



# OPEN BUDGET SURVEY

## 2019: UGANDA

JUNE 2020

## Overview



Transparency:

**58** /100

(Open Budget Index score)



Public  
Participation:

**22** /100



Budget Oversight:

**59** /100

## ABOUT THE SURVEY

Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – affect how equal a society is and the well-being of its people, including whether the most disadvantaged will have real opportunities for a better life. It is critical that governments inform and engage the public on these vital decisions that impact their lives.

**The Open Budget Survey (OBS)** is the world's only independent, comparative and fact-based research instrument that uses internationally accepted criteria to assess public access to central government budget information; formal opportunities for the public to participate in the national budget process; and the role of budget oversight institutions such as the legislature and auditor in the budget process.

The survey helps local civil society assess and confer with their government on the reporting and use of public funds. This 7th edition of the OBS covers 117 countries.



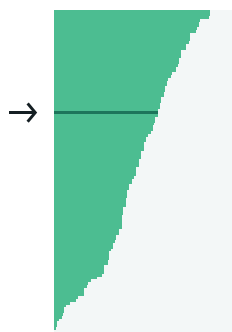
# TRANSPARENCY

This part of the OBS measures public access to information on how the central government raises and spends public resources. It assesses the online availability, timeliness, and comprehensiveness of eight key budget documents using 109 equally weighted indicators and scores each country on a scale of 0 to 100. A transparency score of 61 or above indicates a country is likely publishing enough material to support informed public debate on the budget.

Uganda has a transparency score of **58** (out of 100).

## Transparency in Uganda compared to others

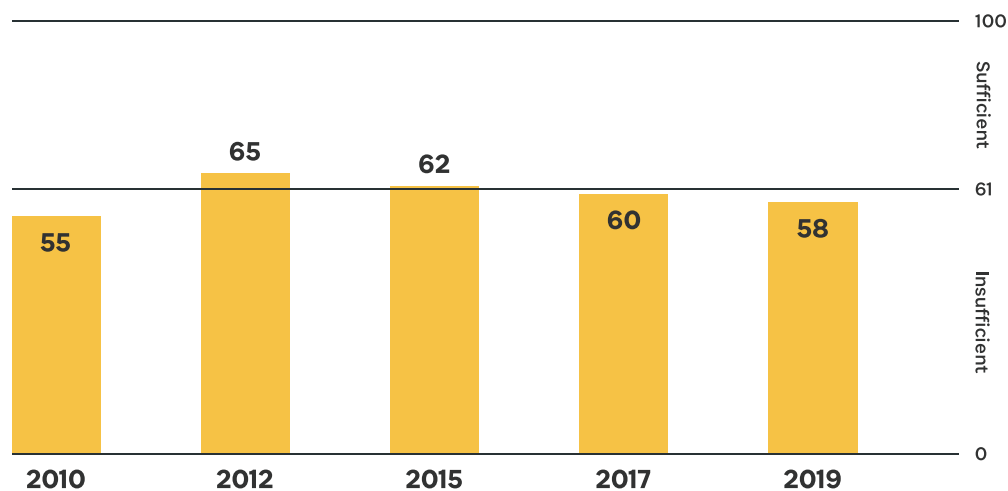
Uganda's  
ranking: 36 of 117  
countries



|                |    |
|----------------|----|
| Global Average | 45 |
| Uganda         | 58 |
| Kenya          | 50 |
| Madagascar     | 40 |
| Rwanda         | 39 |
| Tanzania       | 17 |
| South Sudan    | 7  |
| Burundi        | 6  |
| Somalia        | 3  |
| Comoros        | 0  |

0 Insufficient 61 Sufficient 100

## How has the transparency score for Uganda changed over time?



## Public availability of budget documents in Uganda

- Available to the Public
- Published Late, or Not Published Online, or Produced for Internal Use Only
- ⊘ Not Produced

| Document                    | 2010 | 2012 | 2015 | 2017 | 2019 |
|-----------------------------|------|------|------|------|------|
| Pre-Budget Statement        | ●    | ●    | ●    | ●    | ●    |
| Executive's Budget Proposal | ●    | ●    | ●    | ●    | ●    |
| Enacted Budget              | ●    | ●    | ●    | ●    | ●    |
| Citizens Budget             | ●    | ●    | ⊘    | ●    | ●    |
| In-Year Reports             | ●    | ●    | ●    | ●    | ●    |
| Mid-Year Review             | ●    | ●    | ●    | ●    | ●    |
| Year-End Report             | ●    | ●    | ●    | ●    | ●    |
| Audit Report                | ●    | ●    | ●    | ●    | ●    |

## How comprehensive is the content of the key budget documents that Uganda makes available to the public?



| Key budget document         | Document purpose and contents                                                                                                                                                                                                         | Fiscal year assessed | Document content score |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------------|
| Pre-Budget Statement        | Discloses the broad parameters of fiscal policies in advance of the Executive's Budget Proposal; outlines the government's economic forecast, anticipated revenue, expenditures, and debt.                                            | 2019-20              | 89                     |
| Executive's Budget Proposal | Submitted by the executive to the legislature for approval; details the sources of revenue, the allocations to ministries, proposed policy changes, and other information important for understanding the country's fiscal situation. | 2018-19              | 57                     |
| Enacted Budget              | The budget that has been approved by the legislature.                                                                                                                                                                                 | 2018-19              | 78                     |
| Citizens Budget             | A simpler and less technical version of the government's Executive's Budget Proposal or the Enacted Budget, designed to convey key information to the public.                                                                         | 2018-19              | 50                     |
| In-Year Reports             | Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.                                                                                    | 2017-18 & 2018-19    | 63                     |
| Mid-Year Review             | A comprehensive update on the implementation of the budget as of the middle of the fiscal year; includes a review of economic assumptions and an updated forecast of budget outcomes.                                                 | 2017-18              | 37                     |
| Year-End Report             | Describes the situation of the government's accounts at the end of the fiscal year and, ideally, an evaluation of the progress made toward achieving the budget's policy goals.                                                       | 2017-18              | 60                     |
| Audit Report                | Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.                                                                                                 | 2016-17              | 48                     |

Uganda's transparency score of **58** in the OBS 2019 is near its score in 2017.

### **What changed in OBS 2019?**

Uganda has increased the availability of budget information by:

- Publishing the Citizens Budget online.

### **Recommendations**

Uganda should prioritize the following actions to improve budget transparency:

- Include in the Executive's Budget Proposal financial and macroeconomic information, such as information on financial and nonfinancial assets and how different macroeconomic assumptions (i.e., sensitivity analysis) impact estimates of expenditure, revenue, and debt.
- Include in the Year-End Report debt and performance information.
- Improve the comprehensiveness of the Audit Report and Mid-Year Review.



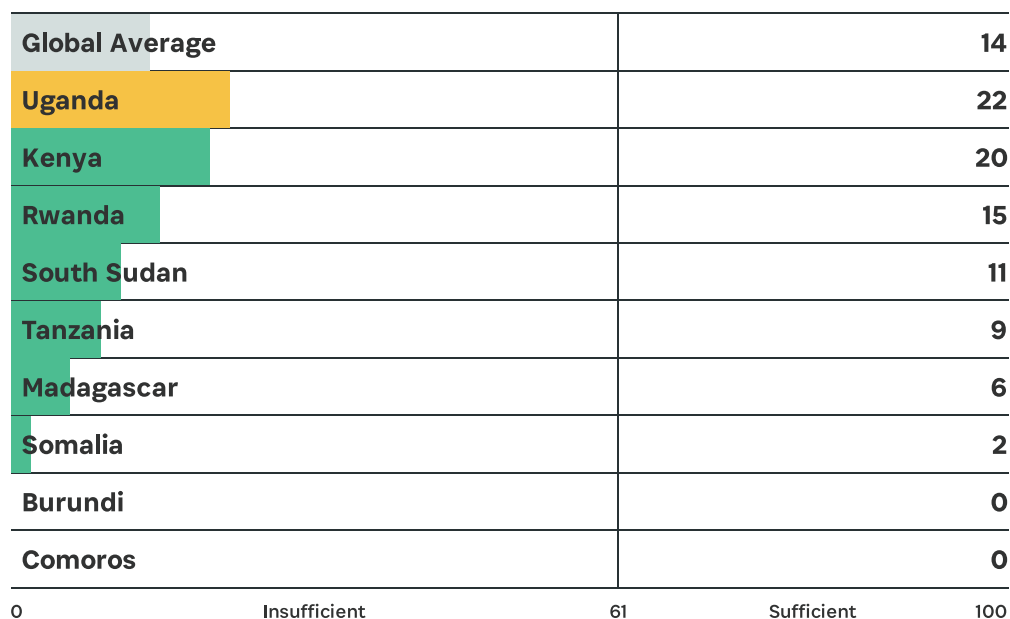
## PUBLIC PARTICIPATION

Transparency alone is insufficient for improving governance. Inclusive public participation is crucial for realizing the positive outcomes associated with greater budget transparency.

The OBS also assesses the formal opportunities offered to the public for meaningful participation in the different stages of the budget process. It examines the practices of the central government's executive, the legislature, and the supreme audit institution (SAI) using 18 equally weighted indicators, aligned with the Global Initiative for Fiscal Transparency's Principles of Public Participation in Fiscal Policies ([http://www.fiscaltransparency.net/pp\\_principles/](http://www.fiscaltransparency.net/pp_principles/)), and scores each country on a scale from 0 to 100.

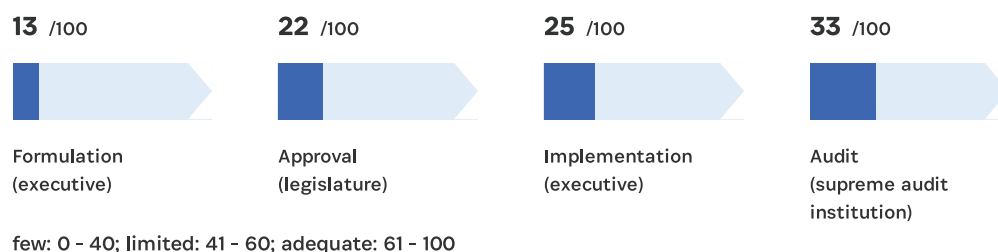
Uganda has a public participation score of **22** (out of 100).

### Public participation in Uganda compared to others



For more information, see here (<http://guide.fiscaltransparency.net/case-study/>) for innovative public participation practices around the world.

## Extent of opportunities for public participation in the budget process



## Recommendations

Uganda's Ministry of Finance, Planning and Economic Development has established public consultations during budget formulation and e-consultations during budget implementation but, to further strengthen public participation in the budget process, should also prioritize the following actions:

- Expand mechanisms during budget formulation that engage any civil society organization or member of the public who wishes to participate.
- Actively engage with vulnerable and underrepresented communities, directly or through civil society organizations representing them.

Uganda's Parliament has established public hearings related to the approval of the annual budget and public hearings related to the review of the Audit Report, but should also prioritize the following actions:

- Allow any member of the public or any civil society organization to testify during its hearings on the budget proposal prior to its approval.
- Allow any member of the public or any civil society organization to testify during its hearings on the Audit Report.

Uganda's Office of the Auditor General has established mechanisms to assist the supreme audit institution in developing its audit program. It should prioritize the following actions to improve public participation in the budget process:

- Establish formal mechanisms for the public to contribute to relevant audit investigations.

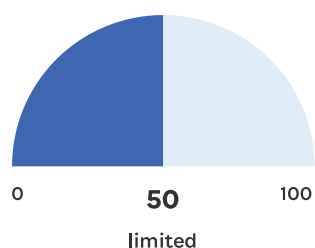


## BUDGET OVERSIGHT

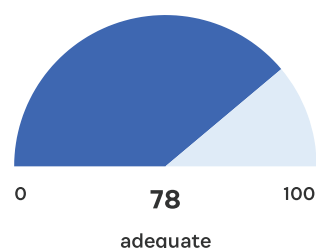
The OBS also examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information on independent fiscal institutions (see Box).

The legislature and supreme audit institution in Uganda, together, provide limited oversight during the budget process, with a composite oversight score of **59** (out of 100). Taken individually, the extent of each institution's oversight is shown below:

### Legislative oversight



### Audit oversight



weak: 0 - 40; limited: 41 - 60; adequate: 61 - 100

## Recommendations

Uganda's Parliament provides adequate oversight during the planning stage of the budget cycle and weak oversight during the implementation stage. To improve oversight, the following actions should be prioritized:

- Legislative committees should examine the Executive's Budget Proposal and publish reports with their analysis online.
- A legislative committee should examine in-year budget implementation and publish reports with their findings online.
- In practice, ensure the legislature is consulted before the executive shifts funds specified in the Enacted Budget between administrative units; spends any unanticipated revenue; or reduces spending due to revenue shortfalls during the budget year.
- A legislative committee (The Public Accounts Committee ) should examine the Audit Report in time and publish a report with its findings online.

To strengthen independence and improve audit oversight by the Uganda Office of the Auditor General, the following actions are recommended:

- Ensure the supreme audit institution has adequate funding to perform its duties, as determined by an independent body (e.g., the legislature or judiciary).
- Ensure audit processes are reviewed by an independent agency.

### **The emerging practice of establishing independent fiscal institutions**

Uganda's independent fiscal institution (IFI) is the Parliamentary Budget Office. Its independence is set in law, and it reports to the legislature. It publishes its own macroeconomic forecasts, and its own cost estimates of all new policy proposals.

*\*The indicators for IFIs are \*not\* scored*

# METHODOLOGY

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- Only documents published and events, activities, or developments that took place through 31 December 2018 were assessed in the OBS 2019.
- The survey is based on a questionnaire completed in each country by an independent budget expert:  
Imelda Namagga  
Uganda Debt Network (UDN)  
Plot 152/155 Ntinda Road, Ntinda, Kampala, Uganda  
namelda@yahoo.com
- To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert, and in Uganda by a representative of the Ministry of Finance, Planning and Economic Development.

P.O. Box 21509, Kampala Uganda  
Plot 153/155 Ntinda—Nakawa Road  
Tel +256 414 533840/ 543-974 +256 700 431573  
+256 414 698998  
Email: [info@udn.or.ug](mailto:info@udn.or.ug) | Website: [www.udn.or.ug](http://www.udn.or.ug)

U.S.  
750 First Street NE, Suite 700  
Washington, D.C. 20002  
Tel/Fax: +1 202 683 7171  
Email: [info@internationalbudget.org](mailto:info@internationalbudget.org)