Sector: ICT and National Guidance

Foreword

This Budget Framework Paper for ICT and National Guidance Sector has been prepared in fulfilment of the requirements under Section 9 of the Public Finance Management Act 2015.

As you are aware, following the added function of Information and National Guidance, the sector`s mandate and scope has since expanded beyond being a custodian of ICT to include: Dissemination and monitoring of government communications; Promotion of a national ideology; Regulation of the Print media; Supervision of the National Broadcaster; and support and coordination of government communications
.
This BFP therefore articulates the sector`s contribution to the NDP II; the Medium-Term Sector Policy Objectives; sector challenges; the performance for first quarter FY 2018/19; summary of performance for FY 2017/18; outcome indicators performance FY 2018/19 and projections for the period FY 2019/20 to FY 2021/22; and Planned Outputs for FY 2019/20.

I take note of the fact that FY 2019/20 budget strategy seeks to focus on addressing constraints to Private Sector growth and reversing the poverty trend through promotion of inclusive growth and improving delivery of social services in the medium term; and achievement of a middle-income status by 2020. This sector can contribute towards realization of the above aspiration through creation of efficiency and effectiveness in production of goods and services. This can be actualized through reduction of costs of doing business (to lower the cost of communication and bandwidth by investment in ICT infrastructure); increased Government revenue generation; and creation of employment opportunities in the sector.

However, the sector ceilings have remained unacceptably low especially for the Ministry and this limits meaningful contribution to achievement of the objectives and targets set in the NDP. Specifically, the following key sector priorities and Strategic Guidelines/Directives by H.E Excellency the President at the Cabinet inaugural sessions remain largely unfunded or inadequately funded. These include but not limited to the following:

a) Provision of Broadband infrastructure and connectivity to tourist attraction sites; setting up infrastructure for Implementation of the Uganda Country Code Top Level Domain (ccTLD) Management Policy and Establishment of a National Internet Exchange Point (UGX 68bn)

 b) Investment in ICT Innovation and Research - establishing a model ICT hub and BPO centre in Northern Uganda to create employment and minimize the dependency on foreign ICT solutions (UGX 7bn)

 c) Completing UBC revamp programme as a National Public Broadcaster (UGX 10bn)

 d) Development and implementation of a framework for National Service training and sensitization of the youth covering areas such as socio-economic transformation, civic awareness and participation in national development, fighting of drug addiction; sports betting, etc (UGX 2bn)

 e) Costs for the Government Citizens Interaction Centre fully operational (2.2bn)

 f) Branding Uganda - finalize and present a branding policy/strategy to Cabinet (0.3bn)

 g) Turning postal network into a one stop centre for Gov`t services (UGX 6.1bn);

 h) Transforming the Uganda Institute of Information and Communications Technology at Nakawa into a Center of Excellence for ICT and electronics (5.9bn); and

i) Rationalization of IT Infrastructure and Systems (39.14bn)

With adequate resourcing, it is possible to use ICT to harness the full potential of the country`s development.

The total resource envelope for the sector for FY 2019/20 is shs. 280.487bn broken down as follows:

Ministry of ICT & National Guidance: UGX 31.871bn;

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National Information Technology Authority - Uganda: UGX 69.09bn

Uganda Communications Commission: UGX 130.46bn

Posta Uganda (Uganda Post Ltd): UGX 21.442bn

Uganda Institute of Information and Communication Technology UGX 6.265bn

Uganda Broadcasting Corporation UGX 21.359bn

It is my pleasure to present the ICT & National Guidance Sector BFP for FY 2019/20.

Hon. Frank Tumwebaze (MP)
Minister of ICT & National Guidance

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Abbreviations and Acronyms	
MoICT&NG	Ministry of ICT & National Guidance
NITA-U	National Information Technology Authority - Uganda
ICT	Information Communication Technology
GDP	Gross Domestic Product
Mbps	Mega bites per second
NIISP	National ICT Innovations Support Programme
MDAs	Ministries, Departments & Agencies
UBC	Uganda Broadcasting Corporation
LGs	Local Governments
MoGLSD	Ministry of Gender, Labour & Social Development
MoEMD	Ministry of Energy & Minerals Development
NIRA	National Identification Registration Authority
UCC	Uganda Communications Commission
CAA	Civil Aviation Authority
NPA	National Planning Authority
PTCs	Primary Teachers Colleges
MoICT&NG	Ministry of ICT & National Guidance
MoFPED	Ministry of Finance, Planning & Economic Development
CGTN	China Global Television Network
AFCON	African Cup of Nations
CECAFA	Council for East & Central Africa Football Associations
UICT	Uganda Institute of Information and Communications Technology
UMA	Uganda Manufacturers Association
DTT	Digital Terrestrial Transmission
UBoS	Uganda Bureau of Statistics
PWDs	People With Disabilities
URA	Uganda Revenue Authority
DTH	Direct To Home Transmission
DUV	Digital Uganda Vision
NBI	National Backbone Infrastructure
UIXP	Uganda Internet Exchange Point
GoU	Government of Uganda
UMC	Uganda Media Centre
NSSF	National Social Security Fund
ISPs	Internet Service Providers
MNO	Mobile Network Operators
MoES	Ministry of Education and Sports
AIMS	Academic Information Management System
ITU	International Telecommunications Union

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CoE	Centre of Excellence
PBS	Programme Budgeting System
NEMA	National Environment Management Authority
IFMS	Integrated Financial Management System
UPL	Uganda Posts Limited
UPF	Uganda Police Force
UMCS	Unified Collaboration Messaging System
CERT	Computer Emergency Response Team
LCQ	Local Content Quotas
NISF	National Information Security Framework
CIS	Community Information Centres
NDC	National Data Centre
IT	Information Technology

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S1: Sector Overview

This section provides an overview of Sector Expenditures and sets out the Sector's contribution to the NDP, its policy objectives, and key performance issues.

(i) Snapshot of Sector Performance and Plans*

Table S1.1 Overview of Sector Expenditure (Ushs Billion)

		2017/18	2018/19		2019/20	MTEF Budget Projections			
		Outturn	**Approved Budget**	**Spent by End Sep**	**Proposed Budget**	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Recurrent	**Wage**	7.783	12.582	2.204	12.582	13.211	13.872	14.565	15.294
	Non Wage	37.802	25.237	3.701	25.013	28.765	34.518	41.421	49.706
Devt.	**GoU**	13.935	16.846	0.606	16.846	20.216	20.216	20.216	20.216
	Ext. Fin.	24.405	94.448	0.806	25.059	0.000	0.000	0.000	0.000
	GoU Total	**59.520**	**54.666**	**6.511**	**54.441**	**62.192**	**68.605**	**76.202**	**85.215**
	Total GoU+Ext Fin (MTEF)	**83.925**	**149.113**	**7.317**	**79.501**	**62.192**	**68.605**	**76.202**	**85.215**
	A.I.A Total	11.732	19.771	2.956	21.461	21.361	21.272	21.250	21.282
	Grand Total	**95.657**	**168.885**	**10.273**	**100.962**	**83.553**	**89.878**	**97.452**	**106.497**

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(ii) Sector Contributions to the National Development Plan

The ICT and National Guidance Sector contributes directly and indirectly towards NDP II aspiration of Strengthening Uganda's Competitiveness for Sustainable Wealth Creation, Employment and Inclusive Growth in line with NDP II objectives and interventions 11.4.2 para 562

Accordingly, the ICT sector has been identified as one of the primary drivers to achieve desired growth towards actualising the middle-income status. The enabling ICT policy environment has seen significant growth in areas of mobile communications, computer applications, information processing, storage and dissemination as well as financial inclusion using mobile telephony platforms, e-finance, global connectivity and online trade. For example in FY2017/18, the ICT sector real GDP (at constant prices) was UGX 6.04trillion compared to UGX 5.58trillion in FY2016/17. Similarly, ICT sector nominal GDP (at Current prices) increased from UGX 2.01trillion in FY2016/17 to UGX 2.67trillion in FY2017/18. The contribution of ICT sector activities to the real national GDP accounted for 9.8 percent in FY2017/18 compared to 9.6 percent in FY2016/17. In addition, the ICT sector activities contribution to nominal GDP improved from 2.2 percent in FY2016/17 to 2.6 percent in FY2017/18.The sector contribution to Government revenue totaled shs. 946.4bn (6.5 percent) of total Gross Revenue collection in FY2017/18. [UBoS in NITA-U Statistical Abstract 2018].

Under competitiveness, the sector contributes through reduction of the cost of doing business by investing in infrastructure (Transport, ICT, Energy) and improved access and dissemination of information to citizens and the economy in general. This can be achieved through reduction of costs of doing business (to lower the cost of bandwidth by investment ICT infrastructure) while acknowledging the role of both the private sector and government. The cost of bandwidth is projected to reduce from USD 300 per Mbps per month (2016) to USD 50 by 2020. The cost has since dropped to USD 70 per Mbps per month since 2017.
Besides, ICT plays a crucial role towards improvement of the public sector management through effective and efficient delivery basic services. This can be attributed to enhanced usage and application of ICT services in Government, business and service delivery to improve operational efficiency and customer satisfaction.

Under wealth creation and employment, the sector has tremendous potential to increase job creation through ICT research, development and innovation; improved productivity as a result of the introduction of more efficient and secure business process support by ICTs, and marketing of excess inventories and supply chain optimization and revenue growth resulting from extended market coverage.

The sector also supports inclusive growth by providing low-income people with access to basic information for basic goods, services, and choices through secure and affordable ICTs. Empowered and transformative digital communities fostered through improved access to information and services using ICT.

The above achievements will be strengthened through the following:

a) Improved Policy, Legal and Regulatory environment
b) Responsive tax regimes
c) Innovation for employment and inclusive growth
d) Human resource capacity building
e) E-services (E-visa, online registration of businesses, One stop center, electronic single window, e-customs, e-tax); and
f) Attitude and Mindset change

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(iii) Medium Term Sector Policy Objectives

a) Improve the legal and regulatory frameworks to respond to the industry needs

b) Increase job creation through ICT Research and Innovation Fund to support innovation;

c) Establish ICT parks and model regional incubation centres /hubs to encourage innovation and creation of local content.

d) Extend the National Backbone Infrastructure (NBI) to cover the entire country so as to increase penetration of communication services;

e) Continue implementation of the migration from analogue to digital terrestrial broadcasting;

f) Extend communications network coverage;

g) Put in place a framework to enforce infrastructure sharing to reduce the cost of communications;

h) Enhance the usage and application of ICT services in business and service delivery.

i) Increase the stock of ICT skilled and industry ready workforce including institutionalization of ICT and Communication Cadres across Government;

j) Improve the information security system to be secure, reliable, resilient and capable of responding to cyber security threats.

k) Promote an informed, engaged and oriented citizenry that supports socio-economic transformation

l) Transform the Uganda Institute for Information and Communications Technology (UICT) into a Centre of Excellence (CoE)

m) Create a National Address Management System.

n) Automate Postal services operations and expand the postal services network to all sub-counties

(iv) Sector Investment Plans

a).Construction of an Innovation Hub in Gulu District to promote an innovation ecosystem in the Northern Region and support Young ICT Innovators to create jobs & earn income

b) Purchase of transport Equipment by the various institutions to facilitate monitoring and enforcing compliance to sector regulations and policies

c) Refurbishment of Labs /Renovations at UICT

d) laying of Optical Fibre Cable under RCIP by NITA. This will mainly entail laying of fibre optic cable under the Missing links and last mile projects. The fibre will be extended to unserved areas in the nothern region and over 700 sites (MDAs/LGs/hospitals/Schools and universities).

e) Establishment of ICT labs in at least 5 girl schools by UCC

f) Establishment of four Postal ICT Public Access Information Centres as an e-commerce platform in Moroto, Kasese, Mubende and Kitgum;

g) Refurbishment of 30 postal outlets in partnership with Post Bank.

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Table S1.2 SECTOR OUTCOMES AND OUTCOME INDICATORS

Sector Outcome :   Responsive ICT legal and regulatory framework

Sector Objectives contributed to by the Sector Outcome

1. Improve the legal and regulatory frameworks to respond to the industry needs.

Sector Outcome Indicators	Q4 Actual 2017/18	Performance Targets					
		2018/19	Base year	Baseline	2019/20	2020/21	2021/22
Proportion of service providers adhering to the ICT regulations		70%	2018	60%	62%	65%	75%

Sector Outcome :   Increased ICT skills, employment and entrepreneurship

Sector Objectives contributed to by the Sector Outcome

1. Increase access to ICT infrastructure to facilitate exploitation of the development priorities

Sector Outcome Indicators	Q4 Actual 2017/18	Performance Targets					
		2018/19	Base year	Baseline	2019/20	2020/21	2021/22
Percentage share of ICT to GDP		9.8%	2018	9.8%	10%	10.2%	10.4%
Percentage share of ICT revenue to total revenue		6.5%	2018	6.5%	6.8%	7.1%	7.4%

Sector Outcome :   Secured ICT access and Usage for all

Sector Objectives contributed to by the Sector Outcome

1. Increase job creation through ICT Research and development

Sector Outcome Indicators	Q4 Actual 2017/18	Performance Targets					
		2018/19	Base year	Baseline	2019/20	2020/21	2021/22
Average unit cost of internet bandwidth per mbps		$70	2016	$300	$70	$50	$20
Percentage of population using internet		21.9%	2014	8.6%	23%	25%	30%

Sector Outcome :   Informed citizenry

Sector Objectives contributed to by the Sector Outcome

1. Increase access to ICT infrastructure to facilitate exploitation of the development priorities

Sector Outcome Indicators	Q4 Actual 2017/18	Performance Targets					
		2018/19	Base year	Baseline	2019/20	2020/21	2021/22
Proportion of population aware of national development programs		67.5%	2018	67.5%	74%	81%	89%
Proportion of the population aware of the national values (define national values- national values, coat of arms)		50%	2018	50%	55%	61%	65%
Proportion of media content that is indigenous		61%	2018	61%	67%	73%	80%

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S2: PROGRAMME OUTCOMES,OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATIONS ALIGNED TO THE NDP

Table S2.1: Programme Outcomes and Outcome Indicators Aligned to the NDP

Vote 020 :Ministry of ICT and National Guidance					
Programme :	**01 Enabling enviroment for ICT Development and Regulation**				
Programme Objective :	To harness the existing and future ICT resources to improve service delivery in line with the national development agenda.				
Responsible Officer:	Commissioner Information Technology				
Programme Outcome:	**Competitive and vibrant ICT sector**				
Sector Outcomes contributed to by the Programme Outcome					
1. Increased ICT skills, employment and entrepreneurship					
Programme Performance Indicators	**Performance Targets**				
	2017/18 Actual	**2018/19 Q1 Actual**	**2019/20 Target**	**2020/21 Target**	**2021/22 Target**
• Proportion of formal (registered) ICT enterprises		2%	5%	7.5%	10%
• Number of e-services offered		85	350	360	400
• Number of locally developed applications/ innovations		3	50	60	70
Programme :	**02 Effective Communication and National Guidance**				
Programme Objective :	To ensure effective communication and national guidance				
Responsible Officer:	Director Information and National Guidance				
Programme Outcome:	**Degree of interaction between Citizens and the Government**				
Sector Outcomes contributed to by the Programme Outcome					
1. Informed citizenry					
Programme Performance Indicators	**Performance Targets**				
	2017/18 Actual	**2018/19 Q1 Actual**	**2019/20 Target**	**2020/21 Target**	**2021/22 Target**
• Number of inquiries raised by citizens through GCIC		110	2,500	3,500	5,000
• Proportion of inquiries responded to through GCIC		50%	70%	80%	90%
• No of MDAs participating in Open Government Sessions			15	20	25
Programme :	**49 General Administration, Policy and Planning**				
Programme Objective :	To provide policy guidance, strategic direction and to generate sector statistics to inform planning and policy review				
Responsible Officer:	Under Secretary, Finance and Administration				

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Programme Outcome:	Harmonized and compliant Policy, Planning and Administrative documents /reports with existing legal, Policy & planning frameworks

Sector Outcomes contributed to by the Programme Outcome

1. Informed citizenry

Programme Performance Indicators	Performance Targets				
	2017/18 Actual	2018/19 Q1 Actual	2019/20 Target	2020/21 Target	2021/22 Target
• Level of Compliance to the planning, budgeting and Financial Management to National frameworks and Guidelines		50.9%	55%	60%	65%
• Proportion of strategic plans that are implemented		50%	67%	69%	70%

Vote 126 :National Information Technology Authority

Programme :	04 Electronic Public Services Delivery (e-transformation)
Programme Objective :	To strengthen efficiency in delivery of public services through the deepening of e-government services
Responsible Officer:	Director E- Government Services
Programme Outcome:	Improved security and trust in online services

Sector Outcomes contributed to by the Programme Outcome

1. Secured ICT access and Usage for all

Programme Performance Indicators	Performance Targets				
	2017/18 Actual	2018/19 Q1 Actual	2019/20 Target	2020/21 Target	2021/22 Target
• Level of privacy protection for personal or confidential data collected, processed and stored	80%	90%	80%	85%	85%

Programme Outcome:	Improved efficiency and effectiveness in public service delivery

Sector Outcomes contributed to by the Programme Outcome

1. Responsive ICT legal and regulatory framework

Programme Performance Indicators	Performance Targets				
	2017/18 Actual	2018/19 Q1 Actual	2019/20 Target	2020/21 Target	2021/22 Target
• Number of implementing government entities providing e-services	48	52	56	58	60

Programme :	05 Shared IT infrastructure
Programme Objective :	To ensure harmonized, optimized and resilient IT infrastructure to ensure improved access connectivity to IT infrastructure and services
Responsible Officer:	Director Technical Services
Programme Outcome:	Resilient, optimized and harmonized infrastructure deployment and usage

Sector Outcomes contributed to by the Programme Outcome

1. Responsive ICT legal and regulatory framework

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	Performance Targets				
Programme Performance Indicators	**2017/18 Actual**	**2018/19 Q1 Actual**	**2019/20 Target**	**2020/21 Target**	**2021/22 Target**
• Number of MDAs, LGs, Hospitals, Schools utilizing services (internet, data centre, IFMIS, Leased lines and Dark fibre) over the National Backbone infrastructure bandwidth per inhabitant	273	281	481	781	1,000

Programme :	**06 Streamlined IT Governance and capacity development**
Programme Objective :	To establish an enabling environment for development and regulation of IT in the country through enhancing capacity of NITA-U to deliver its mandate.
Responsible Officer:	Director Finance And Administration
Programme Outcome:	**Improved compliance with IT regulations and standards**

Sector Outcomes contributed to by the Programme Outcome

1. Secured ICT access and Usage for all

	Performance Targets				
Programme Performance Indicators	**2017/18 Actual**	**2018/19 Q1 Actual**	**2019/20 Target**	**2020/21 Target**	**2021/22 Target**
• Level of compliance with IT related legislation and standards	67%	to be assessed at the end of the year	55%	60%	65%

Table S2.2: Past Expenditure Outturns and Medium Term Projections by Programme

Billion Uganda shillings	2017/18	2018/19		2019/20	Medium Term Projections			
Programme Service	**Outturn**	**Approved Budget**	**Releases by end Q1**	**Proposed Budget**	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Vote : 020 Ministry of ICT and National Guidance								
01 Enabling enviroment for ICT Development and Regulation	8.018	1.414	0.395	1.412	1.551	1.745	1.973	2.241
02 Effective Communication and National Guidance	16.122	3.234	0.308	3.234	3.689	3.974	4.308	4.702
49 General Administration, Policy and Planning	11.237	22.448	1.683	22.225	25.829	26.975	28.317	29.891
Total for the Vote	**35.376**	**27.096**	**2.386**	**26.871**	**31.069**	**32.695**	**34.598**	**36.834**
Vote : 126 National Information Technology Authority								
04 Electronic Public Services Delivery (e-transformation)	25.795	96.071	0.870	26.683	1.948	1.948	1.948	1.948
05 Shared IT infrastructure	13.040	15.771	1.525	15.771	18.297	22.136	24.963	28.956
06 Streamlined IT Governance and capacity development	9.715	10.175	2.537	10.175	10.877	11.826	14.693	17.477
Total for the Vote	**48.549**	**122.018**	**4.932**	**52.629**	**31.122**	**35.910**	**41.604**	**48.381**
Total for the Sector	**83.925**	**149.113**	**7.317**	**79.501**	**62.192**	**68.605**	**76.202**	**85.215**

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S3:Sector Challenges in addressing Gender and equity issues for FY 2019/20

a) Low ICT literacy among women

b) Low employment of women in ICT sector

c) Inequitable access to information and usage of ICTs by women

d) Inadequate resources to address critical gender issues