

Vote: 155 Uganda Cotton Development Organisation

Vote Summary

VI: Vote Overview

This section sets out the Vote Mission, Strategic Objectives, and provides a description of the vote's services

(i) Snapshot of Medium Term Budget Allocations

Table V1 below summarises the Medium Term Budget allocations for the Vote:

Table V1.1: Overview of Vote Expenditures (US\$ Billion)

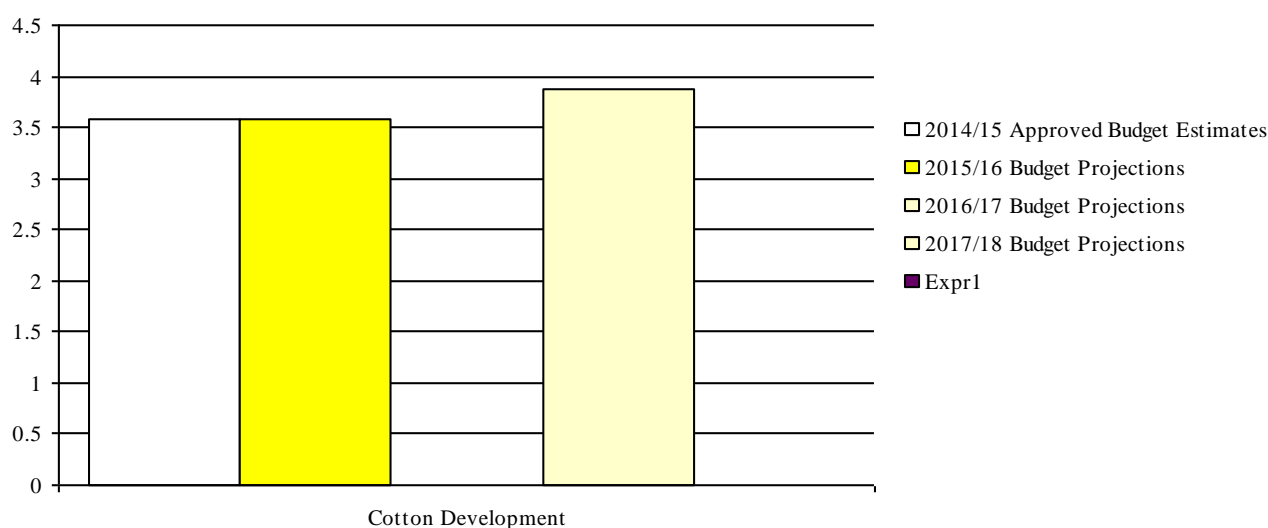
	2013/14 Outturn	2014/15		MTEF Budget Projections		
		Approved Budget	Spent by End Sept	2015/16	2016/17	2017/18
<i>(i) Excluding Arrears, Taxes</i>						
Recurrent						
Wage	0.000	0.000	0.000	0.000	0.000	0.000
Non Wage	1.390	1.390	0.122	1.390	1.397	1.523
Development						
GoU	1.966	2.196	0.051	2.196	2.222	2.356
Ext.Fin	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total	3.357	3.586	0.173	3.586	3.620	3.879
Total GoU+Donor (MTEF)	3.357	3.586	0.173	3.586	3.620	3.879
<i>(ii) Arrears and Taxes</i>						
Arrears	0.000	0.001	0.000	0.000	N/A	N/A
Taxes**	0.000	0.000	0.000	0.000	N/A	N/A
Total Budget	3.357	3.587	0.173	3.586	N/A	N/A
<i>(iii) Non Tax Revenue</i>						
Grand Total	0.000	2.405	0.332	2.485	2.781	3.225
Excluding Taxes, Arrears	3.357	5.991	0.505	6.071	6.401	7.104

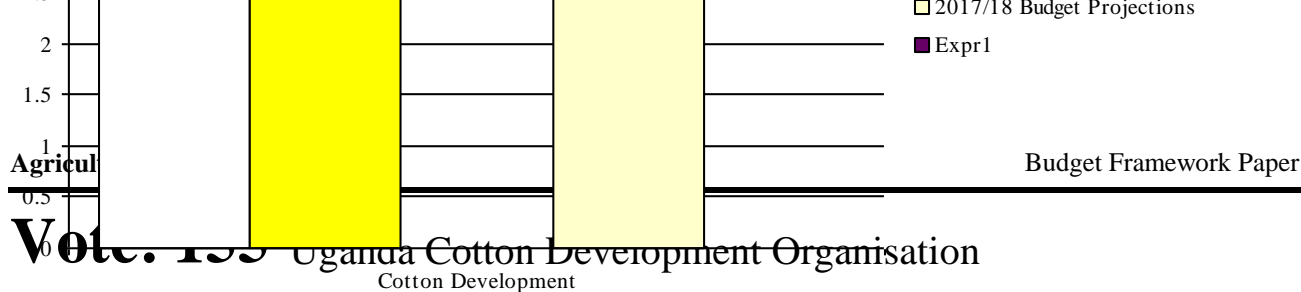
* Donor expenditure data unavailable

** Non VAT taxes on capital expenditure

The chart below shows total funding allocations to the Vote by Vote Function over the medium term:

Chart V1.1: Medium Term Budget Projections by Vote Function (US\$ Bn, Excluding Taxes, Arrears)





Vote Summary

(ii) Vote Mission Statement

The Vote's Mission Statement is:

To promote and monitor production, processing and marketing of high value cotton and its by-products for the welfare of our society.

(iii) Vote Outputs which Contribute to Priority Sector Outcomes

The table below sets out the vote functions and outputs delivered by the vote which the sector considers as contributing most to priority sector outcomes.

Table V1.2: Sector Outcomes, Vote Functions and Key Outputs

Sector Outcome 1:	Sector Outcome 2:	Sector Outcome 3:
<i>Agricultural Production and Productivity</i>	<i>Improved markets and increase in value addition</i>	<i>Improvement in the enabling environment & Institutional strengthening</i>
Vote Function: 01 52 Cotton Development		
<i>Outputs Contributing to Outcome 1:</i>	<i>Outputs Contributing to Outcome 2:</i>	<i>Outputs Contributing to Outcome 3:</i>
<i>Outputs Provided</i>	None	None
015201 Provision of cotton planting seeds		
015202 Seed multiplication		
015203 Farmer mobilisation and sensitisation for increasing cotton production and quality		
015204 Cotton targeted extension services		
015206 Mechanisation of land opening		

V2: Past Vote Performance and Medium Term Plans

This section describes past and future vote performance, in terms of key vote outputs and plans to address sector policy implementation issues.

(i) Past and Future Planned Vote Outputs

2013/14 Performance

Performance at Output level:

- Under provision of planting seed, CDO distributed 1,200 Mt of delinted and graded cotton planting seed to farmers in 52 districts in Eastern, Lango, Acholi, West Nile and Mid-West & Central and Western Regions.
- Seed multiplication – a bout 9,000 acres were planted by seed growers under the seed multiplication scheme in Pallisa, Rubirizi, Amolator, Hoima, Bulisa, Oyam Districts and prison farms in Abim, Alebtong, Loro and Erute and this produced 2,000 Mt of certified cottonseed.
- 3,101 demonstration plots were established (565 fertilizer demos, 2,375 agronomy demos & 161 herbicide demos) in Eastern, Northern, West Nile, Mid-West & Central and Western Regions and used for training farmers on the recommended agronomic practices for increasing production and improving quality.
- Extension services - 255 Field Extension Workers (FEWs) were trained and deployed in cotton growing areas to mobilize farmers for cotton production and train them using demonstration plots.
- Under provision of production inputs – a total of 424,466 units of pesticides, 375 Mt of fertilizer, 3,000 litres of herbicide, and 3,493 spray pumps were distributed to cotton farmers with financial support from ginners. Farmers were also trained on proper utilization of the inputs.
- CDO procured and distributed 2,000 ox ploughs to farmers' groups and medium scale farmers in Eastern, Northern, West Nile, Mid-West & Central Regions to facilitate timely and efficient land opening. In addition, tractor-hire services were organized for farmers and the 24 tractors ploughed over 10,400 acres.
- Under Project 1219 – Procurement of construction services was concluded and the site was handed over to the Contractor to commence construction.

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At intermediate outcome level, Uganda produced 78,364 bales of cotton lint which contributed about Sh.50 billion to household incomes and approximately US\$ 25 million in lint exports.

Preliminary 2014/15 Performance

- Under provision of planting seed, about 1,580 Mt of delinted and graded cotton planting seed were processed and supplied to farmers in 55 districts in Eastern, Northern, West Nile and Mid-West & Central and Western Regions.
- 333 extension workers (14 Assistant Field Officers, 51 Area Coordinators and 268 Site Coordinators/Lead farmers) were trained and deployed as trainers of farmers using demonstration plots.
- A total of 3,078 demonstration plots were established (380 with fertilizers, 2,522 for agronomy and 176 with herbicides) in Eastern, Northern, West Nile, Western and Mid-Western Regions and used to train cotton farmers on the recommended agronomic practices for increasing production and improving quality.
- 133 Mt of fertilizers, 433,592 units of Dimethoate & Karate pesticides and 851 spray pumps were taken up by farmers in Eastern, Northern, West Nile, Mid-West & Central and Western Regions
- Approximately 8,516 acres were established under seed multiplication and 6,083 seed growers were registered and trained on crop establishment and crop management.
- 24 tractors owned by Ginners & CDO were deployed and over 4,088 acres were ploughed in Q1 by the tractors in Eastern, Northern, West Nile, Mid-West & Central Regions & Western Regions.

Under Project 1219, the Contractor started mobilizing personnel and materials for construction. Bush clearing, excavation of foundations for the ginning and delinting halls and marking of profiles for future construction of the different structures commenced. The draft Occupational Safety and Health manual was also presented for review.

Table V2.1: Past and 2015/16 Key Vote Outputs*

<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	2014/15 Spending and Outputs Achieved by End Sept	2015/16 Proposed Budget and Planned Outputs
Vote: 155 Uganda Cotton Development Organisation			
Vote Function: 0152 Cotton Development			
Output: 015201	Provision of cotton planting seeds		
<i>Description of Outputs:</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 supplied to farmers in 55 districts in Eastern, Northern, West Nile and Mid West & Central and Western Regions	Organize and coordinate distribution of high quality cotton planting seeds to farmers in 59 cotton growing districts in Eastern, Northern, West Nile, Mid-West & Central and Western Regions.
<i>Performance Indicators:</i>			
No. of districts served with cotton planting seed	58	55	59
<i>Output Cost: US\$ Bn:</i>	0.250	<i>US\$ Bn:</i> 0.006	<i>US\$ Bn:</i> 0.250
Output: 015202	Seed multiplication		
<i>Description of Outputs:</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.	- 7 Mt of Nucleus and Foundation seed were obtained from NARO's National Semi Arid Resources Research Institute (NaSARRI) in Serere and 30 Mt of first generation certified seed were processed and distributed to Loro, Amuru, Patiko, Acholi P, Amita, Erute, Alebtong, Dokolo Prisons, Rubirizi, Amolatar, Buliisa,	Organize and mobilize seed growers to establish about 8,000 acres under seed multiplication in selected areas in Apac, Amuru, Pader, Kitgum, Alebtong, Dokolo, Rubirizi, Amolatar, Buliisa, Hoima, Masindi and Serere Districts which are expected to produce 3,000 Mt of certified seed. Note: Emphasis will be put on

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	2014/15 Spending and Outputs Achieved by End Sept	2015/16 Proposed Budget and Planned Outputs
		Hoima, Masindi and Serere for further multiplication. - 6,083 seed growers were registered and trained on crop establishment and crop management. - Distributed 24,400 units of pesticides and 200 spray pumps to seed growers. - Approximately 8,516 acres were established under seed multiplication by end of Sept. 2014.	increasing yields for better profitability rather than expanding acreage and thus increasing number of seed growers..
<i>Performance Indicators:</i>			
No. of seed growers registered and trained on seed production	10,000	6,083	5,500
<i>Output Cost: US\$ Bn:</i>	1.050	<i>US\$ Bn:</i> 0.052	<i>US\$ Bn:</i> 1.050
Output: 015203	Farmer mobilisation and sensitisation for increasing cotton production and quality		
<i>Description of Outputs:</i>	- Organize establishment of 3,500 demonstration plots for training farmers on the recommended agronomic practices for increasing production and quality.	- 3,078 demonstration plots were established (380 with fertilizers, 2,522 for agronomy and 176 with herbicides) in Eastern, Northern, West Nile, Western and Mid Western regions. - A total of 6,150 training sessions were conducted at the demonstration plots for over 38,000 farmers. - Extension messages on crop establishment and management were broadcast in 10 native languages using local radios. - An estimated 150,000 acres were planted to cotton in Eastern, Northern, West Nile, Western and Mid-Western Regions.	Organize establishment of 3,600 demonstration plots for training farmers on the recommended agronomic practices for increasing production and quality.
<i>Performance Indicators:</i>			
No. of training sessions conducted at the demos	10,500	6,150	10,800
No. of farmers trained during the training sessions	70,000	38,000	87,000
No. demonstration plots established for farmer training	3500	3,078	3,600
<i>Output Cost: US\$ Bn:</i>	1.810	<i>US\$ Bn:</i> 0.062	<i>US\$ Bn:</i> 1.890
Output: 015204	Cotton targeted extension services		
<i>Description of Outputs:</i>	Organize and coordinate the training and deployment of 280 Field Extension Workers (FEWs).	333 extension workers (14 Assistant Field Officers, 51 Area Coordinators and 268 Site Coordinators/Lead farmers) were trained and deployed as trainers of farmers.	Organize and coordinate the training and deployment of 350 Field Extension Workers (FEWs).

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	2014/15 Spending and Outputs Achieved by End Sept	2015/16 Proposed Budget and Planned Outputs
<i>Performance Indicators:</i>			
No. Extension workers trained	280	333	350
<i>Output Cost: US\$ Bn:</i>	0.200	<i>US\$ Bn:</i> 0.000	<i>US\$ Bn:</i> 0.205
Output: 015205	Provision of pesticides and spray pumps		
<i>Description of Outputs:</i>	- Organize and coordinate procurement and distribution of fertilizers, pesticides and spray pumps to farmers in cotton growing districts in Eastern, Northern, West Nile, Mid-West & Central and Western Regions.	- 250 Mt of Urea and NPK fertilizers, 213,660 units of Dimethoate, 565,608 units of Karate and 851 spray pumps were procured with financial support from Ginners and distributed to up-country centres. - 133 Mt of fertilizers, 433,592 units of Dimethoate & Karate and 851 spray pumps were taken up by farmers in 55 cotton districts in Eastern, Northern, West Nile, Mid West & Central and Western Regions by end of Q1.	Organize and coordinate procurement and distribution of production inputs to farmers in cotton growing districts in Eastern, Northern, West Nile, Mid-West & Central and Western Regions.
<i>Performance Indicators:</i>			
No. of districts served with pesticides and pumps	58	55	59
<i>Output Cost: US\$ Bn:</i>	0.100	<i>US\$ Bn:</i> 0.000	<i>US\$ Bn:</i> 0.100
Output: 015206	Mechanisation of land opening		
<i>Description of Outputs:</i>	Procure and distribute 1,000 ox-ploughs to cotton farmers in Eastern, Northern, West Nile, Mid West & Central Regions.	- Initiation of the procurement process for ox ploughs was deferred to allow for stakeholder consultations on availability of oxen needed for traction. - 24 tractors owned by Ginners & CDO were deployed and over 4,088 acres were ploughed in Q1 by the tractors in Eastern, Northern, West Nile, Mid West & Central Regions & Western Regions. - In addition, over 60,000 acres were ploughed by the 4,950 ox ploughs distributed in previous 4 seasons.	- Procure and distribute 1,000 ox-ploughs to cotton farmers in Eastern, Northern, West Nile, Mid West & Central Regions. - Organize tractor hire services for cotton farmers.
<i>Performance Indicators:</i>			
No. of ox ploughs procured and distributed to farmers	1,000	0	1,000
<i>Output Cost: US\$ Bn:</i>	0.385	<i>US\$ Bn:</i> 0.002	<i>US\$ Bn:</i> 0.380
Vote Function Cost	<i>US\$ Bn:</i> 5.992	<i>US\$ Bn:</i> 0.173	<i>US\$ Bn:</i> 6.071
Cost of Vote Services:	<i>US\$ Bn:</i> 5.991	<i>US\$ Bn:</i> 0.173	<i>US\$ Bn:</i> 6.071

* Excluding Taxes and Arrears

2015/16 Planned Outputs

Key planned outputs for the Cotton Sub-sector in FY 2015/16 will focus mainly on:

- Provision of cotton planting seeds with a target of distributing about 1,800 Mt of high quality cotton

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planting seed to farmers in 59 cotton growing districts.

- Organizing and mobilizing seed growers in selected seed multiplication areas Apac, Amuru, Pader, Kitgum, Alebtong, Dokolo, Rubirizi, Amolatar, Buliisa, Hoima, Masindi and Serere Districts with the aim of producing 3,000 Mt of certified seed for use in FY 2016/17.

- Organizing the establishment of 3,600 demonstration plots for training farmers on the recommended agronomic practices for increasing production and quality.

- Organizing and coordinating the training and deployment of 350 Field Extension Workers (FEWs) who will offer extension services to cotton farmers.

- Organizing the procurement and distribution of herbicides, fertilizers, pesticides and spray pumps to farmers in the cotton growing districts in Eastern, Northern, West Nile, Mid-West & Central and Western Regions.

- Conducting an Impact Assessment Study of ox-ploughs distributed in previous years and organizing tractor hire services for cotton farmers.

- Under Project 1219, CDO will complete fencing of new seed processing facility, construction of a ginning hall, an ablution block, a seed delinting hall and install water and electricity at the site. Installation of seed processing machinery will also be undertaken.

Table V2.2: Past and Medium Term Key Vote Output Indicators*

Vote Function Key Output Indicators and Costs:	2014/15		MTEF Projections			
	2013/14 Outturn	Approved Plan	Outturn by End Sept	2015/16	2016/17	2017/18
Vote: 155 Uganda Cotton Development Organisation						
Vote Function: 0152 Cotton Development						
No. of districts served with cotton planting seed		58	55	59	62	65
No. of seed growers registered and trained on seed production		10,000	6,083	5,500	5,500	5,500
No. demonstration plots established for farmer training		3500	3,078	3,600	3,700	3,800
No. of farmers trained during the training sessions		70,000	38,000	87,000	92,500	95,000
No. of training sessions conducted at the demos		10,500	6,150	10,800	11,100	11,400
No. Extension workers trained		280	333	350	380	410
No. of districts served with pesticides and pumps		58	55	59	62	65
No. of ox ploughs procured and distributed to farmers		1,000	0	1,000	1,000	1,000
Vote Function Cost (US\$ bn)	3.357	5.991	0.173	6.071		7.104
Cost of Vote Services (US\$ Bn)	3.357	5.991	0.173	6.071		7.104

Medium Term Plans

Medium term plans will focus on:

- Strengthening and consolidating the Ginners Cotton Production Support Program for continued support towards key cotton production activities with a view to reducing dependence on Government funding for the Sub-sector.

- Advocating for increased domestic value addition to lint as a means of reducing the impact of fluctuating World market prices on farm-gate prices of cotton.

(ii) Efficiency of Vote Budget Allocations

CDO has partnered with the private sector (ginners) who are contributing towards cotton production activities thus reducing dependence on Government to fund service delivery. FY 2015/16 non-wage budget allocation to provision of planting seed, seed multiplication, farmer mobilization and mechanization of land

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opening have remained the same as in FY 2014/15 because Vote 155 received the same MTEF. Similarly, cotton-targeted extension services and production inputs will entirely be funded by ginners and have therefore not been allocated any funds under the GOU non-wage component during FY 2015/16.

Table V2.3: Allocations to Key Sector and Service Delivery Outputs over the Medium Term

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Vote Budget			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
Key Sector	3.7	3.8	4.1	4.6	61.7%	62.2%	63.7%	64.7%
Service Delivery	3.8	3.9	4.2	4.7	63.3%	63.8%	65.3%	66.8%

NA

Table V2.4: Key Unit Costs of Services Provided and Services Funded (Shs '000)

Unit Cost Description	Actual 2013/14	Planned 2014/15	Actual by Sept	Proposed 2015/16	Costing Assumptions and Reasons for any Changes and Variations from Plan
<i>Vote Function: 0152 Cotton Development</i>					
Ox ploughs	295	300		300	Pices will remain stable.

(iii) Vote Investment Plans

About 61% of GOU funds for Vote 155 have been allocated to capital development in order to implement the establishment of CDO's own dressing processing plant, relocate CDO machinery to own premises and also to up-grade seed processing equipment in order to improve quality of planting seed.

Table V2.5: Allocations to Capital Investment over the Medium Term

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Vote Budget			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
Consumption Expenditure(Outputs Provided)	3.8	3.9	4.2	4.7	63.3%	63.8%	65.3%	66.8%
Investment (Capital Purchases)	2.2	2.2	2.2	2.4	36.7%	36.2%	34.7%	33.2%
Grand Total	6.0	6.1	6.4	7.1	100.0%	100.0%	100.0%	100.0%

CDO will continue with Phase 1 of the construction of a new seed processing facility in Pader District for handling processing of cottonseed for planting purposes.

Table V2.6: Major Capital Investments

Project, Programme	2014/15		2015/16	
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)	
Project 1219 Cotton Production Improvement				
015272 Government Buildings and Administrative Infrastructure	Continued and complete construction of buildings and structures under Phase 1.	- The site was handed over to the construction Contractor in June 2014. - Work done in Q1 included erection of site sign post, mobilization of machinery and personnel, approval of construction materials, excavation of foundations for the ginning and delinting halls and marking of profiles for future construction of the different structures. - The draft Occupational Safety and Health manual was presented for review. - Monthly meetings were held between CDO, the Contractor and the Project Manager to	Complete construction of buildings and structures under Phase 1 of the Project	

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Project, Programme	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
		review progress of work.	
Total	2,076,000	45,778	2,121,000
<i>GoU Development</i>	<i>2,076,000</i>	<i>45,778</i>	<i>2,121,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>

(iv) Vote Actions to improve Priority Sector Outcomes

ote 155 intends to undertake the following actions to improve performance:

- Intensify training of farmers on good agriculture practices using demonstration plots in order to increase yields and productivity for better profitability of cotton production.
- The ginners under their umbrella association; Uganda Ginners and Cotton Exporters' Association, in collaboration with CDO will promoting use of yield and quality enhancing inputs in cotton production by providing cotton planting seed, fertilizers, pesticides and spray pumps to farmers at reduced prices.
- CDO will work with the Cotton Research Program at NARO's National Semi-arid Resources Research Institute (NaSARRI) in Serere to improve generation and release of new cotton varieties that meet stakeholders' requirements in terms of drought, pest and disease tolerance, high yields and better lint characteristics.
- CDO made submissions in March 2013 to the Law Reform Commission regarding areas of the Cotton Development Act and the Cotton Regulations that require revision in order to improve vote function performance.

Table V2.7: Priority Vote Actions to Improve Sector Performance

2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
Sector Outcome 1: Agricultural Production and Productivity			
Vote Function: 01 52 Cotton Development			
<i>VF Performance Issue: Fluctuations in cotton prices</i>			
Avail high quality production inputs at reduced prices to encourage farmers to use them to increase yields and improve profitability.	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.	Intensify training of farmers on Best Agriculture Practices for increasing yields and improving profitability using demonstration plots.	Advocate for increasing domestic value addition to lint to reduce dependence on World market determined prices.
<i>VF Performance Issue: Increasing private sector (ginners) support to cotton production activities.</i>			
Implement the approved 2014/15 Cotton Production Program supported by the ginners and with increased participation of ginners in field activities.	Distributed production inputs (seed, fertilizers, pesticides, spray pumps & tractor hire services) and mobilised and trained farmers using demonstration gardens.	Monitor, supervise and advise on implementation of activities under the Cotton Production Program funded by the ginners.	Establish regulatory framework for private sector support towards cotton production activities.
Sector Outcome 2: Improved markets and increase in value addition			
Vote Function: 01 52 Cotton Development			
<i>VF Performance Issue: Low level of domestic Value Addition to lint and cottonseed</i>			
Sensitising stakeholders on the value addition options available along the cotton value chain and the importance and impact of	- CDO participated in the exhibition held during the launch of the National Agriculture Policy on 5th Sept., 2014 at Munyonyo	Participate in exhibitions and trade fairs to promote and create awareness about the numerous Value addition opportunities along the cotton	Mobilise resources for supporting domestic value addition ventures.

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2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
increased domestic value addition to lint and cotton.	Commonwealth Resort and the one held during the 2014 Joint Agriculture Sector Annual Review (JASAR) on 29 – 30 Sept., 2014 at Munyonyo with major emphasis on investment opportunities available along the cotton value chain. - Feedback from the exhibitions indicated that they were very informative and acted as an eye opener to the participants on the wide range of products made locally from cotton.	value chain.	

V3 Proposed Budget Allocations for 2015/16 and the Medium Term

This section sets out the proposed vote budget allocations for 2015/16 and the medium term, including major areas of expenditures and any notable changes in allocations.

Table V3.1: Past Outturns and Medium Term Projections by Vote Function*

	2013/14 Outturn	2014/15		MTEF Budget Projections		
		Appr. Budget	Spent by End Sept	2015/16	2016/17	2017/18
Vote: 155 Uganda Cotton Development Organisation						
0152 Cotton Development	3.357	5.991	0.173	6.071	6.401	7.104
Total for Vote:	3.357	5.991	0.173	6.071	6.401	7.104

(i) The Total Budget over the Medium Term

Vote 155 has been allocated a total of Sh.3.586 billion. 61% of this is for development activities while 39% is for non-wage recurrent activities with emphasis on seed multiplication, farmer mobilization and sensitization, mechanization of land opening and provision of cotton planting seed.

(ii) The major expenditure allocations in the Vote for 2015/16

The major expenditure allocations (61% of total budget) are for construction of a new seed processing facility in Pader District for ginning and processing cottonseed for planting purposes.

(iii) The major planned changes in resource allocations within the Vote for 2015/16

None. MTEF has remained the same.

Table V3.2: Key Changes in Vote Resource Allocation

Changes in Budget Allocations and Outputs from 2014/15 Planned Levels:			Justification for proposed Changes in Expenditure and Outputs
2015/16	2016/17	2017/18	
<i>Vote Function: 0171 Cotton Development</i>			
Output: 0152 71 Acquisition of Land by Government			
<i>US\$ Bn:</i> -0.060	<i>US\$ Bn:</i> -0.060	<i>US\$ Bn:</i> -0.060	
The activities relating to acquisition of land have been completed.			
Output: 0152 77 Purchase of Specialised Machinery & Equipment			
<i>US\$ Bn:</i> 0.015	<i>US\$ Bn:</i> -0.060	<i>US\$ Bn:</i> -0.060	Full use of the machines will depend of completion and commissioning of installed machines.
Funds will be needed to complete installation and commissioning of	No more funded needed for machinery.		

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Changes in Budget Allocations and Outputs from 2014/15 Planned Levels:			Justification for proposed Expenditure and Outputs	Changes in
2015/16	2016/17	2017/18		
machinery.				

V4: Vote Challenges for 2015/16 and the Medium Term

This section sets out the major challenges the vote faces in 2015/16 and the medium term which the vote has been unable to address in its spending plans.

Vote 155 Cotton Development Organisation was allocated a total Sh. 3.586 billion for FY 2015/16 of which Sh. 1.390 billion is for Non-wage recurrent expenditure and Sh.2.196 billion is for development expenditure. The Sh.2.196 billion allocated to the development expenditure will reduce the Project funding gap from Sh.4.411 billion to Sh. 2.215 billion.

In order to manage this funding gap of Sh. 2.215 billion and given the need to expedite completion and commissioning of the Seed Processing Plant (Phase 1), we suggested to the PS/ST the following:

1. Re-allocation of Sh.500 million from the Non-wage recurrent budget to the development budget for FY 2015/16. This Sh.500 million will be obtained as follows:

- Sh.170 million from Output 015202 – seed multiplication
- Sh. 330 million from Output 015206 – Mechanization of land opening

This will reduce the Project funding gap from Sh. 2.215 billion to Sh.1.715 billion.

2. We are therefore appealing for consideration to increase the budget ceiling for CDO Vote 155 for FY 2015/16 from the current Sh.3.586 billion to Sh.5.301 billion (i.e. by an additional Sh.1.715 billion for the Development component).

Table V4.1: Additional Output Funding Requests

Additional Requirements for Funding and Outputs in 2015/16:	Justification of Requirement for Additional Outputs and Funding
<i>Vote Function:0172 Cotton Development</i>	
Output: 0152 72 Government Buildings and Administrative Infrastructure	
<i>US\$ Bn:</i> 2.215	<i>Commissioning of the new seed processing plant at Pader will facilitate timely processing and distribution of high quality planting seed to the major cotton growing area of Northern Uganda.</i>
In order to bring the Seed Processing plant to a functional level within the first Phase of construction, additional funds are required for: <ul style="list-style-type: none"> - Construction of storage facilities (for seed cotton, lint bales, fuzzy cottonseed and processed seed) - Construction of the main store (for other items and equipment) - Construction of Front office/Weigh Bridge - Construction of Workshop 	

This section discusses how the vote's plans will address and respond to the cross-cutting policy, issues of gender and equity; HIV/AIDS; and the Environment, and other budgetary issues such as Arrears and NTR..

(i) Cross-cutting Policy Issues

(i) Gender and Equity

Objective: Contributing to household income, food security and better nutrition

Issue of Concern : High level of rural poverty, food insecurity and poor nutrition

Proposed Interventions

- Promote cotton production as an income generating enterprise for rural women and men
- Provide ox ploughs and tractor hire services for mechanizing of land opening for cotton production and production of food crops
- Avail key cotton production inputs (seed, fertilizers, pesticides, spray pumps) at affordable prices.

Vote: 155 Uganda Cotton Development Organisation

Vote Summary

Budget Allocations UGX billion 0.4

Performance Indicators

- Amount of money contributed by cotton to household incomes
- Quantities and types of production inputs supplied to farmers
- Acreage ploughed for food crops

Objective: Increasing access to cotton information and training by women and men

Issue of Concern : Inadequate access to production information and training opportunities.

Proposed Interventions

- Establish demonstration gardens for training female and male cotton farmers
- Broadcast extension messages in local languages using local radios
- Print and distribution pamphlets/flyers with extension messages on crop husbandry

Budget Allocations UGX billion 0.2

Performance Indicators

- No. of demonstration gardens established
- No. of extension messages aired
- No. of pamphlets/flyers distributed

Objective: Increasing access to cotton production inputs by women and men

Issue of Concern : High cost of production inputs

Proposed Interventions

- Supply key cotton production inputs (seed, fertilizers, pesticides, spray pumps) to female, male and youth cotton farmers at affordable prices.
- Provide tractor hire services at affordable rates

Budget Allocations UGX billion 0.15

Performance Indicators

- Quantities and types of production inputs supplied to female and male
- Acreage ploughed by tractors

(ii) HIV/AIDS

(iii) Environment

(ii) Payment Arrears

The table below shows all the payment arrears outstanding for the Vote:

(ii) Non Tax Revenue Collections

The table below shows Non-Tax Revenues that will be collected under the Vote:

Source of NTR	US\$ Bn	2013/15 Actual	2014/15 Budget	2014/15 Actual by Sept	2015/16 Projected
Miscellaneous receipts/income		0.400	0.020		0.080
Other Fees and Charges		2.295	2.290		2.310
Rent & rates – produced assets – from private entities		0.040	0.095		0.095

Vote: 155 Uganda Cotton Development Organisation

Vote Summary

	Total:	2.735	2.405	2.485
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NTR forecasts will depend on actual volume of cotton produced and price of lint. NTR will be spent on administrative costs, regulatory services and assets replacement.