

Vote: 155 Uganda Cotton Development Organisation

QUARTER 4: Highlights of Vote Performance

V1: Summary of Issues in Budget Execution

This section provides an overview of Vote expenditure

(i) Snapshot of Vote Releases and Expenditures

Table V1.1 below summarises cumulative releases and expenditures by the end of the quarter:

Table V1.1: Overview of Vote Expenditures (UShs Billion)

(i) Excluding Arrears, Taxes	Approved Budget	Cashlimits by End	Released by End	Spent by End Jun	% Budget Released	% Budget Spent	% Releases Spent
Recurrent							
Wage	0.000	0.000	0.000	0.000	N/A	N/A	N/A
Non Wage	1.390	11.157	2.137	2.137	153.7%	153.7%	100.0%
Development							
GoU	2.196	2.760	1.067	1.067	48.6%	48.6%	100.0%
Donor*	0.000	N/A	0.000	0.000	N/A	N/A	N/A
GoU Total	3.586	13.918	3.204	3.204	89.3%	89.3%	100.0%
Total GoU+Donor (MTEF)	3.586	N/A	3.204	3.204	89.3%	89.3%	100.0%
(ii) Arrears and Taxes							
Arrears	0.001	N/A	0.000	0.000	0.0%	0.0%	N/A
Taxes**	0.000	N/A	0.000	0.000	N/A	N/A	N/A
Total Budget	3.587	13.918	3.204	3.204	89.3%	89.3%	100.0%
(iii) Non Tax Revenue	2.405	N/A	2.013	2.013	83.7%	83.7%	100.0%
Grand Total	5.992	13.918	5.218	5.218	87.1%	87.1%	100.0%
Excluding Taxes, Arrears	5.991	13.918	5.218	5.218	87.1%	87.1%	100.0%

* Donor expenditure information available

** Non VAT taxes on capital expenditure

The table below shows cumulative releases and expenditures to the Vote by Vote Function :

Table V1.2: Releases and Expenditure by Vote Function*

Billion Uganda Shillings	Approved Budget	Released	Spent	% Budget Released	% Budget Spent	% Releases Spent
VF:0152 Cotton Development	5.99	5.22	5.22	87.1%	87.1%	100.0%
Total For Vote	5.99	5.22	5.22	87.1%	87.1%	100.0%

* Excluding Taxes and Arrears

(ii) Matters to note in budget execution

Justification for variances in budget execution:

- The expenditure under the Development budget component (Project 1219) was lower than the approved budget due to interruption of work arising from termination of contract between CDO and China Jiangxi Corporation for International Economic and Technical Cooperation on 6th January, 2015 for fundamental breach of clause 9.1 of the GCC and for fraudulent practice, contrary to PPDA Code of Ethical Conduct for Bidders and Providers. A new contractor was acquired and work on Project 1219 will resume in July 2015.
- Under the non-wage budget component, the expenditure is higher than the approved budget due to re-allocation of funds from development to non-wage recurrent to cater for emergency support towards procurement of planting seed.

Table V1.3: High Unspent Balances and Over-Expenditure in the Domestic Budget (Ushs Bn)

(i) Major unspent balances
(ii) Expenditures in excess of the original approved budget

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* Excluding Taxes and Arrears

V2: Performance Highlights

This section provides highlights of output performance, focusing on key outputs and actions implemented to improve section performance.

Table V2.1: Key Vote Output Indicators and Expenditures*

Vote, Vote Function Key Output	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
Vote Function: 0152 Cotton Development			
Output: 015201	Provision of cotton planting seeds		
<i>Description of Performance:</i>	Organize and coordinate distribution of high quality cotton planting seeds to farmers in 58 cotton growing districts in Eastern, Northern, West Nile, Mid-West & Central and Western Regions.	- About 1,580 Mt of delinted and graded cotton planting seed were processed and distributed to farmers in 55 districts in Eastern, Northern, West Nile and Mid West & Central and Western Regions for the 2014/15 season. - In preparation for the 2015/16 season, 1,320 MT of delinted and graded seed were produced by end of June 2015 and stores were identified in 46 cotton growing districts for distributing seed to farmers.	- During 2014/15, 3 districts in West Nile were not served seed because farmers did not register for cotton production. - Activities were implemented with support from ginners.
<i>Performance Indicators:</i>			
No. of districts served with cotton planting seed	58	55	
<i>Output Cost:</i>	US\$ Bn: 0.250	US\$ Bn: 0.220	% Budget Spent: 87.7%
Output: 015202	Seed multiplication		
<i>Description of Performance:</i>	- Organize and mobilize seed growers to establish about 10,000 acres of seed crops in 5 segregated seed multiplication areas in Pallisa, Serere, Amolator, Bulisa and Rubirizi which are expected to produce 3,750 Mt of certified seed. Emphasis will be put on increasing productivity from lower acreage.	- Approximately 8,516 acres were established under seed multiplication. - Approximately 5,100 Mt of seed cotton were produced in the seed multiplication areas in Rubirizi, Amolator, Alebtong, Dokolo, Oyam, Lira, Gulu, Abim, Bullisa, Hoima and Masindi. This produced about 3,160 Mt of certified seed. - In preparation for the 2015/16 season, 10 Mt of Foundation seed were distributed in Masindi, Lira and NaSARRI in Serere District for further multiplication.	The number of seed growers registered and trained was lower than targeted due to use of prison farms instead of small scale farmers for seed multiplication.
<i>Performance Indicators:</i>			
No. of seed growers registered and trained on seed production	10,000	7133	
<i>Output Cost:</i>	US\$ Bn: 1.050	US\$ Bn: 0.644	% Budget Spent: 61.3%
Output: 015203	Farmer mobilisation and sensitisation for increasing cotton production and quality		
<i>Description of Performance:</i>	- Organize establishment of 3,500 demonstration plots for training farmers on the recommended agronomic	- 3,078 demonstration plots were established. - Conducted over 10,375 farmer-field days/training sessions	- Drought during July and erratic rains in August 2014 resulted in reduction in the number of demonstration

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
	practices for increasing production and quality.	around the demos for about 84,480 farmers. - Broadcasted 5 extension messages on crop management, pest control, indicative farm-gate price and post-harvest practices in 10 local languages. - About 150,000 acres were planted to cotton. - 49,206 Mt of seed cotton were purchased from farmers which were ginned to produce 17,275 Mt of lint (equivalent to 93,093 bales). - Farmers in Eastern, Northern, West Nile, Mid-West and Western Regions were mobilized and advised to cut cotton stalks after harvesting to prevent build-up of pests. - Production data for demos was compiled (average yield for agronomy Demos was 780 Kg per acre while average yield for fertilizer demos was 1,230 Kg per acre).	gardens planted. - There was good turn-up of farmers during the farmer-field days/training sessions due to intensive mobilization by Field Extension Workers. - Activities were implemented with support from ginners.
<i>Performance Indicators:</i>			
No. of training sessions conducted at the demos	10,500	10375	
No. of farmers trained during the training sessions	70,000	84480	
No. demonstration plots established for farmer training	3500	3078	
<i>Output Cost:</i>	UShs Bn: 1.810	UShs Bn: 1.694	% Budget Spent: 93.6%
Output: 015206	Mechanisation of land opening		
<i>Description of Performance:</i>	Procure and distribute 1,000 ox-ploughs to cotton farmers in Eastern, Northern, West Nile, Mid West & Central Regions.	- Procured 1,000 ox ploughs and distributed them to 1,000 farmer groups and individual medium scale farmers in Eastern, Northern, West Nile and Mid-West Regions. - The new and previously supplied ox ploughs ploughed over 65,030 acres for cotton and other food crops. - Organized tractor hire services for cotton farmers which ploughed over 7,580 acres.	None
<i>Performance Indicators:</i>			
No. of ox ploughs procured and distributed to farmers	1,000	1000	
<i>Output Cost:</i>	UShs Bn: 0.385	UShs Bn: 0.346	% Budget Spent: 89.9%
Vote Function Cost	UShs Bn: 5.991	UShs Bn: 5.218	% Budget Spent: 87.1%
Cost of Vote Services:	UShs Bn: 5.991	UShs Bn: 5.218	% Budget Spent: 87.1%

* Excluding Taxes and Arrears

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Key emerging performance challenges include climate change and emergence of new pests (Yellow Tea Mites) which affect production and productivity.

Table V2.2: Implementing Actions to Improve Vote Performance

Planned Actions:	Actual Actions:	Reasons for Variation
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Vote Function: 01 52 Cotton Development		
Avail high quality production inputs at reduced prices to encourage farmers to use them to increase yields and improve profitability.	Under the Cotton Production Support Program, 262 MT of NPK & Urea fertilizers, 690,658 units of pesticides and 963 spray pumps were distributed to farmers in 55 cotton districts in Eastern, Northern, West Nile, Mid-West & Central and Western Regions.	None
Implement the approved 2014/15 Cotton Production Program supported by the ginners and with increased participation of ginners in field activities.	Implemented the 2014/15 Cotton Production Program supported by ginners under which production inputs were provided to farmers on credit and at reduced prices; cotton planting seed was supplied at 42% of the cost, fertilizers at 56%, pesticide at 35%, spray pumps at 48% and tractor hire services at 50% of the cost.	None
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Vote Function: 01 52 Cotton Development		
Sensitising stakeholders on the value addition options available along the cotton value chain and the importance and impact of increased domestic value addition to lint and cotton.	- In collaboration with UIA, embarked on organizing an outward mission to South Africa for agro processors including cotton, textiles and edible oil with the aim of creating business linkages between Ugandan and South African manufacturers for supply of technology, sale of finished products and development of domestic brands. - Implemented the Cotton lint Buffer Stock Revolving Fund for procurement and supply of raw materials (lint) to local textile manufacturers. A total of 1,493 Mt of lint worth Sh. 6.553 billion were purchased from local ginners.	None

V3: Details of Releases and Expenditure

This section provides a comprehensive summary of the outputs delivered by the Vote and further details of Vote expenditures by Vote Function and Expenditure Item.

Table V3.1: GoU Releases and Expenditure by Output*

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:0152 Cotton Development	3.59	3.20	3.20	89.3%	89.3%	100.0%
<i>Class: Outputs Provided</i>	<i>1.39</i>	<i>2.14</i>	<i>2.14</i>	<i>153.7%</i>	<i>153.7%</i>	<i>100.0%</i>
015201 Provision of cotton planting seeds	0.05	1.03	1.03	2040.5%	2040.5%	100.0%
015202 Seed multiplication	0.70	0.50	0.50	72.0%	72.0%	100.0%
015203 Farmer mobilisation and sensitisation for increasing cotton production and quality	0.31	0.30	0.30	95.2%	95.2%	100.0%
015206 Mechanisation of land opening	0.33	0.31	0.31	93.2%	93.2%	100.0%
<i>Class: Capital Purchases</i>	<i>2.20</i>	<i>1.07</i>	<i>1.07</i>	<i>48.6%</i>	<i>48.6%</i>	<i>100.0%</i>
015271 Acquisition of Land by Government	0.06	0.03	0.03	41.7%	41.7%	100.0%
015272 Government Buildings and Administrative Infrastructure	2.08	1.04	1.04	50.2%	50.2%	100.0%

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<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
015277 Purchase of Specialised Machinery & Equipment	0.06	0.00	0.00	0.0%	0.0%	N/A
Total For Vote	3.59	3.20	3.20	89.3%	89.3%	100.0%

* Excluding Taxes and Arrears

Table V3.2: 2014/15 GoU Expenditure by Item

<i>Billion Uganda Shillings</i>	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
Output Class: Outputs Provided	1.39	2.14	2.14	153.7%	153.7%	100.0%
211103 Allowances	0.05	0.05	0.05	100.0%	100.0%	100.0%
221001 Advertising and Public Relations	0.02	0.02	0.02	100.0%	100.0%	100.0%
221002 Workshops and Seminars	0.02	0.02	0.02	75.0%	75.0%	100.0%
221003 Staff Training	0.05	0.05	0.05	100.0%	100.0%	100.0%
221007 Books, Periodicals & Newspapers	0.03	0.02	0.02	61.0%	61.0%	100.0%
221008 Computer supplies and Information Technology (IT)	0.02	0.02	0.02	100.0%	100.0%	100.0%
221011 Printing, Stationery, Photocopying and Binding	0.03	0.03	0.03	100.0%	100.0%	100.0%
222001 Telecommunications	0.01	0.01	0.01	100.0%	100.0%	100.0%
222002 Postage and Courier	0.00	0.00	0.00	100.0%	100.0%	100.0%
224006 Agricultural Supplies	0.74	1.57	1.57	210.6%	210.6%	100.0%
226001 Insurances	0.05	0.05	0.05	100.0%	100.0%	100.0%
227001 Travel inland	0.11	0.08	0.08	78.6%	78.6%	100.0%
227002 Travel abroad	0.10	0.06	0.06	64.9%	64.9%	100.0%
227004 Fuel, Lubricants and Oils	0.06	0.06	0.06	99.7%	99.7%	100.0%
228002 Maintenance - Vehicles	0.02	0.02	0.02	100.0%	100.0%	100.0%
228003 Maintenance – Machinery, Equipment & Furniture	0.10	0.10	0.10	95.1%	95.1%	100.0%
Output Class: Capital Purchases	2.20	1.07	1.07	48.6%	48.6%	100.0%
231001 Non Residential buildings (Depreciation)	2.00	1.02	1.02	51.0%	51.0%	100.0%
231005 Machinery and equipment	0.06	0.00	0.00	0.0%	0.0%	N/A
281504 Monitoring, Supervision & Appraisal of capital wor	0.06	0.03	0.03	41.7%	41.7%	100.0%
312104 Other Structures	0.08	0.02	0.02	28.9%	28.9%	100.0%
Output Class: Arrears	0.00	0.00	0.00	0.0%	0.0%	N/A
321612 Water arrears(Budgeting)	0.00	0.00	0.00	0.0%	0.0%	N/A
Grand Total:	3.59	3.20	3.20	89.3%	89.3%	100.0%
Total Excluding Taxes and Arrears:	3.59	3.20	3.20	89.3%	89.3%	100.0%

Table V3.3: GoU Releases and Expenditure by Project and Programme*

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:0152 Cotton Development	3.59	3.20	3.20	89.3%	89.3%	100.0%
<i>Recurrent Programmes</i>						
01 Headquarters	1.39	2.14	2.14	153.7%	153.7%	100.0%
<i>Development Projects</i>						
1219 Cotton Production Improvement	2.20	1.07	1.07	48.6%	48.6%	100.0%
Total For Vote	3.59	3.20	3.20	89.3%	89.3%	100.0%

* Excluding Taxes and Arrears

Table V3.4: Donor Releases and Expenditure by Project and Programme*