Weekly Edition Vol: 411 25th –30th May

GOVERNMENT'S BUDGET REVISIONS FY2023/24 TO CATER FOR SOCIAL PROTECTION WAS A COMMENDABLE STEP.

1. INTRODUCTION

Uganda National Budget for the 2023/2024 fiscal year has undergone several revisions as announced by the Minister of State for Finance, Planning and Economic Development (General Duties), Hon. Henry Musasizi. The budget has been revised to Shillings 52 trillion from Shillings 51 trillion, with adjustments made to address errors and omissions from the draft budget estimates. These corrections were made based on Regulation 12 of the Public Finance Management Act (PFMA).

In Picture: Hon. Henry Musasizi Minister of State for Finance, Planning and Economic Development (General Duties),

2. KEY CHANGES

Treasury Operations; The revised estimates provide Shillings254 billion to treasury operations to reduce the government's liability with the Central Bank.

External Financing; Allocations to projects have been adjusted to Shillings8 billion from Shs7.4 billion following a review of the external financing profile.

Non-Tax Revenue; The Ministry of Tourism, Wildlife and Antiquities received an additional Shs33.3 billion as excess non-tax revenue collected in the 2021/2022 financial year.

In addition to the changes mentioned, the revised budget has also seen an increase in allocations for social protection and health Sectors. Social protection will receive an additional Shillings20 billion, which will be used to fund programs such as the Social Assistance Grants for Empowerment (SAGE) and the Food Security Programme. The Ministry of Health has also received an additional Shillings15 billion to support its efforts in strengthening the health system and improving access to quality healthcare services.

Furthermore, resources have been allocated to support agricultural research, infrastructure development, and industrialization. From CSO perspective, these adjustments are commendable because these allocations are expected to spur economic growth and create more employment opportunities, which has a linkage into realization of Uganda's NDP III and vision 2030.

3. CHALLENGES AND IMPLICATIONS

The increased budget is likely to have a positive impact on the Ugandan economy, however, it could also be a challenge for the citizens of Uganda. With higher allocations for external financing and treasury operations, the government may become more reliant on external sources of finance. This could lead to a weakening of the Ugandan shilling and an increase in inflation. Furthermore, with increased social protection and health allocations, citizens may be subject to higher taxes or fees to fund these programs. Therefore, citizens must be mindful of these possible challenges associated with the increased national budget.

3. RECOMMENDATIONS.

UDN recommends that the government should develop a comprehensive debt management strategy that is transparent and accountable. This should include strategies for ***a)*** reducing the country's public debt, ***b)*** increasing access to financing, and ***c)*** increasing domestic resource mobilization. UDN also suggests that the government should prioritize investments in human capital and social protection programs over infrastructure investments, as these are more likely to have a greater positive impact on poverty reduction and economic growth. Finally, UDN recommends that the government should ensure that any additional resources are targeted toward those most in need and are spent efficiently and effectively.

4. CONCLUSION

The revised budget is thus seen as a positive move towards achieving the government's development goals. It is expected that with the increased allocation to social protection and health sectors, the quality of life of citizens will improve significantly. The additional resources allocated to agriculture and infrastructure development are also expected to have a positive impact on the economy. This will in turn create more jobs, increase incomes, and reduce poverty levels. With these adjustments, it is hoped that Uganda will be able to achieve its National Development Plan III (NDP III) and Vision 2030 Agenda for sustainable development and Uganda Vision 2040 whose goal is to transform Uganda from a predominantly peasant and low-income country to a competitive upper middle income status country.

UDN FIELD ACTIVITIES

Uganda Debt Network organized a series of Sub county Dialogues at the sub county level in Amuria, Kapelebyong, Napak, and Moroto Districts Respectively. This is incredibly beneficial for those living in these areas, as it opens up a space for conversations between citizens and their leaders concerning topics that are of importance to them. The dialogue sessions are a great opportunity for the community to communicate their needs to their representatives and be heard. Uganda Debt Network continues to strive for more initiatives like these that promote collaboration among stakeholders to benefit everyone they serve.

Above; *The Sub county chief Ms. Atiang Winfred making remarks during the Asamuk Sub county Dialogue in Amuria District.*

Above: *The Sub county chief, Mr. Muya Philip reacting to the report that was present at Lopeei Sub county dialogue Napak District*

UDN appreciates support by: UDN Membership; DCA; Save the Children in Uganda; OSIEA, INSPECTORATE OF GOVERNMENT; IBP, UNICEF, TDDAP, BILL GATES FOUNDATION and NDI.

EDITORIAL TEAM:

Gilbert Musinguzi- gmusinguzi@udn.or.ug ; Ishimimaana Jenice- communications@udn.or.ug

Please visit/ talk to us at; Uganda Debt Nework ,
P.O. Box 21509, Kampala -Uganda,
Plot 153/155 Ntinda—Nakawa Road , Tel +256-414-533840/543974