

## Section 3: Accountability Sector

### 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\*

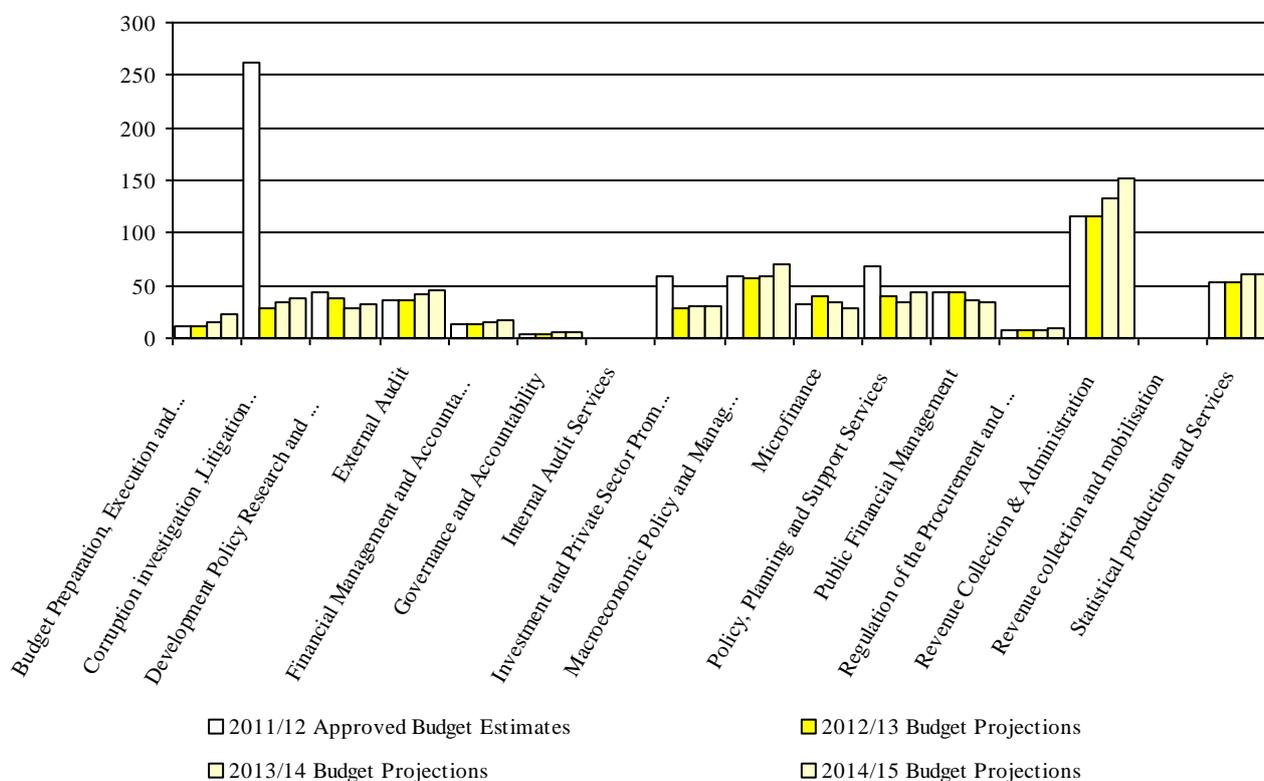
Table S1.1 and Chart S1.1 below summarises the Medium Term Budget allocations for the Sector:

**Table S1.1: Overview of Sector Expenditures (UShs Billion, excluding taxes and arrears)**

	2010/11 Outturn	2011/12		MTEF Budget Projections			
		Approved Budget	Spent by End Dec	2012/13	2013/14	2014/15	
Recurrent	Wage	22.387	98.612	0.000	102.395	118.774	139.675
	Non Wage	223.234	393.271	0.000	157.929	180.331	198.520
Development	GoU	85.664	173.477	0.000	169.776	200.337	235.918
	Donor**	0.000	113.292	0.000	88.992	36.631	18.112
<b>GoU Total</b>	<b>331.285</b>	<b>665.360</b>	<b>0.000</b>	<b>430.100</b>	<b>499.442</b>	<b>574.113</b>	
<b>Total GoU+Donor (MTEF)</b>	<b>N/A</b>	<b>778.653</b>	<b>0.000</b>	<b>519.092</b>	<b>536.073</b>	<b>592.225</b>	
<i>Non Tax Revenue</i>	<i>0.000</i>	<i>0.580</i>	<i>0.000</i>	<i>6.035</i>	<i>7.000</i>	<i>8.000</i>	
<b>Grand Total</b>	<b>N/A</b>	<b>779.233</b>	<b>0.000</b>	<b>525.127</b>	<b>543.073</b>	<b>600.225</b>	

\* Excluding Taxes and Arrears

**Chart S1.1: Medium Term Budget Projections by Vote Function (UShs Billion)\***



\* Excluding Taxes and Arrears

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### (ii) Sector Contributions to the National Development Plan

Sector development priorities for the NDP

The NDP provides the context and focus for sector plans and priorities and the Accountability Sector strategies facilitate incorporation of accountability issues into the broader national framework.

#### Poverty and Raising People's Standards for Living

The World Bank report on poverty noted that poor people live without fundamental freedoms of action and choice; they often lack adequate food and shelter, education and health. They also face extreme vulnerability to ill health, economic dislocation, and natural disasters; are often exposed to ill treatment by institutions of the state and society and are powerless to influence key decisions affecting their lives. Poor people are powerless to make demands on those who hold power or resources, meaning that the poor are vulnerable to oppression and denial of services they are entitled to. This situation has a direct impact on the capacity to achieve NDP objectives, especially related to enhancing people's quality of life and standards of living, promoting productive employment, and improving human security. The need to increase demand for accountability is therefore crucial. The Accountability Sector seeks ways to increase the power of citizens to demand for quality services and accountability from service providers.

#### Economic Management

Uganda has achieved consistent economic growth since the early 1990's, enabling an average annual growth rate of 7.4% over the past five years. This has led to increased expenditure in poverty reduction areas like Universal Primary Education, improved access to health facilities and medicines. Expansion of government expenditure has contributed to increased wastage and value for money concerns. Corruption remains a big challenge to effective economic management. Accountability Sector seeks to enhancing compliance with rules and regulations, VFM, strengthening financial management systems and tackling corruption.

#### Improved Service Delivery

Effective service delivery affects several human development issues including population, health, education, water and sanitation and agriculture. Delivery of quality basic services is a key issue for poor Ugandans. The Accountability Sector ensures that systems of budgeting, economic management, financial management and accountability are in place and operating efficiently and effectively to deliver quality services. Enhancing accountability across sectors will greatly contribute to delivery of quality and consistent services. If Uganda is to attain its MDG targets, then sectors need to address accountability in a structured and comprehensive manner.

The Accountability Sector strategies to the NDP interventions include among others: Strengthen the financial system regulatory environment; Encourage product innovations in line with market needs; Ensure efficient use of Government resources for better service delivery; Ensure effectiveness and impact of accountability policy and action; Strengthen the sector to ensure efficiency and effectiveness in the implementation of a broad accountability agenda; Establish sector-wide professional standards and develop capacity building programs; Promote public demand for accountability; Strengthen the financial system regulatory environment Harmonization of financial sector policy within EAC; Implement the National Science, Technology and Innovation Policy

### (iii) Medium Term Sector Policy Objectives

The sector objectives which guide medium term outputs and resource allocations are:

*Culture of increasing Citizen's demand for Accountability and Value for Money principal in service delivery promoted;*

*Compliance to Accountability Policies, Service delivery standards and Regulations strengthened*

*Research and usage of sector information to promote public awareness promoted*

*Accountability Sector's contribution to economic growth and development enhanced*

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*The fight against corruption and measures for poverty eradication intensified*

### **(iv) Summary of Sector Performance**

The status of the sector in terms of its three priority sector outcomes is set out below:

*Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.*

Efficiency in service delivery is supported by the sector through the formulation and monitoring of credible budgets, an outcome whose analysis is based primarily on the Public Expenditure and Financial Accountability (PEFA) assessment.

A credible and consistent budget is vital for enhancing accountability in public revenues and expenditure. In FY 2010/11, budget performance fell below expectation evidenced by major variations in percentage budget variance between allocations and releases of service delivery sectors (by sector and front line service delivery levels), budget variance between releases and actual in service delivery sectors, timing of releases of service delivery sectors where work plans (including procurement and recruitment plans) are received on time and conform to quality standard, percentage aligned work plans in service delivery sectors (including procurement and recruitment plans) received timely and approved and arrears as percentage of total expenditures.

An analysis of budget discipline as determined by variance between allocations and releases has been made on basis of both Government only and Government and Donor totals. The Annual Budget Performance Report 2010/11 by MFPED, indicates that an overall GoU total of UGX 5,649.82 Bn was approved in FY 2010/11 for all sectors, UGX 7,384.80 Bn was released and UGX 7,376.82 Bn spent by all sectors in FY 2010/11. Considering GoU+Donor total, UGX 7,036.96 Bn was approved in FY 2010/11 for all sectors, UGX 7,897.99 Bn was released and UGX 7,902.35 Bn spent. Figure 5.1.2 reflects budget variance for GoU+Donor (MTEF). The measure of this commitment is through assessing variations between agreed and actual releases, and the amounts spent, of Government funds. During FY2010/11, the pattern of variance was lower for the frontline sectors of education, health, water and works than the national average. The ratio of frontline service delivery allocations for each frontline sector (separate vs total sector budget) revealed that works, education and health sectors received the agreed allocations, while water sub-sector and agriculture received less. The variance between allocations and releases for the monies allocated directly to the frontline<sup>44</sup> was also within the agreed limit of 5% for the sectors of education, health and agriculture, while for water the limit was breached, receiving 8% less than planned.

The measure of absorption of frontline services is measured by the variance between releases and actual expenditures based on Government only expenditures. For FY2010/11, the sectors of Water, Education, Works and Agriculture registered zero variance, indicated 100% absorption of funds, while the Health Sector had a variance of 1%, but within the 5% target threshold. While supplementary expenditure during the year was managed in large part through reallocations within the resource envelope, the Government sought to protect expenditures under the Poverty Action Fund (PAF) within the 95% of indicative budget thresholds agreed upon.

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*Outcome 2: Compliance to accountability policies, service delivery standards and regulations.*

The specific interventions outlined by the sector that correspond largely to the supply side of increasing the demand for accountability, focused on production of audits and the production of official statistics.

Key outcome measures of progress in compliance include the percentage of clean audit reports, the percentage of contracts subject to open competition, contracts with complete procurement records, and the implementation of audit recommendations.

The percentage of clean audit reports improved amongst the Local Government audits compared with FY2009/10, registering 45%, against a target of 45%. At Central Government level, the percentage remained unchanged at 40%, some way below the target of 55% for FY2010/11. While for Statutory Bodies, the percentage declined over the year, registering 27% by year-end, way-off the target of 65%. There was declining performance in number of value for money audits carried out and percentage of reviewed and recommendations implemented, standing at 77% of the target by end of FY 2010/11.

The percentage of PPDA Audit recommendations implemented remained unchanged at 78%, PPDA received 78% of the planned budget, but delivered against 50% of its output targets. Amongst the 50%, of the planned 40 follow-ups of audit and investigations made, 40 were actually realized while the target of 80% of contracts subject to open competition by contract value was realized. However, the performance in percentage of contracts with complete procurement records by number fell below expectation at 45%. The percentage of audit recommendations implemented were 78%

More positively, in line with expediting the review of the Public Procurement and Disposal of Assets Act, there was approval of the Capacity Building Strategy. PPDA developed TORs for the training institutions which were submitted to FINMAP. The procurement process for the acquisition of individual and institutional consultants who will assist PPDA in implementing the strategy is still ongoing. Furthermore, recommendations from the review of procurement recording practices in the 15 pilot PPMS PDUs were communicated to the respective entities and a verification exercise to ascertain the status of implementation of the recommendations was undertaken, and a final report is underway.

Accountability, corruption investigation, litigation and awareness

The Government has put in place a number of measures to tackle corruption in terms of prevention, detection and sanctioning of corruption cases by establishing and strengthening institutions such as the Anti-Corruption Court, the Inspectorate of Government, the Public Accounts Committee, and the Auditor General.

The Inspectorate of Government (IG) received 18.27bn (105.67%) of the approved budget in FY 2010/11. With this the IG achieved an overall of 86% of the outputs targeted during FY 2010/11. This assessment was based on number of complaints investigations and arrests made, where a total of 1,768 complaints (489 by HQs against target of 400 and 1,279 by regional offices against target of 900) (122% performance at HQs and 142% for regional offices), number of cases prosecuted and concluded achieving 45 out of planned 20, percentage of cases successfully concluded at 372% against planned 100% and follow up on special audits of grand corruption cases, where 9 cases out of planned 9 were achieved.

With the introduction of the Anti-corruption Court, cases are being handled expeditiously. In cases of grand corruption, following special audits, there has been some progress. Nine cases linked to the Commonwealth Heads of Government Conference (CHOGM) of 2007 have been completed, while four are still in court. While the Primary intention of CHOGM investigation was not recovery of lost funds but criminal prosecutions, a target was agreed upon to recover at least of 60% of the lost CHOGM funds.

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### *Outcome 3: Accountability Sector's contribution to economic growth and development enhanced*

The performance of a sustainable domestic revenue mobilization against the GDP is critical in determining a country's economic growth and development. In FY 2010/11, revenue as a share of the GDP was 13.80% against the planned 13.10%. The 13.80% also includes oil revenue; without oil revenue, it stands at 13.20% achievement. In FY 2009/10, the sector registered 12.16% achievement against planned 12.8%. The achievement in revenue collection was mainly attributed to the effect of the exchange rate depreciation. However, VAT on local goods and services performed poorly on especially; mobile telephone air time, electricity and cement (IMF, 2011). Whereas it was suggested that government should work towards increasing revenue to GDP ratio closer to sub-Saharan average of 20%, In FY 2010/11 it moved from 12 to 13.8% registering an improvement.

GDP growth recovered in 2010/11 registering 6.3 percent, after a slowdown in the previous year of 5.5 percent in 2009/10. This growth was on account of a decline in net exports as a result of the impact of the global economic crisis, the slowdown in private consumer demand and the slump in investment as reflected by low credit extension.

Likewise revenue as share of GDP increased. This was attributed to stronger recovery in construction and manufacturing sectors, and revenue from the capital gains from oil sector. The exchange rate was unstable during the year, standing at 2,461 at the end FY 2010/11. The shilling continued to depreciate against the United States Dollar, from an average of UGX 2257 per United States dollar in June 2010 to UGX 2,461 per USD dollar in June 2011. This depreciation was driven by the continued deterioration of the current account balance, strong local demand from the manufacturing, oil and telecommunication sectors and the spill-over from global financial markets volatility arising from financial market concerns over public finance sustainability in highly indebted European countries and muted growth prospects in the United States and Europe. When the economy experienced high exchange rate depreciation, the economy experienced high levels of inflation, leading to questions of what fuelled the other.

Headline inflation recorded a high of 15.7%, above the Bank of Uganda policy target of 5%. The main causes of the high inflation rates were very sharp food price hikes as a result of drought and external shocks, the sharp depreciation of the exchange rate, particularly in the second half of the financial year 2010/11 caused inflationary pressures on the non-food prices.

### **S2: Sector Performance and Plans to Improve Sector Outcomes**

*This section describes past performance and plans to improve sector outcomes. For each outcome it sets out outcome indicators, key sector outputs and actions to improve sector performance. It then sets out analysis of the efficiency of sector allocations and major capital investments.*

#### **(i) Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.**

##### *Status of Sector Outcomes*

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

**Table S2.1: Sector Outcome Indicators**

<i>Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.</i>				
<b>Outcome and Outcome Indicator</b>	<b>Baseline</b>		<b>2012/13 Target</b>	<b>Medium Term Forecast</b>
variance between releases and actual expenditures of JBS sectors (by sector and front line service delivery level) assessed on a quarterly basis	5 ( )		5	4 (2)
variance between budget allocations and releases of JBS sectors (by sector and front line service delivery levels) assessed on a quarterly basis	0 (FY2008/09)		0	0 (2013/14)
CG spending units receiving quarterly releases as per agreed cash flow plans	95 (2011/12)	95%	95	100 (2014/15)
Arrears as % of total expenditures for FY N	( )		6	0 (2014/15)

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*Performance for the first half of the 2011/12 financial year*

Budget preparation, execution & monitoring

A credible and consistent budget is vital for enhancing accountability in public revenues and expenditure. By mid FY2011/12, the Sector through this vote function allocated financial resources to sectors prudently; provided resources to sectors in line with available resources; monitored physical and financial budget performance; and coordinated annual planning and budget preparation. The sector through MFPED produced and disseminated Policy Brief on Energy Efficiency, Execution and Monitoring, UPE Census of schools, teachers and pupils was done and report produced and approved, Annual Budget Performance Report 2011/12 and disseminated draft budget estimates for CG and LG for FY2011/12 were published, a survey of the wastage in government aided schools was carried out and report was produced.

Public Financial Management

During this period, the Sector emphasised allocative efficiency to minimise resource wastage. The Public Financial and Management Function installed DMFAS 6.0, Users Trained on DMFAS, DMFAS 5.3 and 6.0 Parallel run done and completed, 30 reports on MDA Audits produced and published, Accountants act submitted to Parliament. Taskforce for the amendment of the Public Finance and Accountability Act (PFAA) was carried out and consultations with Central Government Accounting Officers, Heads of Accounts, Heads of Internal Audit and Planning Units and Local Government Chief administrative Officers, Chief Finance Officers, Municipal Town Clerks and Treasurers.

Policy, Planning & Support Services

Under this vote function, Programmes, Projects and Agencies funded were monitored to assess their resource utilization and performance and reports thereof produced. National, regional and international policy consultative meetings were facilitated. Information systems hardware, software and consumables were provided and managed; Computer and equipment provided to staff, 2 walk through scanner procured to support this function.

**Table S2.2: Key 2012/13 Outputs Contributing to the Sector Outcome\***

<i>Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<b>Vote: 008 Ministry of Finance, Planning &amp; Economic Dev.</b>			
<i>Vote Function: 1401 Macroeconomic Policy and Management</i>			
<b>Output: 140102</b>	<b>Domestic Revenue and Foreign Aid Policy, Monitoring and Analysis</b>		
<i>Description of Outputs:</i>	Tax measures developed and tax law amended.	Domestic Tax laws amendments passed by Parliament and assented to by the President	Tax measures developed and tax law amended.
	Domestic tax revenue mobilized.	US\$2,927.50bn Domestic revenue mobilised against a target of US\$ 2,998.84bn	Domestic tax revenue mobilized.
	Conclude DTAs Medium term fiscal framework and policy support instruments reviewed.	DTAs under review for streamlining	DTAs negotiated
	Donor resource to finance the budget mobilized.	Policy support instruments reviewed.	Donor resource to finance the budget mobilized.
<i>Output Cost (US\$ bn):</i>	3.309	0.000	2.946
<b>Output: 140151</b>	<b>Pension Regulation services</b>		

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<i>Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	The retirement Benefits regulator operationalized	Draft Pension sector liberalisation bill submitted and creation of the URBRA institution structure ongoing	Institutional structure for implementation of the URBRA developed  Draft pension liberalization bill submitted to cabinet
<i>Output Cost (US\$ bn):</i>	0.690	0.000	0.690
<i>Vote Function: 1402 Budget Preparation, Execution and Monitoring</i>			
<b>Output: 140201</b>	<b>Policy, Coordination and Monitoring of the National Budget Cycle</b>		

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### Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.

<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	Release Schedules. Budget Estimates Book FY 2011/12. BCCs. PIP 2011/12 & BCCs Produced.	Release Schedules were printed. Budget Estimates Book and PIP FY 2011/12 were printed and disseminated	Release Schedules. Budget Estimates Book FY 2012/13. BCCs. PIP 2012/13 & BCCs Produced.
	Annual and Quarterly workplans reviewed.	Annual and Quarterly workplans were reviewed.	Annual and Quarterly workplans reviewed.
	Budget Options Paper FY 2012/13 prepared.	Budget Options Paper FY 2012/13 was prepared	Budget Options Paper FY 2013/14 prepared.
	Monitoring reports. MTEF 2012/13. NBFP 2012/13.	BCC, MTEF 2012/13, NBFP 2012/13 were prepared	Monitoring reports. MTEF 2013/14. NBFP 2013/14.
<i>Performance Indicators:</i>			
% budget variance between releases and actuals for JBSF sectors (sector total)-Health*	3	5	3
% budget variance between allocations and releases for JBSF sectors (frontline service delivery)-Health*	3	4	3
% budget variance between allocations and releases for JBSF sectors (frontline service delivery)-Water*	3	3	3
% budget variance between allocations and releases for JBSF sectors (frontline service delivery)-Works*	3	0	3
% budget variance between allocations and releases for JBSF sectors (sector total)-Education*	3	0	3
% budget variance between allocations and releases for JBSF sectors (sector total)-Health*	3	3	3
% budget variance between allocations and releases for JBSF sectors (sector total)-Water*	3	7	3
% budget variance between allocations and releases for JBSF sectors (sector total)-Works*	3	6	3
% budget variance between releases and actuals for JBSF sectors (frontline service delivery)-Education*	3	1	3
% budget variance between releases and actuals for JBSF sectors (frontline service delivery)-Health*	3	0	3
% budget variance between releases and actuals for JBSF sectors (frontline service delivery)-Water*	3	0	3

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<i>Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
% budget variance between allocations and releases for JBSF sectors (frontline service delivery)-Education*	3	0	3
% budget variance between releases and actuals for JBSF sectors (sector total)-Education*	3	2	3
Real value of district non salary allocations for JBSF sectors (Water)*	66	60.2	71
% budget variance between releases and actuals for JBSF sectors (sector total)-Water*	3	7	3
% budget variance between releases and actuals for JBSF sectors (sector total)-Works*	3	12	3
% CG spending units receiving quarterly releases as per agreed cash flow plans	100	100	100
% of satisfactory CG project and programme work plans assessed	100	80	100
No. of Budget monitoring reports produced	4	1	4
Ratio of front line service delivery allocations for each JBSF sector Vs total sector budget (Education)*	0.03	0.76	0.03
Ratio of front line service delivery allocations for each JBSF sector Vs total sector budget (Health)*	0.03	0.73	0.03
Ratio of front line service delivery allocations for each JBSF sector Vs total sector budget (Water)*	0.03	0.43	0.03
Ratio of front line service delivery allocations for each JBSF sector Vs total sector budget (Works)*	0.03	0.48	0.03
Real value of district non salary allocations for JBSF sectors (Health)*	180	271.24	194
Real value of district non salary allocations for JBSF sectors (Education)*	216	83.41	232
% budget variance between releases and actuals for JBSF sectors (frontline service delivery)-Works*	3	2	3
<i>Output Cost (US\$ bn):</i>	<i>6.830</i>	<i>0.000</i>	<i>6.312</i>
<b>Output: 140202</b>	<b>Policy, Coordination and Monitoring of the Local Government Budget Cycle</b>		

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<i>Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	Release schedules produced.	LG Release schedules were printed in media	Release schedules produced.
	LGBFP workshops report 2012/13 prepared.	LGBFP workshops report was 2012/13 prepared.	LGBFP workshops report 2013/14 prepared.
	LG Budget Performance Report produced.	A number of LG officials were trained on OBT	LG Budget Performance Report produced.
	Capacity of LG officials enhanced on OBT		Capacity of LG officials enhanced on OBT
<i>Performance Indicators:</i>			
% of quarterly expenditures reported on time*	100	80	80
% of LG vote level performance contracts assessed as satisfactory	100	80	80
<i>Output Cost (US\$ bn):</i>	2.998	0.000	3.012
<b>Output: 140204</b>	<b>Coordination and Monitoring of Sectoral Plans, Budgets and Budget Implementation</b>		
<i>Description of Outputs:</i>	Budget Speech Policy Matrix for FY 2012/13 updated.	Budget Speech Policy Matrix for FY 2012/13 was updated.	Budget Speech Policy Matrix for FY 2013/14 updated.
	Budget performance reports 2011/12.	Budget performance reports 2011/12 were completed	Budget performance reports 2012/13.
	Aide Memoirs of Joint Sector reviews prepared.	Aide Memoirs of Joint Sector reviews prepared.	Aide Memoirs of Joint Sector reviews prepared.
	Gender modelling study conducted		Gender modelling study conducted
<i>Performance Indicators:</i>			
% Difference between approved budget and releases	0	3	0
<i>Output Cost (US\$ bn):</i>	2.313	0.000	2.486
<b>Vote: 141 URA</b>	<i>Vote Function: 1454 Revenue Collection &amp; Administration</i>		
<b>Output: 145401</b>	<b>Customs Tax Collection</b>		
<i>Description of Outputs:</i>	RADDEX Fully functional, 24 hour Service extended to new service points in Customs, Stakeholder engagement with Clearing agents to improve Customs Services, Risk Management Mainstreamed in Customs Operations		20% increase in Customs Revenue Collection, 65% green lane transactions, 730 alerts issued, Average clearance time reduced to 24 hours, Customs Stations renovated and refurbished.
<i>Performance Indicators:</i>			
Value of Tax Enforcement Recoveries (Ush Bn)	15		15
Customs tax Revenue (Ush bn)	2,818.42		3541.92
<i>Output Cost (US\$ bn):</i>	31.181	0.000	29.736
<b>Output: 145402</b>	<b>Domestic Tax Collection</b>		

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*Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.*

<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	eTax rolled out to 15 Upcountry stations, Phase 4 of etax rolled out to DT Stations, Block management system introduced with geographical information systems applications, 4 Service Centres opened up in DT, Risk Management Mainstreamed in DT Operations		86% average FilingRatio'21% reduction in Arrears Portfolio,24% Growth in DT Revenue collections, Growth in Tax payers Register by10% ,Increase etax services on the webportal,5 target groups sensitized on tax obligations
<i>Performance Indicators:</i>			
Percentage of quarterly domestic revenue reported on time	100		100
Domestic Tax Revenue (Ush bn)	3255.758		3837.08
<i>Output Cost (UShs bn):</i>	32.711	0.000	30.631

\* Excludes taxes and arrears

### *2012/13 Planned Outputs*

#### Budget preparation, execution & monitoring

The outputs for this Vote Function include; coordination of all sector Budget Framework Papers and sector policies into the National Budget Framework; preparing the Budget Speech for presentation to Parliament; preparing the annual Book of Estimates and Public Investment Plan; implementing the budget within established cash limits and ensuring timely monthly releases and monitoring and reviewing physical and budget performance, ensuring allocation efficiency and proper resource utilisation. Improved Budget performance management for increased service delivery to the people of Uganda to foster growth and prosperity of Ugandans ensured.

#### Public Financial Management

This output aims at implementing and coordinating policies concerning the management and inspecting of public funds. The outputs under this Vote Function include; Enhanced roll out of the IFMS and continued support for the established IFMS sites for improved accountability of public resources and proper financial management provided. Deepening of IFMS to 22 hybrid Votes in central Govt and 6 LG votes) rollout of IFMS to 10 Donor Funded Projects. The Ministry shall also ensure harmonised public financial management regulations for increased value for money benefits. This shall be achieved through the continuous review of the PFAA, PPDA Acts and other PFM laws (Budget Act, Oil Revenue Management, Macroeconomic Policy, contingency fund and public debt) reviewed and consolidated

### *Medium Term Plans*

The sector seeks to strengthen accountability of public resources through continuing rolling out Integrated Financial Management System (IFMS) to more sites to enhance transparency and enforce financial discipline. This will reduce resource diversion and over expenditure thereby reducing domestic arrears. Plans are under way to professionalize the accounting, audit and procurement cadre across Government to further reduce misuse of resources. Besides, the sector plans to enhance output oriented budgeting for performance results and value for money. Deepening the various Budget Reforms (OBT) in all sectors and Local Governments.

### *Actions to Improve Outcome Performance*

1) Enhancing staff Competence and Building Capacity for Sustainability of Operations to achieve the Vision by investing in Employee development, Develop and implement standardised staff development

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programme;

- 2) Streamlining the budget process and emphasized the linkage of the budget to outputs, outcomes and VFM; ensuring efficiency and effectiveness of the BFP in providing useful information
- 3) Ensuring that budget control mechanisms address arrears and contingent liabilities; effective tracking of project performance; and continued improvement on financial management and reporting under the FDS.
- 4) Continued training of staff in Monitoring and Evaluation, enhance staff analytical and monitoring skills
- 5) Develop framework for tracking performance against agreed upon indicators
- 6) Continued training in Budget analysis, Economic Policy research and Policy Analysis
- 7) Need to improve the timeliness and adequacy of information on external debt and donor disbursements, develop database for tracking information on external disbursement
- 8) Mechanism to capture all overseas development assistance in the economy; and develop database to capture all inflows into the economy.

**Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome**

<i>Sector Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.</i>			
2011/12 Planned Actions:	2011/12 Actions by Dec:	2012/13 Planned Actions:	MT Strategy:
<b>Vote: 008 Ministry of Finance, Planning &amp; Economic Dev.</b>			
Vote Function: 14 01 Macroeconomic Policy and Management			
Review the existing macroeconomic frameworks. Develop a new social accounting matrix. Develop the Macroeconomic model. Train staff on the use of the Macroeconomic Model.	Negotiated with the best evaluated bidder/consultant for the macroeconomic model	Review the existing macroeconomic frameworks. Develop a new social accounting matrix. Develop the Macroeconomic model. Train staff on the use of the Macroeconomic Model.	Set up Statistical Unit. Transfer econometric modelling skills to the technical staff for sustainability of the tool.
Vote Function: 14 02 Budget Preparation, Execution and Monitoring			
Avail resources in line with the available resource envelope and planned activities in the SIPs.	Avail resources in line with the available resource envelope and planned activities in the SIPs.	Avail resources in line with the available resource envelope and planned activities in the SIPs.	Formulate a credible budget Enforce budget discipline
Vote Function: 14 03 Public Financial Management			
Inspection of PDEs for guidance on compliance to PPDA Act, PPDA Performance monitoring, enhanced financial management IT, Procurement and leadership skills Harmonisation of financial regulations	Financial reporting guidelines Review of the guidelines	Inspection of PDEs for guidance on compliance to PPDA Act, PPDA Performance monitoring, enhanced financial management IT, Procurement and leadership skills Harmonisation of financial regulations	Enforce compliance to policy requirements
IFMS roll out to 22 LGs and 11 Central GoU	IFMS rolled out to 17 Central GoU, 22 Hi-breed and 6 Development projects	Deepen IFMS to 22 hybrid Votes, rollout IFMS to 10 additional Donor Funded Projects	Train staff to manage IFMS sites and retain the staff

## Section 3: Accountability Sector

<i>Sector Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.</i>			
<b>2011/12 Planned Actions:</b>	<b>2011/12 Actions by Dec:</b>	<b>2012/13 Planned Actions:</b>	<b>MT Strategy:</b>
Consolidation of Debt regulations and contingency regulations	DMFAS training undertaken by UNCTAD and system upgraded to 6.0 version	Extend the World Bank Client connection to all world bank funded projects	All inflows to be captured in database Training of all involved staff Review of financial packages
Further training for both technical and IT Staff on the use of DMFAS 6.0 Software;	Negotiations on service Agreement, Data Conversion Mission, Software installation ended are awaiting Solicitor General's clearance before signing	Regular portfolio analysis using DMFAS 6.0	

## Section 3: Accountability Sector

### (ii) Outcome 2: Compliance to accountability policies, service delivery standards and regulations.

#### Status of Sector Outcomes

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

**Table S2.1: Sector Outcome Indicators**

<i>Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>			
<b>Outcome and Outcome Indicator</b>	<b>Baseline</b>	<b>2012/13 Target</b>	<b>Medium Term Forecast</b>
% of PPDA audit recommendations implemented	78 (FY2010/11)	80	85 (2012/13)
% of contracts with complete procurement records (by number)	75 (FY2008/09)	75	75 (2012/13)
% of contracts subject to open competition (by contract value)	80 (FY2008/09)	75	80 (2012/13)
% clean audit reports (central, local and statutory bodies)	34.3 (FY2009/10)	55	65 (2014/15)

#### Performance for the first half of the 2011/12 financial year

##### External Audit

By mid FY2011/12 the Office of Auditor General had completed a total of 883 Financial Audits and 3 Value for money Audits while 820 Financial Audits and 9 VFM audits were in-progress. The Contract for the Audit House was awarded and site handed over to the Contractor, the design for Mbarara Regional Office was in-progress, Renovation of 2 Regional Offices in Fort portal and Arua were completed while renovation of 3 Regional Offices in Gulu, Soroti and Masaka Towns was in-progress. In implementing the new OAG structure, a Quality Assurance Unit was established, 136 staff were trained in Procurement Audit, 15 trained in Information Systems Security, 30 trained in IDEA, 6 trained in ICISA, 1 completed a Masters Degree in Business Administration and 56 staff enrolled for various career and Professional development courses ranging from Certificates to Masters.

##### Regulation of the procurement and Disposal System

Public Procurement Disposal of Public Asset Authority carried out 4 procurement audits, 18 investigations and made follow ups in 19 Entities to assess the implementation of audit recommendations. Compliance checks were also carried out in 64 Entities. 20 Entities were also trained on the procurement and disposal best practices.

##### Fight against corruption

##### Corruption Investigation Litigation and Awareness

In her endeavour to fight corruption, the Sector through IGG planned to investigate and conclude 1500 complaints. By December 2011, 702 complaints were investigated and completed. As for prosecution, by December 2011. 30 out of the 50 planned corruption cases and 6 out of 10 planned civil cases were completed which was an excellent performance.

##### Governance and Accountability

DEI Disseminated the National Anti-corruption strategy to the districts of Kaabong, morooto, Napak, Nakapiripit, Amudat, Amuria and Bulambuli, Monitored the Implementation of the National Anti-Corruption Strategy. To increase public demand for accountability, the Minister for Ethics and Integrity together with other heads of IAF institutions conducted regional inspection in the districts of Kaabong, Amudat, Nakapiripit, morooto, Napak, Bulambuli and Amuria. In order to address the challenges posed by corruption, it initiated and coordinated programs aimed at building a value-based society in Uganda by developing and regenerating values upon which national integrity systems and ethical standards can be built. Developed the Anti-pornography bill ready for presentation to parliament and has also been able to make amendments to the leadership code that shall lead to the establishment of the leadership tribunal that has been a major hindrance to the enforcement of the leadership code. Directorate for Ethics and Integrity coordinated efforts that led to the formation of three District Integrity Forums. Like the Inter Agency Forum (IAF) at the Center, the Integrity Forum is a coordination mechanism for promoting ethical conduct, integrity and accountability in local governments. In its efforts to rebuild ethics and integrity in

## Section 3: Accountability Sector

schools, in consultation with the National curriculum Development Center, revised the primary school syllabus with a view of integrating ethical values in school. During this financial year, the Directorate conducted trainings for Tutors of Primary Teachers in Western Uganda to enhance their skills of integrating ethical values in Primary Teacher Training Programs.

**Table S2.2: Key 2012/13 Outputs Contributing to the Sector Outcome\***

<i>Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>				
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>	
<b>Vote: 008 Ministry of Finance, Planning &amp; Economic Dev.</b>				
<i>Vote Function: 1401 Macroeconomic Policy and Management</i>				
<b>Output: 140151</b>	<b>Pension Regulation services</b>			
<i>Description of Outputs:</i>	The retirement Benefits regulator operationalized	Draft Pension sector liberalisation bill submitted and creation of the URBRA institution structure ongoing	Institutional structure for implementation of the URBRA developed  Draft pension liberalization bill submitted to cabinet	
<i>Output Cost (US\$ bn):</i>	0.690	0.000	0.690	
<i>Vote Function: 1403 Public Financial Management</i>				
<b>Output: 140301</b>	<b>Accounting and Financial Management Policy, Coordination and Monitoring</b>			
<i>Description of Outputs:</i>	IFMS rolled out to 17 additional sites MALGs  IFMS primary and secondary data centres and 107 sites supported to remain available and able to transact	IFMS rolled out to 17 additional sites, including hybrid  IFMS primary and secondary data centres and 107 sites supported	IFMS deepened to all hybrid sites (22)  IFMS primary and secondary data centres and 107 sites supported	
<i>Output Cost (US\$ bn):</i>	13.388	0.000	13.731	
<b>Output: 140302</b>	<b>Management and Reporting on the Accounts of Government</b>			
<i>Description of Outputs:</i>	Warrants and Operational fund released on time  Migration of Legacy Payroll data to IPPS and IFMIS conducted  Final accounts for 2010/11 Treasury memoranda for Parliament reports prepared  Public debt due paid and reports produced	Warrants and Operational funds released on time  Migration of Legacy Payroll data to IPPS and IFMIS conducted	Warrants and Operational funds released on time  Migration of Legacy Payroll data to IPPS and IFMIS conducted	
<i>Output Cost (US\$ bn):</i>	8.495	0.000	8.594	
<b>Output: 140303</b>	<b>Development and Management of Internal Audit and Controls</b>			
<i>Description of Outputs:</i>	4 Performance Audit Reports produced  1 consolidated Audit Committee Report produced  Development of Risk Management policy	4 audit Committee reports produced  30 reports on MDA Audits produced and Published  1 IT audit report produced  2 Consolidated quarterly audit report produced	4 Performance Audit Reports produced  1 consolidated Audit Committee Report produced	
<i>Output Cost (US\$ bn):</i>	3.800	0.000	3.439	
<b>Output: 140304</b>	<b>Local Government Financial Management Reform</b>			

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<i>Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	Site set up and Design of Tier 2 system.  Professionalisation of accountants and Internal auditors Supported	Professionalisation of accountants and Internal auditors Supported and continuous	Professionalisation of accountants and Internal auditors Supported
<i>Output Cost (US\$ bn):</i>	6.140	0.000	6.140
<b>Output: 140305</b>	<b>Strengthening of Oversight (OAG and Parliament)</b>		
<i>Description of Outputs:</i>	2 OAG offices built in Mbarara and Kampala; Complete backlog under LG-PAC & COSASE; Complete and implement OAG corporate plan		
<i>Output Cost (US\$ bn):</i>	2.617	0.000	2.617
<b>Vote: 103 Inspectorate of Government (IG)</b>			
<i>Vote Function: 1451 Corruption investigation, Litigation &amp; Awareness</i>			
<b>Output: 145102</b>	<b>Investigations/operations</b>		
<i>Description of Outputs:</i>	Investigate and complete 92 high profile complaints	230 investigations completed	Investigate and complete 500 high profile complaints
<i>Performance Indicators:</i>			
Annual count of complaints investigated and completed	500	230	500
<i>Output Cost (US\$ bn):</i>	2.932	0.000	2.610
<b>Output: 145103</b>	<b>Prosecutions &amp; Civil Litigation</b>		
<i>Description of Outputs:</i>		6 civil cases concluded and 30 corruption cases prosecuted	complete 10 civil cases Complete 50 corruption cases
<i>Performance Indicators:</i>			
Number of corruption cases prosecuted and completed.	50	30	50
Number of civil cases concluded	10	6	10
<i>Output Cost (US\$ bn):</i>	2.406	0.000	2.074
<b>Output: 145104</b>	<b>Public Awareness, Policy &amp; Systems Studies</b>		
<i>Description of Outputs:</i>			
<i>Performance Indicators:</i>			
Number of workshops/seminars/film shows organised per annum	10		15
Number of integrity clubs facilitated in Universities and other Tertiary Institutions	12		20
<i>Output Cost (US\$ bn):</i>	2.185	0.000	1.564
<b>Output: 145105</b>	<b>Decentralised Anti - corruption programmes</b>		
<i>Description of Outputs:</i>		502 complaints investigated and completed	Investigated and conclude 1000
<i>Performance Indicators:</i>			
Annual Count of complaints investigated and completed	1000	502	1000
<i>Output Cost (US\$ bn):</i>	6.936	0.000	7.591
<b>Output: 145106</b>	<b>Verification of Leaders' Declarations</b>		

## Section 3: Accountability Sector

<i>Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>			
<i>Performance Indicators:</i>			
Percentage of declarations submitted by the leaders	95%		100%
Annual count of verifications concluded	50		50
<i>Output Cost (US\$ bn):</i>	2.044	0.000	2.011
<b>Output: 145107</b>	<b>Ombudsman Complaints, Policy and Systems Studies</b>		
<i>Description of Outputs:</i>	To investigate and complete 300 complaints  carry out and conclude 4 systems studies	209 Complaints investigated and completed and 1 systems study	To investigate and complete 300 complaints  carry out and conclude 3 systems studies
<i>Performance Indicators:</i>			
Annual count of Policy and Systems Studies initiated and concluded	3	1	3
Annual count of Ombudsman complaints investigated and completed	200	209	300
<i>Output Cost (US\$ bn):</i>	1.312	0.000	1.394
<b>Vote: 112 Ethics and Integrity</b>			
<i>Vote Function: 1452 Governance and Accountability</i>			
<b>Output: 145201</b>	<b>Formulation and monitoring of Policies, laws and strategies</b>		
<i>Description of Outputs:</i>			
<i>Performance Indicators:</i>			
No. of functional IAF working groups	3		1
<i>Output Cost (US\$ bn):</i>	0.236	0.000	0.236
<b>Output: 145202</b>	<b>Public education and awareness</b>		
<i>Description of Outputs:</i>		The capacity of three district integrity promotion forums were built	10 district integrity promotion forums established and their capacity enhanced
<i>Output Cost (US\$ bn):</i>	0.241	0.000	1.241
<b>Output: 145204</b>	<b>National Anti Corruption Strategy Coordinated</b>		
<i>Description of Outputs:</i>	Dessimation of NACS to the various stakeholders	NACS was disseminated in Teso (particularly districts of Soroti, Amuria, Katakwi) and Mt. Elgon sub regions (Mbulambuli, Sironko and Kapchorwa)	National Anti Corruption Strategy (NACS) disseminated to 20 districts
<i>Output Cost (US\$ bn):</i>	1.200	0.000	1.711
<b>Vote: 131 Auditor General</b>			
<i>Vote Function: 1453 External Audit</i>			
<b>Output: 145301</b>	<b>Financial Audits</b>		

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<i>Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	2004 financial Audits to be carried out which include; 212 MDAs including 9 classified, 1512 Local authorities, 128 projects audits, 88 statutory corporations and 64 special audits .	883 Financial audits completed,	1790 Financial Audits carried out which include 92 MDA Audits , 67 Statutory Authorities' Audits, 50 Special Audits, 97 Project Audits and 1484 Local Authorities' Audits
<i>Performance Indicators:</i>			
No of Statutory Bodies Audited	88	43	67
No of special projects audited	60	27	50
No of projects audited	128	58	97
No of MDAs Audited	212	12	92
No of Higher LGs Audited (including Town councils and sub-counties)	1512	743	1484
<i>Output Cost (US\$ bn):</i>	18.196	0.000	19.017
<b>Output: 145302</b>	<b>Value for Money Audits</b>		
<i>Description of Outputs:</i>	Vol. 5 of the Annual Audit Report submitted	12 pre study reports produced	21 VFM Audits carried which include; 11 Main VFM and 10 specialised Audits
	VFM audit of 12 projects: 7 wide and 5 medium coverage audits completed	VFM Audits completed	3
	5000 VFM Brochures completed		
	20 VFM Staff trained		
<i>Performance Indicators:</i>			
No of VFM Audits	16	3	21
% of VFM Audits reviewed and recommendations implemented	70	0	25
<i>Output Cost (US\$ bn):</i>	6.514	0.000	4.659
<b>Vote: 141 URA</b>			
<i>Vote Function: 1454 Revenue Collection &amp; Administration</i>			
<b>Output: 145403</b>	<b>Tax Investigations</b>		
<i>Description of Outputs:</i>	54 Investigations Cases Completed, eTax Intelligence Module deployed and in use, Non Compliant Taxpayers Identified, fraudulent Taxpayers recommended for prosecution		10% of investigated cases approved for prosecution, 80% of client issues addressed, 5 Partners engaged, 70% of partners' expectations met, 80% of Investigation cases handled as per re-engineered investigations process,
<i>Output Cost (US\$ bn):</i>	2.819	0.000	3.032
<b>Output: 145404</b>	<b>Internal Audit and Compliance</b>		
<i>Description of Outputs:</i>			
<i>Output Cost (US\$ bn):</i>	2.090	0.000	2.284
<b>Output: 145405</b>	<b>URA Legal and Administrative Support Services</b>		
<i>Description of Outputs:</i>			
<i>Output Cost (US\$ bn):</i>	24.238	0.000	26.303

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<i>Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<b>Vote: 153 PPDA</b>			
<i>Vote Function: 1456 Regulation of the Procurement and Disposal System</i>			
<b>Output: 145601</b>	<b>Procurement Audit and Monitoring</b>		
<i>Description of Outputs:</i>	20 Procurement audits under GOU.	5	24 Procurement audits under GOU conducted
<i>Performance Indicators:</i>			
No. of procurement audits completed	16	5	40
No. of follow-up procurement audits and investigations recommendations	16	19	40
<i>Output Cost (US\$ bn):</i>	1.052	0.000	1.167
<b>Output: 145602</b>	<b>Capacity Building and Research</b>		
<i>Description of Outputs:</i>			
<i>Output Cost (US\$ bn):</i>	0.566	0.000	0.615
<b>Output: 145603</b>	<b>Legal and Advisory services</b>		
<i>Description of Outputs:</i>	97 compliance checks	64	100 compliance checks conducted
<i>Performance Indicators:</i>			
Level of adherence to service standards (Number of MDAs inspected)	120	64	100
<i>Output Cost (US\$ bn):</i>	0.892	0.000	0.917
<b>Vote: 500 501-850 Local Governments</b>			
<i>Vote Function: 1481 Financial Management and Accountability(LG)</i>			
<b>Output: 148100</b>	<b>Financial Management and Accountability</b>		
<i>Description of Outputs:</i>			
<i>Output Cost (US\$ bn):</i>	N/A	N/A	N/A

\* Excludes taxes and arrears

### 2012/13 Planned Outputs

#### Corruption Investigation and litigation

For FY 2012/13, the Sector Plans to increase the fight against corruption; IGG plans to deliver the following outputs: Investigation of 1847 complaints, prosecution of 50 cases, concluding 40 Civil cases, verification of 50 declarations, training of 150 members of staff, completing 4 policy and systems studies and for Public awareness. Recruit 12 new staff, carry out induction course for new staff as planned; Carry out Investigation of corruption complaints, prosecution of corruption cases, public awareness programmes, policy and systems studies as planned; open one new Regional office at Bushenyi to cater for Bushenyi, Mitooma, Rubirizi, Nsiika and Sheema Districts.

#### Governance and Accountability

DEI plans to disseminate and monitor the implementation of the National Anti Corruption Strategy (NACS), Restructure the DEI staff establishment and fill vacant positions, Disseminate National Ethical Values to the public in eight regions. Strengthen capacity of local governments to promote accountability in ten districts, support the participation of non state actors in the anti corruption activities, strengthen work ethics in 4 professional associations, support capacity building of six Primary Teachers Colleges to integrate ethical values in school curriculum, disseminate and popularize new anti corruption laws, produce

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reports on Uganda's compliance to UN Convention against corruption.

Develop the Qitam law.

Enhance Compliance to accountability policies, service delivery standards and regulations

### External Audit

Through OAG, there are 4 classified categories of the planned output namely: financial audit, value audit money, policy planning and strategic management and support to the office of the Auditor General. Under financial audit, the office plans to conduct a total of 1872 audits which include 212 MDAs audits, 88 statutory corporations, 60 special audits (CG-10, LA-40, and SC-10) and 1512 local authorities. Out of 1872 audits, 128 are project audits. On the other hand 16 Value for Money Audit will be conducted which include project audit, (7 wide, 5 medium coverage) and 4 forensic audits. Under support to the office of the AG, one OAG branch office in Mbarara and the audit house in Kampala shall be constructed with support from FINMAP, 4 branch offices in Gulu, Soroti, Fortportal and Masaka municipalities renovated, With support from JICA the office plans to conduct 6 trainings on; teammate, procurement audit, IDEA, management development, mastering negotiations, VFM and IT audit.

Under policy planning and strategic management the planned output include; production of 600 copies AG reports to parliament for the FY 2012/, 73 officers recruited, production of 450 reports for the final year 2012/13 and appraisal of 400 staff. Financial statements and 4 internal audit reports for FY 2012/13 shall also be produced.

Regarding ICT, infrastructure development the outputs include; 4 DC sever upgraded, power backs for 3 branch office in Masaka, Fort portal` and Soroti replaced and installed for 3 branch offices in Jinja, Mbale and Arua. CAAT, end user license, 40 laptops acquired for the new staff, OAG human resource management system designed and installed.

### Corruption Investigation and litigation

Procurement Audit vote output function aims at procurement reviews/audit. The authority plans to undertake 90 procurement and disposal audits. Of these, 4 will be outsources under GOU, 70 will be outsourced and FINMAP and 16 will be conducted in-house under GOU funding. 4 of the in-house audit will be contract and performance audits. Follow ups- The authority also plans to undertake 50 follow ups under FINMAP support. Audit and investigation recommendations are followed up within 6 months of issuance of the reports. The Authority will procure a consultant to develop a guideline and standard bidding document for the supply and installation of ICT equipments. Roll out PPMS to an additional 44 PDEs bringing the total number of entities to which PPMS has rolled out since 103. Conduct 120 compliance checks on both central and local government entities. The authority plans to undertake 70 compliance checks on central government's PDEs and 50 compliance checks on local governments PDEs and prepare a report of the compliance check findings to be issued to the MoFPED. The authority shall publicize non compliance complaints PDEs on submission of procurement plans and monthly/quarterly reports, awarded contracts above US \$ 100,000 and compliance check findings. The authority also plans to review CG PDE monthly reports and 50 LG PDEs quarterly report and procurement plans.

### Medium Term Plans

1. Enhance compliance: In the area of compliance to regulations, service standards in service delivery and accountability in public service organizations, the sector plans to improve service delivery as an incentive for compliance and to educate clients about their rights.
2. To further enhance compliance to the Procurement Act, the sector plans to strengthen the OAG and PPDA to execute their mandate, and adopt the recommendations of the study on low compliance. Also there are plans to provide specialised training in compliance skills to the key sector staff charged with the responsibility of enforcing compliance to policies, regulations and service delivery standards.

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3. Anti-Corruption Action: To increase government effort in the fight against corruption, IG will enhance her capacity to investigate, prosecute corruption cases and abuse of office/authority, verifications of declarations, carrying out policy and systems studies and increase public awareness of corruption. Ensuring adequate coverage and outreach by opening new Regional offices.

4. DEI's priority activities in the medium term include strengthening coordination of government efforts in fighting corruption, strengthening the anti corruption legal and policy framework; undertaking public education on ethics and integrity and creating public awareness on the danger of corruption.

### *Actions to Improve Outcome Performance*

Increasing public demand for accountability:

The Accountability Sector has embarked on strengthening the demand side of accountability, this is aimed at increasing Public oversight to ensure improved service delivery through Increase Citizens participation in monitoring local government public expenditure and service delivery, enhance local government's accountability for service delivery programs and Increase citizens' voice in providing feedback to central and local government about service delivery. The Sector through her Secretariat plans to partner with NGOs and CSOs to conduct public awareness campaigns about people's rights to demand accountability for the services delivered by government. Feedback reports compiled by CSOs and NGOs from the views of the citizens or beneficiaries on service delivery will be analysed to gauge citizen's satisfaction and forwarded to the sector Secretariat for discussion by the Accountability Sector Institutions.

### Strengthen the Procurement Audit Function

PPDA will expand the Audit and Compliance assessment programme, expand staffing levels and open up regional offices, start a central depository for procurement records and to develop an e- procurement system in the medium term.

The Authority intends to strengthen the enforcement of procurement plans during budgeting process to improve budget execution. Capacity building efforts will be stepped up to improve performance in public procurement. The Audit programme will also be expanded to ensure there is accountability and value for money in public procurement.

### Enhance External Audit Function

The Sector seeks to strengthen External Audit Function by establishing a strong Value for Money Directorate with adequate and fully trained and facilitated staff to meet the needs of Parliament, a Forensic and ICT Audit Department. This will come along with reorganization of the office to provide an appropriate structure to fulfill the mandate of the office. Achieving physical and operational independence is a major focus and is expected to be fulfilled when construction of the audit house is complete in 2012.

### Strengthening monitoring and evaluation framework:

To address the challenge of poor inspection, the Budget Monitoring and Accountability Unit (BMAU) under Ministry of Finance, Planning and Economic Development will be strengthened to track government expenditure and Budget Performance Reports will be produced periodically and accountability issues will be addresses accordingly. Aggressive monitoring by the sector institutions will greatly contribute to the awakening, nurturing and enforcement of the culture of accountability across the country to improve service delivery. The sector has also embarked on joint monitoring and evaluation with the objective of establishing its cost effectiveness.

### Rolling out Integrated Financial Management System (IFMS)

The sector seeks to strengthen accountability of public resources through continuing rolling out Integrated Financial Management System (IFMS) to more sites to enhance transparency and enforce financial discipline. This will reduce resource diversion and over expenditure thereby reducing domestic arrears. Plans are under way to professionalize the accounting, audit and procurement cadre across Government to further reduce misuse of resources. Besides, the sector plans to enhance output oriented budgeting for performance results and value for money. Deepening the various Budget Reforms (OBT) in all sectors and

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### Local Governments

**Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome**

<i>Sector Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>			
2011/12 Planned Actions:	2011/12 Actions by Dec:	2012/13 Planned Actions:	MT Strategy:
<b>Vote: 103 Inspectorate of Government (IG)</b>			
Vote Function: 14 51 Corruption investigation ,Litigation & Awareness			
To open 1 more regional office at Bushenyi to cater for Bushenyi, Mitooma, Isiika, Rubirizi and Sheema districts.	Yet to open 1 more regional office at Bushenyi to cater for Bushenyi, Mitooma, Isiika, Rubirizi and Sheema districts.	Funds permitting we shall open 1 regional office in Luwero to cater for Luwero, Nasakaseke and Nakasangola Districts	- Annual creation of three Regional offices until the desired number is reached.
<b>Vote: 112 Ethics and Integrity</b>			
Vote Function: 14 52 Governance and Accountability			
	50% of DEI staffing establishment was filled. DEI MTEF ceiling still very inadequate	Enhance staff capacity and their remuneration to enable attraction and retention of competent personnel	Filling all DEI vacant staff establishment and develop appropriate framework for monitoring the implementation of NACS
20 new non state organisations was brought on board to Strengthen the Public Private partnership to mobilise the public to demand for service delivery. 10 integrity promotion forums to provide a platform for the public to dialogue was formed	An annual review dialogue was conducted to strengthen the Public Private partnership to mobilise the public to demand for service delivery. 5 integrity promotion forums to provide a platform for the public to dialogue with service providers was formed.	Continue strengthening the Public Private Partnership with civil society organisations to mobilise the public to demand for accountability and service delivery	Functional district integrity promotion forum and active CSOs participation.
Joint Monitoring with sector institutions mandated to undertake monitoring conducted.	Joint Monitoring with sector institutions mandated to undertake monitoring conducted.	Joint Monitoring with sector institutions in 20 districts mandated to undertake monitoring conducted.	Implementation of the NACS (creating national ownership)
<b>Vote: 131 Auditor General</b>			
Vote Function: 14 53 External Audit			
Increasing staffing levels in the forensic audit department, continue with the training strategic for VFM auditors	5 VFM auditors were recruited, inducted and posted	Filling the remaining vacant positions, staff Capacity Building and enhancement of the existing performance management systems	Utilization of the current trained staff in Departments and use of private audit firms while simultaneously training and enhancing the capacity of the OAG staff.
Upgrading the band width, installing back up systems in all the branch offices, connecting Mbarara branch to the OAG wide area net work, replacing 4 DC servers, training IT Auditors in CAATS, recruiting more IT auditors	Employed Personnel on contract to cover the gap. Recruited 3 more IT Auditors	Replacement of data center servers, acquisition of CAATs licenses, connecting 2 more branches to WAN and building staff capacity.	Modernisation of the current ICT facilities. Utilisation of staff of other directorates to carry out IT and forensic audit functions,
<b>Vote: 143 Uganda Bureau of Statistics</b>			
Vote Function: 14 55 Statistical production and Services			
Improvement in Data Collection, Analysis and publication . Dissemination and Statistical awareness. Resource management improvement and organisational development	Improvement in Data Collection, Analysis and publication . Dissemination and Statistical awareness. Resource management improvement and organisational development	Continuous strengthening of statistical publication in all Districts, Ministries and Government Agencies	Continuous strengthening of statistical publication in all Districts, Ministries and Government Agencies

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<i>Sector Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>			
2011/12 Planned Actions:	2011/12 Actions by Dec:	2012/13 Planned Actions:	MT Strategy:
<b>Vote: 153 PPDA</b>			
Vote Function: 14 56 Regulation of the Procurement and Disposal System			
Partnering with training Institutions to equip procurement professionals with relevant skills	Equiping Entities with basic tools needed to carry out the public procurement function	Scale up of the training and capacity building programme.	Central repository for Procurement documents of Uganda
Third party providers have been trained on the procurement law	Plan to train third party providers on the procurement Law	Update list of third party providers to PPDA and train them.	Information dissemination to Providers

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### (iii) Outcome 3: Accountability Sector's contribution to economic growth and development enhanced

#### Status of Sector Outcomes

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

**Table S2.1: Sector Outcome Indicators**

<i>Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
<b>Outcome and Outcome Indicator</b>	<b>Baseline</b>	<b>2012/13 Target</b>	<b>Medium Term Forecast</b>
Rate of Inflation	44 (FY2011/12)	52	60 (2014/15)
Interest rate	21 ( )		( )
GDP growth rate	5 (FY2011/12)	6	7 (7)
Exchange rate	2816 (FY2011/12)	3061.7	2500 (2500)
% of Revenue as a share of GDP	13.1 (FY2010/11)	14.1	15.1 (2014/15)

#### Performance for the first half of the 2011/12 financial year

##### Revenue Collection

To enhance the resource mobilisation, the Sector had by mid FY 2011/12 URA collected UGX. 2,927.50 bn against the target of 2,998.86 bn which represents 97.62% performance. Despite the low collection, a growth rate of 18.87% was recorded as compared to the same period in FY 2010/11. For this same period of FY 2010/11, Domestic tax collections were UGX. 1,57377 bn against the target of UGX. 1625.63 bn registering a deficit of UGX. 51.86 bn resulting into a performance of 96.82% and a growth rate of 14.57%. This was mainly attributed to under performance of PAYE, Excise duty and withholding taxes, VAT on sugar, beer, electricity and soft drinks and removal of VAT on piped water. Customs tax collections recorded a deficit of 2.55% but registering a growth rate of 22.49%

The direct domestic taxes performed at 95.36% for the first half of 2011/12 registering a growth rate of 14.37% as compared to the first half of the previous year 2010/11. This growth was attributed to good performance on corporation and withholding tax that surpassed their targets by a total of UGX.7.66 bn and UGX. 5.61bn respectively. Despite the improvements in the collections as compared to the first half of the previous year 2010/11, cumulatively all major tax heads performed below the target with the exception of temporally road license

On the administration, individual income tax recorded the highest number of new tax payers while presumptive tax registered the lowest for the first half of FY 2011/12. Domestic tax performance resulted into 757 cases leading into an assessment of UGX. 209.39 bn of which UGX. 2.02 bn was objected however, the total payment for the period was UGX. 30.2bn and this represents 14% of the amount assessed. Tax refunds also decreased by 12.39% as compared to first half of the previous year. KCCA the newly set up Authority collected UGX.shs. 19.7 bn for the first half of FY 2011/12 . This is 44% performance as compared to UGX.shs.44.77bn to be collected for the FY 2011/12.

##### Macroeconomic management

There was an endeavour to merge PFAA 2003 and Budget 2001 into proposed Public Finance Act 2001 to incorporate oil and gas management. The draft oil and gas management policy was finalized. The income tax Act, Excise tariff, VAT, Stamps Act and Finance Bill were approved, assented to and disseminated to the public. Petroleum Taxation Laws (VAT Exercise) were reviewed and report was produced, Tax Appeals Tribunal were resolved, 48 disputes, 25 cases were investigated, Fiscal and Monetary policy papers to operationalise the oil revenue management were drafted, hardware and software (GEMPACK and STATA) for macro were procured.

##### Economic Development Policy and Research Function

The State of Uganda Population Report -SUPRE 2011 was printed and disseminated to Ministries, Departments, & Agencies, Community Support Organizations and other Implementing Partners, Universities and other interested users. Under the UNCST Project, A National Intellectual Property Advisory and Information Services was established and operational, Renewable energy and waste

## Section 3: Accountability Sector

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management technologies was implemented, A national bio-prospecting program was operationalised. The 2nd & 3rd Country progress reports on implementation of New Partnership for Africa's Development (NEPAD), African Peer Review Mechanism (APRM), African Capacity Building Foundation (ACBF) and EAC-DS were produced and submitted. Technical Support and Backstopping to district staff on Population & Development [POPDEV] in development planning guidelines and District Population action Plan [DPAP] Development were undertaken by the Population Secretariat Services. District Planning Units were also encouraged to start on the process of DPAP production. So far, Katakwi, Mubende, Nakapiripirt and Kibaale have submitted their action plans and were printed

Concepts on Population & Development, Gender, and Reproductive Health were refined, approved and adopted by stakeholders and implementing partners. These are aimed at educating the masses on issues of Population and Development, Gender and Reproductive Health. Conducted a national workshop on popularizing use of fertilizers for Agricultural productivity and also undertook a public dialogue on strengthening analytical capacities on Agricultural & Food Policy Monitoring to enhance evidence-based policy dialogue conducted.

### Investment & Private Sector Development

To boost investment and private sector, the Sector under this vote function developed and reviewed policies on private sector development investment policies alongside EAC and international region. 47 investor lead contacts were generated through e-marketing activities targeting the Gulf States and 53 contacts profiled from participation in investment forum in Lebanon. 4322 participants were trained on how to start a business while 1230 participants trained in the Global Entrepreneurship. 64 entrepreneurs attended the Entrepreneurial Training workshop in Kampala. Investment Protection Agreements with Germany, United Arab Emirates, and China were reviewed. Investment proposals were also reviewed for Sango Bay Estates Ltd, Bunyonyi Holdings Ltd, HIPPO Dam Ltd, and Bio-Mas Energy Project in Apac district, 95% of Bweyogerere Industrial Park roads construction works (1.9.Km) completed. 68 companies were licensed and created 9,380 planned jobs.

### Microfinance

To enhance Microfinance development, 213 loans worth Ugx.17,407,183,000 were disbursed, the Sector under this vote function output held consultative meetings with BOU and Microfinance stakeholders to amend the Microfinance Deposit Institutions Act and establish the MRA. Microfinance census report was produced and published. Audited the funds released under the presidential Market initiative and small scale Business operators in all districts in Uganda. The function through the Rural Financial Services, enhanced the capacity of SACCOs provided 16 SACCOs provided with support for Audit Services, Training Needs Assessment done on all programme SACCOs, 4 Customized Trainings Modules designed, 57 SACCOs provided with Basic Training Module 1, 5 regional workshops held to equip field level mentors for SACCOs.

### Statistical Production and Services

By December 2011, UBOS had Updated Districts maps for 17 out of 18 Planned, PHC 2012 Census master plan was produced, - PHC 2012 Census questionnaires were developed and tested, Urban Labour Force survey 2009 report was produced. Macro Economic Statistics outputs for this period included Weekly & Monthly Inflation rates. Monthly Import & Export data was compiled. Cross Border trade statistics 2009 was produced. Monthly Government Finance Statistics was produced. Annual 2010 Statistical Abstract and Quarterly KEI publications were produced. Annual 2009 Environment Statistics data was compiled. Business and Agricultural Statistics outputs included, Quarterly Industrial Production Indices were produced, Quarterly Producer Price (Manufacturing & Hotel) and Quarterly Construction Sector Indices. Monthly Energy statistics were produced. Census of Agriculture data collection was completed. Technically supported 16 MDAs under the PNSD, Compiled the 2010 Statistics Agenda.

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**Table S2.2: Key 2012/13 Outputs Contributing to the Sector Outcome\***

<i>Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<b>Vote: 008 Ministry of Finance, Planning &amp; Economic Dev.</b>			
<i>Vote Function: 1401 Macroeconomic Policy and Management</i>			
<b>Output: 140101</b>	<b>Macroeconomic Policy, Monitoring and Analysis</b>		
<i>Description of Outputs:</i>	GDP growth projected at 7%p.a, Inflation at 5% or less, Fiscal deficit at 7.8% of GDP. Negotiate and conclude DTAs with China, U.A,E , Egypt, Libya and	Negotiated and concluded DTA with China 29.2% core inflation and 27% Headline inflation	6% GDP growth projection, Headline inflation 7% Fiscal deficit 5.5%
<i>Performance Indicators:</i>			
Arrears as % of total expenditures*	6	6.6	6
No. Key macro economic Policies, reports produced	4	10	4
<i>nfn bnmbvnbvn</i>			
<i>Output Cost (US\$ bn):</i>	<i>4.901</i>	<i>0.000</i>	<i>4.941</i>
<b>Output: 140102</b>	<b>Domestic Revenue and Foreign Aid Policy, Monitoring and Analysis</b>		
<i>Description of Outputs:</i>	Tax measures developed and tax law amended. Domestic tax revenue mobilized. Conclude DTAs Medium term fiscal framework and policy support instruments reviewed. Donor resource to finance the budget mobilized.	Domestic Tax laws amendments passed by Parliament and assented to by the President US\$2,927.50bn Domestic revenue mobilised against a target of US\$ 2,998.84bn DTAs under review for streamlining Policy support instruments reviewed.	Tax measures developed and tax law amended. Domestic tax revenue mobilized. DTAs negotiated Donor resource to finance the budget mobilized.
<i>Output Cost (US\$ bn):</i>	<i>3.309</i>	<i>0.000</i>	<i>2.946</i>
<b>Output: 140103</b>	<b>Capitalisation of Financial Institutions</b>		
<i>Description of Outputs:</i>			
<i>Performance Indicators:</i>			
Level of financing for capitalising financial institutions (US\$ Bn)	40		40
<i>Output Cost (US\$ bn):</i>	<i>45.087</i>	<i>0.000</i>	<i>45.087</i>
<i>Vote Function: 1404 Development Policy Research and Monitoring</i>			
<b>Output: 140401</b>	<b>Policy, Planning, Monitoring, Analysis and Advisory Services</b>		

## Section 3: Accountability Sector

<i>Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	BTTB outline prepared	First draft of the Poverty Status Report completed.	Background to the Budget prepared
	Development programmes and impact on poverty reduction reviewed	Absorptive capacity report study finalised and published.	Government Outlays report prepared
	Disseminate economic research findings and their implementation.	1. Policy brief on absorptive capacity study finalised and disseminated	Poverty status report prepared
	Technical backstopping to EAC dev't cooperation protocols provided.	Economic Performance Report finalised and published.	Annual Economic Performance report for FY 2011/12 produced and disseminated
			Sustainable Development report for 2012 disseminated.
<i>Output Cost (US\$ bn):</i>	2.861	0.000	3.061
<b>Output: 140404</b>	<b>Subcounty Development Model Services</b>		
<i>Description of Outputs:</i>	Sub county needs assessed and costed, and Socio-Economic Infrastructure profiles produced.	Draft CIS policy briefs finalised. Construction of socio-economic data base finalised.	An integrated database system for preparation of service delivery density reports developed
	Sub county/parish officials trained in economic management and Transformation for PFA		An end of project evaluation report produced.
			Micro-level Socio-economic data base built.
<i>Output Cost (US\$ bn):</i>	1.274	0.000	1.019
<b>Output: 140451</b>	<b>Population Development Services</b>		
<i>Description of Outputs:</i>	Technical support supervision and backstopping to District Planning Units provided	Field visits were carried out in the districts of Oyam, Mubende, Katakwi, Kotido, Nakapiripirit, Kabong, Yumbe and Kanungu to support the adoption of Population champions.	Technical support supervision and backstopping to District Planning Units provided
	Subcounty personnel in 600 subcounties trained in data management and utilisation		Subcounty personnel trained in data management and utilisation
<i>Output Cost (US\$ bn):</i>	1.833	0.000	1.833
<b>Output: 140452</b>	<b>Economic Policy Research and Analysis</b>		
<i>Description of Outputs:</i>	15 research reports produced	3 Research papers completed.	15 research reports produced
	15 Policy briefs published and distributed to relevant stakeholders.	2 Policy Briefs completed. 1 Publication of Uganda Economy Today	15 Policy briefs published and distributed to relevant stakeholders.
	4 National Disseminated workshops	1 National Conference on performance Dairy Sector held.	4 National Disseminated workshops
	4 Public lectures/Dialogues conducted.	2 Regional workshops to popularize use of fertilizers in Agriculture held in Mbarara & Soroti	4 Public lectures/Dialogues conducted.
<i>Output Cost (US\$ bn):</i>	2.425	0.000	2.425
<i>Vote Function: 1406 Investment and Private Sector Promotion</i>			
<b>Output: 140601</b>	<b>Investment and private sector policy framework and monitoring</b>		

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<i>Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	Investment protection Agreements(IPAs) concluded  Investment guide produced.  Comprehensive data bank on various indicator on competitiveness produced.	Investment promotion and protection agreements with Tunisia, Germany reviewed  Investment missions serviced.  Draft Investment Guide produced,  Survey to ascertain actual investments ongoing.	IPAs with UAE finalised, Investment Guide updated, Data analysis completed and data bank produced.
<i>Output Cost (US\$ bn):</i>	3.676	0.000	3.384
<b>Output: 140651</b>	<b>Provision of serviced investment infrastructure</b>		
<i>Description of Outputs:</i>	Infrastructure development for Bweyogerere,Kasese luzira,Jinja,Moroto and Soroti.Attract 500 projects worth3 billion dollars.	Bweyogerere IndustrialPark 95% of the roads construction works (1.9.Km) completed.  Luzira Industrial Park Works for the extension of the first ring road are in progress	Infrastructure development for Bweyogerere,Kasese luzira,Jinja,Moroto and Soroti.Attract 500 projects worth3 billion dollars.
<i>Performance Indicators:</i>	No. of Designated Industrial Parks 3	2	4
<i>Output Cost (US\$ bn):</i>	24.433	0.000	15.314
<b>Output: 140652</b>	<b>Conducive investment environment</b>		
<i>Description of Outputs:</i>	Investor surveys conducted  Policy research carried out	10 Projects Monitored  522 Investor Surveys Conducted  296 Investments were provided After Care Services, 144 of which belonged to Business registration.	1 Investor surveys conducted to update the data bank
<i>Performance Indicators:</i>	Value of investment (US\$ Bn)	134.21	940
<i>Output Cost (US\$ bn):</i>	11.396	0.000	2.000
<b>Output: 140653</b>	<b>Develop enterpruneur skills &amp; Enterprise Uganda services</b>		
<i>Description of Outputs:</i>	10,000 youth equipped with skills to start enterprises.  Investment data bank produced  Business lincese inventory  National competitiveness forum Production units for soroti & luwero established	Draft data bank produced,  7,000 participants [rural and urban households] equipped with skills to start enterprises.  Global entrepreneurship week used, 300 SMEs equipped with management and entrepreneurial skills,Enterprise Uganda capacity strengt	7000 mobilized and trained to start businesses
<i>Output Cost (US\$ bn):</i>	12.850	0.000	6.848
<b>Output: 140655</b>	<b>SME Services</b>		

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<i>Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	Effective Publicity and advocacy for MSMEs through 4 radio talk shows, 8 regional workshops, MSME training, MSME policy produced	Business advisory and counselling services provided to SME's	Effective Publicity and advocacy for MSMEs through 4 radio talk shows, 8 regional workshops, MSME training, MSME policy produced
	Inter - Agency taskforce established	Effective publicity for SMEs undertaken through a regional workshop in Tororo 200 individuals attended.	Inter - Agency taskforce established
	Simplified registration process established for MSMEs	Inter agency task force formed awaiting BOD approval for implementation.	Simplified registration process established for MSMEs
<i>Output Cost (US\$ bn):</i>	1.000	0.000	1.000
<i>Vote Function: 1408 Microfinance</i>			
<b>Output: 140801</b>	<b>Microfinance framework established</b>		
<i>Description of Outputs:</i>	Disseminate and Update the Census report and data respectively.	Disseminated the Microfinance census report.	Census report Updated
	Tier 4 guiding principles presented before Cabinet	Draft cabinet memo on Tier 4 submitted to cabinet.	Tier 4 law implemented and structures of the MFRA formed, put in place a regulatory authority
			Benchmark on the operations of Tier4
<i>Output Cost (US\$ bn):</i>	8.194	0.000	8.775
<b>Output: 140851</b>	<b>SACCOS established in every subcounty</b>		
<i>Description of Outputs:</i>	Establishing SACCOS in 50 sub-counties and 74 SACCOS in kampala and 76 SACCOS in kampala strengthened	92 Weak SACCOS provided with Filing cabinets.	74 SACCOS in kampala and 76 SACCOS in kampala strengthened
	Outreach of 11 SACCOS in kampala supported	73 weak SACCOS each provided with 2 bicycles.	
	Well managed SACCOS		
<i>Performance Indicators:</i>			
No. of SACCOS registered	1500	0	2000
<i>Output Cost (US\$ bn):</i>	10.372	0.000	18.578
<b>Output: 140852</b>	<b>Microfinance Institutions supported with matching grants</b>		
<i>Description of Outputs:</i>	Provide access to credit to all Districts through at least 600 MFIs by availing Ugx35 billion for credit	disbursed 106 loans worth Ugx.9,845,183,000.	Provide access to credit to all Districts through at least 600 MFIs by availing Ugx35 billion for credit
	Increased capacity of SACCOS		Increased capacity of SACCOS
	Improved financial position of SACCO members		Improved financial position of SACCO members
<i>Output Cost (US\$ bn):</i>	4.580	0.000	4.580
<b>Output: 140853</b>	<b>SACCOS capacity strengthened</b>		

## Section 3: Accountability Sector

<i>Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	124 SACCOs provided with Basic Training Modules I & II	5 regional workshops undertaken to equip field level mentors for SACCOs.	124 SACCOs provided with Basic Training Modules I & II
	124 SACCOs provided with Stationery	10 SACCOs trained in PMT.	124 SACCOs provided with Stationery
	100 SACCOs provided with customised trainings	92 Weak SACCOs provided with Filing cabinets.	100 SACCOs provided with customised trainings
	Inter-SACCO Exchange Visits for peer mentoring	73 weak SACCOs each provided with 2 bicycles.	Inter-SACCO Exchange Visits for peer mentoring
		94 SACCOs provided with Basic Training Modules I.	
<i>Performance Indicators:</i>			
No of SACCOs received training	577	94	519
<i>Output Cost (US\$ bn):</i>	9.160	0.000	8.280
<b>Vote: 122 Kampala Capital City Authority</b>			
<i>Vote Function: 1409 Revenue collection and mobilisation</i>			
<b>Output: 140901</b>	<b>Registers for various revenue sources developed</b>		
<i>Description of Outputs:</i>			
<i>Performance Indicators:</i>			
Proportion of revenue sources with current registers			
<i>Output Cost (US\$ bn):</i>	0.018	0.000	1.637
<b>Output: 140902</b>	<b>Local Revenue Collections</b>		
<i>Description of Outputs:</i>	UGX 44.9 bn		52 bn mobilised and collected as local revenue: Revalued 2 rating zones in the CBD; procured a revenue software:
<i>Performance Indicators:</i>			
Number of revenue generating contracts reviewed	8		0
<i>Output Cost (US\$ bn):</i>	0.637	0.000	4.618
<b>Vote: 130 Treasury Operations</b>			
<i>Vote Function: 1451 Treasury Operations</i>			
<b>Output: 145152</b>	<b>Debt Repayments</b>		
<i>Description of Outputs:</i>	Timely Debt Service Payments		
	Quarterly Public Debt Bulletin Domestic arrears reconciliation.		
<i>Output Cost (US\$ bn):</i>	235.059	0.000	0.000
<b>Vote: 141 URA</b>			
<i>Vote Function: 1454 Revenue Collection &amp; Administration</i>			
<b>Output: 145401</b>	<b>Customs Tax Collection</b>		

## Section 3: Accountability Sector

<i>Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	RADDEX Fully functional, 24 hour Service extended to new service points in Customs, Stakeholder engagement with Clearing agents to improve Customs Services, Risk Management Mainstreamed in Customs Operations		20% increase in Customs Revenue Collection, 65% green lane transactions, 730 alerts issued, Average clearance time reduced to 24 hours, Customs Stations renovated and refurbished.
<i>Performance Indicators:</i>			
Value of Tax Enforcement Recoveries (Ush Bn)	15		15
Customs tax Revenue (Ush bn)	2,818.42		3541.92
<i>Output Cost (UShs bn):</i>	<i>31.181</i>	<i>0.000</i>	<i>29.736</i>
<b>Output: 145402</b>	<b>Domestic Tax Collection</b>		
<i>Description of Outputs:</i>	eTax rolled out to 15 Upcountry stations, Phase 4 of etax rolled out to DT Stations, Block management system introduced with geographical information systems applications, 4 Service Centres opened up in DT, Risk Management Mainstreamed in DT Operations		86% average Filing Ratio, 21% reduction in Arrears Portfolio, 24% Growth in DT Revenue collections, Growth in Tax payers Register by 10%, Increase etax services on the webportal, 5 target groups sensitized on tax obligations
<i>Performance Indicators:</i>			
Percentage of quarterly domestic revenue reported on time	100		100
Domestic Tax Revenue (Ush bn)	3255.758		3837.08
<i>Output Cost (UShs bn):</i>	<i>32.711</i>	<i>0.000</i>	<i>30.631</i>
<b>Output: 145405</b>	<b>URA Legal and Administrative Support Services</b>		
<i>Description of Outputs:</i>			
<i>Output Cost (UShs bn):</i>	<i>24.238</i>	<i>0.000</i>	<i>26.303</i>
<b>Output: 145406</b>	<b>Public Awareness and Tax Education/Modernization</b>		
<i>Description of Outputs:</i>			
<i>Output Cost (UShs bn):</i>	<i>5.058</i>	<i>0.000</i>	<i>6.111</i>
<b>Vote: 143 Uganda Bureau of Statistics</b>			
<i>Vote Function: 1455 Statistical production and Services</i>			
<b>Output: 145501</b>	<b>Economic statistical indicators</b>		

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<i>Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>			the following economic statistical indicators will be generated: infaltion, GDP estimates, import and export data, informal cross boarder trade, government finance statistics, statistical abstracts and environment statistical data
<i>Performance Indicators:</i>			
Weekly/monthly statistical indicators: inflation rates, import and exports, government fiannce statistics			12
Quarterly GDP and key economic indicators			4
Annual: GDP, informal cross boarder trade, statistical abstract 2012 and environment statistical data 2012			1
<i>Output Cost (US\$ bn):</i>	3.326	0.000	4.183
<b>Output: 145502</b>	<b>Population and Social Statistics indicators</b>		
<i>Description of Outputs:</i>			the following will be done: conduct 2012 PHC, carry out UDHS survey, Urban unemployment survey, and update the uganda info database
<i>Performance Indicators:</i>			
preliminary results on the 2012 population and housing census			Yes
Information on Uganda Demographic and Health Survey and updated Uganda Info Database			Yes
Information on annual urban unemployment rate			Yes
<i>Output Cost (US\$ bn):</i>	23.534	0.000	28.302
<b>Output: 145503</b>	<b>Industrial and Agricultural indicators</b>		
<i>Description of Outputs:</i>			conduct the following monthly surveys: PPI, IPI, CSI, building and energy, and an annual COBE
<i>Performance Indicators:</i>			
No. of reports on Construction and energy sector statistics compiled	12		12
No. of Industrial/producer price indices compiled	12		12
Report on annual census of business establishment complied	Yes		Yes
<i>Output Cost (US\$ bn):</i>	2.795	0.000	3.362
<b>Output: 145504</b>	<b>District Statistics and Capacity Building</b>		

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<i>Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2011/12 Spending and Outputs Achieved by End Dec</b>	<b>2012/13 Proposed Budget and Planned Outputs</b>
<i>Description of Outputs:</i>	Conduct trainings for 40 Higher Local Government (HLG) statisticians on data management.	Conducted a Capacity needs Assessment study for the 49 CIS Implementing districts Conducted the Qualitative module activities for the 2009/10	Conduct further trainings for 20 Higher Local Government (HLG) statisticians on data management.
	Implement Community Information System (CIS) in 42 Districts.		Furhter roll out of CIS in 19 districts Facilitate the production of the HLG Statistical Abstract for 40 districts
	Facilitate the production of the HLG Statistical Abstract for 80 districts		
<i>Performance Indicators:</i>			
No. Higher Local Government profiles reports produced and disseminated	120	58	110
No. Higher Local Government compiling District Annual Statistical Abstracts	120	81	84
No. Districts implementing Community Information System .	58	42	100
<i>Output Cost (US\$ bn):</i>	<i>3.811</i>	<i>0.000</i>	<i>2.382</i>
<b>Output: 145505</b>	<b>National statistical system database maintained</b>		
<i>Description of Outputs:</i>			building and maintaining an online National statistical system database.
<i>Performance Indicators:</i>			
Updated National Statistical Database	Yes		Yes
operational and updated UBOS website	Yes		Yes
<i>Output Cost (US\$ bn):</i>	<i>1.626</i>	<i>0.000</i>	<i>1.700</i>

\* Excludes taxes and arrears

### 2012/13 Planned Outputs

#### Revenue Collection and Administration

The outputs for FY2012/13 under this vote function include;

Reduction of the Cost of Doing Business; mantain Tax Administration Costs of 2.3% through strengthening the planning and budgeting function and implementing cost saving initiatives. Increase Revenue of 22% through strengthening revenue collection controls, litigation function, debt recovery and conducting field tax collection programmes. Increase Compliance of 86% Average Filing Ratio, 21% reduction in Arrears and realise 65% of green lane transactions through strengthening surveillance of transit goods, post clearance audit controls, implement the national audit plan, arrears management and tax investigation to identify non compliance tax payers. Improve Quality of Service by enhancing to 75% Client satisfaction, implement tax awareness programmes, implement tax payers accreditation programme. Enhance Relations by having 85% of its strategic partners intergrated through continuous engagements to collaborate information, research enhancement and capacity building as a means of improving its services. Improve Business Process Management; URA will as part of its business process reengineer her programme to ensure 80% system uptime and 4,000 Online users through continous support and maintenance to it systems, etax system and roll out of the etax modules country wide. Enhance communication-URA will

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ensure 75% effectiveness of communication channels in order to drive an IT systems uptime will be sustainable and available communication channels utilized.

Increase Client Base, improve Knowledge Management; As part of its knowledge management programme, Increase Productivity to ensure staff productivity is at its optimal level, Enhance Staff Competence to ensure 75% of staff develop in relevant competences to enhance productivity and service delivery. Promote corporate culture, URA will ensure 100% execution of planned corporate culture interventions. KCCA plans to collect UGX. Shs. 52 bn in FY 2012/13

### Macroeconomic management

During FY 2012/13 Government will remain committed to maintaining a stable macroeconomic environment through prudent fiscal and monetary policies. Fiscal policy will be geared towards increasing the share of budget funded from domestic resources. Real growth in market price GDP is projected at 6%. Government will also endeavour to bring down and maintain inflation to 7%, through continuing with the supply-side interventions to alleviate production constraints. The fiscal deficit shall be maintained at 5.5%. Furthermore, in order to enhance macroeconomic management, MEPD department is developing an integrated macroeconomic model for policy simulation and economic forecasting; and produce MFPED statistical abstract on annual basis. The department will continue to inform the public on the performance of the economy on a monthly basis. Ensure stable and sustainable macroeconomic management of the economy through prudent macroeconomic policies to provide an enabling investment climate. The macroeconomic framework and the government cashflow statement that reflect the overall performance of domestic revenues, loan repayments, external loans and grants and other financing will be updated. Amendments of tax laws, generating tax measures and Finance Bill presented to Parliament for enhanced revenue mobilization.

In addition, a legal framework for taxation of oil and gas will be prepared in the FY 2012/13. Non tax revenue performance and collections will be monitored and analyzed and structure mechanisms for improvement of collections will be undertaken. The database on all Official Development Assistance (ODA) will be maintained and updated while the double Taxation Agreements with U.A.E, Egypt, Libya and Seychelles negotiated and concluded. Through the Aid Liaison department, the Ministry shall ensure mobilisation of donor financing to finance the budget for FY

### Policy, Planning and Support Services

This aims at increased economic and scientific research in areas that will foster development and growth of the economy. Efficiency in utilization of ministry's human physical and financial resources will be ensured through skills development and professionalization of ministry staff undertaken.

### Microfinance

The microfinance vote output function aims at formulating policies for promoting the microfinance sector programs and providing matching grants to micro finance institutions and affordable finances for economic activities to the communities. The outputs include enhancing availability of affordable finances to facilitate increased productivity at house hold levels and improved the livelihood of Ugandans.

#### Investment and Private Sector Promotion

This vote function is to formulate and coordinate investment policies that support implementation of private sector development. Investment Protection Agreements (IPAs) shall be concluded, Provision of entrepreneurial skills enhancement for the youth to reduce unemployment amongst the youth and ensure job creation and productivity, Enhance the availability of affordable finances to facilitate increased productivity at household levels and improve the livelihood of Ugandans. Increase economic and scientific research in areas that will foster development and growth of the economy

### Statistical Production and Services

The Sector plans to provide Population and social statistics outputs which include; updating district area map for 36 districts, produce annual urban unemployment rate, develop demographic and health survey

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instruments, update Uganda info database. Macro economic statistics outputs include; weekly and monthly inflation rates production, quarterly and annually GDP estimates for 2012/13, Monthly government finance statistics compilation, Business and agricultural statistics output, monthly industrial production indices compilation, monthly energy statistics, monthly construction sector indices compilation, census of the agriculture completion and dissemination, Statistical coordination and PNSD outputs: technically supports 18 MDAs under the PNSD, main streaming gender statistics in line with MDAs, 3 statistical research papers produced, Financial services outputs include; budget preparation monitoring and control, routine transaction processing, monthly, quarterly and annual financial reports. Internal audit services, quarterly audit reports Social Economic Survey, reports with poverty, literacy and unemployment rates, Uganda Panel Survey Reports dissemination. Donor Development Budget; purchasing power parity index determined, informal cross border trade survey 2012/13 statistics for improved GDP estimation,

Improved statistical production capacity in 18 (MDAs), update welfare (poverty) indicators generated from the panel survey, update business register of Uganda.

District Statistics and Capacity Building outputs; Conduct 2 trainings for 40 Higher Local Government (HLG) statisticians on data management, Implementation of Community Information System (CIS) in 42 Districts, production of the HLG Statistical Abstract for 80 HLGs. Facilitate the compilation of HLG profile report, Advocacy and Statistical awareness focusing on Census 2012 mapping. Information Management and Dissemination of survey findings.

### *Medium Term Plans*

1. Over the medium term, the Ministry plans to achieve the following outputs; Prudent Macroeconomic management to reduce on donor dependence and implement the debt sustainability strategy. A Comprehensive macroeconomic model developed to support economic policies
2. Enhance output oriented budgeting for performance results and value for money. Deepening the various Budget Reforms (OBT) in all sectors and Local Governments
3. Development of regional industrial parks for increased private sector development. UDC will spearhead transformation of the economy and a PPP unit will be set up to foster the BOOT framework for hastened infrastructure development.
4. Establishment of incubation centres for science research and development and training of graduate youths to reduce the unemployment gap. Youth entrepreneurial skills development to reduce unemployment amongst the youth. Enhance skills development for improved productivity of Government Units
5. Promote Research and Usage of Sector Information national planning and sound decision making, the Sector through UBOS, will conduct the National Population and Housing Census, the Census of Business Establishment (COBE), the Business Inquiry, UDHS.
6. To enhance Revenue collection and administration in the medium term, Sector through URA will focus on Services Support Enhancement of Customs Business Systems, Integrated Tax Systems Infrastructure Development, Human Capital Management and Taxpayer Expansion

### *Actions to Improve Outcome Performance*

- 1) Build the capacity of MDAs to improve the quality and quantity of statistics generated Strengthen statistical publication by facilitating timely data collection, analysis and dissemination. Improve the quality surveys and census i.e household and business, frequency of data collection in agricultural statistics; and
- 2) Improving the tax effort through working hand in hand with URA to monitor revenue performance Increased Tax compliance, and policies that will broaden tax base;
- 3) Need to streamline the various policy initiatives on investment and private sector development, training

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in development policy research and analysis;

4) Provide incentives to the informal sector to bring it under the tax bracket; Review tax policy, monitor tax policy impact on tax payers, and sensitize tax payers on tax issues. Support update of the Social Accounting Matrix for Uganda and begin constructing the model;

5) Improve NTR performance through monitoring and evaluation

6) Carry out training in SACCOs and MFIs on the absorption of resources and Government intervention to enhance financial literacy and consumer protection.

**Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome**

<i>Sector Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
2011/12 Planned Actions:	2011/12 Actions by Dec:	2012/13 Planned Actions:	MT Strategy:
<b>Vote: 008 Ministry of Finance, Planning &amp; Economic Dev.</b>			
Vote Function: 14 01 Macroeconomic Policy and Management			
Amend Tax laws	Amended Tax laws in place	Publish excise, National lottery, gaming and pool betting laws	Formulate policies that will enhance tax administration Effective tax issues awareness Bring the services closer to the people. Reform the tax system to ensure consistence with the current economic situation.
Resolve tax disputes	Resolving tax disputes	Publication of the tax compedium	
Monitor tax policy impact on tax payers	Monitored tax policy impact on tax payers and reports produced (Oil fields, customs stations, URA and districts)	Tax Bills for 2012 published	
Harmonise Tax Laws in line with the EAC	Participated in EAC initiatives	Publication of Tax Policy guide	
Vote Function: 14 04 Development Policy Research and Monitoring			
Enhance management of research grants, S&T and M&E	Capacity to undertake research enhanced through training & recruitment, Peer review of research outputs to enhance quality done, Use of research associates strengthened, Collaboration between policy makers and researchers strengthened	Enhance management of research grants, S&T and M&E	Skills developed; improved work environment and high staff retention capacity; Support PIBID's effort to model sustainable agriculture by supporting the associated Biogas & fish production under the banana industry
Empowering the competitiveness in the scientific outputs through appropriate enhancement package.		Empowering the competitiveness in the scientific outputs through appropriate enhancement package.	
Vote Function: 14 06 Investment and Private Sector Promotion			
Through PIRT to enact 6 new laws. Develop a communication strategy	A Task force and action plans established and PIRT meetings held and implementation of recommendations is being followed-up	Fast-track the implementation of the MSME Policy, free zones Bill, Investment code Bill and reviewing necessary policies that promote private sector development	Enforce the laws
Capacity building, development of Namanve MSME park. Build UIA offices.	Communication strategy developed  Capacity building for staff is ongoing	Develop a framework for streamlining Policy initiatives  Set up a Public- private comparator	To merge all the institutions involved in investment and private sector development under one umbrella
Vote Function: 14 08 Microfinance			
Continued monitoring and inspection of SACCOs	SACCOs monitored  SACCO executives trained	Continued monitoring and inspection of SACCOs	Monitoring framework Communication strategy
Vote Function: 14 49 Policy, Planning and Support Services			

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<i>Sector Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
2011/12 Planned Actions:	2011/12 Actions by Dec:	2012/13 Planned Actions:	MT Strategy:
Monitor the performance of the projects against the agreed upon indicators	Design of M&E system completed.	Monitoring and Evaluation Framework fully operationalised	Monitoring and evaluation of Ministry projects and programmes to be a core activity of the department, and to be incorporated in all programmes
Skills development undertaken	Skills development has been undertaken for all professional cadre of the Ministry		
<b>Vote: 122 Kampala Capital City Authority</b>			
Vote Function: 14 09 Revenue collection and mobilisation			
Procurement of software and equipment	The procurement process for the equipment is ongoing	Development of software for 5 major sources of revenue	Training and recruitment of staff to manage the database for revenue management
Weak revenue recovery mechanisms within the laws and regulations.	Establish the gaps within the existing laws	Submit for revision of existing regulations	Tax education for compliance to pay NTR
<b>Vote: 141 URA</b>			
Vote Function: 14 54 Revenue Collection & Administration			
Complete roll and deployment of etax system and mainstreaming etax functionalities to DTD operations	-Software developed -Piloting of returns & e filing ( phase 2) modules complete. Roll out complete at Kla East, LTO & MTO -Over 450 staff trained in preparation for eTax roll out to other stations	-Implement Revenue collection controls -Implement the National Audit plan -Implement Tax payer awareness program -Carry out Investigations on profiled risky cases	Roll out eTax system country wide, install the necessary infrastructure and sensitise users
Investigations module fully functional in tax investigations department and debt recovery mechanism efficiently working	-Intelligence policy was drafted and submitted to MEC -380 Compliance risk based audits completed in DTD -The MTO office was set up and is up and running -A petroleum unit was also set up -Debt collection manual reviewed, awaiting approval	-Train staff in auditing upstream sector/petroleum, Petroleum pricing/valuation and petroleum accounting -Conduct etax module training for staff -Procure training school equipment -Implement staff development programme	Implement staff development programme

### (iv) Efficiency of Sector Budget Allocations

The Government of Uganda has established financial systems to improve standards of accountability. However, a key challenge for the sector is lack of a culture to demand accountability among Ugandans. This is partly due to the low level of awareness by public about their rights to demand accountability for the services delivered to them and limited conscientization amongst citizens. To address this challenge, the sector plans to partner with NGOs and CSOs to conduct public awareness campaigns about people's rights to demand accountability for the services delivered by government. Feedback reports compiled by CSOs and NGOs from citizens or beneficiaries on service delivery will be utilized to take remedial action on issues arising. In addition, surveys will be routinely conducted to gauge citizen's satisfaction or evaluation of the service delivered. The sector has already mobilized NGOs/CSOs through the NGO Forum to support this initiative.

Information dissemination is key to enforcing accountability. Providing information in a timely, usable and understandable manner will allow people to ask the right questions and ensure that policy makers take responsibility. The information deficit currently creates a sense of powerlessness and apathy and prevents people from making the connection between public resources and their right to services and accountability. Accordingly, the Accountability Sector proposes to work closely with CSOs and NGOs and avail them the necessary information to monitor implementation of government programs and citizens satisfaction. The Accountability Sector will avail NGOs a slot at the quarterly Accountability Fora to present their field



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Unit Cost Description	Actual 2010/11	Planned 2011/12	Proposed 2012/13	Costing Assumptions and Reasons for any Changes and Variations from Plan
<b>Vote: 131 Auditor General</b>				
<i>Vote Function: 1453 External Audit</i>				
Number of Offices Constructed		7,277,921	4,611,000	Funds availed as per schedule under FINMAP project in Ministry of Finance and contract for Mbarara Regional Office expected to be awarded in time. Construction of two Regional Offices was completed in the FY 2010/11.
No of VFM audits carried out	176,119	440,210	221,879	Resources and personnel available to carry out the audits. The budget was due to the increased number of staff which led to a reduction on the number of outsourced Audits.
No of LG entities audited	2,868	6,145	7,682	Personnel availability, unit costs increased due to the anticipated inflations in fuel prices, number of audit entities increased. The directorate shall continue using outsourced audit firms to assist in audit of LLGs
No of Central Govt One Audits	12,420	19,265	30,557	Personnel availability, unit costs remain constant, and the number of audit entities remain the same. The cost variations are due to the sharing of entities and resources between Central Government One and Central Government Two
Central Government Two Audits	14,570	32,713	32,208	Resources and personnel available to carry out and unit costs changed due to the anticipated inflations. Cost variations due to increased planned energy sector and Public works audits.

### (v) Sector Investment Plans

The reasons for big capital investments are to supporting development projects, promotion of science and technology, strengthening the capacity of the sector Institutions to ensure effective delivery of services and value for money

**Table S2.6: Allocations to Capital Investment over the Medium Term**

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Sector Budget			
	2011/12	2012/13	2013/14	2014/15	2011/12	2012/13	2013/14	2014/15
Consumption Expenditure (Outputs Provided)	365.2	382.7	399.7	446.5	47.7%	74.8%	75.8%	76.6%
Grants and Subsidies (Outputs Funded)	346.4	85.1	69.7	72.7	45.2%	16.6%	13.2%	12.5%
Investment (Capital Purchases)	54.0	43.6	58.1	63.7	7.0%	8.5%	11.0%	10.9%
<b>Grand Total</b>	<b>765.6</b>	<b>511.5</b>	<b>527.5</b>	<b>582.9</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

A total of Ushs.1.506bn has been allocated to USAID mission, Ushs.43.58bn has been allocated to capitalization of Uganda Development Bank to meet its long term development financing needs and to EADB and IDB to meet Uganda's share subscription requirement, Roll out of IFMS has been allocated Ushs.5.013bn of the recurrent Budget, UShs. 2.47bn has been allocated to the data centre and recovery site hardware maintenance and IFMS licenses procurement from Oracle, Ushs.10.2bn has been allocated to Presidential initiative on Banana Industry, A total of Ushs.7.42bn has been allocated for promotion of science and innovation for setting up a satellite based remote sensing facility and multipurpose laboratory (satellite data processing) for various applications, Ushs.1.9bn has been allocated to further construction and completion of the Value Addition Tea industry in Buhweju.

The development of Industry Parks has been allocated Ushs.9.36bn; The African Development Foundation with Ushs.2.3bn, Enterprise Uganda has been allocated an additional Ushs.2.5bn to cater for youth entrepreneurship. A total of Ushs.2.022bn has been allocated to Rural Financial Service Program as counterpart funding to support operations of Project, The Support to Microfinance programme, with Ushs.12.333bn for the establishment and strengthening of SACCOs. Ushs.4.997bn for The Microfinance Support Centre shall be used for operations, a total of Ushs.15bn has been allocated to Tax exemption for qualifying institutions, and Ushs.1.04bn has been allocated to the renovation of the Treasury Building. A total of UGX 1.5bn allocated for Procurement of designs, plans and architectural specifications for IG

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office and approval from relevant authorities and UGX.1.5bn was allocated for procuring developing and acquiring revenue enhancement soft wares for five major sources of revenue to enhance local revenue mobilisation

With support from FINMAP, investments in the construction of the Audit House in Kampala and a Regional Office in Mbarara Town will be expected in FY 2012/13. UGX 17.3Bn for ( Vehicle Leasing 2.5 Bn, MCP 6.9 Bn, Human Resource Management System & Computer Equipment 4.9 Bn and E-tax System Devt 3 Bn ). No major Capital investment for UBOS all the required 2012 PHC capital purchases are expected to be made this Financial on the assumption that the Current year shortfall of 27.517Billion is secured by 30th June 2012

**Table S2.7: Major Capital Investments**

Project Vote Function Output <i>US\$ Thousand</i>	2011/12		2012/13
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by December (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
<b>Vote: 008 Ministry of Finance, Planning &amp; Economic Dev.</b>			
<b>Vote Function: 1402 Budget Preparation, Execution and Monitoring</b>			
<i>Project 1017 Rural Roads Programme Coordination</i>			
<b>140276 Purchase of Office and ICT Equipment, including Software</b>	Purchase of two (2) office Laptops, five (5) flash disks (8GB) and one (1) digital camera for staff	Two (2) office Laptops, five(5) flash disks (8GB) and one (1) digital camera for staff to be purchased in quarter four (Q4)	Two (2) office Laptops, camera Purchased
<b>Total</b>	<b>7,000</b>	<b>0</b>	<b>7,000</b>
<i>GoU Development</i>	<i>7,000</i>	<i>0</i>	<i>7,000</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Vote Function: 1403 Public Financial Management</b>			
<i>Project 1197c FINMAP Comp. 3,4&amp;5 - FMS, LGPFM and Oversight</i>			
<b>140372 Government Buildings and Administrative Infrastructure</b>	2 OAG buildings in Mbarara and Kampala constructed	Secured land title for OAG regional branch office at Mbarara, preliminary sketch completed.  Handed over OAG office sit to the contractor. Held a ground breaking ceremony.	2 OAG buildings in Mbarara and Kampala constructed
<b>Total</b>	<b>5,929,425</b>	<b>0</b>	<b>5,929,000</b>
<i>GoU Development</i>	<i>1,529,425</i>	<i>0</i>	<i>1,529,000</i>
<i>Donor Development</i>	<i>4,400,000</i>	<i>0</i>	<i>4,400,000</i>
<b>140376 Purchase of Office and ICT Equipment, including Software</b>	Data Centre and Disaster Recover Site enhanced  Application, Network, Database & Security Support to PFM system implemented  Teams to manage Data Centre and Disaster Recovery Centre supported	Prospective bidders visited the 17 roll-out IFMS sites under procurement to undertake site preparation/  Delivered DC enhancement hardware  Completed CCTV & Biometric installations.	Hardware for data centre maintained  IFMS licences procured from oracle  Datacentre support team (IT, datacentre manager and IFMS project officers facilitated)
<b>Total</b>	<b>2,470,575</b>	<b>0</b>	<b>2,471,000</b>
<i>GoU Development</i>	<i>2,470,575</i>	<i>0</i>	<i>2,471,000</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Vote Function: 1404 Development Policy Research and Monitoring</b>			
<i>Project 0061 Support to Uganda National Council for Science</i>			

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Project	2011/12		2012/13
Vote Function Output <i>US\$ Thousands</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by December (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
<b>Vote Function: 1404 Development Policy Research and Monitoring</b>			
<b>140471 Acquisition of Land by Government</b>	Adjuscent prpoerty to UNCST on plot 8 Kimera road Ntinda to accommodate a standard laboratory and incubate scientists acquired	Money was used to pay China ninjinj for completion of office premises on plt 6 Kimera road	Finalise payment for acquisition of 5 acres of land at Namanve
<b>Total</b>	<b>172,200</b>	<b>0</b>	<b>372,000</b>
<i>GoU Development</i>	<i>172,200</i>	<i>0</i>	<i>372,000</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>140475 Purchase of Motor Vehicles and Other Transport Equipment</b>	2 motor vehicles procured	Not procured	
<b>Total</b>	<b>200,000</b>	<b>0</b>	<b>0</b>
<i>GoU Development</i>	<i>200,000</i>	<i>0</i>	<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Project 0978 Presidential Initiatives on Banana Industry</b>			
<b>140472 Government Buildings and Administrative Infrastructure</b>	70% Factory & Associated works constructed	60% Factory & Associated works constructed.	Construction of the Pilot Banana Processing plant and associated works completed
	70% of Quality Assurance & Research facilities constructed.	40% of Raw & Instant flour equipment installed .	Quality Assurance & Research facilities constructed.
	50% of Raw & Instant flour equipment installed & test run.	100% Completion of survey Mapping & Master plan of ITP & TBI.	Raw & Instant flour equipment installed & test run
	Completion of survey Mapping & Master plan of ITP & TBI	2 Silos 90% installed.	Extruder, Biscuit line & Confectionery equipment delivered installed & test run.
	2 Silos & hammer mill installed & test run	In-take water works 80% completed at the TBI.	In-take water works completed & water pumped to the TBI.
	Extruder, Biscuit line & Confectionery equipment delivered installed & test run.	Designs & tender documents for water treatment facilities 50% completed (TBI)	Designs & tender documents for water treatment facilities completed (TBI)
	In-take water works completed & water pumped to the TBI.	Maintenance of 24 arces of Banana plantain 80% achieved.	Increased Sustainable Banana Production
	Designs & tender documents for water treatment facilities completed (TBI)	Formation, of farmer groups to aggregate into farmer associations (CPU) 25% in Bushenyi, Sheema, Rubirizi.	Phase II Lab. Equipment Ordered
	20 arces of Banana plantation estblished.	48% Phase II Lab. Equipment delivered.	Product development testing & promotion undertaken
	Phase II Lab. Equipment Ordered	Improvement of Tooke products.	Continous development Tooke products.
	Product development testing & promotion undertaken	Promotion of Tooke products.	
	Continous development Tooke products.		
<b>Total</b>	<b>10,200,312</b>	<b>0</b>	<b>10,200,310</b>
<i>GoU Development</i>	<i>10,200,312</i>	<i>0</i>	<i>10,200,310</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>

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Project	2011/12		2012/13
Vote Function Output <i>US\$ Thousands</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by December (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
<b>Vote Function: 1406 Investment and Private Sector Promotion</b>			
<i>Project 1111 Soroti Fruit Factory</i>			
<b>140677 Purchase of Specialised Machinery &amp; Equipment</b>	Feasibility & EIA reports produced for the fruit processing facility;  Serviced project land with water, electricity and road network;  Civil works designs and BOQs produced;  Monitoring report for the fruit project implementation produced;  Farmers re-constituted as productive units in the value addition process chain ;  KOICA Grant secured;	inal feasibility study report produced  Draft EIA report produced  Geo Technical Consult( soil materials technical services LTD)procured to undertake a geotechnical survey for the 3 proposed site with on the soroti industrial park and field report produced	Feasibility & EIA reports produced for the fruit processing facility;  Serviced project land with water, electricity and road network;  Civil works designs and BOQs produced;  Monitoring report for the fruit project implementation produced;  Farmers re-constituted as productive units in the value addition process chain ;  KOICA Grant secured;
<b>Total</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>
<i>GoU Development</i>	<i>5,000,000</i>	<i>0</i>	<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Project 1128 Value Addition-Luwero Fruit Drying Factory</i>			
<b>140677 Purchase of Specialised Machinery &amp; Equipment</b>	Project land registered; Consultants procured for the feasibility & EIA for the study;  Feasibility & EIA reports produced;  Farmers mobilized into efficient cooperatives in order to increase fruit production.;  Investor /Managing partner identified;  Civil works contractor procured;  Completed fruit facility;	Negotiation process with Natural Uganda Cooperative Society Ltd (NUCSL) initiated. Several meetings held with NUCSL to begin the transfer of the land title to UDC or Uganda Lands Commission (ULC).	Project land registered; Consultants procured for the feasibility & EIA for the study;  Feasibility & EIA reports produced;  Farmers mobilized into efficient cooperatives in order to increase fruit production.;  Investor /Managing partner identified;  Civil works contractor procured;  Completed fruit facility;
<b>Total</b>	<b>500,015</b>	<b>0</b>	<b>0</b>
<i>GoU Development</i>	<i>500,015</i>	<i>0</i>	<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Project 1207 Support to Investment and Private Sector Development</i>			
<b>140675 Purchase of Motor Vehicles and Other Transport Equipment</b>	motor vehicle procured	N/A	motor vehicle procured
<b>Total</b>	<b>120,000</b>	<b>0</b>	<b>0</b>
<i>GoU Development</i>	<i>120,000</i>	<i>0</i>	<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Vote Function: 1449 Policy, Planning and Support Services</b>			
<i>Project 0054 Support to MFPED</i>			

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Project	2011/12		2012/13
Vote Function Output <i>US\$ Thousands</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by December (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
<b>Vote Function: 1449 Policy, Planning and Support Services</b>			
<b>144975 Purchase of Motor Vehicles and Other Transport Equipment</b>	New Vehicles procured (2 high range station wagons and 3 medium range station wagons)  4 Motorcycles procured	Procurement of 1 double cabin pickup in process	Vehicles procured 2 pickups and 3 medium range station wagon, 2 High Range Station wagons.  7 Motorcycles procured
<b>Total</b>	<b>380,644</b>	<b>0</b>	<b>381,000</b>
<i>GoU Development</i>	<i>380,644</i>	<i>0</i>	<i>381,000</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>144976 Purchase of Office and ICT Equipment, including Software</b>	Information systems hardware, software and consumables provided and managed  Computer and equipment provided to staff  3 walkthrough scanners installed at the Ministry  Revolving door installed	Information systems hardware, software and consumables provided and managed  Computer and equipment provided to staff  2 walk through scanner procured	Information systems hardware, software and consumables provided and managed  Computer and equipment provided to staff  3 walkthrough scanners installed at the Ministry  1 x-ray skanner installed.  Revolving door installed  firefighting prevention and management system installed.
<b>Total</b>	<b>700,021</b>	<b>0</b>	<b>700,000</b>
<i>GoU Development</i>	<i>700,021</i>	<i>0</i>	<i>700,000</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>144977 Purchase of Specialised Machinery &amp; Equipment</b>		N/A	
<b>Total</b>	<b>26,000,000</b>	<b>0</b>	<b>0</b>
<i>GoU Development</i>	<i>26,000,000</i>	<i>0</i>	<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>144978 Purchase of Office and Residential Furniture and Fittings</b>	Furniture provided to staff  Fittings provided in offices and committee rooms	Furniture and fittings provided to staff and offices	Office equipment provided to staff  Fittings provided in offices and committee rooms
<b>Total</b>	<b>170,000</b>	<b>0</b>	<b>170,000</b>
<i>GoU Development</i>	<i>170,000</i>	<i>0</i>	<i>170,000</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>144972 Government Buildings and Administrative Infrastructure</b>	Treasury building rehabilitated  Renovation of main building completed  New conference hall and meeting rooms constructed	Procurement of Contractor still in process	Treasury building rehabilitated  New conference hall and meeting rooms constructed
<b>Total</b>	<b>1,040,032</b>	<b>0</b>	<b>2,839,000</b>
<i>GoU Development</i>	<i>1,040,032</i>	<i>0</i>	<i>2,839,000</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Vote: 103 Inspectorate of Government (IG)</b>			

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Project	2011/12		2012/13	
Vote Function Output <i>US\$ Thousands</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by December (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)	
<b>Vote Function: 1451 Corruption investigation ,Litigation &amp; Awareness</b>				
<i>Project 0354 Support to IGG</i>				
<b>145178 Purchase of Office and Residential Furniture and Fittings</b>	Assorted office furniture & Fittings	N/a	Assorted office furniture & Fittings	
<b>Total</b>	<b>14,837</b>	<b>0</b>	<b>120,368</b>	
<i>GoU Development</i>	<i>14,837</i>	<i>0</i>	<i>120,368</i>	
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>	
<b>145171 Acquisition of Land by Government</b>	Acquire a plot of Land	N/a	Complete payment of the plot of land	
<b>Total</b>	<b>1,550,000</b>	<b>0</b>	<b>1,500,000</b>	
<i>GoU Development</i>	<i>1,550,000</i>	<i>0</i>	<i>1,500,000</i>	
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>	
<b>145175 Purchase of Motor Vehicles and Other Transport Equipment</b>	Purchase: 1 Toyota Hilux 1 Station Wagon 1 Prado 1 Motorcycle	N/a	Purchase: 1 Toyota Hilux	
<b>Total</b>	<b>983,000</b>	<b>0</b>	<b>110,000</b>	
<i>GoU Development</i>	<i>983,000</i>	<i>0</i>	<i>110,000</i>	
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>	
<b>145176 Purchase of Office and ICT Equipment, including Software</b>	Assorted Equipments	N/a	Assorted Equipments	
<b>Total</b>	<b>191,117</b>	<b>0</b>	<b>180,000</b>	
<i>GoU Development</i>	<i>47,163</i>	<i>0</i>	<i>180,000</i>	
<i>Donor Development</i>	<i>143,954</i>	<i>0</i>	<i>0</i>	
<b>Vote: 112 Ethics and Integrity</b>				
<b>Vote Function: 1452 Governance and Accountability</b>				
<i>Project 1028 Anti Corruption Threshold Country Programme</i>				
<b>145276 Purchase of Office and ICT Equipment, including Software</b>		maintainance of office machines and equipment procurement of 5 desk printers	One heavy duty colour printer procured  100 units of office equipment serviced and maintained  10 computers procured  Heavy duty photocopier	
<b>Total</b>	<b>99,986</b>	<b>0</b>	<b>0</b>	
<i>GoU Development</i>	<i>99,986</i>	<i>0</i>	<i>0</i>	
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>	
<b>145275 Purchase of Motor Vehicles and Other Transport Equipment</b>	50% of the remaining transport equipment for IG, DPP, OAG, CID and PPDA procured	Resources released could not enable the intiation of the process		
<b>Total</b>	<b>700,000</b>	<b>0</b>	<b>0</b>	
<i>GoU Development</i>	<i>700,000</i>	<i>0</i>	<i>0</i>	
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>	
<b>Vote: 131 Auditor General</b>				

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Project	2011/12		2012/13
Vote Function Output <i>UShs Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by December (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
<b>Vote Function: 1453 External Audit</b>			
<i>Project 0362 Support to Office of the Auditor General</i>			
<b>145372 Government Buildings and Administrative Infrastructure</b>	4 Branch Offices renovated  3 New Office branches constructed in Jinja, Mbale and Mbarara	4 OAG branch office buildings in Gulu, Soroti, Fortportal and Masaka municipalities renovated	Partial construction of the Audit House and Mbarara Regional Office  Renovation of 2 Regional Offices in Masaka and Soroti Towns
<b>Total</b>	<b>136,648</b>	<b>0</b>	<b>86,648</b>
<i>GoU Development</i>	<i>136,648</i>	<i>0</i>	<i>86,648</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>145375 Purchase of Motor Vehicles and Other Transport Equipment</b>	Purchase 5 Vehicles for office field activities	Vehicle to be delivered in quarter three	5 Motor vehicle acquired
<b>Total</b>	<b>400,000</b>	<b>0</b>	<b>500,000</b>
<i>GoU Development</i>	<i>400,000</i>	<i>0</i>	<i>500,000</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>145378 Purchase of Office and Residential Furniture and Fittings</b>	Purchase of assorted furniture for various Offices in OAG	An assortment of furniture was acquired and distributed to the branches.	Assorted Office furniture acquired for branch Offices
<b>Total</b>	<b>223,720</b>	<b>0</b>	<b>73,720</b>
<i>GoU Development</i>	<i>223,720</i>	<i>0</i>	<i>73,720</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Vote: 141 URA</b>			
<b>Vote Function: 1454 Revenue Collection &amp; Administration</b>			
<i>Project 0653 Support to URA Projects</i>			
<b>145471 Acquisition of Land by Government</b>			
<b>Total</b>	<b>500,000</b>	<b>0</b>	<b>0</b>
<i>GoU Development</i>	<i>500,000</i>	<i>0</i>	<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>145476 Purchase of Office and ICT Equipment, including Software</b>	URANET services procured  E Tax change order (partial contribution)		URANET services procured  Etax change order implemented (partial contribution)  HRMS System and PC Equipment procured
<b>Total</b>	<b>17,674,718</b>	<b>0</b>	<b>7,874,500</b>
<i>GoU Development</i>	<i>17,400,000</i>	<i>0</i>	<i>7,874,500</i>
<i>Donor Development</i>	<i>274,718</i>	<i>0</i>	<i>0</i>
<b>Vote: 143 Uganda Bureau of Statistics</b>			
<b>Vote Function: 1455 Statistical production and Services</b>			
<i>Project 0045 Support to UBOS</i>			

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Project	2011/12		2012/13
Vote Function Output <i>US\$ Thousands</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by December (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
<b>Vote Function: 1455 Statistical production and Services</b>			
<b>145575 Purchase of Motor Vehicles and Other Transport Equipment</b>	Field vehicle procured	The Procurement Processes were Started for the vehicles(Cleared by OPM), ICT - on course	
<b>Total</b>	<b>260,050</b>	<i>0</i>	<b>0</b>
<i>GoU Development</i>	<i>260,050</i>	<i>0</i>	<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>145576 Purchase of Office and ICT Equipment, including Software</b>	Computers and Peripherals procured	Initiated the Computers and Peripherals procurement	
	Statistical and other Software procured	Initiated Statistical and other Software procured	
	Photocopiers procured	Initiated the Procurement process for Photocopiers and Security Equipments	
	Security Equipments procured and installed		
	Conferencing Units procured and installed		
<b>Total</b>	<b>94,981</b>	<i>0</i>	<b>0</b>
<i>GoU Development</i>	<i>94,981</i>	<i>0</i>	<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>145578 Purchase of Office and Residential Furniture and Fittings</b>	Furniture and Fixtures procured	Some of the Furniture & Fixture has been deployed for use	
<b>Total</b>	<b>15,002</b>	<i>0</i>	<b>0</b>
<i>GoU Development</i>	<i>15,002</i>	<i>0</i>	<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Project 1058 Support to UBOS</b>			
<b>145578 Purchase of Office and Residential Furniture and Fittings</b>	Furnitures	Procurement documentation completed, we are awaiting delivery of the Furniture	Furnitures
<b>Total</b>	<b>86,420</b>	<i>0</i>	<b>0</b>
<i>GoU Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Donor Development</i>	<i>86,420</i>	<i>0</i>	<i>0</i>
<b>145576 Purchase of Office and ICT Equipment, including Software</b>	Assorted office equipments computers and accessories, photocopiers, map printers etc	Some of the Assorted office equipments computers and accessories, photocopiers, map printers etc, were delivered to the Bureau	Assorted office equipments computers and accessories, photocopiers, map printers etc
<b>Total</b>	<b>413,580</b>	<i>0</i>	<b>0</b>
<i>GoU Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Donor Development</i>	<i>413,580</i>	<i>0</i>	<i>0</i>
<b>Project 1213 Population and Housing Census 2012</b>			

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Project Vote Function Output <i>US\$ Thousands</i>	2011/12		2012/13	
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by December (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)	
<b>Vote Function: 1455 Statistical production and Services</b>				
<b>145578 Purchase of Office and Residential Furniture and Fittings</b>		The Procurement process started on time and is on course for delivery in qtr 3	Initiate the procurement process to purchase Furniture & fittings	
<b>Total</b>	<b>359,000</b>	<i>0</i>		<b>0</b>
<i>GoU Development</i>	<i>359,000</i>	<i>0</i>		<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>		<i>0</i>
<b>145575 Purchase of Motor Vehicles and Other Transport Equipment</b>		Evaluation of the Vehicle Procurement almost complete.		
<b>Total</b>	<b>3,150,000</b>	<i>0</i>		<b>0</b>
<i>GoU Development</i>	<i>3,150,000</i>	<i>0</i>		<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>		<i>0</i>
<b>145576 Purchase of Office and ICT Equipment, including Software</b>		The procurement process is awaiting clearance from the solicitor general and PPDA	Initiate procurement process for purchase of office and ICT equipment including software for the data center and field data capture during 2012 PHC	
<b>Total</b>	<b>3,220,000</b>	<i>0</i>		<b>0</b>
<i>GoU Development</i>	<i>3,220,000</i>	<i>0</i>		<i>0</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>		<i>0</i>
<b>Vote: 153 PPDA</b>				
<b>Vote Function: 1456 Regulation of the Procurement and Disposal System</b>				
<i>Project 0049 Procurement Reform Implementation</i>				
<b>145678 Purchase of Office and Residential Furniture and Fittings</b>	Staff at Workers House relocated to new premises	Not procured	Office curtains	
		Not procured	Office cabling	
		Not procured	File cabinets	
		Not procured	Chairs and filing cabinets	
<b>Total</b>	<b>168,588</b>	<i>0</i>		<b>83,000</b>
<i>GoU Development</i>	<i>168,588</i>	<i>0</i>		<i>83,000</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>		<i>0</i>
<b>145676 Purchase of Office and ICT Equipment, including Software</b>	Staff equipped with adequate tools	Consultant to develop audit software procured.	Projectors, cameras and voice recorders	
		EDMS workflows developed.	EDMS	
		10 laptops procured	Desktops, lap tops and servers	
<b>Total</b>	<b>215,412</b>	<i>0</i>		<b>237,000</b>
<i>GoU Development</i>	<i>215,412</i>	<i>0</i>		<i>237,000</i>
<i>Donor Development</i>	<i>0</i>	<i>0</i>		<i>0</i>

### S3 Proposed Budget Allocations for 2012/13 and the Medium Term

This section sets out the proposed sector budget allocations for 2012/13 and the medium term, including major areas of expenditures and any notable changes in allocations.

**Table S3.1: Past Expenditure and Medium Term Projections by Vote Function**

	2010/11 Outturn	2011/12		Medium Term Projections		
		Appr. Budget	Spent by End Dec	2012/13	2013/14	2014/15

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<b>Vote: 008 Ministry of Finance, Planning &amp; Economic Dev.</b>						
1401 Macroeconomic Policy and Management	24.041	58.113	0.000	57.790	59.330	70.911
1402 Budget Preparation, Execution and Monitoring	8.634	12.147	0.000	11.816	15.858	23.007
1403 Public Financial Management	12.995	43.327	0.000	43.428	35.327	34.335
1404 Development Policy Research and Monitoring	20.859	44.219	0.000	37.490	28.330	32.226
1406 Investment and Private Sector Promotion	17.318	58.976	0.000	28.546	30.501	31.092
1408 Microfinance	19.754	32.307	0.000	40.213	34.706	28.048
1449 Policy, Planning and Support Services	20.717	41.565	0.000	40.462	35.033	43.726
<b>Total for Vote:</b>	<b>124.318</b>	<b>290.654</b>	<b>0.000</b>	<b>259.745</b>	<b>239.085</b>	<b>263.345</b>
<b>Vote: 103 Inspectorate of Government (IG)</b>						
1451 Corruption investigation ,Litigation & Awareness	18.267	25.989	0.000	29.308	33.607	38.017
<b>Total for Vote:</b>	<b>18.267</b>	<b>25.989</b>	<b>0.000</b>	<b>29.308</b>	<b>33.607</b>	<b>38.017</b>
<b>Vote: 112 Ethics and Integrity</b>						
1452 Governance and Accountability	1.827	3.159	0.000	4.229	4.903	4.918
<b>Total for Vote:</b>	<b>1.827</b>	<b>3.159</b>	<b>0.000</b>	<b>4.229</b>	<b>4.903</b>	<b>4.918</b>
<b>Vote: 122 Kampala Capital City Authority</b>						
1409 Revenue collection and mobilisation	0.000	0.655	0.000	6.255	7.255	8.255
<b>Total for Vote:</b>	<b>0.000</b>	<b>0.655</b>	<b>0.000</b>	<b>6.255</b>	<b>7.255</b>	<b>8.255</b>
<b>Vote: 130 Treasury Operations</b>						
1451 Treasury Operations	0.000	235.059	0.000	0.000	0.000	0.000
<b>Total for Vote:</b>	<b>0.000</b>	<b>235.059</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Vote: 131 Auditor General</b>						
1453 External Audit	32.155	36.507	0.000	35.707	41.070	46.517
<b>Total for Vote:</b>	<b>32.155</b>	<b>36.507</b>	<b>0.000</b>	<b>35.707</b>	<b>41.070</b>	<b>46.517</b>
<b>Vote: 141 URA</b>						
1454 Revenue Collection & Administration	115.450	115.773	0.000	115.498	133.613	152.281
<b>Total for Vote:</b>	<b>115.450</b>	<b>115.773</b>	<b>0.000</b>	<b>115.498</b>	<b>133.613</b>	<b>152.281</b>
<b>Vote: 143 Uganda Bureau of Statistics</b>						
1455 Statistical production and Services	20.946	50.737	0.000	53.831	59.969	60.531
<b>Total for Vote:</b>	<b>20.946</b>	<b>50.737</b>	<b>0.000</b>	<b>53.831</b>	<b>59.969</b>	<b>60.531</b>
<b>Vote: 153 PPDA</b>						
1456 Regulation of the Procurement and Disposal System	5.156	7.062	0.000	6.917	7.960	9.001
<b>Total for Vote:</b>	<b>5.156</b>	<b>7.062</b>	<b>0.000</b>	<b>6.917</b>	<b>7.960</b>	<b>9.001</b>
<b>Vote: 500 501-850 Local Governments</b>						
1481 Financial Management and Accountability(LG)	13.166	13.637	0.000	13.637	15.609	17.359
1482 Internal Audit Services		0.000	0.000	0.000	0.000	0.000
<b>Total for Vote:</b>	<b>13.166</b>	<b>13.637</b>	<b>0.000</b>	<b>13.637</b>	<b>15.609</b>	<b>17.359</b>
<b>Total for Sector:</b>	<b>331.285</b>	<b>779.233</b>	<b>0.000</b>	<b>525.127</b>	<b>543.073</b>	<b>600.225</b>

\* Excluding Taxes and Arrears and including NTR

### (i) The Total Budget over the Medium Term

The sector budget for FY2012/13 is projected to be to Ushs 509.192 billion of which 255.541 billions is recurrent and Ushs.247.616 billions is development, registering a decline of 6.3% when compared to Ushs 543.59 billion received in FY2011/12. Despite the reduction as compared to the previous year 2011/12, the budget allocation to the sector will follow an upward trend in the medium term increasing to Ushs 509.94 billion in FY2013/14.

### (ii) The major expenditure allocations in the sector

The major expenditure allocations in the sector

The analysis indicates the following as major services provided by the sector (Vote functions) taking the major. Shares of sector expenditures: 1. Revenue Collection and Administration with 22.68% ; 2. Macro

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Policy and Management with 11.35%, Statistical Production and Services with 10.40%, Public Finance Management with 8.53%, Policy, Planning and Support Services with 7.51%, Development Policy, Research and Monitoring with 7.36%, External Audit with 7.01%, Micro Finance with 6.29%, Investment and Private Sector Promotion with 5.61%, Inspectorate of Government with 5.06%, Budget Preparation with Execution and Monitoring with 2.32%, Regulation of Procurement and Disposal System with 1.36%, Kampala City Council Authority with 1.23%, and Governance and Accountability with 0.62%.

### (iii) The major planned changes in resource allocations within the sector

The major planned changes in resource allocations within the sector

Based on the MTEF expenditure projections, It is noted that the sectoral budget is showing a slightly upward trend despite the reduction in projection for the FY 2012/13 as compared to the FY 2011/12. However, the basis for such trend is due to the limited resource envelope in the MTEF mainly on donor support. It therefore noted there are still funding gaps that calls for urgent attention to enhance sectoral performance.

The Sector budget for FY2011/12 amount was UG.shs. 538.61bn as compared to Shs.760.346bn received in FY2010/11. The budget allocation to the Sector in the medium term will be Shs.507.2bn in FY 2012/13 with recurrent of 255.541bn (95.909bn wage and 159.632 bn Non Wage), Development of UG.shs. 247.616(167.977bn GoU and 79.639bn Donor) in FY2013/14 the sector budget is projected at UG.shs. 524.148bn with Recurrent of 296.64bn(Wage of 114.387bn and Non wage of 182.250bn), development of 220.51(190.825bn GoU and 29.686 Donor) and for FY2014/15, the budget will be UG.shs. 582.211bn with recurrent of 328.82bn( 134.517bn for Wage and 194.306bn for Non Wage and while Development is set to be UG.shs. 245.388(223.405bn for GoU and 21.983bn for Donor) . The sector allocations for the next 2012/13 is set to reduce by 5.8% as compared to the FY 2011/12 and this has been a reduction in Donor support to the sector

The Ministry of Finance, Planning and Economic Development registers a decline from Ug.shs. 290.654bn to Ug.shs. 249.306 bn, the budgets for URA, KCCA, IGG, DEI will remain the same,PPDA will register a decline of Ug.shs. 45 Millions, that of OAG will reduce from Ug.shs. 36.507bn to Ug.shs. 35.707bn, the budget for UBOS will increase from Ug. Shs. 50.737 bn to Ug.shs. 52.935bn because of the population census which to carried out in August 2012

It is a fact that most of the cases of corruption arise out of procurement transactions. Given the fact that the budget for FY2012/13 focuses much on reducing infrastructure deficit, boosting the Energy, Education and Health sectors which require which require massive investment which calls for ensuring value for money in investment. Therefore there is a need to strengthen the procurement function of government.

As regards URA, it is pursuing a growth strategy to enhance mobilization of tax revenues so as to reduce dependence of fiscal operations on donor support, thus these calls for refocusing its strategic direction to sustainably meet the mandate of domestic revenue mobilization thus more resources are need. Consideration should be given to bridge the resource gap so as to support URA's efforts to enhance revenue collection.

For IGG, there is a need to step up effort in the fight against corruption, it is important to implement the approved structure; recruit and building capacity of staff to the task. Despite of the above, IGG is registering a decline from Ug.shs. 25.989bn to Ug.shs. 25.778bn

The external vote function has also registered a decrease from Ug.shs. 36.507bn to Ug.shs.35.707bn which is less of Us 800 millions in FY2012/13 and yet more is required to build the capacity of OAG in carrying out specialised audits-(Training staff specialised Audit( energy, gender, oil and Gas, environment, fraud, PPP, Public enterprise)

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Based from the above analysis, there is need for collective effort to source funding to the sector in order to optimally contribute to the realization of both sector goal and national goals as outlined in the NDP

**Table S3.2: Major Changes in Sector Resource Allocation**

\* Excluding Taxes and Arrears

### ***S4: Unfunded Outputs for 2012/13 and the Medium Term***

*This section sets out the highest priority outputs in 2012/13 and the medium term which the sector has been unable to fund in its spending plans.*

Low level of adherence to service delivery standards and compliance to the rules and regulations of the regulatory bodies. Service delivery charters were introduced in only three districts in Uganda; and they require monitoring to ensure compliance. There is need to roll out the use of public service charters in other districts and have an effective method of monitoring compliance and taking corrective action where necessary.

Sector institutions often make recommendations to improve accountability systems but many reports are never discussed or adopted by Parliament. In other cases reports are considered after a long time which compromises the advantage of taking timely corrective action.

#### Corruption

Also to mention is that significant revenue losses have been recorded due to corruption in procurement including loss of value for money. Procurement capacity and oversight of procured goods and services at local government levels needs strengthening. Other challenges relate to ensuring compliance with legal requirements, regulations and systems during procurement; effective implementation of audit and complying with report recommendations include; limited use of sanctions where corruption is identified, limited capacity of PDEs and the PPDA and implementing arrangements for contracts committees in all locations. Admittedly, high levels of corruption has created addition costs in attempt to avert the evil for instance high demand for special audit has led to the creation of forensic and ICT department in the Office of Auditor General, high cost of revenue collection among others.

Limited capacity in some MDAs due to inadequate staffing and high staff turnover in some MDAs affects the execution of their huge mandates and thus a bottleneck that requires innovative approaches. The Accountability Sector needs to create a strategic approach to capacity development that will have a long-term and substantial impact on the ability of the sector members.

Timeliness in the implementation of recommendations made by oversight agencies

The sector institutions have often made recommendations to improve accountability systems in the country. Unfortunately, many of the accountability reports are never discussed on time or at all. Consequently there is loss of public trust and confidence in the institutions and the sector as a whole.

**Table S4.1: Additional Output Funding Requests**

Additional Requirements for Funding and Outputs in 2012/13	Justification of Requirement for Additional Outputs and Funding
<i>Vote Function: 1401 Public Financial Management</i>	
<b>Output: 1403 01 Accounting and Financial Management Policy, Coordination and Monitoring</b>	
<b>Funding Requirement (US\$ Bn):</b> 31.671	
1. Computerisation of Public Universities and Tertiary Institutions	1. Computerisation of Public Universities and Tertiary Institutions; Makerere University, Mbarara University, Busitema University, Gulu University, UMI, MUBS, KYU. (2bn)
2. Data Centre enhancement and construction of various audit Houses In Kampala, Mbarara, Jinja & Mbale	The deployment of a Public University's Financial Management Information System would drastically improve the operation of these institutions thus cutting down costs.

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Additional Requirements for Funding and Outputs in 2012/13	Justification of Requirement for Additional Outputs and Funding
<p>3. Setting up PFAA regulations</p>	<p>2. UShs. 500m required for Audit Committees, previously Audit Committees have been funded by FINMAP. This funding has ceased creating a resource gap.</p> <p>3. UShs. 6.4bn - Data Centre Enhancement</p> <p>4. UShs. 20.0bn - Construction of Office of The Auditor General; Audit house, Kampala</p> <p>5. UShs. 0.900bn Office of the Auditor General - Mbarara Offices</p> <p>6. UShs. 0.344bn Office of the Auditor General - Jinja &amp; Mbale outstanding payment including variations</p> <p>7. UShs. 0.350bn Office of the Auditor General - Audit House consultancy services</p> <p>8. UShs. 0.322bn: Supervision of IFMS Consultancy</p> <p>9. UShs. 0.855bn: Setting up PFAA regulations. After finalisation of the PFAA law, in the current FY, there will be an urgent need for coming up with new regulations</p>
<p><i>Vote Function: 1454 Development Policy Research and Monitoring</i></p>	
<p><b>Output: 1404 54 Support to scientific and other research</b></p>	
<p><b>Funding Requirement (UShs Bn): 12.600</b> Additional Funding required by the Uganda National Council of Science and Technology to boost scientific research and innovation</p>	<p>1. This will cover:</p> <p>i. Scientific equipment, reagents, consumables, data collection and analysis, Laboratory</p> <p>ii. Product development, intellectual property and patent rights</p> <p>iii. Construction of four Pilot plants ( one national and three regional , BoQs, consultants)</p> <p>iv. Support for implementation of an intelligent integrated computer system for the diagnosis, treatment of malaria and training</p> <p>v. Renewable energy, energy upgrade and access</p> <p>vi. Raw material production extension</p> <p>vii. Research and Development for water works construction and feasibility</p> <p>viii. Research and Development Climate Change feasibility study on the effects of climate Change on Environment and Economy</p> <p>2. Government will provide funding for;</p> <p>i. 12 Scientific research projects selected competitively in 2009</p> <p>ii. 12 new projects selected in 2010</p> <p>iii. UNCST will initiate establishment of a science park at Namanve</p>
<p><i>Vote Function: 1401 Policy, Planning and Support Services</i></p>	
<p><b>Output: 1449 01 Policy, planning, monitoring and consultations</b></p>	
<p><b>Funding Requirement (UShs Bn): 57.100</b> Obligations to affiliated organisations, renovation works and implementation of the Electronic Content Management System</p>	<p>To strengthen the coordination of Accountability Sector which involves enhancing sector planning, budgeting, monitoring as well as identifying capacity gaps which would be bridged the Sector intervention</p> <p>Obligation to affiliated organizations</p>
<p>Coordination of Accountability Sector Ushs. 1.19bn</p>	<p>Obligation including the rate of US \$ 9 million (about 21 billion) for EADB</p> <p>Capacity development for staff in areas of Oil and gas (masters and shortterm courses), Information Technology, Monitoring and evaluation, leadership skills for newly recruited officers and officers promoted to higher ranks</p> <p>The Electronic Content Management System is an archiving tool for: office documentation, implementation of e-government, efficiency in management for ease in communication and decision making</p>

## Section 3: Accountability Sector

Additional Requirements for Funding and Outputs in 2012/13	Justification of Requirement for Additional Outputs and Funding
	<p><i>This shall cover renovation works in: roof repairs, fire fighting equipment, electrical installation, civil works repairs, plumbing works and replacements and painting</i></p>
<p><i>Vote Function: 1402 Corruption investigation ,Litigation &amp; Awareness</i></p>	
<p><b>Output: 1451 02 Investigations/operations</b></p>	
<p><b>Funding Requirement (US\$ Bn): 4.170</b> Additional funding for staff salaries and operational funds</p>	<p><i>additional funds needed scale up investigation and prosecution for corruption cases and proposed salary increment for staff to complete salary structure.</i></p>
<p><i>Vote Function: 1401 Governance and Accountability</i></p>	
<p><b>Output: 1452 01 Formulation and monitoring of Policies, laws and strategies</b></p>	
<p><b>Funding Requirement (US\$ Bn): 2.800</b> popularisation of the anti corruption laws, development of the law on proceeds of corruption and the assessment of the implementation of the United Nations Anti corruption Convention(UNCAC)</p>	<p><i>The Directorate for ethics and integrity is the policy arm of government in the fight against Corruption and the department of legal services is mandated to formulate, disseminate and popularize anti corruption policies and legislation to coordinate the national anti corruption effort. Today the government of Uganda loses lots of money through bribery, misappropriation of funds and other corrupt practises. To successfully fight corruption in the Country, there is need to increase public awareness of government anti corruption policies and laws. The effective implementation of these laws and policies is key in the fight against corruption in the country without which Uganda cannot achieve Objectives of the National Development plan 2010/11-2014/15 on strengthening good governance. Currently the Department of Legal Services is allocated UGX 0.100 billion which falls far short of the bare minimum level for effective implementation of this critical mandate.</i></p>
<p><i>Vote Function: 1401 External Audit</i></p>	
<p><b>Output: 1453 01 Financial Audits</b></p>	
<p><b>Funding Requirement (US\$ Bn): 1.800</b> Additional staff as result of implementation of the new structure and training in specialized audits</p>	<p><i>The Office underwent a restructuring process which gave birth to a new Organizational and Staff Structure. The Structure was approved by Parliament in the FY 2010/11 and it is being implemented in phases due to financial constraints. So far it has been filled up to 88%. In the FY 2012/13 the Office planned to increase the staffing level to 92% by recruiting 23 more Staff which requires a total budget estimate of Shs. 0.820bn for wages.</i></p> <p><i>In addition, there are some new Audit areas which the Office has to undertake. These include energy, Oil and Gas Audits, Public Works Audits, VFM and Forensic Audits and Private Public Partnership Audits. However, due to limitations in its internal capacity, it has been contracting out some Audits to private Audit Firms which is costly in terms of consultancy fees. To reduce on its expenditure on consultancy services, in the FY 2012/13, the Office plans train 50 staff in these specialized Audits as well as inducting the newly recruited staff. This requires a total budget estimate of Shs. 1bn.</i></p> <p><i>In summary, the Office has a total funding gap of Shs. 1.820bn for the FY 2012/13 for recruiting and induction 23 new staff and training 50 staff in specialized Audits.</i></p>
<p><i>Vote Function: 1405 Revenue Collection &amp; Administration</i></p>	
<p><b>Output: 1454 05 URA Legal and Administrative Support Services</b></p>	
<p><b>Funding Requirement (US\$ Bn): 148.270</b> Staff costs, Operational budgetary requirements, Staff development, Strategic development</p>	<p><i>To collect the projected revenue of UGX 7,379.6 billion and even return a surplus of UGX 293 billion in financial year 2012/2013, URA requires additional funding of UGX 148.3 billion over and above the MTEF allocation of UGX 115.50 billion. The breakdown of the unfunded priorities is as below;</i></p> <ol style="list-style-type: none"> <li><i>1. Staff Costs (UGX 66.07Bn)</i></li> </ol> <p><i>Staff costs include;</i></p> <ol style="list-style-type: none"> <li><i>i. Structural Review</i></li> <li><i>ii. Staff Salary Increment</i></li> <li><i>iii. Medical insurance</i></li> <li><i>iv. NSSF Arrears</i></li> <li><i>v. Leave Arrears</i></li> </ol>

## Section 3: Accountability Sector

### Additional Requirements for Funding and Outputs in 2012/13

### Justification of Requirement for Additional Outputs and Funding

*NSSF Arrears came about when URA paid NSSF contribution based on basic salary as opposed to gross salary between 1991 and May 2003.*

*Expected Benefits*

*Impact of not funding this leads to loss of critical staff rendering URA unable to deliver towards its mandate in the changing business environment. Further, interest on NSSF arrears will increase beyond manageable levels. Funding these will therefore lead to increased staff productivity hence increased revenue yield.*

*2. Operational Budgetary Requirements (UGX 4.427Bn)*

*URA business has been growing over the years and has become more dynamic. In order to sustain URA's business, the organizations operational costs continue to grow while limited resources continue to restrain many of the operations. Additional funding is therefore required in the areas listed below to sustain this efficiency: -*

- i. Mileage allowance*
- ii. Public transport*
- ii. Night/Subsistence allowance*
- iii. Car washing/parking fees*
- iv. Hire of vehicles*
- v. Hire of boats*
- vi. Transfer expenses*
- vii. Overseas subsistence allowance*
- viii. Overseas outfit allowance*
- ix. EAC/COMESA-Travel*
- x. EAC/COMESA-Subsistence*
- xi. Maintenance-Office furniture*
- xii. Maintenance-Office equipment*
- xiii. Maintenance-Plant & Generator*
- xiv. Electricity charges*
- xv. Rates and properties*
- xvi. Office cleaning expenses*
- xvii. Office accommodation expenses*
- xviii. Staff recruitment costs*
- xix. Printing and stationery*
- xx. Office removals*
- xxi. Bank charges*
- xxii. Legal fees and expenses*
- xxiii. Departmental meetings*
- xxiv. Public relations/publicity*
- xxv. Field work/Lunch expenses*
- xxvi. Entertainment and ceremonies*
- xxvii. Clothing and uniforms*
- xxviii. Revenue stationery*
- xxix. Contributions/Subscriptions*
- xxx. Casual labourers costs*
- xxxi. Sports and games*
- xxxii. URANET recurrent costs*
- xxxiii. Tax payer education*
- xxxiv. Tax payers appreciation day*
- xxxv. Balance scorecard*

*Expected Benefits:*

- a. Provision of additional funding in this area will increase operational efficiency and therefore enable URA increase the current average growth in tax to GDP Ratios of 0.3% by 0.1%*
- b. The Provision of staff uniforms will eliminate any impersonations and improve customs service delivery and enhance the facilitation of trade and compliance to customs procedures. This will save taxpayers an average of UGX 100m that people posing as clearing agents/URA staff cheat the taxpaying community.*

## Section 3: Accountability Sector

### Additional Requirements for Funding and Outputs in 2012/13

### Justification of Requirement for Additional Outputs and Funding

*C. Implementation of the Balanced Scorecard will result in enhanced Corporate and individual accountability. This will tremendously improve the execution of the planned strategic initiatives. Increase accountability will result in reduced cost of doing business*

*d. Due to inflation, a number of operational costs have increased. The additional funding requirements will enable URA to meet the costs of its operations during the year*

*e. URANET costs arise out of the increased licenses required to operate the information and communication network. This will enable URA to serve clients online and cope with the increasing number of online transactions.*

*F. With the new processes and systems, URA has set out to educate and sensitize tax payers about the new ways of serving them. Several engagements are planned for this.*

#### *3. Staff development (UGX 3Bn)*

*This entails staff training. Investments in our business processes and automation will be put to waste if staff are not trained to manage them. Our staff are not trained enough to outmarch tax planners/consultants in tax management.*

#### *Expected Benefits:*

*This will increase staff competence which will impact efficiency in service delivery required to enhance tax payer compliance.*

#### *4. Strategic Development (UGX 77.8Bn)*

*The following Strategic elements are vital to URA's activities and towards delivery of her mandate and are unfunded;*

*i. Implementation of ISO 27001 in IT systems*

*ii. Solar power stabilization*

*iii. Data Centre Enhancement*

*iv. Network link fibers to Disaster Recovery Centre (Jinja)*

*v. Additional developer licenses*

*vi. Etax Full System Commissioning*

*vii. MCP Implementation*

#### *Expected Benefits*

*a. Implementation of ISO 27001 in IT systems*

*Lack of recognition world wide as an IT ISO Certified organization leads to missed opportunities in procuring new soft-wares as most software companies cannot supply them to companies which have not implemented ISO 27001 in their IT systems. Failure to implement ISO 27001 in IT Systems also leads to poor service delivery as the IT Services would not be to international standards.*

*B. Solar power stabilization*

*Stability of power is critical for continuity of service delivery which is mainly automated now. Before, power instability has delayed revenue collections*

*c. Data Centre Enhancement*

*Tax payer registration to minimize tax evasion and auditing to minimize under-declarations will be affected leading to low efficiency gains and hence slow growth in tax to GDP ratio*

*d. Network link fibers to Disaster Recovery Centre (Jinja)*

*This guarantees continuous maintenance and real-time updates*

*e. Additional developer licenses*

## Section 3: Accountability Sector

Additional Requirements for Funding and Outputs in 2012/13	Justification of Requirement for Additional Outputs and Funding
	<p><i>Service delivery will be interrupted by the suppliers of the systems</i></p> <p><i>f. etax Full System Commissioning</i>  <i>To complete the rollout process of the e-tax system. To help our taxpayers access the system from all parts of the world. This will increase revenue collections required to fund the National Budget needs which have continued to surge.</i></p> <p><i>G. MCP Support and Maintenance</i>  <i>Compliance levels will not be maximized as anticipated thus affecting desired revenue yield to contribute towards the NDP. It will take URA a longer time than planned to achieve this.</i></p>
<i>Vote Function: 1402 Statistical production and Services</i>	
<b>Output: 1455 02 Population and Social Statistics indicators</b>	
<p><i>Funding Requirement (US\$ Bn): 56.300</i></p> <p><b>Increased Preparatory activities to Conduct the Population and Housing Census 2012</b></p>	<p><i>Conduct the Uganda Demographic and Household Survey(UDHS5) as a follow up of 1988/879, 1995, 2000.01 &amp; 2006 earlier surveys , Start the UNHS V as planned in order to be able to disseminate in October 2013, Collaborate with the Ministry of Public services in the fourth survey of 2012, and the balance of the Panel survey to be concluded. To conduct the 2012 Population and Housing census, National Service Delivery and the Manpower Survey</i></p>
<i>Vote Function: 1401 Regulation of the Procurement and Disposal System</i>	
<b>Output: 1456 01 Procurement Audit and Monitoring</b>	
<p><i>Funding Requirement (US\$ Bn): 1.500</i></p> <p><b>Conducting procurement and disposal audits, scaling-up and outsourcing</b></p>	<p><i>The Authority seeks to monitor compliance with laws to ensure value for money and implement the revised PPDA structure</i></p>
<b>Output: 1456 03 Legal and Advisory services</b>	
<p><i>Funding Requirement (US\$ Bn): 0.540</i></p> <p><b>Disseminate the amended PPDA laws to stakeholders and also implement the revised PPDA capacity building strategy</b></p>	<p><i>This is intended to create awareness of PPDA laws and enhance compliance to the regulations. It will also increase operational efficiency and effectiveness of PPDA to execute its mandate</i></p>