



# LOCAL GOVERNMENT FINANCING

## An Analysis of the Draft National Budget Estimates for FY 2020/21 and Proposals for Re-allocation



Ramathan Ggoobi • Daniel Lukwago

ACODE Policy Research Paper Series No. 97, 2020

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Governance, Accountability,  
Participation and Performance  
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The author's views expressed in this publication do not necessarily reflect the views of the United Kingdom's Department for International Development or the United Kingdom Government.

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P. O. Box 29836, Kampala  
Email: [library@acode-u.org](mailto:library@acode-u.org) ; [acode@acode-u.org](mailto:acode@acode-u.org)  
Website: <http://www.acode-u.org>

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ACODE is convinced that this publication will be instrumental in informing financing of Local Government Sector.

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# List Of Acronyms

ACODE	Advocates Coalition for Development and Environment
BFP	Budget Framework Paper
Bn	Billion
CG	Central Government
COCTU	Control of Trypanosomiasis and Sleeping Sickness
DDA	Dairy Development Authority
Dev't	Development
FY	Fiscal / Financial Year
GAPP	Governance Participation and Performance Program
GoU	Government of Uganda
ICT	Information and Communications Technology
LG	Local Government
LGA	Local Governments Act
LGFC	Local Government Finance Commission
MAAIF	Ministry of Agriculture, Animal Industry and Fisheries
MDA	Ministry, Department and Agencies
MoES	Ministry of Education and Sports
MoFPED	Ministry of Finance Planning and Economic Development
MoGLSD	Ministry of Gender Labour and Social Development
MoH	Ministry of Health
MoLG	Ministry of Local Government
MoTI	Ministry of Trade and Tourism
MoWE	Ministry of Water and Environment
MoWT	Ministry of Works and Transport
NAADS	National Agricultural Advisory Services
NAGRC&DB	National Animal Genetic Resources Centre and Data Bank
NDP	National Development Plan
OAG	Office of Auditor General
OPM	Office of Prime Minister
UCDA	Uganda Coffee Development Authority
UCDO	Uganda Cotton Development Organization
UGX	Uganda Shillings

## Executive Summary

The Central Government of Uganda (GoU) is required by Article 193 of the Constitution of the Republic of Uganda 1995 (as amended) to provide grants to Local Governments (LGs) in form of unconditional, conditional, and equalization grants to facilitate the LGs to provide services to the citizens. However, in recent years, there has been a decline in the transfers from central GoU to LGs. The share of the national budget allocated to LG programs has reduced from 23 per cent to about 12 per cent FY 2019/20. This study finds it has further fallen to about 11 per cent for FY 2020/21.

The decline in resources budgeted for LG programs has largely been attributed to re-centralization of functions and resources which by law are mandated to be implemented by LGs. Yet, research has shown that re-centralization of previously decentralized functions has had a negative impact on service delivery, accountability and citizen empowerment, and also increased financial dependency of LGs (Lwanga, 2016).

In April 2019, ACODE commissioned a study that analyzed the proposed national budget allocations for FY 2019/20. The study was carried out with support from USAID and UKAID, under the Governance, Accountability, Participation and Performance (GAPP) Program identified budgetary allocations that by law should be implemented by the LGs but were retained by central government MDAs. The study findings showed that up to UGX 1.07 trillion for funding decentralized services had been allocated to Central Government MDAs. The study also identified UGX 530.2 billion allocated to MDAs that could be rationalized to free additional resources for Local Governments.

This study was a follow-up of the 2019 study intended to examine the Budget Framework Paper (BFP) and the National Budget Estimates for FY 2020/21 to identify the budget lines for devolved services that had been allocated to Central Government MDAs. It was intended as strategy for advocacy for increasing the financing of LGs in the FY 2020/21 national budget.

An extensive document review of all relevant budget documents was done, focusing mainly on the Budget Framework Paper (BFP) and the Draft Estimates of Expenditure (Recurrent and Development) FY 2020/21. The approach was to identify Sectors with decentralized functions as prescribed in the Local Government Act, CAP 243 (second schedule). Identified Sectors were: Agriculture, Education, Health, Social Development; Water and Environment, and Works and Transport. The analysis was made in comparison with the FY 2019/20 budget, intended to establish whether the policymakers and budget

technocrats had heeded the recommendations made by a similar study conducted by ACODE in 2019 (Ramathan Ggoobi, 2019).

## Key Findings

A total of UGX 4.16 trillion (11.4 per cent) of the FY 2020/21 Uganda national budget, totaling to UGX 36.6 trillion<sup>1</sup> as of March 31, 2020) was allocated to LG programs. Although this is an increase from UGX 3.59 trillion (11.0 per cent) allocated to LG programs in FY 2019/20, the allocation is still very small. The Education Sector still takes the biggest chunk of UGX 1.91 trillion (compared to UGX 1.63 trillion in FY 2019/20). This is followed by Local Government (formerly under Public Sector Management) at UGX 1.33 trillion (compared to UGX 1.07 trillion in FY 2019/20). Health has been allocated UGX 633 billion (compared to UGX 521 billion in FY 2019/20). The Works and Transport transfers to LG have been reduced to UGX 25 billion from UGX 187 billion during FY 2019/20 due to cuts in the LG Conditional Grant for District, Urban and Community Access Roads. As transfers for Agriculture increased to UGX 166 billion from UGX 122 billion, allocations for Water and Environment for LGs also increased from UGX 59 billion during FY 2019/20 to UGX 95 billion. Social Development transfers remain at UGX 8 billion, just like Trade, Industry and Cooperatives stayed at UGX 2 billion.

Of the total LG Sector budget, allocations to Education increased from 50 per cent in FY 2019/20 to 55 per cent in FY 2020/21. The Health sector allocations also increased from 21 per cent to 23 per cent, and that of Agriculture slightly increased to 13 per cent from 12 per cent in FY 2019/20. The largest increase in budget share for LG programs was registered by the Water and Environment sector, which increased to 18 per cent from 6 per cent. Social Development also increased from 3.5 per cent to 4.2 per cent, while that of Works and Transport sector reduced to 0.4 per cent from 3 per cent. The Education and Health sectors had relatively large shares mainly because of their high wage bills.

## Budget Allocations to MDAs that are under LG Mandate

The study found that despite the recommendations made in the by ACODE in 2019 (Ramathan Ggoobi, 2019), the allocation of funds meant for LGs had not only persisted but the amounts retained at the centre had increased. Whereas the total amount retained by various MDAs during the FY 2019/20 budget allocations to the six sectors under review was UGX 1.07 trillion, the total for FY 2020/21 remains UGX 1.32 trillion, an increase of nearly UGX 250 billion.

Like the case was in FY 2019/20, the Agriculture Sector has the highest amount of retained funds by MDAs amounting to UGX 363.9 billion, up from UGX 281.4 billion retained in FY 2019/20. Other sectors that have retained more money

<sup>1</sup> Excluding appropriation in aid (AIA), arrears and treasury bills and bond redemptions.

during FY 2020/21 than in FY 2019/20 include Health with a retention from UGX 217.8 billion to UGX 328.1 billion, Water and Environment Sector from UGX 196.4 billion to UGX 325.6 billion, and Works and Transport Sector from UGX 96.1 billion to UGX 112.1 billion. Only two sectors have less money this year than what they retained in FY 2019/20. These are Education from UGX 257.2 billion to UGX 117 billion and Social Development from UGX 17.1 billion to UGX 8.9 billion.

During validation workshops for ACODE Study (2019)<sup>2</sup>, top officials from several Ministries, as well as, policymakers cited weak capacity by most LGs, corruption, and rigidity by donors as some of the reasons that MDAs retain funds meant for LGs. Due to time constraint and the COVID-19 pandemic, this study was unable to establish the validity of some of these factors. Over 69 per cent of the retained funds are external funding. This is an increase of 65 per cent of the proportion of the externally generated funds in FY 2019/20.

Whereas the analysis of the composition of the funds being retained by MDAs partly supports the notion of “donor conditionality” driving this habit, it also shows that most of the externally sourced funds are no longer grants but loans, rendering the “donor rigidity” excuse for retaining LG funds at the centre weak. The ACODE study (Ramathan Ggoobi, 2019) recommends that LGs should be represented in negotiations with development partners when discussing external funding for the decentralized services. This would help to neutralize the conditions that dictate centralization of funds and decentralization of service delivery if at all those conditions existed.

Agriculture has the largest proportion of its budget under external funding. Of the UGX 363.9 billion retained during the FY 2020/21, UGX 303.4 billion is external funding (up from UGX 209 billion in FY 2019/20) while the GoU development funds have reduced from UGX 64 billion to UGX 50 billion. The rest have been allocated as non-wage funds (UGX 9.8 billion) and wage (0.8 billion). For the Education sector, out of the UGX 177 billion retained by the centre in FY 2020/21, UGX 134.3 billion are externally sourced funds (down from UGX 224 billion) while UGX 39.5 billion are GoU development funds, increased from UGX 31 billion in FY 2019/20. The none-wage funds have been increased by just UGX 300 million to UGX 3.3 billion.

The Health Sector has UGX 328.1 billion, up from UGX 217.8 billion retained. Its proportion of external funding has increased to UGX 295.7 billion from UGX 170 billion in FY 2019/20. Also, the GoU development funds retained slightly increased from UGX 9 billion to UGX 10.9 billion for the FY 2010/21. Non-wage funds retained increased from UGX 13 billion to UGX 19.6 billion, while the wage reduced to UGX 1.8 billion from UGX 26 billion. The Water and Environment

<sup>2</sup> Ggoobi, R., and Lukwago, D., Financing Local Governments in Uganda: An analysis of Proposed National Budget FY 2019/20 and Proposals for Re-allocation. Kampala: ACODE Policy Research Paper Series No. 92, 2019. Available at: <https://www.acode-u.org/uploadedFiles/PRS92.pdf>

Sector budget funds retained by the centre increased to UGX 325.6 billion from UGX 196.4 billion in FY 2019/20. The proportion of external funding increased from UGX 77 billion in FY 2019/20 to UGX 170.5 billion in FY 2020/21. Likewise, GoU development funds have increased from UGX 117 billion to UGX 154.4 billion while the non-wage budget reduced from UGX 2 billion to UGX 0.7 billion in FY 2020/21. The Works and Transport Sector budget funds retained by the MDAs have also increased to UGX 112.1 billion, up from UGX 96 billion in FY 2019/20. Like in FY 2019/20, the entire amount is under GoU development budget.

## **Budget Allocations to MDAs that can be rationalized**

A total of UGX 490.6 billion budgeted by various MDAs for the six Sectors under review may be rationalized to free more resources to LGs or within the MDAs to improve service delivery. This means the funds for rationalization have reduced from UGX 530.2 billion in FY 2019/20 despite the increase in the total budget for the six Sectors by over UGX 709 billion, from UGX 14.51 trillion allocated in FY 2019/20 to UGX 15.2 trillion in FY 2020/21. This may imply an increase in allocative efficiency of the national budget despite the continued centralization of the LG funds.

At UGX 173.7 billion, the Agriculture Sector still has the highest amount, although it slightly reduced from UGX 177.5 billion (FY 2019/20), followed by Education and Health at UGX 125 billion and UGX 98.4 billion respectively. Water and Environment Sector had the highest improvement in budget efficiency. It saw the Sector funds that may be rationalized reducing from UGX 126.1 billion in FY 2019/20 to UGX 71.2 billion, just like Social Development whose rationalized budget reduced to UGX 3.8 billion from UGX 22.88 billion in FY 2019/20. The Works and Transport Sector saw the funds available for rationalization rise to UGX 18.4 billion from UGX 16.5 billion in FY 2019/20.

## **Recommendations**

In line with the aforementioned findings, we recommend that:

- a) Parliament and Ministry of Finance, Planning and Economic Development (MoFPED) re-allocate the UGX 1.32 trillion allocated to MDAs yet these funds are supposed to be allocated to LGs as mandated under the Second Schedule of the LGA (CAP 243).
- b) Parliament, MoFPED and MDAs rationalize UGX 490.6 billion budgeted by various MDAs on certain expenditures to free funds for LGs.
- c) Ministry of Local Government (MoLG), Local Government Finance

Commission (LGFC), and MoFPED implement the Fiscal Decentralization Strategy to reduce the number of grants and evolve the system in a manner that will ensure consistency, autonomy, predictability and adequacy to meet the minimum costs of service delivery by LGs.

- d) MoLG, LGFC, and the Uganda Local Governments' Association (ULGA) ensure that LGs are represented in negotiations with development partners when negotiating external assistance that is intended to support the decentralized services.
- e) Parliament and MoFPED amend the Public Finance Management Act (2015) to require the MoFPED to provide separate medium-term financing plan for Local Government service delivery along with the national medium-term expenditure plan.

# 1.0 Introduction

This report presents the findings of a study commissioned by the Advocates Coalition for Development and Environment (ACODE) with support from DFID under the Governance, Accountability, Participation and Performance (GAPP) Program. The Report analyzes the budget allocations of six select Sectors and Ministries, Departments and Agencies (MDAs) in the Medium Term Expenditure Framework and the National Budget Estimates for FY 2020/21. In this study, we define rationalization to mean actions of making government budget more efficient by allocating funds to areas which have a greater impact on service delivery. It is intended to ascertain budgetary allocations that should be implemented by the Local Governments (LGs) but were retained by MDAs. The report recommends the reallocation to LGs with a view of influencing the final budget allocations. This section outlines the background to the study, the problem, the rationale of the study, and the specific objectives.

## 1.1 Background

The Government of Uganda (GoU) is required by Article 193 of the Constitution of the Republic of Uganda 1995 (as amended) to provide grants to Local Governments (LGs) in form of unconditional, conditional and equalization grants to facilitate the LGs to provide services to the citizens. However, in the recent years, there has been a decline in the transfers from Central Government to LGs. The share of the national budget allocated to LG programs has reduced from 23 per cent in 2010/11 to 13 per cent in the FY 2015/16 and is projected to fall further to about 11.4 per cent in the FY 2020/21. The decline is largely attributed to recentralization of functions and resources that by law are mandated to be implemented by LGs. Research has shown that recentralization of previously decentralized functions has had a negative impact on service delivery, accountability and citizen empowerment, and also increased financial dependency of LGs (Lwanga, 2016).

In April 2019, ACODE, with funding from USAID and UKAid under the GAPP program, commissioned a study that analyzed the proposed national budget allocations for FY 2019/20 and identified budgetary allocations that by law should be implemented by the LGs but were retained by central government MDAs. The findings of the study showed that up to UGX 1.066 trillion of funding decentralized services had been allocated to Central Government MDAs. The Agriculture Sector registered the highest amount of funds retained at UGX 281.4 Bn followed by Education Sector with UGX 257.2 Bn, Health Sector with



UGX 217.8 Bn, Water and Environment Sector with UGX 196.4 Bn, Works and Transport Sector with UGX 96.1 Bn, and Social Development Sector with UGX 17.1 Bn. The study also identified UGX 530.2 Bn allocated to MDAs that could be rationalized to free additional resources for LGs(Ramathan Ggoobi, 2019).

Against this background, ACODE, with support from DFID under the GAPP Program, commissioned a follow-up study to examine the Budget Framework Paper (BFP) for FY 2020/21 and the draft National Budget Estimates for purposes of identifying budget lines for devolved services under Central Government MDAs. The findings from the study will be used to advocate for increased financing for LGs in the budget for FY 2020/21. The BFP is an important milestone in the annual budget calendar. It is the GoU's overall strategy document for the budget and provides the link between the Government's overall policies (identified in the National Development Plan) and the annual budget. It presents detailed Sector plans alongside expenditure targets for the financial year by vote, vote function, and key outputs. This presents an opportunity to examine the retention of funds for services devolved to LGs by Central Government MDAs earlier in the budget cycle.

## **1.2 Purpose of the Study**

To examine the Budget Framework Paper (BFP) and draft National Budget Estimates for FY 2020/21 for purposes of identifying budget lines for devolved services under Central Government MDAs in the BFP for the FY2020/21. The findings from the study will inform advocacy for increasing financing of Local Governments in the FY 2020/21 budget.

## **1.3 Objectives of the Study**

- a) To identify and examine, budget lines for devolved services under LGs that are retained by the Central Government MDAs in the draft National Budget Estimates for the FY 2020/21, and
- b) To recommend advocacy strategies that will be used in advocating for increased financing for Local Governments in the FY 2020/21 budget.

## 2.0 Approach and Methodology

This is a buildup on a previous study titled, *“Financing Local Governments in Uganda: An analysis of Proposed National Budget FY 2019/20 and Proposals for Re-allocation”*. It adopts the mixed approach combining both qualitative and quantitative techniques to enhance validity of the findings.

### 2.1 Data Collection and Analysis

The study relied mainly on an extensive document review that included analysis of the National Budget Framework Paper FY 2020/21 and the draft National Budget Estimates for FY 2020/21. Other documents that have been analyzed include the Draft Third National Development Plan (NDP III); Ministerial Policy Statements FY 2020/21; Sector Work Plans FY 2020/21 for Agriculture, Health, Education, Roads, Water and Sanitation; Environment and Natural Resources and the Budget Call Circulars for FY 2020/21.

### 2.2 Approach to identifying the budget lines meant for LGs

We identified the relevant budget lines through three stages, by determining whether: (i) The budget line is relevant or not relevant to LG functions as stipulated in the Local Government Act (LGA) second Schedule; (ii) The identified budget line can be transferred directly or not to the LGs; and (iii) The budget line can

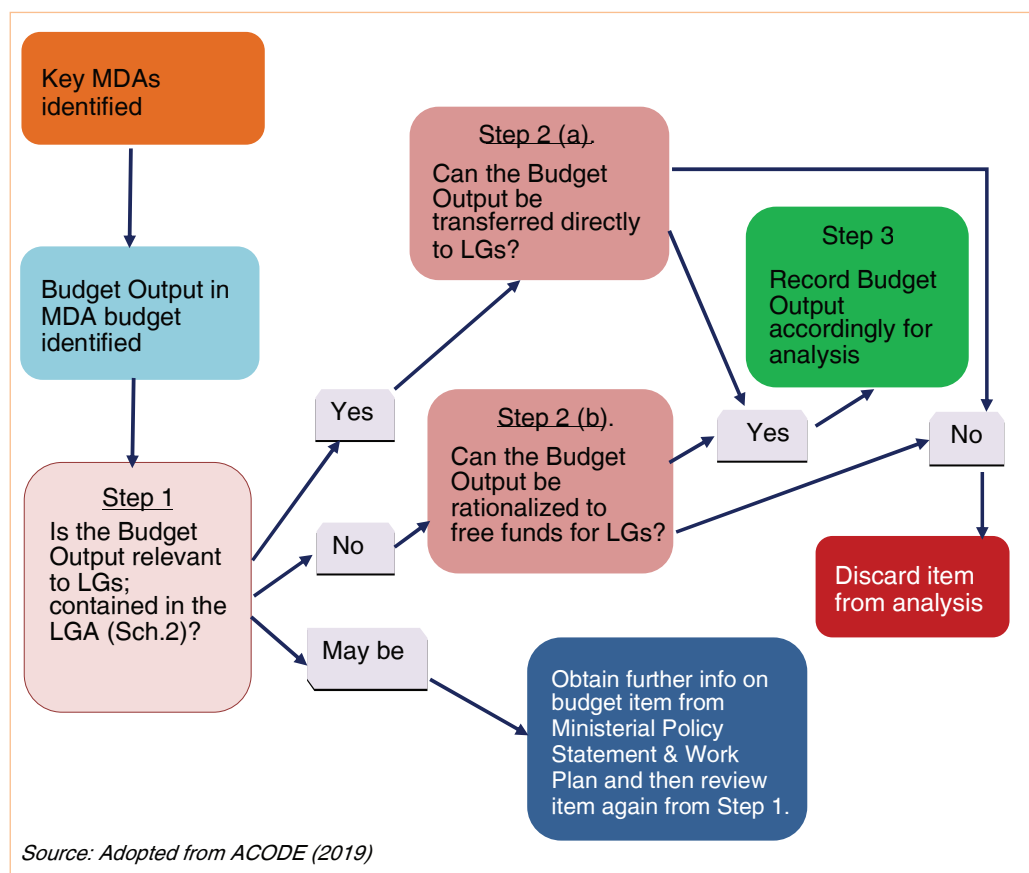
#### **Box 1: Criteria used in identifying budget lines meant for LGs.**

- a) Selected sectors with decentralized functions as prescribed in the LGs Act (2<sup>nd</sup> schedule ) i.e. agriculture, education, health, water & environment, works& transport and social development as well as any other sector with LG functions.
- b) Identified budget lines within sector budgets which fall under the mandate of LGs as prescribed in the LGs Act (2<sup>nd</sup> Schedule) but allocated to MDAs.
- c) Analyzed the budget lines under (b) to obtain the aggregate amount of funds to be allocated to LGs.
- d) Identified budget lines which are not necessarily relevant to LGs, but contain large amounts of funds, which can be rationalized to free funds for LGs.
- e) Analyzed the budget lines under (d) to obtain the aggregate amount of funds can be rationalized to improve service delivery and also free resources LGs.

either be rationalized or not by the MDAs, to improve service delivery and also to free funds for LGs. Once the relevant MDAs were identified, the analysis moved into a detailed review of the individual programs, sub-programs, and outputs within each MDA's budget. Where budget items were less clear as to whether they belonged to LG or not, we obtained further information on such budget items from supplementary policy documents, particularly, the MDA work plans.

Figure 1 shows a summary diagrammatic view of the process. As can be seen, where issues of classification are uncertain, further investigation is undertaken to determine the exact nature of the budget item. This involves a detailed review of the relevant Ministerial Policy Statements that outlines the spending plans of the MDAs in more detail. Once the relevant MDAs are identified, the analysis is moved to a detailed review of the individual programs, sub-programs, and outputs within each MDA's budget. Since the budget was quite brief, it was relatively easy for the team to review and exclude certain items from the expenditure analysis on the basis of not being related to the LGs (e.g. Rural Water Supply and Sanitation). Where budget items were less clear in their

**Figure 1: Diagrammatic Representation of the Approach to identifying budget lines meant for LGs**



relationship to LGs' activities, deeper investigation was undertaken. The first reference point was the MDA Work Plan and the Ministerial Policy Statements that contained more information on the activities of the MDAs concerned, including details on the programs being implemented. Using this information, it was possible to finalize the decision as to whether budget items were either relevant or not to LGs.

The study team identified certain budget lines which are not necessarily relevant to LGs but contained large amounts of funds. These were mainly: Government Buildings and Administrative Infrastructure; Monitoring, Supervision and Evaluation; Purchase of Specialized Machinery and Equipment; and Purchase of Motor Vehicles and Other Transport Equipment; among others. These budget lines can be rationalized to improve service delivery and also free funds that may be allocated to LGs. In this study, we define rationalization to mean actions of making government budget more efficient by allocating funds to areas which have a greater impact on service delivery.

## **2.3 Scope of the Study**

The study focused specifically on the six Sectors with decentralized functions as stipulated in the Second Schedule of the Local Governments Act (CAP 243). These are: Agriculture, Health, Education, Water and Environment, and Works and Transport. The analysis covers the FY 2020/21 and compared with FY 2019/20 where necessary.

## **2.4 Limitations of the Study**

Firstly, as a follow-up study, this study only covered the six Sectors (Agriculture, Health, Education, Roads, Water and Sanitation; Environment and Natural Resources) which were analyzed in the 2019 study, thus, Sectors such as Local Government, Public Sector Management, Trade and Industry were not included in the analysis. However, an attempt was made in sub-section 3.6 to highlight funds retained and the need to be rationalized by MDAs in these excluded Sectors. Secondly, the analysis of donor funds could not establish the proportions of funds that were grants or loans. This was mainly due to the lack of detailed information in the budget and Sector documents.

Thirdly, the measures put in place by Government to reduce the spread of the Covid-19 pandemic could not allow the researchers to interview the relevant MDA officials to give more insights on the budget lines, thus, limited virtual consultations were done. Despite all these limitations the criteria and data used in this analysis were sufficient to give credible findings.

## 3.0 Major Findings

### 3.1 Overview to Compare the FY 2020/21 and FY 2019/20 National Budgets

The budget strategy for FY 2020/21 is in line with the third National Development Plan (NDP III) for the FY2020/21 to FY2024/25. The FY 2020/21 budget is the first under NDP III, with the five year development goal of attaining “increased household incomes and improved quality of life.” This goal is to be achieved under the overall theme: “Sustainable Industrialization for Inclusive Growth, Employment and Sustainable Wealth Creation”. The NDP III was compiled basing on five objectives, twenty strategies and eighteen programmes each of which have several planned interventions. The FY 2020/21 budget was aligned to NDP III to avoid any false starts. However, preliminary findings show that the various Sectors did not develop Sector Investment Plans (SDPs) to align their Sector Budget Frame Papers (SBFPs) to the NDP III. This was largely attributed to the delayed approval of the NDP III .

The strategic priorities budgeted for the FY2020/21 are in five areas as highlighted in the National Budget Framework Paper for the FY2020/21. These are: (i) Agro-processing and light manufacturing for export promotion and import substitution; (ii) Mineral development, oil and gas, tourism, scientific research and innovation, with environmental protection in mind; (iii) Infrastructure and rural economic development; (iv) Improving social services and balancing opportunities across regions; and (v) Enhancing governance and sustaining peace and security. These priorities are in line with the NDP III, but, as indicated in the subsequent sections, the sector allocations are not fully aligned to achieving these priorities.

The proposed total budget for FY2020/21 (as at March 31, 2020) was UGX 36.6 trillion<sup>3</sup>, marking an increase of UGX 3.86 trillion from the FY2019/20 budget which was UGX. 32.77 Trillion. Sector allocations inclusive of domestic arrears are summed up in Figure 2. In the FY2020/21, the Works and Transport Sector takes the largest share of the budget with UGX 5.83 trillion or 15.9 per cent, compared to UGX 6.41 trillion (19.6 per cent) in FY2019/20, indicating a reduction of the sector budget allocation by over UGX 580 billion.

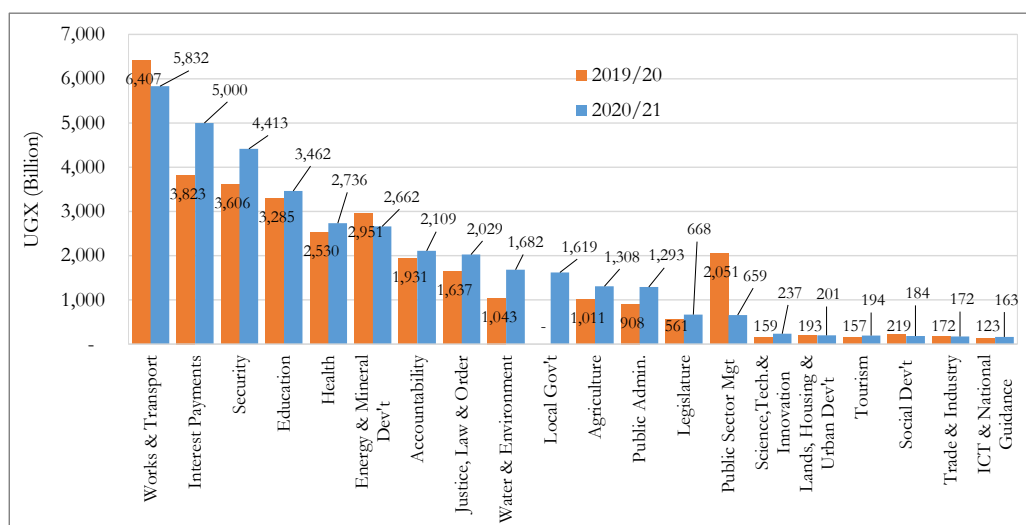
The Security Sector budget, on the other hand, has had an increase from UGX 3.61 trillion (11.1 per cent) in FY 2019/20 to UGX 4.45 trillion (12.1 per cent). Other Sectors whose resource envelope allocations were increased include Interest

<sup>3</sup> Excluding Appropriation in aid (AIA), Arrears and Treasury bills and bond redemptions.

Payments from UGX 3.1 trillion (11.7 per cent) to UGX 4.09 (13.7 per cent) and the Education Sector from UGX 3.28 trillion (10.0 per cent) in FY 2019/20 to UGX 3.49 trillion (9.5 per cent). While the absolute budget allocated to the Education Sector (one of the key decentralized services) had increased by UGX 210 billion, the percentage share of the Sector budget to the total national budget had reduced from 10.4 per cent in FY2019/20 to 9.8 per cent in FY 2020/21.

Other Sectors, apart from Education and Works, with direct impact to Local Government service delivery, such as, health, agriculture and water and environment, have had their budget allocations increased, unlike that of Social Development that was reduced, as shown in Figure 2. It is noteworthy that for the first time, the Local Government Sector has received a stand-alone budget of UGX 1.62 trillion (4.4 per cent) of the FY 2020/21 budget. This was carved out of the Public Sector Management Sector, which explains the drastic fall in the latter's allocation from UGX 2.05 trillion (6.3 per cent) in the FY 2019/20 to UGX 659.5 billion (1.8 per cent) in the FY 2020/21.

**Figure 2: Proposed sector budget allocations for the FY 2020/21 compared with the FY 2019/20**



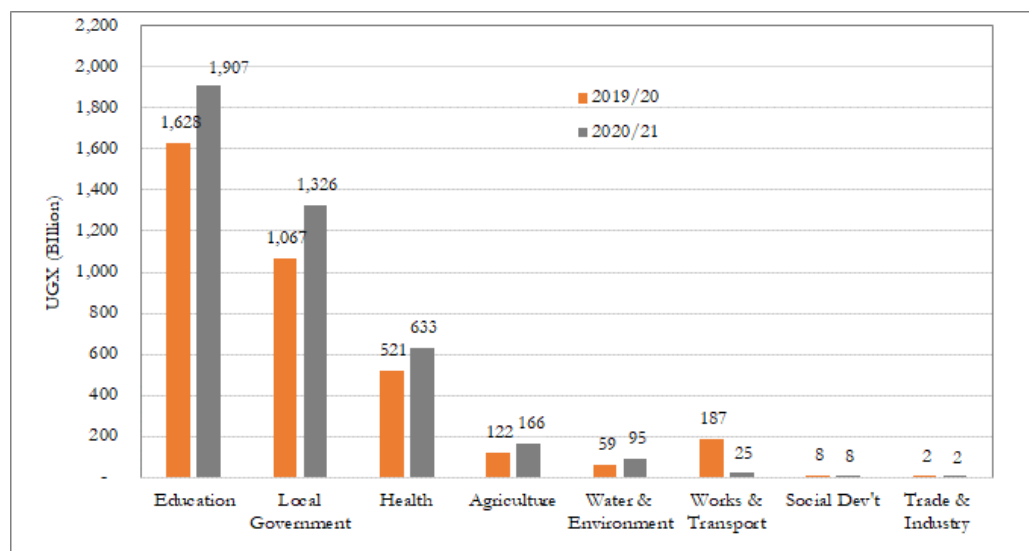
Source: Authors' calculations based on the FY 2020/21 and the FY 2019/20 National Budget Estimates

### 3.2 Budget Allocation to LG Programmes

During the FY 2020/21, the LG Programmes have a total allocation of UGX 4.16 trillion (11.4 per cent of the national budget). Although this is a slight increase from UGX 3.59 trillion (11.0 per cent) allocated to LG programs for FY 2019/20, the allocation is still a small component of the national budget. These funds

are provided through unconditional grants, conditional grants, equalization grants, and projects and external funding. As shown in Figure 3, the Education Sector still takes the highest amount of UGX 1.91 trillion compared to UGX 1.63 trillion in FY 2019/20. This is mainly due to the large wage component for teachers' salaries. This is followed by Local Government (formerly Public Sector Management) with UGX 1.33 trillion (compared with UGX 1.07 trillion in the FY 2019/20); and Health allocated UGX 633 billion (compared with UGX 521 billion in the FY 2019/20). The Works and Transport transfers to the LG was cut to UGX 25 billion from UGX 187 billion FY 2019/20; while transfers for Agriculture were increased to UGX 166 billion from UGX 122 billion. Allocations for Water and Environment for LGs were also increased from UGX 59 billion during the FY 2019/20 to UGX 95 billion. Also, Social Development transfers have remained at UGX 8 billion, just like Trade, Industry and Cooperatives allocated UGX 2 billion. Worth noting is that, whereas the share of LG Programmes budget allocations for wages has slightly reduced from 57 per cent in the FY 2019/20 to 53 per cent in the FY 2020/21. The absolute amount allocated for wages has increased from UGX 2.03 trillion to UGX 2.22 trillion respectively.

**Figure 3: Proposed FY 2020/21 National Budget Allocations for LG Programmes compared with the FY 2019/20**

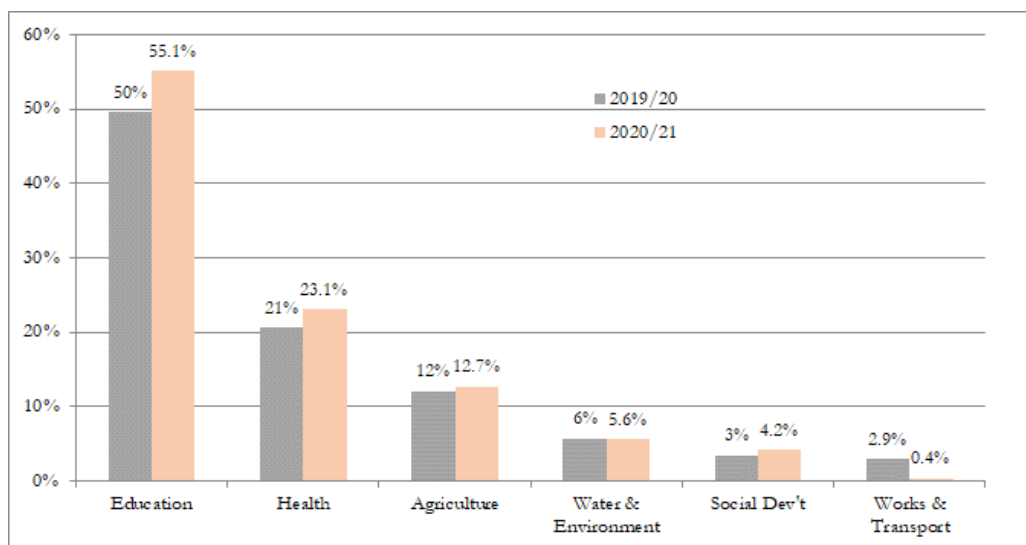


Source: Authors' calculations based on the FY 2020/21 and FY 2019/20 National Budget Estimates

In terms of share of the total Sector budget, Education saw its dominance in the Sector budget allocated to LG programmes increasing from 50 per cent in FY 2019/20 to 55 per cent in the FY 2020/21. The share by the Health Sector also increased from 21 per cent to 23 per cent, just like that of Agriculture that

slightly increased to 13 per cent from 12 per cent in FY 2019/20. The largest increase in the budget share for LG programs was registered by the Water and Environment Sector, which increased to 18 per cent from 6 per cent. Social Development also increased from 3.5 per cent to 4.2 per cent, while that of Works and Transport Sector reduced to 0.4 per cent from 3 per cent (see figure 4). The Education and Health Sectors have relatively large shares mainly on account of their high wage bills.

**Figure 4: Share of Sector Budgets allocated for LG Programs**



Source: Authors' calculations based on the FY 2020/21 and FY 2019/20 National Budget Estimates

### 3.3 Budget Allocations to MDAs that are under LG Mandate

This study focuses on the MDAs under six Sectors, namely: Agriculture, Health, Education, Water and Environment, Works and Transport, and Social Development. The rationale is to establish whether during the FY 2020/21, GoU adhered to the recommendations of the FY 2019/20 budget analysis study, which identified budgetary allocations to a tune of UGX 1.066 trillion that by law should be implemented by the LGs but were retained by Central Government MDAs.

The analysis shows that the above-mentioned six Sectors have been allocated a total of UGX 15.20 trillion (42 per cent) of the total national budget available for appropriation (UGX 36.62 trillion)<sup>4</sup>.

<sup>4</sup> Although the total national budget for the FY 2020/21 is UGX 44.68 trillion, the proportion of this budget available for appropriation to the various sectors is UGX 35.73 trillion, the rest (UGX 8.95 trillion) being funds to cater for external debt repayments (amortization) which has been allocated UGX 1.23 trillion, domestic refinancing (UGX 7.12 trillion), domestic arrears (UGX 400 billion), and appropriation in aid (UGX 201 billion).



This is an increase from UGX 14.51 trillion allocated in FY 2019/20. The Works and Transport Sector has continued to take the biggest share of the budget of UGX 5.83 trillion (38 per cent of the budget allocated to the six Sectors under review) compared with UGX 6.41 trillion (44 per cent) in FY 2019/20, followed by Education at UGX 3.50 trillion (23 per cent), and Health at UGX 2.74 trillion (18 per cent). Other Sectors under our scope of analysis such as Agriculture, Water and Environment, and Social Development will respectively receive 1.30 trillion (9 per cent), UGX 1.68 trillion (11 per cent), and UGX 183.8 billion (1 per cent).

The Sector budgets are supposed to be spent at both national and Local Government levels. The LGs are the implementers of the government programs within their areas of localities and jurisdiction whereas the MDAs are mandated with mainly policy formulation, regulation, setting national standards, coordination, monitoring, supervision, and provision of technical support to LGs in the implementation of programs. Thus, the largest amount of Sector budgets ought to be spent by LGs. However, as reported in ACODE Study (2019)<sup>5</sup>, a report by the Office of Auditor General (OAG) found that MDAs retain the biggest proportions of Sector budget allocations despite devolving the responsibility of service delivery to LGs (OAG, 2016). The report pointed out the Sectors of Water and Environment, Works and Transport, Agriculture and Health retained on average more than 80 per cent of the Sector allocations at the centre. This can also be confirmed by this study as presented in Figure 4.

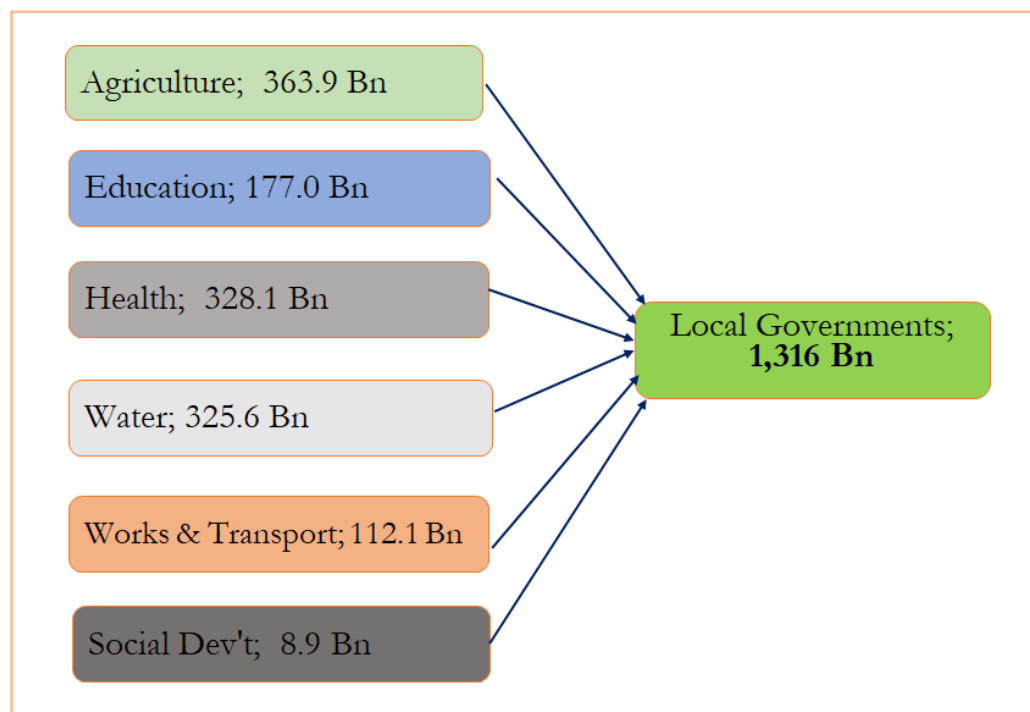
This study is a follow up on the 2019 analysis<sup>6</sup> that established the amount of funds that were meant to be appropriated directly to LGs, but instead were retained/allocated to MDAs contrary to the Constitution of the Republic of Uganda 1995 (as amended) and LGA (CAP 243). The MoFPED in the first and second budget call circulars (Ref. BPD 86/107/02) instructed MDAs to relinquish funds meant for the delivery of devolved services to respective Local Governments. This particular analysis shows that despite the recommendations of ACODE (2019), the allocation of funds meant for LGs by MDAs of the Central Government has not only persisted but the amounts retained at the centre have actually increased.

Whereas the total amount retained by various MDAs during the FY 2019/20 budget allocations to these six Sectors under review was UGX 1.07 trillion, the analysis finds that the total for the FY 2020/21 is UGX 1.32 trillion (see, figure 5). This is an increase of nearly UGX 250 billion of funds that were to be allocated to LGs as mandated under the Second Schedule of the LGA (CAP 243).

<sup>5</sup> <https://www.acode-u.org/uploadedFiles/PRS92.pdf>

<sup>6</sup> Ibid

**Figure 5: Total Funds for LG Mandates contained in MDA Budgets for the FY 2020/21**

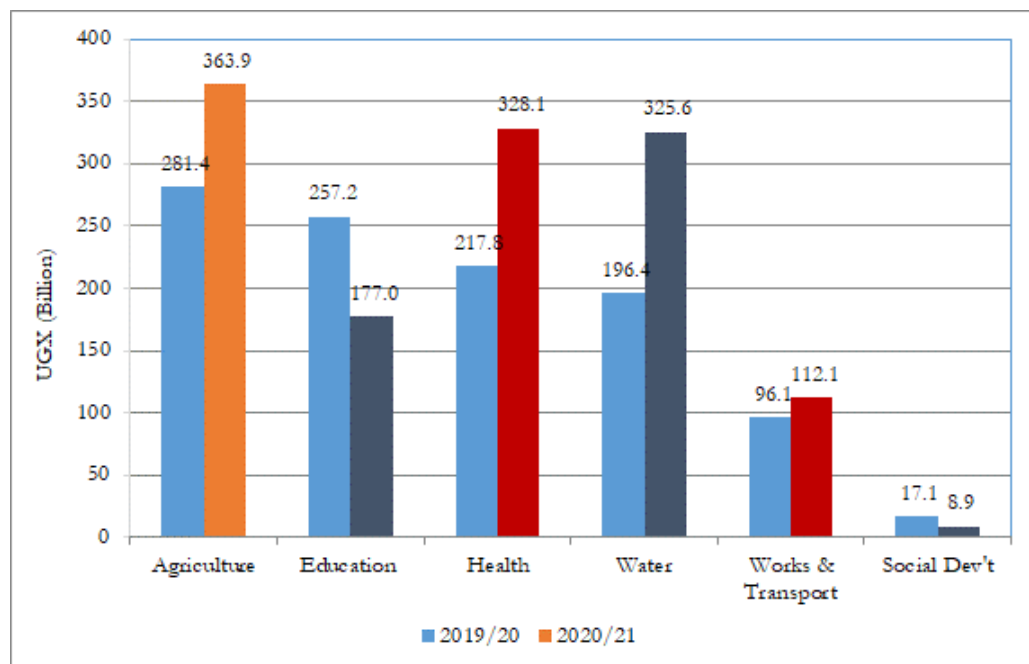


Source: Authors' calculations based on the proposed FY 2020/21 National Budget

### 3.4 Comparison of LG Funds Retained by the MDAs for the FY 2019/20 and 2020/21

At Sector level, the Agriculture Sector got the highest amount of retained funds by the MDAs amounting to UGX 363.9 billion, up from UGX 281.4 billion retained in the FY 2019/20. Other Sectors where more money was retained during the FY 2020/21 than in FY 2019/20 include Health Sector from UGX 217.8 billion to UGX 328.1 billion, Water and Environment Sector from UGX 196.4 billion to UGX 325 billion, and Works and Transport Sector from UGX 96.1 billion to UGX 112.1 billion. Only two Sectors have less money this year than what they retained in 2019/20, these are: Education, from UGX 257.2 billion to UGX 117 billion; and Social Development, from UGX 17.1 billion to UGX 8.9 billion.

**Figure 6: Proposed funds proposed for re-allocation to LGs for the FY 2020/21 compared to FY 2019/20**



Source: Authors' calculations based on the FY 2020/21 and the FY 2019/20 National Budget Estimates

Although budgeting for results has improved with the introduction of performance-based budgeting, “budget allocations are heavily skewed towards MDAs as opposed to LGs where most of the implementation action is supposed [to take place]” (Republic of Uganda 2020: pp. 203). The current practice of MDAs controlling the budget (funds) has undesirable implications on service delivery as elaborated in the preceding sections. We note that most of the MDA activities are eventually implemented at the Local Government level directly or indirectly (through LGs). However, the agency which controls the budget (funds) matters. The NDP III also recognises this challenge and highlights the inadequacy of transfers to Local Governments to support the effective delivery of decentralised functions and LED interventions.

During ACODE (2019) validation workshops, top officials from several Ministries and top policymakers cited weak capacity by most LGs, corruption, and rigidity by donors as some of the reasons for Ministries and agencies of the Central Government retaining funds legally meant for LGs. Due to time constraint, this study was unable to establish the validity of some of these claims. However, this is indicative of MDAs failing on their mandate for supporting Local Governments. The LGA (CAP 243) Sections 96, 97 & 98 mandate line ministries to provide technical support to LG, build LGs capacity and section 98 (1b)

further tasks MDAs to foster the elimination of corruption and abuse of office in LGs. Therefore, citing weak capacity of LGs and corruption as major reasons for the MDAs continued retention of funds meant for LG, may be construed as a failure by line MDAs to perform their legally mandated roles in respect to supporting LGs.

However, analysis of the composition of the funds being retained by MDAs partly supports the notion of “donor conditionality” driving this bad habit. Over 69 per cent of the retained budgets (funds) are from external sources. This is an increase to 65 per cent of the proportion of the externally generated funds in FY 2019/20. However, it is important to note that most of these funds are loans as opposed to grants, rendering the “donor rigidity” excuse for retaining LG funds at the centre weak. Our analysis also shows that it is mainly projectisation of the budget that has perpetuated this challenge of MDAs retaining LG funds. The core implementation of Public Sector business across Government is undertaken through projects, predominantly funded through borrowing from external sources. Most of these projects have been turned into vertical projects by MDAs, limiting integration at LG level.

### **3.5 Composition of Funds for LG Mandates under MDAs**

When CG is negotiating external assistance intended to support the decentralized services, the Study by ACODE (2019), [Financing Local Governments in Uganda: An analysis of Proposed National Budget FY 2019/20 and Proposals for Re-allocation](#), recommended that LGs should be represented in any negotiations with development partners. This would help to neutralize the conditions that dictate centralization of funds and decentralization of service delivery where they exist. External funding constitutes the majority of the funds (69 per cent) being retained by MDAs. The GoU development funds constitute only 28 per cent of the funds being retained by MDAs. Non-wage and wage budgets take the remaining 2.6 per cent and 0.2 per cent respectively (see, Table 1). It should be noted that the external funding component also has wage and non-wage components that this study has not analyzed.

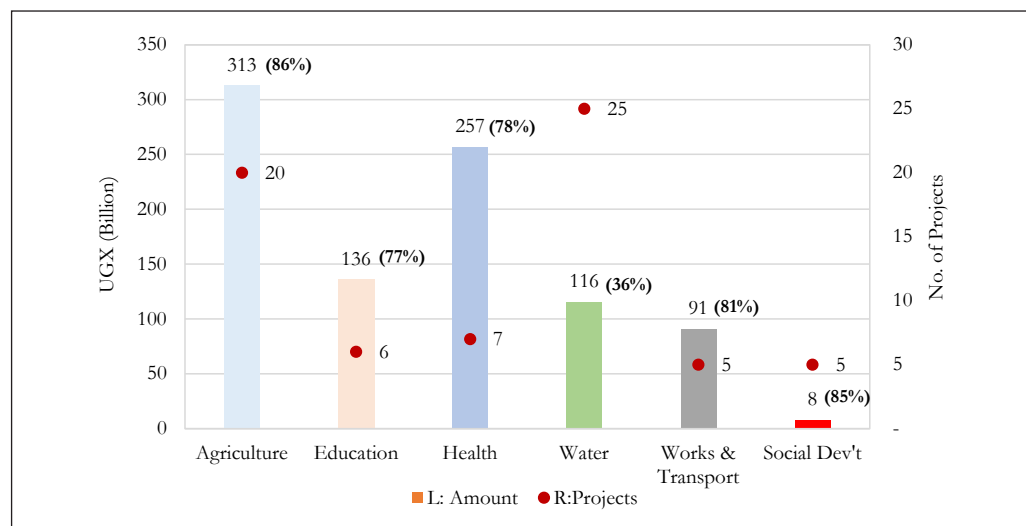
**Table 1: Composition of funds for LG Mandate under MDAs (UGX Bn)**

Sectors	Wage		Non-Wage		GoU (Dev't)		External Funding		Total	
	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20
<b>Agriculture</b>	0.8	-	9.8	8.4	49.9	64.0	303.4	209	363.9	<b>281.4</b>
<b>Education</b>	-	-	3.3	3	39.5	31	134.3	224	177.0	<b>257.2</b>
<b>Health</b>	1.8	26	19.6	13	10.9	9	295.7	170	328.1	<b>217.8</b>
<b>Water</b>	-	-	0.7	2	154.4	117	170.5	77	325.6	<b>196.4</b>
<b>Works &amp; Transport</b>	-	-	-	-	112.1	96	-	-	112.1	<b>96.1</b>
<b>Social Dev't</b>	-	-	1.4	1.8	1.1	2.3	6.5	13.0	8.9	<b>17.1</b>
<b>Total</b>	<b>2.6</b>	<b>26.3</b>	<b>34.8</b>	<b>28.4</b>	<b>367.8</b>	<b>319.3</b>	<b>910.3</b>	<b>691.8</b>	<b>1,316</b>	<b>1,066</b>
<b>Share</b>	0.2%	2.5%	2.6%	2.7%	28.0%	30.0%	69.2%	64.9%		

Source: Authors' calculations based on the proposed FY2019/20 & FY2020/21 National Budget

The analysis above shows that Agriculture has the highest amount (UGX 312 Bn) of retained funds under projects, followed by Health (UGX 257 Bn), Education (UGX 136 Bn), Water and Environment (UGX 116 Bn), Works and Transport (UGX 91Bn), and Social Development (UGX 7.5 Bn). In terms of the proportion of the retained funds under projects, Agriculture still has the highest share (75 per cent), followed by Social Development (85 per cent), Works and Transport (81 per cent), Health (78 per cent ), Education (77 per cent ), and Water and Environment (36 per cent ). Figure 7, shows the distribution of projects by sector by number, amount, and share of Sector retained funds. Further details are contained in Appendix IV.

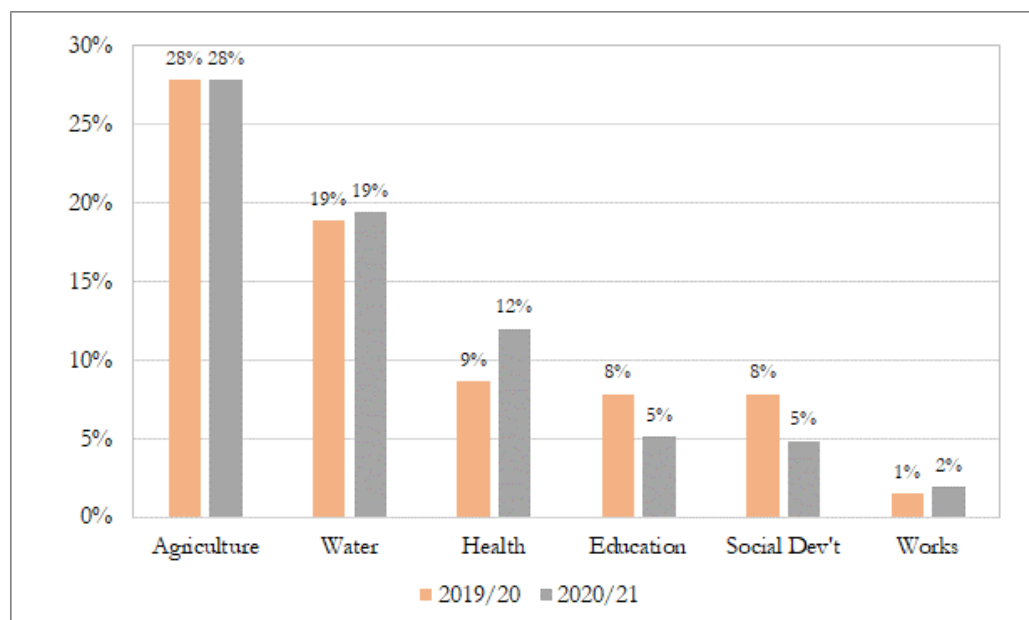
**Figure 7: Distribution of Projects by sector (number of projects, Amount, and share of retained funds)**



Source: Authors' calculations based on the FY 2020/21 National Budget Estimates

Further analysis shows that, like in FY 2019/20, Agriculture has the highest share of the Sector budget that ought to be re-allocated to LGs during FY 2020/21 at 28 per cent. This is again followed by Water and Environment with 19 per cent, health 12 per cent up from 9 per cent, Social Development and Education with 5 per cent down from 8 per cent; while Works and Transport gained 1 percentage point (see, Figure 8).

**Figure 8: Share of sector funds proposed for re-allocation to LGs**

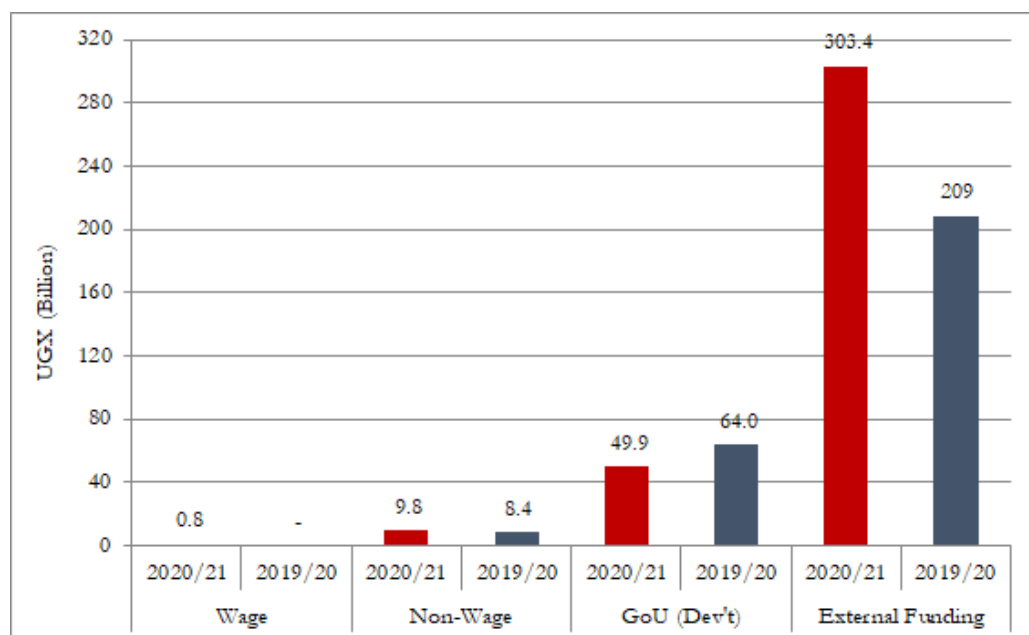


Source: Authors' calculations based on the FY 2020/21 and FY 2020/21 National Budget Estimates

### 3.5.1 Agriculture Sector

As noted in the preceding sub-section, the Agriculture Sector has had the highest budgeted funds retained at the centre that could be re-allocated to the LGs for the two financial years under review. Figure 9 disaggregates the UGX 363.9 billion that the Agriculture Sector would retain during the FY 2020/21 were it allocated to lawful outputs as mandates of the LGs. UGX 303.4 billion external funding (up from UGX 209 billion in FY 2019/20) as the GoU Development Funds reduced from UGX 64 billion to UGX 50 billion. The rest have been allocated as non-wage funds (UGX 9.8 billion) and wages (0.8 billion).

**Figure 9: Agriculture Sector budget proposed for re-allocation to LGs**



Source: Authors' calculations based on the FY 2020/21 and the FY 2020/21 National Budget Estimates

As shown in Table 2, the Crop Resources Directorate takes the lion's share of the funds retained by the Agriculture Sector that could be re-allocated to the LGs amounting to UGX 163.4 billion (58 per cent). This is followed by the Animal Resources Directorate at UGX 83.4 billion (30 per cent); the rest of funds amounting to UGX 34.6 billion (12 per cent) were allocated to Fisheries Resources; Policy, Planning and Support Services; Agriculture Infrastructure, Mechanization and Water for Agricultural Production; and Dairy Development Authority (DDA). Details on the distribution of Agriculture Sector budget proposed for re-allocation to LGs are contained in Appendix V.

**Table 2: Distribution of Agriculture Sector budget proposed for re-allocation to LGs (UGX Bn)**

Programs	Wage		Non-Wage		GoU (Dev't)		External Funding		Total	
	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20
Dairy Development & Regulation	-	-	-	-	0.9	0.6	-	-	0.9	0.6
Crop Resources	-	-	1.6	2.2	10.9	12.0	250.0	149.2	262.5	163.4
Crop Protection Department	-	-	0.9	-	-	-	-	-	0.9	-
Fisheries Resources	0.8	-	4.4	2.8	4.1	6.0	2.4	2.5	11.7	11.2
Directorate of Agricultural Extension & Skills Management	-	-	0.4	0.9	-	0.4	-	-	0.4	1.3
Agriculture Infrastructure, Mechanization & Water for Agricultural Production	-	-	-	-	7.6	10.2	-	-	7.6	10.2
Directorate of Animal Resources	-	-	2.5	2.5	23.3	33.3	40.6	47.6	66.4	83.4
Policy, Planning & Support Services	-	-	-	-	2.6	-	10.4	-	13.0	-
Breeding & Genetic Development	-	-	-	-	0.5	-	-	-	0.5	-
Policy, Planning & Support Services	-	-	-	-	-	1.6	-	9.7	-	11.3
<b>Total</b>	<b>0.8</b>	<b>-</b>	<b>9.8</b>	<b>8.4</b>	<b>49.9</b>	<b>64.0</b>	<b>303.4</b>	<b>209.0</b>	<b>363.9</b>	<b>281.4</b>

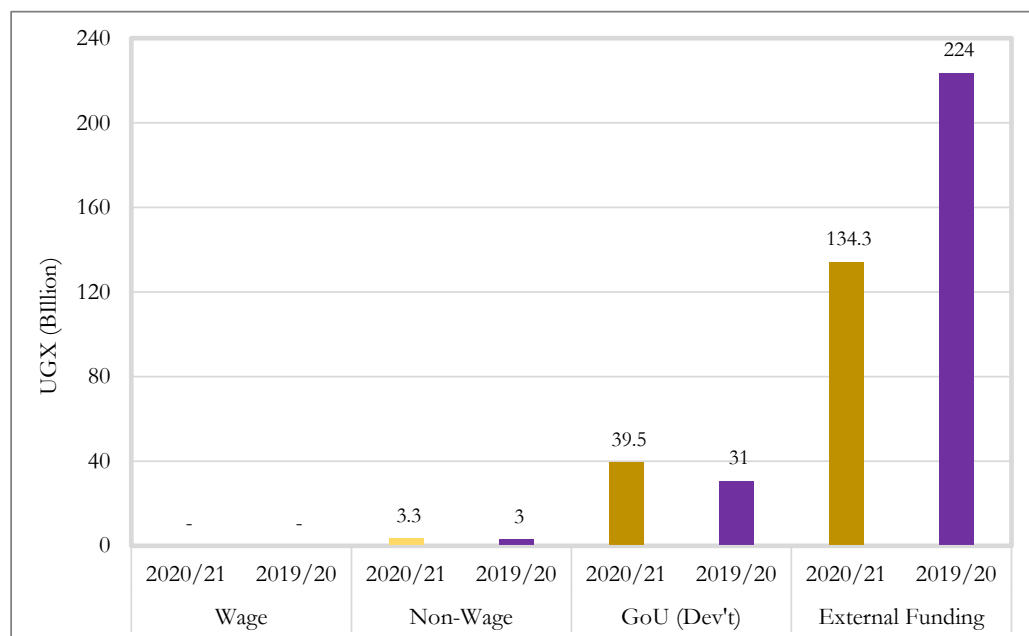
Source: Authors' calculations based on the proposed FY 2019/20 & FY 2020/21 National Budget

### 3.5.2 Education and Sports Sector

The Education and Sports Sector budget funds retained at the centre that could be re-allocated to the LGs reduced from UGX 257.2 billion in FY 2019/20 to UGX 177 billion in FY 2020/21. Of these funds, UGX 134.3 billion are externally sourced funds (down from UGX 224 billion) while UGX 39.5 billion were GoU Development Funds, having increased from UGX 31 billion in FY 2019/20. The none-wage funds increased by UGX 300 million from the UGX 3 billion (see, Figure 10). Details on the distribution of the Health Sector budget proposed for re-allocation to LGs contained in Appendix VI.



**Figure 10: Education sector budget proposed for re-allocation to LGs**



Source: Authors' calculations based on the FY 2020/21 and the FY 2020/21 National Budget Estimates

As shown in Table 4, Skills Development Directorate takes almost three-quarters of the funds retained by the Sector that could be re-allocated to the LGs amounting to UGX 189.9 billion. This is followed by Pre-Primary and Primary Education Directorate with UGX 51.7 billion (20 per cent). The rest of the funds amounting to UGX 15.6 billion (6 per cent) are for Guidance and Counseling; Physical Education and Sports; Secondary Education; and Special Needs Education. Details on the distribution of Education and Sports Sector budget proposed for re-allocation to LGs are contained in Appendix VII.

**Table 3: Distribution of Education Sector budget proposed for re-allocation to LGs (UGX Bn)**

Programs	Wage		Non-Wage		GoU (Dev't)		External Funding		Total	
	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20
Guidance and Counselling	-	-	0.5	0.5	-	-	-	-	0.5	0.5
Physical Education and Sports	-	-	0.3	0.4	-	-	-	-	0.3	0.4
Pre-Primary and Primary Education	-	-	0.5	0.3	-	3.3	18.6	48.0	19.0	51.7
Secondary Education	-	-	0.8	0.6	23.6	12.0	1.8	-	26.2	12.6

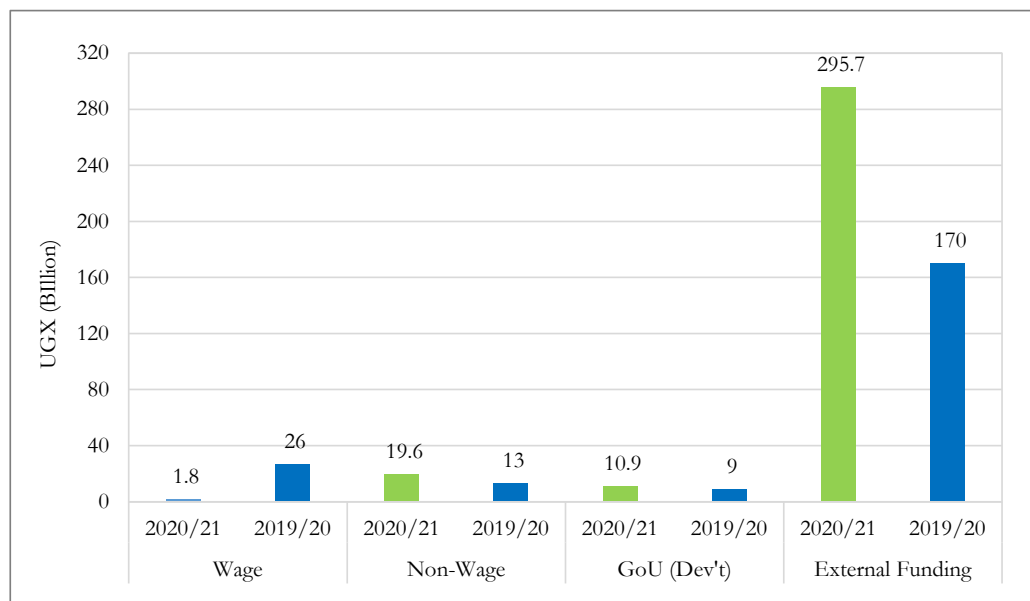
Programs	Wage		Non-Wage		GoU (Dev't)		External Funding		Total	
	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20
Skills Development	-	-	1.0	0.2	13.7	14.1	113.9	175.6	128.6	189.9
Special Needs Education	-	-	0.3	0.8	2.2	1.2	-	-	2.5	2.1
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3.3</b>	<b>2.9</b>	<b>39.5</b>	<b>30.7</b>	<b>134.3</b>	<b>223.6</b>	<b>177.0</b>	<b>257.2</b>

Source: Authors' calculations based on the proposed FY2019/20 & FY2020/21 National Budget

### 3.5.3 Health Sector

The Health Sector budget funds retained by the centre yet they were allocated for outputs that by law belong to the LGs stand at UGX 328.1 billion, up from UGX 217.8 billion. The proportion of external funding has increased to UGX 295.7 billion from UGX 170 billion in FY 2019/20, just like the GoU Development Funds that slightly increased from UGX 9 billion to UGX 10.9 billion for the FY 2010/21. Non-wage funds also increased from UGX 13 billion to UGX 19.6 billion, while wage allocations reduced to UGX 1.8 billion from UGX 26 billion (see, Figure 12).

**Figure 11: Health Sector budget proposed for re-allocation to LGs**



Source: Authors' calculations based on the FY 2020/21 and FY 2020/21 National Budget Estimates

As shown in Table 5, Health Infrastructure and Equipment takes almost the entire funds retained by the Sector, that could be re-allocated to the LGs amounting to UGX 209.8 billion (96 per cent). The rest of the funds amounting to UGX 8.0

billion are with Public Health Services. Details on the distribution of the Health Sector budget proposed for re-allocation to LGs are contained in Appendix VIII.

**Table 4: Distribution of Health Sector budget proposed for re-allocation to LGs (UGX Bn)**

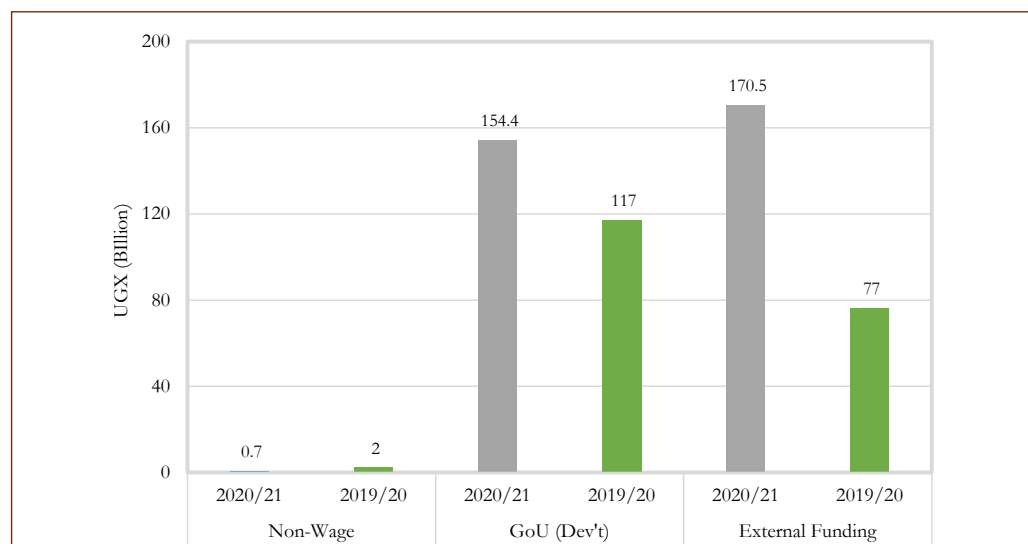
Programs	Wage		Non-Wage		GoU (Dev't)		External Funding		Total	
	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20
Public Health Services	1.8	3.9	1.3	1.5	0.5	-	-	2.6	3.6	7.9
Clinical Health Services	-		18.4		-		-		18.4	
Health Infrastructure & Equipment	-	22.5	-	11.4	10.4	8.8	289.6	167.1	300.0	209.8
Pharmaceutical & other Supplies	-		-		-		6.1		6.1	
<b>Total</b>	<b>1.8</b>	<b>26.3</b>	<b>19.6</b>	<b>12.9</b>	<b>10.9</b>	<b>8.8</b>	<b>295.7</b>	<b>169.7</b>	<b>328.1</b>	<b>217.8</b>

Source: Authors' calculations based on the FY 2020/21 and FY 2019/20 National Budget Estimates

### 3.5.4 Water and Environment

The Water and Environment Sector budget funds retained at the centre that could be re-allocated to the LGs have increased to UGX 325.6 billion from UGX 196.4 billion in FY 2019/20. The proportion of external funding increased from UGX 77 billion in FY 2019/20 to UGX 170.5 billion in FY 2020/21. Likewise, GoU Development Funds were increased from UGX 117 billion to UGX 154.4 billion while the non-wage budget was reduced from UGX 2 billion to UGX 0.7 billion in FY 2020/21 as shown in Figure 12.

**Figure 12: Water and Environment budget proposed for re-allocation to LGs**



Source: Authors' calculations based on the FY 2020/21 and FY 2020/21 National Budget Estimates

As shown in Table 6, Rural Water Supply and Sanitation takes the biggest share of the funds retained by the Water and Environment Sector that could be re-allocated to the LGs, amounting to UGX 96.3 billion (49 per cent). This is followed by Water for Production at UGX 75.6 billion (38 per cent); the rest of the funds amounting to UGX 24.5 billion (12 per cent) are for Natural Resources Management; Urban Water Supply and Sanitation; and Water Resources Management. Details on the distribution of Water & Environment Sector budget proposed for re-allocation to LGs are contained in Appendix IX.

**Table 5: Distribution of Water & Environment Sector budget proposed for re-allocation to LGs (UGX Bn)**

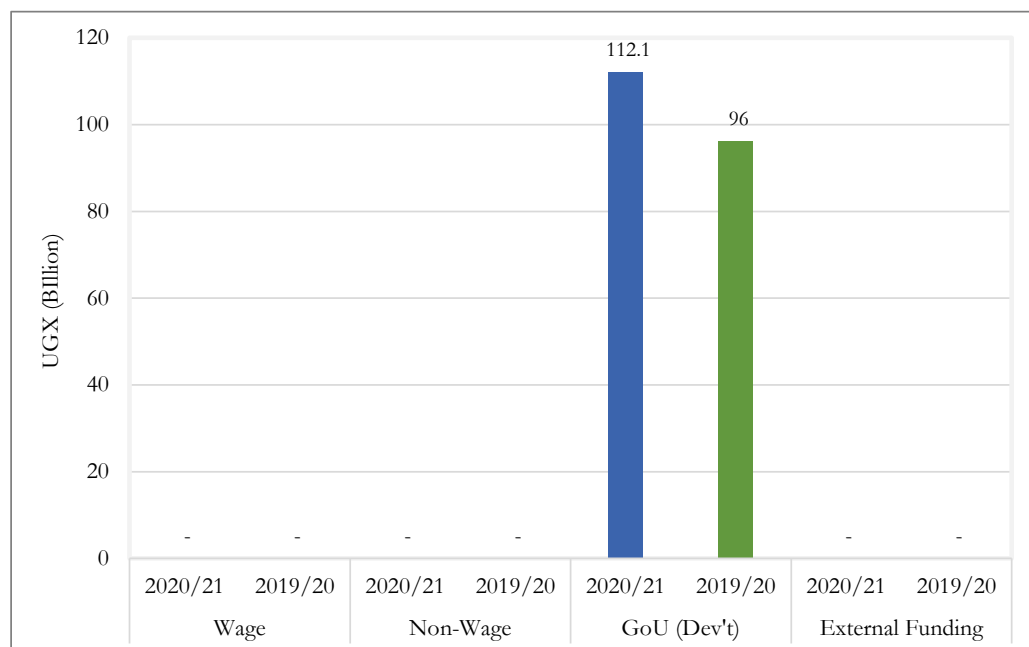
Programs	Wage		Non-Wage		GoU (Dev't)		External Funding		Total	
	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20
Natural Resources Management	-		0.6	2.4	3.4	2.2	2.1	1.8	6.1	6.4
Water Resources Management	-		-	-	3.7	4.2	14.0	9.8	17.7	13.9
Rural Water Supply and Sanitation	-		0.1	0.0	50.4	44.2	81.9	52.2	132.5	96.3
Urban Water Supply and Sanitation	-		-	-	6.3	1.7	0.9	2.4	7.2	4.1
Water for Production	-		-	-	90.6	65.2	71.5	10.4	162.1	75.6
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.7</b>	<b>2.4</b>	<b>154.4</b>	<b>117.4</b>	<b>170.5</b>	<b>76.5</b>	<b>325.6</b>	<b>196.4</b>

Source: Authors' calculations based on the FY 2020/21 and FY 2019/20 National Budget Estimates

### 3.5.5 Works and Transport Sector

The Works and Transport Sector budget funds retained by the MDAs that could be re-allocated to the LGs have also increased to UGX 112.1 billion, up from UGX 96 billion in FY 2019/20. Like in FY 2019/20, the entire amount comes under GoU development budget (see, Figure 13). Table 7 shows that District, Urban and Community Access Roads take the entire funds retained by the sector that could be re-allocated to the LGs, amounting to UGX 95.5 billion. Details on the distribution of Works and Transport Sector budget proposed for re-allocation to LGs as contained in Appendix X.

**Figure 13: Works and Transport budget proposed for re-allocation to LGs**



Source: Authors' calculations based on the FY 2020/21 and FY 2020/21 National Budget Estimates

**Table 6: Distribution of Works & Transport Sector budget proposed for re-allocation to LGs (UGX Bn)**

Programs	Wage		Non-Wage		GoU (Dev't)		External Funding		Total	
	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20
District, Urban & Community Access Roads	-		-		112.1	95.5	-		112.1	95.5
Transport Services and Infrastructure						0.6				0.6
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112.1</b>	<b>96.1</b>	<b>-</b>	<b>-</b>	<b>112.1</b>	<b>96.1</b>

Source: Authors' calculations based on the FY 2020/21 and FY 2019/20 National Budget Estimates

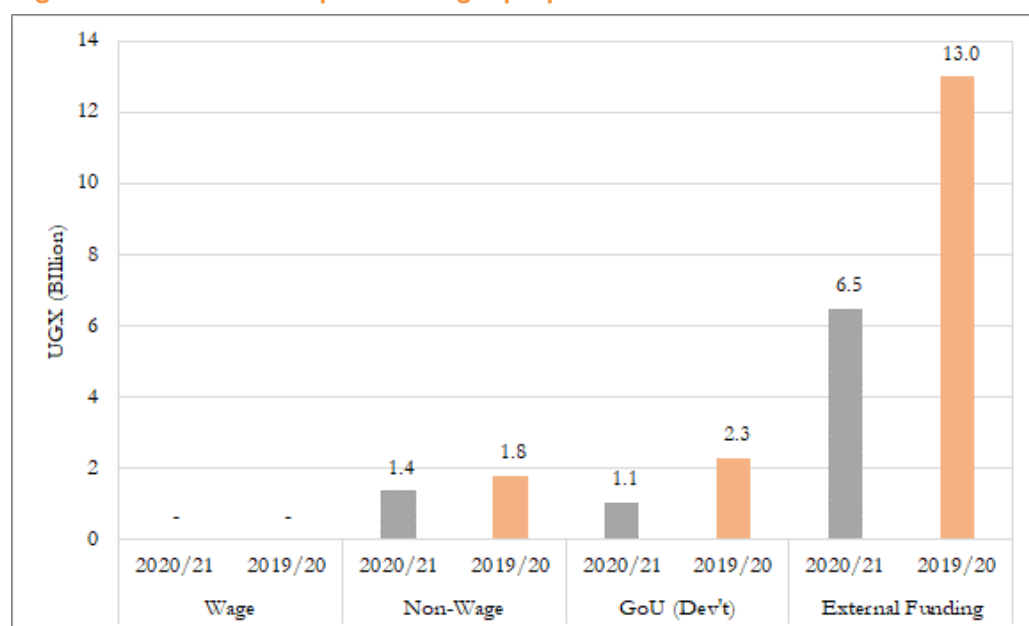
Information in the Works and Transport Sector Budget Framework Paper for FY 2019/20 showed that emphasis during financial year 2020/21 would be put on upgrading national roads from gravel to tarmac (400 km), rehabilitation of national roads (332.4 km), and construction of 58 bridges. Rehabilitation of 1,000 km of the District, Urban and Community Access Roads (DUCAR) network in selected districts was allocated a total of UGX 112.1 billion as shown in Table 6.

There is a gap in costing social services in LGs, for example, to inspect a school, immunize a child; provide extension services to a farmer, and other such social services activities are not well budgeted. Standard costs of service delivery are available, yet they form the basis for the determination of the quantum of the resources to be channeled to LGs, and on which agreed upon targets during the budget period are to be achieved.

### 3.5.6 Social Development Sector

The Social Development Sector budget funds retained by the centre reduced from UGX 17.1 billion in the FY 2019/20 to UGX 8.9 billion in the current FY 2020/21. The externally sourced funds also reduced to UGX 6.5 billion from UGX 13 billion. GoU Development Funds have also fallen from UGX 2.3 billion to UGX 1.1 billion in the FY 2020/21. The non-wage budget has also reduced to UGX 1.4 billion from UGX 1.8 billion in FY 2019/20 (see, Figure 14).

**Figure 14: Social Development budget proposed for re-allocation to LGs**



Source: Authors' calculations based on the FY 2020/21 and the FY 2020/21 National Budget Estimates

As shown in Table 8, Promotion of decent employment takes the biggest share of the funds retained by the Sector that could be re-allocated to the LGs amounting to UGX 9.9 billion (58 per cent). The rest of funds amounting to UGX 7.2 billion (42 per cent) are for Gender, Equality and Women's Empowerment; and Social Protection for Vulnerable Groups. Details on the distribution of Social Development Sector budget proposed for re-allocation to LGs are contained in Appendix XI.

**Table 7: Distribution of Social Development Sector budget proposed for re-allocation to LGs (UGX Bn)**

Programs	Wage		Non-Wage		GoU (Dev't)		External Funding		Total	
	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20
Promotion of descent Employment	-	-	0.4	0.18	0.3	0.26	6.5	9.43	7.2	9.9
Community Mobilisation, Culture & Empowerment	-	-	0.1	-	-	2.03	-	3.57	0.1	5.6
Social Protection for Vulnerable Groups	-	-	0.9	1.61	0.7	-	-	-	1.6	1.6
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1.4</b>	<b>1.8</b>	<b>1.1</b>	<b>2.3</b>	<b>6.5</b>	<b>13.0</b>	<b>8.9</b>	<b>17.1</b>

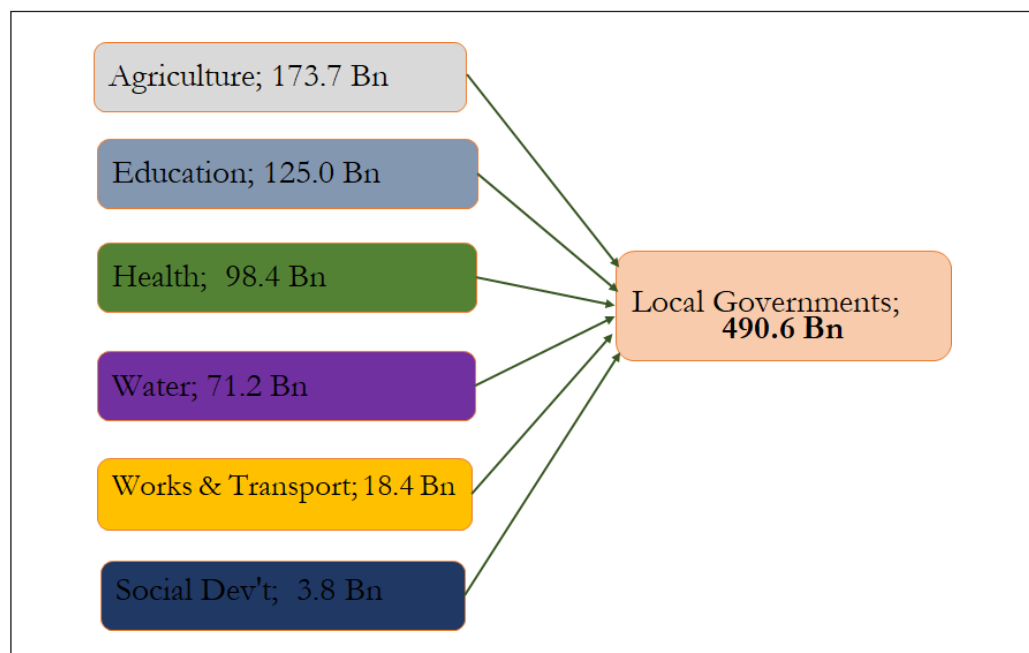
Source: Authors' calculations based on the FY 2020/21 and the FY 2020/21 National Budget Estimates

### 3.6 Budget Allocations to MDAs that may be Rationalised

Under this sub-section, we report the amount of funds that we believe may be rationalized to free more resources to LGs to improve service delivery. Certain budget lines which are not necessarily relevant to LGs (under LGA Second Schedule), but contain large amounts of funds; and funds that are replicated in every financial years' budgets for agencies were identified. These include mostly Quality Assurance, Monitoring, Supervision & Evaluation; Purchase of Motor Vehicles and other Transport Equipment; Purchase of Specialized Machinery and Equipment; Production, Research and Coordination; Policies, Laws, Guidelines, Plans and Strategies; Government Buildings and Administrative Infrastructure; and Sponsorship Scheme & Staff Development for Masters and PhDs. These funds can be rationalized to improve service delivery and also free funds that may be allocated to LGs.

Our analysis of the FY 2020/21 budget allocations to the six Sectors under review found that a total of UGX 488.1 billion (see, figure 15) budgeted by various MDAs could be rationalized to free more resources to LGs or within the MDAs to improve service delivery. It is worth noting, despite the increase in the total budget for the six Sectors by over UGX 740 billion, from UGX 14.51 trillion allocated in FY 2019/20 to UGX 15.25 trillion in FY 2020/21, the funds in the six Sector budgets for rationalization have reduced from UGX 530.2 billion in FY 2019/20 to UGX 490.6 billion. This may imply an increase in allocative efficiency of the national budget despite the continued centralization of the LG funds.

**Figure 15: Total Funds Proposed for Rationalization for the FY 2020/21 (UGX Bn)**

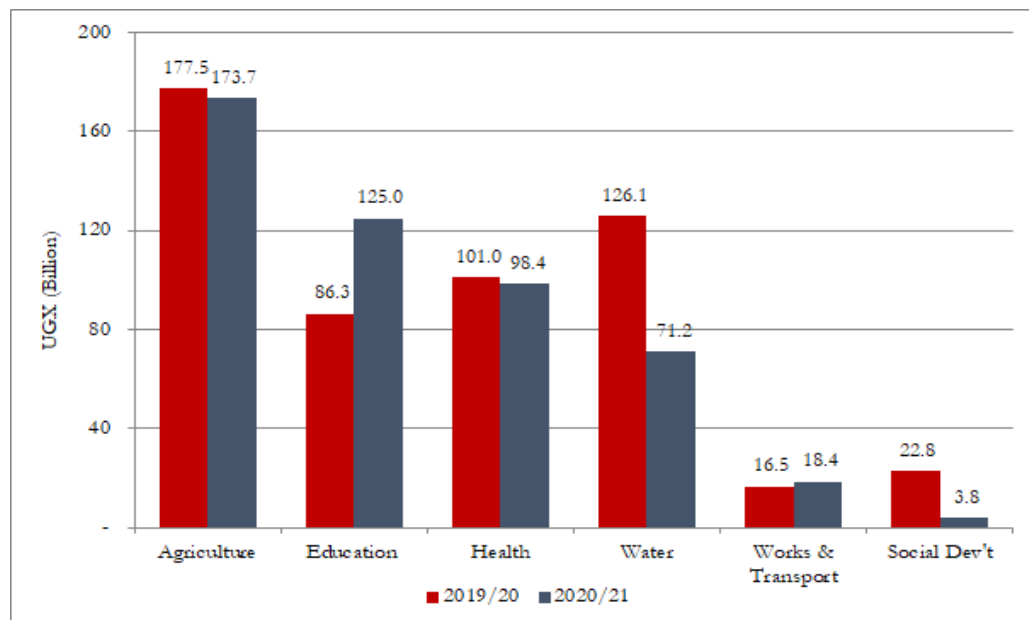


*Source: Authors' calculations based on the proposed FY 2020/21 National Budget*

As shown in Figure 16, with UGX 173.7 billion, the Agriculture Sector still has the highest amount although it is slightly lower than the FY 2019/20 allocation of UGX 177.5 billion. This is followed by the Education Sector and Health Sector with UGX 125 billion and UGX 98.4 billion respectively. Water and Environment Sector had the highest improvement in budget efficiency that saw the Sector funds that may be rationalized reducing from UGX 126.1 billion in the FY 2019/20 to UGX 71.2 billion. Also, the Social Development rationalized budget reduced to UGX 3.8 billion from UGX 22.88 billion in FY 2019/20 while the Works and Transport Sector saw a rise in the funds available for rationalization from UGX 16.5 billion in FY 2019/20 to UGX 18.4 billion. Details on the Sector budgets as proposed for rationalization are contained in Appendix XII.



**Figure 16: Total Funds Proposed for Rationalization for FY 2020/21 in Comparison with FY 2019/20**



Source: Authors' calculations based on the FY 2020/21 and FY 2020/21 National Budget Estimates

In terms of classification, 47 per cent of the budgets that can be rationalized is external funding. Government of Uganda Development Funds come second at 23 per cent. The non-wage and wage budgets are 20 per cent and 3 per cent respectively (see, Table 8). It should be noted that external funds have a wage and non-wage component, which this study was not able to analyze.

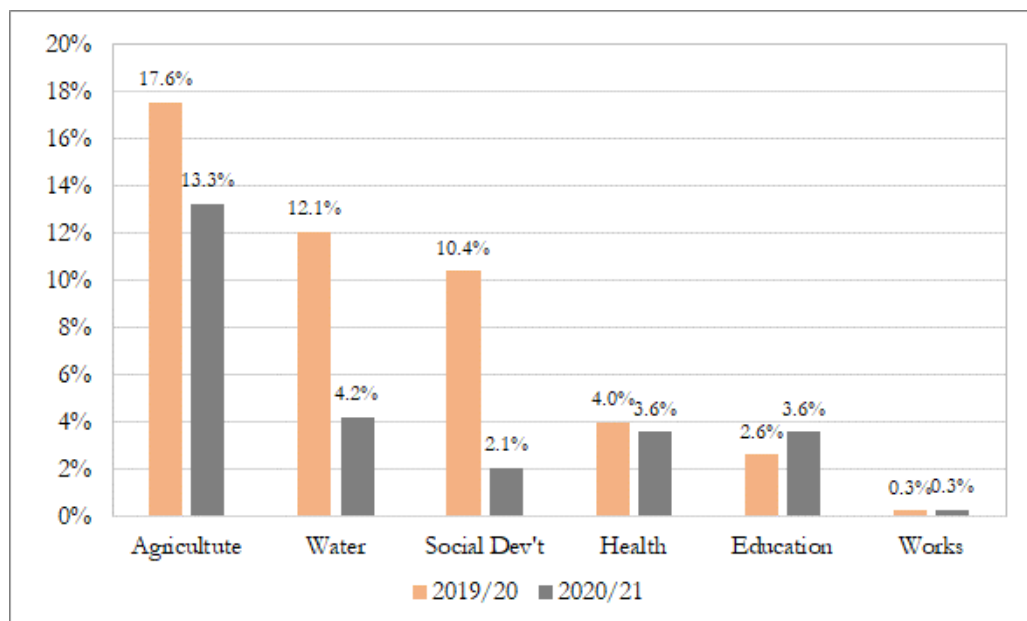
**Table 8: Classification of Funds proposed for Rationalization by Sector (UGX Bn)**

Sector	Wage		Non-Wage		GoU (Dev't)		External Funding		Total	
	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20
Agriculture	-	-	62.6	68.7	70.4	75.3	40.7	33.5	173.7	177.5
Education	11.6	8.3	55.6	33.0	13.0	4.1	44.7	40.9	125.0	86.3
Health	-	-	-	-	9.8	22.9	88.6	78.1	98.4	101.0
Water	-	-	-	-	16.2	32.1	55.1	94.0	71.2	126.1
Works & Transport	9.4	8.1	7.0	1.8	2.1	4.1	-	2.5	18.4	16.5
Social Dev't	-	-	0.7	-	0.6	0.6	2.6	22.2	3.8	22.8
<b>Total</b>	<b>21.0</b>	<b>16.4</b>	<b>125.9</b>	<b>103.5</b>	<b>112.1</b>	<b>139.1</b>	<b>231.6</b>	<b>271.2</b>	<b>490.6</b>	<b>530.2</b>
<b>Share</b>	<b>4%</b>	<b>3%</b>	<b>26%</b>	<b>20%</b>	<b>23%</b>	<b>26%</b>	<b>47%</b>	<b>51%</b>		

Source: Authors' calculations based on the FY 2020/21 and the FY 2019/20 National Budget Estimates

Further analysis shows that, like the case was in FY 2019/20, the Agriculture Sector still takes the biggest share of its budget that should be rationalized during FY 2020/21 at 13.3 per cent down from 17.6 per cent. This is followed by Water and Environment at 4.2 per cent, having dropped from 12 per cent in FY 2019/20, Social Development at 2.1 per cent (from 10 per cent); Health at 3.6 per cent (from 4.0 per cent); while that of Education and Sports increased from 2.6 per cent to 3.6 per cent. Works and Transport stayed at 0.3 per cent (see, Figure 17).

**Figure 17: Share of the Six Sector Funds proposed for Rationalization**



Source: Authors' calculations based on the FY 2020/21 and the FY 2020/21 National Budget Estimates

Table 9 shows the distribution of funds by MDA that we propose for rationalization. Quality Assurance, Monitoring, Supervision & Evaluation take over 27 per cent of the funds (UGX 132 billion). This is followed by Policies, Laws, Guidelines, Plans and Strategies that take almost a quarter (25 per cent) of the funds (UGX 98 billion). Purchase of Specialized Machinery & Equipment stands at 16 per cent (UGX 79 billion).

**Table 9: Share of the six Sector Funds proposed for Rationalization**

MDA	Output	Wage	Non-Wage	GoU (Dev't)	External Funding	Total
<b>MAAIF</b>	Quality Assurance systems along the value chain	-	0.9	3.5	26.1	30.5
<b>MAAIF</b>	Purchase of Motor Vehicles & other Transport Equipment	-	-	1.3	8.0	9.2
<b>MAAIF</b>	Purchase of Specialized Machinery & Equipment	-	-	9.3	-	9.3
<b>MAAIF</b>	Quality Assurance systems along the value chain	-	0.4	1.7	6.6	8.7
<b>DDA</b>	Purchase of Specialized Machinery & Equipment	-	-	0.6	-	0.6
<b>NAGRC&amp;DB</b>	Purchase of Specialized Machinery & Equipment	-	-	7.6	-	7.6
<b>NAADS</b>	Purchase of Motor Vehicles & other Transport Equipment	-	-	1.1	-	1.1
<b>NAADS</b>	Purchase of Specialized Machinery & Equipment	-	-	40.1	-	40.1
<b>NARO</b>	Purchase of Specialized Machinery & Equipment	-	-	2.2	-	2.2
<b>UCDO</b>	Purchase of Motor Vehicles & other Transport Equipment	-	-	0.6	-	0.6
<b>UCDA</b>	Purchase of Motor Vehicles & other Transport Equipment	-	-	2.1	-	2.1
<b>UCDA</b>	Purchase of Specialized Machinery and Equipment	-	-	0.4	-	0.4
<b>UCDA</b>	Production, Research & Coordination	-	61.3	-	-	61.3
<b>MOES</b>	Policies, laws, guidelines, plans and strategies	12	25	7	32	75
<b>MOES</b>	Purchase of Specialized Machinery & Equipment	-	-	7	13	19

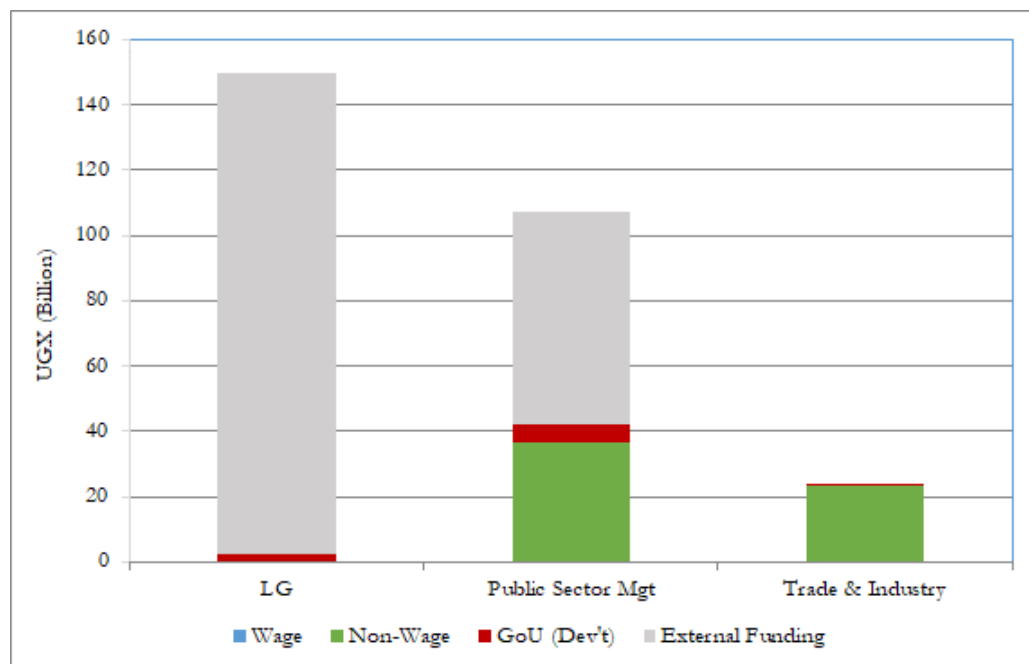
MDA	Output	Wage	Non-Wage	GoU (Dev't)	External Funding	Total
<b>MOES</b>	Sponsorship Scheme and Staff Development for Masters and PhDs	-	30	-	-	30
<b>MoH</b>	Monitoring, Supervision and Evaluation of Health Systems	-	-	10	83	93
<b>MoH</b>	Purchase of Motor Vehicles & other Transport Equipment	-	-	-	6	6
<b>MOWE</b>	Government Buildings and Administrative Infrastructure	-	-	16	55	71
<b>MOWT</b>	Policies, laws, guidelines, plans and strategies developed	9	7	2	-	18
<b>MoGLSD</b>	Policies, Laws , Regulations and Guidelines on Employment and Labor Productivity	-	1	1	3	4
	<b>TOTAL</b>	<b>21.0</b>	<b>125.9</b>	<b>112.1</b>	<b>231.6</b>	<b>490.6</b>

Source: Authors' calculations based on the FY 2020/21 National Budget Estimates

### 3.7 Other Sectors

This study also analyzed other sectors with budget allocations meant for LGs beyond the six Sectors. These included Public Sector Management (mainly the Office of the Prime Minister – OPM), Trade & Industry, and Local Government Sector. Our analysis shows that of the proposed 2020/ 21 national budget, UGX 280 billion is retained by the OPM, MoLG, LGFC, and MoTI, yet it is mandated for LGs. The MoLG retained the largest share (UGX 149 billion), followed by OPM (UGX 107 billion), and MoTI (UGX 24 billion). Over three –quarters (UGX 212 billion) of the funds are from external funding, with non-wage of 21 per cent (UGX 60 billion) [see, figure 18].

**Figure 18: Funds meant for LGs but retained by MDAs in three Sectors**



Source: Authors' calculations based on the FY 2020/21 National Budget Estimates

Under the OPM, the retained funds are under the Affirmative Action Programs, whereas for MoLG and LGFC retained funds are under Local Government Administration and Development, and Coordination of Local Government Financing programs. For MoTI, the retained funds are under Cooperative Development, and Industrial and Technological Development (see, Table 10). Details are contained in Appendix XIII.

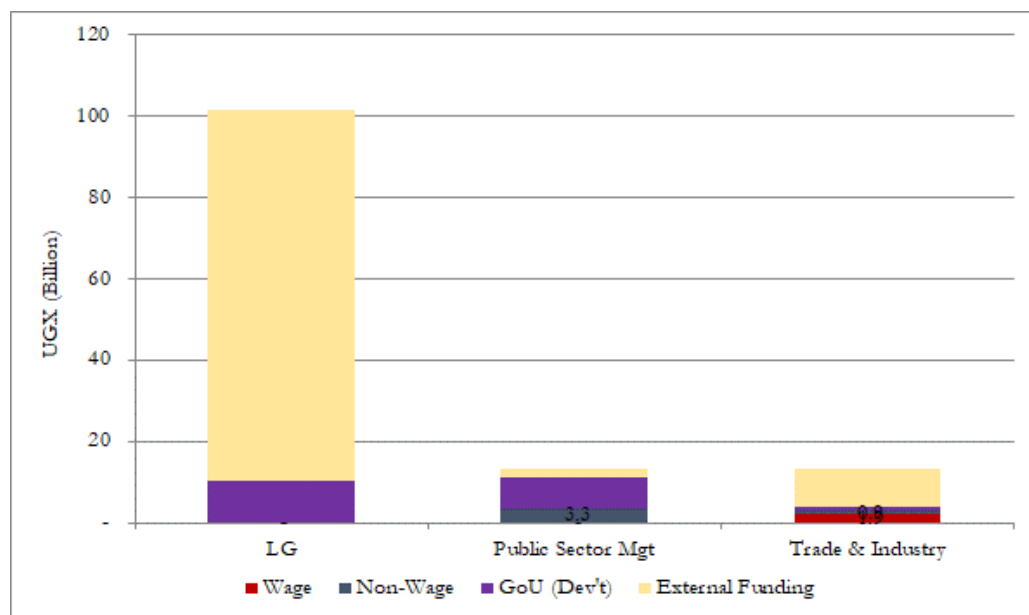
**Table 10: Distribution of OPM, MoLG, LGFC, and MoTI budget proposed for re-allocation to LGs (UGX Bn)**

Programs	Wage		Non-Wage		GoU (Dev't)		External Funding		Total	
	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20	20/21	19/20
Affirmative Action Programs	0.3	36.2	5.7	64.8	107.0	0.3	36.2	5.7	64.8	107.0
LG Administration & Dev't	-	-	1.9	147.2	149.1	-	-	1.9	147.2	149.1
Coordination of LG financing	0.1	0.3	-	-	0.4	0.1	0.3	-	-	0.4
Cooperative Development	-	23.4	-	-	23.4	-	23.4	-	-	23.4
Industrial & Technological Dev't	-	0.1	0.1	-	0.2	-	0.1	0.1	-	0.2
<b>Total</b>	<b>0.4</b>	<b>59.9</b>	<b>7.7</b>	<b>212.0</b>	<b>280</b>	<b>0.4</b>	<b>59.9</b>	<b>7.7</b>	<b>212.0</b>	<b>280</b>

Source: Authors' calculations based on the FY 2020/21 National Budget Estimates

Further analysis shows that UGX 128.5 billion appropriated by OPM, MoLG, LGFC, and MoTI could be rationalized to provide additional funds for LGs. Among these entities, majority of the funds (UGX 102 billion) is still under MoLG. Most of the funds (UGX 104 billion) to be rationalized are external funds (see, Figure 19). Details are contained in Appendix XIV.

**Figure 19: Funds for OPM, MoLG, LGFC, and MoTI proposed for Rationalisation**



Source: Authors' calculations based on the FY 2020/21 National Budget Estimates

### 3.8 Justifications for re-allocation of funds from MDAs to LGs

The proposed re-allocations of Sector budgets to LGs is grounded on existing legal and policy frameworks as enshrined in the Constitution of the Republic of Uganda 1995 (as amended), in the LGA (CAP 243) and the Decentralization Policy. The **Sixth Schedule** of the Constitution limits the Central Government's functions to indivisible and non-excludable public functions such as defense, security, law and order, national policy formulation, setting national standards, coordination, monitoring, supervision and guidance. The LGA (**Second Schedule**) provides for the functions and services for which district and urban councils are responsible, subject to article 176 (2) of the Constitution, and Sections 96 and 97 of the LGA. The Schedule lists, among others, medical and health services, education services, water services, road services, and agricultural extension services.

Thus, the LGA (*Second Schedule*) provides the legal basis that the study uses to propose re-allocation of funds from MDAs to LGs as consolidated in Table 11. Details are provided in Appendices II and III.

**Table 11: Functions and Services for which LGs are mandated under LGs Act**

SN	Sector	LGs Act (section of the Second Schedule)
1	Agriculture	Part 2: 4, 5, & 6 and Part 3: 1, 2, &3
2	Education	Part 2: 2, & 13 and Part 3: 1
3	Health	Part 2: 2, & 12 and Part 3: 1
4	Water	Part 2: 2, 3, 5 & 15 and Part 3: 1 &3
5	Works and Transport	Part 2: 4, & 17 and Part 3: 1
6	Social Development	Part 2: 5, 13 and Part 3: 1, 2 & 3

Source: LGs Act (CAP, 243) (Second Schedule)

Also, research and audit reports have shown that poor fiscal devolution and/or recentralization of previously decentralized functions has had a negative impact on service delivery, accountability and citizen empowerment, and also increased financial dependency of LGs which does not foster good governance (Lwanga, 2016). The Office of the Auditor General's report of 2016, found that MDAs retained the biggest proportions of Sector budget allocations despite devolving the responsibility of service delivery to LGs (OAG, 2016). Other studies have found that most MDAs that received substantial budget allocations were more embroiled in "mandate wars" among and between themselves which has led to the persistent gaps in public service delivery.

The Government of Uganda launched the Local Economic Development (LED) Policy in 2014 that aimed at increasing business support to local investors, enhancing the growth of private sector investment in LGs, and increasing locally generated revenue by LGs. To actualize the implementation of this policy, LGs require a substantial amount of funds some of which are retained by various MDAs as shown in section 3.3. Additionally, a Presidential Initiative named Agro-Industrialization for Local Economic Development (AGRI-LED), spearheaded by the Local Government Finance Commission (LGFC), the Operation Wealth Creation (OWC) and the private sector was launched in early 2019, first in the Rwenzori Region to transform LG system to facilitate local development. However, all these bottom-up initiatives are not being funded in the national budget.

## 4.0 Conclusions and Recommendations

This section presents the conclusion and recommendations based on the findings presented in Section 3.

### 4.1 Conclusion

Financing of LGs is critical to the success of the decentralization policy in Uganda. The previous study by ACODE, [Financing Local Governments in Uganda: An analysis of Proposed National Budget FY 2019/20 and Proposals for Re-allocation](#), found that a total of UGX 1.07 trillion of the funds that were supposed to be allocated to LGs in the national budget of the FY 2019/20, as mandated under the Second Schedule of the LGA (CAP 243), were retained by various MDAs. This study shows that despite the recommendations of the ACODE (2019) study, the allocation of funds meant for LGs to MDAs of the Central Government has not only persisted but the absolute amounts, as well as, the proportion of the budget being retained at the centre, have increased. The total amount retained at the centre has grown to UGX 1.32 trillion in FY 2020/21, while the proportion of the total budget to the six Sectors under review that was retained has grown to 8.7 per cent from 7.4 per cent in FY 2019/20.

The analysis shows that it is mostly the project funds that are retained by MDAs. These projects, by law, fall under the mandates of LGs, yet, LGs do not participate in the negotiations and are only minimally involved in implementation. Re-allocating funds retained by MDAs would increase the allocation to LGs to 5.48 trillion (15% of the Budget). Adding the rationalized funds would further increase the allocation to LGs to 5.90 trillion (16% of the Budget). It is clear that re-allocation of these funds would alleviate the underfunding problem faced by LGs. However, the share of the national budget accruing to LGs would remain far below the 38% level aspired by Sector actors under the Uganda Local Government Association. The recommendations below provide details of the proposals for re-allocation of funds retained by MDAs and rationalized funds to LGs for FY 2020/21.



## 4.2 Recommendations

In line with the above-mentioned findings, we recommend as follows:

S/N	Recommendations	Responsible Party
	<p>Reallocate UGX 1.32 trillion which has been budgeted for and allocated to various MDAs in the FY 2020/21 draft National Budget estimates whereas these funds were supposed to be allocated to LGs as mandated under the <i>Second Schedule</i> of the LGA (CAP 243). The following funds should therefore be re-allocated from the following Sectors:====7413321</p> <ul style="list-style-type: none"> <li>1.1 Agriculture: UGX 363.9 Bn</li> <li>1.2 Education: UGX 177.0 Bn</li> <li>1.3 Health: UGX 328.1 Bn</li> <li>1.4 Social Development: UGX 8.9 Bn</li> <li>1.5 Water and Environment: UGX 325.6 Bn</li> <li>1.6 Works and Transport: UGX 112.1 Bn</li> </ul>	Parliament and MoFPED
	<p>Rationalize UGX 490.6 billion budgeted by various MDAs on certain expenditures to free funds for LGs. These funds should be rationalized from the following Sectors:</p> <ul style="list-style-type: none"> <li>1.7 Agriculture: UGX 173.7 Bn</li> <li>1.8 Education: UGX 125.0 Bn</li> <li>1.9 Health: UGX 98.4 Bn</li> <li>1.10 Social Development: UGX 3.8 Bn</li> <li>1.11 Water and Environment: UGX 71.2 Bn</li> <li>1.12 Works and Transport: UGX 18.4 Bn</li> </ul>	Parliament, MoFPED and MDAs
	All Ministries should ensure that the funds that are appropriated by them but are meant for LGs be appropriated directly under the respective beneficiary LGs as per MoFPED directive contained in the First Budget Call Circular of 13 <sup>th</sup> September 2019.	MAAIF, MoH, MoWE, MoWT, MoGLSD & MoES.
	Implement the Fiscal Decentralization Strategy to reduce the number of grants and evolve the system in a manner that will ensure consistency, autonomy, predictability and adequacy to meet the minimum costs of service delivery by LGs.	MoLG, LGFC, & MoFPED
	Government transfers should be calculated using a transparent formula that takes into account the variables considered relevant to Local Government service delivery mandates. Conditional grants per the formulae agreed upon with LGs and the LGFC, while Unconditional Grants should be undertaken following the formulae prescribed under Article 193 (2) of the constitution.	LGFC & MoFPED
	LGs should be represented in negotiations with development partners when negotiating external assistance intended to support the decentralized services. Also, there is a need for MDAs to establish the portion of the project budget for the district, so that the funds are remitted directly by MoPED to concerned districts.	MoLG, LGFC & ULGA
	The Public Finance Management Act, 2015 should be amended to require the MoFPED to provide separate medium-term financing plan for Local Government service delivery along with the national medium-term expenditure plan and to submit them to Parliament for approval.	Parliament & MoFPED

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# APPENDICES

## Appendix I: Documents Reviewed

S/N	Document	Purpose
1.	Local Governments Act (CAP 243)	<ul style="list-style-type: none"> <li>To obtain an understanding of the functions and services for which LGs are responsible (under the second Schedule )</li> <li>To obtain an understanding of the criteria used or formulae in financing LGs</li> <li>To obtain an understanding of the funds</li> <li>disbursement process of financing LGs</li> <li>To obtain an understanding of the roles of the different key players in financing LGs</li> </ul>
2.	Constitution of the Republic of Uganda, 1995 (as amended)	<ul style="list-style-type: none"> <li>To obtain an understanding of the legal basis for the preparation and approval of the national budget.</li> <li>To establish the legal basis for the finances of the Local Governments</li> </ul>
3.	Public Finance Management Act, 2015	<ul style="list-style-type: none"> <li>To obtain an understanding of the development of fiscal policy framework, regulation of public financial management, and the responsibilities of persons and entities.</li> </ul>
4.	Local Government Finance Commission (LGFC), Strategic Plan FY2017/2018– FY2020/2021	<ul style="list-style-type: none"> <li>To get the role of LGFC</li> <li>To get an understanding of the sources of revenue to local governments</li> </ul>
5.	Local Government Finance Commission Act, 2003.	<ul style="list-style-type: none"> <li>To understand the functions of the Commission</li> </ul>
6.	FY 2020/21 Budget FY2019/20 Budget	<ul style="list-style-type: none"> <li>To identify and analyze budget lines allocated to MDAs that by law should be have been allocated to LGs</li> <li>To compare the two budgets</li> </ul>
7.	National Budget Framework Papers, and Sector Budget Framework Papers for FY 2020/21 (for Agriculture, Health, Education, Water & Environment, Works & Transport, and Social Development)	<ul style="list-style-type: none"> <li>To obtain the total budget ceiling for each selected Sector</li> <li>To establish the sector priorities which by law are LG mandates</li> </ul>
8.	National Development Plan (NDP III)	<ul style="list-style-type: none"> <li>To review the first NDP and establish whether the FY 2020/21 Budget is aligned NDP III, this being the first year of implementing the plan.</li> <li>To establish the role of the 6 sectors being studied and that of LGs.</li> </ul>

S/N	Document	Purpose
9.	Auditor General's Report (2016)	<ul style="list-style-type: none"> <li>To establish the findings by the AG on the <i>"Financing of Local Governments in Uganda through Central Government Grants and Local Government Revenues"</i></li> </ul>
10.	Budget Call Circulars (1 <sup>st</sup> and 2 <sup>nd</sup> ) for FY 2020/21	<ul style="list-style-type: none"> <li>To obtain an understanding of the total indicative resource envelopes and expenditure ceilings for the selected six Sectors and the LGs</li> <li>To understand the specific budget interventions and overall budget strategy for FY 2020/21</li> </ul>
11.	Ministerial Policy Statements (2020/21) for the six selected sectors	<ul style="list-style-type: none"> <li>To track sector priorities of MDAs for the FY 2020/21</li> </ul>

## Appendix II: Functions and Services for District Councils under LGA (Second Schedule – Part 2)

S/N	Function/Service
1.	Education services, which cover nursery, primary, secondary, trade, special education and technical education
2.	Medical and health services, including - a) hospitals, other than hospitals providing referral and medical training; b) health centres, dispensaries, sub-dispensaries and first-aid posts; c) maternity and child welfare services; d) the control of communicable diseases, including HIV/AIDS, leprosy and tuberculosis; e) control of the spread of disease in the district; f) rural ambulance services; g) primary health care services; h) vector control; i) environment sanitation; j) health education.
3.	Water services: The provision and maintenance of water supplies in liaison with the Ministry responsible for natural resources, where applicable.
4.	Road services: The construction, rehabilitation and maintenance of roads not under the responsibility of the Government.
5.	All decentralized services and activities which include but are not limited to – a) crop, animal and fisheries husbandry extension services; b) entomological services and vermin control; c) human resources management and development; d) recurrent and development budget; e) district statistical services; f) district project identification; g) district planning; h) local government development planning; i) land administration; j) land surveying; k) physical planning; l) forests and wetlands; m) licensing of produce buying; n) trade licences; o) trade development services; p) commercial inspectorate; q) cooperative development; r) industrial relations; s) social rehabilitation; t) labour matters; w) probation and welfare; x) street children and orphans; y) women in development; z) community development; aa) youth affairs; ab) cultural affairs; ac) district information services.
6.	Regulating, controlling, managing, administering, promoting and licensing any of the things or services which the council is empowered or required to do, and establishing, maintaining, carrying on, controlling, managing or administering and prescribing the forms in connection therewith to fix fees or charges to be levied in that respect.
7.	Aiding and supporting the establishment and maintenance of schools, hospitals, libraries, art galleries, museums, tourist centres, homes for the aged, destitute or infirm or for the orphans, and providing bursaries to assist in the education of children of persons residing in the district, making donations to charitable and philanthropic, welfare, youth, persons with disabilities, women and sports organisations.
8.	Preserving public decency, and preventing offences against public order in public places and preventing damage to property of the Government and the council.
9.	Undertaking private works and services and charging, recovering the costs and contracting out public services to the private sector.
10.	Selling all by-products resulting from carrying on by or on behalf of the council of any works or services.
11.	Promoting publicity for the council and the district as a whole.
12.	Promoting schemes of health, education and road safety sensitisation.

S/N	Function/Service
13.	Providing and managing - a) sporting and recreational facilities and programs of informal education for both adults and young people, including the running or provision of community centres; b) the development of social work among adults; c) remedial social welfare programs aimed at the alleviation of social distress; d) the welfare of children and the elderly; and e) public vehicular parking.
14.	The registration of marriages, births and deaths for transmission to the Registrar General.
15.	Assisting the Government to preserve the environment through protection of forests, wetlands, lake shores, streams and prevention of environmental degradation.
16.	Any other service or function which is not specified in this Schedule.
17.	Upon delegation by the Government, identification and preservation of sites and objects or buildings of historical and architectural value.

## Appendix III: Functions and Services for Urban Councils under LGA (Second Schedule - Part 3)

S/N	Function/Service
1.	<p>Establish, acquire, erect, maintain, promote, assist or control with the participation of the citizens—</p> <ul style="list-style-type: none"> <li>(a) lighting of streets and public places;</li> <li>(b) fire brigade services;</li> <li>(c) ambulance services;</li> <li>(d) clinics, dispensaries, health and inoculation centres;</li> <li>(e) cemeteries, crematoria and mortuaries and ancillary services, and provide for the burial of bodies of destitute persons and of unclaimed bodies;</li> <li>(f) omnibus stations and related office accommodations, cafes, restaurants, refreshment rooms and other buildings;</li> <li>(g) offices, stores, workshops, depots and other buildings for the purposes of the council;</li> <li>(h) public halls, libraries, art galleries and museums;</li> <li>(i) slaughterhouses, cold storage facilities and premises for the inspection or processing of milk, meat or hides and skins;</li> <li>(j) markets and piers, jetties and landing places;</li> <li>(k) botanical and zoological gardens;</li> <li>(l) public baths and swimming pools;</li> <li>(m) laundries and other places for the washing of clothes;</li> <li>(n) canteens, social centres, clubs and hospitals, including such facilities for employees and staff;</li> <li>(o) public lavatories and urinals;</li> <li>(p) pounds for stray animals and clinics for the treatment of sick animals;</li> <li>(q) camping and grazing grounds;</li> <li>(r) lairages;</li> <li>(s) dipping tanks;</li> <li>(t) disinfecting stations;</li> <li>(u) public weighing machines;</li> <li>(v) public monuments;</li> <li>(w) sanitary services for the removal and disposal of night soil, rubbish, carcasses of dead animals and all kinds of refuse and effluent;</li> <li>(x) water supplies outside the jurisdiction of the National Water and Sewerage Corporation;</li> <li>(y) education services which cover primary and secondary schools, special education, trade and technical schools;</li> <li>(z) maintenance of roads.</li> </ul>

S/N	Function/Service
2.	<p>Establish, maintain or control public parks, garden and recreation grounds on any land vested in the council and in connection with or for the purposes of that public park, garden or recreation ground to—</p> <ul style="list-style-type: none"> <li>(a) establish, erect, maintain and control aquariums, aviaries, piers, pavilions, cafes, restaurants, refreshment rooms and other buildings or erections that the council may deem necessary;</li> <li>(b) reserve any portion of the public park, garden or recreation ground for any particular game or recreation or for any other specific purposes, exclude the public from those portions and provide for their renting and hiring to the public, clubs or other organisations; and</li> <li>(c) provide or permit any other person to provide any apparatus, equipment or other amenity.</li> </ul>
3.	<p>Prohibit, restrict, regulate or license—</p> <ul style="list-style-type: none"> <li>(a) the sale or hawking of wares or the erection of stalls on any street, or the use of any part of the street or public place for the purpose of carrying on any trade, business or profession;</li> <li>(b) the depositing on any street, public place or unoccupied land of any refuse, rubbish, derelict vehicles or any other material or thing, and to provide for the removal and disposal thereof;</li> <li>(c) street decorations and the erection of shelters, temporary buildings, platforms, seats and other structures at any entertainment, procession, exhibition, ceremony or display, whether in a public place or not;</li> <li>(d) the placing of banners, wires, ropes or any other impediments over or across any street or public place;</li> <li>(e) the collection of money or goods in any public place for any charitable or other purpose;</li> <li>(f) the public exhibition of any monstrosity, freak of nature or abnormal person or animal;</li> <li>(g) singing, dancing, drumming, the playing of musical instruments, the production of music or the making of any noise likely to disturb any person, or any performance for profit in any public place;</li> <li>(h) the storage or stacking of firewood or other fuel;</li> <li>(i) the washing or drying of clothes other than on private premises;</li> <li>(j) the quarrying of stone, lime, clay, murram or other material;</li> <li>(k) the keeping of dogs, animals and poultry, and provide for the seizure and destruction of ownerless, unlicensed, diseased or dangerous dogs, and the seizure and disposal of stray animals and poultry;</li> <li>(l) billiard saloons, dance halls and other places of public resort;</li> <li>(m) lodging houses;</li> <li>(n) the burning of rubbish and grassland;</li> <li>(o) prostitution and brothels;</li> <li>(p) cinema and video halls.</li> </ul>



## Appendix IV: Detailed distribution of funds retained by MDAs under Projects (UGX Bn)

Vote	Programme	Sub Program	GoU (Dev't)	External Funding	Total
MAAIF	Crop Resources	National Oil Palm Project	6.00	-	6.00
MAAIF	Crop Resources	Rice Development Project	0.40	-	0.40
MAAIF	Crop Resources	Agriculture Cluster Development Project	0.10	-	0.10
MAAIF	Crop Resources	National Oil Palm Project	1.00	9.78	10.78
MAAIF	Crop Resources	Multi-Sectoral Food Safety & Nutrition Project	0.26	16.61	16.87
MAAIF	Fisheries Resources	Support to Sustainable Fisheries Development Project	1.00	-	1.00
MAAIF	Directorate of Animal Resources	Regional Pastoral Livelihood Improvement Project	0.05	7.00	7.05
MAAIF	Crop Resources	Agriculture Cluster Development Project	0.10	17.06	17.16
MAAIF	Directorate of Animal Resources	Regional Pastoral Livelihood Improvement Project	0.12	29.67	29.79
MAAIF	Directorate of Animal Resources	Northern Uganda Farmers Livelihood Improvement Project	0.31	2.26	2.57
MAAIF	Crop Resources	Agriculture Cluster Development Project	0.10	87.93	88.03
MAAIF	Crop Resources	Multi-Sectoral Food Safety & Nutrition Project	0.50	-	0.50
MAAIF	Crop Resources	National Oil Palm Project	-	8.21	8.21
MAAIF	Fisheries Resources	Support to Sustainable Fisheries Development Project	2.81	-	2.81
MAAIF	Fisheries Resources	Promoting commercial aquaculture in Uganda Project	0.27	2.38	2.65
MAAIF	Crop Resources	Agriculture Cluster Development Project	0.10	95.00	95.10
MAAIF	Crop Resources	National Oil Palm Project	-	10.56	10.56
MAAIF	Directorate of Animal Resources	Livestock Diseases Control Project Phase 2	5.30	-	5.30
MAAIF	Directorate of Animal Resources	Livestock Diseases Control Project Phase 2	7.41	-	7.41
NAGRC&DB	Breeding and Genetic Development	NAGRC Strategic Intervention for Animal Genetics Improvement Project	0.50	-	0.50
		<b>Total</b>	<b>26.3</b>	<b>286.5</b>	<b>312.8</b>

Vote	Programme	Sub Program	GoU (Dev't)	External Funding	Total
MOES	Pre-Primary and Primary Education	Uganda Teacher and School Effectiveness Project	-	18.6	18.6
MOES	Secondary Education	Uganda Secondary Education Expansion Project	0.2	1.8	2.0
MOES	Skills Development	Albertine Region Sustainable Development Project	-	21.7	21.7
MOES	Skills Development	Skills Development Project	-	30.3	30.3
MOES	Skills Development	OFID Funded Vocational Project Phase II	3.9	22.6	26.5
MOES	Skills Development	IDB funded Technical and Vocational Education and Training Phase III	-	37.0	37.0
		<b>Total</b>	<b>4.1</b>	<b>131.9</b>	<b>135.9</b>
MoH	Public Health Services	East Africa Public Health Laboratory Network project Phase II	0.1	-	0.1
MoH	Health infrastructure and equipment	Uganda Reproductive Maternal and Child Health Services Improvement Project	-	103.1	103.1
MoH	Public Health Services	Uganda Sanitation Fund Project II	0.5	-	0.5
MoH	Health infrastructure and equipment	Uganda Reproductive Maternal and Child Health Services Improvement Project	-	110.1	110.1
MoH	Health infrastructure and equipment	Italian Support to Health Sector Development Plan-Karamoja Infrastructure Development Project Phase II	-	9.1	9.1
MoH	Health infrastructure and equipment	Uganda Reproductive Maternal and Child Health Services Improvement Project	-	34.1	34.1
MoH	Health infrastructure and equipment	Italian Support to Health Sector Development Plan-Karamoja Infrastructure Development Project Phase II	-	0.0	0.0
		<b>Total</b>	<b>0.5</b>	<b>256.5</b>	<b>257.0</b>
MOWE	Natural Resources Management	Farm Income Enhancement and Forestry Conservation Project Phase II (FIEFOC II)	0.35	2.09	2.44
MOWE	Natural Resources Management	Farm Income Enhancement and Forestry Conservation Project Phase II (FIEFOC II)	0.50	-	0.50
MOWE	Rural Water Supply & Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	0.41	35.47	35.87

Vote	Programme	Sub Program	GoU (Dev't)	External Funding	Total
MOWE	Rural Water Supply & Sanitation	Support To Rural Water Supply and Sanitation Project	3.83	-	3.83
MOWE	Urban Water Supply & Sanitation	Karamoja Small Town and Rural growth Centers Water Supply and Sanitation Project	2.34	-	2.34
MOWE	Rural Water Supply & Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	0.05	-	0.05
MOWE	Rural Water Supply a& Sanitation	Support To Rural Water Supply and Sanitation Project	1.00	-	1.00
MOWE	Urban Water Supply & Sanitation	Karamoja Small Town and Rural growth Centers Water Supply and Sanitation Project	0.30	-	0.30
MOWE	Urban Water Supply & Sanitation	Strategic Towns Water Supply and Sanitation Project (STWSSP)	0.44	0.40	0.84
MOWE	Urban Water Supply & Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	0.10	-	0.10
MOWE	Water for Production	Irrigation For Climate Resilience Project Profile	-	6.36	6.36
MOWE	Water for Production	Drought Resilience in Karamoja sub-region project	4.56	5.00	9.56
MOWE	Water for Production	Irrigation For Climate Resilience Project Profile	-	23.98	23.98
MOWE	Water Resources Management	Inner Murchison Bay Cleanup Project	0.20	-	0.20
MOWE	Water Resources Management	Integrated Water Resources Management and Development Project (IWMDP)	0.17	8.37	8.54
MOWE	Water Resources Management	Water Management Zones Project Phase 2	1.52	0.75	2.27
MOWE	Rural Water Supply and Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	-	5.04	5.04
MOWE	Rural Water Supply and Sanitation	Support To Rural Water Supply and Sanitation Project	2.45	-	2.45
MOWE	Rural Water Supply and Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	1.00	-	1.00
MOWE	Rural Water Supply and Sanitation	Support To Rural Water Supply and Sanitation Project	0.30	-	0.30
MOWE	Urban Water Supply and Sanitation	Karamoja Small Town and Rural growth Centers Water Supply and Sanitation Project	0.04	-	0.04
MOWE	Urban Water Supply and Sanitation	Strategic Towns Water Supply and Sanitation Project (STWSSP)	0.30	-	0.30

Vote	Programme	Sub Program	GoU (Dev't)	External Funding	Total
MOWE	Urban Water Supply and Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	0.50	-	0.50
MOWE	Water for Production	Drought Resilience in Karamoja sub-region project	0.02	-	0.02
MOWE	Water for Production	Irrigation For Climate Resilience Project Profile	8.00	-	8.00
		<b>Total</b>	<b>28.37</b>	<b>87.45</b>	<b>115.82</b>
MOWT	District, Urban and Community Access Roads	Community Roads Improvement Project	5.24	-	5.24
MOWT	District, Urban and Community Access Roads	Community Roads Improvement Project	79.60	-	79.60
MOWT	District, Urban and Community Access Roads	Community Roads Improvement Project	0.75	-	0.75
MOWT	District, Urban and Community Access Roads	Community Roads Improvement Project	0.18	-	0.18
MOWT	District, Urban and Community Access Roads	Community Roads Improvement Project	5.24	-	5.24
		<b>Total</b>	<b>91.01</b>	<b>-</b>	<b>91.01</b>
MoGLSD	Promotion of descent Employment	Chemical Safety & Security (CHESASE) Project	0.33	-	0.33
MoGLSD	Promotion of descent Employment	Strengthening Social Risk Management and Gender – Based Violence Prevention and Response Project	-	4.00	4.00
MoGLSD	Promotion of descent Employment	Chemical Safety & Security (CHESASE) Project	0.02	-	0.02
MoGLSD	Promotion of descent Employment	Strengthening Social Risk Management and Gender – Based Violence Prevention and Response Project	-	2.50	2.50
MoGLSD	Social Protection for Vulnerable Groups	Youth Livelihood Project Phase II	0.71	-	0.71
		<b>Total</b>	<b>1.05</b>	<b>6.50</b>	<b>7.55</b>

## Appendix V: Detailed Agriculture sector budget proposed for re-allocation to LGs (UGX Bn)

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
DDA	Dairy Development and Regulation	Dairy Market Access and Value Addition	Support to dairy development	-	-	0.92	-	0.92
MAAIF	Crop Resources	National Oil Palm Project	Acquisition of Land by Government	-	-	6.00	-	6.00
MAAIF	Crop Resources	Agriculture Cluster Development Project	Control of pest and diseases in priority commodities	-	-	-	1.78	1.78
MAAIF	Crop Resources	Crop pests and diseases control phase 2	Control of pest and diseases in priority commodities	-	-	0.51	-	0.51
MAAIF	Crop Protection Department	Crop Protection Department	Crop pest and disease control measures	-	0.90	-	-	0.90
MAAIF	Crop Resources	Crop pests and diseases control phase 2	Crop pest and disease control measures	-	-	1.06	-	1.06
MAAIF	Crop Resources	Department of Crop Regulation and Certification	Crop pest and disease control measures	-	0.61	-	-	0.61
MAAIF	Crop Resources	Crop Production Department	Crop production technology promotion	-	0.41	-	-	0.41
MAAIF	Crop Resources	Rice Development Project	Crop production technology promotion	-	-	0.40	-	0.40
MAAIF	Crop Resources	Agriculture Cluster Development Project	Crop production technology promotion	-	-	0.10	-	0.10
MAAIF	Crop Resources	Crop pests and diseases control phase 2	Crop production technology promotion	-	-	0.50	-	0.50
MAAIF	Crop Resources	National Oil Palm Project	Crop production technology promotion	-	-	1.00	9.78	10.78
MAAIF	Crop Resources	Crop Production Department	Food and nutrition security	-	0.10	-	-	0.10

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoJ (Dev't)	Ext. Funds	Total
MAAIF	Crop Resources	Multi-sectoral Food Safety & Nutrition Project	Food and nutrition security	-	-	0.26	16.61	16.87
MAAIF	Fisheries Resources	Support to Sustainable Fisheries Development Project	Fisheries Infrastructure Construction	-	-	1.00	-	1.00
MAAIF	Directorate of Animal Resources	Animal Production Department	Improved access to water for livestock	-	0.10	-	-	0.10
MAAIF	Directorate of Animal Resources	Regional Pastoral Livelihood Improvement Project	Improved access to water for livestock	-	-	0.05	7.00	7.05
MAAIF	Policy, Planning and Support Services	Agriculture Value Chain Development	Improving Value addition and market Access	-	-	0.60	10.37	10.97
MAAIF	Policy, Planning and Support Services	Retooling of Ministry Agriculture, Animal Industry and Fisheries	Improving Value addition and market Access	-	-	2.00	-	2.00
MAAIF	Crop Resources	Agriculture Cluster Development Project	Increased value addition in the sector	-	-	0.10	17.06	17.16
MAAIF	Directorate of Animal Resources	Meat Export Support Services	Livestock Infrastructure Construction	-	-	7.01	-	7.01
MAAIF	Directorate of Animal Resources	Regional Pastoral Livelihood Improvement Project	Livestock Infrastructure Construction	-	-	0.12	29.67	29.79
MAAIF	Agriculture Infrastructure, Mechanization and Water for Agricultural Production	Improving Access and Use of Agricultural Equipment and Mechanization through the use of labor Saving Technologies	Livestock Infrastructure Construction	-	-	1.40	-	1.40
MAAIF	Directorate of Animal Resources	Northern Uganda Farmers Livelihood Improvement Project	Promotion of priority animal products and productivity	-	-	0.31	2.26	2.57

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoJ (Dev't)	Ext. Funds	Total
MAAIF	Directorate of Animal Resources	Meat Export Support Services	Promotion of priority animal products and productivity	-	-	2.68	-	2.68
MAAIF	Directorate of Animal Resources	Developing A Market-Oriented And Environmentally Sustainable Beef Meat Industry In Uganda	Promotion of priority animal products and productivity	-	-	0.22	1.71	1.93
MAAIF	Crop Resources	Directorate of Crop Resources	Promotion of Production & Productivity of priority commodities	-	0.21	-	-	0.21
MAAIF	Crop Resources	Crop Production Department	Promotion of Production & Productivity of priority commodities	-	0.25	-	-	0.25
MAAIF	Crop Resources	Agriculture Cluster Development Project	Promotion of Production & Productivity of priority commodities	-	-	0.10	87.93	88.03
MAAIF	Crop Resources	Enhancing National Food Security through increased Rice production in Eastern Uganda	Promotion of Production & Productivity of priority commodities	-	-	0.30	3.07	3.37
MAAIF	Crop Resources	Multi-sectoral Food Safety & Nutrition Project	Promotion of Production & Productivity of priority commodities	-	-	0.50	-	0.50
MAAIF	Crop Resources	National Oil Palm Project	Promotion of Production & Productivity of priority commodities	-	-	-	8.21	8.21
MAAIF	Fisheries Resources	Fisheries Resources Department	Promotion of sustainable fisheries	0.20	0.41	-	-	0.61

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MAAIF	Fisheries Resources	Support to Sustainable Fisheries Development Project	Promotion of sustainable fisheries	-	-	2.81	-	2.81
MAAIF	Fisheries Resources	Promoting commercial aquaculture in Uganda Project	Promotion of sustainable fisheries	-	-	0.27	2.38	2.65
MAAIF	Fisheries Resources	Directorate of Fisheries Resources	Promotion of sustainable fisheries	0.03	0.15	-	-	0.18
MAAIF	Fisheries Resources	Department of Aquaculture Management and Development	Promotion of sustainable fisheries	0.17	1.41	-	-	1.58
MAAIF	Fisheries Resources	Department of Fisheries Control, Regulation and Quality Assurance	Promotion of sustainable fisheries	0.43	2.43	-	-	2.86
MAAIF	Directorate of Agricultural Extension and Skills Management	Department of Agricultural Investment and Enterprise Development (DAIED)	Provision of Value Addition extension services	-	0.43	-	-	0.43
MAAIF	Crop Resources	Agriculture Cluster Development Project	Roads, Streets and Highways	-	-	0.10	95.00	95.10
MAAIF	Crop Resources	National Oil Palm Project	Roads, Streets and Highways	-	-	-	10.56	10.56
MAAIF	Agriculture Infrastructure, Mechanization and Water for Agricultural Production	Improving Access and Use of Agricultural Equipment and Mechanization through the use of labor Saving Technologies	Valley Tank Construction (livestock)	-	-	6.16	-	6.16
MAAIF	Directorate of Animal Resources	Livestock Diseases Control Project Phase 2	Vector and disease control in priority animal commodities	-	-	5.30	-	5.30



Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoJ (Dev't)	Ext. Funds	Total
MAAIF	Directorate of Animal Resources	Livestock Health and Entomology	Vector and disease control measures	-	0.23	-	-	0.23
MAAIF	Directorate of Animal Resources	Livestock Diseases Control Project Phase 2	Vector and disease control measures	-	-	7.41	-	7.41
MAAIF	Directorate of Animal Resources	Meat Export Support Services	Vector and disease control measures	-	-	0.20	-	0.20
MAAIF	Directorate of Animal Resources	Department of Entomology	Vector and disease control measures	-	0.39	-	-	0.39
MAAIF	Directorate of Animal Resources	Livestock Health and Entomology	Control of Trypanomiasis and Sleeping Sickness (COCTU)	-	1.78	-	-	1.78
NAGRC&DB	Breeding and Genetic Development	NAGRC Strategic Intervention for Animal Genetics Improvement Project	Roads, Streets and Highways	-	-	0.50	-	0.50
	<b>Total</b>			<b>0.83</b>	<b>9.82</b>	<b>49.88</b>	<b>303.40</b>	<b>363.92</b>

## Appendix VI: Detailed Education & Sports sector budget proposed for re-allocation to LGs (UGXBn)

Vote	Program	Sub Program	Key Output Description	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MOES	Guidance and Counselling	Guidance and Counselling	Guidance and Counselling Services	0.49	-	-	0.49
MOES	Physical Education and Sports	Sports and PE	Sports Management and Capacity Development	0.30	-	-	0.30
MOES	Pre-Primary and Primary Education	Uganda Teacher and School Effectiveness Project	Classroom construction and rehabilitation (Primary)	-	-	18.55	18.55
MOES	Secondary Education	Development of Secondary Education Phase II	Construction and rehabilitation of learning facilities (Secondary)	-	11.71	-	11.71
MOES	Pre-Primary and Primary Education	Basic Education	Monitoring and Supervision of Primary Schools	0.47	-	-	0.47
MOES	Secondary Education	Secondary Education	Monitoring and Supervision of Secondary Schools	0.39	-	-	0.39
MOES	Secondary Education	Uganda Secondary Education Expansion Project	Monitoring and Supervision of Secondary Schools	-	0.19	1.80	1.99
MOES	Special Needs Education	Special Needs Education and Career Guidance	Monitoring and Supervision of Special Needs Facilities	0.25	-	-	0.25
MOES	Secondary Education	Private Schools Department	Monitoring USE Placements in Private Schools	0.36	-	-	0.36
MOES	Special Needs Education	Development and Improvement of Special Needs Education (SNE)	Government Buildings and Administrative Infrastructure	-	1.79	-	1.79
MOES	Special Needs Education	Development and Improvement of Special Needs Education (SNE)	Purchase of Office and Residential Furniture and Fittings	-	0.07	-	0.07
MOES	Special Needs Education	Development and Improvement of Special Needs Education (SNE)	Purchase of Specialized Machinery & Equipment	-	0.35	-	0.35

Vote	Program	Sub Program	Key Output Description	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MOES	Skills Development	Albertine Region Sustainable Development Project	Construction and rehabilitation of learning facilities (BTEVET)	-	-	21.65	21.65
MOES	Skills Development	Skills Development Project	Construction and rehabilitation of learning facilities (BTEVET)	-	-	30.30	30.30
MOES	Skills Development	Support to the Implementation of Skilling Uganda Strategy (BTC)	Construction and rehabilitation of learning facilities (BTEVET)	-	0.06	2.36	2.42
MOES	Skills Development	The Technical Vocational Education and Training (TVET-LEAD)	Construction and rehabilitation of learning facilities (BTEVET)	-	9.62	-	9.62
MOES	Skills Development	OFID Funded Vocational Project Phase II	Construction and rehabilitation of learning facilities (BTEVET)	-	3.88	22.60	26.48
MOES	Skills Development	IDB funded Technical and Vocational Education and Training Phase III	Construction and rehabilitation of learning facilities (BTEVET)	-	-	36.98	36.98
MOES	Skills Development	BTVET	Monitoring and Supervision of BTVET Institutions	1.02	-	-	1.02
MOES	Skills Development	Support to the Implementation of Skilling Uganda Strategy (BTC)	Monitoring and Supervision of BTVET Institutions	-	0.09	0.03	0.12
MoES	Secondary Education	Development of Secondary Education Phase II	Construction and rehabilitation of learning facilities (Secondary)	-	11.71	-	11.71
	<b>Total</b>			<b>3.29</b>	<b>39.47</b>	<b>134.26</b>	<b>177.01</b>

## Appendix VII: Detailed Health sector budget proposed for re-allocation to LGs (UGX Bn)

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MoH	Public Health Services	Community Health	Community Health Services (control of communicable and non-communicable diseases)	0.38	0.17	-	-	0.56
MoH	Public Health Services	Health Education, Promotion & Communication	Community Health Services (control of communicable and non-communicable diseases)	0.20	0.19	-	-	0.39
MoH	Public Health Services	Reproductive and Child Health	Community Health Services (control of communicable and non-communicable diseases)	0.34	0.28	-	-	0.62
MoH	Public Health Services	Environmental Health	Community Health Services (control of communicable and non-communicable diseases)	0.64	0.28	-	-	0.92
MoH	Public Health Services	Non-Communicable Diseases	Community Health Services (control of communicable and non-communicable diseases)	0.25	0.33	-	-	0.58
MoH	Public Health Services	East Africa Public Health Laboratory Network project Phase II	Community Health Services (control of communicable and non-communicable diseases)	-	-	0.05	-	0.05
MoH	Health infrastructure and equipment	Uganda Reproductive Maternal and Child Health Services Improvement Project	Support to Local Governments	-	-	-	103.14	103.14
MoH	Public Health Services	Uganda Sanitation Fund Project II	Support to Local Governments	-	-	0.45	-	0.45
MoH	Clinical Health Services	Shared National Services (Interns allowances, transfers to international organisations and transfers to districts)	Support to Local Governments	-	18.40	-	-	18.40
MoH	Health infrastructure and equipment	Rehabilitation and Construction of General Hospitals	Hospital Construction/ rehabilitation	-	-	9.00	3.84	12.84

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MoH	Health infrastructure and equipment	Renovation and Equipping of Kayunga and Yumbe General Hospitals	Hospital Construction/ rehabilitation	-	-	1.38	8.55	9.93
MoH	Health infrastructure and equipment	Uganda Reproductive Maternal and Child Health Services Improvement Project	Hospital Construction/ rehabilitation	-	-	-	110.14	110.14
MoH	Health infrastructure and equipment	Italian Support to Health Sector Development Plan- Karamoja Infrastructure Development Project Phase II	Hospital Construction/ rehabilitation	-	-	-	9.08	9.08
MoH	Health infrastructure and equipment	Renovation and Equipping of Kayunga and Yumbe General Hospitals	Purchase of Specialised Machinery & Equipment	-	-	-	20.65	20.65
MoH	Health infrastructure and equipment	Uganda Reproductive Maternal and Child Health Services Improvement Project	Purchase of Specialised Machinery & Equipment	-	-	-	34.14	34.14
MoH	Health infrastructure and equipment	Italian Support to Health Sector Development Plan- Karamoja Infrastructure Development Project Phase II	Purchase of Specialised Machinery & Equipment	-	-	-	0.03	0.03
MoH	Pharmaceutical and other Supplies	GAVI Vaccines and Health Sector Development Plan Support	Purchase of Specialised Machinery & Equipment	-	-	-	6.15	6.15
	<b>Total</b>			<b>1.82</b>	<b>19.65</b>	<b>10.88</b>	<b>295.72</b>	<b>328.07</b>

## Appendix VIII: Detailed of Water & Environment sector budget proposed for re-allocation to LGs (UGX Bn)

Vote	Program	Sub Program	Key Output Description	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MOWE	Natural Resources Management	Environment Support Services	Promotion of Knowledge of Environment and Natural Resources	0.11	-	-	0.11
MOWE	Natural Resources Management	Farm Income Enhancement and Forestry Conservation Project Phase II (FIEFOC II)	Promotion of Knowledge of Environment and Natural Resources	-	0.35	2.09	2.44
MOWE	Natural Resources Management	Forestry Support Services	Promotion of Knowledge of Environment and Natural Resources	0.14	-	-	0.14
MOWE	Natural Resources Management	Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda	Promotion of Knowledge of Environment and Natural Resources	-	0.72	-	0.72
MOWE	Natural Resources Management	Investing in Forests and Protected Areas for Climate-Smart Development	Promotion of Knowledge of Environment and Natural Resources	-	0.08	-	0.08
MOWE	Natural Resources Management	Environment Support Services	Restoration of degraded and Protection of ecosystems	0.37	-	-	0.37
MOWE	Natural Resources Management	Farm Income Enhancement and Forestry Conservation Project Phase II (FIEFOC II)	Restoration of degraded and Protection of ecosystems	-	0.50	-	0.50
MOWE	Natural Resources Management	Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda	Restoration of degraded and Protection of ecosystems	-	1.65	-	1.65
MOWE	Natural Resources Management	Investing in Forests and Protected Areas for Climate-Smart Development	Restoration of degraded and Protection of ecosystems	-	0.10	-	0.10
MOWE	Rural Water Supply and Sanitation	Solar Powered Mini-Piped Water Schemes in rural Areas	Construction of Piped Water Supply Systems (Rural)	-	7.15	-	7.15
MOWE	Rural Water Supply and Sanitation	Piped Water in Rural Areas	Construction of Piped Water Supply Systems (Rural)	-	11.48	40.34	51.81

Vote	Program	Sub Program	Key Output Description	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MOWE	Rural Water Supply and Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	Construction of Piped Water Supply Systems (Rural)	-	0.41	35.47	35.87
MOWE	Rural Water Supply and Sanitation	Support To Rural Water Supply and Sanitation Project	Construction of Piped Water Supply Systems (Rural)	-	3.83	-	3.83
MOWE	Urban Water Supply and Sanitation	Karamoja Small Town and Rural growth Centers Water Supply and Sanitation Project	Construction of Piped Water Supply Systems (Urban)	-	2.34	-	2.34
MOWE	Rural Water Supply and Sanitation	Rural Water Supply and Sanitation	Promotion of sanitation and hygiene education	0.01	-	-	0.01
MOWE	Rural Water Supply and Sanitation	Solar Powered Mini-Piped Water Schemes in rural Areas	Promotion of sanitation and hygiene education	-	0.44	-	0.44
MOWE	Rural Water Supply and Sanitation	Piped Water in Rural Areas	Promotion of sanitation and hygiene education	-	0.22	0.50	0.72
MOWE	Rural Water Supply and Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	Promotion of sanitation and hygiene education	-	0.05	-	0.05
MOWE	Rural Water Supply and Sanitation	Support To Rural Water Supply and Sanitation Project	Promotion of sanitation and hygiene education	-	1.00	-	1.00
MOWE	Rural Water Supply and Sanitation	Solar Powered Mini-Piped Water Schemes in rural Areas	Construction of Point Water Sources	-	20.00	-	20.00
MOWE	Urban Water Supply and Sanitation	Karamoja Small Town and Rural growth Centers Water Supply and Sanitation Project	Improved sanitation services and hygiene	-	0.30	-	0.30
MOWE	Urban Water Supply and Sanitation	Water and Sanitation Development Facility - East-Phase II	Improved sanitation services and hygiene	-	0.37	-	0.37
MOWE	Urban Water Supply and Sanitation	Water and Sanitation Development Facility - South Western-Phase II	Improved sanitation services and hygiene	-	0.30	-	0.30

Vote	Program	Sub Program	Key Output Description	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MOWE	Urban Water Supply and Sanitation	Strategic Towns Water Supply and Sanitation Project (STWSSP)	Improved sanitation services and hygiene	-	0.44	0.40	0.84
MOWE	Urban Water Supply and Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	Improved sanitation services and hygiene	-	0.10	-	0.10
MOWE	Urban Water Supply and Sanitation	Water and Sanitation Development Facility Central - Phase II	Improved sanitation services and hygiene	-	0.45	0.50	0.95
MOWE	Urban Water Supply and Sanitation	Water and Sanitation Development Facility North - Phase II	Improved sanitation services and hygiene	-	0.50	-	0.50
MOWE	Water for Production	Water for Production Phase II	Construction of Bulk Water Supply Schemes	-	14.75	-	14.75
MOWE	Water for Production	Irrigation For Climate Resilience Project Profile	Construction of Bulk Water Supply Schemes	-	-	6.36	6.36
MOWE	Water for Production	Development of Solar Powered Irrigation and Water Supply Systems	Construction of Bulk Water Supply Schemes	-	-	36.19	36.19
MOWE	Water for Production	Water for Production Regional Center-North (WfPRC-N) based in Lira	Construction of Water Surface Reservoirs	-	18.63	-	18.63
MOWE	Water for Production	Water for Production Regional Center-East (WfPRC_E) based in Mbale	Construction of Water Surface Reservoirs	-	19.83	-	19.83
MOWE	Water for Production	Water for Production Regional Centre-West (WfPRC-W) based in Mbarara	Construction of Water Surface Reservoirs	-	23.50	-	23.50
MOWE	Water for Production	Water for Production Phase II	Construction of Water Surface Reservoirs	-	0.75	-	0.75
MOWE	Water for Production	Drought Resilience in Karamoja sub-region project	Construction of Water Surface Reservoirs	-	4.56	5.00	9.56



Vote	Program	Sub Program	Key Output Description	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MOWE	Water for Production	Irrigation For Climate Resilience Project Profile	Construction of Water Surface Reservoirs	-	-	23.98	23.98
MOWE	Water Resources Management	Multi-Lateral Lakes Edward & Albert Integrated Fisheries and Water Resources Management (LEAFII)	Catchment-based IWRM established	-	1.49	0.90	2.38
MOWE	Water Resources Management	Enhancing Resilience of Communities to Climate Change	Catchment-based IWRM established	-	0.37	3.99	4.36
MOWE	Water Resources Management	Inner Murchison Bay Cleanup Project	Catchment-based IWRM established	-	0.20	-	0.20
MOWE	Water Resources Management	Integrated Water Resources Management and Development Project (IWMDP)	Catchment-based IWRM established	-	0.17	8.37	8.54
MOWE	Water Resources Management	Water Management Zones Project Phase 2	Catchment-based IWRM established	-	1.52	0.75	2.27
MOWE	Rural Water Supply and Sanitation	Rural Water Supply and Sanitation	Back up support for O & M of Rural Water	0.11	-	-	0.11
MOWE	Rural Water Supply and Sanitation	Solar Powered Mini-Piped Water Schemes in rural Areas	Back up support for O & M of Rural Water	-	1.21	-	1.21
MOWE	Rural Water Supply and Sanitation	Piped Water in Rural Areas	Back up support for O & M of Rural Water	-	0.37	0.60	0.97
MOWE	Rural Water Supply and Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	Back up support for O & M of Rural Water	-	-	5.04	5.04
MOWE	Rural Water Supply and Sanitation	Support To Rural Water Supply and Sanitation Project	Back up support for O & M of Rural Water	-	2.45	-	2.45
MOWE	Rural Water Supply and Sanitation	Solar Powered Mini-Piped Water Schemes in rural Areas	Acquisition of Land by Government	-	0.20	-	0.20
MOWE	Rural Water Supply and Sanitation	Piped Water in Rural Areas	Acquisition of Land by Government	-	0.30	-	0.30

Vote	Program	Sub Program	Key Output Description			Non-Wage	GoU (Dev't)	Ext. Funds	Total
MOWE	Rural Water Supply and Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	Acquisition of Land by Government			-	1.00	-	1.00
MOWE	Rural Water Supply and Sanitation	Support To Rural Water Supply and Sanitation Project	Acquisition of Land by Government			-	0.30	-	0.30
MOWE	Urban Water Supply and Sanitation	Karamoja Small Town and Rural growth Centers Water Supply and Sanitation Project	Acquisition of Land by Government			-	0.04	-	0.04
MOWE	Urban Water Supply and Sanitation	Water and Sanitation Development Facility - East-Phase II	Acquisition of Land by Government			-	0.04	-	0.04
MOWE	Urban Water Supply and Sanitation	Water and Sanitation Development Facility - South Western-Phase II	Acquisition of Land by Government			-	0.22	-	0.22
MOWE	Urban Water Supply and Sanitation	Strategic Towns Water Supply and Sanitation Project (STWSSP)	Acquisition of Land by Government			-	0.30	-	0.30
MOWE	Urban Water Supply and Sanitation	Integrated Water Resources Management and Development Project (IWMDP)	Acquisition of Land by Government			-	0.50	-	0.50
MOWE	Urban Water Supply and Sanitation	Lake Victoria Water and Sanitation (LWATSAN) Phase 3	Acquisition of Land by Government			-	0.20	-	0.20
MOWE	Urban Water Supply and Sanitation	Water and Sanitation Development Facility North - Phase II	Acquisition of Land by Government			-	0.20	-	0.20
MOWE	Water for Production	Water for Production Regional Center-North (WPRC-N) based in Lira	Acquisition of Land by Government			-	0.16	-	0.16

Vote	Program	Sub Program	Key Output Description	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MOWE	Water for Production	Water for Production Regional Center-East (WIPRC_E) based in Mbale	Acquisition of Land by Government	-	0.15	-	0.15
MOWE	Water for Production	Water for Production Regional Centre-West (WIPRC-W) based in Mbarara	Acquisition of Land by Government	-	0.15	-	0.15
MOWE	Water for Production	Water for Production Phase II	Acquisition of Land by Government	-	0.08	-	0.08
MOWE	Water for Production	Drought Resilience in Karamoja sub-region project	Acquisition of Land by Government	-	0.02	-	0.02
MOWE	Water for Production	Irrigation For Climate Resilience Project Profile	Acquisition of Land by Government	-	8.00	-	8.00
	<b>Total</b>			<b>0.73</b>	<b>154.40</b>	<b>170.47</b>	<b>325.61</b>

## Appendix IX: Detailed of Works & Transport Sector budget proposed for re-allocation to LGs (UGX Bn)

Vote	Program	Sub Program	Key Output Description	GoU (Dev't)	Total
MOWT	District, Urban and Community Access Roads	Rehab. of Districts Roads	Monitoring and capacity building support for district road works	2.01	2.01
MOWT	District, Urban and Community Access Roads	Community Roads Improvement Project	Monitoring and capacity building support for district road works	5.24	5.24
MOWT	Transport Services and Infrastructure	Improvement of Gulu Municipal Council Roads (Preparatory Survey)	Roads, Streets and Highways	0.45	0.45
MOWT	District, Urban and Community Access Roads	Community Roads Improvement Project	Roads, Streets and Highways	79.60	79.60
MOWT	District, Urban and Community Access Roads	Rural Bridges Infrastructure Development	Major Bridges	16.31	16.31
MOWT	District, Urban and Community Access Roads	Rural Bridges Infrastructure Development	Purchase of Office and ICT Equipment, including Software	0.34	0.34
MOWT	District, Urban and Community Access Roads	Community Roads Improvement Project	Purchase of Office and ICT Equipment, including Software	0.75	0.75
MOWT	District, Urban and Community Access Roads	Community Roads Improvement Project	Purchase of Motor Vehicles and Other Transport Equipment	0.18	0.18
MOWT	District, Urban and Community Access Roads	Rural Bridges Infrastructure Development	Monitoring and capacity building support for district road works	2.01	2.01
MOWT	District, Urban and Community Access Roads	Community Roads Improvement Project	Monitoring and capacity building support for district road works	5.24	5.24
	<b>Total</b>			<b>112.13</b>	<b>112.13</b>

## Appendix X: Detailed of Social Development sector budget proposed for re-allocation to LGs (UGX Bn)

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MoGLSD	Promotion of descent Employment	Labour and Industrial Relations	Inspection of Workplaces and Investigation on violation of labour standards	-	0.04	-	-	0.04
MoGLSD	Promotion of descent Employment	Occupational Safety and Health	Inspection of Workplaces and Investigation on violation of labour standards	-	0.13	-	-	0.13
MoGLSD	Promotion of descent Employment	Chemical Safety & Security (CHESASE) Project	Inspection of Workplaces and Investigation on violation of labour standards	-	-	0.33	-	0.33
MoGLSD	Promotion of descent Employment	Strengthening Social Risk Management and Gender – Based Violence Prevention and Response Project	Inspection of Workplaces and Investigation on violation of labour standards	-	-	-	4.00	4.00
MoGLSD	Community Mobilisation, Culture and Empowerment	Community Development and Literacy	Advocacy and Networking	-	0.06	-	-	0.06
MoGLSD	Promotion of descent Employment	Labour and Industrial Relations	Advocacy and Networking	-	0.20	-	-	0.20
MoGLSD	Promotion of descent Employment	Occupational Safety and Health	Advocacy and Networking	-	0.03	-	-	0.03
MoGLSD	Promotion of descent Employment	Chemical Safety & Security (CHESASE) Project	Advocacy and Networking	-	-	0.02	-	0.02
MoGLSD	Promotion of descent Employment	Strengthening Social Risk Management and Gender – Based Violence Prevention and Response Project	Advocacy and Networking	-	-	-	2.50	2.50

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MoGLSD	Social Protection for Vulnerable Groups	Youth Livelihood Project Phase II	Advocacy and Networking	-	-	0.71	-	0.71
MoGLSD	Social Protection for Vulnerable Groups	Disability and Elderly	Support to the Renovation and Maintenance of Centres for Vulnerable Groups	-	0.25	-	-	0.25
MoGLSD	Social Protection for Vulnerable Groups	Youth and Children Affairs	Support to the Renovation and Maintenance of Centres for Vulnerable Groups	-	0.64	-	-	0.64
	<b>Total</b>			-	<b>1.35</b>	<b>1.05</b>	<b>6.50</b>	<b>8.90</b>

## Appendix XI: Detailed MDA Budgets Proposed for rationalization for FY 2020/21 (UGX Bn)

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MAAIF	Agriculture Infrastructure, Mechanization and Water for Agricultural Production	The Project on Irrigation Scheme Development in Central and Eastern Uganda (PISD)-JICA Supported Project	Creating and Enabling environment for Agriculture	-	-	0.37	-	0.37
MAAIF	Agriculture Infrastructure, Mechanization and Water for Agricultural Production	Improving Access and Use of Agricultural Equipment and Mechanisation through the use of labour Saving Technologies	Creating and Enabling environment for Agriculture	-	-	0.99	-	0.99
MAAIF	Agriculture Infrastructure, Mechanization and Water for Agricultural Production	Department of Agricultural Infrastructure and Water for Agricultural Production	Creating and Enabling environment for Agriculture	-	0.33	-	-	0.33
MAAIF	Policy, Planning and Support Services	Department of Planning	Creating and Enabling environment for Agriculture	-	0.58	-	-	0.58
MAAIF	Policy, Planning and Support Services	The COMESA Seed Harmonization Implementation Plan (COMSHIP) Project	Creating and Enabling environment for Agriculture	-	-	1.00	-	1.00
MAAIF	Policy, Planning and Support Services	Agriculture Value Chain Development	Creating and Enabling environment for Agriculture	-	-	0.35	26.12	26.47
MAAIF	Policy, Planning and Support Services	Retooling of Ministry Agriculture, Animal Industry and Fisheries	Creating and Enabling environment for Agriculture	-	-	0.24	-	0.24
MAAIF	Policy, Planning and Support Services	China-Uganda South-South Cooperation Project Phase III	Creating and Enabling environment for Agriculture	-	-	0.52	-	0.52
MAAIF	Crop Resources	Enhancing National Food Security through increased Rice production in Eastern Uganda	Purchase of Motor Vehicles and Other Transport Equipment	-	-	0.35	-	0.35

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MAAIF	Policy, Planning and Support Services	Agriculture Value Chain Development	Purchase of Motor Vehicles and Other Transport Equipment	-	-	-	3.80	3.80
MAAIF	Policy, Planning and Support Services	Retooling of Ministry Agriculture, Animal Industry and Fisheries	Purchase of Motor Vehicles and Other Transport Equipment	-	-	0.90	-	0.90
MAAIF	Directorate of Animal Resources	Developing A Market-Oriented And Environmentally Sustainable Beef Meat Industry In Uganda	Purchase of Motor Vehicles and Other Transport Equipment	-	-	-	4.17	4.17
MAAIF	Agriculture Infrastructure, Mechanization and Water for Agricultural Production	Improving Access and Use of Agricultural Equipment and Mechanisation through the use of labour Saving Technologies	Purchase of Specialised Machinery & Equipment	-	-	7.28	-	7.28
MAAIF	Policy, Planning and Support Services	Retooling of Ministry Agriculture, Animal Industry and Fisheries	Purchase of Specialised Machinery & Equipment	-	-	2.00	-	2.00
MAAIF	Crop Resources	Agriculture Cluster Development Project	Quality Assurance systems along the value chain	-	-	-	6.58	6.58
MAAIF	Crop Resources	Crop pests and diseases control phase 2	Quality Assurance systems along the value chain	-	-	1.10	-	1.10
MAAIF	Crop Resources	Department of Crop Regulation and Certification	Quality Assurance systems along the value chain	-	0.40	-	-	0.40
MAAIF	Crop Resources	National Oil Palm Project	Quality Assurance systems along the value chain	-	-	0.60	-	0.60
DDA	Dairy Development and Regulation	Dairy Market Access and Value Addition	Purchase of Specialised Machinery & Equipment	-	-	0.58	-	0.58
NAGRC & DB	Breeding and Genetic Development	NAGRC Strategic Intervention for Animal Genetics Improvement Project	Purchase of Specialised Machinery & Equipment	-	-	7.60	-	7.60



Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
NAADS	Agriculture Advisory Services	Government Purchases	Purchase of Motor Vehicles and Other Transport Equipment	-	-	1.12	-	1.12
NAADS	Agriculture Advisory Services	Government Purchases	Purchase of Specialised Machinery & Equipment	-	-	40.14	-	40.14
NARO	Agricultural Research	Support for NARO	Purchase of Specialised Machinery & Equipment	-	-	2.17	-	2.17
UCDO	Cotton Development	Cotton Production Improvement	Purchase of Motor Vehicle and Other Transport Equipment	-	-	0.56	-	0.56
UCDA	Coffee Development	Retooling of Uganda Coffee Development Authority	Purchase of Motor Vehicles and Other Transport Equipment	-	-	2.15	-	2.15
UCDA	Coffee Development	Retooling of Uganda Coffee Development Authority	Purchase of Specialised Machinery and Equipment	-	-	0.38	-	0.38
UCDA	Coffee Development	Development Services	Production, Research & Coordination	-	61.31	-	-	61.31
	<b>Sub-Total</b>			-	<b>62.63</b>	<b>70.41</b>	<b>40.67</b>	<b>173.71</b>
MOES	Pre-Primary and Primary Education	Basic Education	Policies, laws, guidelines, plans and strategies	0.64	11.54	-	-	12.18
MOES	Secondary Education	Secondary Education	Policies, laws, guidelines plans and strategies	0.83	1.83	-	-	2.67
MOES	Secondary Education	Private Schools Department	Policies, laws, guidelines plans and strategies	0.16	0.26	-	-	0.42
MOES	Secondary Education	Uganda Secondary Education Expansion Project	Policies, laws, guidelines plans and strategies	-	-	0.74	6.73	7.46
MOES	Skills Development	BTJET	Policies, laws, guidelines plans and strategies	4.43	3.45	-	-	7.88

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MOES	Skills Development	Albertine Region Sustainable Development Project	Policies, laws, guidelines plans and strategies	-	-	2.93	5.13	8.05
MOES	Skills Development	Skills Development Project	Policies, laws, guidelines plans and strategies	-	-	1.22	15.45	16.67
MOES	Skills Development	OFID Funded Vocational Project Phase II	Policies, laws, guidelines plans and strategies	-	-	1.56	0.75	2.31
MOES	Skills Development	IDB funded Technical and Vocational Education and Training Phase III	Policies, laws, guidelines plans and strategies	-	-	-	1.40	1.40
MOES	Quality and Standards	Teacher Education	Policies, laws, guidelines, plans and strategies	4.42	2.34	-	-	6.76
MOES	Quality and Standards	Improvement of Secondary Teachers Education- Kabale and Mubende NTCs	Policies, laws, guidelines, plans and strategies	1.12	5.80	0.09	2.45	9.46
MOES	Skills Development	Albertine Region Sustainable Development Project	Purchase of Specialised Machinery & Equipment	-	-	-	8.50	8.50
MOES	Skills Development	Skills Development Project	Purchase of Specialised Machinery & Equipment	-	-	-	4.33	4.33
MOES	Skills Development	The Technical Vocational Education and Training (TVET-LEAD)	Purchase of Specialised Machinery & Equipment	-	-	6.50	-	6.50
MOES	Skills Development	Support to the Implementation of Skilling Uganda Strategy (BTC)	Purchase of Specialised Machinery & Equipment	-	-	-	-	-
MOES	Higher Education	Higher Education	Sponsorship Scheme and Staff Development for Masters and PhDs	-	30.40	-	-	30.40
	<b>Sub-Total</b>			<b>11.60</b>	<b>55.63</b>	<b>13.03</b>	<b>44.73</b>	<b>124.99</b>

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MoH	Health infrastructure and equipment	Uganda Reproductive Maternal and Child Health Services Improvement Project	Monitoring, Supervision and Evaluation of Health Systems	-	-	0.20	80.95	81.15
MoH	Health infrastructure and equipment	Italian Support to Health Sector Development Plan-Karamoja Infrastructure Development Project Phase II	Monitoring, Supervision and Evaluation of Health Systems	-	-	0.36	0.47	0.83
MoH	Health infrastructure and equipment	Institutional Support to MoH	Monitoring, Supervision and Evaluation of Health Systems	-	-	8.49	-	8.49
MoH	Health infrastructure and equipment	Italian Support to Health Sector Development Plan-Karamoja Infrastructure Development Project Phase II	Purchase of Motor Vehicles and Other Transport Equipment	-	-	-	3.36	3.36
MoH	Health infrastructure and equipment	Uganda Reproductive Maternal and Child Health Services Improvement Project	Purchase of Motor Vehicles and Other Transport Equipment	-	-	-	2.19	2.19
MoH	Health infrastructure and equipment	Rehabilitation and Construction of General Hospitals	Monitoring, Supervision and Evaluation of Health Systems	-	-	0.29	-	0.29
MoH	Health infrastructure and equipment	Renovation and Equipping of Kayunga and Yumbe General Hospitals	Monitoring, Supervision and Evaluation of Health Systems	-	-	0.50	1.64	2.14
	<b>Sub- Total</b>			-	-	<b>9.84</b>	<b>88.60</b>	<b>98.44</b>
MOWE	Urban Water Supply and Sanitation	Karamoja Small Town and Rural growth Centers Water Supply and Sanitation Project	Government Buildings and Administrative Infrastructure	-	-	1.00	-	1.00
MOWE	Urban Water Supply and Sanitation	Water and Sanitation Development Facility - East-Phase II	Government Buildings and Administrative Infrastructure	-	-	0.02	-	0.02

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MOWE	Urban Water Supply and Sanitation	Water and Sanitation Development Facility - South Western-Phase II	Government Buildings and Administrative Infrastructure	-	-	0.60	-	0.60
MOWE	Urban Water Supply and Sanitation	Water and Sanitation Development Facility Central - Phase II	Government Buildings and Administrative Infrastructure	-	-	0.50	-	0.50
MOWE	Urban Water Supply and Sanitation	Water and Sanitation Development Facility North - Phase II	Government Buildings and Administrative Infrastructure	-	-	0.10	-	0.10
MOWE	Water Resources Management	Support for Hydro-Power Devt and Operations on River Nile	Government Buildings and Administrative Infrastructure	-	-	1.47	-	1.47
MOWE	Water Resources Management	Multi-Lateral Lakes Edward & Albert Integrated Fisheries and Water Resources Management (LEAFII)	Government Buildings and Administrative Infrastructure	-	-	1.91	4.42	6.33
MOWE	Water Resources Management	Enhancing Resilience of Communities to Climate Change	Government Buildings and Administrative Infrastructure	-	-	0.61	5.58	6.19
MOWE	Water Resources Management	Inner Murchison Bay Cleanup Project	Government Buildings and Administrative Infrastructure	-	-	0.42	-	0.42
MOWE	Water Resources Management	Integrated Water Resources Management and Development Project (IWMDP)	Government Buildings and Administrative Infrastructure	-	-	1.09	2.32	3.41
MOWE	Water Resources Management	Water Management Zones Project Phase 2	Government Buildings and Administrative Infrastructure	-	-	1.51	-	1.51
MOWE	Water Resources Management	Farm Income Enhancement and Forestry Conservation Project Phase II (FIEFOC II)	Government Buildings and Administrative Infrastructure	-	-	4.07	42.75	46.83

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
UNMA	National Meteorological Services	Retooling of Uganda National Meteorological Authority	Government Buildings and Administrative Infrastructure	-	-	2.85	-	2.85
	<b>Sub- Total</b>			-	-	<b>16.15</b>	<b>55.08</b>	<b>71.23</b>
MOWT	Transport Regulation	Transport Regulation and Safety	Policies, laws, guidelines, plans and strategies developed	0.80	4.89	-	-	5.69
MOWT	Transport Regulation	Multinational Lake Victoria Maritime Comm. & Transport Project	Policies, laws, guidelines, plans and strategies developed	-	-	0.25	-	0.25
MOWT	Transport Regulation	Maritime	Policies, laws, guidelines, plans and strategies	0.50	0.22	-	-	0.72
MOWT	Transport Services and Infrastructure	Improvement of Gulu Municipal Council Roads (Preparatory Survey)	Policies, laws, guidelines, plans and strategies	-	-	0.15	-	0.15
MOWT	Transport Services and Infrastructure	Transport Infrastructure and Services	Policies, laws, guidelines, plans and strategies	3.20	0.34	-	-	3.54
MOWT	Construction Standards and Quality Assurance	Roads and Bridges	Policies, laws, guidelines, plans and strategies	1.70	0.60	-	-	2.30
MOWT	Construction Standards and Quality Assurance	Construction Standards	Policies, laws, guidelines, plans and strategies	1.20	0.40	-	-	1.60
MOWT	Construction Standards and Quality Assurance	Development of the Construction Industry	Policies, laws, guidelines, plans and strategies	-	-	1.68	-	1.68
MOWT	Mechanical Engineering Services	Mechanical Engineering Services	Policies, laws, guidelines, plans and strategies.	2.00	0.52	-	-	2.52
	<b>Sub-Total</b>			<b>9.40</b>	<b>6.97</b>	<b>2.08</b>	<b>-</b>	<b>18.45</b>

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MoGLSD	Promotion of descent Employment	Labour and Industrial Relations	Policies, Laws , Regulations and Guidelines on Employment and Labour Productivity	-	0.42	-	-	0.42
MoGLSD	Promotion of descent Employment	Occupational Safety and Health	Policies, Laws , Regulations and Guidelines on Employment and Labour Productivity	-	0.19	-	-	0.19
MoGLSD	Promotion of descent Employment	Chemical Safety & Security (CHESASE) Project	Policies, Laws , Regulations and Guidelines on Employment and Labour Productivity	-	-	0.58	-	0.58
MoGLSD	Promotion of descent Employment	Employment Services	Policies, Laws , Regulations and Guidelines on Employment and Labour Productivity	-	0.06	-	-	0.06
MoGLSD	Promotion of descent Employment	Strengthening Social Risk Management and Gender – Based Violence Prevention and Response Project	Policies, Laws , Regulations and Guidelines on Employment and Labour Productivity	-	-	-	-	2.56
	<b>Sub-Total</b>			-	<b>0.66</b>	<b>0.58</b>	-	<b>3.81</b>

## Appendix XII: Detailed of OPM, MoLG, LGFC, and MoTI budget proposed for re-allocation to LGs (UGXBn)

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MoLG	Local Government Administration and Development	Restoration of Livelihoods in Northern Region (PRELNOR)	Roads, Streets and Highways	-	-	-	102.51	102.51
MoLG	Local Government Administration and Development	Local Economic Growth (LEGS) Support Project	Roads, Streets and Highways	-	-	-	29.08	29.08
MoLG	Local Government Administration and Development	Markets and Agricultural Trade Improvements Program (MATIP 2)	Service delivery supported and coordinated in all Local Governments	-	-	0.95	6.76	7.71
MoLG	Local Government Administration and Development	Local Economic Growth (LEGS) Support Project	Service delivery supported and coordinated in all Local Governments	-	-	0.20	1.94	2.14
MoLG	Local Government Administration and Development	Restoration of Livelihoods in Northern Region (PRELNOR)	Monitoring and Evaluation of LED programs undertaken	-	-	0.22	4.79	5.01
MoLG	Local Government Administration and Development	Local Economic Growth (LEGS) Support Project	Monitoring and Evaluation of LED programs undertaken	-	-	0.35	1.80	2.15
MoLG	Local Government Administration and Development	Local Economic Growth (LEGS) Support Project	Capacity for Local Government officials built	-	-	0.20	0.28	0.48
LGFC	Coordination of Local Government Financing	Revenues for Local Governments-Central Grants and Local Revenues	Enhancement of LG Revenue Mobilisation and Generation	0.13	0.28	-	-	0.41
	<b>Total</b>			<b>0.13</b>	<b>0.28</b>	<b>1.92</b>	<b>147.15</b>	<b>149.48</b>

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
OPM	Affirmative Action Programs	Northern Uganda Rehabilitation	Implementation of PRDP coordinated and monitored	0.10	2.01	-	-	2.11
OPM	Affirmative Action Programs	Northern Uganda Social Action Fund (NUSAF) 3	Implementation of PRDP coordinated and monitored	-	-	-	10.18	10.18
OPM	Affirmative Action Programs	Development Initiative for Northern Uganda	Implementation of PRDP coordinated and monitored	-	-	-	9.32	9.32
OPM	Affirmative Action Programs	Teso Affairs	Implementation of PRDP coordinated and monitored	0.03	1.08	-	-	1.11
OPM	Affirmative Action Programs	Bunyoro Affairs	Implementation of PRDP coordinated and monitored	0.04	1.35	-	-	1.38
OPM	Affirmative Action Programs	Luwero-Rwenzori Triangle	Pacification and development	-	5.11	-	-	5.11
OPM	Affirmative Action Programs	Karamoja Integrated Development Program(KIDP)	Pacification and development	-	-	0.64	-	0.64
OPM	Affirmative Action Programs	Northern Uganda Rehabilitation	Transfers to Government units	-	0.62	-	-	0.62
OPM	Affirmative Action Programs	Luwero-Rwenzori Triangle	Transfers to Government units	-	18.20	-	-	18.20
OPM	Affirmative Action Programs	Karamoja HQs	Transfers to Government units	-	0.45	-	-	0.45
OPM	Affirmative Action Programs	Karamoja Integrated Development Program(KIDP)	Transfers to Government units	-	-	3.64	-	3.64
OPM	Affirmative Action Programs	Support to Bunyoro Development	Transfers to Government units	-	-	0.20	-	0.20
OPM	Affirmative Action Programs	Drylands Integrated Development Project	Transfers to Government units	-	-	0.65	-	0.65
OPM	Affirmative Action Programs	Northern Uganda Social Action Fund (NUSAF) 3	Transfers to Government units	-	-	-	16.68	16.68



Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
OPM	Affirmative Action Programs	Development Initiative for Northern Uganda	Transfers to Government units	-	-	-	28.61	28.61
OPM	Affirmative Action Programs	Teso Affairs	Transfers to Government units	-	4.36	-	-	4.36
OPM	Affirmative Action Programs	Bunyoro Affairs	Transfers to Government units	-	0.85	-	-	0.85
OPM	Affirmative Action Programs	Karamoja HQs	Coordination of the implementation of KIDDP	0.15	2.18	-	-	2.33
OPM	Affirmative Action Programs	Dry lands Integrated Development Project	Coordination of the implementation of KIDDP	-	-	0.55	-	0.55
	<b>Total</b>			<b>0.32</b>	<b>36.20</b>	<b>5.67</b>	<b>64.80</b>	<b>106.98</b>
MoTI	Cooperative Development	Cooperatives Development	Cooperatives Establishment and Management	-	23.23	-	-	23.23
MoTI	Cooperative Development	Cooperatives Development	Cooperatives Skill Development and Awareness Creation	-	0.12	-	-	0.12
MoTI	Industrial and Technological Development	Industry and Technology	Promotion of Value Addition and Cluster Development	-	0.11	-	-	0.11
MoTI	Industrial and Technological Development	Rural Industrial Development Project (OVOP Project Phase III)	Promotion of Value Addition and Cluster Development	-	-	0.12	-	0.12
	<b>Total</b>			<b>-</b>	<b>23.46</b>	<b>0.12</b>	<b>-</b>	<b>23.58</b>

# Appendix XIII: Detailed OPM, MoLG, LGFC, and MoTI Budgets Proposed for rationalization for FY 2020/21 (UGX Bn)

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MoLG	Local Government Administration and Development	Markets and Agricultural Trade Improvements Program (MATIP 2)	Government Buildings and Administrative Infrastructure	-	-	0.05	52.00	52.05
MoLG	Policy, Planning and Support Services	Retooling of Ministry of Local Government	Government Buildings and Administrative Infrastructure	-	-	9.98	-	9.98
MoLG	Local Government Administration and Development	Markets and Agricultural Trade Improvements Program (MATIP 2)	Purchase of Motor Vehicles and Other Transport Equipment	-	-	-	3.00	3.00
MoLG	Local Government Administration and Development	Local Economic Growth (LEGS) Support Project	Purchase of Motor Vehicles and Other Transport Equipment	-	-	-	1.93	1.93
MoLG	Local Government Administration and Development	Markets and Agricultural Trade Improvements Program (MATIP 2)	Purchase of Specialised Machinery and Equipment	-	-	-	15.01	15.01
MoLG	Local Government Administration and Development	Restoration of Livelihoods in Northern Region (PRELNOR)	Acquisition of Other Capital Assets	-	-	0.11	10.54	10.64
MoLG	Local Government Administration and Development	Local Economic Growth (LEGS) Support Project	Acquisition of Other Capital Assets	-	-	-	8.58	8.58
MoLG	Local Government Administration and Development	Local Economic Growth (LEGS) Support Project	Purchase of Office and ICT Equipment, including Software	-	-	-	0.56	0.56
	<b>Total</b>			-	-	<b>10.13</b>	<b>91.61</b>	<b>101.74</b>

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
OPM	Disaster Preparedness and Refugees Management	Humanitarian Assistance	Government Buildings and Administrative Infrastructure	-	-	2.20	-	2.20
OPM	Disaster Preparedness and Refugees Management	Development Response for Displacement IMPACTS Project (DRDIP)	Government Buildings and Administrative Infrastructure	-	-	-	1.20	1.20
OPM	Affirmative Action Programs	Post-war Recovery and Presidential Pledges	Government Buildings and Administrative Infrastructure	-	-	2.37	-	2.37
OPM	Affirmative Action Programs	Karamoja Integrated Development Program(KIDP)	Government Buildings and Administrative Infrastructure	-	-	2.80	-	2.80
OPM	Affirmative Action Programs	Post-war Recovery and Presidential Pledges	Pacification and development	-	-	0.33	-	0.33
OPM	Affirmative Action Programs	Karamoja HQs	Pacification and development	-	3.25	-	-	3.25
OPM	Disaster Preparedness and Refugees Management	Development Response for Displacement IMPACTS Project (DRDIP)	Purchase of Motor Vehicles and Other Transport Equipment	-	-	-	1.26	1.26
	<b>Total</b>			-	<b>3.25</b>	<b>7.69</b>	<b>2.46</b>	<b>13.40</b>
MoTI	Industrial and Technological Development	Industry and Technology	Industrial Policies, Strategies and Monitoring Services	0.43	0.13	-	-	0.56
MoTI	Industrial and Technological Development	Rural Industrial Development Project (OVOP Project Phase III)	Industrial Policies, Strategies and Monitoring Services	-	-	0.07	-	0.07

Vote	Program	Sub Program	Key Output Description	Wage	Non-Wage	GoU (Dev't)	Ext. Funds	Total
MoTI	Industrial and Technological Development	Rural Industrial Development Project (OVOP Project Phase III)	Purchase of Specialised Machinery & Equipment	-	-	0.97	-	0.97
MoTI	Cooperative Development	Cooperatives Development	Cooperative Policies, Strategies and Monitoring services	0.23	0.12	-	-	0.35
MoTI	Trade Development	External Trade	Trade Policies, Strategies and Monitoring Services	0.19	0.15	-	-	0.34
MoTI	Trade Development	Internal Trade	Trade Policies, Strategies and Monitoring Services	0.25	0.13	-	-	0.38
MoTI	Trade Development	Regional Integration Implementation Program [RIIP] Support for Uganda	Trade Policies, Strategies and Monitoring Services	-	-	-	0.53	0.53
MoTI	Trade Development	Directorate of Trade, Industry and Cooperatives	Trade Policies, Strategies and Monitoring Services	0.05	0.05	-	-	0.09
MoTI	Trade Development	Regional Integration Implementation Program [RIIP] Support for Uganda	Trade Infrastructure Development	-	-	-	8.93	8.93
MoTI	General Administration, Policy and Planning	HQs and Administration	Policy, consultation, planning and monitoring services	0.66	0.12	-	-	0.78
MoTI	General Administration, Policy and Planning	Policy and Planning	Policy, consultation, planning and monitoring services	0.13	0.24	-	-	0.37
	<b>Total</b>			<b>1.95</b>	<b>0.94</b>	<b>1.04</b>	<b>9.46</b>	<b>13.39</b>

## ABOUT THE AUTHOR

**Ramathan Ggoobi** is an Economist and Policy Analyst. He is a Lecturer of Economics at Makerere University Business School (MUBS), where he heads the MUBS Economic Forum. He is also the Chief Economist for Operation Wealth Creation in Uganda. He has extensive knowledge and experience in both quantitative and qualitative research, with special interest in rural economy, economic development, policy analysis and political economy. Ramathan is also a Member of the Board of Directors at Uganda Development Corporation (UDC). He holds an M.A in Economic Policy and Planning, and a B.A. in Economics from Makerere University. He also holds an International Certificate in Sustainable Development (*With Distinction*), Columbia University U.S.A, 2015, and a Certificate in Energy Economics, Total France.

**Daniel Lukwago** is an Economist, Policy Analyst and Independent Consultant. He is a Director of Nonner Consults, a development consultancy company based in Kampala Uganda. He has more than 15 years working experience in various areas such as policy analysis, public expenditure reviews, poverty assessments, community development and policy advocacy. He previously worked with the World Bank Group in Washington D.C, USA and Kampala, Uganda Office; Advocates Coalition for Development Environment (ACODE); and Uganda Debt Network (UDN). Daniel holds a Masters of Public Administration Degree (MPA) from Columbia University, USA; a Postgraduate Diploma in Monitoring and Evaluation from Uganda Management Institute, Kampala Uganda; and a Bachelor of Science in Quantitative Economics Degree from Makerere University, Kampala.

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**ADVOCATES COALITION FOR DEVELOPMENT  
AND ENVIRONMENT (ACODE)**  
Plot 96, Kanjokya Street, Kamwokya.  
P. O. Box 29836, Kampala. Tel: +256 312 812150.  
Email: [acode@acodea-u.org](mailto:acode@acodea-u.org) / [library@acode-u.org](mailto:library@acode-u.org)  
Website: [www.acode-u.org](http://www.acode-u.org)