

Vote:015 Ministry of Trade, Industry and Cooperatives

VI: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

Billion Uganda Shillings	FY2017/18 Outturn	FY2018/19		FY2019/20 Proposed Budget	MTEF Budget Projections			
		Approved Budget	Spent by End Sep		2020/21	2021/22	2022/23	2023/24
Recurrent Wage	1.892	2.458	0.497	2.458	2.581	2.710	2.846	2.988
Non Wage	15.876	66.590	54.220	66.156	76.080	91.296	109.555	131.466
Devt. GoU	49.085	28.627	5.001	28.627	34.352	34.352	34.352	34.352
Ext. Fin.	0.000	12.058	0.000	10.107	7.106	0.000	0.000	0.000
GoU Total	66.853	97.675	59.719	97.241	113.013	128.358	146.752	168.806
Total GoU+Ext Fin (MTEF)	66.853	109.733	59.719	107.348	120.118	128.358	146.752	168.806
<i>A.I.A Total</i>	0.000	1.089	0.000	0.000	0.000	0.000	0.000	0.000
Grand Total	66.853	110.822	59.719	107.348	120.118	128.358	146.752	168.806

(ii) Vote Strategic Objective

To formulate, review and support policies and programs aimed at promoting and ensuring expansion and diversification of trade, cooperatives and environmentally sustainable industrialization.

V2: Past Vote Performance and Medium Term Plans

Performance for Previous Year FY 2017/18

Policy Development

The background study conducted and the issues of Cassava policy are to be covered under the new industrial policy; Sugar Bill still under discussion in Parliament; Comments by Cabinet Secretariat on the National Alcoholic Drinks Bill addressed; Amendment to the Principals of the Industrial and Scientific Metrology Bill submitted to Cabinet Secretariat; Principals for Legal Metrology Bill submitted to Cabinet Secretariat and cabinet number obtained; Accreditation Bill printed. National Policy on Packaged water approved by Cabinet and launched; National Policy on Packaged Water approved by Cabinet and awaiting necessary clearances.

Regulatory Impact Assessment for Industrial Development Bill conducted; Background paper on textile development Policy developed; National Strategy for Implementation of the Grain Trade Policy duly launched and now under implementation. Cooperative Societies amendment Bill is before parliament.

A National Trade Fairs and Exhibitions Policy developed and being discussed; A draft copy of the National Tea Policy was presented for the members comments and approval in a consultative meeting; The draft of the National Tea Trade Policy was developed and shared with Ministry of Agriculture as directed by the Prime Minister before it is sent to Cabinet.

A Draft National Gift Policy was developed and certificate of financial implication was issued and we have developed a draft Cabinet Memorandum; Supermarket Guidelines were developed as Conditions for issuing Trade License and forwarded to Ministry of Justice and constitutional Affairs and awaits clearance; Draft Consumer Protection Bill has been developed and was cleared by Ministry of Justice and Constitutional Affairs; Three regulations (Conditions for issuing Trade License, Restriction of non-citizens and Submission of Returns) were developed and forwarded to Ministry of Justice and Constitutional Affairs however Conditions for issuing Trade License is not yet cleared.

Developed the Principles of Produce and Marketing Bill and its Regulatory Impact Assessment and has been submitted to Cabinet; Completed the Grain Policy Implementation Strategy and launched; MSME Policy Implementation Strategy has been finalized; A draft Policy on Meat and Meat Products formulated.

Industrial Development

Under Rural Industrialisation Development Programme: Procurement and delivery of an Air Compressor, A Welding Machine and a Drilling

Vote:015 Ministry of Trade, Industry and Cooperatives

Machine for MBK General Agencies in Kaliro District was conducted; Delivery and Installation of the value addition equipment for MBK General Agencies in Kaliro District, Side View Poultry Farmers Group in Mbale District and Abur Savings and Credit Cooperative Society Lira District was conducted; A Wood Band Saw Machine and a Wood Lathe Machine were delivered to the beneficiary enterprise in Gomba District; A Rice Huller for Kasambira Youth Enterprise in Kamuli District.

Under UDC: On Soroti Fruit Factory, A firm earthing system was installed to protect the equipment and personnel at the factory; Procured 240 motorized pumps; Conducted a refresher capacity enhancement training of 2163 and 1748 fruit farmers; All requisite factory machinery and equipment had been installed and dry test runs undertaken to prepare for technical commissioning of the machinery

A final feasibility study report for an integrated cement/ lime and marble has been completed. The project shall have a processing capacity of: 1250 Metric tons/day for cement, 11,000 square meters/ month for marble, and 300 tons/day for lime.

Final feasibility study report for sheet glass has been completed and the plant will have a processing capacity of 200 metric tons/day. A draft feasibility report for the Lake Katwe salt project was completed and recommends the establishment of a chemical industry to produce salt, sodium chloride, sodium sulfate, and sodium bicarbonate.

Cooperative Development

6 Cooperatives investigated; Verified the compensation of Cooperative Unions 103 Cooperatives audited to ensure proper financial ability and reporting. 935 Cooperative Societies supervised to ensure compliance to Cooperative Law 26 Cooperatives inspected to ensure proper management and governance by the leaders.

Trade Development

Implementation plan of the National Policy on Services Trade mainstreamed; Liaison with MoFA on the implementation of the Commercial Diplomacy Programme through Monthly and Quarterly Meetings with a view to sharing Trade Information, National Trade Priorities and emerging Trade Policy Issues to resolve with Mission and Consulates; Farmers engaged directly to focus their Production on the Right Products for the Market available within the Quality Requirements Framework through the Local Government Commercial Services Departments;

Uganda's Foreign Trade Policy Interests represented at the COMESA-SADC-EAC Tripartite Summit Meeting; Provided feedback to Ugandan traders who supplied goods to South Sudan; Market Access opportunities for Uganda's Products and Services secured through Negotiations of the Continental Free Trade Area, and the various Negotiations at the WTO; Participated in the Meeting of COMESA FTA Study to determine the impact of the FTAs on Ugandans economy Conducted stake holder's consultation meeting on the on-going CFTA negotiations.

Busia One Border Post was Launched; Development of the Border Market Export Zones overseen to promote Regional Integration and Promote Domestic Exports to the Region; Study to develop self-sustainability strategy for CBTAs Progress was reported on (on-going activities) Quarterly Trade-Production Inter-Sector Consultative Meetings to assess exploitation of synergies in Planned Interventions for Export Promotion and Development in view of running Trade Agreements.

Agreement for the establishment of CFTA was signed; Protocol on the movement of persons, right of Establishment and Residence and Kigali declaration launch the AfCFTA was signed and thus the countries position became clear of what we need in relation to our regional markets.

MSME Development

MSME Development Profiled 5 Institutions: Advance Cotton Wool in Masaka, Kerex in Kira, Safe Absorbent Cotton in Mukono, Pearl in Mitooma District and Soft Touch Nile Surgical in Jinja; 60 MSMEs were provided with technical guidance on good manufacturing practices and marketing; 60 Carpentry and Furniture sector players mobilized, sensitized & capacity built for PPDA compliance to benefit from the reservation scheme, in Districts and Municipalities of Mbarara and Mbale; Staff from Stakeholder Institutions trained on Public Sector Best Practices for MSMEs Development.

50 Women MSMEs dealing in Leather and Textiles sectors provided technical guidance on Good Manufacturing Practices and Marketing in the Districts; 50 MSMEs products were assessed in Agro-Processing, Textile, wood works, metal fabrication in line with implementation of Local Economic development programs by District and Municipality through Commercial Services Grants activities Namutumba, Bugiri, Butaleja and Busia.

200 MSMEs mobilized, organised and provided technical support on product branding, packaging and marketing in the Districts; 200 MSMEs mobilized and vetted to participate in the 18th EAC Jua Kali/Nguvu Kazi Exhibition.

Assessed and evaluated Four production and process value addition chains of selected 4 sub-sectors of banana, honey, wine and mushrooms in the Western region districts of Bushenyi, Mitoma, Mbarara and Masaka; 60 MSMEs trained on policy awareness, financial literacy, customer care, business record keeping, marketing Value addition; 145 women trained on Business planning, record keeping and financial management, this included 63 youth. 245 women visited for technical backstopping on business management.

Vote:015 Ministry of Trade, Industry and Cooperatives

Performance as of BFP FY 2018/19 (Performance as of BFP)

Policy Development

Held meeting to mainstream gender in the draft National industrial Development Policy; Alcoholic Drinks Control Bill, Principles submitted to Cabinet; Held review meetings for Draft Iron and Steel Development Policy; Cabinet Paper to establish new Council submitted to Cabinet Secretariat.

Drafted the National Trade Policy for fruits and vegetables to guide the production and marketing of priority products for domestic, regional and international markets; Finalized the WTO Implementation Bill with the comments from Ministry of Justice and Constitutional Affairs; Meeting held to develop an institutional and regulatory framework for the competition and Consumer protection Bill following Cabinet's directive freezing formation of new agencies.

Principles of the Agricultural Produce Marketing Bill finalized and submitted to Cabinet; The National Grain Trade Policy Implementation Strategy 2018 - 2022 finalized, launched and distributed to stakeholders; National MSME Policy Implementation Strategy finalized and launched on 31/10/2018, and ready for launching; A Draft for the Condiments and Spices policy, the cosmetics policy and its RIA prepared with stakeholders input incorporated.

Industrial Development

Profiled Toilet Paper Manufacturers and Converters to develop roadmap to compliance with Standards; conducted industrial visits: Kakira Sugar Ltd, Sugar Corporation of Lugazi Ltd (SCOUL), Mayuge Sugar Ltd, G.M Sugar Ltd, Kinyara Sugar Ltd and Hoima Sugar Ltd to verify physical stocks and due diligence visit to Tororo Cement.

Soroti fruit factory: The Governance structure for Soroti Fruits Limited (SOFTE) has been put in place and the Board of Directors set up and inaugurated on September 20, 2018. The board comprises of seven (7) members; Recruitment of the management, technical and support staff (123 staff) has been completed in preparation for the commercial operation of the fruit factory; Conducted refresher capacity enhancement trainings of fruit farmers in Kumi and Soroti on better agronomic practices and cooperative management; and 4,053 farmers have been trained of which 2374 were women; Hydro-geological survey and drilling of the borehole has been completed and the borehole yield is 16 cubic meters/hour.

Tea factories in Kabale and Kisoro: Hon. Minister MTIC commissioned both factories in August and are now at commercial operational – with Kabale factory employing 74 people; Tea factory in Kanungu (Kayonza) - fabrication of requisite equipment is ongoing and civil works have been embarked on for the installation of the 3rd line tea processing equipment.

Zombo /Nebbi tea factory: Trained 400 tea farmers on good tea agronomic practices; and cooperatives formation and management and as a result of this, the acreage has increased from 200 to 700. The required acreage to run a 450kg/hr factory is 1480. Zombo Tea Farmers' Cooperative Society has been formed.

Horyal Investments Holdings Company Ltd (HIHC) – Atiak Sugar factory: UDC acquired an additional 21.9% shareholding in Atiak after investing Ushs 45 billion. Altogether UDC has 32 % shareholding.

Cooperative Development

Conducted 4 investigations namely Bundibugyo Energy Cooperative Society, Agaru SACCO, Koskesen SACCO and Pader Abim Energy Community Multipurpose Energy Cooperative Society Ltd; 294 cooperatives supervised to ensure compliance to cooperative laws, set standards and best practices; 8 Inspections conducted to identify challenges, make interventions and improve governance and management; 12 training sessions conducted to improve knowledge and skills of cooperative members, leaders and management staff.(employees) in cooperative enterprise management and Busoga Growers Cooperative Union was given part payment of Sh. 2 Billion.

Trade Development

Coordinated WTO Trade policy review implementation mechanisms where national and regional meetings have been taking place. Preparations for the WTO meeting scheduled for March, 2019 at Geneva, Switzerland; Implemented COMESA cross border trade activities at various border points including JPC meeting with DRC, Kenya and Tanzania; Prepared for the Dubai Expo 2020 and the Dubai trade mission/convention 2018; Foreign Traders application Forms and Certificates procured; Consultative meetings to review Hire Purchase regulations held and field visits conducted to licensed companies; Consultative meetings to 3 selected local governments held to operationalize the approved structure of Trade Industry and LED department with in local governments; Quarterly review meeting of the tobacco committee held and tobacco buying licenses were printed; The Sale of Good and Supply of Services Act disseminated to key stakeholders through an awareness creation workshop; Consultative meeting with the building and construction industry representatives on reservation schemes for implementation of BUBU Policy were conducted; Meeting held with the supermarket owners to take stock of progress made to increase shelf space for the local products such as honey, textiles, foot ware and leather products; Meeting with relevant stakeholders was held to discuss the way forward to address some of the outstanding NTBs

MSME Development

21 MSMEs in the Grain and Cereals sector identified, assessed and profiled. Grain and Cereal Storage Facilities monitored and provided technical guidance for suitability of storage in Kamwenge, Bunyangabo and Kasese; 12 MSMEs in the Oil, Gas and Artisan mining identified and profiled for Technology and Innovations support in Hoima and Kikuube Districts.

40 MSMEs dealing in metal fabricators, food processors, carpenters, Agro processors, honey processors, coffee processors, cosmetics products, liquid soap, bar soap manufacturers and maize millers supervised, Offered Technical Assistance to MSMEs to ensure compliance to quality standards; 40 MSMEs trained on business skills development.

Vote:015 Ministry of Trade, Industry and Cooperatives

FY 2019/20 Planned Outputs

Feasibility and business plan study reports produced for potential projects (tomato plant in Bulambuli, cocoa plant in Bundibugyo & soluble coffee plant); Conducted capacity enhancement training of tea farmers on better agronomic practices and cooperative movement. Environmental Impact Assessment (EIA) report an integrated cement, lime and marble plant; and salt plant produced; Environmental Impact Assessment Study (EIA) reports for Zombo/ Nebbi tea factory and Luwero fruit factory produced; Machinery & equipment procured, installed & commissioned for Mabale and Zombo/Nebbi tea factories; Monitoring and evaluation reports produced on the zonal facilities Technical Engineering designs & BOQs for for Zombo/Nebbi tea factory & Luwero fruit factory developed; developed Technical engineering designs & BOQs produced for utilities & access roads for the integrated cement, lime & marble plant and infrastructure services provided to the project site Water and electricity extended to the project site; access road constructed; Technical Engineering designs & BOQs developed for Zombo/Nebbi & Luwero fruit factory; 100 cooperatives audited, 20 cooperatives inspected, 1,000 cooperatives supervised; Markets, Supermarkets and other trading areas inspected to ensure trade order and compliance with trade licensing requirements, The position of Uganda presented to the EAC technical, sectoral and summit meetings Trade Licensing Data collected from Municipalities for the development of the Business Register; Agricultural produce marketing Bill, Wood and Furniture Policy, National MSME Bill and National Bar Code System developed; Undertake Four Bench marking Studies MSMEs Best Practices, Technology, Innovation and Market Development; MSMEs mobilised and supported to participate in National and Regional Exhibitions through coordination and Business-to-Business (B2B) Linkages; 10 Business clinics conducted in Arua, Koboko, Pader, Kitgum, Kumi, Bukedea, Bugiri, Namayingo, Kalungu and Butambala 480 SMEs trained in business development services improvement. 600 MSMEs trained in Business plan development.

Medium Term Plans

In accordance with NDP II, Vision 2040 and the Sector Development Plan, the Ministry of Trade, Industry and Cooperatives, along with its Agencies will in the Medium Term undertake the following strategies;

- Develop and Implement a policies aimed at trade improvement to ensure export promotion.
- Strengthen Uganda's standards development and quality infrastructure and processes to guarantee industry competitiveness mainly for MSMEs
- Promote Micro Small and Medium Enterprises (SME) for industrial development.
- Promote Value Addition and Collective Marketing to improve access to financial services for the cooperative institutions.
- Strengthen the capacity of cooperative institutions to increase Productive capacity and Productivity of the Members of the Cooperative Movement.

Efficiency of Vote Budget Allocations

The Ministry shall ensure that funds are allocated in accordance with work plans which are linked to the sector strategic plan as well as the NDP II goals. This shall eliminate unnecessary allocations to achieve Value for Money.

Vote Investment Plans

During the financial year 2019/20, the Ministry will undertake capital investments in the following areas; 1. With funding from European Union (COMESA) establish and construct border export zones under Great Lakes Trade Facilitation Project (GLTFP) and Regional Integration Implementation Programme (RIIP). 2. Establishment of zonal agro-processing industries under Uganda Development Corporation (UDC); and 3. Purchase of office furniture, machinery and equipment as well as motor vehicle equipment.

Major Expenditure Allocations in the Vote for FY 2019/20

The Ministry's major resource allocations the financial year 2019/20 include the following: 1. Establishment of zonal agro-processing industries; 2. Construction of border export zones and 3. Purchase of transport equipment.

V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

Vote Controller :	
Programme :	01 Industrial and Technological Development
Programme Objective :	This Programme is responsible for policy formulation, planning and coordination; and promoting the expansion, diversification and competitiveness of the industrial sector.
Responsible Officer:	Commissioner - Industry and Technology
Programme Outcome:	Industrial Facilitation, Promotion and Cluster Competitiveness
<i>Sector Outcomes contributed to by the Programme Outcome</i>	
1. A Strong Industrial Base	

Vote:015 Ministry of Trade, Industry and Cooperatives

2. Increased employment in the manufacturing sector							
Programme Performance Indicators (Output)	Performance Targets						
	2017/18 Actual	2018/19 Target	Base year	Baseline	2019/20 Target	2020/21 Target	2021/22 Target
• Percentage of manufacturing Industries meeting Standard Operating Requirements					70%	75%	80%
• Percentage contribution of manufacturing to GDP		6%			8.5%	9%	9.5%
• Proportion of industries adopting new technologies in manufacturing		10%			11%	11.5%	12%
• Proportion of population employed in the manufacturing industry					15%	18%	20%
Vote Controller :							
Programme : 02 Cooperative Development							
Programme Objective : This Programme is responsible for policy formulation, planning and coordination; and promoting, strengthening and expanding the cooperative movement structure, diversity, operations and competitiveness for socially inclusive economic development.							
Responsible Officer: Commissioner - Cooperatives Development							
Programme Outcome: Promotion of Structured Trading for Commodities							
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. A Strong Industrial Base							
Programme Performance Indicators (Output)	Performance Targets						
	2017/18 Actual	2018/19 Target	Base year	Baseline	2019/20 Target	2020/21 Target	2021/22 Target
• Promotion and adoption of Structured Trading for Commodities		9			10	12	15
Programme Outcome: Cooperatives Promotion and Structural Competitiveness							
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. Improved Private Sector Competitiveness							
2. Increased productivity in the manufacturing industry.							
Programme Performance Indicators (Output)	Performance Targets						
	2017/18 Actual	2018/19 Target	Base year	Baseline	2019/20 Target	2020/21 Target	2021/22 Target
• Percentage of Youth engaged in Cooperative Business		10%			11%	12%	13%
• Total share capital of Cooperatives Enterprises		450,000,000			455,000,000,000	460,000,000,000	465,000,000,000
Vote Controller :							
Programme : 04 Trade Development							

Vote:015 Ministry of Trade, Industry and Cooperatives

Programme Objective : This Programme is responsible for developing, coordinating, regulating, promoting and facilitating domestic and external trade with particular emphasis on export promotion and access to regional and international markets.							
Responsible Officer: Director - Trade Industry and Cooperatives							
Programme Outcome: Domestic and Foreign Trade Facilitation and Promotion							
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. A Strong Industrial Base							
2. Increased productivity in the manufacturing industry.							
Programme Performance Indicators (Output)	Performance Targets						
	2017/18 Actual	2018/19 Target	Base year	Baseline	2019/20 Target	2020/21 Target	2021/22 Target
• Percentage growth in trade of Domestically Produced Products & services		5%			5.5%	6%	6.5%
• Access to Common Trade Infrastructure and Development		10%			10%	12%	15%
• Percentage utilization of Foreign Trade Agreements by Business Community		10%			12%	14%	15%
Vote Controller :							
Programme : 07 MSME Development							
Programme Objective : The objective of this Programme is to provide a focal coordination institution for formulating, implementing and monitoring policies and programs for the promotion and development of Micro, Small and Medium scale enterprises in the country.							
Responsible Officer: Director - Micro, Small and Medium Enterprises							
Programme Outcome: MSMEs Business Growth and Competitiveness							
<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. Improved Private Sector Competitiveness							
2. Increased productivity in the manufacturing industry.							
Programme Performance Indicators (Output)	Performance Targets						
	2017/18 Actual	2018/19 Target	Base year	Baseline	2019/20 Target	2020/21 Target	2021/22 Target
• Percentage growth of formalised MSMEs in domestic and export market		5%			5.5	6	7
• Percentage of MSMEs with access to business incubation and industrial infrastructure		10%			12%	15%	18%
• Percentage of MSMEs implementing good business and technical management practices.		50%			60%	70%	75%
Vote Controller :							
Programme : 49 General Administration, Policy and Planning							
Programme Objective : This Programme is responsible for providing the essential administrative, policy and strategic guidance, human resource management, and financial related services and auxiliary facilities to the Ministry's Directorates, Departments and Units.							
Responsible Officer: Under Secretary - Finance and Administration							
Programme Outcome: Policy Guidance and Strategic Direction							

Vote:015 Ministry of Trade, Industry and Cooperatives

<i>Sector Outcomes contributed to by the Programme Outcome</i>							
1. A Strong Industrial Base							
2. Increased productivity in the manufacturing industry.							
Programme Performance Indicators (Output)	Performance Targets						
	2017/18 Actual	2018/19 Target	Base year	Baseline	2019/20 Target	2020/21 Target	2021/22 Target
• Level of compliance of planning and budgeting instruments to NDPII		65%			65%	68%	70%
• Level of compliance of the MPS to gender and equity budgeting		60%			65%	68%	70%
• Level of Development Plan delivered		50%			55%	60%	65%
• Budget absorption rate		90			92	94	95
• Annual External Auditor General rating.		80			82	85	86

Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

<i>Billion Uganda shillings</i>	2017/18	2018/19		2019-20	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2020-21	2021-22	2022-23	2023-24
Vote :015 Ministry of Trade, Industry and Cooperatives								
01 Industrial and Technological Development	50.046	71.988	49.573	71.736	83.685	94.438	107.338	122.815
02 Cooperative Development	5.557	8.239	3.584	8.254	9.476	11.299	13.485	16.107
04 Trade Development	2.176	14.231	0.641	12.297	9.575	2.886	3.382	3.974
07 MSME Development	1.168	0.923	0.216	1.173	1.301	1.485	1.702	1.958
49 General Administration, Policy and Planning	7.652	14.354	5.550	13.889	16.081	18.249	20.844	23.952
Total for the Vote	66.600	109.733	59.565	107.348	120.118	128.358	146.752	168.806

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

<i>Billion Uganda shillings</i>	2017/18	FY 2018/19		2019-20	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2020-21	2021-22	2022-23	2023-24
Programme: 01 Industrial and Technological Development								
1111 Soroti Fruit Factory	5.750	4.483	1.000	4.483	5.379	5.379	5.379	5.379
12 Industry and Technology	1.847	47.337	45.756	47.085	54.105	64.858	77.758	93.234
1250 Support to Innovation - EV Car Project	8.277	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1495 Rural Industrial Development Project (OVOP Project Phase III)	0.486	0.408	0.082	0.408	0.489	0.489	0.489	0.489
1498 Establishment of Zonal Agro-Processing Facilities	33.686	19.760	2.735	19.760	23.712	23.712	23.712	23.712
Total For the Programme : 01	50.046	71.988	49.573	71.736	83.685	94.438	107.338	122.815
Programme: 02 Cooperative Development								
1203 Support to Warehouse Receipt System	0.120	0.150	0.000	0.150	0.180	0.180	0.180	0.180

Vote:015 Ministry of Trade, Industry and Cooperatives

13 Cooperatives Development	5.437	8.089	3.584	8.104	9.296	11.119	13.305	15.927
Total For the Programme : 02	5.557	8.239	3.584	8.254	9.476	11.299	13.485	16.107
Programme: 04 Trade Development								
07 External Trade	1.650	1.594	0.522	1.548	1.760	2.082	2.466	2.926
08 Internal Trade	0.474	0.456	0.099	0.510	0.562	0.635	0.721	0.823
1291 Regional Integration Implementation Programme [RIIP] Support for Uganda	0.000	11.258	0.000	9.552	7.106	0.000	0.000	0.000
1306 National Response Strategy on Elimination of Non Tariff Barriers (NRSE-NTB's)	0.000	0.800	0.000	0.555	0.000	0.000	0.000	0.000
16 Directorate of Trade, Industry and Cooperatives	0.125	0.122	0.020	0.132	0.147	0.169	0.195	0.226
Total For the Programme : 04	2.250	14.231	0.641	12.297	9.575	2.886	3.382	3.974
Programme: 07 MSME Development								
18 Directorate of MSMEs	0.172	0.112	0.019	0.078	0.090	0.108	0.130	0.155
19 Processing and Marketing Department	0.471	0.390	0.109	0.533	0.588	0.668	0.761	0.871
20 Business Development and Quality Assurance Department	0.562	0.422	0.088	0.562	0.623	0.709	0.812	0.932
Total For the Programme : 07	1.205	0.923	0.216	1.173	1.301	1.485	1.702	1.958
Programme: 49 General Administration, Policy and Planning								
01 HQs and Administration	6.495	10.035	4.432	9.558	10.925	13.005	15.496	18.480
1408 Support to the Ministry of Trade, Industry and Cooperatives	0.766	3.826	0.985	3.826	4.591	4.591	4.591	4.591
15 Internal Audit	0.097	0.092	0.018	0.093	0.104	0.121	0.141	0.165
17 Policy and Planning	0.390	0.400	0.115	0.412	0.461	0.532	0.616	0.716
Total For the Programme : 49	7.748	14.354	5.550	13.889	16.081	18.249	20.844	23.952
Total for the Vote :015	66.806	109.733	59.565	107.348	120.118	128.358	146.752	168.806

Table V4.2: Key Changes in Vote Resource Allocation

Major changes in resource allocation over and above the previous financial year	Justification for proposed Changes in Expenditure and Outputs
Vote :015 Ministry of Trade, Industry and Cooperatives	
<i>Programme : 49 Ministry of Trade, Industry and Cooperatives</i>	
Output: 03 Ministerial Support Services	
Change in Allocation (US\$ Bn) :	(0.192)
Output: 08 Research, Information and Statistical Services	
Change in Allocation (US\$ Bn) :	(0.151)
Output: 52 Support to other Government Units	
Change in Allocation (US\$ Bn) :	(3.000)
Output: 76 Purchase of Office and ICT Equipment, including Software	
Change in Allocation (US\$ Bn) :	(0.060)
Output: 78 Purchase of Office and Residential Furniture and Fittings	
Change in Allocation (US\$ Bn) :	(0.075)

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

FY 2018/19	FY 2019/20
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Vote:015 Ministry of Trade, Industry and Cooperatives

Appr. Budget and Planned Outputs	Expenditures and Achievements by end Sep	Proposed Budget and Planned Outputs	
Vote 015 Ministry of Trade, Industry and Cooperatives			
Programme : 01 Industrial and Technological Development			
Project : 1111 Soroti Fruit Factory			
Output: 80 Construction of Common Industrial Facilities			
Working capital provided for the operation of the factory.	<p>Hydro-geological survey and drilling of the borehole has been completed. The borehole yield is 16 cubic meters/hour;</p> <p>Flooring of the production area has been upgraded to polyurethane;</p> <p>Governance structure for Soroti Fruits Ltd (SOFTE) has been put in place and the Board of Directors was inaugurated on September 20, 2018. The board comprises of seven (7) members;</p> <p>Recruitment of management, technical and support staff (123 staff) has been completed and are all on duty;</p> <p>Conducted a refresher capacity enhancement training of 1837 and 2216 fruit farmers in Kumi (Ongino & Mukongoro) and Soroti (Katine, Arapai and Gweri sub counties) districts; respectively on good agronomic practices and cooperative management;</p> <p>Supplied equipment such as fork lifts for the factory;</p> <p>Developed several Operational Manuals for SOFTE Ltd – HRM, HIV/PWDs, Corporate Social Responsibility, Standard Operating Procedures etc;</p> <p>Supply agreement contract for fruits between SOFTE and Teso Tropical fruit Cooperative Union (TEFCU) has been signed;</p>	<p>Administrative expenses (water, electricity) including payment of Staff salaries, wages and NSSF.</p> <p>Fully automated mango production line / technologically advanced production line</p> <p>Raw materials (fresh fruits - oranges & mangoes) supplied to Soroti fruit Factory for processing</p>	
Total Output Cost(Ushs Thousand):	4.483	1.000	4.483
Gou Dev't:	4.483	1.000	4.483
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000

Vote:015 Ministry of Trade, Industry and Cooperatives

Project : 1498 Establishment of Zonal Agro-Processing Facilities

Output: 80 Construction of Common Industrial Facilities

access roads constructed for Luwero factory EIA Study, geotechnical survey and master plan reports produced; Technical designs & BOQs produced for utilities & access roads; Water supply extended to the project site.			Conducted capacity enhancement training of tea farmers on better agronomic practices and cooperative movement.
Electricity extended to the project site for Luwero factory Electricity extended to the project site; perimeter wall constructed; Access road constructed; Engineering designs developed and construction commenced	The land title for the factory was acquired; Acquired the land title for the staff quarters;		Environmental Impact Assessment (EIA) report an integrated cement, lime and marble plant; and salt plant produced; Environmental Impact Assessment Study (EIA) reports for Zombo/ Nebbi tea factory and Luwero fruit factory produced;
Engineering designs developed and construction commenced for Luwero factory Environmental Impact Assessment (EIA) report produced Factory site and staff quarters fenced off; Staff quarters renovated; Salt plant renovated feasibility and business plan study reports produced for potential projects perimeter wall constructed for Luwero factory Technical designs & BOQs produced for utilities & access roads for Luwero factory Water supply extended to the project site for Luwero factory	Negotiations with Katwe Church of Uganda, local leadership and the encroachers on the encumbered plots of land (plot M8, plot M9 and plot 10) were held.		Machinery & equipment procured, installed & commissioned for Mabale and Zombo/Nebbi tea factories; Monitoring and evaluation reports produced on the zonal facilities Technical BOQs for the perimeter wall developed & Staff quarters renovated
			Technical Engineering designs & BOQs for for Zombo/Nebbi tea factory & Luwero fruit factory developed;
			Technical engineering designs & BOQs produced for utilities & access roads for the integrated cement, lime & marble plant and infrastructure services provided to the project site
			Water and electricity extended to the project site; access road constructed; Technical Engineering designs & BOQs developed for Zombo/Nebbi & Luwero fruit factory
Total Output Cost(Ushs Thousand):	9.760	0.635	9.760
Gou Dev't:	9.760	0.635	9.760
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.000	0.000	0.000

Programme : 04 Trade Development

Project : 1291 Regional Integration Implementation Programme [RIIP] Support for Uganda

Output: 81 Trade Infrastructure Development

Establishing Border Market and enhancing value addition and value chains of the border markets			
Total Output Cost(Ushs Thousand):	7.558	0.000	0.000
Gou Dev't:	0.000	0.000	0.000

Vote:015 Ministry of Trade, Industry and Cooperatives

Ext Fin:	7.558	0.000	0.000
A.I.A:	0.000	0.000	0.000
Programme : 49 General Administration, Policy and Planning			
Project : 1408 Support to the Ministry of Trade, Industry and Cooperatives			
Output: 75 Purchase of Motor Vehicles and Other Transport Equipment			
2 Motor Vehicles procured to facilitate transport for Field Exercises. 2 Vehicles purchased.	Balance payment for the purchase of 3 vehicles arising from last financial year.		One station wagon procured for State Minister of Cooperatives. One Pick-up procured.
Total Output Cost(Ushs Thousand):	0.900	0.048	0.400
Gou Dev't:	0.400	0.048	0.400
Ext Fin:	0.000	0.000	0.000
A.I.A:	0.500	0.000	0.000

V5: VOTE CHALLENGES FOR 2019/20 AND ADDITIONAL FUNDING REQUESTS

Vote Challenges for FY 2019/20

1. Lack of enough human resource capacity and physical infrastructure affects development at the Border Export zones.
2. Under capitalization of UDC to be able to embark on a number of strategic projects that would lead to industrial and economic development of the country.
3. UNBS- Low staffing levels which has limited UNBS capacity to decentralize its services to other regions and strengthening standards and quality infrastructure, Low consumer education and public awareness on quality and standards. This affects consumers in making informed choices in order to reject substandard goods and services in the market place.
4. UNBS -Inadequate Laboratory space required to respond to increasing samples submitted for testing and analysis, limited Budget ceiling to fund core quality monitoring operations.
5. Limited storage (warehouse, silos) capacity for effective post-harvest management and structured grain trade that would enable us to address the challenge of the volatility of the prices of agricultural products.
6. High import taxes on the primary packaging material for the locally produced goods which hinders the competitiveness of Ugandan business persons to fully exploit the vast opportunities.
7. MTAC - Lack of adequate funds to meet necessary rehabilitation of the Centre's infrastructure, settle long-outstanding statutory obligations and develop market outreach.

Table V5.1: Additional Funding Requests

Additional requirements for funding and outputs in 2019/20	Justification of requirement for additional outputs and funding
Vote : 015 Ministry of Trade, Industry and Cooperatives	
Programme : 01 Industrial and Technological Development	
OutPut : 04 Promotion of Value Addition and Cluster Development	
Funding requirement US\$ Bn : 200.000	Rural Industrialisation Development Programme - Functional Common Value Addition Common Facilities established (Agro processing facilities for NDPII Priority crops: Cotton, Coffee, Tea, Maize, Rice, Cassava, Beans, Fish, Beef, Milk Citrus and Bananas).
OutPut : 51 Management Training and Advisory Services (MTAC)	

Vote:015 Ministry of Trade, Industry and Cooperatives

Funding requirement US\$ Bn : 13.000	Tooling for field Operations e.g Inspections, licensing and promotion, Technical Support to the Delivery Assurance Mechanism and risk mitigation and Equipping operations (ICT and Quality kits)
OutPut : 52 Commercial and Economic Infrastructure Development (UDC)	
Funding requirement US\$ Bn : 60.000	Uganda Development Corporation is promoting value addition through agro-processing and mineral beneficiation to diversify Uganda's export markets, reduce dependency on imports (import substitution) and reduce the trade deficit. UDC will therefore continue to invest in value addition in the following sectors: Agro-processing, Mineral processing and beneficiation and Conducting feasibility studies in potential investment area.
Programme : 02 Cooperative Development	
OutPut : 02 Cooperatives Establishment and Management	
Funding requirement US\$ Bn : 8.100	Revitalise Cooperatives Movement across the Country, through the Association, Unions and Primary Societies Structural revival with supporting Infrastructure, in order to stimulate and increase production and productivity in the County with resulting effects in Youth Empowerment and Job Creation, and Socially Inclusive Economic Growth for the whole population
OutPut : 03 Cooperatives Skill Development and Awareness Creation	
Funding requirement US\$ Bn : 45.000	Compensation of war debts to Cooperative Unions.
OutPut : 51 Regulation of Warehouse Receipt System (UCE)	
Funding requirement US\$ Bn : 5.265	Operationalise UWRSA (Equipment and Tooling Support) and its Delivery Assurance Mechanism which is aimed at regulating and promoting the use of commodities as collateral, and streamline marketing.
Programme : 04 Trade Development	
OutPut : 01 Trade Policies, Strategies and Monitoring Services	
Funding requirement US\$ Bn : 20.200	Equipping District Commercial Offices 14.3 billion and expansion of District Commercial Grant (roll out to more Districts) 5.9 billion.
OutPut : 04 Trade Information and Product Market Research	
Funding requirement US\$ Bn : 28.000	Enhance Capacity for Quality Monitoring and Enforcement
OutPut : 81 Trade Infrastructure Development	
Funding requirement US\$ Bn : 30.000	The Government of Uganda adopted in 2010 a Border Export Zone Program (BEZ), originally known as the Border Market Program to position the country and help in harnessing EAC and COMESA markets by; <ul style="list-style-type: none"> • Reducing production and transaction costs & mitigating effects of NTBs. • Enhancing competitiveness of the private sector in the regional markets especially on; regional policies, standards, value addition and product development, among others.
Programme : 07 MSME Development	

Vote:015 Ministry of Trade, Industry and Cooperatives

OutPut : 03 Business Development Services

 Funding requirement US\$ Bn : **1.000**

Training and Sensitization in business development skill, quality assurance and standardization.

OutPut : 05 Support to MSMEs Product Development and Marketing

 Funding requirement US\$ Bn : **3.450**
Programme : 49 General Administration, Policy and Planning
OutPut : 51 Contributions and Memberships to International Organisations

 Funding requirement US\$ Bn : **14.380**

To clear the Country's International obligations. World Trade Organization (WTO), East African Community (EAC) International Cooperative Alliance (ICA) Common Market For East and Southern Africa (COMESA)