it exists.

Target Outcome

Redirecting the budget and resources of RDSCs towards enhancing more efficient offices is a necessary step towards improving the administrative structure in Uganda. Additionally, the appointment and replacement of RDCs, RCCs, and their Deputies should prioritize competence over political affiliations to ensure that qualified individuals are appointed to these important positions.

Refer the function of the Presidential Advisors to the line Ministries

It is advisable to refer the function of Presidential Advisors to line ministries as they possess the required expertise and knowledge to handle complex issues related to their respective domains. By doing so, the line ministers can offer valuable insights and suggestions to the Presidential Advisors, which can help them make informed decisions.

Target Outcome

The intended outcome of this approach is to ensure that the implementation of policies and strategies aligns with the specific needs of each ministry, thus increasing the chances of their success. Therefore, it is recommended to involve line ministries in the decision-making process involving Presidential Advisors to ensure effective and efficient governance.

National one spot-center for research and development.

The development of Uganda depends upon various institutions that address different challenges and advance research in various fields. One of the key facilities that is contributing significantly to this development is the Bioscience Park and Nuclear Magnetic Resonance Spectrometer Facility. This facility is equipped with access roads, a perimeter wall, animal houses, field-testing sites, research and development labs, office space, a conference center, a business support and incubation center, and biobanks for animals, plants, humans, and NMR.

In addition to the Bioscience Park and Nuclear Magnetic Resonance Spectrometer Facility, there are also GMP-certified facilities for diagnostics and vaccine production. These facilities ensure that the production of diagnostics and vaccines is of high quality and meets the required standards. The animal houses and field-testing sites are also crucial to the development of Uganda. These facilities are designed to accommodate animals used for research and testing purposes. The field-testing sites are used to conduct experiments on crops and other plants, which are crucial to the agricultural sector of the country.

The research and development labs provide a space for scientists and researchers to conduct experiments and develop new technologies. These labs are equipped with the latest equipment and technology, ensuring that researchers have access to the tools they need to make significant progress in their respective fields.

Finally, there is also a need for biobanks for animals, plants, humans, and NMR. These biobanks are used to store and maintain biological samples for research and testing purposes. Therefore, the establishment of these institutions and facilities is crucial to the development of Uganda. However, it is also important to establish a space dedicated to manufacturing where accountability can be ensured.

Target Outcome

A Bioscience park and Nuclear Magnetic Resonance Spectrometer Facility will be established to support scientific research in Uganda, demonstrating the country's commitment to sustainable economic growth and holistic well-being.

Revitalization of silk production in Uganda (Sericulture).

We need to take the necessary steps to make the Silk Factory in Kween operational. This includes investing in water supply for the factory and irrigation, constructing rearing houses in Kween, rehabilitating the 23,000 acres of destroyed and overgrown mulberry, and training staff in factory operation, among other things. Revitalizing silk production in Uganda through sericulture can potentially lead to economic growth, employment opportunities, and environmental sustainability.

Target Outcome

The production of silk in Uganda can support economic growth, environmental conservation, and poverty reduction goals. Sericulture in Uganda has the potential to contribute to the global silk market and improve the livelihoods of its people.

Invest in the Innovation Fund.

Investing in the innovation fund is crucial for igniting innovation in both the population and institutions and translating ideas into commercialized products. There are currently over 66 projects spread throughout the country that require support, but tangible support has not been given since FY 2022. Failure to fund these projects will result in their waste. The innovation fund challenge plays a vital role in fostering innovation, addressing social challenges, and contributing to Uganda's development agenda through technology-driven solutions.

Target Outcome

Creation of more innovations from universities and other institutions and more employment for the youths in innovations. This approach not only provides young people with meaningful work experience but also helps to foster a culture of innovation and creativity, which can lead to the development of groundbreaking solutions that benefit society as a whole. By investing in the future of our youth and supporting their innovative ideas, we can create a better tomorrow for all of us.

Budget Allocations

Indicative Budget Allocation for the Presidency FY 2025/26

Overall allocation (UGX)

Wage	NonWage	GoUDev	ExtFin	Total incl. ext.
186.619	**968.148**	**62,242**	0	**1,217.009**

Allocation by Vote (UGX Bn)

Vote	Wage	NonWage	GoUDev	ExtFin	Total incl. ext.
Directorate of Ethics and Integrity (DEI)	3.242	10.022	0.065	0	13.329
External Security Organization (ESO)	25.793	65.829	0.702	0	92.324
Internal Security Organization (ISO)	73.812	98.038	9.711	0	181.561
Office of the President	27.513	195.105	20.124	0	242.742
Office of the Prime Minister	4.168	96.900	3.470	0	104.538
Science, Technology, and Innovation	4.159	136.443	2.998	0	143.600
State House	31.488	346.08	21.722	0	399.290
Uganda Aids Commission (UAC)	6.118	10.118	0.557	0	16.793
Uganda Industrial Research Institute (UIRI)	10.326	9.613	2.893	0	22.832
Total for the Sector	**186.619**	**968.148**	**62,242**	**0**	**1,217.009**

Notebly, the wage bill for State House and Office of the President is exhorbitant which speaks to wasteful expenditures and no value for money. If the government is serious about curbing wasteful expenditures, Vote 001 and Vote 002 need to be given a keen eye.

Uganda AIDS Commision is likely to face financing challenges due to the withdraw of aid from USAID; because of the vital roles it play in curbing of HIV/AIDS incidences, prevalence and spreading in the country, it will need deliberate government interventions in funding it more.

Conclusion

The Constitution establishes the Office of the President with executive authority, which should be exercised by the Constitution and the laws of the country. The President governs in the public interest within the framework provided by the Constitution. However, this mandate has been abused over the years, with the law being twisted to accommodate personal and unlawful convictions. This has come at a high cost to the country, with the uncontrolled expansion of the Executive leading to a toll on the national budget. Expenditure on the Office of the President and State House has skyrocketed, creating a situation that urgently requires a refocusing of the lead role of the presidency. The human dignity of the Ugandan citizenry, in whom the Constitution vests all power, must be given particular sensitivity.

Office of the Prime Minister

Executive Summary

Article 82(A) (i) of the Constitution, Section 6E (4) of the Administration of Parliament (Amendment) Act,2006, Rule 14(4) and 147 of the Rules of Procedure of Parliament 2022, provide for the existence of the Office of the Leader of the Opposition in Parliament and empower him to study and respond to all policy statements of Government with his or her Shadow ministers, and propose possible alternatives[175].

The Office of the Prime Minister (OPM), as mandated by Article 108A of the Constitution takes a lead role in driving Government Business (LOGB) in Parliament as well as coordinating and implementing Government Policies and the National Development Plan (NDP) across Ministries, Departments and other public institutions. The OPM is, therefore, charged with the attainment of the National Objectives and Directive Principles of State Policy Nos., XXIII and XXVI and ensuring the dignity of humanity in Uganda. The OPM has, however, been cited for gross mismanagement of policy and excessive graft over the years.

By the mandate of the Office of the Leader of the Opposition (OLOP), the Shadow Minister for the Presidency and Security hereby presents an Alternative Budget Statement for the Office of the President for the Financial Year (FY) 2023/24, with the hindsight that the Office of the Prime Minister has continually fallen short of its constitutional mandate in light of its performance in the preceding in financial years and highlighting our proposed funding priorities.

Introduction

Article 108A of the Constitution mandates the Office of the Prime Minister (OPM) to be the Leader of Government Business (LOGB) in Parliament and to coordinate and implement government,nt Policies and the National Development Plan (NDP) across Ministries, Departments, and other public institutions. This strategically positions the OPM at the helm of responsibility for the achievement of the National Objectives and Directive Principles of State Policy Nos., XXIII and XXVI by resourcing and addressing any event of general disruption of the normal life of the people of Uganda.

The OPM, therefore, also provides Leadership for the overall coordination and reporting on the implementation of NDPIV programmes and coordinates harmonized monitoring at the national and local Government levels, strengthening capacities for mitigation, preparedness, and response to natural and human-induced disasters. This is in addition to driving national response capacity to refugee emergency management and coordinating and

[175] Administration of Parliament Act (2006)

monitoring the implementation of Government affirmative programmes in disadvantaged regions.[176]

However, the OPM superintends over a policy platform featuring budgets poorly aligned with national priorities.[177] The OPM also continues to implement an open-door refugee policy amidst resource and funding constraints, [178] corruption scandals and with an indirect cost to the country and host communities. [179] Similarly, the OPM has failed to table a law on Disaster Preparedness and Management and operates a consistently underfunded Contingencies Fund contrary to Section 26(1) of the Public Finance Management Act (PFMA); 2015(As Amended). On its part, the special regions programme has failed to deliver the intended results despite consistent domestic and external funding.

To this end, the Office of the Leader of the Opposition (LOP) hereby presents the Alternative Budget Statement for the Financial Year 2025/2026 as mandated by Article 82(A), Section 6E (4) of the Administration of Parliament (Amendment) Act, 2006, and rules 14(4) and 147 of the Rules of Procedure 2022.

Methodology

Among the sources consulted for the preparation of this Alternative Sector Budget are the NUP Manifesto; other Opposition political parties manifestos; the Opposition Legislative Agenda; the National Budget Framework Paper Financial Year2025/2026 - Financial Year2029/2030 and earlier Budget Framework Papers; the Forht National Development Plan (NDPIV 2025/26-2029/30); the Medium Term Expenditure Framework; the Government and Alternative Charters for Fiscal Responsibility; the First budget Call Circular and relevant laws among others.

Situation Analysis

Government-Wide Coordination, Monitoring and Evaluation

The OPM oversees the implementation of government programmes and attracts budgetary requirements towards strengthening government-wide coordination, monitoring, and evaluation.[180]

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[176] opm.go.ug

[177] FROM PAPER TO PRACTICE: Implementation of Uganda's Industrialisation Agenda By Ramathan Ggoobi, 2019

[178] CSBAG: SUSTAINABLE FINANCING FOR REFUGEES: Key Points to note, 2020

[179] Indirect costs include associated costs which are not necessarily financial such as land, water, energy, ecosystem loss and foregone taxes among others. Although government does not explicitly allocate funds, they can attribute a financial value because they impact on the economy

[180] Opm.go.ug

The objectives of the Office of the Prime Minister (OPM) are to provide leadership for government business in Parliament, coordinate the implementation of government policies, plans, programmes, and projects, lead and coordinate harmonized monitoring at national and local government levels, strengthen capacities for mitigation, preparedness, and response to natural and human-induced disasters, enhance national response capacity for refugee emergency management, and coordinate and monitor the implementation of government affirmative programmes in disadvantaged regions.

These objectives are intended to feed into the achievement of the fifth Objective of NDP IV, which is "strengthening the role of the State in development and National Development Programmes 15, 16, and 13, which are "Public Sector Transformation," "Development Plan Implementation" and "Special Development Programmes", respectively.[181]

In the Government context, service delivery standards are the rules of engagement between the Government and citizens. According to the Auditor-General's report (2020), apart from the Ministry of Health, all other MDAs and Local Governments lacked documented Service Delivery Standards (SDS). This contravenes the Ministry of Public Service-issued guidelines on the development, documentation, and implementation of the SDS.

However, Uganda continues to lag in key areas as poverty reduction in such areas of Karamoja, Bunyoro, Bukedi, Acholi, Teso, Elgon, and Busoga, good governance and general service delivery. This can be attributed to dysfunctional state institutions and departments over which the OPM provides leadership. The entities continue to be scarred by corruption, poor financial management and bad governance, which curtails their ability to ensure effective and efficient service delivery to the masses.[182]

Besides, the policy framework in Uganda presents gaps in regard to accountability, public resource management, democracy, rule of law, human rights, citizen participation, responsive service delivery, and gender inclusion, hence undermining performance.[183]

All this is, in spite of maintaining a Prime Minister with three Deputies, three Ministers, a Government Chief Whip, and six Ministers of State as well as the presence of the M&E and Coordination Frameworks for MDAs and Local Governments for performance assessment and the Prime Minister's Delivery Unit

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181 NDP IV

182 Reagan Wamajji – Parliament Watch

183 Strengthening Performance And Accountability Through Community Engagement (SPACE) The State Of Good Governance And Responsive Service Delivery At The Local Government Level In Northern Uganda - 2022

(PMDU) for real-time tracking and monitoring of both the Central and Local Governments.

The OPM is seeking a budget enhancement for the Offices of the Rt Hon. Prime Minister, 1st, 2nd, and 3rd Deputy Prime Ministers, Government Chief Whip, and Minister for General Duties (UGXUGX 12.0 billion), developing robust M&E systems for tracking the NDP IV Programmes and the Parish Development Model(UGXUGX 5.0 billion), Coordination of the implementation of NDP IV (UGXUGX 5.0 billion), Fast tracking the realization of Government commitment to SDGs (UGXUGX 1.5 billion), wage shortfall required to fill critical positions in the new Office of the Prime Minister's approved structure for effective Government-wide coordination (UGXUGX2.0 billion) and procurement of transport equipment (UGXUGX 3.05 billion) are among the critical underfunded priorities.

Operationalization of the Disaster Risk Management Plan

Disaster occurrence in Uganda has, recently, become a common phenomenon with its negative impact on the livelihood and welfare of the affected persons. The Office of the Prime Minister has made a deliberate effort to mitigate disaster effects in Uganda by developing a Disaster Risk Management Plan.

The OPM's proposal for the operationalization of the Disaster Risk Management Plan requires UGXUGX 63.679 billion to undertake interventions within the medium term but no indicative allocation has been provided in the Financial Year 2025/2026. The key cost drivers to the operationalization of the Disaster Risk Management Plan include UGXUGX 6.977 billion for preparedness activities (Out of this, UGXUGX 4.657 billion is for supporting District Local Governments (DLGs) to effectively implement preparedness and mitigation activities to avert disasters, and UGXUGX 2.32 billion for supporting preparedness activities at National level; UGX 34.2 billion for response (Out of which UGX 18.2 billion would be used to facilitate effective response to the occurrence of disasters at DLGs and UGX16.0 billion is for supporting National response activities including the construction of National Emergency Coordination and Operations Centre (NECOC) Head office.

Other cost drivers include UGX 1.66 billion for Disaster Risk Reduction in accordance with the Sendai Framework priority of Understanding Risk, UGX 1.014 billion for Disaster Risk Reduction Coordination/Governance, UGX 9.29 billion for enhancing disaster preparedness for effective response and to "Build Back Better" in recovery, rehabilitation and reconstruction and UGX 9.078 billion for Equipment, among others.

The 2020 Annual State of Disaster Report reveals that natural disasters caused Uganda an economic loss amounting to UGX 563,239,697,910 (US$152.2 million) ithe n the Financial Year 2019/2020. This loss was distributed across key sectors namely: the transport and infrastructure sector mainly roads and bridges - UGX 206.73 billion; Commercial and Residential Housing - UGX 154.21 billion; Agriculture - UGX 77.37 billion; Education – UGX 35.44 billion; Environment and Natural Resources - UGX 33.75 billion; Health – UGX 31.86 billion and Water and Sanitation - UGX 23.88 billion.

The main sources of Disaster Preparedness and Management financing are the National Budget and other financial or in-kind donations channeled mainly through the OPM. Parliament is compelled to budget at least 0.5% of the previous budget for the current year's contingencies.

Section 26(1) of the PFMA; 2015(As Amended) establishes the Contingencies Fund, which is replenished with an amount equivalent to 0.5% of the appropriated annual budget of the Government of the previous Financial Year. Disaster Management in the Country in the form of relief and recovery interventions is funded using funds from the Contingencies Fund.

Therefore, interventions in such disaster situations as the one experienced in Mbale and the entire Elgon are supposed to be financed with precision from the Fund. However, consistent underfunding with shortfalls of more than 50% has been noted. [184]Significant delays in accessing funds from the Contingencies Fund due to the bureaucratic procedures have also been reported yet relief interventions are emergency and urgent in nature.

Accordingly, for the current Financial Year 2022/2023, Parliament ought to have budgeted for contingencies to the tune of UGX 244.121 billion, which is equivalent to 0.5% of the appropriated budget for the Financial Year 2021/2022. Unfortunately, during corrigenda, the Ministry of Finance, Planning and Economic Development cut the provision to just ugx 62.068 billion, which puts emergency response efforts in jeopardy.

In their wisdom, the framers of our Constitution saw it necessary to establish a commission for planning and managing disasters. Article 249 (2) of the Constitution of the Republic of Uganda provides for the establishment of a Disaster Preparedness and Management Commission by Parliament, which has not been operationalized.[185]

The law on Disaster Preparedness and Management, which is provided for in the National Disaster Preparedness and Management Policy, has not been

[184] The OAG report 2021
[185] Constitution

tabled, despite the OPM having initiated a roadmap with a budget for its approval in 2019.

Unfortunately, Uganda features prominently among countries with significantly inadequate funding for the decentralization of early warning systems, which renders the whole country vulnerable.

More so, the delay in the actualization of a Commission and adequate budgeting for the Contingencies Fund have hampered the country's disaster preparedness and management.

Strengthening Existing Community-Level Disaster Risk Management Capacities

The Uganda Red Cross Society has, for years, been partnering with the Government of Uganda through the Office of the Prime Minister and the Ministry of Health to enhance emergency preparedness at the community level and address the needs of victims during disasters and emergencies. The Office of the Prime Minister (OPM) is aware of the existing strength at the Community level that the Uganda Red Cross Society IURCS) has, which often complements Government efforts in ensuring vulnerable communities are provided with timely early warning information for early action ahead of impending disasters and accorded timely response in the aftermath of disasters and emergencies.

The OPM has put in place an institutional collaboration with URCS to strengthen and sustain an efficient Community-Based Disaster Preparedness and Response mechanism. The Committee was also informed that the institutional collaboration between the Office of the Prime Minister and the URCS will greatly reduce disasters with improved community-based prevention, mitigation, preparedness, response, and early warning interventions.

The proposed institutional collaboration is premised on four objectives; installing and operating community-level multi-hazard, tools for early warning and early action protocols before a disaster happens relying on scientific and traditional forecasting; strengthening capacities of Community Volunteer Red Cross Action Teams to effectively prepare and respond to disaster occurrences; delivering and deploying rapid support towards saving lives, livelihoods and property following a disaster occurrence will greatly mitigate the occurrence of disasters, and where disasters occur, the welfare and livelihoods of the victims can be expeditiously restored. The Uganda Red Cross Society requires UGX 12.67 billion to undertake the interventions in the said four objectives, but there is no budget provision in the MTEF ceiling for Vote 003.

Commitment to Affirmative Action and Regional Development

Regional Balanced Development is an affirmative action on the eight poorest sub-regions of the country, which include Acholi, Bunyoro, Busoga, Bukedi, Bugisu, Karamoja, Teso, and West Nile. UGX 29.214 billion has been allocated to eradicate poverty in these regions through increased production and productivity in agriculture, infrastructure development, and capacity building of leaders.[186]

The programme contributes to four NDPIV objectives, which are: enhancing value addition in key growth opportunities; consolidating and increasing the stock and quality of productive infrastructure; enhancing the productivity and social well-being of the population; and strengthening the role of the State in guiding and facilitating development. It is envisaged that RDP should accelerate equitable, regional economic growth and development, and in so doing, the program is poised to contribute to the goal of the Third National Development Plan "To increase average household income and improve the quality of lives of Ugandans. [187]

Even so, the Office of the Auditor-General's reports reveal capacity gaps such as the absence of requisite agreements and failure to take appraisals among others in the sector. Government interventions under NUSAF III, Drylands Integrated Development Project, Karamoja Integrated Development Plan, PRDP 2, and LRDP through such activities as the procurement and distribution of animals in Karamoja, Teso, and Northern Uganda for livelihood enhancement have been noted. However, a review of MPS for the previous financial years reveals that despite substantial government and donor investment in the Special Regions, the performance of the earmarked regions remains poor as these regions remain impoverished.

In addition, the OPM should monitor and evaluate the performance of Government programs now turned itself into an implementing agency of Special Regions' programmes, which is self-defeating. This is especially in light of the fact that the actual impact on the livelihoods of the targeted populations is not visible.

Refugee Protection and Management

Uganda presently hosts more than 1.5 million refugees, representing one of the largest refugee populations in the world. [188] Almost 107,000 (or 27.9%) of Uganda's refugees reside in Kampala. [189] Refugee countries of origin are predominantly South Sudan (60.8%) and the Democratic Republic of Congo (29.0%), with smaller numbers of refugees from Somalia (3.5%), Burundi (3.1%), Rwanda (1.6%), Eritrea (1.4%), Ethiopia (0.3%), Sudan (0.2%), and other countries

[186] Uganda Budget Highlights 2022/23, Accelerating recovery. Sustaining growth JUNE 2022
[187] NBFP 2022/23
[188] Source : https://data2.unhcr.org/en/country/uga.
[189] Ibid

(<0.1%) also represented. [190] the youth make up the majority of refugees, including 850,000 children. Approximately 95% of Ugandan refugees live alongside host communities in designated settlements, within which the Government of Uganda allows freedom of movement and provides shelter and land for agriculture.

Uganda continues to implement an open-door policy amidst resource and funding constraints. [191] Although Uganda's legal framework for refugees is internationally acclaimed, hosting efforts have far-reaching implications in terms of resources, given the inherent economic constraints. The host communities have incurred strained public and private services, physical and economic overcrowding, and increasing societal strife and the potential for civil conflict.[192]

Despite being acclaimed, the OPM's refugee management function has severally been cited in corruption scandals. In early 2018, the UN shared fraud concerns with the Prime Minister, resulting in the suspension of several OPM workers when a subsequent UN-Government probe found that only 1.1 million of the 1.4 million supposedly registered refugees existed.[193]

Apart from the budget allocation, Uganda also incurs indirect costs for the management of refugees. In the Financial Year 2016/2017 alone, the UNDP estimated that Uganda's expenditure on refugee management amounted to USD 323 million - equivalent to UGX 1,130 billion (UNDP, 2017).

Disaggregation of these expenditure estimates shows that Uganda's resources for refugee response efforts were primarily indirect and highly concentrated on natural resources like energy, water, ecosystem loss, and land (Figure 2. Indirect costs collectively accounted for 97.2%of the UGX 1,130 billion estimated by UNDP. Of this, a significant portion (14%) comprised of tax exemptions to UN agencies. Direct costs in service delivery were only to education (0.25%), health (1.61%), and security (0.94%) which translates to approximately UGX 32 billion. When this service delivery expenditure is combined with the allocation through the OPM, Uganda's direct expenditure on refugees in 2017 was about UGX 33.5 billion. These estimates were based on the average refugee population in 2017 and are, therefore, likely to escalate as the refugee population increases.

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[190] Ibid

[191] https://www.unhcr.org/news/briefing/2022/11/6385e5fe4/ugandas-refugee-response-confronted-dire-funding-gap.html

[192] Gender Analysis Uganda: Refugees and Host Communities in Yumbe and Terego Districts (August 2022)

[193] https://www.thenewhumanitarian.org/investigation/2022/12/07/Uganda-UNHCR-refugee-fraud-corruption

The OPM requires UGX 24.199 billion to facilitate refugee protection and management in the Financial Year 2025/2026 .

The first phase of the Kyangwali Resettlement exercise was completed with about 1,889 households resettled and completed civil construction works for the 14km security access road in Kyangwali Resettlement.

To complete the resettlement exercise, for the already resettled households, the Office of the Prime Minister requires an additional UGX 4.70 billion for the establishment of socio-economic infrastructures including; three (3) primary schools (UGX 1.2 billion), one (1) secondary school (UGX 0.5 billion), one (1) Health Centre (UGX 0.6 billion), civil construction works for 25km of first-class marram roads (UGX 0.8 billion), Irrigation pilot in Kyeya (UGX 0.6 billion), Tree planting (UGX 0.3 billion) and Livelihood investments (Ushs 0.7 billion).

UGX 3.0 billion is required for preparation of the land (earthworks, bush clearing, backfilling, and fencing of the land with a perimeter wall is not provided for in the indicative allocations for Financial Year 2023/2024.

Objectives

- Improve policy monitoring
- Actualise the Contingencies Fund
- Develop comprehensive legislation for disaster management

Targeted Outputs

- A Contingencies Fund as provided for in Section 26(1) of the Public Finance Management Act (PFMA); 2015(As Amended)
- Legislation on Disaster Management
- Comprehensive Policy Review

Funding Priorities

Resettling of people living in risky areas to avert catastrophes

To ensure the safety of the population residing in disaster-prone areas, it is crucial to undertake comprehensive risk assessments. These assessments should identify potential areas that are at high risk of disasters, such as floods, landslides, and earthquakes. Once the high-risk areas are identified, appropriate interventions should be implemented to relocate the population to safer areas that are identified to be suitable for resettlement.

In addition, the areas that have been evacuated should be declared as government land, and measures must be taken to restore the vegetation cover, ecosystems, and biodiversity. This is important to ensure that the evacuated areas do not become degraded and prone to further disasters.

It is important to prioritize the Elgon and Rwenzori sub-regions as they are particularly vulnerable to disasters due to their topography and geographical location. The restoration of these areas will require the involvement of various stakeholders, including government agencies, the local community, and non-governmental organizations.

Target Outcome

Overall, a comprehensive approach is needed to address the challenges posed by disaster-prone areas. By implementing the necessary interventions, we can ensure the safety and well-being of the population living in these areas while also preserving the environment for future generations.

Enactment of a National Disaster Preparedness and Management Act;

Uganda is highly disaster-prone ranking 21 out of 190 countries in risk driven by the increasing frequency, intensity, and scale of disasters. [194] Uganda is frequently faced with natural disasters in the form of drought, famine, floods, landslides, epidemics, pandemics, pest infestations hailstorms, windstorms, and earthquakes, among others. The 2030 Agenda for Sustainable Development recognizes and reaffirms the urgent need to reduce the risk of disasters.[195]

Natural disasters in the period 2020/2021 caused Uganda an economic loss amounting to UGX. 563 billion. This translates into 0.4% of GDP lost due to natural disasters.[196]

Even then, recent years reveal a decline in the budget allocation to the Disaster Preparedness and Refugees Management subprogram in OPM. More specifically, there was a decline in the disaster preparedness and management sub-programme budget from UGX4.55 billion in the Financial Year 2019/2020 to UGX4.23 billion in the Financial Year 2020/2021. Relatedly, there was a slight decline in the humanitarian assistance sub-programme from UGX12 billion in the Financial Year 2019/2020 to UGX11.46 billion in the Financial Year 2020/2021.

The law on Disaster Preparedness and Management, which is provided for in the National Disaster Preparedness and Management Policy, has not been tabled despite the OPM having initiated a roadmap with a budget for its approval in 2019.

[194] INFORM1 Risk Index - a multi-stakeholder forum for developing shared, quantitative analysis relevant to humanitarian crises and disasters
[195] https://sdgs.un.org/2030agenda
[196] Annual State of Disaster report 2020

Furthermore, although the National Meteorological Authority is charged with the management of early warning systems, it has been grossly underfunded too.[197]

Establish the Disaster Preparedness and Disaster Management Commission Creating a specific budget line for disaster interventions in all MDAs and District Local Governments in Disaster-Prone Areas;

Article 249 of the 1995 Constitution provides for a Disaster Preparedness and Disaster Management Commission for Uganda to deal with both natural and man-made disasters. Article 249 (2) mandates Parliament to prescribe the composition, functions, and procedure for implementation of the functions of the Commission.

The provisions of Article 249 of the Constitution of the Republic of Uganda, 1995, have not been operationalized as there is no Commission in place. The absence of a Disaster Preparedness and Disaster Management Act, which should have been enacted to operationalize the provisions of Article 249 of the Constitution of the Republic of Uganda, 1995, is a constraint to the prevention, preparedness, and management of disasters in the country. Most of the current legislation shows that Governments are increasingly moving away from disaster management and disaster preparedness to disaster risk reduction and management. A perusal of several case studies shows that all countries, through their national disaster risk management laws, establish some form of institutional arrangements for disaster risk reduction.

Other jurisdictions adopt the recommendations of the Hyogo framework in enacting their laws and provide for disaster management across the Government structures. The need for central coordination is evident in new-generation disaster risk management laws, which establish two specific national coordinating bodies. On the one hand, a more political forum is established, and on the other, a forum more focused on technical disaster risk management issues. These national bodies are responsible for providing overall policy and planning coordination and guidance for disaster risk management in the respective countries. The Government should adopt the same strategy in the formulation of a disaster-specific law.[198]

Target Outcome

Replenish the Contingencies Fund with an amount equivalent to 0.5% of the appropriated annual budget of the Government of the previous Financial Year.

[197] CSO Issue Paper on Disaster Risk Management Budget issues for Parliament to Consider in FY2022/23 Ministerial Policy Statements
[198] Constitution

The main sources of Disaster Preparedness and Management financing are the National Budget and other financial or in-kind donations channeled mainly through the OPM. Section 26(1) of the PFMA, 2015(As Amended) establishes the Contingencies Fund, which is replenished with an amount equivalent to 0.5% of the appropriated annual budget of the Government of the previous financial year. However, consistent underfunding with shortfalls of more than 50% has been noted.

Conduct a national public campaign encouraging afforestation as a disaster preventive measure in disaster-prone areas

With only 10% of Uganda's rural population connected to the electrical grid, there is little option but to burn wood, leading to one of the worst deforestation rates in the world. Every year, 2.6% of the country's forests are cut down for fuel, agriculture, and to make way for population growth. In the circumstances, Uganda will lose all its forest cover in less than 25 years.[199] There is a need to enforce the National Forestry and Tree Planting Act, 2003, scrap all affirmative regional programs, and direct all affirmative action programming and funds to the relevant MDAs and Local Government.

Regional Balanced Development is an affirmative action on the eight poorest sub-regions of the country, which include Acholi, Bunyoro, Busoga, Bukedi, Bugisu, Karamoja, Teso, and West Nile. UGX 29.060 billion was allocated in the Financial Year 2024/2025 with the objective to eradicate poverty in these regions, through increased production and productivity in agriculture, infrastructure development, and capacity building of leaders. It is noteworthy that the said programme has been the recipient of constant budgets and donor funding over the years but without much to show in value for money. It has also been cited in several corruption scandals, many of which are still unresolved. There is, therefore, a need to provide special equalization development programmes to the least developed federal regions. It is also plausible that the programme is turned over to the relevant MDAs and LGs for proper management.

Develop and implement a time-bound and fully costed plan to reconstruct all areas ravaged by wars, particularly Northern Uganda and Teso, including payment of reparations and compensations of victims of war;

Areas that have experienced war almost always need substantial investment in the reconstruction of key services and the return to normalcy. Although the damage cannot be quantified most times, reparation efforts must close in proportion to the degree of damage are enforced. A phased but deliberate

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[199] National Environment Management Authority (NEMA)

effort to reconstruct livelihood in these areas should be undertaken over the years.

Budget Allocations

Expenditure Category	**2025/26 Proposed Budget**
Wage	4.168
Non- Wage	96.900
Dev't GoU	3.470
Ext. Fin	0
Total	**104.538**

Source: BFP 2025/2026

The indicative allocation to the Office of the Primen Minister for FY 2025/26 which is Ushs 104.538 Bn reflects only a 1.0% increase from the one of FY 2024/25 despite the enormous increase in disasters and disaster affected people.

Also, the regions under Affirmative Action Program have increasing challenges which means the interventions have not been effective due to low budget and budget cuts and late releasees. This needs to be addressed in the new Financial Year.

Conclusion

That the OPM oversees the implementation of government programmes renders the sector key to their success. Besides, the OPM hosts the Special Regions and Disaster Preparedness, which in nature are sensitive and require instant action. Unfortunately, the sector is so corruption-ridden, which undermines its performance. It is important that corruption is decisively dealt with, and this is a priority area for the alternative government.

5.3 Internal Affairs

Executive Summary

This Alternative Policy Statement is presented in accordance with Section 6E (2) and (4) of the Administration of Parliament (Amendment) Act,2006 and Rule 147 of the Rules of Procedure of Parliament as the Opposition's alternative policy directions for the internal Affairs sector.

The Internal Affairs sector in Uganda plays a crucial role in ensuring public safety, maintaining law and order, managing immigration, and overseeing correctional services. However, the sector faces severe challenges, including human rights violations, police brutality, corruption, overcrowded prisons, inefficiencies in immigration services, and inadequate funding for critical functions such as fire and rescue services. These challenges have eroded public trust in security institutions and undermined the rule of law.

The FY 2025/26 opposition alternative policy for the Internal Affairs sector has prioritized reforms aimed at improving efficiency, accountability, and respect for human rights while ensuring that national security does not infringe on civil liberties.

Introduction

The Ministry of Internal Affairs plays a critical role in maintaining law and order, safeguarding internal security, and ensuring the efficient functioning of civil registration and immigration services. However, the current administration has faced challenges in resource allocation, governance, and welfare of security personnel. As the Shadow Opposition Minister for Internal Affairs, I present this alternative ministerial policy statement, outlining strategic interventions to address inefficiencies, eliminate wasteful expenditures, and improve service delivery.

Methodology

During preparation of this alternative Budget statement for Tourism, Wildlife and Antiquities. We were guided by the NUP Manifesto; other Opposition political parties manifestos; the Opposition Legislative Agenda; the Opposition's response to the Charter for Fiscal Responsibility; Opposition Response to the Budget Framework Paper; Previous alternative Policy Statements, among others.

Budget Analysis

The Sector has been allocated a total of Ugx I,490.7 Trillion and this represents 24.4% cut from the budget of the current FY -Ugx. 1,966.41 Trillion translating to Ugx.475. 7Bn.The cuts will mainly impact on the operations of a number of agencies under the vote and thus crippling service delivery.

The Sector is aligned with the NDP IV Program Implementation Action Plan

(PIAP) Program Financing Framework. Most of the budget lines are funded in line with the program based objectives of budgeting.

The Statement identifies gaps overlooked by the Internal Affairs MPS. The policy gaps identified include;

Targeted human rights abuses and soaring crime rate

Human Rights increasingly continue to be violated systemically within the operations of UPF. Suspects spend longer than 48 hours in detention, police first arrest and then conduct investigations, suspects are tortured and even die in police detention. There's generally no Human Rights-consciousness in policing. Crime rate is actually high especially in rural areas. Whereas CCTV cameras reduced crime in the first quarter of their installation over time criminals have realized the mal functioning of these CCTV cameras and have gone on to commit crime in broad day light and this partly accounts for the high rate of emerging crime in urban areas

Uncoordinated crime investigation and intelligence;

The DPP mainly relies on investigation files of Police even with the Police's own structural challenges like shortage of forensic and ballistic experts. By the time a case file gets to the DPP for sanctioning, arrests have already been made. In the circumstances, Police and the DPP are in back-and- forth on proper investigations. Ultimately, suspected offenders' rights ore greatly violated, prisons get congested by mainly suspects on remand who stay for long periods of time before even the trial sessions are commenced and thus delaying justice to these citizens by courts.

Restricted civic space

CSOs especially NGOs in Human Rights and governance advocacy continually operate in restricted civic spaces.

The analysis emphasized concerns regarding human rights abuses, particularly the alleged suppression of political dissent and restrictions on free expression. Reports indicate that Uganda's human rights environment remains restrictive, with the government clamping down on free expression, peaceful assembly, and dissent. Authorities have arrested and charged individuals for criticizing officials online, and protests against corruption have been met with mass arrests.

Poor rehabilitative policy for convicts;

The Uganda Prisons Service is mainly punitive and hardly looks to holistic programs that are intended to rehabilitate and integrate convicts back to society without recidivating. The supervision of Community Service Program was hijacked by Ministry of internal Affairs even when they cannot conveniently supervise enforcement of court sanctions, yet this is a preserve of the UPS.

Trafficking in persons

Ugandans continue to fall victim to trafficking in persons, especially those who export labor. The Ministry of internal Affairs chairs both the Security Council as well as inter-ministerial task force on Prevention of Trafficking in persons. However, the scourge only increases. The Prevention of Trafficking in Persons Act is not yet fully enforced by the Ministry of internal Affairs. Uganda's borders are very porous enabling traffickers to smuggle unsuspecting persons out of the country.

Sector Overview

The Sector of internal Affairs is primarily mandated to ensure safety and internal and internal security of Uganda, the observance of law and order, citizenship identification, protection and preservation, as well as institutional development and governance. it falls under the Governance and Security program that seeks to enhance holistic security in the country in order to foster economic development.

On the contrary, there's gross insecurity in the country, untold abuse of fundamental human rights and freedoms through enforced disappearances, detention beyond the constitutional timeframe, torture during detention among others. The sector is faced with high crime rates, uncoordinated crime intelligence and investigation which consequently lead to prison congestion. Prisons Service in the country is primarily penal which precipitates high recidivism rates which is exacerbated by poorly supervised community service project.

Situational Analysis

Escalating Security Concerns: Rising crime rates, terrorism threats, and political instability, abduction by non-uniformed security personnel, and gross human rights abuses continue to challenge internal security.

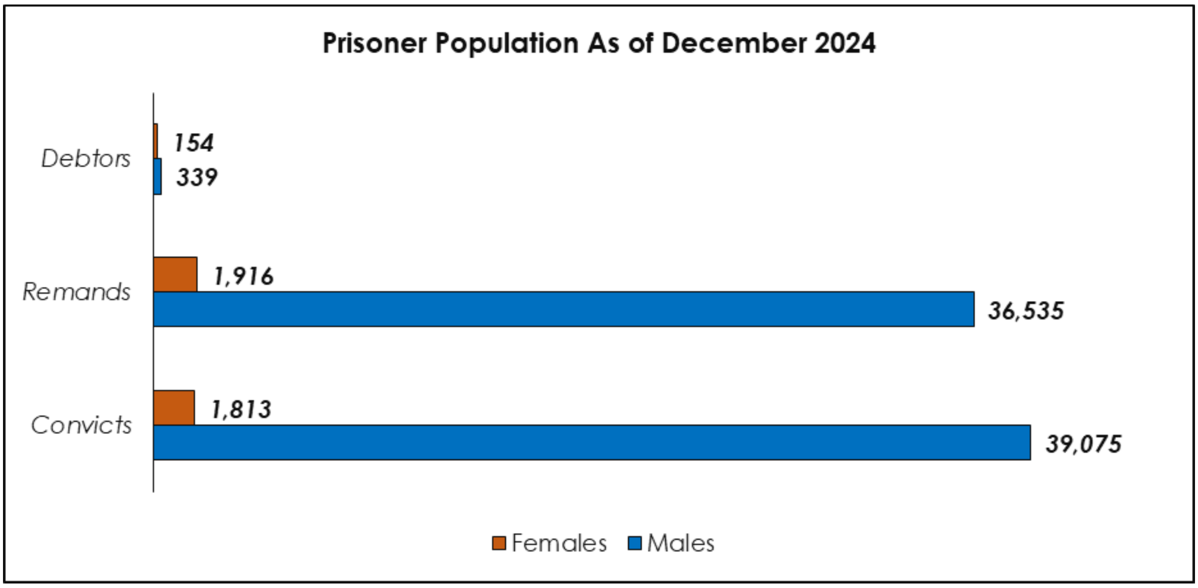
Overcrowding and congestion in prisons is yet another such big challenge that the prison service is grappling with, yet there is no single signal of intervention from the current administration of the State to ensure that the persons being remanded and committed to prisons is reduced.

Situational Report of the Prisoner Population as of December 2024

Prisoner Population as of December 2024

Category	Males	Females	Total	Percentage
Convicts	39,075	1,813	40,888	51
Remands	36,535	1,916	38,451	48
Debtors	339	154	493	0.6
Total	**75,949**	**3,883**	**79,832**	**100**
Percentage	95.1	5	100	
Approved Capacity			21,257	
Excess Above Capacity			58,575	
Occupancy Rate (%)			375.6	

[200]



Source: Raw Data from the oversight to Prisons and UPS report 2025.

Inadequate Welfare for Security Personnel: Law salaries, poor housing, and lack of proper healthcare for police and immigration officers.

The Police is characterized by lack of logistical support such as fuel, vehicles and motorcycles for surveillance to respond and apprehend suspects whenever the *wanachi* report incidents of crime.

Inefficiencies in Immigration and Civil Registration Services: Delays in processing national identification cards and passports hinder citizens' access to essential services.

The current of Police personnel is to the population is far way below the recommended international standard that is **(1:958 against 1:500)** and this partly accounts for the inefficiency demonstrated in the Policing of our Country.

Corruption and Mismanagement: Widespread corruption in procurement and misuse of public funds weaken institutional efficiency.

Law Enforcement and Security

The Uganda Police Force (UPF) remains underfunded, understaffed, and poorly equipped, affecting service delivery.

Allegations of human rights violations, excessive use of force, and partisan policing have increased concerns over police professionalism.

[200] Uganda prisons report to the Committee on Defense and Internal Affairs January, 2025
Uganda Police Report to the Committee on Defense and Internal Affairs January,2025

Rising crime rates, including violent crime, cybercrime, and organized crime, require modern crime-fighting methods.

Weak community policing strategies have led to a growing mistrust between the public and law enforcement.

Fire and Rescue Services

The Fire Brigade is underfunded, with limited equipment and personnel, leading to slow response times during emergencies.

Many districts lack functional fire stations, and urban centers have outdated fire-fighting infrastructure.

Governance and Accountability Issues

There are concerns over the increasing militarization of civilian security agencies, reducing public trust in law enforcement.

Corruption and political interference in security institutions weaken professionalism and service delivery.

Weak oversight mechanisms for security agencies have led to impunity among some officers.

Diplomatic Passport Issuance

The issuance of diplomatic passports by **Directorate of Citizenship & Immigration Control (DCIC)** has raised concerns about the integrity of the country's diplomatic missions. The Ministry is currently investigating the issuance of diplomatic passports to individuals who may not qualify for them. This is alarming, as diplomatic passports are meant to facilitate official state business abroad and are typically granted to a select group of individuals with specific roles in diplomatic fields. When these privileges are granted to those who do not qualify, it puts the integrity of Uganda's diplomatic standing at risk and undermines the country's passport system as a whole, (Daily Monitor, 2024).

Inefficient Service Delivery

NIRA has consistently faced criticism for delayed issuance of national IDs, registration backlogs, and limited accessibility of its services, particularly in rural areas. Citizens continue to encounter long queues, inadequate staffing, and bureaucratic bottlenecks that hinder the timely acquisition of identification documents.

Exclusion and Accessibility Challenges

Vulnerable populations, including the elderly, persons with disabilities, and citizens in hard-to-reach areas,[201]face significant challenges in accessing NIRA services. The centralized nature of operations excludes many from acquiring essential documentation, thereby limiting their access to public services.

Technological and Systemic Failures

Frequent technical breakdowns, such as network outages and system inefficiencies, disrupt service delivery. NIRA's reliance on outdated technology undermines its ability to handle the growing demand for national IDs and other registration services.

Lack of Data Integrity and Security

Concerns have been raised about the integrity and security of the data managed by NIRA. Reports of errors in personal information, loss of data, and the potential misuse of sensitive personal data have undermined public trust in the institution.

Opposition's Funding Priorities

The opposition's funding priorities for Uganda's Internal Affairs sector in FY 2025/26 focus on police reform and accountability, prison decongestion and rehabilitation, efficient national identification services, improved refugee and immigration management, balanced counter-terrorism measures, and enhanced fire and rescue services, all aimed at promoting human rights, transparency, and efficient service delivery.

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[201] Ministry of Internal Affairs. (2024). ANNUAL REPORT ON CONFLICT EARLY WARNING AND EARLY RESPONSE, 2023. Kampala: Ministry of Internal Affairs.

[201] Ministry on Internal Affairs, mia.go.ug/directorates

Funding Priorities

Table Showing Opposition funding priorities, justification and alternative policy

S/NO	PRIORITY	JUSTIFICATION	ALTERNATIVE POLICY
1	Police Reform and Accountability	Uganda's police force has faced numerous allegations of human rights violations, extrajudicial killings, and excessive force	Shift resources from excessive militarization of the police to community policing, human rights training,
2	Prisons Decongestion and Rehabilitation	Uganda's prison system is overcrowded, with some facilities holding over three times their intended capacity.	Invest in alternative sentencing methods
3	(NIRA) Efficiency Improvement	The inefficiency in NIRA's operations affects many citizens, especially those in rural areas.	Digitize and decentralize NIRA services to ensure faster processing, eliminate bureaucratic corruption, and make national identification accessible to all Ugandans.
4	Refugee and Immigration Management Reform	Weak immigration controls contribute to illegal activities, including human trafficking.	Advocate for increased funding to refugee support programs, streamline refugee documentation processes, and strengthen border security

5	Terrorism and National Security Balance	Uganda needs a security strategy that balances safety with respect for human rights.	Redirect resources from politically motivated repression to intelligence-led policing, professional anti-terror training
6	Fire and Rescue Services Enhancement	Uganda's fire response infrastructure is inadequate, with limited equipment and personnel, especially in rural areas.	Increase funding for fire departments, ensure proper training of personnel, and expand fire stations

Priority: Police Reform and Accountability

Justification: Uganda's police force has faced numerous allegations of human rights violations, extrajudicial killings, and excessive force. There is also a growing public demand for improved professionalism and accountability within the force.

Opposition Alternative Policy: Shift resources from excessive militarization of the police to community policing, human rights training, and an independent civilian oversight mechanism to improve transparency and public trust.

Priority: Prisons Decongestion and Rehabilitation

Justification: Uganda's prison system is overcrowded, with some facilities holding over three times their intended capacity. This leads to poor health conditions, increased human rights violations, and difficulty in rehabilitating offenders.

Opposition Alternative Policy: Invest in alternative sentencing methods (such as community service for petty offenders), modernize correctional facilities, and enhance rehabilitation programs to reduce recidivism.

Priority: National Identification and Registration (NIRA) Efficiency Improvement

Justification: Delays in issuing National IDs hinder access to essential services, including financial transactions, voter registration, and education opportunities. The inefficiency in NIRA's operations affects many citizens, especially those in rural areas.

Opposition Alternative Policy: Digitize and decentralize NIRA services to ensure faster processing, eliminate bureaucratic corruption, and make national identification accessible to all Ugandans.

Priority: Refugee and Immigration Management Reform

Justification: Uganda hosts over 1.5 million refugees, but funding for refugee services remains insufficient, leading to inadequate food, shelter, and education for displaced populations. Additionally, weak immigration controls contribute to illegal activities, including human trafficking.

Opposition Alternative Policy: Advocate for increased funding to refugee support programs, streamline refugee documentation processes, and strengthen border security while ensuring the humane treatment of migrants.

Priority: Counter-Terrorism and National Security Balance

Justification: While national security is essential, excessive state surveillance and crackdowns on political opponents under the guise of counter-terrorism have eroded civil liberties. Uganda needs a security strategy that balances safety with respect for human rights.

Opposition Alternative Policy: Redirect resources from politically motivated repression to intelligence-led policing, professional anti-terror training, and regional cooperation for effective crime prevention.

Priority: Fire and Rescue Services Enhancement

Justification: Uganda's fire response infrastructure is inadequate, with limited equipment and personnel, especially in rural areas. Many fire-related incidents result in severe losses due to delayed response times.

Opposition Alternative Policy: Increase funding for fire departments, ensure proper training of personnel, and expand fire stations across all regions to improve emergency response capabilities.

Alternative Policy Recommendations

The opposition's alternative policy for Uganda's Internal Affairs sector in FY 2025/26 prioritizes reforms that enhance accountability, professionalism, and efficiency while ensuring security agencies respect human rights and the rule of law. Key recommendations include:

Police Reform and Accountability – Shift focus from militarization to community policing, human rights training, and an independent civilian oversight body to enhance professionalism and public trust.

Prisons Decongestion and Rehabilitation – Implement alternative sentencing for petty offenders, modernize prison facilities, and strengthen rehabilitation programs to reduce recidivism.

Efficient National Identification and Registration – Digitize and decentralize NIRA services to eliminate delays, reduce corruption, and ensure faster access to national identification documents.

Refugee and Immigration Management – Strengthen border security with modern technology while improving refugee welfare, streamlining documentation, and ensuring humane treatment of migrants.

Balanced Counter-Terrorism and Security Policies – Shift resources from politically motivated repression to intelligence-led policing and regional security cooperation that respects civil liberties.

Enhanced Fire and Rescue Services – Increase funding for fire departments, expand fire stations nationwide, and equip emergency response teams to improve disaster preparedness.

The opposition's policy approach emphasizes citizen-centered security, transparency, and efficiency, ensuring that Uganda's internal affairs sector upholds justice, human dignity, and effective service delivery.

Law Enforcement and Security

The Uganda Police Force (UPF) remains underfunded, understaffed, and poorly equipped, affecting service delivery.

Allegations of human rights violations, excessive use of force, and partisan policing have increased concerns over police professionalism.

Rising crime rates, including violent crime, cybercrime, and organized crime, require modern crime-fighting methods.

Weak community policing strategies have led to a growing mistrust between the public and law enforcement.

Prisons and Correctional Services

Uganda's prisons are overcrowded, with facilities holding over three times their intended capacity.

Slow judicial processes result in a high number of pretrial detainees, contributing to congestion.

Poor sanitation, inadequate healthcare, and lack of rehabilitation programs affect inmates' welfare and reintegration into society.

Immigration and Border Management

The Directorate of Citizenship and Immigration Control (DCIC) faces inefficiencies in processing passports and work permits, leading to delays and corruption.

Uganda's porous borders enable illegal immigration, human trafficking, and cross-border crimes.

There is limited use of modern technology in border security management.

National Identification and Registration

The National Identification and Registration Authority (NIRA) struggles with inefficiencies in issuing National IDs, leading to delays in service delivery.

The low uptake of birth and death registration affects national planning and access to social services.

Bureaucratic corruption in ID processing has led to public outcry over bribery and favoritism.

Refugee and Humanitarian Management

Uganda hosts over 1.5 million refugees, making it one of the largest refugee-hosting countries in Africa.

Despite progressive refugee policies, funding shortages hinder the provision of adequate services such as education, healthcare, and livelihoods for refugees.

Coordination between the government, humanitarian agencies, and host communities remains a challenge.

Fire and Rescue Services

The Fire Brigade is underfunded, with limited equipment and personnel, leading to slow response times during emergencies.

Many districts lack functional fire stations, and urban centers have outdated fire-fighting infrastructure.

Governance and Accountability Issues

There are concerns over the increasing militarization of civilian security agencies, reducing public trust in law enforcement.

Corruption and political interference in security institutions weaken professionalism and service delivery.

Weak oversight mechanisms for security agencies have led to impunity among some officers.

Strengthening Immigration and Civil Registration Services

Digitize and streamline the National Identification and Passport issuance processes.

Enhance border security through technology-driven monitoring systems.

Eliminate corruption in service delivery through increased transparency measures.

Eradicating Corruption and Enhancing Accountability

Promote whistleblower protection laws to encourage reporting of corrupt activities and implement digital tracking of all public funds allocated to security operations.

Recall of all diplomatic passports

We propose as a policy shift that all diplomatic passports be recalled and entitled persons be subjected to re-application and this will help weed out the passports that we fraudulently acquired and hence minimize on abuse of the diplomatic immunities that come with holding of such passports.

Decentralize Services

Expand NIRA's operations to sub-county levels to ensure accessibility for all citizens, particularly those in rural and remote areas. Mobile registration units should also be deployed to reach marginalized communities

Enhance Staffing and Training

Recruit and train more staff to handle the growing demand for registration services. Staff should also be equipped with the skills to manage sensitive data and provide efficient customer service.

Invest in Technology and Infrastructure

Upgrade NIRA's technological infrastructure to improve efficiency, reliability, and data security. Implement a robust IT system that minimizes downtime and ensures seamless service delivery.

Improve Data Integrity and Security

Establish strict protocols for data management, including regular audits and encryption of personal data. Strengthen partnerships with cybersecurity experts to safeguard the national identification register.

Promoting Human Rights and Rule of Law

Ensure that law enforcement officers adhere to human rights standards.

Provide human rights training for security personnel.

Strengthen oversight mechanisms to prevent abuse of power by law enforcement agencies.

Increased Funding for Security Personnel Welfare: Allocate more funds towards improving salaries, healthcare, and housing for law enforcement officers.

Conclusion

This alternative policy statement offers a pragmatic and people-centered approach to improving internal security, enhancing institutional efficiency, and uplifting the welfare of security personnel. By eliminating wasteful expenditure and prioritizing strategic investments, we can build a safer and more just Uganda. The opposition remains committed to advocating for a transparent, accountable, and effective Ministry of Internal Affairs that truly serves the interests of all citizens.

5.4 Kampala Capital City Authority (KCCA) & The Ministry of Kampala Capital City and Metropolitan Affairs

Executive Summary

In accordance with Rule 146 of the rules of procedure of the Parliament of Uganda, and Section 6E of the Administration of Parliament (Amendment) Act, 2006 which requires and empowers the various Shadow ministers to present alternative statements on the floor of the House for consideration and possible implementation, this Alternative Policy Statement is accordingly presented for the Kampala Capital City Authority and the Ministry of Kampala Capital City and Metropolitan Affairs portfolio for FY 2025/26.

Kampala capital city faces numerous challenges stemming from rapid population growth and inadequate infrastructure. The population of Kampala has surged over the years, with rural-urban migration and natural population increase driving this trend. However, this influx has strained urban planning, infrastructure development, and service delivery, necessitating urgent action.

Infrastructure challenges, including poor road networks, insufficient housing, and inadequate access to basic services like water and electricity, hinder economic development and impact residents' quality of life. Potholes on Kampala's roads pose hazards to motorists and pedestrians, while garbage/ waste management is at disastrous levels due to rapid urbanization, resulting in environmental pollution, public health risks and death.

Financial constraints limit the Kampala Capital City Authority's (KCCA) ability to address these challenges effectively. Limited budget allocations hinder investment in essential infrastructure and equipment, exacerbating waste management issues and compromising service delivery in education and healthcare.

Inadequate urban planning and governance have led to the proliferation of unplanned settlements and environmental degradation in Kampala. The city's poor drainage exacerbates flooding risks, especially during heavy rainfall, further compounding infrastructure challenges.

To address these pressing issues, prioritizing funding for zoning, urban planning, solid waste management by applying the 3R (Recycle, Reduce, Reuse), and drainage and flood management is crucial. Additionally, addressing poor service delivery in the education and health sectors requires targeted interventions to improve access, quality, and equity. Road infrastructure construction and maintenance are also essential for enhancing connectivity and mobility within the city.

Introduction

The Kampala Capital City Authority (KCCA) is tasked with governing and administering the Capital City on behalf of the Central Government and advancing inclusion for all of its residents, as outlined in the National Objectives and Directive Principles of State Policy, particularly II, XIII, XIV, XXII, XXVI, and XXVII. The KCCA has its mandate from the Kampala Capital City Authority Act, 2010.

The Ministry of Kampala and Metropolitan Affairs, on the other hand, is established by Article 5(4) of the Constitution of the Republic of Uganda, 1995 (As Amended), and it is put into effect by Section 21 of the KCCA Act, 2020 (As Amended). Its functions include coordinating policy and oversight over KCCA, as well as providing physical planning and coordinating development in the Greater Kampala Metropolitan Area, which includes the districts of Mpigi, Mukono, and Wakiso, as well as the respective urban authorities of Nansana, Kira, Makindye-Ssebagabo, Mukono, and Entebbe.

Even though it is the capital, Kampala has an inefficient legislative system and struggles to control unplanned urbanization. Rising slum settlements, disastrous garbage, greater poverty, inequality, a lack of basic infrastructure, and poor service delivery are the outcomes. The main characteristics of Kampala are the improper zoning of economic activity and the creation of official and informal physical infrastructure with no consideration for the preservation of the surrounding environment or subsequent spatial quality.

As required by Article 82(A), Section 6E (4) of the Administration of Parliament (Amendment) Act (2006), Rules 14(4) and 147 of the Rules of Procedure 2022, the Office of the Leader of the Opposition (LOP) hereby provides the Alternative Policy Statement for the FY 2023/24.

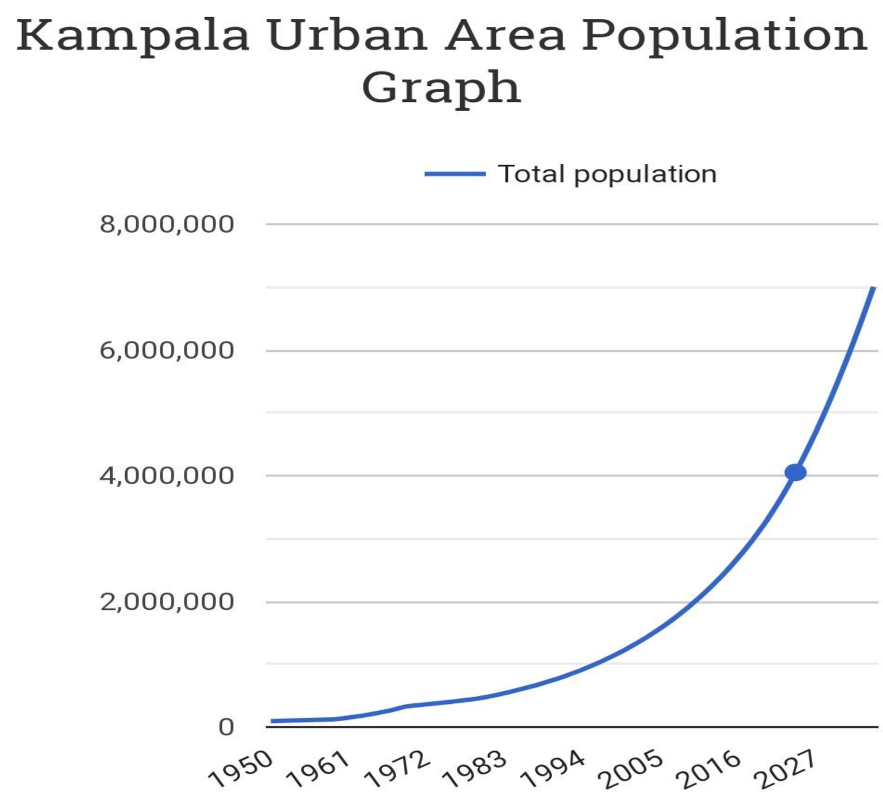
Methodology

Among the sources consulted for the preparation of this Alternative Sector Policy Statement and Budget are the National Unity Platform (NUP) Manifesto; other opposition political party manifestos; the Opposition Legislative Agenda; the National Budget Framework Paper FY2025/26-FY2029/30; previous Ministerial Policy Statements and Alternative Policy Statements; the Forth National Development Plan (NDPIV 2025/26-2030/31); the Medium Term Expenditure Framework; the Charter for Fiscal Responsibility; the First budget call circular and relevant laws among others.

Situational Analysis

Population Growth

Kampala has been experiencing rapid population growth due to rural-urban migration and natural population increase. **According to the UN World Urbanization Prospects, Kampala is home to 4,050,826 people.** In 1950, the population of Kampala was 95,368. The influx of people into Kampala has come along with challenges in terms of urban planning, infrastructure development, and service delivery thus necessitating effective urban planning. This includes land use management, zoning regulations, and spatial planning to accommodate the growing population while ensuring sustainable development. The graph below shows Kampala's population increase to-date.



Source: UN World Urbanization Prospects 2024

Infrastructure Challenges

Kampala faces significant infrastructure challenges, including inadequate road networks, insufficient housing, and inconsistent access to basic services like water and electricity. These challenges hinder economic development and Affect The Quality Of Life For Residents.

Road Infrastructure

Roads are the most important public assets that contribute to over 90% transport needs of Kampala. Kampala, however, has faced significant challenges with its road infrastructure; it has 2110Kms of road network of which 30% is tarmacked and 70% is gravel/earth road, yet, 70% of the tarmacked roads have outlived their designed life.

Potholes are a common sight on many of Kampala's roads, posing hazards to motorists, cyclists, and pedestrians alike. These potholes often result from poor construction, inadequate maintenance, heavy rainfall, and the constant flow of traffic. They not only damage vehicles but also contribute to accidents and traffic congestion. The potholes have been a persistent problem for residents and commuters. These road hazards are often caused by a combination of factors including heavy rainfall, poor road construction, inadequate maintenance, and heavy traffic.

Kampala's roads, like those in many urban areas, face significant wear and tear due to the high volume of vehicles and varying weather conditions. They cause damage to vehicles, lead to accidents, and result in injuries to pedestrians. Additionally, potholes contribute to traffic congestion as driver's maneuver around them, leading to slower travel times and increased frustration among commuters.

Efforts to address the issue of potholes in Kampala's roads have often included periodic patching. However, these measures often provide temporary solutions, and the potholes reappear due to the underlying issues with road infrastructure.

Long-term solutions to the problem of potholes in Kampala's roads require comprehensive infrastructure development plans, improved road construction techniques, and sustained maintenance efforts. Investing in quality road materials, proper drainage systems, and regular maintenance schedules can help mitigate the formation of potholes and improve overall road conditions.

Waste Management

Statistics from KCCA's waste management department estimate that Kampala Metropolitan Areas generate over 2500 tons of waste every day but only collect less than 1200tons per day. The rest is thrown on roads, in drains, wetlands, lakes etc and it ends up blocking water ways and eventually causes floods which distroys properties roads, businesses and also claim lives. This huge volume is brought about by the rapid population growth and urbanization of Kampala which place additional pressure on waste management services. The city's infrastructure struggles to keep pace with the increasing waste generation, leading to further challenges in waste management.

Kampala lacks sufficient waste management infrastructure such as; recycling facilities, waste treatment plants and collection sites. This results in inefficient waste disposal practices and exacerbates environmental pollution. Many areas in the city experience irregular or insufficient waste collection services, leading to the accumulation of garbage on streets, in drainage systems, wetlands and open spaces. This not only poses health risks but also contributes to flooding during the rainy season as blocked drainage systems and water catchment spaces cannot effectively manage water flow.

The existing infrastructure cannot meet the needs of the growing population. A significant portion of wastewater flows untreated into Lake Victoria because it exceeds the capacities of the treatment plants. Inadequate hygiene practices and a lack of access to sanitary facilities are making matters worse: many residents rely on poorly maintained pit latrines. The faeces contaminate both surface-water sources and groundwater.

Recycling initiatives in Kampala are limited, leading to a significant portion of waste being disposed of in landfills like Kiteezi, which were overburdened and poorly managed that they claimed lives and left people traumatized. The lack of proper segregation of waste at the source further hampers recycling efforts.

There is a need for increased public awareness and education on proper waste management practices, including waste segregation, recycling, and responsible disposal. Many residents may lack awareness of the environmental and health consequences of improper waste disposal.

Funding and Resource Constraints

KCCA contributes 72.4% of all revenue collected by URA in Kampala, When all that is collected by the Kampala Capital City Authority (KCCA), it is deposited into the consolidated fund and only a portion is remitted back to the city, this restricts the authority's fiscal autonomy. Without control over its full revenue streams, KCCA may struggle to address the city's diverse needs adequately.

Financial and resource constraints present significant obstacles for the Kampala Capital City Authority (KCCA) in effectively managing waste in the city. Limited budget allocations have severely hindered KCCA's ability to invest in essential infrastructure and equipment. As a result of financial constraints, traders and residents are increasingly experiencing irregular or inadequate waste collection services, leading to waste accumulation, environmental pollution, and public health risks.

Urban Planning and Development

Inadequate urban planning and governance have contributed to the proliferation of unplanned settlements in Kampala City. This has exacerbated the sprouting of unplanned settlements leading to environmental degradation through improper waste disposal, deforestation, and pollution; Industrial & Vehicle Pollution, Factories discharge untreated waste into water bodies like Lake Victoria, old vehicles emit high levels of carbon monoxide, worsening air pollution, construction sites contribute to dust and air pollution. All these exacerbate health risks resulting in respiratory diseases, water borne infections, and environmental hazards. Despite having a mandate bolstered by a robust Policy, Legal and Institutional Frameworks for urbanization, the city presents enormous failure of the planning function which has impacted negatively on urban service delivery.

Informal settlements in the city have bred social exclusion and marginalization, as residents lack access to social amenities**.** This has been exacerbated by an influx of refugees in the suburbs of Kisenyi, Kabalagala, Kansanga, Rubaga etc, these have further caused a strain in social services like health and education. In addition, the Kampala metropolitan area has become synonymous with deteriorating infrastructure, crime, rising poverty and urban slums, and widening income disparities. Moreover, the multiple jurisdictions have made metropolitan planning and service coordination difficult across the local boundaries. There is a need for sustainable urban development strategies to address these challenges and ensure equitable growth.

Kampala has been plagued by poor agency coordination, conflicts of interest between politicians and bureaucrats, and a high degree of informality, which has shown stark deficiencies in the city's management capabilities. This manifests in lack of clarity on how markets are managed, aborttoirs, Out door advertising etc all which are high prospects for revenue collection. The environmental conditions in the city are terrible; extreme levels of air pollution noise pollution, water pollution, and the city has not been zoned to allow structured human settlement, economic centers, and industrial sectors to flourish in an orderly form.

As Kampala City expands, the desire for a green, resilient and inclusive city space necessitates active policy coordination and investment decisions to determine its future growth, and generate opportunities for all. To this end, any policy and budgetary effort should focus on reducing the acute housing deficit and decreasing the percentage of urban dwellers living in slums and informal settlements.

Drainage

According to World Bank Report 2008[202], we lose over $100m due to floods in Kampala. The poor drainage has exacerbated the city's susceptibility to flash floods, especially during periods of heavy rainfall. Much of city's drainage infrastructure is outdated and insufficient to handle the volume of storm water generated by rapid urbanization. Over time, these systems have become clogged or damaged; reducing their effectiveness. Improper waste disposal practices, including illegal dumping of solid waste and debris into drainage channels, have largely contributed to blockages and reduced drainage capacity.

The uncontrolled development and encroachment onto waterways and wetlands in the Kampala metropolitan area for example business men constructing buildings in wet lands and over water channels, have disrupted natural drainage patterns and exacerbated flooding risks. Similarly, inadequate maintenance of drainage infrastructure is the leading cause of blockages, erosion, and deterioration over time, reducing the effectiveness of the drainage system.

Accordingly, KCCA should implement land use planning policies to prevent further encroachment on waterways and wetlands. In addition, strict enforcement of zoning regulations can help preserve these critical natural areas and maintain their role in flood mitigation.

Challenges in Service Delivery

Health Services

Many health facilities in Kampala lack basic infrastructure, including proper medical equipment, adequate facilities, and sanitation, leading to compromised healthcare delivery. There is a shortage of healthcare professionals, including doctors, nurses, and specialists, exacerbating the strain on existing healthcare facilities and impacting the quality of care. The unbated influx of refugees in most areas in the city; Kisenyi, Kansanga, Kabalagala, Rubaga etc who continously flock the few available health facilities in those areas, furthur increase the strain on the already limited human resources and medicine in the t hose facilities.

Education Service Delivery

The Government policy states that each Parish should have a UPE School yet its not the case in Kampala, most of the parishes in the five Divisions which make

[202] World Bank report 2008

up Kampala City have no UPE school and neither are there UCE school in a all Subcounties as the policy states.

The few schools in Kampala are overcrowded due to the exorbitant population, leading to poor student-teacher ratios, inadequate attention to individual students, and compromised learning outcomes. The **s**chools often lack basic infrastructure such as classrooms, textbooks, laboratories, and sanitation facilities, hindering the quality of education provided. For example, in Nakawa Division with a population of over 600,000, there's only one school; Luzira S.S with a capacity of 3,200 learners. Learner drop out rate is very high due to the lack of adequate infrastructure to accomodate them. Ther's therefore need for a UCE school iat least in every constituency.

Secondly, teachers face low salaries, limited professional development opportunities, and challenging working conditions, leading to high turnover rates and reduced quality of teaching.

Implementing targeted interventions to improve access, quality, and equity while simultaneously addressing underlying systemic difficulties is necessary to address the inadequate service delivery in Kampala's health and education sectors. The success of these interventions, however, necessitates the allocation of more resources to the health and education sectors to improve infrastructure and recruit and retain skilled personnel to enhance service delivery capacity.

Budget Allocation

Overall allocation (UGX BN)[203]

Wage	Nonwage	GoU Dev	URF	Ext Fin	Total Excl. Ext.	Total incl. ext.
142.232	92.194	47.939	10.000	1579.368	292.365	1,871.733

Allocation by Vote (UGX BN.)

`Vote	Wage	Non Wage	GoU Dev	URF	Ext Fin	Total Excl. Ext.	Total incl. ext.
Ministry of Kampala Capital City and	0.264	1.536	0		1,115.55	1.8	1,117.35

[203] BFP FY 2025/26

Metropolitan Affairs							
Kampala Capital City Authority (KCCA)	141.97	90.66	47.94	10	463.816	290.565	754.381
Total for the sector	**142.23**	**92.19**	**47.94**	**10**	**1579.37**	**292.365**	**1,871.73**

The budget cut of 5.7% from the previous FY 2024/25 which was 800.231Bn to 754.381Bn for FY 2025/26 is definately going to saffect the perfomance of KCCA projects. The government needed to just increase on nthe budget of KCCA in order to start and also complete projects and programs undertaken by KCCA to face lift the city and also improve the livelihoods of the dwellers.

The budget allocations for KCCA for FY 2025/26 were short of money to compensate and relocate the victims of Kiteezi landfil catastrophy. In order to fulfil the manadate of the Ministry, people and their livelihood should be prioritised in the budget.

Funding Priorities for FY 2025/2026

Zoning of the City

Urban Planning and Development

Solid Waste Management

Addressing poor service delivery in the city's education and health sectors

Drainage and Flood Management

Road Infrastructure construction and maintenance

Funding Priority/objective	Target outcome	Justification
Zoning of the City	Clearly defined zones for residential, commercial, industrial, and recreational areas. Efficient land use management to promote sustainable development.	**Zoning is essential for organized urban development as it helps to manage land use effectively, prevent haphazard development, and**

	Improved infrastructure planning and allocation of resources based on zoning requirements.	**promote the sustainable growth of the city**.
Urban Planning and Development	Comprehensive urban development plans that prioritize infrastructure projects and public amenities.	**Investing in urban planning and development will enable KCCA to create cohesive strategies to address population growth, economic development, and environmental sustainability.**
	Increased green spaces and recreational areas for residents.	
	Implementation of sustainable transportation systems to reduce congestion and improve mobility.	Formulate and implement a comprehensive plan for boda bodas in the city, they contribute over 500,000 jobs to the youth therefore require proper planning.
		Gazette areas for parking of heavy trucks and other vehicles to eliminate congestion on the road sides.
		Construct at least two markets in each Division for proper organization of traders and economic development in the areas.

		Implement eco-friendly city planning policies.
		Implement eco-friendly city planning policies.
Solid Waste Management	Improved waste collection, segregation, and disposal systems.	
	Increased recycling and waste-to-energy initiatives to reduce environmental impact.	**By investing in solid waste management infrastructure and activities**.
	Cleaner and healthier neighborhoods with reduced instances of pollution and disease outbreaks.	Sensitize the masses on garbage collection, sorting, and separation at source.
	To reduce environmental pollution, health risks, and improve the city's general cleanliness.	Invest in Separate bins at source; for organic waste, recycleable waste and non recycleable waste.
		Invest in separate garbage collection trucks to transport separated garbage to its respective center; Composting center, Briquetting center and Recycling center.
		Capitalise on youth groups to sensittize, enforce and collect garbage in their areas.

		Procure land and establish a landfill for the Kampala metropolitan.
		Expand KCCA's waste collection services and partner with private companies.
Addressing poor service delivery in the city's education and health sectors	Improved access to quality education and healthcare services for all residents.	
	Upgraded infrastructure and facilities in schools and healthcare facilities.	**Investing in education and healthcare infrastructure and services.**
	Enhanced training and capacity-building programs for educators and healthcare professionals.	
	Improved well-being of residents and reduced poverty levels, social cohesion, and human capital development.	Construction of a UPE school in every parish.
		Construction of a UCE school in each constituency.
		Repair and maintain buildings in the schools e.g. Kasubi Primary school.
		Upgrading Kisenyi HC to a hospital.

		Equipping Health Centers with human and other essential resources to enable them operate smoothly.
Drainage and Flood Management	Improved drainage systems to mitigate flood risks and minimize property damage.	
	Increased resilience to climate change-related events such as heavy rainfall and storms.	**Investing in drainage infrastructure and flood management strategies will minimize the socio-economic costs associated with flooding, such as property damage, displacement, and loss of livelihoods.**
	Enhanced coordination between stakeholders to effectively manage flood-prone areas	
		Open all water ways and construct robust channels and drainages.
		Without discrimination, demolish all buildings and structures constructed on channels and in water ways and compensate appropriately where justifiable.
		Implement the drainage Master plan to mitigate floods which affect the road network.

Road Infrastructure construction and maintenance	Expanded road network to improve connectivity within the city and beyond.	
	Reduced traffic congestion and travel times for residents and businesses.	**Road construction and maintenance in Kampala city will ultimately address traffic congestion, improve access to markets and services, and attract investment in key economic sectors.**
	Enhanced road safety measures to minimize accidents and fatalities.	
		Invest in weighing scales for the vehicles to mitigate the effects caused by heavy trucks on our roads.
		Empower a team to take stock of all roads in Kampala for effective planning.
		Avail funds to fulfill our commitment with ADB in order to construct the 70Km road network in Kampala.
		Formulate a budget on road maintenance and avail the money for such.

Conclusion

Kampala stands at a critical juncture as it grapples with the multifaceted challenges posed by rapid population growth and inadequate infrastructure. The city's expanding population, driven by rural-urban migration and natural increase, has strained urban planning, infrastructure development, and service delivery mechanisms. As a result, Kampala faces a myriad of infrastructure challenges, including poor road networks, insufficient housing, inadequate access to basic services, and environmental degradation.

Furthermore, inadequate urban planning and governance have contributed to the proliferation of unplanned settlements and environmental degradation in Kampala. The city's poor drainage exacerbates flooding risks, further compounding its infrastructure woes.

Addressing these challenges requires concerted efforts from the government, private sector stakeholders, and communities alike. Prioritizing funding for critical areas such as zoning, urban planning, solid waste management, and drainage and flood management is imperative. Additionally, targeted interventions are needed to improve service delivery in education and healthcare, enhance road infrastructure, and promote sustainable development practices.

CHAPTER SIX: SECURITY AND DEFENCE

6.1 Defense and Veteran Affairs

Executive Summary

This Alternative Policy Statement is presented in accordance with Rules 14(4) and 147 of the Rules of Procedure of the Parliament of Uganda. This mandate is drawn from Article 82A of the Constitution of Uganda and Section 6E (4) of the Administration of Parliament (Amendment) Act, 2006.

Uganda's defense sector faces systemic challenges that undermine national security and economic stability. The legal framework remains weak, with no parliamentary vetting for the Chief of Defense Forces (CDF) and Deputy CDF, fostering unchecked leadership appointments.

The sector overview reveals that the National Defense sub-programme is characterized by a weak and ineffective policy and legal framework that has exacerbated insecurity in the country. Porous borders facilitate illegal arms trade and terrorist infiltration, while soldiers endure poor welfare, low pay, and inadequate housing. Foreign deployments, such as in Somalia and the DRC, proceed without parliamentary approval, draining billions from taxpayers without transparency. Classified budgets, exceeding 2.9 trillion UGX annually, evade audits, while militarization of civilian roles violates constitutional mandates for a nonpartisan army.

The Chief of Defense Forces and the Deputy ore not vetted by any organ to ensure proficiency, competence and integrity of the person appointed to serve in thot position. No wonder the discipline of the UPDF continues to be questioned. The criminal justice system in the military does not meet minimum standards of justice.

In the FY 2025/26, the Opposition proposes critical reforms such as amending the UPDF Act to streamline foreign deployments of the UPDF, establishing a transparent and merit-based promotion system, allocating more resources to improving military housing, investing in modern surveillance technology, and enhancing regional intelligence-sharing mechanisms, among others.

Introduction

Pursuant to Article 8A of the Constitution of Uganda which operationalizes National Objectives and Directive Principles of State Policy, Government is mandated, under Objective iv, to ensure national sovereignty. Independence, and territorial integrity in governance. Citizens as well have a role to play in ensuring national sovereignty and independence. As espoused under Article 189(l) and the sixth Schedule of the Constitution, it is the duty and responsibility of Government to, among others, provide and ensure defense, security, maintenance of Law and Order.

Additionally, under Chapter 4 of the Constitution, the State is mandated to ensure observance, promotion, and protection of Fundamental and other Human Rights and Freedoms that inhere in every human being. Specifically, under Articles 22ond 26, rights to life and property ore provided for and it is the state's primary role to ensure them.

Under Article 208 and in line with functions provided for under Article 209, the Uganda Peoples. Defense Forces is mandated to be nonpartisan, Nationalistic in character, patriotic, professional, disciplined, productive and subordinate to civilian authority.

The 2004 White Paper on Defense Transformation as a policy outline for the sector has failed to tackle the challenges of transforming, modernizing, and professionalizing the UPDF as it set out to.

In the circumstances, we present our Alternative Budget priorities for the sub-program of Defense and Veteran Affairs against the backdrop of Article 82A of the Constitution. Section 6E (4) of the Administration of Parliament Act, Rules l4 (4) and 147 of the Rules of Procedure 2022.

It highlights sectoral funding priorities for the Opposition, and a spending forecast for the Financial Year 2025/2026. It further pursues credible, cost-effective policy proposals to fill the gaps left and/or ignored by the current Government in order to ultimately provide lasting, and credible security of all Ugandans and their property which will lead to a conducive Uganda that every citizen aspires to have.

Methodology

During preparation of this alternative Budget statement for Defense and Veteran Affairs sector. We were guided by the NUP Manifesto; other Opposition political parties manifestos; the Opposition Legislative Agenda; the Opposition's response to the Charter for Fiscal Responsibility; Opposition Response to the Budget Framework Paper; Previous alternative Policy Statements, among others.

Budgetary Allocation and Transparency

Uganda's defense budget has consistently been one of the largest in the national budget. While investment in national security is essential, there is limited transparency in how these funds are utilized. Cases of procurement irregularities, inflated contracts, and lack of accountability in military expenditures raise concerns about financial management. The Ministry of Defense and Veteran Affairs (MODVA) must adopt stronger accountability measures to ensure resources are effectively used for the intended purpose.

Sector Policy Overview

Article 209 of the Constitution spells out the functions of UPDF as preserving and defending the sovereignty and territorial integrity of Uganda, the people, and their property; cooperate with the civilian authorities in emergency situations and in cases of; fostering harmony and understanding between the defense forces and civilians; and engagement in productive activities for the development of Uganda.

The mandate of the Ministry of Defense and Veteran Affairs (MODVA) is to:

Defend and protect the sovereignty and territorial integrity of Uganda; Cooperate with civilian authorities in emergency situations and in cases of natural disasters; Foster harmony and understanding between Defense Forces and Civilians; Engage in productive activities for National development. The sector is governed under the 2004 White Paper on Defense Transformation that reviewed Defense operations and set objectives, guidelines and principles of transforming, modernizing, and professionalizing the Sector.

Strategic Objectives under the Sector

For the five-year planning period of the Forth National Development Plan (NDPIV), the ministry is striving to achieve the following strategic objectives;

Improve the capability of Defense Force;

Enhance defense infrastructure;

Enhance Research and Development (R&D);

Establishment of National Service;

Enhance production for wealth creation and self-sustainability;

Improve Administration, Policy, and Planning.

Objectives

➤ Enhance the welfare of the UPDF for efficient delivery of security services;

➤ Professionalize and enhance discipline of the UPDF;

➤ Strengthen the military justice system:

➤ Create a fair and just framework for UPDF deployments.

Situation Analysis

Long after defeating the Lord's Resistance Army rebels led by fugitive Joseph Kony, the country is still marred with armed insurgencies, armed gangs, external incursions, insecurity across Uganda's frontiers, terrorism, electoral violence perpetrated by security apparatus, kidnaps and abductions, UPDF indiscipline, war-mongering, and insatiable spending vis-a-vis unaccounted for funds. All these perpetual challenges aggravate insecurity and threaten peace and stability.

Human Rights and Civil-Military Relations

There gross allegations of human rights violations, including unlawful detentions, extrajudicial killings, and suppression of political dissent. The military must operate within the confines of the Constitution and international human rights standards. Establishing independent oversight mechanisms can help ensure accountability and restore public trust.

The Court marital which is in the purview of the MODVA continues to hold civilians unlawfully in detention centers despite a supreme court ruling declaring this kind of practice unconstitutional and thus civilians should be tried in civilian courts rather than the military court.

Porous borders

The country's borders are very porous, giving way to a booming trade in illegal arms and ammunition as well as cattle rustling within and across the borders. According to International Organization for Migration, armed criminals are able to freely enter the country and carryout any attacks.

Uganda remains disposed to extremist attacks from rebels and militants both within and out of the country. The LRA warlord, Joseph Kony has never been apprehended despite kick-off of his case by the International Criminal court at The Hague. The ADF is still active from both within Uganda and across the borders, despite the government terming them as sleeper-cells having murdered people in Kyenjojo District as well as tourists and their driver in Queen Elizabeth National Park, among other incidents.

Poor accountability

There has been redundant and nugatory funding under Defense Sector. As was highlighted in the sector Alternative Policy Statement for 2023/2024, there is inadequate accountability data provided especially on classified budget. The country has not realized tangible outcome from classified budget given the prevailing insecurity in the country generally. Moreover, classified expenditures and asset acquisition are not open for value for money audits. In FY-2021/2022, classified budget was the highest expenditure line at UGX 2,956.42billlion which is UGX 743.74 billion more than what was spent on general staff salaries and 2,956.42billion which is UGX 743.74 billion more than what was spent on [204]general staff salaries and more than twice as much as was spent on roads and bridges across the country. This trend has grown over the years.

The sector has not made any viable steps to make accessible proper accountability thus far.

Poor welfare of the UPDF

Enhancing the welfare, medical care and housing of security sector personnel is a challenge the Sector still battles. Defense being one of the most funded over the years, has not adequately addressed the welfare of UPDF soldiers especially the lower ranks. Ministry of Defense and Veteran Affairs is currently suffering high attrition rates owing to poor welfare of men and women in boots. The pay of UPDF soldiers is still inadequately low, below UGX 500,000 in the current economic situation. Given that Officer Generals had their pay substantially enhanced in the current FY, maintaining the pay of lower ranks at abysmally low figures is not only demoralizing, but a security threat for the country too.

Soldiers' housing is awfully poor. The various medical installations for the UPDF are inadequately equipped with machinery, drugs and personnel which hampers provision of good medical care to soldiers and neighboring communities. UPDF health facilities have a high influx of civilian patients across the country.

In addition, boarding section in Army schools was scrapped in 20075. Most of the school-going children stay with their parents in small uniports, while others whose parents are often on long deployments especially in foreign countries. The welfare of soldiers and that of their family members is poor, leading to loss

[204] IOM, 2021. Making Uganda's Porous borders safer, 23rd July, 2021. https://uganda.iom.int/stories/making Uganda's-porous-borders-safer las accessed on 11th January, 2023,

of morale which ultimately jeopardizes national security. That notwithstanding. a proper audit into the UPDF payroll is imperative. In the past, there has been reports of ghost soldiers that inflate the payroll. According to the Auditor General's Special Payroll Audit Report, Government is losing over **Ug.X53Billion** paid to ghost employees. Be that as it may, there have been recent reports of ghost veteran UPDF soldiers whose Ug.X280 is hanging in the balance. All these issues compound the ghost soldiers matter.

UPDF operations

Currently, the UPDF is believed to be deployed in at least five countries. Not less than11,000 UPDF soldiers are deployed in Somalia under African Union Transition Mission in Somalia (ATMIS) which has transitioned to African Union Support and Stabilization Mission in Somalia (AUSSOM) since March 2007 to-date. In 2013, UPDF soldiers were deployed in South Sudan, and in different countries like the Central African Republic in 2009, and Equatorial Guinea since 2017, DRC in 2021 among others.

All these deployments are without timely sanction by Parliament, without exit strategy, while costing Ugandans billions of taxpayers' money. In the past, the same army has committed atrocities in DRC and the country is paying hefty USD 225 million reparation".[205]

It is inconceivable that the UPDF has failed to transform into a disciplined and professional army like the Constitution mandates of them. They continue to be deployed by the ruling party to violently apprehend and quell opposition party political rallies during elections, violently kidnap, abduct, and torture Ugandans in political dissent, as well as using Military court-martial to stifle opposition.

The involvement of UPDF soldiers in politics and civilian positions offends the Constitution. Serving UPDF soldiers are currently deployed in Education, Health, Agriculture, Parliament, on the waters violently 'regulating fishing industry and in political positions like ministerial portfolios.

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[205] Annual Performance Report for FY2021/2022
Ministry of Defence and Veteran Affairs presentation to the Committee on Defence and Internal Affairs on
Budget Framework Paper for FY2023/2023.
*Ministry of Finance, Planning and Economic Development, 2022. Ministry of Defence and Veteran Affairs annual Vote Performance Report for FY2021/2022.
Shadow Minister for Defence, 2022. Alternative Policy Statement for the Sector of Defence FY 2022/2023

The discipline of individual and particular soldiers has remained a public concern especially in participation in partisan politics as well as subversion contrary to the Constitution and the UPDF Act.

As such, frying civilians in court-martial is unlawful. Additionally, composition of the highest decision making of the UPDF, the High Command is cast in stane with specific persons, some of whom have passed-on. Run-away indiscipline, blatant participation in politics and glaring militarization of civil service as well as unprofessional character gravely impeach the UPDF.

As the Opposition, we intend to reprioritize military funding, enhance welfare of soldiers, while efficiently building a national, disciplined, productive and professional Army that is submissive to civilian governance.

The following are our key objectives under the 2024/2025 financial year-

Boost the morale of the UPDF and holistically improve security:

Funding Priorities for Financial Year 2025/2026

S/No	PRIORITY	JUSTIFICATION	ALTERNATIVE POLICY
1	Amending the UPDF	Amending the UPDF Act to streamline foreign deployments of the UPDF.	Amend the UPDF Act to streamline foreign deployments of the Army.
2	Transparency and Accountability in Defense Spending	The defense budget has historically been opaque, with limited parliamentary oversight, leading to corruption, mismanagement, and wasteful expenditure.	Implement strict parliamentary oversight and publish detailed defense expenditure reports
3	Professionalization and Depoliticization of the Uganda People's Defense Forces (UPDF)	The UPDF has been increasingly used for political purposes, undermining its neutrality and professionalism	Establish a transparent and merit-based promotion system,
4	Improved Soldier Welfare and Housing	Many soldiers and their families live in poor conditions	Allocate more resources to improving military housing.

5	Strengthening Border Security and Intelligence Operations	Uganda faces security threats from regional instability, cross-border terrorism, and illegal arms trafficking	Invest in modern surveillance technology, enhance regional intelligence-sharing mechanisms.
6	Amend the Uganda Air Cargo Act	Merge the Uganda Air Cargo Corporation with Uganda Airlines so as to mitigate losses.	Amend the Act to mitigate losses.

Foreign Deployments of the UPDF

Amending the UPDF Act to streamline foreign deployments of the UPDF. The Government of Uganda has maintained a deployment of not less than 11,000 UPDF soldiers in Somalia under the AMISOM and currently African Union Transition Mission in Somalia (ATMIS), which has now transitioned into the African Union Support & Stabilization Mission in Somalia(AUSSOM) since March 2007 to-date.

Recently, UPDF soldiers were deployed in South Sudan in an open-ended operation, which was not lawful under Article 210 of the Constitution of Uganda, UPDF Act - Sections. 39 to 40, nor under international law.

In the recent past, the President has made several other deployments in different countries like the Central African Republic in 2009 and Equatorial Guinea since 2017, among others.

The Government, following the twin bombing of Kampala in November 2021, deployed UPDF soldiers in the Eastern Democratic Republic of Congo, another open-ended deployment that has to-date not been sanctioned by Parliament as mandated under Article 210 of the Constitution and S.39 of the UPDF Act. The Statement of the Minister of Defense and Veteran Affairs on the Operation Shujaa dated 25th January 2023 was only informative and fell short of seeking Parliamentary sanction for the deployment. These deployments come at a huge cost met by the taxpayer in addition to casualties.

The illegal open-ended deployments are at the backdrop of the International Court of Justice, on the 09th day of February, 2022, awarding the DRC USD225 million for damage to persons, which includes loss of life, rape, recruitment of child soldiers and displacement of civilians against Uganda's invasion of Eastern Congo".

The deployment of the UPDF lo-date has never been sanctioned by Parliament. The deployment of the UPDF in other jurisdictions should be legitimate, just, and lawful. They should be financed by the contracting regional and International organizations like the East African Community.

African Union or United Nations as case may be. Ultimately, we need a National Defense Policy to guide the legal and regulatory framework on, among others, foreign deployment of the UPDF.

In that regard, the UPDF Act ought to be amended to provide for a more certain and comprehensive mechanism of seeking Parliamentary sanction for foreign deployments of the UPDF.

With our weak law on ratifying deployments of the UPDF out of Uganda when Parliament is in session, S.39 of the UPDF Act ought to be amended to provide for timelines of seeking parliamentary approval as well as sanctions for the breach of the same.

This will provide guidelines for the effective deployment of the UPDF within the law.[206]

Vetting Chief of Defense Forces and the Deputy

In pursuit of ensuring proper checks and balances, Parliament is mandated to vet certain officers appointed into service. This is meant to ensure that a person seeking to serve in a certain position has the requisite education, work experience, competence, temperament, and integrity. Under Articles 213 and 216, the Inspector General of Police and Deputy IGP as well as the Commissioner and Deputy Commissioner General of Uganda Prisons service respectively are appointed by the President and approved by Parliament. Under Article 210 of the Constitution, Parliament was mandated to make laws to regulate the organs and structures of the Uganda Peoples' Defense Forces.

The Commander of Defense Forces is appointed by the President without vetting by any organ, as provided for under Section 8(2) (a) of the Uganda Peoples' Defense Forces Act, 2005. The CDF is the head of the national Army responsible for the command, control, and administration of Defense Forces. Under the Defense budget, UPDF is allocated more than 95% of the Sub-program budget. Therefore, having anyone who is not vetted by an independent body to ascertain their competence, integrity, and proficiency

[206] African Union Mission in Somalia, https://amisom-au.org/uganda-updf/Leader of the Opposition, 2014. Statement by the Leader of the Opposition in Parliament on the UPDF Deployment in South Sudan and on the Status of Forces Agreement, May 2014.

to act in that position is contrary to the spirit of Constitutional provision of checks and balances. In the next FY, we shall amend Section 8 of the UPDF Act, 2005, to provide for Parliamentary approval of nominees for positions of Chief of Defense Forces and their Deputy.

The UPDF Act should be amended to provide for a more professional army disciplinary committee as per the directive of the Supreme Court in its ruling on **Supreme Court Constitutional Appeal No 2 of 2021 Attorney General Vs Hon Micheal Kabaziguruka.**

The Military disciplinary court should be chaired by a trained lawyer cum Judge. The Judge should be appointed the same way High Court Judges are appointed. Trial of civilians in military courts ought to be abolished as ruled by the Constitutional Court. This will ensure fair hearing and dispensation of proper justice in military disciplinary committees. The UPDF Act shall also be amended, under Section 8 to provide for Parliamentary vetting of CDF and Deputy CDF. This is intended to create proper structures to steer our goal of professionalizing the UPDF.

Professionalizing the UPDF

Developing a Defense Policy

Nearly 20 years ago, the Ministry of Defense reviewed its operations and policy and produced the 2004 White Paper on Defense Transformation. It intended to offer Government a policy framework within which to transform, modernize and professionalize the defense forces. According to the White Paper, Uganda's strategic military aspiration is to be a small, affordable, well-equipped, and trained Force, consisting of approximately 48,000 soldiers, backed by adequate combat support and a Reserve Force that is disciplined and professional. The Sector has, however, not realized the objectives and aspirations of the White Paper.

Whereas there have emerged major security challenges like terrorism radicalization and violent extremism, transnational trade in illegal arms, sophisticated and technology-based and syndicated criminality that have necessitated expanding Defense budget, over the years, colossal sums of nugatory and redundant money are allocated to the Sector, especially under classified budget. The Defense Sector continues to hide under classified budgeting to significantly spend off budget without necessarily availing sufficient military budget data.

In the premises, it is not prudent to continue allocating astronomical sums of money to the Sector.

Additionally, recruitment, training, appointment, promotion and retiring from the UPDF ought to follow well-laid down procedures and criteria. Perennially. There are complaints from across the country about the irregularities and discrimination in UPDF recruitments. The Report of the Committee on Defense and Internal Affairs of January 2023 noted that there was influence-peddling from politicians and soldiers of higher ranks, which affected the recruitment process.[207]

Training, promotions, appointments, and retirements within the UPDF have also taken similar unfair and discriminatory tendencies in the recent past. Article 210 mandates Parliament to make laws to regulate the recruitment, appointment, promotion, discipline, and removal of members of the Uganda Peoples' Defense Forces while ensuring that soldiers under the UPDF are recruited from every district of Uganda.

We shall lead the development and implementation of a Defense Policy that is holistic, fair and inclusive in UPDF recruitment, training, appointment, promotion and retirements.

Professionalizing Military Disciplinary Committees

The military criminal justice system ought to be realigned to suit the provisions of the Constitution on fair hearing, non-discrimination and by an independent court as espoused under Article 126 and Article 28(1) of the Constitution. In the military, justice is dispensed by serving soldiers who lack judicial knowledge and training. A court presided over by a person who is not professionally trained to administer justice cannot materially observe its core mandate. We contend that professionally trained lawyers should preside over military courts.

In Sudan, the Central Court Martial and the Major Field Court are comprised of, among others, a legal officer at a specific rank 12. Whereas, this does not necessarily ensure independence and professionalism of the courts martial. There is at least a safeguard in as far as comprehending complex legal issues through trial.

Relatedly, in Ghana, a Judge Advocate- the judicial officer who presides over the General Court Martial is appointed by the Chief Justice13. Whereas under S. 73A, the President of Ghana may appoint a Judge Advocate General to preside over General Court Martial, it is in consultation with the Chief Justice. The conditions of service of the Judge Advocate General are mostly similar as those applicable to a Judge of the High Court or Court of Appeal Judges. All

207 Federico Andrue-Guzman, International Commission of Jurists, 2005. Military Jurisdiction and International Law- International Jurisprudence and Doctrine on Human rights, 2005.

these are safeguards for ensuring the independence and impartiality of the General Court Martial in the first place.

Additionally, In Uganda, the prosecutors in the military justice system are equally under the same institution, serving soldiers whose hands are tied by the chain of command in the military. In the circumstances, it is not unlikely that proper justice can be administered justly for all Ugandans armed personnel or civilians who are tried by the Court Martial under the current legal framework. Since most of the cases are criminal, there is unquantifiable loss, but hundreds of Ugandans have been and continue to be tried by court martial which lacks competence, independence, and impartiality contrary to the constitution and international law. This gravely violates the fundamental fair trial rights of not only civilians but soldiers, too14.

In furtherance of criminal justice and line with the ruling of the Constitutional Court in Captain (Rt.) Amon Byarugaba and 169 others Vs Attorney General Constitutional Petition No. 044 of 2015, trying civilians under military courts is unconstitutional. Whereas the UPDF Act, 2005, under Section 119, attempts to bestow jurisdiction on military courts to try civilians, these provisions are unconstitutional because military courts are not courts of judicature as provided for under Article 129 of the Constitution.

Productivity of the UPDF

The UPDF have been engaged in national development programs since 1989 when the National Enterprise Corporation (NEC) was established under the National Enterprise Corporation Act is a commercial wing parasternal under the UPDF.

Whereas it is necessary to engage the Army economically during the time when the country is not of war, thot engagement ought not to interfere with the Army's cardinal role of defending the country's territorial sovereignty and ensuring security of persons and property.

Secondly, the involvement of the army in national development ought to be systematically planned so thot the engagement does not result in militarization of public service. The engagement of the military in national development. Therefore, ought to be based on clear policy guidance and interventions to safeguard against militarization.

Currently, NEC and all its subsidiaries are engaged in various aspects of industrial production and technological invention. However, NEC has not nationalized the intellectual Property of the products so invented and produced. Those products are now personalized. Yet they are invented and produced using public resources. We shall develop a policy in respect of engaging the UPDF in productive and development programs, while at the same time ensuring national defense and keeping territorial sovereignty. We shall increase funding for Research and Development within the UPDF in order to leverage their workforce in productive programs to benefit the entire country. Additionally, the Uganda Air Cargo Corporation (UACC) is a body corporate that was primarily established to operate air transport services within and outside Uganda. The Corporation's activities have over the years been hampered by the grounding of their aircrafts owing to mechanical flaws. The Corporation continues to incur maintenance costs of the grounded aircrafts as they await recapitalization. In the next financial year, we are proposing the amendment of the Uganda Air Cargo Corporation Act to merge it with Uganda Airlines. The purpose for which UACC was established can now be ably handled by Uganda Airlines, and this is intended to increase the revenue base for the Country. [208]

Removing the Army from civilian positions

Under Article 208 of the Constitution of Uganda, the Uganda Peoples' Defense Forces are obligated to be nonpartisan, national in character, patriotic, professional, disciplined, productive and subordinate to the civilian authority. However, the UPDF has continually participated in politics, public service and occupying otherwise civilian positions.

Under Articles 113 and 114 of the Constitution, a Minister has the responsibility of performing such functions of Government as the president may, from time to time, direct them. Therefore, a Minister play political functions. The UPDF have been deployed in a wide range of civilian positions under Health, Agriculture, Police, and Education, among others. The appointment of serving UPDF soldiers as Ministers or other positions terribly offends the Constitution illustrates militarization of public service and civilian authority.

Under Article 78(1) (c). Parliament is composed of, among others, representatives of the army. Currently, the UPDF is represented by 10 soldiers only as a listening post for the president. The duty of the UPDF representatives is not only in contravention of Art. 79 - Functions of Parliament, but also washes

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[208] UPDF Statement on Soldiers' illegal operations https://www.updf.go.ug/press statement/indiscipline-will-always-be-punished/Last accessed on 12th January, 2023.
Sections 55-57 of the Armed Forces Act, 2007
Sections 68 and 73 of the Armed Forces Act of Ghana

down the provisions of Art 208 that require the UPDF to be nonpartisan and subservient to civilian rule. As the Opposition, we contend that representation of the UPDF in Parliament is only meant to militarize public service, has no contribution to functions of the Legislature and so should be abolished. Militarization of public service has a despicable function of undermining traditional civil service in favor [209]of looser and more hybrid patronage-based systems and the depiction of the army as a superior form of organization, better equipped than civilian structures to deliver public goods and services.

Removing actively serving UPDF soldiers from civilian positions will professionalize the Army in a bid to reinforce democracy and rule of law.

One of the most cardinal attributes of an army in a post-independence, conflict-ridden country like Uganda is discipline. The discipline of the UPDF is very important in order to ensure lasting security in the country.

As espoused under Article 208 of the Constitution and Section 3 of the UPDF Act, 2005, the UPDF ought to be a disciplined Force subordinate to civilian governance. Article 221 of the Constitution further mandates the UPDF and other security organs to observe and respect human rights and freedoms in the performance of their functions.

However, particular elements in the UPDF have blatantly departed from this obligation. Soldiers have been reported to shamelessly attack, shoot and sometimes kill other sister security officers on duty, carry-out illegal operations on the populace", misuse social media to launch verbal attacks on countries Uganda is in good diplomatic ties with, swear allegiance to rebels fighting countries Uganda recognizes, electoral violence, kidnap, abduction and illegal detention of citizens, violence and torture of citizens, among others. Emphasis of discipline in the UPDF cannot be overstated.

Errant Soldiers should be charged before military courts without fear or favor. We shall seek to champion UPDF discipline.

Alternative Policy Recommendations

Priority: Transparency and Accountability in Defense Spending

Justification: The defense budget has historically been opaque, with limited parliamentary oversight, leading to corruption, mismanagement, and wasteful expenditure.

Alternative Policy Recommendation: Implement strict parliamentary oversight, publish detailed defense expenditure reports, and subject military

[209] Dr.Busingye Kabumba. Militarization of Uganda's Public service, 2017

procurement to competitive bidding processes to eliminate corruption and enhance financial accountability.

Priority: Professionalization and depoliticization of the Uganda People's Defense Forces (UPDF)

Justification: The UPDF has been increasingly used for political purposes, undermining its neutrality and professionalism. Promotions and deployments are often influenced by political considerations rather than merit.

Alternative Policy Recommendation: Establish a transparent and merit-based promotion system, ensure that the military remains non-partisan, and strengthen training in professionalism and human rights to restore public trust.

Priority: Improved Soldier Welfare and Housing

Justification: Many soldiers and their families live in poor conditions, with inadequate housing, low salaries, and limited access to quality healthcare and education.

Alternative Policy Recommendation: Allocate more resources to improving military housing, provide better medical and education benefits for soldiers and their families, and ensure timely salary payments to enhance morale and productivity.

Priority: Strengthening Border Security and Intelligence Operations

Justification: Uganda faces security threats from regional instability, cross-border terrorism, and illegal arms trafficking, which require effective intelligence gathering and response mechanisms.

Alternative Policy Recommendation: Invest in modern surveillance technology, enhance regional intelligence-sharing mechanisms, and prioritize cyber and digital security measures to address emerging security threats.

Priority: **Rationalizing Defense Expenditure for Sustainable Development**

Justification: Excessive defense spending diverts resources from critical sectors such as health, education, and infrastructure. There is a need to balance security needs with national development priorities.

Alternative Policy Recommendation: Reduce unnecessary military expenditures, prioritize investment in development-focused security initiatives such as disaster response and engineering brigades, and reallocate savings to social services that improve national stability.

Priority: Enhancing Peacekeeping and Regional Stability Efforts

Justification: Uganda has been actively involved in regional peacekeeping missions, but these engagements often strain national resources without adequate accountability.

Alternative Policy Recommendation: Ensure that peacekeeping deployments are financially sustainable, advocate for better international funding support, and ensure that Uganda's involvement in regional security aligns with national interests.

The opposition's defense policy seeks to enhance transparency, professionalism, and efficiency in the sector while ensuring that military spending is aligned with national development goals. By prioritizing soldier welfare, depoliticization, rationalized expenditure, and modernized security operations, Uganda can build a defense sector that effectively protects the country without compromising economic and democratic progress.

Conclusion

The defense and veteran affairs sector is crucial for Uganda's national security and stability. However, addressing the existing gaps in budget transparency, veteran welfare, human rights compliance, and military self-reliance will enhance the efficiency and accountability of the sector. The government must take urgent steps to reform policies, strengthen institutions, and ensure that Uganda's armed forces serve the nation in a professional and accountable manner.[210]

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[210] African Union Mission in Somalia. https://amisom-au.org/uganda-updf/The International Court of Justice, 2022. Armed Activities on the Congo (Democratic Republic of Congo V. Uganda) Judgment, February 2022.

CHAPTER SEVEN: FOREIGN RELATIONS AND REGIONAL INTEGRATION

7.1. Foreign Affairs

Executive Summary

The sector of foreign affairs lacks a clear foreign policy to guide the country's international relations. Sad to note is that fact that, the Executive has not reviewed Mission Charters since 2014. Key policy, legal and regulatory mechanisms as laid out in the NDP III have not materialized, halfway into the term of the plan. Currently, Uganda's undocumented foreign policy is staggered in uncoordinated and prioritized planning.

Government's efforts in provision of consular services in Missions abroad are inadequate. There is glaring insufficient institutional capacity to provide consular services for distressed Ugandans abroad, especially in the Middle east and East Asia. Thousands of them are stranded in Gulf Cooperation countries especially the Kingdom of Saudi Arabia and United Arab Emirates.

We shall prioritize streamlining the policy framework for foreign affairs by developing and implementing a robust foreign relations policy.

The formulation of the Uganda foreign policy to guide our foreign relations and updating mission charters as well as strategic objectives are critical in the projection of our foreign relations. Uganda has not coded a foreign policy that is the back drop of all bilateral or multilateral engagements with any country.

Article 123 of the Constitution of the Republic of Uganda, 1995 as amended and section 2 of the ratification of The Treaties Act, key treaties, conventions and protocols have not been ratified and domesticated. This laxity not offends the legal framework but also is Contrary to the Foreign Affairs' mandated which is 'to coordinate the negotiation, signing, ratification and domestication of international laws and treaties'. This demonstrates Uganda's lukewarm approach to her own commitments on collective solutions of borderless development challenges.

Since 1995, Uganda is a party to international covenant on civil and political rights, which together with the constitution under Article 1 (4) bestow onto Ugandans to explore their will and consent on who shall govern them through free and fair regular elections of their leaders. These provisions don't restrict civil rights to only citizens in Uganda at the time of elections, but rather all Ugandans should be given the opportunity to elect their leaders irrespective of where they are.

In the circumstances, the foreign mission should be capacitated and enable them to ensure that Ugandans in the diaspora vote for their leaders just as Ugandans in the country do. Consequently, all electoral laws to wit-the electoral commission act, the presidential elections Act, the parliamentary elections Act as well as the local government's Act ought to be amended to provide for voting by Ugandans abroad.

Introduction

Article 189 and the sixth schedule of the Constitution of the Republic of Uganda, 1995 as amended, bestows foreign relations and external trade as a responsibility and mandate of the government. Additionally, pursuant to Article 8A of the constitution of Uganda which internationalizes National Objectives and Directive Principles of State policy, Government is mandated, under objective XXVIII, to ground Uganda's foreign policy on the principles of promotion of national interest of the country, respect, for international law and treaty obligations, peaceful co-existence and nonalignment, settlement of international disputes by peaceful means, and opposition to all forms of domination, racism and other forms of oppression and exploitation.

The sector of foreign affairs lacks a clear foreign policy to guide the country's international relations. Sad to note is that fact that, the Executive has not reviewed Mission Charters since 2014. Key policy, legal and regulatory mechanisms as laid out in the NDP III have not materialized, halfway into the term of the plan. Currently, Uganda's undocumented foreign policy is staggered in uncoordinated and prioritized planning.

As provided for under Article 82(A) of the constitution, section 6E (4) of the Administration of Parliament Act, Rules 14(4) and 147 of the rules of procedure, this Alternative budget for foreign affairs highlights funding priorities for the opposition, and spending forecast for the financial year 2024/2025.

It further pursues credible, cost-effective policy proposals to fill the gaps left and/or ignored by the current government so as to offer lasting, and credible foreign policy objectives to primarily cater for Ugandan diaspora and advance Uganda's image abroad.

Methodology

This Alternative budget considered the national unity platform Manifesto 2021-2026; manifestos of other opposition political parties in parliament; the opposition legislative Agenda; the national budget Frame work paper for financial year 2025/2026; the opposition response to charter for fiscal responsibility; and the national budget performance reports, among others.

Strategic Objectives

1. To promote and protect Uganda national interests abroad;
2. Promote regional and international peace and security;
3. Promote commercial and economic interests abroad;
4. Promote regional and continental integration;
5. Promote adherence to international law and commitments;
6. Strengthen the provision of diplomatic, protocol and consular services at home and abroad;
7. Enhance participation of the Uganda Diaspora in national development;
8. Promote Uganda's image through public diplomacy; and
9. Strengthen the institutional capacity of the ministry and its affiliated institutions.

Operation Objectives

- Empower mission's to promote Economic and Commercial Diplomacy (ECD);
- Enhance capacities of foreign Missions to offer emergency support to distressed Ugandan diaspora;
- Strengthen policy, legacy, and regulatory frameworks for effective foreign and international relations;
- Enhance the enforcement of rights and obligations of Ugandans in the diaspora and;
- Ensure fair market access for our products and services.

Situation Analysis

The NDP IV sets out objectives and strategic interventions targeted at enhancing the image of Uganda abroad, attracting inbound investment and tourism, as well as identifying the market for Ugandan products.

However, to date, the sector lacks a laid down National foreign policy to guide our international relations, somewhat in contempt of Parliament. Uganda's undocumented foreign policy is staggered in uncoordinated and unprioritized planning.

Foreign relations sub-program falls under the governance and security programme whose program implementation Action plan (PIAP) lays down the following interventions. I will analyse them as stated.

Provision of Diplomatic, protocol and Consular services

Government's efforts in provision of consular services in Missions abroad are inadequate. There is glaring insufficient institutional capacity to provide consular services for distressed Ugandans abroad, especially in the Middle east and East Asia. Thousands of them are stranded in Gulf Cooperation countries especially the Kingdom of Saudi Arabia and United Arab Emirates.

Currently, there is only one enforceable bilateral Labour Agreement with Saudi Arabia among all countries where Ugandans export labour which has inhibited the smooth flow of this lucrative industry. Their passports are always confiscated, harassed and in most cases not paid. This distress is hardly addressed by the Missions abroad because, among many reasons, they lack capacity.

To date, Ugandans abroad cannot take part in electoral processes in Uganda, like voting for their leaders unless they are in the country.

Article 29 (2) of the constitution provides that every Ugandan is entitled to a passport or any other travel document. However, only seven out of 37 missions abroad are equipped to issue passport and national identity cards as well as renewal services.

Additionally, the designation of countries and missions need to be rethought basing on a critical analysis of the geo-political environment, and Uganda's interests among others.

Uganda's Passport Index

Uganda's passport index is considerably low. The passport index is a measure of the global ease of travel by considering all visas waivers in the world. It is calculated by adding the individual mobility scores of each of the country's passport, minus the overlapping countries.

The higher the number, the more open the world is becoming. In east Africa, Uganda's passport index is lower than Kenya, Tanzania and not greater than Rwanda's. At the score of 70, Uganda's ordinary passport is visa exempt to 34 countries, is entitled to visa on arrival in 35 countries, and requires visa to a whopping 127 countries.

According to World Openness Score, Uganda has been ranked joint 26th in the 2024 Africa Visa Openness Index, reflecting a modest improvement from its 30th position in 2023. The index, an initiative of the African Union and the African Development Bank, assesses how accessible African countries are to travelers from within the continent.

Leading the rankings this year are Rwanda, Benin, the Gambia, and Seychelles, the only African nations offering visa-free access to all African travelers.

Additionally, there is lack of reciprocity with at least nine (9) countries whose passports are exempt to Uganda. This means that the foreign affairs Ministry has insufficiently engaged other countries in the public diplomacy to improve the mobility score of our passport.

Adherence to Regional, international laws and commitments

Article 123 of the Constitution of the Republic of Uganda, 1995 as amended and section 2 of the ratification of The Treaties Act, key treaties, conventions and protocols have not been ratified and domesticated. This laxity not offends the legal framework but also is Contrary to the Foreign Affairs' mandated which is 'to coordinate the negotiation, signing, ratification and domestication of international laws and treaties'. This demonstrates Uganda's lukewarm approach to her own commitments on collective solutions of border-less development challenges.

Poorly coordinated Economic and commercial diplomacy

There is limited implementation of economic, and commercial diplomacy (ECD) by Mission abroad. ECD aims at generating commercial gains in form of trade, inward and outward investments between Uganda and countries with which we have mutual and diplomatic relations. Only 12 of the 38 missions abroad were allocated funds to conduct economic and commercial diplomacy in the current financial year 2024/25.

Whereas ECD is listed as an objective, there is no corresponding funds allocated for the same. Yet foreign direct investment has increased over the last couple of years that ECD has been prioritized. According to the World bank, Uganda has a significant untapped foreign investment potential owing to a young population offering and a considerably good market size, and regional integration recently enhanced through Africa continental free trade Agreement.

According to the Bank of Uganda (BoU), FDI increased to **$2.9 billion** in 2023, up from $1.4 billion in 2022. This substantial increase underscores the growing confidence of foreign investors in Uganda's economic prospects. Uganda registered a foreign direct investment (FDI) growth of 25.4 percent in the first quarter (July to September) of the financial year 2024/25, compared to the same quarter of the previous financial year. Therefore, failure to aggressively invest in ECD across the world, specifically through our Mission abroad is counterproductive.

Strengthening government institutions for effective and efficient services delivery.

Mission Property

There is glaring indifference at acquisition, development, and maintenance of property for Missions Abroad. Of the 38 Missions, only 10 own both Chancery building and official residence. Note that some of those premises are in very bad state, if not condemned and inhabitable. In London, for instance, the high commissioner is staying in a hotel because the official residence is dilapidated and unsafe for human occupation. In some Missions, Government has acquired land and it has been vacant or there are delayed constructions for several years.

Annually, government incurs rental costs amounting to Shs44.4 billion to most of the properties housing chanceries, official residences and staff quarters in various countries where its missions are located. As the opposition, we contend that targeted acquisition of property for foreign Missions is cost effective.

Foreign Affairs Sector Budget Projection for FY 2025/26 & Medium Term

Vote 006: Ministry of Foreign Affairs

The proposed budget for the Ministry for FY 2025/26 is UGX 29.955 billion, excluding arrears, which reflects a 22% increase (UGX 6.537 billion) compared to the current financial year. This increase is primarily attributed to higher allocations for non-wage and development budgets, while the wage component is expected to remain unchanged. Additionally, the Ministry's budget is projected to grow over the medium term as highlighted in the table below.

Table 1 provides an overview of the Ministry's budget projections in the medium term

Category (Ushs billion)	**Approved Budget FY 2024/25**	**NBFP budget allocations FY 2025/26**	**MPS Proposed Budget Estimat**	**MTEF budget projections**			
				FY 2026/27	**FY 2027/28**	**FY 2028/29**	**FY 2029/30**

			es FY 2025/26				
Wage	6.306	6.306	6.306	6.621	6.952	7.3	7.665
Non-wage	13.229	12.373	20.096	23.51	27.04	32.45	405.4
Gou-Dev't	2.753	0.053	3.553	4.086	4.495	5.394	6.472
Ext-Fin	1.13	0	0	0	0	0	0
Sub Total	**23.418**	**18.732**	**29.955**	**34.22**	**38.49**	**45.14**	**419.5**
Arrears	0	0	0	0	0	0	0
Total Budget	**23.418**	**18.732**	**29.955**	**34.22**	**38.49**	**45.14**	**419.5**

Source: PBO computations Based on MOFA MPS FY 2025/26

i. The Ministry is required to present an overview of its proposed budget estimates for the FY 2025/26.

ii. During the consideration of the Ministry's budget for the current financial year, the Ministry informed the committee that the draft of Uganda's foreign policy document would be ready by the end of FY 2023/24. Can the Ministry provide an update on the current status and progress of Uganda's foreign policy document

Observations

a) **Under the wage category**; the Ministry's wage budget allocation remains unchanged at UGX 6.306 billion, despite Parliament's recommendation for an additional UGX 0.489 billion to cover wages for 9 newly appointed staff, fill 9 vacant positions, and promote 69 staff. This lack of adjustment raises concerns about the Ministry's ability to effectively manage its human resources and fulfill its operational responsibilities.

Given the unchanged wage budget allocation of UGX 6.306 billion, how does the Ministry plan to address the staffing needs and operational responsibilities associated with the 9 newly appointed staff, the filling of 9 vacant positions, and the promotion of 69 staff, as recommended by Parliament?

b) **Under the non-wage category;** the Ministry has received an additional allocation of UGX 6.86 billion, which represents a 34% increase compared to the current financial year. This increment is intended to support various operational needs and enhance the Ministry's capacity to fulfill its mandate.

- **Gratuity Funding:** In the budget framework paper (BFP), the Ministry was initially allocated UGX 0.034 billion to cover gratuity for 105 contract staff and 8 staff members who are due for mandatory retirement during the financial year. However, the proposed budget estimates FY 2025/26 have increased this allocation by an additional UGX 1.509 billion, bringing the total to UGX 1.543 billion. This increase is crucial for ensuring that the Ministry can meet its obligations to retiring staff and maintain morale among current employees.

- **Travel Abroad Budget:** Initially, the Ministry was allocated UGX 0.828 billion for travel abroad in the budget framework paper. The proposed budget estimates have increased this allocation to UGX 2.402 billion. However, the Ministry's total requirement for travel abroad is UGX 4.599 billion, resulting in a funding gap of UGX 2.197 billion. This shortfall may hinder the Ministry's ability to effectively engage in international diplomacy and fulfill its foreign affairs responsibilities.

- **International Organization Subscriptions:** The Ministry has not been allocated any funds for its annual subscription to international organizations, totaling UGX 25.56 billion. This lack of funding raises serious concerns about the country's ability to engage effectively and maintain representation on the global stage.

c) **Under the GoU-development budget,** the Ministry received an additional allocation of UGX 0.8 billion, representing a 23% increase compared to the current financial year, bringing the total allocation to UGX 3.553 billion. Of this amount, UGX 3 billion is designated for the purchase of land to extend the Ministry's headquarters, while the remaining balance will be allocated for retooling the Ministry.

d) **Under the external financing** budget for the FY 2024/25, the Ministry was allocated UGX 1.130 billion for the coordination of the Northern Corridor Integration projects. However, in the proposed budget for FY 2025/26, the Ministry has not been allocated any funds to implement these critical activities. This lack of funding poses a significant concern, as these projects are essential for fostering regional cooperation and driving economic growth in the region.

e) **Economic and Commercial Diplomacy:** In the second budget call circular dated February 13, 2025, the Permanent Secretary/Secretary to the Treasury announced that the government allocated UGX 43.05 billion for the first phase of Economic and Commercial Diplomacy (ECD) activities at 12 missions abroad for the FY 2024/25. These missions include London, Paris, Algiers, Ankara, Abu Dhabi, Doha, Mombasa, New Delhi, Kuala Lumpur, Washington, Beijing, and Guangzhou. The funding aims to enhance efforts in attracting foreign direct investment (FDI), promoting tourism, improving trade access for Ugandan products, and fostering technology partnerships, all in line with the ten-fold growth strategy. Additionally, the PS/ST indicated plans to expand the ECD program to 10 more missions in FY 2025/26. However, the proposed budget for 2025/26 does not include allocations for the existing 12 missions, raising concerns about the continuity and effectiveness of these essential initiatives.

   i. *In light of the absence of budget allocations for the existing 12 missions in the proposed FY 2025/26 budget, how does the Ministry plan to maintain the continuity and effectiveness of the Economic and Commercial Diplomacy initiatives funded in the current financial year?*

   ii. *Why is the government planning to expand the Economic and Commercial Diplomacy program to 10 additional missions in FY 2025/26 when the proposed budget does not allocate funds for the existing 12 missions, potentially jeopardizing the continuity and effectiveness of these initiatives?*

Votes 501-538: Missions abroad

The proposed budget for the Missions abroad for FY 2025/26 is UGX 286.419 billion, representing an 11% decrease of UGX 36.201 billion compared to the current financial year. This decrease is primarily due to lower allocations for non-wage and development budgets. In contrast, the wage component is projected to increase by 3% (UGX 1.257 billion). Furthermore, the budgets for the Missions abroad are expected to remain unchanged over the medium term, as detailed in the table below.

Table 2 provides an overview of the Missions abroad aggregated budget projections in the medium term

				MTEF budget projections

Category (Ushs billion)	Approved Budget FY 2024/25	NBFP budget allocations FY 2025/26	MPS Proposed Budget Estimates FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
Wage	39.369	39.369	40.626	40.626	40.626	40.626	0
Non-Wage	223.363	169.563	190.503	190.5	190.5	190.5	0
GoU Dev't	59.888	58.388	55.29	55.29	55.29	55.29	0
GoU Total	**322.62**	**267.32**	**286.419**	**286.4**	**286.4**	**286.4**	**0**

Source: PBO computations Based on Missions abroad MPS FY 2025/26

Observations

a) **Under the wage component**, the aggregated wage budget is projected to increase. This increase is primarily due to additional resources allocated to the Missions in Dar es Salaam, Addis Ababa and Tehran, amounting to UGX 0.337 billion, UGX 0.57 billion and UGX 0.35 billion, respectively. The budgets for the remaining Missions abroad have remained unchanged.

b) **Under the non-wage category**, the aggregated budget is projected to decrease by 24%, amounting to UGX 32.86 billion. This reduction affects a total of 14 Missions *(New York, London, New Delhi, Washington, Beijing, Kinshasa, Paris, Abu Dhabi, Guangzhou, Ankara, Kuala Lumpur, Mombasa, Algiers and Doha)*. While 14 Missions *(Ottawa, Dar es salaam, Addis Ababa, Geneva, Tokyo, Riyadh, Brussels, Rome, Berlin, Tehran, Canberra, Mogadishu, Havana and Luanda)* received additional funding, the budgets for 9 Missions *(Nairobi, Abuja, Pretoria, Kigali, Cairo, Copenhagen, Khartoum, Moscow, Juba and Bujumbura)* remained unchanged.

c) **Under the development budget,** the total allocation is projected to decrease by 3%, which amounts to UGX 1.5 billion. A total of 25 Missions were allocated funds under this budget. The development budgets for

3 Missions (Dar-es salaam, Abu Dhabi, and Mogadishu) were reduced, while 11 Missions (New York, Ottawa, Nairobi, Pretoria, Copenhagen, Brussels, Paris, berlin, Kuala Lumpur, Mombasa and Algiers) received additional funding.

Note:

During the consideration of the BFP for FY 2025/26, Parliament recommended that Uganda's mission in Cairo be allocated a total of UGX 37 billion in a phased approach, beginning with UGX 8.784 billion in FY 2025/26 to purchase land and initiate the construction project, taking into account the host country's relocation deadline of the end of 2028. However, the proposed budget estimates for FY 2025/26 do not include a development budget for the Mission.

The Ministry of Foreign Affairs should clarify why the Mission in Cairo was not allocated a development budget in the proposed estimates for FY 2025/26, despite the Committee's recommendation for phased funding to kick start the construction project?

Compliance of the Mps with the Public Finance Management Act, 2015

MOFA and Missions Abroad Policy Statements for FY 2025/26 were assessed to ascertain if they contained the requirements as per section 13 (15) of the PFMA, 2015 as amended. In table 5 below, the status for each PFMA requirement is presented.

Table 5: Assessment of VOTE: 006 & 501-538 MPS for PFMA, 2015 Requirements

NO	REQUIREMENT	STATUS / REMARKS
1	The achievements of the vote for the previous financial year	Provided
2	The annual and three months' work plans and outcome, the objectives, outputs, targets and performance indicators of the work plans and outcomes	Provided
3	The annual procurement plan of the vote	All missions abroad did not submit the requirement;

4	The annual recruitment plan of the vote	All missions abroad did not submit the requirement;
5	A statement of the actions taken by the vote to implement the recommendations of parliament in respect to the response of the Auditor General of the preceding financial year	Provided
6	The cash flow projections	All missions abroad did not submit the requirement;
7	A certificate issued by the Minister responsible for Finance in consultation with the Equal Opportunities Commission	Not yet presented to Parliament
8	Vehicle utilization report	All missions abroad did not submit the requirement;
9	The asset register of the votes in the format issued by the Accountant-General	All missions abroad did not submit the requirement;

It is evident that most requirements as stipulated under Section 13(15) of the Public Finance Management Act, 2015 are not provided in Votes: 501-538 MPS for FY 2024/25.

i. *All missions abroad are required to submit their quarterly work plans for FY 2025/26 along with their corresponding outcomes. These submissions should include clearly defined objectives, outputs, targets, and performance indicators related to their work plans and outcomes.*

ii. *All missions abroad are required to submit cash flow projections for their respective budgets, vehicle utilization reports, and asset registers in the format specified by the Accountant General.*

iii. *The missions in Dar es Salaam and Addis Ababa are required to submit their annual recruitment plans for FY 2025/26.*

iv. *Missions in New York, Ottawa, Nairobi, Dar es Salaam, Pretoria, Brussels, Paris, Berlin, Abu Dhabi, Mogadishu, Kuala Lumpur, Mombasa, and Algiers are required to submit their procurement plans for the FY 2025/26.*

6.0 Gender & Equity Compliance Assessment

The main objective of gender and equity compliance assessment is to establish the level of compliance of MPS with Gender and Equity requirements for the Financial Year 2025/26. However, the certificate of Gender and Equity compliance is not yet laid on the floor of Parliament

Alternative Policy Interventions and Funding Priorities for FY 2025/2026

As we pointed out in the Alternative policy statement for FY 2023/2024, and espoused under the National Development Plan III, the charter for fiscal responsibility, and Vision 2040, in order to achieve balanced development and attain our goals, targeted funding ought to be made towards specific projects and specific critical funding lines under the sector. The Alternative government points out the following critical funding priorities.

Table2.

Priority	**Justification**	**Alternative Policy**
Labour Externalisation	The government has not negotiated for the smooth flow of the workforce from Uganda to those respective countries as well as ensuring that there is job security, better working conditions and mechanisms of expatriation where need be. As at 30th June 2022, these licensed companies had cumulatively deployed 201,637 migrant workers	Put an automated system and interlink it with the External Employment Management System of MoGLSD as well as the coordination office for prevention of trafficking in persons to ascertain real-time migration to comprehensively deal with trafficking. **Domesticating key Conventions and Protocols**

	abroad between 2016 and 2022. In addition to these migrant workers, about 200,000 people are estimated to have traveled abroad without their records being captured by the MoGLSD. As at December 2022, Remittances from labour export had more than doubled to US$ 1.3 billion, with the Middle East accounting for the largest share (US$ 900 million - Ushs 3.35 trillion). In addition, Government collected Non-Tax Revenue amounting to Ushs 23.384 billion between December 2021 to May 2023 from license application fees, attestation fees, accreditation fees for training centres and local job order fees.	The alternative government shall amend the law concerning ratification and domestication of international treaties, convictions and protocols. Uganda has failed to ratify and domesticate important conventions, treaties and protocols, most of which she says voted for and is signatory to. This demonstrates the country's lack of full commitment to these treaties, conventions and protocols contrary to objectives under the NDP III as stated earlier, as well as **Objective XXVIII of the National Objectives and directive Principles of state policy**, which mandates respect for international law and treaty obligations. Establishment of a special fund for rescue, repatriation and rehabilitation of distressed Ugandans abroad mostly in the Middle East. Post labor attachees to countries with high destiny of Uganda,

		migrant workers and or labor.
Mission Property	Of the 38 missions abroad, only 10 own both the chancery and residence. Note that some of those premises are in a very bad state, others condemned and inhabitable. In some missions government has acquired land and it has been vacant for several years. The table below shows which properties are owned or rented by which missions. Ownership of both the chancery and official residence is key in a way that it saves up the rent that is paid yearly. Under Article 159 of the constitution of Uganda, if government guaranteed foreign missions to enter into mortgage in a bid to buy the said property and pay over an extend period of time, the tax payer would ultimately be saved the burden of paying rent in perpetuity.	Acquire a chancery building or official residence as per cost-benefit analysis for the 16 missions with no property at all.

	Therefore, the 16 missions with no property at all ought to be prioritized to ensure that they each acquire a chancery building or official residence as per cost-benefit analysis.	
Voting by Ugandans Abroad	Ugandan diaspora are disenfranchised. The law does not, conveniently, allow Ugandans abroad to vote for leaders back home from wherever they are. Countries like Tanzania, Kenya, the United States, South Africa among others allow their citizens to vote for their leaders from anywhere they are in the world at the time of voting as one way of participating in their political democracy. Since 1995, Uganda is a party to international covenant on civil and political rights, which together with the constitution under Article 1 (4) bestow onto Ugandans to explore their will and consent on who shall govern them through free and fair regular elections of their	All electoral laws to wit- the electoral commission act, the presidential elections Act, the parliamentary elections Act as well as the local government's Act ought to be amended to provide for voting by Ugandans abroad.

	leaders. These provisions don't restrict civil rights to only citizens in Uganda at the time of elections, but rather all Ugandans should be given the opportunity to elect their leaders irrespective of where they are.	
Lack of a foreign Policy	The formulation of the Uganda foreign policy to guide our foreign relations as well as strategic objectives are critical in the projection of our foreign relations. Uganda has not coded a foreign policy that is the back drop of all bilateral or multilateral engagements with any country. This explains why Uganda's foreign policy is generally inconsistent, and incohesive, unpredictable, and belligerent. The officially stated goals of the foreign policy of Uganda are to safeguard Uganda's national interest and achieve its goals on the international arena for benefit of the people of Uganda, the region,	**Develop foreign policy.**

	and the international community.	

1. Labour Externalisation

We shall streamline labour externalization.

According to Ministry of Gender, Labour and Social Development (MoGLSD), the number of licensed external employment recruitment firms increased from 216 companies in December 2021 to 406 companies in December 2022. As at 30th June 2022, these licensed companies had cumulatively deployed 201,637 migrant workers abroad between 2016 and 2022. In addition to these migrant workers, about 200,000 people are estimated to have traveled abroad without their records being captured by the MoGLSD.

However, the number of migrant workers that have since returned to Uganda is unknown. As at December 2022, Remittances from labour export had more than doubled to US$ 1.3 billion, with the Middle East accounting for the largest share (US$ 900 million - Ushs 3.35 trillion). In addition, Government collected Non-Tax Revenue amounting to Ushs 23.384 billion between December 2021 to May 2023 from license application fees, attestation fees, accreditation fees for training centres and local job order fees.

The government has not done enough in streamlining this booming trade. Ugandans who export their labour to the Gulf states do so under labour exporting companies or individually. Most of Ugandans workforce are exposed to a number of structural challenges and work hazards like enforced prostitution and servitude, extremely harsh working conditions, poor or no pay, bereavement, confiscation of their passports by labour recruitment companies in destination countries, among others. These distressing challenges expose these Ugandans to trafficking or ending up in other criminal activities.

The government has not negotiated for smooth flow of workforce from Uganda to those respective countries as well as ensuring that there is job security, better working conditions and mechanisms of expatriation where need be. Uganda has an existing Bilateral Labour Agreement (BLA) with United Arab Emirates, but it is not in force, Turkey submitted a BLA with Uganda, but it has not been signed to date.

Desperation leads some of the distressed Ugandans to usually run Uganda's foreign mission for emergency assistance. However, most missions are not equipped to bail out distressed Ugandans.

Additionally, the government has not critically addressed the issue of "Agents"- individuals or groups of unregistered and unlicensed persons who traffic Ugandans to various countries across the world under the guise of finding employment for them. 'Agents' are very unscrupulous, unregulated and many of them are reportedly big shots in government. Further, some of the labour exporting agencies are not approved and accredited by the ministry of gender. These companies, according to UAERA, carry out most of the trafficking.

The ministry of foreign affairs has not coherently coordinated with ministry of gender, labour and social development and ministry of internal affairs that coordinates migration and is charged with enforcement of the prevention of trafficking in persons Act and other MDAs in combatting trafficking in persons which mainly is done by unregistered labour exporting agencies in Uganda and other individual agents.

The exponential increase of Ugandans searching for employment opportunities out of the country has led to increased trafficking in persons incidents.

While minimal emphasis has been put at the airport to detect and apprehend illegal migrants, crooked agencies have resorted to taking advantage of porous borders[91] and smuggle unsuspecting Ugandans by land to neighbouring countries from whence they are flown out.

According to the Uganda human rights commission report, the year 2021 recorded a 96.7% upsurge of trafficking in persons cases from the previous year. Of the 421 cases registered with police, only 15.2% (63 cases) were recorded by Aviation Police and Entebbe International Airport. Most of trafficking cases transported on the ground through gazetted and gazette border points.

In addition, none of the immigration's electronic systems is automated and interlinked with to External Employment management System of MoGLSD as well as the coordination office for prevention of trafficking in persons to ascertain real-time migration in order to comprehensively deal with trafficking.

Human trafficking in migration pathways currently is a challenge for which there are no collective policies to wipe out and there is very less political will to end the mushrooming vice. In the same vein, the missions abroad do not have budget lines for distressed Ugandan's and victims of human trafficking. In so doing, stranded Ugandans migrant workers are not readily run to aid.

There is a need to urgently consider an MOU with UAE as well as negotiate and enter BLAs with all Gulf Cooperation Countries together with Jordan, Lebanon, India and Turkey to streamline working relations of the Ugandan workforce in those countries, as well as averting the scourge of human trafficking.

Public service commission shall recruit and deploy labour attaches in selected missions abroad and facilitate them to urgently respond to the distress calls of Ugandans externalized abroad, especially in the Middle East. A budget should be allocated for gratis emergency travel documents as well as certificates of identity to be readily granted to Ugandans who have approached our Missions abroad as distressed.

Developing foreign policy.

We shall prioritize streamlining the policy framework for foreign affairs by developing and implementing a robust foreign relations policy.

The formulation of the Uganda foreign policy to guide our foreign relations as well as strategic objectives are critical in the projection of our foreign relations. Uganda has not coded a foreign policy that is the back drop of all bilateral or multilateral engagements with any country.

Foreign policy is a set of strategies decisions and actions taken by a government to safeguard its national interest and achieve its goals in the international arena. Note, though, that Uganda has no documented foreign policy to guide her engagements in the international arena.

This explains why Uganda's foreign policy is generally inconsistent, and incohesive, unpredictable, and belligerent. The officially stated goals of the foreign policy of Uganda are to safeguard Uganda's national interest and achieve its goals on the international arena for benefit of the people of Uganda, the region, and the international community.

However, the government's aspirations beyond our borders have not optimally been fulfilled and realized because of lack of documented, strong, and consistent foreign policy.

Development of a policy on diaspora engagement.

The national development plan IV aims to identify and exploit alternative revenue sources to compliment domestic revenue collection. Under the NDPIV, a diaspora investment strategy had to be finalized and implemented in the first year in order to open the window for increased revenue flows in subsequent years.

The private sector, diaspora community among others are key alternative development partners, therefore;

The NDPIV seeks to redirect Ugandan diaspora remittances away from consumption to development, for instance through use of diaspora bonds. Remittances from Ugandan's working abroad have increased significantly from USD 819 million in financial year 2010/2011 to USD 1.4 billion in financial year 2017/2018. That figure is currently recorded at USD 1.1billion as reported under bank of Uganda annual supervision report of Uganda June 2022.

Unfortunately, the diaspora investment strategy has, to-date not been finalized and implemented by among others, the ministry of foreign affairs, greatly hindering alternative financing mechanisms. With the strategy in place, remittances from the Ugandan's diaspora would be channeled to home consumption and public investment encouraged, thus fostering development and budget implementation.

There must be establishment an d allocation of a special fund for rescue, repatriation and rehabilitation of distressed Ugandans abroad mostly in the Middle East. Currently we have hundreds in Myanmar, India, UAE, Saudi, Egypt and other parts of the middle east. And also funding for continued operation of reception houses at Embassies, in middle east plus urgently posting of labor attaches to countries with high destiny of Uganda, migrant workers and or labor.

It is imperative that Uganda develops a foreign policy that will guide us in the streamlining and shaping our foreign relations and coordinate our interests and goals on the international scene.

Enhancement of Commercial and Economic Diplomacy (ECD)

We will review and enhance funding the sub-sub programme of ECD. ECD has demonstrated potential of wooing in-ward investment and tourism as well markets for Ugandan products in the seven missions it has been piloted. Several achievements in terms of bridging our balance of trade have so far been registered under ECD.

Following from post COVID-19 Pandemic recovery adjustments including allocating funds for ECD, Uganda has had an upsurge in foreign direct investments. Foreign direct investment refers to direct investment equity flows in the reporting economy. It is the sum of equity capital, reinvestment of earnings, and other capital.

Direct investment is a category of cross-border investment associated with a resident in one economy having control or a significant degree of influence on the management of an enterprise that is resident in another economy. Uganda's FDI rose to 37.9% to US$1,475.7 by the end of FY 2021/2022. In the region, Uganda is a head of Kenya, Rwanda, and Nigeria.

It should be noted, however, that the implementation of ECD remains a challenge to our missions abroad. Inadequate funding for the sub-sub programme has affected the hosting and participation in joint permanent commissions (JPC's), which is one of the vital activities under ECD. JPCs are a diplomatic and cooperation framework through which matters of mutual interest are deliberated upon and resolutions sought.

Additionally, most of the heads of mission are political appointees that considerably lack requisite credentials in economy diplomacy. Construction of the Uganda Institute for diplomacy and international affairs (UIDIA) buildings is a project that should have started in the financial year 2020/2021 but has to date not kicked off.

It is critical to review the sub sub program's operations and implementation, with a view of rolling it over to other missions so that promotion of Ugandan products in those countries as well as wooing investors to come and invest in the country are adequately attended to.

Ugandan manufacturers and producers have encountered multiple challenges in exporting their products in the region. These products range from poultry produce, and other agricultural produce among others. This is owing to persistent existence of non-tariff barriers (NTB) that the 2005 East African Customs Union sought to resolve.

The union identified administrative and bureaucratic inefficiencies as well as standard and technical requirements are major impediments to trade within the region affects trade flows and hampers benefits of integration. The same are envisaged under the Africa continental free trade agreement. It is, therefore, imperative that our mission abroad together with the minister for foreign Affairs are facilitated to engage Joint Permanent commissions with respective countries so that non-tariff barriers to trade are eliminated.

Enhancing Foreign direct Investment will spur economic development for the country.

Domesticating key Conventions and Protocols

The alternative government shall amend the law concerning ratification and domestication of international treaties, convictions and protocols. Uganda has failed to ratify and domesticate important conventions, treaties and protocols, most of which she says voted for and is signatory to. This demonstrates the country's lack of full commitment to these treaties, conventions and protocols contrary to objectives under the NDP IV as stated earlier, as well as **Objective XXVIII of the National Objectives and directive Principles of state policy**, which mandates respect for international law and treaty obligations.

As we ably demonstrated in the alternative policy statement for foreign affairs for the past two years, there are many key human rights instruments that Uganda has failed and/or neglected to ratify and domesticate over years. Most of them relate to the protection and enforcement of fundamental rights and freedoms.

The function of determining Uganda's foreign policy is primarily exclusively the executive's preserve. Article 123 of the constitution bestows the duty of executive treaties, conventions and agreements in the President or any person so authorized by the president.

The ratification of treaties is only done under Article 123 (2) of the constitution and the Ratification of treaties Act, Cap. 204, which provides for the procedure of ratifying treaties and protocols.

The Act, under section 2 provides that cabinet shall primarily ratify treaties except treaties that relate to armistice, neutrality or peace, or in the case of a treaty in respect of which the Attorney General has certified in writing, that its implementation in Uganda would require an amendment of the constitution.

In a global village, more characterized by growing international relations, commitments, and obligations especially in as far as the protections, promotion and enforcement of fundamental human rights and freedoms is concerned, international law has become more relevant than ever before.

This is because it bares significant implication on domestic relations, laws and policies. Thus, parliaments are currently continuing to take keen interest in their governments international or foreign policies to that end.

In the circumstances, therefore, the dictates of democracy demand that people are involved in the same and parliament checks the prerogative of the executive. In United Kingdom, for instance, parliament has a statutory role of ratifying treaties. The British government is duty-bound to lay treaties, with an explanatory memorandum, before parliament for twenty-one (21) sitting days before it can ratify them. Note that where as the parliament may not debate, vote, or amend the treaties, the house of commons can block ratification of any treaty indefinitely.

Relatedly, in Australia, the executive plays its role of advancing the country's foreign policy, except that parliament reviews any steps taken before ratification of treaties.

"Under this practise, any action relating to a treaty, such as ratification, is tabled in parliament for a period of at least 15 sitting days before the government takes action. When tabled in parliament, the text of the proposed treaty is accompanied by a national interest analysis (NIA), which explains why the government considers it appropriate to ratify"- UN department of Economic and social affairs disability. A relevant committee of parliament evaluates the national interest analysis, considering methodology it may deem fit, before making its recommendations on whether the country should ratify or take other steps.

It is noteworthy that in as much as the Australian government may disregard the recommendations of the committee, that happens in very rare cases. Secondly, there are well laid down principles policy to check the prerogative of the executives in as far as unilaterally committing the country in perpetuity in concerned.

In our local context, [parliament can only receive ratified treaties. In exceptional instances as provided for under section 2 (b) of the ratification of treaties Act, where parliament can ratify, it only does so after negotiations have ended, and parties have already signed the same.

The only other statutory exception to the executive's unilateral power to ratify treaties is under section 76 of the Value Added Tax Act, Cap. 349, which requires parliamentary approval of a treaty or agreement relating to tax exemptions or reliefs even after such a treaty has been ratified by the cabinet.

In the premises, therefore, it is prudent to review the policy where cabinet enjoys all the powers of negotiating, voting, signing and ratifying treaties on behalf of Uganda without parliamentary checks except as earlier articulated.

The ratification of treaties Act ought to be amended to provide for parliamentary ratification of treaties. Section 2 of the ratification of treaties Act, Cap. 204 should be amended to provide that parliament shall have the power to ratify relevant key treaties that Uganda has an interest in. A budget line shall be allocated to facilitate the amendment of S.2 of Ratification of Treaties Act in order to bestows that power fully in parliament.

2. Acquisition of Mission Property

We shall allocate funds towards acquisition of mission property as multi year projects. Most of our missions abroad rent premises in which they operate, like the chancery building, and the official residents, among others. Of the 38 missions abroad, only 10 own both the chancery and residence. Note that some of those premises are in a very bad state, others condemned and inhabitable. In some missions government has acquired land and it has been vacant for several years. The table below shows which properties are owned or rented by which missions.

Ownership of both the chancery and official residence is key in a way that it saves up the rent that is paid yearly. Under Article 159 of the constitution of Uganda, if government guaranteed foreign missions to enter into mortgage in a bid to buy the said property and pay over an extend period of time, the tax payer would ultimately be saved the burden of paying rent in perpetuity.

Therefore, the 16 missions with no property at all ought to be prioritized to ensure that they each acquire a chancery building or official residence as per cost-benefit analysis.

A multi-year approach on turning rent advance payment or installments on property acquisition would ultimately solve the problem at hand. Parliament ought to authorize missions abroad to acquire specific properties, chancery building and official residence through multi year mortgage arrangement, pursuant to section 23 of the PFMA and Article 159 of the Constitution.

3. Enabling Ugandans to vote from the diaspora

Ugandan diaspora are disenfranchised. The law does not, conveniently, allow Ugandans abroad to vote for leaders back home from wherever they are. Countries like Tanzania, Kenya, the United States, South Africa among others allow their citizens to vote for their leaders from anywhere they are in the world at the time of voting as one way of participating in their political democracy.

Since 1995, Uganda is a party to international covenant on civil and political rights, which together with the constitution under Article 1 (4) bestow onto Ugandans to explore their will and consent on who shall govern them through free and fair regular elections of their leaders. These provisions don't restrict civil rights to only citizens in Uganda at the time of elections, but rather all Ugandans should be given the opportunity to elect their leaders irrespective of where they are.

In the circumstances, the foreign mission should be capacitated and enable them to ensure that Ugandans in the diaspora vote for their leaders just as Ugandans in the country do. Consequently, all electoral laws to wit-the electoral commission act, the presidential elections Act, the parliamentary elections Act as well as the local government's Act ought to be amended to provide for voting by Ugandans abroad.

Conclusion

The foregoing are our priorities and policies that call for very critical consideration and funding under financial Year 2025/2026. The said proposals, if funded will profoundly enhance provision of adequate services to Ugandans in the diaspora as well as enhancing Uganda's relations with other countries. We rally the entire house for unanimous support.

7.2. East African Community Affairs

Executive Summary

The EAC comprises of Kenya, Tanzania, Uganda, Rwanda, DR Congo, Burundi and South Sudan, it aims at widening and deepening co-operation among those Partner States in, among others, political, economic and social fields for their mutual benefit.

Uganda's participation in the EAC is embedded in Objective 28(2, 3) and Article 123 of the Constitution of the Republic of Uganda[211]. The Ministry of East African Affairs was established under Public Sector Management[212] to promote Uganda's interest, steer Uganda's regional integration agenda as well as coordinate all matters of East African Community in accordance with article 8(3) of the Treaty for the Establishment of the EAC[213].

The objectives of the Ministry of East African Affairs include, but not limited to; Promotion of cordial relations and good neighborliness among the Partner States, Promotion of sustainable utilization of shared natural resources among the EAC partner states, Strengthening Trade and Investment amongst partner states, enhancing awareness about the existence, benefits and opportunities of the EAC and to open up Uganda to Regional and International Tourism markets.

We propose to prioritize the mentioned programs and activities in the budget so as to achieve the objectives of the Ministry; Sensitizing and enhancing awareness of the EAC integration and its benefits to the people, Advocate for the establishment of strong implementation, monitoring and evaluation mechanisms on good governance in the EAC, operationalize the customs union and common markets protocol, implement the protocol of standardization and quality assurance, and also to advocate for the development of robust and meaningful infrastructure such as railways and roads for seamless transportation of good and to boast tourism.

Therefore, in accordance with Article 82(A), Section 6E (4) of the Administration of Parliament (Amendment) Act (2006)[214], Rules 14(4) and 147 of the Rules of Procedure 2022[215], the Office of the Leader of the Opposition in its mandate,

[211] Constitution of the Republic of Uganda
[212] Public Sector Management Act 1994
[213] Treaty Establishing the East African Community
[214] Administration of Parliament Act (2006)
[215] Rules of Procedure, 2023

has come up with an Alternative Policy statement for East African Community Affairs for financial year 2024/2025.

Methodology

These Alternative policies considered the NUP manifesto[216], other opposition political party manifestos, the opposition legislative agenda[217], Opposition response to the Charter for Fiscal Responsibility and the Response to the State of the Nation Address. We also considered Treaty establishing the East African Community, the East African Community protocols including the Customs Union Protocol, Common Markets Protocol, Protocol on Standardization, Quality Assurance, metrology and testing and also the Protocol on peace and security

Objectives

1. Enhance awareness of the EAC integration especially in small scale informal traders.
2. Advocate for the establishment of strong implementation, monitoring and evaluation mechanisms on good governance in the EAC. (Empower EACJ)
3. Protocol on standardization, quality assurance, metrology and testing to be fully operationalized.
4. Operationalize the EAC Protocol on Peace and Security.
5. Fully operationalize the EAC Protocol on Common Markets.
6. Advocate for the development of Regional infrastructure emphasizing the EA Railway routes to suit products and their markets.

Situational Analysis

The Ministry of East Africa Community Affairs' mission is to ensure that East Africans participate in and benefit from the East African Community integration and to have a prosperous people in a secured federated East Africa; a step forward is to sensitize and enhance awareness of its existence to the citizens especially at the grassroots, popularize it's rationale and benefits, opportunities created, Markets availed, standards of products required and the Laws and policies that govern the integration.

Furthermore, formulating and implementing policies which facilitate free movement of people, goods and services across borders, border security and

[216] NUP Manifesto
[217] The Opposition Legislative Agenda

protection of Ugandans traders in partner states, advocating for the improvement of infrastructure and tourism to open up Uganda to the EAC and also ensure that there's democracy and rule of law among partner states to facilitate the integration.

The East African Community was revamped in 1999[218] following its collapse in 1977, 20 plus years later since its resumption the intended beneficiaries are yet to learn of the rationale for its establishment or re-formation.

Worthy to note; ever since the collapse of the EAC in 1977, its former employees are still grappling with receiving their mandatory benefits. It is now over 45 years since the community became defunct, this means the former employees are either too old or died before benefitting from their time of serving the EAC.

In addition, after the EAC demise in 1977, the former member states reorganized and revamped it in 1999, however, most of the objectives, protocols and policies governing its establishment have either remained on paper or been partially implemented. This is evidenced in the following;

Non-Operational EAC Protocol on peace and security.

This protocol speaks to promoting peace, security and stability within the community and good neighborliness among the partner states[219], the EAC recognized that economic integration which encompasses free movement of people, goods and services within the region can only succeed if peace is established throughout the region. However, little success has been registered evidenced by the insecurity in member states. These states face political and civil unrest time and again, the prevalent political turbulence including civil wars in DRC, Southern Sudan, Kenya; which have negatively impacted on economic development and regional integration. In addition, Ugandan traders face endless hostility at the borders and inside member states; these are persecuted and killed, businesses sabotaged and destroyed especially in Rwanda, DR Congo and Southern Sudan. All these insecurity cases undermine the spirit of EAC integration and prove that MEACA needs to fast track its efforts to ensure the safety of Ugandan traders.

Limited awareness about the existence and benefits of EAC integration

Since its resumption in 1999, many Ugandans still have very limited awareness and knowledge of EAC integration; this continues to disadvantage Ugandans from benefitting in the integration. Uganda has been at the forefront of EAC integration and advocating for the joining of other members like Rwanda, DR

[218] The Treaty for the Establishment of the East African Community

[219] EAC Protocol on Peace and Security

Congo, and South Sudan but has not adequately gained in the integration as compared to other partners. Member states like Kenya, Tanzania have so far taken a lion's share; these countries have established businesses such as Banks, Hotels, Schools, Commercial Buildings, Jua Kali and other small-scale businesses like shops in Uganda and other member states. They are also doing well in exports which has widened their market in all partner states; Kenya alone accounts for about 45 percent of the total intra-EAC trade[220]. However, Ugandan traders and business community are yet to receive adequate knowledge of the EAC integration benefits, Market accessibility, standards required, Laws and policies that govern the integration so that they gain from the integration.

The media and forums used to market the EAC integration do not identify with people at the grassroots and small-scale traders who would be the primary beneficiaries of the integration.

There is no unifying language to facilitate effective communication amongst traders in the region, how then will integration take shape! At the borders like Bunagana, Kyanika etc language barrier has hindered trade since every one speaks their mother tongue.

Non-operational Customs Union and Common Markets protocol.

Although the legal framework allows business to establish and operate in partner states, and especially Article 13 of the EAC protocol on Customs Union speaks to the removal of all existing non-tariff barriers to trade and not to impose any new ones[221], there are still some trade barriers which create an obstacle to the traders, among them are the non-Tariff barrier (NTB). Traders from Uganda encounter numerous NTBs ranging from cumbersome bureaucratic procedures and licensing requirements to illegal taxes and un necessary cash bonds for imports destined for inland countries; these are also required to obtain licenses to set up businesses in partner states.

Important to note; when Kenya and Tanzania introduce NTBs to Ugandan goods, the government of Uganda does not respond as fast as the Kenyan government responds when there's a hiccup in their exports to member states.

There is also an issue of un harmonized policies which bring about discrepancies in policy implementations amongst partner states; these are manifested in the difference in VAT charged in partner states.

[220] EAC TRADE AND INVESTMENT REPORT 2022

[221] PROTOCOL ON THE ESTABLISHMENT OF THE EAST AFRICAN CUSTOMS UNION

- Uganda charges 18%, Kenya 16%, Rwanda 18% which affects the profits anticipated by traders.
- Required documents to cross to partner states where some use VISA others use National IDs while others issue Interstate passes and Passports;
- Charges on cargo trucks crossing to other partner states are different, whereas Ugandan registered trucks entering Rwanda are charged per distance covered, Rwanda trucks have a fixed amount charged for the entire journey. This has pushed Ugandan truck drivers out of business since traders prefer to use Rwandan trucks to cut costs.

The stringent conditions imposed at the borders hinder smooth cross border trade and inside member states; there are charges a trader is required to pay ranging from UGX 17,000 to cross from Rwanda to Uganda to carry out business, these force them to create and use porous borders, there are also mandatory yet expensive medical tests b carried out before crossing to Rwanda, etc. These are in breach of the common markets protocol and also become bottlenecks to the integration.

Deteriorating Democracy, Good governance and Rule of Law.

East African Community aims at a political confederation, it's the forth principal of the EAC integration and also provided for in Article 5(2) of the Treaty establishing the community[222]. It speaks to good governance as one of the founding pillars, it also aims at creating uniformity in the manner in which all member states are governed. The community through the treaty establishing it, formed the East African Court of Justice (EACJ) to handle among others cases of Human rights violation in the member states [223]. However, the EACJ doesn't seem empowered and independent enough to handle such cases and those to do with democracy.

The Community also risks becoming irrelevant and integration meaningless because its founding pillars are not adhered to, it focuses and prioritizes hardware components like development, Markets etc. ignoring the software components like human rights, security etc. No wonder the government of Uganda through its security forces and judiciary, wantonly abuse the citizens' rights; brutalizes them, antagonizes their peaceful gatherings, continuous abductions, detentions and torture of citizens due to their political inclination, charging them in military courts, delay their justice etc. There's also unabated

[222] The Treaty for the Establishment of the East African Community
[223] THE EAST AFRICAN COURT OF JUSTICE RULES OF PROCEDURE 2019

manipulation of the constitution to feed personal interest like the removal of the presidential term and age limits, continuous abduction and the looming amendment of the UPDF Act.

In almost all summit sittings leaders always unveil comprehensive plan towards political integration without taking corresponding measures to strengthen democracy and safeguarding citizens' rights amongst partner states.

Several road blocks faced by Agriculture and livestock cross boarder traders.

The Community formulated a Protocol on standardisation, quality assurance, metrology and testing which provides for a common and acceptable standard and quality of goods and services required on the EAC market putting in mind their effect on health, safety and environment[224]. This protocol goes hand in hand with the protocol on Common Markets[225]; if the goods meet the standards required on the EAC market they should seamlessly access the market.

However, due to the failure of Ugandan government to establish fully equipped Testing laboratories, to deploy quality assurance managers from relevant agencies for verification of goods at the borders; Agriculture and livestock good from Uganda are often rejected by member states for being substandard. Kenya rejected poultry, Agriculture and dairy products from Uganda because they didn't meet the standards required, Rwanda does the same alleging that Uganda's Agricultural products contain aflatoxins. If these are tested on Ugandan borders it would save the traders from the big losses, they incur when the good are rejected after transporting them inside member states.

Livestock crossing the borders are required to be quarantined at the border for a few days for inspection, however, Ugandan borders have no gazetted and equipped facilities to safely keep animals and birds as they go through the inspection exercise.

The required documents for cross border trading of livestock goods such as International Health Certificates, Sanitary and phytosanitary Certificate permit are obtained from the Ministry of Agriculture, Animal Industry and Fisheries Headquarters in Entebbe. The exercise of traveling to Entebbe to obtain such certificates is quite costly, time consuming and risky to traders who deal in perishable goods like foods, day old chicks etc.

[224] EAC Protocol on Standardization, Quality Assurance, Metrology and Testing

[225] East African Community Protocol On The Establishment Of The East African Community Common Market

Poorly planned infrastructure in terms of roads and Railway which don't suit transportation of products to their markets.

Infrastructure is one of the most critical enablers of a successful regional integration because it facilitates activities like trade, agriculture, tourism and movement of labour and resources. It's against this backdrop that the Treaty Establishing the EAC provided for basic infrastructure as one of the operational principles of the community. This however has not been prioritized by MEACA and Ugandan government, the road network especially from Ugandan borders is sickening yet it's essential in transporting goods and tourists; borders in South Western Region of Uganda like Busanza have muddy roads almost impassable during rainy seasons just like many other roads in the country. Instead of Ugandan government building roads in Congo for Congolese it should employ its efforts on Ugandan roads at the borders and within the country.

The Railway network is almost redundant or dysfunctional simply because the routes were designed in 1960s to transport cotton from the factories to the market, cotton has since declined on the market replaced by other products such as coffee, dairy products, apparel, fresh agricultural products, tourism which require convenient and reliable transport system like the railway.

And also, establishment and operationalisation of One stop border posts; currently many border posts are operating at less than average percentage due to under staffing, inadequate building facilities and equipment required. For example, the Saum-Kitale border post, Mulwanda border post which were to be commissioned a few years ago are not yet fully operational just like many other border posts, yet, these are crucial in movement of goods, services and people across member states.

Delayed Payment of the former workers of the defunct East African Community

The Ministry of Public Service indicate that there were 9283 employees of the defunct EAC in total, out of which 355 qualified to be on the Ministry's pension payroll by July 2024 after verifying that they had worked for ten (10) years with the Community. The bureaucracy and snail speed in the verification process is unprecedented; 1027 files were compiled by July 2024 and submitted to Internal Auditor General for audit, another batch of 484 was submitted as well but all those files are still pending payment. Only 1,963 out of 9283 claimants had been paid by end of 2024 since 1977; this is very unfortunate and disheartening, these former workers are aged and frail, languishing in poverty and a number of them has died without enjoying their benefits.

Proposed Budget Allocation for MEACA FY 2025/26

Table 1.[226]

Billion Uganda Shillings		**BFP Proposed BUD FY 2025/26**
Recurrent	Wage	0.965
	Non-wage	17.797
Dev.	GoU	0.093
	Ext. Fin	0
GoU Total		**18.855**
Total GoU + Ext. Fin		18.855

The extreme budget cuts for the ministry for this financial year 2025/26 of over 50% from 41Bn FY 2024/25 to 18.8 Bn FY 2025/26 is unrealistic and it is most likely to cause a huge decline in the operations and perfomance of the Ministry.

This is also going to affect the payment of arrears of the former employees of the defunct EAC since this budget didnot allocate any funds on the same, UGX 1,774,377,766 is required to pay the verified claimants but this will not be possible again in this finacial year.

Proposed Alternatives/ Funding Priorities

1. **Enhance awareness of the EAC integration and increase its visibility among Ugandans.**

This will enlighten Ugandans on the business opportunities created by the integration, markets and other benefits depending on the creativity of the citizens. The following awareness activities will go a long way in sensitizing Ugandans about EAC integration and its agenda.

i. Kiswahili language should be popularized in schools and all government institutions as a way of integrating and unifying communities and also to facilitate trade.

ii. Creation of business associations bringing together traders from EAC to brain storm on the potential and available opportunities, organizing

[226] BFP FY 2025/26

exhibitions and trade fairs for small and large scale entrepreneurs, manufacturers, farmers, service suppliers etc.

iii. Organize trainings for traders, manufacturers and other business people country wide on the required qualities and standards of goods and services for the market, how to add value on their products, package, preserve and market them in the EAC market.

iv. Organize EAC cultural exhibitions, sports galas and other social activities bringing member states together to show case their talents, values and abilities, this will ease the integration since people from member states will appreciate the ways of life of others and work with them harmoniously.

2. Advocate for the establishment of strong implementation, monitoring and evaluation mechanisms on good governance in the EAC. This will be achieved by;

Empowering the East African Court of Justice (EACJ) to make it a strong independent regional institution that guarantees compliance on agreed regional standards, laws and good governance including extending the jurisdiction to cover human rights abuses among member states.

Harmonization of member states or political confederation constitution to also include presidential age and term limits, election and electoral processes and cycle management. The political confederation is the 4th of the Integration pillars of the EAC preceded by Customs Union, Common Market and Monetary Union respectively and they are to be achieved in a phased manner, however, pertinent governance mile stones have to be met in member states to level the ground for a political confederation.

These will avert the fear from partner states that poor governance practices such as corruption, human rights abuse, failure to observe rule of law and constitutionalism from a particular member state will spillover to them which may antagonize the integration.

3. Ensure access to modern, fast and affordable infrastructure that is essential for economic integration.

MEACA should advocate for and coordinate the processes of Investing significantly in an integrated and interoperable transport infrastructure to facilitate evacuation of goods from the production areas to collection and processing centres and to the market in the EAC partner states. The Northern Corridor transport infrastructure projects, road and railway projects to the neighbouring countries of DRC and South Sudan as well as the maritime Silk Road initiative.

EAC needs to pick a leaf from SADCA (Southern African Development Community Cooperation in Accreditation) infrastructure projects where these countries collectively invest in Road, Railway, Water and Air transport in a selected part of the region to enhance the transport network in the region.

Integrated transport infrastructure and services contribute to the opportunities in agriculture, tourism and minerals which also facilitates EAC integration.

4. Implementation of customs union and common markets protocol.

These are the primary integral pillars of the EAC, the integration is almost non-existent if these are not operational. They provide for adoption of uniform, comprehensive and systematic tariff classification of goods, standard system of valuation of goods based on principles of equity[227], establishing common terms and conditions governing temporary importation, re-exportation of good and their transit to ease cross border trade and movement of goods, services, people, capital and investment within partner states[228].

MEACA should coordinate the implementation of the customs union protocol on all EAC boarder and common markets which will open up and also widen the market created by the integration. It should also devise and advocate for sanctions and punitive actions towards non- compliance to EAC protocols and policies.

If the common markets and customs union protocol are operational, there will be harmony in policies and their implementations. This will increase trade and widen markets within the EAC, What's more, a successful EAC would help integrate significant informal trade into the formal sector and drive the development of regional value chain. This will also create more potential advantages, such as EAC being a greater pull for foreign direct investment and having a significant bargaining power by leveraging a population of about 283.7m and a combined GDP of $305.3bn.[229]

5. Advocate for and coordinate the implementation of the EAC protocol on peace and security.

Article 11(2) of the Treaty establishing EAC provides for the review of the state of peace, security and good governance within the Community at each

[227] PROTOCOL ON THE ESTABLISHMENT OF THE EAST AFRICAN CUSTOMS UNION
[228] PROTOCOL ON THE ESTABLISHMENT OF THE EAST AFRICAN COMMUNITY COMMON MARKET
[229] East African Community.

Summit sitting[230]. This should be adhered to and reports shared with the stakeholders.

I. MEACA should also advocate for cooperation between partner states' boarder agencies through binding agreements and also the creation of professional Joint forces at entry points to all partner states and on the roads, with joint patrols operating in the area to curb border conflicts, smuggling and murder of traders or suspects.

II. Customs department should be empowered to handle both security and economic issues, better yet, border cooperation in terms of civil or paramilitary services (such as customs, police, border guards, health and sanitary services) will be advocated for by MEACA in Regional engagements.

With safety of people and goods in member states, there will be strengthened support in the integration process and enhanced social and economic development in the region, it will also promote good neighborliness.

6. Protocol on standardization, quality assurance, metrology and testing to be operationalized.

This protocol provides for a common and acceptable standard and quality of goods and services required on the EAC market putting in mind their effect on health, safety and environment[231]. Operationalizing this protocol will enable Ugandan products meet the standards and quality of goods required on the EAC Market to avoid being rejected by particular partner state.

MEACA should advocate for the establishment and equipping of laboratories in all major border posts and also empower Agricultural Officers to be able to issue Agricultural export certificates. Construct Quality control infrastructure for handling agricultural exports at inspection points (National Agricultural Food Safety Laboratory & Support Centre, Export Animal Quarantine Holding ground and Abattoir Facilities, Land Border Quarantine Stations, Land Border Export Inspection facilities.

Government should avail funds for establishing training institutions on qualities and standards required, training stakeholders, enforcing the protocol, and monitoring the progress

Fast track the payment of former employees of the defunct EAC.

[230] TREATY ESTABLISHING THE EAST AFRICAN COMMUNITY

[231] Protocol on Standardization, Quality Assurance, Metrology and Testing

Since the delays in payment of the claimants is as a result of bureaucracy stemming from several players handling the verification exercise; that is to say Public Service, MEACA, Office of the Administrator General. This process should be decentralized and taken up by MEACA to avoid the back and forth of files from all the mentioned entities. Ministry of Public Service should transfer all the details to MEACA so that it handles the verification and other processes from one place to eliminate delays and blame games.

With files in one place, the processes, decisions will be clear and fast enabling the poor, old and frail former workers get their benefits before they all die.

Conclusion.

Since the Ministry of East African Community Affairs is mandated to steer and push Uganda's interests to gain from the East African Community integration, it is important that the protocols established to guide the integration are observed by Uganda and also encourage other partner states to adhere to them. Further to note, for Ugandans to meaningfully gain from the EAC integration, they need to be extensively informed about the integration, its opportunities, benefits, laws and policies.

CHAPTER EIGHT: TOURISM, WILDLIFE, AND ANTIQUITIES

Executive Summary

The Alternative Policy Statement for Tourism, Wildlife, and Antiquities is presented under the constitutional mandate of Article 82(A) of the Constitution of the Republic of Uganda (1995, as amended), alongside Section 6E(4) of the Administration of Parliament Act and Rules 14(4) and 147 of the Rules of Procedure of Parliament. This document provides a comprehensive analysis of the sector, outlines the Opposition's strategic objectives, identifies funding priorities for the Financial Year 2025/26, and defines the expected outcomes.

Despite Uganda's recognition as one of Africa's premier tourist destinations, the sector continues to underperform relative to its regional peers. Tourist numbers remain low, and the average length of stay is disappointingly short, significantly reducing potential revenue. The root causes of these challenges are multifaceted, including an over-reliance on a limited range of tourism products, ineffective marketing strategies, dilapidated infrastructure, substandard service quality, and prohibitively high accommodation costs.

The Tourism, Wildlife, and Antiquities sector stands as Uganda's highest foreign exchange earner and offers one of the most favorable returns on investment. Paradoxically, it remains among the most underfunded sectors in the national budget. This alternative budget seeks to rectify this imbalance by proposing targeted interventions that will unlock the sector's full potential, stimulate economic revival, and generate the necessary revenue to support broader national development goals.

Introduction

The constitutional foundation for this alternative budget is anchored in Article 40(2) of the Constitution of Uganda, which guarantees every citizen the right to engage in lawful professions, trades, and businesses. This right is further reinforced by Article 8A and the National Objectives IX, XI, and XII, which collectively emphasize the state's role in fostering balanced and equitable development.

Uganda's tourism sector has garnered international acclaim, most notably being ranked among Africa's top 10 tourist destinations by the World Travel Awards in 2023 and receiving the prestigious title of Africa's Leading Tourist Destination that same year. However, these accolades have not translated into proportional tourist arrivals or extended stays. The persistent gap between Uganda's tourism potential and its actual performance stems from systemic issues such as inadequate diversification of tourism offerings, weak promotional strategies, poor infrastructure, and a lack of investment in service quality.

This alternative budget is designed to address these shortcomings by revitalizing the sector, thereby enhancing its contribution to the national economy and improving the livelihoods of Ugandans. It is presented in accordance with constitutional provisions and parliamentary procedures, reflecting the Opposition's commitment to sustainable and inclusive growth.

Methodology

The formulation of these alternatives was informed by a rigorous and multi-faceted approach. Primary guidance was drawn from the National Unity Platform (NUP) Manifesto, alongside manifestos of other Opposition political parties, ensuring alignment with broader opposition priorities. The Opposition Legislative Agenda provided a strategic framework, while responses to the Charter for Fiscal Responsibility and the Budget Framework Paper offered critical insights into fiscal policy and resource allocation.

Additionally, previous alternative Policy Statements were reviewed to build on past recommendations and avoid redundancy. This methodology ensured that the budget is grounded in evidence, responsive to current challenges, and reflective of the Opposition's vision for the sector.

Situation Analysis

Uganda's tourism sector stands at a critical crossroads, with immense potential being undermined by systemic failures in governance and resource allocation. While international recognition such as the World Travel Awards 2023 ranking, positions Uganda among Africa's top destinations, the reality on the ground tells a different story. The sector's contribution of UGX 2.7 trillion (4.7% of GDP) in 2023, as reported by UBOS, represents just a fraction of what could be achieved with proper management and investment.

The sector suffers from chronic underfunding that borders on negligence. With only UGX 175.98 billion allocated for FY 2025/26 - a shocking 41% reduction from previous years and less than half the UGX 464 billion required under NDPIII targets - our national parks and tourism infrastructure are being starved of essential resources. This financial strangulation has created a crisis in wildlife protection, with the Uganda Wildlife Authority's 2023 report showing a 15% decline in elephant populations over five years, while underpaid rangers struggle against well-equipped poaching networks.

Corruption has become institutionalized within the sector, with the Auditor General's 2023 report exposing UGX 28 billion in mismanaged funds, including numerous ghost projects in park infrastructure development. These stolen funds could have transformed our tourism offerings, yet instead, we see deteriorating access roads to prime destinations like Bwindi and Kidepo. The UBOS 2024 Transport Sector Report confirms that 60% of critical tourism routes remain in deplorable condition, effectively locking out potential visitors during rainy seasons and compromising emergency access.

Our tourism strategy remains dangerously unbalanced, over-relying on gorilla trekking while neglecting other world-class attractions. This lack of diversification, highlighted in the Ministry of Tourism's performance reports, leaves the sector vulnerable to external shocks and fails to maximize Uganda's full tourism potential.

Meanwhile, the current revenue-sharing model, which returns only 20% of park income to local communities according to Auditor General findings, fuels resentment and human-wildlife conflicts, undermining the very foundation of sustainable tourism.

Alternative Priorities and Policy Recommendations

To address these challenges, the Opposition proposes a series of strategic interventions designed to revitalize the tourism sector and maximize its economic potential.

Tourism Marketing and Promotion

Effective marketing is the cornerstone of a thriving tourism industry. Uganda's global visibility as a tourist destination lags behind regional competitors such as Rwanda and Kenya, despite offering equally compelling attractions. To bridge this gap, the Opposition advocates for a significant increase in funding for international and domestic tourism campaigns. These campaigns should leverage digital platforms, social media influencers, and partnerships with global travel agencies to showcase Uganda's unique offerings, including gorilla trekking, wildlife safaris, and cultural heritage.

Public-private partnerships present a viable alternative to sole reliance on government funding. Collaborations with airlines, hotels, and tour operators could co-finance promotional activities, while regional partnerships with Kenya and Tanzania could position East Africa as a unified multi-destination circuit. Domestic tourism should also be prioritized through initiatives such as subsidized travel vouchers and discounted park fees for Ugandan citizens, fostering national pride and stimulating local demand.

Infrastructure Development

The deplorable state of infrastructure in key tourist destinations remains a significant deterrent to growth. Poor road networks, inadequate airstrips, and unreliable utilities not only discourage visitors but also inflate operational costs for tourism businesses. The Opposition calls for immediate upgrades to critical infrastructure, including the rehabilitation of roads leading to national parks and the modernization of airstrips to facilitate easier access.

Innovative financing mechanisms, such as a tourism development levy on hotel bookings and park entries, could generate dedicated revenue for infrastructure projects. Additionally, concessional loans from international development banks, such as the African Development Bank, could be secured to fund large-scale improvements. Engaging local communities in infrastructure maintenance programs would ensure sustainability while creating employment opportunities.

Conservation and Wildlife Protection

Uganda's rich biodiversity is the bedrock of its tourism appeal, yet it faces escalating threats from poaching, habitat destruction, and climate change.

Strengthening anti-poaching units, restoring degraded ecosystems, and establishing wildlife corridors are imperative to safeguarding these natural assets.

The Opposition proposes innovative financing solutions, such as wildlife bonds, which would attract private investment in conservation by linking returns to future tourism revenues. Corporate sponsorships could also play a pivotal role, with businesses adopting parks or funding specific conservation projects as part of their corporate social responsibility initiatives. Furthermore, tax incentives should be introduced for tourism operators that adhere to eco-friendly practices, promoting sustainability across the sector.

Community-Based Tourism

Local communities must be at the heart of Uganda's tourism strategy. Current revenue-sharing models are grossly inadequate, with only 20% of park income reaching the communities that bear the brunt of human-wildlife conflicts. Empowering these communities through tourism-driven initiatives, such as cultural villages, homestays, and craft markets, would ensure equitable benefit-sharing and foster support for conservation efforts.

The establishment of tourism cooperatives, managed and operated by local communities, would enable direct revenue generation from lodges, guided tours, and souvenir sales. Government matching grants could further incentivize the development of community-based tourism projects, such as cultural festivals or guided nature walks. An online platform dedicated to marketing these experiences globally would attract niche travelers seeking authentic and immersive encounters.

Skills Development and Capacity Building

The quality of service in Uganda's tourism sector often falls short of international standards, undermining visitor satisfaction and repeat visits. Professional training for tour guides, hospitality staff, and conservation officers is essential to elevate service delivery and enhance Uganda's reputation as a world-class destination.

Collaborations between the tourism industry and academic institutions could establish certified training programs in hospitality and wildlife management. Apprenticeship schemes, requiring tour operators to hire and train a percentage of staff from local vocational schools, would ensure a steady pipeline of skilled workers. International exchange programs with leading safari destinations, such as South Africa or Kenya, could facilitate knowledge transfer and expose Ugandan professionals to global best practices.

Alternative Policies

1. **Increase Budgetary Allocation to Tourism Development**

Uganda's tourism sector receives significantly less funding compared to regional competitors like Kenya and Tanzania. Increasing the budget would improve conservation efforts, marketing, and infrastructure, positioning Uganda as a top safari and eco-tourism destination.

2. **Enhance International Marketing Strategies**

A stronger global marketing campaign—leveraging digital platforms, international travel fairs, and partnerships with airlines—can rebrand Uganda as a must-visit destination, boosting visitor numbers and foreign exchange earnings.

3. **Prioritize Infrastructure Investments**

Poor roads, limited airport connectivity, and inadequate facilities hinder tourism growth. Strategic investments in transport networks, hospitality services, and digital connectivity will enhance accessibility and visitor experiences.

4. **Incentivize Private Sector Investment in Sustainable Tourism**

Tax breaks, low-interest loans, and public-private partnerships (PPPs) can attract investors to eco-lodges, adventure tourism, and wildlife conservation projects, ensuring long-term sector growth.

5. **Strengthen Community Involvement in Tourism Benefits**

Revenue-sharing models, local employment quotas, and community-owned tourism enterprises ensure that nearby populations benefit economically, reducing conflicts and fostering support for conservation.

6. **Reform the Uganda Wildlife Authority (UWA)**

Corruption and inefficiency undermine wildlife protection and tourism revenue. Restructuring UWA with transparent governance, better funding, and performance-based management will improve service delivery and accountability.

7. **Reduce Bureaucratic Barriers in Tourism**

Simplifying business registration, licensing, and investment approvals will attract more entrepreneurs and investors, fostering innovation and competitiveness in Uganda's tourism industry.

Conclusion

Empowering local communities and prioritizing conservation will not only enhance Uganda's appeal but also ensure that tourism benefits are equitably shared. Ultimately, these strategies will position Uganda as a premier destination while safeguarding its natural and cultural heritage for future generations.

CHAPTER NINE: PUBLIC SERVICE AND LOCAL GOVERNMENT

9.1 Public Service

Executive Summary

In accordance with Rule 147 of the rules of procedure of the Parliament of Uganda, and Section 6E of the Administration of Parliament (Amendment) Act, 2006 which requires and empowers the various Shadow ministers to present alternative statements on the floor of the House for consideration and possible implementation, this Alternative Policy Statement is accordingly presented for the Public Service portfolio for FY 2025/26.

The Ministry of Public Service is mandated to among other things: develop, manage and supervise implementation of human resource policies, management systems, procedures and structures for Public Service. The ministry's vision is to create "A Public Service that is affordable, efficient and accountable in steering rapid economic growth and social transformation. Its Mission is "To provide human resource policies, management systems and structures for an effective and efficient Public Service that facilitates national development".[232]

The mandate of the Ministry of Public Service is implemented together with that of the Public Service Commission (PSC), whose specific mandate is to attract, recruit, develop, and retain an efficient and motivated workforce that is able deliver services. MoPS serves all ministries, departments, agencies and local governments. The quality of a country's Public Service reflects the kind of life a people live in a given society.[233]

The world is excessively competitive; it pays big for top brains and pays competitive wages. This explains the increasing brain drain of Ugandan experts especially in the medical field and academia that are taken to better paying countries to work. This, therefore, is an open threat and challenge that countries like Uganda are faced with and for which they must look out for solutions.

The District Service Commissions have turned into corruption hubs where jobs are sold to incompetent people[234]. There is therefore need to review and

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[232] Ministerial Policy Statement, FY 2024/25
[233] Open Public Services White Paper
[234] https://www.monitor.co.ug/News/National/District-Service-Commission-suspended-corruption-allegations/688334-5364182-sr80hsz/index.html; https://www.newvision.co.ug/new_vision/news/1503718/namisindwa-recruitment-exercise-marred-bribery-claims; https://www.monitor.co.ug/News/National/Sheema-service-commission-on-the-spot-over-corruption/688334-5429022-112esa4/index.html

streamline the appointment of commissioners and an immediate substitution of District Service Commission with a competent commission at the sub regional level. The current discriminative system in terms of remunerations encourages other civil servants to resort to stealing public funds 'officially' through dubious claims and projects while at the same time pretending to work.

Summary of Key Alternative policies:

1. **Establish and functionalize a National Salaries Review Commission** to harmonize salary disparities that have caused discord and demoralization among public servants
2. **Strengthen the District Service Commissions** by tightening recruitment and supervision of commissioners
3. **Strengthen performance in Public Service to remove role duplications**, such as the office of RDCs and their deputies.
4. **Automate and modernize management systems of government, such as pensions management systems,** to make business processes more efficient and more service friendly.
5. **Reduce the size of Parliament by 50% from the current 456 members** to make Parliament more cost-efficient.
6. **Abolish use of government vehicles and establish a vehicle hire purchase scheme for public servants**

1.0 Introduction

The authority to present the alternative policy statement is derived from Rule 147 of the rules of procedure of the Parliament of Uganda, and Section 6E of the Administration of Parliament (Amendment) Act, 2006 which require and empower the various Shadow ministers to present alternative policy statements on the floor of the House for consideration and possible implementation. Rule 147 of the rules of procedure of Parliament, 2022 allows the shadow ministers to submit their Alternative Policy Statements to Parliament by the 29th day of March every year.

Section 6E (1): *"The principal role of the Leader of the Opposition is to keep the government in check."* Section 6E (2) states: *"The Leader of the Opposition shall under subsection (1), in consultation with his or her party leadership appoint a Shadow cabinet from members of the opposition in Parliament with portfolios and functions that correspond to those of Cabinet Ministers."* Section 6E (4) states: *"The Leader of the Opposition (LoP) shall study all policy* *statements of government with his or her Shadow ministers and attend committee deliberations on policy issues and give their party's views and opinions and propose possible alternatives."*

Besides, the Republic of Uganda issued a guide[235] in 2013, on what policy is. It defined policy to mean a course or principle of action adopted or proposed by a government, party, business or individual. This guide was founded on and agrees with Thomas R. Dye who in 1995, in his *Understanding Public Policy,* summarized policy to mean *"whatever governments choose to do or not to do"*[236]

Alternative policy therefore, in this context, comprises of different actions, tools and measures, put together, which are capable of attaining specific policy outcomes[237].

Following the above frameworks, I submit this Alternative Policy Statement for the Public Service sector for FY 2025/26.

Strategic Importance of the Public Service Sector

World over, the strategic position and importance of Public Service ministry and its related institutions are central to social, economic and development needs of society. Most of the old democracies and economies rely on ethical traditions and efficiency, effectiveness, accountability, transparency and productivity to sustain and engineer social cohesion, economic prosperity and political stability in their countries.

They talk of public service traditions, values and ethos. These are intertwined with the values and aspirations of their societies as well as an industrial culture. In newly industrialized societies especially of eastern Asia such as South Korea, Japan, Singapore, Hong Kong, China, and several others, these form the main anchor in driving and modernizing their economies and advancing innovations. China's growth for example is attributed to the culture of putting the state above oneself[238].

These are accompanied by an enabling work environment, freedom to make decisions, good remunerations and incentives, equal opportunity, merit-based recruitment and transparent career progression, consensus between team building and team work, rewards/ recognition for excellence, and

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[235] The Republic of Uganda: A guide to policy development & management in Uganda, October 2013.

[236] Dye Thomas R (1995) Understanding Public Policy.

[237] Howlett & Rayner, 2013,

[238] https://www.tutor2u.net/geography/reference/factors-explaining-the-rapid-economic-growth-of-china-in-recent-decades

coalescence between political and bureaucratic policy agenda and expected outcomes. Such an environment is a far cry from Uganda's Public Service under the partisan and discriminatory NRM regime.

A combination of these factors has facilitated rapid development in the newly industrialized Asian countries. Several studies have shown that the economic miracle was largely facilitated and enabled by bureaucratic technocracy, high ethical standards, hard work and devotion to development-oriented management. What the people of Asia have achieved in social-economic development since the 1980s should be of great lessons and inspiration to us[239].

Our Ministry of Public Service is mandated to provide strategic and managerial leadership on all matters of human resource in Uganda's Public Service. The ministry must make sure that there is effective and efficient service to the public through taking care of enabling policies, systems and structures. All these must focus on performance for national development and geared towards improving the quality of life of Ugandans.[240]

The role of every government is to serve the people they lead. MoPS is directly responsible for this because the Ministry's strategic objective is to enhance performance and accountability and strengthen management systems for efficiency of service delivery. Unfortunately, service delivery by the public service is rated so low. Findings of the study done by the very ministry indicated that public service delivery was rated at 47.4%[241].

The Ministry of Public Service is run under three directories which include Management Services, Inspection and Quality Assurance and Human Resource Management. All these three directories work with Public Service Commission (PSC) and the newly created Jinja-based Civil Service College to provide human resource policies, management systems and structures that are expected to facilitate efficient and effective Public Service performance for national development and improved quality of life in Uganda[242].

The ministry is geared towards attaining the core values of integrity, independence, confidentiality, merit, fairness and impartiality. It is directly aligned to NDP IV objective 4 whose aim is to increase productivity, inclusiveness and wellbeing of the people[243]. But looking deeply into the current situation of Public Service, the country has lost a lot of manpower to

[239] https://www.tutor2u.net/geography/reference/factors-explaining-the-rapid-economic-growth-of-china-in-recent-decades
[240] Ministry of public service: https://publicservice.go.ug/about-the-ministry
[241] Ministry of Public Service Strategic Plan; 2020/21 – 2024/25
[242] https://publicservice.go.ug/
[243] Ministry of Public Service Strategic Plan; 2020/21 – 2024/25

foreign countries due to the poor policies and remunerations that govern the sector[244].

For a country whose biggest manpower is youth and yet in its core development there is no focus on skilling this largest and more active section of the population to ensure sustainability, it is bound to face anarchy and chaos soon or later. Most of our educated youth are basically unemployable because they lack skills[245].

Overall Diagnostic Performance of the Sector

The analysis of this sector achievement is restricted to the major programmes implemented by the Ministry of Public Service, that is; Inspection and Quality Assurance, Management Services, Human Resource Management, Management Systems and Structures, Public Service Pensions (Statutory), Public Service Pensions Reform and Policy, Planning and Support services and those programmes implemented by the Public Service Commission – Public Service selection and recruitment.

The wage of *Medium Term Expenditure Framework* programme (MTEF) for FY2025/26 is similar to that of FY2024/25 and yet there is a government commitment to implement phase two of the pay enhancement policy.[246]

The Ministry of Public Service supervises the public service delivery systems as they relate to human resources and management in the service delivery sectors. The NRM regime set out an ambitious target of a middle income country by 2020. To achieve this together with the objectives of Vision 2040, it required a major shift in the way the public service conducts business. Public officers need to be extraordinary, be conscious of putting the people first, be innovative and critically steer public institutions to greater heights than what is currently being done.

In fact, when one visits any public office either in Kampala or upcountry, it is clear that very little is going on there. Absenteeism and lethargy are common among staff. This is compounded by lack of tools to work due to poor funding.

Critical staffing posts in LGs: To date, a number of critical positions in most local governments are still vacant. These include heads of department, heads of procurement unit, internal auditors, sub-county chiefs, town clerks for town councils and parish chiefs.

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[244] https://www.newvision.co.ug/new_vision/news/1160562/brain-drain-hits-uganda

[245] National Development Plan III,

[246] Budget Framework Paper for FY 2025/26

Whereas the policy on decentralization is desired, good and fully supported, it is unfortunate that some district leaders have manipulated to serve their nepotism, corruption and sectarianism tendencies where they want to recruit their own people or those who pay for their way in at the expense of merit and service delivery[247]. Another sad thing is that a significant number of district leaders prefer to maintain officers in acting capacity so as to keep them paying political allegiance to the regime.

To minimize these abuses, Public Service Commission should be restructured and decentralized to regions instead of districts as it is the case presently. Regional PSCs should recruit for districts. Meanwhile, accounting officers who fail to recruit staff when the wage bill is provided should be held to account and be penalized.

Budget Analysis

Table showing the budget allocation for the Public Service sector from FY 2019/20-2020/21

Billion Uganda shillings	**2024/2025**			**2025/2026**		
Programme Service	**UGX**	**% TSB**	**% TNB**	**UGX**	**% TSB**	**%TNB**
Vote 005: Ministry of Public Service	31.315	78.0%	0.1%	31.315	78.0 %	0.1%
Vote 146: Public Service Commission	8.86	22.0%	0.0%	8.857	22.0 %	0.0%
Total Sector Budget (TSB)	**40.172**		**0.1%**	**40.17**		**0.1%**
Total National Budget (TNB)	**39,837.30**			**36,221.66**		

Source: Analysis of data from Budget Framework Paper and sector Ministerial Policy Statement for FY 2025/26

From the above, sector received UGX 40.17 billion as allocation for FY 2025/26, quite similar to what was allocated to it FY 2015/26 in which it received UGX 40.172 billion shillings.

It's generally clear that this is one of the underfunded sectors as it takes only 0.1% of the TNB. With this kind of budget, the officers in Public service have

[247] www.monitor.co.ug/News/National/Sheema-service-commission-on-the-spot-over-corruption/688334-5429022-112esa4/index.html

remained with very poor and low motivation, leading to a poor work culture, poor performance practices which continues to affect the Public service sector in Uganda

The meagre budget does not allow the Public service to advertise and fill empty work positions, meaning that the delivery of services remains hampered. It's not advisable for example to just recruit without an allocation for payment of salaries. Several sectors remain understaffed within the public service, leaving the country underserved[248].

Only approximately 1% of the sector budget is put to development of sector. This means that the officers in this sector receive so little in regard to R&D and training which really affects their quality and delivery at work. Because of the poor pay and low motivation in the sector, there are high levels of corruption in Public Service[249]. Like we noted, there is very little salary enhancement in the sector and as such, public officers are aid very little as compared to other officers who work say in other government authorities like KCCA, or URA.

This meagre allocation to the sector also affects the payment of gratuity, and many people who worked for public service end up even dying without accessing their gratuity and pensions. The Auditor General, once noted about the public service sector, that "*as a country, we have failed the hard working men and women who gave their all in service of this country. We have failed them because some retire to nothing, simply because government and the ministry of public service has messed up their pension*"

As a country, we need to focus on how we better our public service, to regain the integrity it used to have. People have to feel proud again in working for the PS, failure of which, our people cannot get better services as corruption will be the order of the day because of low pay and lack of motivation at the places of work. There is need to invest more money in this sector to settle its unfunded priorities as set out in the MPS 2025/26.

Performance of the Social Contract

This section examines the various commitments that the current government has made to the people of Uganda through mediums such as the NRM election manifesto, National Development Plan and other representations and commitments.

The members of the Public Sector Management are responsible for spearheading and managing reforms in government, managing talent as well

[248] https://ugandaradionetwork.com/story/understaffed-govt-agencies-limiting-service-delivery
[249] https://www.academia.edu/31402328/Corruption_and_Service_Delivery_in_Public_Sector_of_Uganda_Causes_and_Consequences

as coordinating resources and information flow in the public sector. Much as the ministry successfully implemented a number of reforms, program and strategies for improving service delivery, it is still constrained by strategic coordination issues, decentralization challenges and a perceived slow and non-responsive public service system, among other challenges[250].

In an effort to increase public service efficiency in implementation of policies and program, the government promised to implement reforms in areas of; pay reform (competitive pay), performance contracts for heads of MDAs and LGs (contracts to include NDP-IV sector targets and results), and establishing an incentive and punishment system for best performing institutions/ individuals and nonperformers respectively. They have done very little on their promises to date.

Discriminatory remunerations. Besides Public Service pay being low, it is apparent that there are gross discrepancies in the pay levels across traditional public service ministries, departments and agencies. This is a serious de-motivator for the public servant in the traditional public service institutions[251]. The argument advanced for this discrepancy is that selective pay is necessary for certain categories of staff in particular institutions.

However, it should be noted that the efficiency of institutions such as the Auditor General or the Judiciary depend on the entire civil service infrastructure. For example, the efficiency and effectiveness of Prosecutors (judicial officers) depend on the Police who carry out investigations yet, the latter are poorly paid. It is therefore not surprising that the police officers have been reported among the most corrupt public servants. This undesired current situation is causing job preferences within the same sector leading to demotivation of those who cannot access the juicy paying job positions in the same sector.

Automate Government operating systems. Government has failed to automate operating systems in its ambitious e-Government plans. Public Service delivery remains largely under the grip of cumbersome systems that increases the cost of Public Services. Several times, Government targeted to reduce the cumbersome systems but has failed where it has remained at 40% since 2020. This is evidence of failure to fully have automated Government operating systems interconnected. Information technology also provides opportunities for self-service which greatly reduces cost of accessing service. Officers are also able to work away from station using Information technology.

[250] MoPS, BFP 2025/26

[251] https://www.monitor.co.ug/News/National/Salary-disparity-sparks-rage-among-civil-servants/688334-5299064-148genhz/index.html

Thousands of unfilled positions. The NRM regime runs on a Public Service with acute staffing levels in MDAs and LGs which is disheartening Currently, there is a huge staffing gap of over 295,000 positions in the Public Service[252]. This huge staffing gap creates heavy work overload on the few existing staff, limits the ability of the public entities to effectively deliver and achieve their mandate. There is also a risk that optimum output is not achieved, which may affect the quality of service delivery.

Weak District Service Commissions. The Government has failed to put in place competent commissioners, particularly the District Service Commissions to address the tasks they are mandated to undertake. DSCs are non-existent in some districts or are not fully constituted or non-functional. This has been compounded by the fact that in many districts, decentralization has been misconstrued to mean localization. Most DSCs are composed of exclusively local residents with a preference of recruiting "children of the soil" but who can pay for their position regardless of the required competences[253]. It is therefore, not surprising that many vacancies in the LGs remain vacant and drastically affecting the quality of Service Delivery.

But we should also bear in mind that service delivery is equally impaired by lack of funds for service inputs and development projects.

Key Alternative Policies and Justification

Good public services are one of the foundation stones of a civilized society. As citizens and taxpayers, we rely on the Police to patrol our streets to deter crime, to protect our lives and property. If we get seriously injured, we expect a good ambulance to come when we call for emergency assistance. When we take our children to school, we look to teachers to pass on to them the best of human knowledge. Good public services are an essential part of everyday life, and being able to access those services is one of the most basic requirements that we, as citizens, demand from government in return for our taxes. Social services are the main reason citizens, without any exception, pay taxes.

Our policy alternatives are directly and variously derived from election manifestos of the Opposition Political Parties advanced in the previous elections. They are also informed by our analytical review of this sector, drawing from the lessons and challenges emerging therefrom, and best practices from other similar jurisdictions.

[252] www. Monitor.co.ug/Over 295,000 public jobs vacant – report

We, the Alternative Government, will therefore do the following:

Establish and operationalize a National Salaries Review Commission to harmonize salary disparities that have caused discord and demoralization among public servants

There are several discrepancies in salaries of public servants in the country that has turned out to be one of the leading sources of staff demotivation. There is therefore, urgent need to establish the National Salaries Review Commission and charge it with the duty of addressing the issue of distortions in pay among all public institutions. The Commission's first task should be to review terms of service and salaries and wages across the service and ensure that the set guidelines are complied with. It is critical that the Public Service remuneration structure is administered on the principle of "Equal pay for work of Equal Value".

The Commission will also address the annoying salary arrears and ever delayed pensions for traditional public servants, soldiers, police and teachers that accumulate resulting from poor planning projections, poor records and data management and incorrect figures on the number of staff.

Strengthen the District Service Commissions by tightening recruitment and supervision of commissioners

We need to amend Article 198 of the Constitution to deal with the inadequacy of the District Service Commission. Recruitment and promotions have so far been politicized, and infested with corruption tendencies. Without a "kaki envelop" (bribe) or political connections, today, one cannot get a government job or get promoted in most districts. This has condemned the youth from poor families to permanent unemployment and at the same time turned public service to be a preserve of children of the rich and those from families of NRM members.

We will, therefore, streamline the appointment of commissioners to ensure only people of integrity sit on it, rather than the current way where it is used by the district chairman to reward political loyalty. Further, there will more effective central supervision of the district service commission to ensure it operates above board and sticks to the rules.

Strengthen performance in Public Service to remove role duplications, such as the office of RDC.

The NRM government has failed to restructure and reduce the size of government. Instead it continues to expand the size of government and hence unnecessarily increasing the cost of Public Administration mainly for the purpose of renting votes.

A huge government created for patronage politics has distorted and undermined Public Service delivery as it is costly and does not consider merit. The big government also causes poor remuneration in the Public Service sector and duplication of roles and responsibilities amongst MDAs. It undermines efficiency and service delivery

There is therefore need for a comprehensive restructuring of Public Sector to remove mandate overlap and create efficiency and cut down the cost of Public Administration[254]. A good example of overlap and duplication of duties is the office of the Resident District Commissioner (RDC) and that of the Chief Administrative Officer (CAO) both of whom are sent by Central government

Automate and modernize management systems of government, such as pensions management systems, to make business processes more efficient and more service friendly.

Government of Uganda is still lagging behind in Information and Communication Technology application. Under the National Development Plan (NDP II), the promise to automate government processes as enshrined under the e-government initiative has not been implemented fully because there is still acute shortage of IT equipment such as computers, printers, photocopiers, and skilled manpower.

In addition, most local governments lack internet connectivity and reliable networks. Some districts officials have to travel to the center (Kampala) or in some instances sub regional offices to beg and input their data into the IPPS at the MoPS. This creates gaps and delays in submitting and processing pay change reports, preliminary payrolls and other documents to the center.

Establishment of adequate ICT infrastructure across the country to interconnect the Public Service operating systems is of great necessity and urgency. Availability of broadband network across the country is a critical component to achieve greater adoption of online multimedia and Internet-based applications for better service delivery.

Automated business processes will reduce red tape, the cost of doing business in Public Service and therefore reduce corruption. All files and ages of public servants about to reach retirement should be streamlined and timely

[254] National Unity Platform Manifesto 2021 – 2026 FDC

notifications (by sms) both to the ministry and persons about to retire be given to enable better planning on both sides.

Reduce the size of Parliament by 50%.

With the current number of 529 MPs, Uganda's Parliament is unnecessarily big[255]. India, with a population of 1.38 billion people has a total of 552 Members of Parliament[256], with each Member representing approximately 2.5 million people. China, with the largest Parliament of 2,980 legislators in the entire world has a population of about 1.439 billion people, with each legislator represents an approximately 482,000 people. Nigeria, with a population of about 206 million people has 360 Members of Parliament, meaning that each legislator represents approximately 570,000 people.

Uganda, on the other hand, with a population of 48.66 million[257] people, has over 529[258] Members of Parliament, with each MP representing approximately meaning that every legislator represents only 91,984 people. A leaner House would maximize member contribution to debates, as well as ensure more effective representation.

Furthermore, we also strongly propose that cabinet ministers should not be MPs and in case an MP is appointed to cabinet, she or he should resign their seats before taking over the cabinet positions.

We further propose that each district is represented in Parliament by a woman and a man. Or an MP should represent at least 200,000 people while taking into account the size of the constituency and development of the infrastructure therein.

These measures will achieve a reduction of the size of Parliament by 50% from the current 529 Members of Parliament.

The legislature is also expected to do oversight and carry out checks and balances on the Executive. It is therefore difficult for MPs who are also ministers to superintend over the affairs of the state and at the same time do checks and balances on themselves.

Replace purchase and use of government vehicles with a vehicle hire purchase scheme for public servants.

The current Government continues to waste a lot of tax payers' money on a huge government fleet this is in terms of actual vehicle purchase,

[255] https://www.parliament.go.ug/page/composition-parliament
[256] https://worldometers.info>world-population
[257] https://worldpopulationreview.com/countries/uganda-population/
[258] https://www.parliament.go.ug/find-an-mp

maintenance costs, fuel costs and other forms of wastage. Our Government would rationalize the use of government vehicles by cutting down on the vehicle fleet and restricting the level of officials that will be provided with official vehicles and establish vehicle hire purchase schemes for Public Servants. This measure will contribute to saving the tax payers from inflated vehicle maintenance costs, fuel costs and other forms of wastage.

Annex 1 presents a summary of our key alternative policies, benefits therefrom and the impact of not implementing the policy alternative.

Conclusion

Though, there is no single model of public management that offers a magic bullet to deep-set problems of public administration in any country, government should appreciate the strategic importance of Public Service in revolutionizing and accelerating growth in the GDP. It is the reason that government should invest more in reforming the Public Service Sector, through giving it sufficient funding for effective service delivery.

Annex 1: Summary of Key Alternative Policies

SECTOR AREA	ALTERNATIVE POLICY	BENEFITS/ANTICIPATED IMPACT/ JUSTIFICATION	IMPACT OF NOT DOING
Executive and Legislative	Establish a national salary review commission and/board	Reduce the huge salary and remuneration discrepancies within public service employees and thus motivate the discriminated employees	Demotivated public service will continue to slow growth and development of the country.
Administration	Strengthen the District Service Commissions by tightening recruitment and supervision of commissioners	Reduce on corruption during recruitment of staff Efficiency in the service commission Fair promotion hence a motivation to hard work Improved Human resource management	Continuous low value for money due to recruitment of less knowledgeable staff Continuous unfair promotions Politicization of the recruitment exercise
Administration	Restructure government and re-organise public service in terms of roles, responsibilities, culture, performance incentives, outcomes, values and reputation among others	Remove mandate overlaps Create efficiency Cut down the cost of public administration Lean government Reduce wage bill Stop power fights that come with duplicated roles	Duplication of roles and wastage of resources on redundant manpower Bloated inefficient and expensive public service Poor remuneration Increased cost of public administration
Administration	Automate and Modernize	Efficiency in all public service processes	Continuous corruption as a result of duplicate

SECTOR AREA	ALTERNATIVE POLICY	BENEFITS/ANTICIPATED IMPACT/ JUSTIFICATION	IMPACT OF NOT DOING
	Performance and Management systems of the entire government	Reduce wage bill that comes as a result of duplication Easy monitoring of all staff and payment processes Reduce corruption	payments Slow business processes leading to delayed salary payments
Executive and Legislative	Undertake reforms to reduce the size of parliament from the current 529 to not more than 260 MPs Reduce cabinet positions to 21 as recommended by the constitution	Substantive contributions to debates in the House amounting to effective legislation Reduced burden on the tax payer by lowering the cost of public administration Small government Streamlined and effective government Effective supervision of junior cadres Improved and efficient service delivery	Large house with little value High maintenance cost Breakdown in institutions Great inefficiency in public administration budgets

9.2 Local Government

Executive Summary

In accordance with Rule 147 of the rules of procedure of the Parliament of Uganda, and Section 6E of the Administration of Parliament (Amendment) Act, 2006 which requires and empowers the various Shadow ministers to present alternative statements on the floor of the House for consideration and possible implementation, this alternative policy statement is accordingly presented for the Local Government portfolio for FY 2025/2026.

Uganda's decentralization policy aims, among other things, to deepen democratization, transparency and accountability in Local Governments (LGs), and to enable Ugandans determine their local service delivery and development priorities in a satisfactory and efficient manner. The other principle behind the policy is the commitment to build capacity of local government councils for efficient and effective service delivery.

The Ministry of Local Government (MoLG) plays a significant role in the management of government transfers of funds to LGs and monitoring the implementation of programmes under LGs. It also conducts annual LG assessments, mentoring and capacity building of LGs, advising Ministry of Finance, Planning and Economic Development (MoFPED) on local development grants allocations and releases to LGs, as well as coordinating donor support to LGs.

Local Governments are mandated to play an important role in facilitating and creating an enabling environment for the various public and private stakeholders to deliver devolved services.

Article 176(1) of the Constitution of Uganda provides that *"The system of local government in Uganda shall be based on the district as a unit under which there shall be such lower local governments and administrative units as Parliament may by law provide"*.

LGs continue to be one of the main institutional movers of development in Uganda and their importance and impact on the daily life of citizens cannot be over-emphasized. The standard of living of Ugandans in rural and urban areas is inevitably affected by Local Government activities through the provision or non-provision of basic services such as water supply, roads, health and education. Owing to the responsibilities placed on Local Governments, there is need for adequate financing at this level of government.

In the next sections, this Alternative Policy Statement considers in more depth the legal mandates of the Opposition in Parliament to present this statement, the strategic importance of this sector, its performance over the recent years, the performance of the current government on its social contract with the people of Uganda, and presents our alternative policy positions and justifications. The key policy alternatives are then summarized in Annex 1

Introduction

The authority to present the alternative policy statement is derived from Rule 147 of the rules of procedure of the Parliament of Uganda, and Section 6E of the Administration of Parliament (Amendment) Act, 2006 which require and empower the various Shadow ministers to present alternative policy statements on the floor of the House for consideration and possible implementation.

Rule 147 of the rules of procedure of Parliament, 2022 allows the shadow ministers to submit their Alternative Policy Statements to Parliament by the 29th day of March every year.

Section 6E (1): *"The principal role of the Leader of the Opposition is to keep the government in check."*

Section 6E (2) states: *"The Leader of the Opposition shall under subsection (1), in consultation with his or her party leadership appoint a Shadow cabinet from members of the opposition in Parliament with portfolios and functions that correspond to those of Cabinet Ministers."*

Section 6E (4) states: *"The Leader of the Opposition (LoP) shall study all policy statements of government with his or her Shadow ministers and* *attend committee deliberations on policy issues and give their party's views and opinions and propose possible alternatives."*

In accordance with the above frameworks, I submit this Alternative Ministerial Policy Statement to Parliament for the Local Government Sector 2025/2026.

According to the Republic of Uganda (2013)[259], "a policy is defined in the New Oxford Dictionary of English as: '*a course or principle of action adopted or proposed by a government, party, business or individual*'.

"*According to Thomas A. Birkland in an Introduction to the Policy Process (2001), there is a lack of consensus on the definition of public policy.*

"Birkland outlines a few definitions of ***public policy***[260]*: Outlines the definitions advanced by various authors;*

1. *Clarke E. Cochran, et al.: "The term public policy always refers to the actions of government and the intentions that determine those actions"*

i. Clarke E. Cochran, et al.: "Public policy is the outcome of the struggle in government over who gets what ".

ii. Thomas Dye: Public policy is "Whatever governments choose to do or not to do"

iii. Charles L. Cochran and Eloise F. Malone: "Public policy consists of political decisions for implementing programs to achieve societal goals".

iv. *B. Guy Peters: "Stated most simply, public policy is the sum of government activities, whether acting directly or through agents, as it has an influence on the life of citizens".*

Birkland concludes that the elements common to all definitions of ***public policy*** *are the following:*

[259] The Republic of Uganda: A guide to policy development & management in Uganda, October 2013.

[260] Ibid

- ✓ *The policy is made in the name of the "public"*
- ✓ *Policy is generally made or initiated by Government.*
- ✓ *Policy is interpreted and implemented by public or private actors.*
- ✓ *Policy is what the government intends to do.*
- ✓ *Policy is what the government chooses not to do"*

From this elaborate account, alternative policy in this context, therefore, is what the government-in-waiting would do, or choose not to do, if they were in charge of State affairs.

Strategic Importance of the Sector

The LG system is a creation of the Constitution of Uganda, which in Article 176(1) provides that *"The system of local government in Uganda shall be based on the district as a unit under which there shall be such lower local governments and administrative units as Parliament may by law provide"*. The fundamental legal basis for local governments and the rationale for their existence is stipulated in the National Objectives and Directive Principles of State Policy enshrined in our nation's Constitution. In this regard, the Constitution provides thus: "The State shall be based on democratic principles which empower and encourage the active participation of all citizens at all levels in their own governance. The Constitution further provides that "The State shall be guided by the principles of decentralization and devolution of governmental functions and powers to the people at appropriate levels where they can best manage and direct their own affairs.[261]"

These core principles are given life in Chapter 11 of the Constitution. The Constitution prescribes a set of principles that shall apply to the local government system established under this chapter. These principles are set out here below.

[261] Article 176(2) of the Constitution of the Republic of Uganda (1995)

In 1992 the policy of decentralization was developed and adopted with the main objective of deepening Uganda's democratization, enhancing transparency and accountability. It also intended to enable citizens to determine through consultation with their representatives at different levels their priorities for delivery of services. Although this was not intended to be full devolution of power as some of the authority over Local Governments still resides in the parent MoLGs, citizens have embraced it and are participating in the policy implementation through election of their representatives and determining their development plans. They have in effect had the opportunity to have their voices heard and this has the potential to contribute to a more organized citizenry.

Ever since then, Local Governments have pursued delivery of their mandate in an efficient manner, which has resulted into the policy significantly transforming rural and urban parts of the country in terms of mindset and actual physical development.

The MoLG and LGs have their roles clearly cut out. Whereas MoLG coordinates donor support, manages government fund transfers to LGs, monitors implementation of programmes, conducts annual LG assessments, mentors and builds capacity of LGs, monitors implementation of programmes under LGs, advises MoFPED on local development grants allocations and spending, the most vital role of LGs is to facilitate and create a conducive environment for public and private stakeholders so as to deliver efficient and effective services.

Based on the above mentioned provisions of the Constitution and the intention of Government through its various policy documents, it is therefore important to recognize that strong and functional Local Governments and the policy of decentralization are not simply matters of public policy but a constitutional commitment. When Government fails to honor the promise of the Constitution, it constitutes a breach of both the Constitution and public trust.

LGs continue to be one of the main institutional movers of development in Uganda and their importance and impact on the daily life of citizens cannot be over-emphasized. The standard of living of Ugandans either in rural or urban areas are inevitably affected by Local Government activities through the provision or non-provision of basic services such as water supply, roads, health and education, etc. Financing for LGs therefore remains the most critical policy issue in Local Government administration in Uganda. Owing to the development responsibilities placed on Local Governments; there is need for adequate financing for this level of government.[262]

Overall Diagnostic Performance of the Sector

The Constitution of the Republic of Uganda 1995 (as amended), and the Local Government Act (CAP243) devolved service delivery mandates to Local Governments (LGs).

In respect to this function, the LGs receive funding through Central Government grant transfers, local revenue collections, and in some cases borrowing and/or donations from development partners either directly or indirectly through the sectors. Central Government grants (transfers), constitute the major source of revenues to Local Governments.[263]

These transfers in accordance with Article 193 of the Constitution Mandate Central Government to provide grants falling under the following three categories:

(i) Unconditional grants which are the minimum grants paid to Local Governments to run decentralised services, calculated in a manner stipulated in the Constitution.

(ii) Conditional grants that are given to Local Governments to finance programmes agreed upon between the Central Government and the Local Governments, and shall be expended only for the purposes for which it was made and in accordance with the conditions agreed upon, and

[262] Review LGFC Report,

[263] Local Government Finance Commission Strategic Plan

(iii) Equalization grants paid to Local Governments for giving subsidies or making special provisions for the least developed districts, and are based on the degree to which a Local Government unit is lagging behind the national average standard for a particular service.

Under the law governing Local Governments the planning roles are assigned as follows:

"The district council shall be the planning authority of a district".

"The district planning authority shall, in addition to the procedures it establishes for itself, work according to the guidelines established by the National Planning Authority".

"The district council shall prepare a comprehensive and integrated development plan incorporating plans of lower level local

Governments for submission to the National Planning Authority, and lower level local governments shall prepare plans incorporating plans of lower councils in their respective areas of jurisdiction".[264]

To deliver on this mandate, the LGs prepare own development plans and budgets using the ceilings communicated in the BCC; mobilise locally generated revenues; and ensure proper utilization of the conditional, unconditional and equalization grants received from Central Government for improved service delivery.

According to Article 191 of the Constitution and Section 80 of the Local Government Act (CAP 243), LGs are required to prepare their own development plans and budgets, mobilize revenues locally to facilitate funding for recurrent and development expenditure for service delivery.[265]

LGs continue to be heavily reliant on the Central Government (CG) for funding. Grants from CG to LGs contribute over 85% of financing to LG budgets with more than 90% of this funding coming in form of conditional grants. This heavy reliance on the CG for financing has left LGs with very marginal opportunity for local fiscal autonomy and discretion in resource allocation decisions[266]. They find it hard to execute responsibility because all money collected by them is sent to the centre. Money sent from the centre is already allocated making it hard to have flexibility in execution of work that may not have been anticipated.

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264 The Local Government Act, 1992 (Cap 243) section 35(1), (2) and (3)

265 Review of Local Government Financing Report

266 LGFC, Review of Local Government Financing Report

Government has over the years created very many administrative units especially sub-counties and town councils, many of which have remained dysfunctional due to lack of funds for their operationalization. Even existing municipalities that submitted budgets had these cuts without any explanation from the centre, hindering service delivery.

Councilors are paid ex-gracia on a quarterly basis. Sending this money on a quarterly basis attracts a tax and yet this could be avoided if it was sent monthly because it would fall below the threshold. Remuneration of UGX 300,000 paid to LC-III chairpersons is very little compared to the task given to them. Only chairpersons of LC-I and LC-II are paid by government yet work is done by the entire village or parish committee. This breeds discontent and corruption as these committees find ways of paying themselves.

District Service Committees (DSC) are not facilitated to do their work yet some of them live very far from the district headquarters where they usually converge to carry out their work.

Budget Analysis

In FY 2025/26, the Ministry of Local Government has been allocated a total budget of UGX 174.707Bn. Of which;

a) Wage Bill: UGX 10.489Bn,

b) Non-Wage Recurrent: UGX 39.107Bn,

c) GoU Development: UGX 6.225Bn, and

d) External Financing: UGX 118.886Bn.

This reflects a UGX 53.834Bn reduction from the current FY 2024/25 allocation of

UGX 225.826Bn

Comparison between FY2024/25 and FY 2025/26 Budgets (UGX. Bn)

Budget category	**Approved Budget FY 2024/2025**	**Draft Budget FY 2025/2026**	**Change**
Wage	10.489	10.489	0
None – Wage	23.131	39.107	15.976
GOU – Dev't	10.885	6.225	-4.66

External Financing	181.321	118.886	-62.435
Arrears	0.237	0	-0.237
Total	226.06	174.707	-51.356

MPS – 2025/2026

Key Changes & Reasons

1. Increase in Non-Wage Recurrent Budget (UGX 15.976Bn)
   - UGX 12.5Bn for Parish Development Model (PDM) Supervision & Monitoring by the PDM Secretariat and Ministry Departments across all 176 Local Governments (LGs).
   - UGX 2.0Bn to support Property Valuations, Evaluation of Tax Administration, and Compliance Inspections in LGs to facilitate fair Taxation.
   - UGX 0.26Bn for supervision of market registration, verification, relocation, allocation, and administration in Urban Local Governments (ULGs).
   - UGX 1.214 Bn being additional provision for Pension (UGX 0.392Bn) and Gratuity (UGX 0.822Bn)
2. Reduction in GoU Development Budget (UGX 4.66Bn)

Funding for the Local Government Revenue Management Information System (LGRMIS) was removed following the adoption of the Integrated Revenue Administration System (IRAS) for Local Revenue Automation.

3. Reduction in External Financing (UGX 62.435Bn)
   - Budget for MATIP 3 project funding was removed by MoFPED pending approval of Project.
   - Funding (UGX 30Bn) for the National Oil Seeds Project was reduced by the (MoFPED) yet project has reached critical stage of implementation.
   - Declined funding to LEGs project as it undertakes Project closure activities.

Performance of the Social Contract

This section examines the various commitments that the current government has made to the people of Uganda through mediums such as the NRM election manifesto, National Development Plan and other representations and commitments, through which the public were made to believe that they had been offered a firm undertaking(s). The following key areas of the law and policies are pointers to the promises made to the people of Uganda by the regime in power:

- **Under the National Objectives and Directive Principles of State Policy, No. VIII of the Constitution of the Republic of Uganda the assurance of provision of adequate resources**;

"*The distribution of powers and functions as well as checks and balances provided for in the Constitution among various organs and institutions of government shall be supported through the provision of adequate resources for their effective functioning at all levels.*" [267]

By this provision the commitment of government to the LGs has never been in dispute. However, the grants to LGs from the Central Government have not adequately addressed the budgetary requirements of the LGs due to limitations in assessments of needs for LGs and noncompliance with the constitutional allocation formulae.[268] In fact, the majority of the challenges identified in the sector MPS are all related to financing.

- **The Constitution of the Republic of Uganda (Objective X)[269] make provision for the involvement of the population to be part of the planning process for themselves.**

This provision obliges (shall) the LGs to consult with the citizens in the process of developing their plans and budgets for onward consideration during resource allocation. MoFPED together with the sector working groups are required to consolidate the needs generated from LGs into priority action areas for consideration in resource allocation.[270]

While this theoretically happens through their representatives, there is no exhaustive consultation done with the citizens. LG planning is guided by Indicative Planning Figures (IPFs) has received from the Central Government.

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[267] National Objectives and Directive Principles of State Policy- VIII. Provision of adequate resources for organs of government.

[268] Financing of Local Governments in Uganda through Central Government Grants and Local Government Revenues | A REPORT BY THE AUDITOR GENERAL

269 National Objectives and Directive Principles of Sate Policy –X. Role of the people in development

[270] ibid

The IPFs sent to LGs are pre-determined by individual sectors basing on the previous financial year allocation.

While the allocations in the IPFs are aimed at addressing the development needs of LGs, there is no mechanism that ensures that priorities identified by the sector working groups for the allocations in the IPFs are addressing needs generated by the people in the LGs where the intended programmes are implemented. There was also no evidence that the needs generated from the grassroots are forwarded to the sector working groups for consideration in the allocation process.

- **Due to the public funds received from local collections and grants from the CG, accountability becomes of essence.**

In the National Accountability cycle, the LGPACs under the LGAC Cap 243 sec 88 (7) and (10) envisions that;

..."*A local government public accounts committee shall examine the reports of the Auditor General, chief internal auditor and any reports of commission of inquiry and may, in relation to the reports, require the attendance of any councillor or officer to explain matters arising from the reports.*"[271]

and that:

"*the expenses of the local governments public accounts committees are charged to the Consolidated Fund,*"

What is prevailing unfortunately are dysfunctional LGPACs because most LGs cannot afford the cost of holding the stipulated quarterly meetings due to lack of funds to support them to undertake their legal mandate. It is worth noting that most LGPACs across the country are not fully constituted, making it impossible for the minister of Local Governments to lay on table the reports of the LGPAC hearings from across the LGs before Parliament. There is therefore no way that LGs can be held to account by Parliament and this amounts to failing the accountability and oversight function of Parliament.

This offends the law where in the LGA CAP243, section 88(8) it states that;

"The local government public accounts committee shall submit its reports to the council and to the minister responsible for Local Governments who shall lay the report before Parliament."[272]

[271] Local Government Act, CAP243

[272] Brett, Providing for the Rural Poor: Institutional Decay and Transformation in Uganda (Sussex,1992)

- **For efficiency and effectiveness in service delivery there has to be a well-trained and established work force.**

Studies on Uganda's Local Government system have indicated that there is a severe shortage of manpower in Local Governments, with filled positions standing at 56 % for districts and 57% at the municipal level. Up to 80% of the filled positions are mainly administrative for common cadres, drivers, office administrators and security.[273] Service delivery is hampered by delays in filling the vacancies especially at senior management level and staff may be overworked which may adversely affect their morale.

- Under The Uganda Vision 2040, envisages a central role for Local Governments and commits itself to do the following:

(a) "Continuously review and change the architecture of Government service delivery system to enable Government act as a unit and delivery of public services that are responsive to the needs of the people and cognisant of the global dynamics," and to adopt a "business approach" in the implementation of Uganda Vision 2040.

(b) "The Country will focus on strengthening the devolution of power to Local Governments by increasing their tax base so that local communities depend less on Central Government actions and more on their own initiatives and organisational capacity."

(c) "Re-orient Local Governments from being mere service delivery vehicles to agents of wealth creation and local economic development of their localities."

Table showing Key Promises and Delivery thereof:

Sector Theme	Promise undertaking and source	Delivery thereof	Comments
Resources Allocation and Financing	Provision of adequate resources to run activities of MoLG and LGs	CG grants always fall very short of the budgetary requirements for MoLG and LGs	Inadequate funding of the MoLG and LGs will have a negative impact on provision of

[273] Source: Ministry of Local Government, Comprehensive Review of Local Governments: Review and Restructuring of Local **Government** Structures, September 19, 2013, p. 53.

			services to the population
Accountability of local funds and CG grants by LGs	Ensure that public funds received from local collections and grants from the CG, are accounted for through well facilitated LGACs.	Some LGACs not fully constituted and not availed with funds to carry out their work, resulting into no reports to Parliament.	There is a risk of loss or misuse of public funds.
Development Plans and Programmes	Involvement of the people in the formulation and implementation of development plans and programmes.	Very little or no evidence of the people in the development of plans and programmes.	Resources allocation will not be guided by the needs of the citizens who are the ultimate beneficiaries of the services delivered.
Local Revenue Collection	Strengthening the devolution of power to LGs by increasing their tax base so that local communities depend less on CG.	Power has remained in the centre with very little effort made to expand revenue base.	There will be unending reliance for funding by LGs on the CG which also relies on donor funding to finance much of its budget.
LGs Economic Development	Re-orient LGs from being mere service delivery vehicles to agents of wealth creation and local economic	There is no evidence of change in the orientation of LGs from service deliver mode to a business like entity.	Continued reliance by LGs on limited sources of budget financing.

	development of their localities.		

Key Alternative Policies and Justification

Our policy alternatives are directly and variously derived from election manifestos of the Opposition political parties advanced in the last elections, and our analytical review of this sector, drawing from the lessons and challenges emerging therefrom and also best practices from other similar jurisdictions.

Strengthen Decentralization.

Government should re-engage in the Decentralization discourse, given its critical import to the political economy of the country as well as its development effort. Given the current development trajectory in Uganda, the implementation of the Decentralization Policy should benefit from stronger intergovernmental relations and be aligned to respond to the national drive for wealth creation, transformation and local development.

Coordination amongst the Ministries, Departments and Agencies can be key in driving the Decentralization policy. The Ministry of Local Government must reposition itself as the primary coordination instrument for the, Decentralization Policy. This is possible through bargaining for more funding, drive the monitoring and evaluation function and train more Decentralization champions.

The focus should entail the full transfer of functional responsibilities to the local level (like health care services, operation of schools, building and maintenance of roads, and garbage collection)

Increase Local Government financing to Local Governments. The annual national budget allocated to Local Governments currently stands at 9.5 percent. It should be increased to at least 35 percent with a focus to enhance program that make a direct contribution to national growth.

This should enable operationalization of new administrative units. Increase pay for LC-IIIs, pay councilors monthly, however small the amount may be, and pay all members of the LC-I & II committees rather than paying only chairpersons. It would also enable the Government to support LC-I committees with means of transport to enable them improve on their supervisory role. Facilitating the District Service Committee to do its work would also be covered in the proposed increase.

Impact of not doing: The development demands requiring financial resources will continue to suffer underfunding that will affect service delivery and ultimately national growth.

Separate Local Government Fund

This can be mainly through creation of a separate fund to handle Local Government funds to ensure timely availability of funds for Local Government service delivery.

There is a deliberate delay of local government financing by the central government. This makes the provision of services by local governments to the local people delay in a long run. A local Government Fund can be a lasting solution.

Strengthen the functionality of the District Public Accounts Committees.

District Public Accounts Committees (PACs), established by the Local Government Act, are statutory bodies that play a crucial role in ensuring transparency and accountability in the use of public funds within district local governments, acting on audit reports to promote value for money.

Reward programs

Promote efficient provision of services and performance of functions and design a rewards program to benefit individual regions and Local Governments that demonstrate best performance**.** Performance can be measured by the regions or Local Governments with the highest contribution to our nation's Gross Domestic Product (GDP) and innovation in accelerating job creation.

Impact of not doing: Little motivation given to Local Governments to perform to the aspirations of the citizenry.

Stop creation of administrative units unless matching resources are available.

This helps avoid creation of unregulated and political administrative units and this can stop wasteful expenditure.

Impact of not doing: The demands on financial and human resources in unviable LGs will continue to negatively impact the budget.

Conclusion

Local Government fund transfers as a proportion of the national budget have continued to decline against the NDP-II target of 30% by FY 2019/20. The limitations and continuous decline in transfers has crippled LGs and undermined technical staff as well as elected leaders to perform effectively. The undesired consequence to the citizenry is the absence of the most critical social services hence increased income poverty and poor socio-economic indicators in the majority of the LGs in Uganda.

Annex 1: Summary of Key Alternative Policies, Justification and Impact of not doing

SECTOR AREA	ALTERNATIVE POLICY	BENEFITS/JUSTIFICATION	IMPACT OF NOT DOING
1. Funding	Increase budgetary allocation to the agricultural sector to 10% over a period of three years.	This will enable investments in modern practices, equipment, research and training of sector support staff are undertaken with the view of modernizing agriculture.	The sector performance will remain low and this has adverse effects on food security, employment, poverty levels and foreign exchange
2. Agriculture Production	Reclaim Maruzi and Aswa ranches and title all the other government ranches	Set up food lots for fattening animals, put isolation centres and research to control foot and mouth diseases	Inadequate supply of beef to the market, loss of animals resulting from diseases

SECTOR AREA	ALTERNATIVE POLICY	BENEFITS/JUSTIFICATION	IMPACT OF NOT DOING
3. Agricultural marketing	Establishment of Cooperative Societies and Unions should be fast tracked	Cooperatives are vital for production, skills development, and storage and marketing. Cooperative Societies and Unions proved their performance in this country when they existed and even the few surviving ones have shown as effective avenues for rural development	More loss of revenue due to poor post-harvest handling, limited markets for produce and continued poor performance of the sector
4. Agricultural Credit	Establish The NBA	This will enable farmers get access to low cost credit for agricultural financing needs for farmers.	Delay of commercialized farming
5. Agriculture Extension and Education	Recruit, train and retool, more Agricultural Extension workers	To help farmers in better farming methods such as planting, and rearing of animals	Continued reliance on the army who have no experience in farming. Farmers will make more losses
6. Government land	Establish a National Land Development Agency (NLDA) to champion strategic utilization of land resources in agricultural development, including	Government will continue having un used land, with no productivity at all	Low productivity

SECTOR AREA	ALTERNATIVE POLICY	BENEFITS/JUSTIFICATION	IMPACT OF NOT DOING
	through public-private partnerships		
7. Shared challenges	Root for a policy on Trans Boundary Challenges	Cheaper and more effectives means of handling challenges like desert locusts	Government will always act in panic and lose resources
8. Human resource	Address persistent challenges raised by the Auditor General such as improving staffing levels in MDA	Effective delivery of services needed in the sector	Poor service delivery and under performance

SECTOR AREA	ALTERNATIVE POLICY	BENEFITS/JUSTIFICATION	IMPACT OF NOT DOING
9. Fisheries	Remove the military from policing the water bodies against illegal fishing.	To reduce the unnecessary loss of life and instead emphasis should be put on research for fish species that can survive outside natural water bodies, Train young people in management and care of fish in ponds. This will not only save lives from death on water bodies but will increased production of fish that can be exported to earn the country foreign exchange. But in addition, big fines shall be put on importation of illegal fishing gears.	Continuous loss of lives and depletion the fish resource
10. Agricultural Mechanisation	Establish a tractor and animal traction hire scheme in partnership with the private sector..	This scheme will provide access to agricultural mechanization services. Funding for research will also target the development of technologies targeted at modernizing and commercializing agriculture in parts of the country with challenging terrain	Low productivity

SECTOR AREA	ALTERNATIVE POLICY	BENEFITS/JUSTIFICATION	IMPACT OF NOT DOING
11. Research and Development	Dedicate at least two percent of the agricultural budget towards funding agricultural Research and Development (R & D) as the engine that drives agricultural productivity..	Modern regional agricultural farm institutes will be established as a back- bone for regional agricultural Research and Development	Poor and low productivity

GENERAL CONCLUSION

This country is in urgent need of radical reform. The issues outlined across various sectors are not mere political rhetoric but a stark indictment of governance failures. The deliberate erosion of the rule of law, rampant corruption, and blatant disregard for human rights are all fueled by the political convenience of the Government. As a result, state institutions have been compromised, serving the interests of the ruling elite rather than all Ugandans.

To address these deep-seated issues, we have proposed comprehensive reforms aimed at cleansing state agencies and restoring accountability and transparency. Our priorities include stringent budgetary adjustments to instill a culture of financial discipline, urgent police reforms, and measures to tackle Kampala’s infrastructure challenges. We are also emphasizing the need for military professionalism, the protection of human rights, and improved service delivery. Above all, we advocate for a national security framework that upholds civil liberties rather than undermining them.