

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 (US\$ Billion, excluding taxes and arrears)

	2013/14 Outturn	2014/15		MTEF Budget Projections			
		Approved Budget	Spent by End Sept	2015/16	2016/17	2017/18	
Recurrent	Wage	143.331	160.696	39.372	160.696	191.309	191.328
	Non Wage	248.525	688.115	53.829	550.248	660.213	660.318
Development	GoU	240.105	307.783	132.152	244.212	292.468	292.497
	Ext. Fin.	0.817	31.872	2.834	77.209	183.835	0.000
GoU Total		631.962	1,156.594	225.353	955.156	1,143.990	1,144.143
Total GoU+Ext Fin. (MTEF)		632.779	1,188.466	228.186	1,032.365	1,327.825	1,144.143
<i>Non Tax Revenue</i>		<i>0.000</i>	<i>9.010</i>	<i>0.012</i>	<i>3.510</i>	<i>4.005</i>	<i>9.400</i>
Grand Total		632.779	1,197.476	228.174	1,035.875	1,331.830	1,153.543

* Excluding Taxes and Arrears

(ii) Sector Contributions to the National Development Plan

The goal of Accountability Sector is; To achieve a transparent, responsive and accountable public sector that delivers value for money services in a timely manner. The Sector facilitates incorporation of accountability issues into the broader national framework.

The Sector Strategic Investment Plan focuses on five strategic areas as outlined below;

1. Improved budget credibility
2. Value for money in utilization of resources
3. Corruption Combated
4. Visible public participation in accountability
5. Harmonized plans, budgets and interventions towards promotion of accountability

The five outcomes are aligned to National Development Plan objective (g) of the NDP which provides for strengthening good governance, defense and security and further amplified by Chapter 6 section 6.5 of the Uganda Vision 2040 also emphasizes this role. This objective envisages improved levels of socio-economic and corporate governance. This in turn increases public trust in the Government operations as well as advancing the quality of service delivery.

Improved budget credibility

Accountability Sector recognises that enhancing planning, mobilization and allocation of government resources as well as budgetary controls are key for improving budget credibility and predictability. This will be achieved through; widening the tax base, developing appropriate policies, improving domestic revenue forecasting, coverage of donor projections over the medium term, enhancing budget transparency, operationalising a contingencies fund to address emergencies leading to frequent supplementary funding

Value for money in utilization of resources

The development and reinforcement of a strong culture of compliance is important in delivering Value for Money in utilization of resources. The sector plans to enhance compliance to accountability policies,

Section 3: Accountability Sector

service delivery standards and regulations through; enhancing and harmonizing the legal and regulatory framework, ensuring follow up and implementation of recommendations made by oversight institutions, strengthening of oversight function, enforcement of the regulatory frame work and service delivery standards and streamlining inspection function

Corruption Combated

Corruption remains an impediment to development and a barrier to poverty reduction in Uganda. The Accountability Sector recognises that the need to fight against Corruption is key for improved availability and access to quality service. The sector has prioritized strengthening efforts to combat corruption and enhancing prevention, detection and elimination of corruption that will be realized through; strengthening the institutional and legal framework, capacity of investigation and prosecution function, ombudsman function, enforcement of the existing legal framework and increasing public awareness on corruption

Visible public participation in accountability

The quality of accountability is largely determined by the extent of public involvement. Accountability requires public service agencies to inform the public about and to justify their plans, actions, behaviors and results. The Accountability Sector seeks to build opportunities and systems to facilitate and enable the public to engage Government on public policy making, contribute to the setting of priorities and to demand for accountability in service delivery. The key strategies to this objective include: promotion of active communication between implementers of programmes and the public, strengthen the demand side of accountability for service delivery

Harmonized plans, budgets and interventions towards promotion of accountability

A well-coordinated sector ensures a common focus on attainment of sector goals. It eliminates duplication of effort, avoids resource wastage and aligns institutional and sector development plans to achievement of national strategic objectives. The Sector recognises that effective coordination and collaboration is necessary for the institutions to work as a unit to attain sectoral national accountability goals. To achieve this, the Sector seeks to enhance involvement and awareness of Members and other stakeholders' in the sector, strengthen the Secretariat for Accountability, Sector Strategic planning and harmonise sector development programmes

The Sector objectives which guide the medium term outputs and resource allocations are

1. To strengthen coordination and collaboration amongst sector institutions
2. To enhance planning, mobilization, and allocation of government resources
3. To improve compliance with accountability rules and regulations
4. To Strengthen Public Demand for Accountability
5. To enhance prevention, detection and elimination of corruption

This is intended to achieve a transparent, responsive and accountable public sector that delivers value for money services in a timely manner in line with the NDPII and Vision 2040.

(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

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.

Section 3: Accountability Sector

A credible and consistent budget is vital for enhancing accountability in public revenues and expenditure management. Budget discipline is measured by the variance between allocations and releases. The PEFA Report, 2012, noted the deterioration in budget credibility and discipline as evidenced by huge variances between actual aggregate government expenditures and the originally approved budget amounts. However, the Sector has registered an improvement in budget credibility based on approved budget compared to release from 88.12% in FY2011/12 to 90.4% in FY2013/14. This is attributed to improved budget discipline and revenue forecasting. Similarly, the absorptive capacity for service delivery expenditure has improved overtime from 98.77% in FY2011/12 to 99.21% in FY2013/14 with exception of the water and environment sector which had the lowest absorption of 79.6% with an improvement from 64.6% in FY2012/13. There are strong measures which have been put in place to improve budget credibility; increased allocation of funds in accordance to work plans which are linked to the attainment of the NDP short-term and long-term goals, enhancing the functionality and usage coverage of the Output Budgeting Tool (OBT) to make it more comprehensive and improve alignment of budget preparation to procurement planning and execution.

There was reduction in arrears as % of total expenditures for FY N-2 with an outturn of 3.5% which is an indication of good progress. The Sector is working with the Utility Companies to roll out the prepayment system for utilities starting with water in order to address the problem of accumulation of utility bills and eliminate domestic arrears.

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

Improving the delivery of public value for the limited resources available is key to ensuring greater accountability for the use of public funds. The Sector has focused on enhancing compliance to accountability policies, service delivery standards and regulations. Various measures have been put in place to enhance and enforce the legal and regulatory framework to ensure effective and efficient use of public resources for better service delivery. These include; the passing of the Public Finance Management Act soon to be operationalised provides for a robust framework for planning, allocation, control and management of the public finances, the amendment of the PPDA Act 2003 and the attendant Central Government Regulations will reduce delays, increase efficiency, transparency and accountability in the procurement process, upgrading of IFMS across the central and local governments to fix areas of leakage and build in additional security features, implementation of the Treasury Single Account (TSA) for better liquidity management and resource allocation, restricting Cash withdrawals to 40 million per month per vote including projects reduce the amount of public funds exposed to fraudulent abuse

There has been an improvement in compliance to Accountability Policies in FY 2013/14 with 58% of central government (CG) entities getting clean reports compared to 45% in FY 2012/13, 37% of local governments (LG) audit reports in FY 2013/14 were clean compared to 32% in FY 2012/13, 62% of statutory bodies audit reports in FY 2013/14 were clean compared to 41% in FY 2012/13. There was significant improvement in compliance level with accountability policies in statutory bodies by 21%. Compliance with PPDA laws and regulations continued to gradually improve; 88% of the contracts (by contract value) were subjected to open competition in FY 2013/14 up from 74% in FY 2012/13. This is due to improved monitoring and reporting on procurements, 29% of the contracts in the MDAs had complete procurement records in FY 2013/14 up from 17% in FY 2012/13, implementation of PPDA audit recommendations slightly declined- 78% of the audit recommendations were implemented in FY 2013/14 compared to 89% in FY 2012/13.

This is due to general laxity on the part of the Accounting Officers and the Heads of the Procurement Units to ensure there is completeness in records and compliance to accountability policies, service delivery standards and regulations.

The Accountability Sector Investment Plan has identified more strategies to improve compliance to accountability policies, service delivery standards and regulations. These include; following up and

Section 3: Accountability Sector

implementation of recommendations made by oversight institutions, strengthening of oversight function, enforcement of the regulatory frame work and service delivery standards and streamlining inspection function. This is intended to address abuse of discretion, inadequate technical and logistical capacity, limited monitoring and inspection, lack of enforcement mechanism for administrative actions among others

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

The performance in revenue mobilisation against GDP is critical in determining a country's economic growth and development. The Accountability Sector Investment Plan focuses on improving domestic revenue collection, strengthening macro-economic analysis, forecasting revenue collection, improving donor projections as measures to enhance planning and resource mobilization.

In FY 2013/14, the economic growth slowed-down as evidenced by the decline in GDP by 0.4 percentage points from 5.1% in FY 2012/13 to 4.7% in FY 2013/14. This is due to lower private investment outturns and slow sectoral growth of the telecommunications subsector and fisheries subsectors despite stable inflation at 6.7%. The percentage of revenue as a share of GDP has remained fairly constant over the period 2010/11 – 2013/14, averaging at 13.1%. In FY 2013/14, revenue as a share of GDP declined marginally from 13.4% in 2012/13 to 13.3% on account of lower-than-expected economic growth. The decline in performance in revenue collection was attributed mainly to the shilling appreciation and lower domestic demand during the year. With this trend, the medium term goal of government towards increasing revenue to GDP ratio closer to sub-Saharan average of 20% is threatened. The exchange rate in FY 2013/14 was stable at UGX 2538 on average compared with UGX 2595 in the previous fiscal year.

The Sector is implementing various tax measures to raise revenue, increase transparency in collection and enforcement and improve tax compliance so as to increase revenue to GDP ratio closer to sub-Saharan average of 20%. These include; widening the tax base, investment in e-TAX, ASYCUDA World, Electronic Cargo Tracking System (ECTS), Data Warehouse, strengthening the legal frame, tax education

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>			
Outcome and Outcome Indicator	Baseline	2015/16 Target	Medium Term Forecast
Total value of supplementary appropriations as a % of approved budget	7 (2011/12)	5	5 (2017/18)
% of funds utilized against funds released(CG on IFMIS)	96 (2011/12)	99	99 (2017/18)
% of funds released against originally approved estimates	98 (2011/12)	99	99 (2017/18)
Arrears as % of total expenditure for FY N-2	6.6 (2011/12)	4	4 (2017/18)

Performance for the first quarter of the 2014/15 financial year

Budget Preparation, Execution and Monitoring

The sector prepared Budget Options Paper for FY 2015/16, Wage Bill Cash Limits and Expenditure Performance for the FY 2014/15, Budget Estimates for Salaries and Wages both Central and Local Government Votes for the FY 2014/15, monthly wage bill performance reports for Quarter one, Pension and gratuity requirements for FY 2014/15, Budget Estimates FY 2014/15, Annual Budget Performance

Section 3: Accountability Sector

report (ABPR), Budget Highlights, Popular versions of Budget Documents. Also reviewed the LG Budgeting structure in line with the Performance Based Budgeting (PBB), LG Budgeting and reporting requirements were validated in preparation for the online budgeting system.

Table S2.2: Performance Targets FY2015/16 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>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
Vote: 008 Ministry of Finance, Planning & Economic Dev.			
<i>Vote Function: 1401 Macroeconomic Policy and Management</i>			
Output: 140102	Domestic Revenue and Foreign Aid Policy, Monitoring and Analysis		
<i>Performance Indicators:</i>			
Number of revenue performance reports produced	14	3	14
Number of MDAs monitored for Non Tax Revenue	50	50	50
External resources mobilized as a percentage of the National Budget.	16	4.37	16
<i>Output Cost (US\$ bn):</i>	2.322	0.474	2.349
Output: 140151	Pension Regulation services		
<i>Output Cost (US\$ bn):</i>	0.500	0.125	0.100
<i>Vote Function: 1402 Budget Preparation, Execution and Monitoring</i>			
Output: 140201	Policy, Coordination and Monitoring of the National Budget Cycle		
<i>Performance Indicators:</i>			
Total value of supplementary appropriations as a % of approved budget			3
Arrears as a % of total expenditures FY N-2	3	0.31	3
% of funds utilized against funds released (CG on IFMS)	98	90.3	98
<i>Output Cost (US\$ bn):</i>	11.275	1.529	10.199
Output: 140202	Policy, Coordination and Monitoring of the Local Government Budget Cycle		
<i>Performance Indicators:</i>			
% of Local Governments submitting the final Quarter 4 performance report within 3 months of the end of year	88	133	88
<i>Output Cost (US\$ bn):</i>	2.853	0.303	2.851
Output: 140204	Coordination and Monitoring of Sectoral Plans, Budgets and Budget Implementation		
<i>Output Cost (US\$ bn):</i>	3.129	0.392	4.129

* Excludes taxes and arrears

2015/16 Planned Outputs

Budget Preparation, Execution and Monitoring

The sector plans to execute the following key deliverables; prepare and disseminate the Medium Term Expenditure Framework (MTEF) for FY 2015/16-2018/19, Budget Speech for FY 2016/17, sectoral expenditure policy guidelines for FY 2015/16 to inform sectors on the key expenditure policies and priorities of the Government, National Budget and Local Government Budget Framework Papers, Quarterly

Section 3: Accountability Sector

Budget Performance Reports consolidated into the Annual and Semi Annual Performance Reports, prepare and publish the Public Investment Plan for FY 2016/17 and Approved Budget Estimates for both Central and Local Governments for FY 2015/16.

Prepare and publish supplementary Schedules, Supplementary Bill 2015 as well as the appropriation Bill 2015 submitted to Parliament. Prepare and issue Budget Execution Circulars for FY 2015/16 and the Budget Call Circulars (BCC) for FY 2016/17, Quarterly report on the financial and physical performance of Rural Transport Infrastructure (RTI), and Mount Elgon labour-based Training Centre produced and disseminated to DANIDA and other key stakeholders.

Medium Term Plans

Re-orienting the budget system from the Output Oriented Budgeting (OOB) to Program Based Budgeting aimed at the result/outcome oriented focus of the budget with clearly defined outcomes and key performance indicators so as to improve efficiency, effectiveness and equity of Government expenditure.

Ensure improved Government effectiveness through prudent allocation of resources, performance monitoring and evaluation to enhance service delivery and accountability

Actions to Improve Outcome Performance

The Sector through MoFPED will ensure that funds are allocated in accordance with work plans which are linked to the attainment of the NDP short-term and long-term goals. This shall eliminate unnecessary allocations and reallocation of resources which are not in line with the agreed upon outputs, work plans and procurement plans. The Budget Monitoring and Accountability Unit is mandated to carry out annual and quarterly Budget monitoring and produce periodic reports and Policy briefs which facilitate identification of inefficiency in allocation and use of public funds.

Budgeting timelines have been changed to ensure that budget approval process is done before the beginning of the Financial Year to allow for proper planning and predictability of the budget execution.

Enhance the functionality and usage coverage of the Output Budgeting Tool (OBT) to make it more comprehensive and improve alignment of budget preparation to procurement planning and accountability. This will entail an integration of budgeting and accounting systems for better budget execution and control as well as ease reconciliation of budget performance information

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>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
Vote: 008 Ministry of Finance, Planning & Economic Dev.			
Vote Function: 14 01 Macroeconomic Policy and Management			
Dynamic CGE Model implemented	Progress report on Implementation of static and dynamic CGE model produced	Dynamic CGE Model implemented	Set up Statistical Unit. Transfer econometric modelling skills to the technical staff for sustainability of the tool.
Database for Computable General Equilibrium model developed from the Supply and Use Tables(SUT) and Social Accounting Matrix (SAM)	Progress report on Implementation of the Micro-Simulation Model produced	Database for Computable General Equilibrium model developed from the Supply and Use Tables(SUT) and Social Accounting Matrix (SAM)	
Macroeconomic forecasting results produced		Macroeconomic forecasting results produced	
Results from the SUT/SAM produced		Results from the SUT/SAM produced	
Vote Function: 14 02 Budget Preparation, Execution and Monitoring			

Section 3: Accountability Sector

<i>Sector Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
Avail resources in line with the available resource envelope and planned activities in the SIPs	Availed 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	Improvement in Public Procurement The procurement process for the planned 20 procurement audits commenced. Actual implementation of the audits is scheduled to commence in the subsequent quarter. The procurement process for a consultant to develop a simplified version of the procurement law for both the central and local government also started during the period. The contracting of the consultant is scheduled to be finalized by the end of the next quarter.	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
Rollout IFMS to 12 hybrid Votes in central Government IFMS rolled out to 50 more Donor Funded Projects (DFPs)	Rolled out IFMS to 1 hybrid Vote in central Government IFMS data centres and 113 sites supported to remain connected to the network Set-ups for the IFMS roll-out to Donor Funded Projects carried out in nine projects	1. IFMS rolled out to 4 hybrid Votes in central Government 2. IFMS rolled out to 20 more Donor Funded Projects (DFPs)	Train staff to manage IFMS sites and retain the staff
DMFAS training for new users Staffing and capacity building of the NAO support Unit Reviewing and harmonising Bank Accounts in Line with TSA Implementation	Legacy database Reviewed, maintained and TSA reconciliations made Review of Financial Reporting Template Staffing and capacity building of the NAO support Unit	DMFAS training for new users Staffing and capacity building of the NAO support Unit Reviewing and harmonising Bank Accounts in Line with TSA Implementation. Public Debt records reconciled	All inflows to be captured in database Training of all involved staff Review of financial packages
Vote: 141 URA			
Vote Function: 14 54 Revenue Collection & Administration			
-Implement the tax investigation programme. -Strengthen the litigation & Debt recovery function -Implement the tax investigation programme. -Strengthen the litigation & Debt recovery functions -Roll out the Authorised Economic Operator Programme	The tax investigation program was implemented and staff in different stations were sensitised on the same. The litigation and debt recovery function was strengthened, leading to winning of 15 cases out of 19 in favour of URA, and the recovery of UGX 19.74Bn from	-Strengthen litigation and prosecution function -Implement the national audit plan -Operationalize the oil and gas division -Implement the joint compliance strategy -Enhance risk selectivity profiling -Strengthen post clearance audits	Managing Copmliance Programme: -Service Support Enhancement -Customs Business Systems -Enhancement -Integrated Tax System

Section 3: Accountability Sector

<i>Sector Outcome 1: Efficient service delivery through formulation and monitoring of credible budgets.</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
	debts. The AEO program was rolled out and 12 operators have been authorised.		
Develop and Implement standardized staff development programs	A staff training needs analysis and planner were developed and circulated to all staff. The training planner is being implemented.	Implementation of the training planner	Capacity Building: The capacity building program for medium term strategy has been designed in accordance with the Strategy, Maintenance and Leadership (STRAMAL) Model that is premised on three pillars namely: Strategy: Maintenance & Leadership
Implement the training planner		Operationalise(STRAMAL) Model that is premised on three pillars namely: Strategy: Maintenance & Leadership.	

(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>			
Outcome and Outcome Indicator	Baseline	2015/16 Target	Medium Term Forecast
% of PPDA audit recommendations implemented	80 (2012/13)	100	100 (2017/18)
% of contracts with complete procurement records (by number)	20 (2012/13)	100	100 (2017/18)
% of contracts subject to open competition (by contract value)	74 (2012/13)	80	80 (2017/18)
% clean audit reports (central, local and statutory bodies)	34.3 (2009/10)	52	56 (2017/18)

Performance for the first quarter of the 2014/15 financial year

Public Financial Management

The Sector rolled out IFMS to 1 hybrid Vote in central Government, supported IFMS data centers in 113 sites to remain connected to the network, effected salary decentralization to last 76 Local Governments, supported IFMS and IPPS Interface payroll rollout, consolidated and produced Accounts for the Financial Year ending 2013/2014, reviewed and reconciled all bank accounts and produced reports on Inspections of Local Governments. In a bid to strengthen public financial management systems, the Treasury Single Account system was operationalized, DMFAS was posted with both external and domestic debt disbursements and repayments for the quarter, the Sector processed 150 disbursements to; ADB, IFAD, OPEC, BADEA, KFW, WORLD BANK, CHINA and carried out reconciliation of on-lent loans. To strengthen coordination and collaboration, Accountability Sector review was conducted and ASSIP launched, produced quarterly assurance report, conducted 5 special audits, provided computerized Financial Management System (NAV Post implementation support) in Uganda's Foreign; upgraded Navision System in three Missions (Aduja, China -Beijing, Guangzhou and Dar es Salaam), piloted computerized eight Public Universities and Self Accounting Tertiary Institutions

External Audit

The Sector completed and reported on 807 financial audits, 10 Value for Money and 3 specialized audits were in progress. The Audit House was completed and commissioned, construction of Mbarara regional office was 75% complete

Regulation of Procurement and Disposal Systems

The Sector carried out 46 procurement audits, 20 investigations and made follow ups in 12 Entities to

Section 3: Accountability Sector

assess the implementation of audit recommendations. The Sector conducted two procurement Barazas attended by 392 participants, conducted a survey to update the list of the common user items and their average prices, handled 14 applications for administrative review, of these, five were upheld and nine rejected.

Governance and Accountability

The sector conducted training to integrate ethical values in two PTCs (Arua and Lodonga Core PTCS), built capacity of District Integrity Promotion Forum (Masaka and Rakai), conducted sensitization seminars for 13 schools in Kampala district on the danger of drug abuse and immorality, two IAF sub working Group meetings disseminated anti corruption laws in Mukono, Buvuma Island, Buikwe and Kayunga districts. The Sector also initiated legislation for Anti Corruption Court, developed IEC materials for the dissemination of National ethical values Policy, reviewed the Zero Tolerance to Corruption Policy, reviewed the Qui Tam law principles and developed Citizens's Handbook on anti corruption.

Table S2.2: Performance Targets FY2015/16 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>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets	
Vote: 008 Ministry of Finance, Planning & Economic Dev.				
<i>Vote Function: 1401 Macroeconomic Policy and Management</i>				
Output: 140151	Pension Regulation services			
<i>Output Cost (US\$ bn):</i>	0.500	0.125	0.100	
<i>Vote Function: 1403 Public Financial Management</i>				
Output: 140301	Accounting and Financial Management Policy, Coordination and Monitoring			
<i>Performance Indicators:</i>				
Number of Payroll audit reports produced.	2	0	2	
Number of foreign missions audited.	5	0	0	
Number of Audit reports on IT Activities produced.	2	0	4	
<i>Output Cost (US\$ bn):</i>	11.544	2.660	12.789	
Output: 140302	Management and Reporting on the Accounts of Government			
<i>Performance Indicators:</i>				
Number of Public Universities piloted on the Computerized Education Management and Accounting System.	3	8	3	
Number of missions upgraded within the Navision System	32	3	32	
<i>Output Cost (US\$ bn):</i>	5.668	1.052	4.078	
Output: 140303	Development and Management of Internal Audit and Controls			
<i>Performance Indicators:</i>				
Number of PDEs inspected.	40	0	40	
<i>Output Cost (US\$ bn):</i>	1.832	0.545	3.161	
Output: 140304	Local Government Financial Management Reform			
<i>Output Cost (US\$ bn):</i>	4.032	0.733	5.349	
Output: 140305	Strengthening of Oversight (OAG and Parliament)			

Section 3: Accountability Sector

<i>Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
<i>Output Cost (US\$ bn):</i>	0.102	0.000	0.275
Vote: 103 Inspectorate of Government (IG)			
<i>Vote Function: 1451 Corruption investigation ,Litigation & Awareness</i>			
Output: 145102	Investigations/operations		
<i>Performance Indicators:</i>			
Number of follow-ups undertaken on project inspection/monitoring recommendations	12	0	12
% of backlog cases completed	70%	0	70
% of corruption complaints investigated and completed	85%	78	500
<i>Output Cost (US\$ bn):</i>	2.688	0.001	2.900
Output: 145103	Prosecutions & Civil Litigation		
<i>Performance Indicators:</i>			
Number of judicial review cases concluded	12	3	12
Number of corruption cases prosecuted and completed.	50	12	50
<i>Output Cost (US\$ bn):</i>	2.446	0.000	3.578
Output: 145104	Education and Public Awareness		
<i>Performance Indicators:</i>			
Number of sensitisation programmes conducted.	15	2	15
Number of partnerships and institutions supported	20	8	20
Number of IEC materials developed and disseminated. (Sets)	4	1	4
<i>Output Cost (US\$ bn):</i>	1.841	0.006	1.647
Output: 145105	Decentralised Anti - corruption programmes		
<i>Performance Indicators:</i>			
Number of follow-ups undertaken on IG recommendations	12	0	12
% of funds recovered from MDALGs as recommended during investigations	50%	64	50
% of corruption complaints investigated and completed	90%	120	1,200
<i>Output Cost (US\$ bn):</i>	11.520	0.005	11.725
Output: 145106	Verification of Leaders' Declarations		
<i>Performance Indicators:</i>			
Number of leaders investigated for breach of Leadership Code	20	2	20
Number of leader's declarations verified	50	15	50
Compliance rate for leaders	100%	0	100

Section 3: Accountability Sector

<i>Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>				
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets	
required to file declaration forms				
<i>Output Cost (US\$ bn):</i>	2.228	0.000	2.232	
Output: 145107	Ombudsman Complaints, Policy and Systems Studies			
<i>Performance Indicators:</i>				
Number of systemic investigations conducted	8	2	8	
Number of Ombudsman investigations concluded.	150	16	150	
Number of Policy and Systems Studies completed.	4	0	4	
<i>Output Cost (US\$ bn):</i>	1.783	0.000	1.855	
Vote: 112 Ethics and Integrity				
<i>Vote Function: 1452 Governance and Accountability</i>				
Output: 145201	Formulation and monitoring of Policies, laws and strategies			
<i>Performance Indicators:</i>				
No. of functional IAF working groups	4	2	4	
<i>Output Cost (US\$ bn):</i>	0.924	0.133	1.192	
Output: 145202	Public education and awareness			
<i>Output Cost (US\$ bn):</i>	0.997	0.237	1.175	
Output: 145204	National Anti Corruption Strategy Coordinated			
<i>Output Cost (US\$ bn):</i>	0.274	0.061	0.432	
Vote: 131 Auditor General				
<i>Vote Function: 1453 External Audit</i>				
Output: 145301	Financial Audits			
<i>Performance Indicators:</i>				
No of Statutory Bodies Audited	91	9	69	
No of projects audited	134	0	195	
No of MDAs Audited	109	0	113	
No of Higher LGs Audited (including Town councils and sub-counties)	1,007	0	1,007	
No of forensic investigations and special audits conducted	46	19	60	
<i>Output Cost (US\$ bn):</i>	21.564	5.409	21.430	
Output: 145302	Value for Money Audits			
<i>Performance Indicators:</i>				
No of VFM Audits conducted	16	0	16	
<i>Output Cost (US\$ bn):</i>	8.539	2.500	7.961	
Vote: 153 PPDA				
<i>Vote Function: 1456 Regulation of the Procurement and Disposal System</i>				
Output: 145601	Procurement Audit and Monitoring			
<i>Performance Indicators:</i>				
No. of procurement audits completed	80	46	100	

Section 3: Accountability Sector

<i>Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
No. of follow-up procurement audits and investigations recommendations	80	12	100
<i>Output Cost (US\$ bn):</i>	1.558	0.511	1.611
Output: 145603	Legal and Advisory services		
<i>Performance Indicators:</i>			
Level of adherence to service standards (Number of MDAs inspected)	150	0	120
<i>Output Cost (US\$ bn):</i>	1.160	0.287	1.157

* Excludes taxes and arrears

2015/16 Planned Outputs

Public Financial Management

The sector will support IFMS data Centers and 180 IFMS sites to remain connected to the network; further rollout of IFMS to 4 hybrid Votes in Central Government, 20 more Donor Funded Projects (DFPs) and operationalize the new Public Finance Management Act. The Sector will implement Straight Through Processing of transfer of grants to USE, maintain and train users of the DMFAS, conduct payroll audits, implement fixed Assets Module to 30 MDAs, the Public Expenditure and Financial Accountability (PEFA) reform strategy and the Accountants Act and Accountability Sector Strategic Investment Plan. Also MS NAV 2009 will be supported and rolled out to 3 New Missions as well as conducting monitoring of the 35 Missions, roll out and Support to Employee/Supplier E-Registration and supporting the interface of IFMS and IPPS.

Produce guidelines on consolidating non budgetary entities and Local Governments under Accrual IPSAS; publish the Statutory Financial Statements for Treasury Operations Vote and two Treasury memoranda on the report of Public Accounts Committee and Local Government Public Accounts Committee produced.

External Audit

The Sector outputs include; carrying out and reporting on a total of 1,387 financial audits covering; 109 MDAs, 91 Statutory Bodies, 134 projects, 41 forensic investigations and special audits, 5 IT audits, 1,007 Local Authorities, 16 audits which include 10 VFM audits, 4 engineering audits and 2 PPP audits.

Regulation of Procurement and Disposal Systems

This aims at regulating and facilitating public procurement and disposal in Uganda, planned outputs for FY2015/16 include; sixty procurement investigations, ninety follow - ups ,carry out survey to update list of common user item, pilot e-procurement strategy in selected Entities, implement Public Relations and Communications strategy, PPMS strengthened through undertaking verification exercises of those entities already on PPMS. Conduct verification exercise of the data entered into the PPMS in conducted in 120 Entities, publication of an Administrative Review Compendium, sensitise stakeholders on the amended PPDA Act 2003 and the attendant Regulations 2013.

Corruption Litigation, awareness

This aims at strengthening efforts to combat corruption. Planned outputs include; 90% of the corruption complaints registered from LGs and 85% from MDAs investigated, 50 corruption cases prosecuted, recovery of 50% of funds recommended for recovery during investigations and completion of 70% of the backlog of cases.

Section 3: Accountability Sector

Public awareness for preventing and combating corruption through conducting 10 sensitization programmes, developing and disseminating 4 sets of IEC materials, enforcing the Leadership Code Act through investigation of its breaches 20 and verification of 50 declarations, ensuring 100% compliance rate for all Leaders required to declare. Strengthening the ombudsman function to safeguard the rights of individuals against maladministration, abuse of power or office by public authorities through systemic investigations (8), policy and system studies (2) and investigations (150).

Governance and Accountability

The Sector plans to complete the review of Leadership Code Act, develop Asset Recovery Legislation, undertake Annual self assessment of compliance with Regional and International anti Corruption Legal Instruments, disseminate popular Version of anti-corruption laws to 12 districts, Approved National ethical values to (District leaders, Teachers, Cultural leaders, CSO partners, Academicians, Opinion leaders and special interest groups) in 16 sub regions of Uganda, review implementation reports of Commissions of Inquiry into corruption, Integration and implementation of Ethical values effectively enhanced in PTCs, provide support to implementation of codes of conduct among professional bodies, strengthen coordination of ACPPP strengthened and coordinate National anti corruption efforts

Medium Term Plans

External Audit

The medium term plan is focused on: Improvement on impact of audit through effective stakeholder engagement; Improvement on the timeliness and quality of audit reports; Improving organisation performance; Strengthening operational independence and increasing audit coverage through establishment of regional offices in hard to reach areas.

Regulation of Procurement and Disposal Systems

Construction of PPDA headquarters in Nakasero, expand the Audit and Compliance assessment programme, expand staffing levels and open up regional offices and to develop an e- procurement system in the medium term.

Corruption litigation

Over the Medium Term the Sector main priorities are: Increasing efficiency and effectiveness in handling investigations and prosecutions; strengthening the ombudsman function to safeguard the rights of individuals against maladministration, abuse of power or office by the public authorities; strengthening existing legal and policy framework in order to enhance the effectiveness of the Inspectorate of Government; strengthen the organizational framework in order to improve the operations of the Inspectorate of government; creating public awareness and enlisting public support for preventing and combating corruption; promoting and strengthening collaboration and networking with other Anti-Corruption institutions in order to enhance coordination in preventing and combating corruption and strengthening systems for enforcement of the Leadership Code Act.

Governance and Accountability

The sector plans to complete the review of staff establishment and embark on recruitment of more staff to fill all vacant positions, strengthening the anti corruption legal framework by developing new legislation, , strengthening the capacity of the District Integrity Forums and CSOs to enable them effectively participate in the fight against corruption, dissemination of National Strategy to fight corruption and the popularized versions of the new anti corruption legislations to Ministries, Departments, Agencies, Local government and the public. Continue monitoring the progress of the implementation of the National Anti Corruption Strategy

Actions to Improve Outcome Performance

1. To enhance Compliance to Accountability Policies, Service delivery standards and Regulations, the sector will enhance measures to ensure that Accounting officers are compliant. operationalisation of the Public Finance Act 2015, Treasury Single Account, monitoring the compliance to the amended PPDA Act

Section 3: Accountability Sector

2010, implement the e -Government procurement which is intended to minimize on the shortcomings of the manual procurement system, strengthening the PPDA tribunal to resolve procurement case.

2. Strengthen Compliance inspection, monitoring and audit through institutional strengthening and enhanced capacity for Internal Audit, Budget Monitoring and Accountability Unit and PPDA to monitor compliance and budget performance
3. The Sector will implement a number of strategies to fight corruption. These include formulation of comprehensive performance plans with well-defined outputs for all technical staff, increased supervision, monitoring and holding consultative meetings with senior technical officers. In addition, organizational assessment will be undertaken to re-define the IG structure, job descriptions and person's specifications, reporting, supervision channels and review. Preventative approaches as a mechanism to eliminate corruption will be emphasized.
4. Capacity Building; the Sector seeks to strengthen its human resource base; efforts will be made train to staff in specialized areas such as IFMS, basic investigation and prosecution skills, compliance skills and sectoral planning. The sector will explore avenues of introducing such courses locally to benefit a number of Ugandans
5. Improving organisation performance; strengthening operational independence and increasing audit coverage through establishment of regional offices in hard to reach areas. Rolling out the use of the Computer Aided Audit Tools: Currently, the coverage is at 50% and in the FY 2015/16 the office plans to achieve 100% coverage

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>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
Vote: 112 Ethics and Integrity			
Vote Function: 14 52 Governance and Accountability			
Advertise and fill all approved 40% vacant positions	Advertised for 17% vacant positions	Fill all the remaining positions and partner with private actors in implementation of Anticorruption activities. Fully operationalize the Leadership Code Tribunal	Restructure the Directorate to enable it bring in more staff and to review its pay structure to align it to sister institutions in the Inter Agency Forum
Build capacity of the 20 non state actors and 8 integrity promotion forums to effectively mobilise the public to demand for service delivery.	Capacity of One integrity promotion forum built to effectively mobilise the public to demand for service delivery.	Strengthen the Public Private partnership to mobilise the public to demand for service delivery. 15 integrity promotion forums to provide a platform for the public to dialogue was formed	Functional district integrity promotion forum and active CSOs participation.
Joint Monitoring with sector institutions mandated to undertake monitoring conducted.	No Joint Monitoring with sector institutions mandated to undertake monitoring conducted.	Continue Joint Monitoring with IAF institutions of Anti-Corruption Initiatives. IAF sectoral Committees meetings to scrutinize critical emerging issues in the sector.	full Implementation of the National Anti-corruption Country Strategy 2014 -19 (creating national ownership). The Objective of NACS to help government not duplicate initiatives in fighting corruption. It is also intended to raise awareness of the public
Vote: 122 Kampala Capital City Authority			
Vote Function: 14 09 Revenue collection and mobilisation			
	10 major revenue sources were reviewed and updated.	Carry out property revaluation in the whole city.	Training and recruitment of staff to manage the database for revenue management

Section 3: Accountability Sector

<i>Sector Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
			Tax education for compliance to pay NTR. Carry out property revaluation in the whole city.
Vote: 131 Auditor General			
Vote Function: 14 53 External Audit			
Soroti, Jinja, Masaka and Mbale regional offices connected to the OAG WAN	Specifications were developed	Hoima, Mbarara and Moroto Regional Offices connected to the OAG WAN; Management Information System procured and operationalised; Teammate licenses procured and deployed.	Modernisation of the current ICT facilities. Building capacity of staff in IT audit and use of audit software.
Building the capacity of staff in audit skills (performance audit, engineering audit, IT audit and forensic investigations etc). Support staff for professional courses.	15 VFM staff were trained on efficiency measurement and 8 in VFM modules 1 and 2. 38 staff from the Directorate of Forensic Investigation and IT audit were trained on use of the Regularity Audit Manual 20 staff were trained on Information Security Assessment Methodology (ISAM) 50 staff were trained on use of IFMS 5 staff were trained on use of IDEA/CAAT	Building the capacity of staff in audit skills (performance audit, engineering audit, IT audit and forensic investigations etc). Support staff for professional courses.	Increased utilisation of in-house resource pool of trainers Continue with on job training of new recruits Continue with building capacity of Auditors in emerging new audit areas
Vote: 143 Uganda Bureau of Statistics			
Vote Function: 14 55 Statistical production and Services			
Strengthening of statistical publication in all Districts, Ministries and Government Agencies	We Have started on the Strengthening of statistical publication in all Districts, Ministries and Government Agencies	Strengthening of statistical publication in all Districts, Ministries and Government Agencies	Strengthening of statistical publication in all Districts, Ministries and Government Agencies
Vote: 153 PPDA			
Vote Function: 14 56 Regulation of the Procurement and Disposal System			
Continued engagement of accounting officers on emphasis to equip PDUs	The Authority continues to engage the Accounting Officers at various forums to equip PDUs to acceptable levels	Continued engagement of accounting officers on emphasis to equip PDUs	Continue highlighting the issues of under-equipped PDEs in the annual procurement Audit report and the annual PPMS report.

(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>			
Outcome and Outcome Indicator	Baseline	2015/16 Target	Medium Term Forecast

Section 3: Accountability Sector

<i>Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
Outcome and Outcome Indicator	Baseline	2015/16 Target	Medium Term Forecast
Rate of Inflation	7.3 (FY2011/12)	5.7	5.0 (2017/18)
Interest rate	21 (2013/14)	21	21 (2017/18)
GDP growth rate	6.2 (2013/14)	6.8	7.0 (2017/18)
Exchange rate	2601.57 (2013/14)	2671.4	2834.9 (2017/18)
% of Revenue as a share of GDP	12.9 (2012/13)	14.0	15.5 (2017/18)

Performance for the first quarter of the 2014/15 financial year

Macroeconomic Management

The sector prepared and presented to Parliament Amendments to the Income Tax, Excise Tariff, VAT, Stamp Acts and Finance Bill 2013, produced Key Performance Indicators for monthly, Quarterly and Annual Tax and Non-Tax revenue performance reports. In the same period, the Sector mobilized external resources amounting to 4.37 % (external resources) of National budget for 2014/15, five Grant Financing Agreements worth USD114, 725,425 were concluded with Development Partners and two loan agreements worth USD 131,882,700. Also maintained and updated the database on all Official Development Assistance (ODA) and produced reports on UNDP resource utilization.

Tax Appeals Tribunal handled and resolved 20 disputes (Shs 1.6trillion), carried out gaming industry review study and report prepared which forms the basis for implementation of the new regulations, new gaming operators were registered and licensed and Ushs 3.31 bn shillings were collected in gaming and pool betting tax. In addition, the sector updated the revised macroeconomic framework, government cash flow statement and macroeconomic framework. The Annual Debt Sustainability Analysis (DSA) 2014 and Sovereign debt risk draft reports were published

Revenue Collection & Administration

Table S2.2: Performance Targets FY2015/16 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>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
Vote: 008 Ministry of Finance, Planning & Economic Dev.			
<i>Vote Function: 1401 Macroeconomic Policy and Management</i>			
Output: 140101	Macroeconomic Policy, Monitoring and Analysis		
<i>Performance Indicators:</i>			
Number of Tax Amendments Bills produced	4	4	4
Number of progress reports on Macroeconomic model produced	4	1	4
Number of macro economic reports produced	20	4	20
<i>Output Cost (US\$ bn):</i>	7.567	0.778	7.556
Output: 140102	Domestic Revenue and Foreign Aid Policy, Monitoring and Analysis		
<i>Performance Indicators:</i>			
Number of revenue performance reports produced	14	3	14
Number of MDAs monitored for Non Tax Revenue	50	50	50
External resources mobilized as a percentage of the National Budget.	16	4.37	16
<i>Output Cost (US\$ bn):</i>	2.322	0.474	2.349

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>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets	
<i>Vote Function: 1404 Development Policy Research and Monitoring</i>				
Output: 140401	Policy, Planning, Monitoring, Analysis and Advisory Services			
<i>Performance Indicators:</i>				
Number of sectors analyzed.	6	0	6	
Number of Key Economic Publications produced.	4	0	4	
<i>Output Cost (US\$ bn):</i>	5.019	1.612	5.017	
Output: 140404	Policy Research and Analytical Studies			
<i>Output Cost (US\$ bn):</i>	1.230	0.219	1.230	
Output: 140451	Population Development Services			
<i>Performance Indicators:</i>				
Number of Sub-counties trained in data management and utilization.	0	0	0	
Number of District Planning Units provided with Technical Support Supervision.	60	10	25	
Number of District Planning Units guided on how to use the National Population Policy Action Plan.	60	10	15	
<i>Output Cost (US\$ bn):</i>	2.783	0.696	2.783	
Output: 140452	Economic Policy Research and Analysis			
<i>Output Cost (US\$ bn):</i>	2.425	0.606	2.425	
<i>Vote Function: 1406 Investment and Private Sector Promotion</i>				
Output: 140601	Investment and private sector policy framework and monitoring			
<i>Performance Indicators:</i>				
Number of Investor Protection Agreements concluded	5	0	5	
Number of Investment laws reviewed and harmonized with EAC.	5	3	5	
Number of business Licensing Reforms implemented.	20	0	20	
<i>Output Cost (US\$ bn):</i>	6.276	1.447	2.765	
Output: 140651	Provision of serviced investment infrastructure			
<i>Output Cost (US\$ bn):</i>	32.874	3.629	37.161	
Output: 140652	Conducive investment environment			
<i>Output Cost (US\$ bn):</i>	0.000	0.000	3.600	
Output: 140653	Develop entrepreneur skills & Enterprise Uganda services			
<i>Performance Indicators:</i>				
Number of rural and urban participants mobilized and	4,000	1,549	4,000	

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>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
trained to start businesses.			
<i>Output Cost (US\$ bn):</i>	2.610	0.653	2.610
Output: 140655	SME Services		
<i>Output Cost (US\$ bn):</i>	0.550	0.138	0.550
<i>Vote Function: 1408 Microfinance</i>			
Output: 140801	Microfinance framework established		
<i>Performance Indicators:</i>			
Number of SACCOs strengthened through capacity building.	300	50	300
Number of SACCOs provided with specialized training.	735	150	1,000
Number of SACCOs monitored.	2,200	550	3,000
<i>Output Cost (US\$ bn):</i>	1.835	0.329	1.945
Output: 140851	SACCOS established in every subcounty		
<i>Performance Indicators:</i>			
No. of SACCOs registered	2,200	227	
<i>Output Cost (US\$ bn):</i>	9.256	1.349	9.164
Output: 140852	Microfinance Institutions supported with matching grants		
<i>Output Cost (US\$ bn):</i>	5.573	1.373	5.573
Output: 140853	SACCOS capacity strengthened		
<i>Performance Indicators:</i>			
No of SACCOs received training	3,000	200	3,000
<i>Output Cost (US\$ bn):</i>	0.000	0.000	27.915
Vote: 122 Kampala Capital City Authority			
<i>Vote Function: 1409 Revenue collection and mobilisation</i>			
Output: 140901	Registers for various revenue sources developed		
<i>Output Cost (US\$ bn):</i>	0.000	0.000	0.210
Output: 140902	Local Revenue Collections		
<i>Performance Indicators:</i>			
Proportion of targeted revenue collected	94.47	0.838	111.0
<i>Output Cost (US\$ bn):</i>	3.744	0.009	3.734
Vote: 141 URA			
<i>Vote Function: 1454 Revenue Collection & Administration</i>			
Output: 145401	Customs Tax Collection		
<i>Performance Indicators:</i>			
Customs tax Revenue collected against target	100	98.44	100
<i>Output Cost (US\$ bn):</i>	49.433	12.358	52.502
Output: 145402	Domestic Tax Collection		

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>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets	
<i>Performance Indicators:</i>				
Growth in taxpayer register	30	7	30	
Domestic Tax Revenue collected against target	100	99.03	100	
Average filling ratio	88	79.5	89	
<i>Output Cost (US\$ bn):</i>	<i>61.662</i>	<i>15.416</i>	<i>64.076</i>	
Output: 145403	Tax Investigations			
<i>Output Cost (US\$ bn):</i>	<i>6.257</i>	<i>1.564</i>	<i>5.813</i>	
Vote: 143 Uganda Bureau of Statistics				
<i>Vote Function: 1455 Statistical production and Services</i>				
Output: 145501	Economic statistical indicators			
<i>Performance Indicators:</i>				
Weekly/monthly statistical indicators: inflation rates, import and exports, government finance statistics	12	3	12	
Quarterly GDP and key economic indicators	4	1	4	
Annual: GDP, informal cross boarder trade, statistical abstract 2012 and environment statistical data 2012	1	0	1	
<i>Output Cost (US\$ bn):</i>	<i>2.796</i>	<i>0.524</i>	<i>7.437</i>	
Output: 145502	Population and Social Statistics indicators			
<i>Performance Indicators:</i>				
preliminary results on the 2012 population and housing census	Yes	No	Yes	
Information on Uganda Demographic and Health Survey and updated Uganda Info Database	Yes	No	Yes	
Information on annual urban unemployment rate	Yes	No	Yes	
<i>Output Cost (US\$ bn):</i>	<i>94.032</i>	<i>88.996</i>	<i>32.921</i>	
Output: 145503	Industrial and Agricultural indicators			
<i>Performance Indicators:</i>				
No. of reports on Construction and energy sector statistics compiled	12	3	12	
No. of Industrial/producer price indices compiled	12	3	12	
Report on annual census of business establishment complied	Yes	No	Yes	
<i>Output Cost (US\$ bn):</i>	<i>2.342</i>	<i>0.531</i>	<i>8.185</i>	
Output: 145504	District Statistics and Capacity Building			
<i>Performance Indicators:</i>				
No. Higher Local	1	0	1	

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>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets	
Government profiles reports produced and disseminated				
No. Higher Local Government compiling District Annual Statistical Abstracts	139	20	139	
No. Districts implementing Community Information System .	112	40	112	
<i>Output Cost (US\$ bn):</i>	1.458	0.302	1.908	
Output: 145505	National statistical system database maintained			
<i>Performance Indicators:</i>				
Updated National Statistical Database	Yes	Yes	Yes	
operational and updated UBOS website	Yes	Yes	Yes	
<i>Output Cost (US\$ bn):</i>	1.672	0.288	1.672	

* Excludes taxes and arrears

2015/16 Planned Outputs

Macroeconomic Policy and Management

The Sector remains committed to providing sound macroeconomic stability, stable inflation averaging 5 percent per annum, a medium-term fiscal deficit of 3% and a comprehensive exchange rate that promotes exports. The macroeconomic framework and the government cash flow statement will be updated, produced and disseminate reports on Economic and financial performance of the Economy and selected monthly economic indicators and monthly, quarterly and annual Tax and Non-Tax Revenue performance, amendments of tax laws including Income Tax, VAT, Excise Duty, Stamps Acts, progress reports on the East African Community Monetary Union protocol negotiations and Uganda's participation in anti-money laundering regulatory regime and Quarterly impact assessment of revenue policy measures pronounced in the Budget Speech will be prepared and recommendations made to improve revenue forecasts.

The Tax Appeals Tribunal will resolve 120 tax disputes worth Ushs 205bn countrywide to improve tax administration, 25 Grant Financing Agreements will be concluded with different Development Partners. Policies, procedures and guidelines for pension regulation and supervision will be developed and disseminated, data bank on all information collected on suspicious transactions to ensure enhanced stability of financial institutions and markets developed, reports on external developments and Balance of Payments Position (BOP) and Charter of fiscal responsibility will be produced.

Revenue Collection & Administration

Under this vote function, the Sector plans to deliver outputs to improve domestic revenue and boost the revenue to GDP ratio. The Sector targets to achieve a 22% and 18% growth in Domestic taxes and Customs revenue collection respectively. This involves;

Increased revenue yield through; recovery of taxes from agreed audits, collection of collectable arrears and management of migration of taxpayer balances into e-Tax, VAT, PAYE and Income tax ledgers cleaned. Implementation of risk management, Central Processing Centre for all Customs Clearances, centralized customs electronic valuation database, and management and controls of bonded warehouses reviewed. Improved tax compliance through; increased average filing ratio from 88% to 89% (LTO 100%, MTO 92% and other stations 75), recovery of 30% of collectable arrears, domestic tax education conducted, 28 Service centers with onsite support to taxpayers carried out, 103 Primary tax clinics conducted, 32 Tax payer Day Hubs and 7 Exhibitions held.

Section 3: Accountability Sector

Improved Business Process Management through; implementation of a Disaster Recovery plan and Data Warehousing solution, establish a URA Archive, interface Sun system with e-Tax and design, Domestic Tax structure reviewed to cater for Oil and Gas, controls in the registration process strengthened, implementation of EFDs, re-designed TID module, re-engineer the Single Customs Territory Process, roll out the science / forensics support services to other departments, complete and operationalize the Trade Tax model, complete and operationalize the Corporation Tax model and organizational assessment conducted.

Statistical Production and Services

Timely production of statistics is critical in planning and monitoring development performance. On that note, the Sector plans to produce population and social statistics outputs; Macro-Economic Statistics; Monthly inflation rates, Monthly Trade Balance, Annual GDP, Quarterly GDP, Annual Statistical Abstract 2014, Monthly Import & Export Data, Rebased GDP, Quarterly Key Economic Indicators, and Monthly Government Finance Statistics.

Produce population & social statistics; digitized Enumeration Area level GIS layers, update EA National Geographic Frame, revised Integration Socio-Economic Database, revised Geospatial open-source Web Based Strategy, produce information on urban unemployment rate

The Sector will ensure production of social Statistics on Governance and Crime; Tourism Statistics (Arrivals & Departures), Population Projections, Guidelines for conducting Household Surveys, Pilot manpower Survey, Information on Uganda National Household Survey, Information on Uganda National Panel Survey, Survey Reports

Produce Industry and Agriculture Indicators; Construction Sector Index , compile PPI and IoP quarterly, Monthly Energy & Infrastructure Statistics, Agriculture Producer prices, Environmental Statistics produced and Country Stat Website, Annual Crop Production statistics, Annual Livestock Production, Quarterly Livestock Slaughters, information on Monitoring & Evaluation of Programs, User Satisfaction Survey and Certification of Official Statistics , PNSD Report (2013-14 -2017-18) and Statistical Research papers. In addition, Gender Statistics Developed & mainstreamed in MDAs, Statistical Standard Tools & protocols, reports on urban unemployment rate, Social Statistics on Governance and Crime, Tourism Statistics (Arrivals & Departures), Uganda National Panel Survey, population projections, produce Guidelines for conducting Household Surveys, pilot manpower survey, produce information on Uganda National Household Survey

Also develop Functional Community Information System (CIS) database, community level statistics disseminated in selected HLGs, technical backstopping conducted in the HLGs to consolidate the CIS implementation, compile Local Government statistics for the determination of the FY 2014/15 Indicative Planning Figures for the LGs, HLGs to consolidate the CIS implementation.

Development Policy, Research and Monitoring

Sector key outputs include; quality economic and scientific evidence based research for policy formulation conducted and disseminated, Vote Function research activities leading to production of Background to the Budget (BTTB) for FY 2016/17, Government Outlays Analysis Report (GOAR) for FY 2014/15, Annual Economic Performance report for FY 2014/15, Public Expenditure Analysis Report (PEAR) for FY 2014/15, Policy Implementation Issues Report (PIR) for FY 2014/15, State of the Nation's Enterprises (STANE) Report 2016, and Poverty Status Report (PSR) 2015/16 produced based on the 2013 census data. Institutional Intellectual Property policies and innovation support systems established across universities, Research and Development institutions and innovation centers among other projects. Integration of population variables rollout in 30 districts, 22 municipalities and 30 Town Councils and the District Population Action Plans of 111 districts, develop 10 regional micro level demographic dividend modules advocacy tools, print and disseminate 5,000 copies of the State of Uganda Population Report. Establish a satellite based remote sensing facility and multipurpose laboratory (satellite data processing) for various applications in agriculture, environment, education research, land management, weather predictions and an integrated STI information management system.

Investment and Private Sector Promotion

Section 3: Accountability Sector

The Sector will facilitate the Private Sector enterprises through increasing investment in infrastructure development in energy to reduce the cost of doing business through establishment of an effective investment one-stop Center, promotion of Public Private Partnerships, provision of medium and long term investment finance to encourage private sector investment as an engine of economic growth, employment creation and development. Also entrepreneurial skills development, development of Industrial parks and value addition activities carried out, implementation of the Micro Small and Medium Enterprises - MSME, the full operationalisation of the Free Zones Act, review Investment code Bill and necessary policies that promote private sector development. Produce 1 set of estimated contingent liabilities from public-private partnership projects on Government, licensing of 300 Investments project, providing 300 SMEs with business development services.

Microfinance

In FY 2015/16, the Sector plans to put in place the Microfinance Law to regulate the Tier 4 institutions and establish Microfinance Regulatory Authority-(MRA), disbursement of 200 loans worth Ushs 30 billion to Districts with active clients, reviewing the Microfinance Policy, provide sustainable SACCOs accessible financial services as well as establishing new Community Savings and Credit Groups. Also present to Parliament amendments to the Microfinance Deposit Taking Institutions Act 2003, provide Technical support to 280 institutions in governance, loan management, accounting and financial management. The Sector interventions in the Microfinance Sector seek to increase savings mobilization by Ushs 2.5 billion in the FY 2015/16.

Medium Term Plans

1. Prudent Macroeconomic management to reduce on donor dependence and implement the debt sustainability strategy
2. Revenue collection and administration; through this vote function, focus is on widening the tax base through reduction of the informal by addressing legal framework for informal sector, reinforcement of rental zoning within and outside Kampala, expand Tax payer Registration and implementation of single customs territory and Electronic cargo trucking system. Strengthen the capacity of this vote function by construction of URA HQ Building and Carry out Capacity building programs in Audit skills in e-commerce, -Telecommunications, Transfer pricing, Construction, estate, Oil and gas, insurance and -Data management skills.
3. Conduct the PHC2014 Census of Business Establishment (COBE), the Business Inquiry, develop guidelines for conducting household and economic survey, produce Pilot manpower survey report, Uganda national panel survey report wave V, National service delivery survey report, post enumeration survey report and Data request from stakeholders addressed.
4. Development of regional industrial parks for increased private sector development and Establishment of incubation centers for scientific research and development and training of graduate youths to reduce the unemployment gap.
5. Entrepreneurial skills development in various parts of the country to reduce unemployment not only amongst the youth but also among the entire Ugandan population
6. Enhance skills development for improved productivity of Government by through focusing on a massive skills training program targeting the rapid build-up of appropriate skills to take advantage of the emerging industries especially Oil and Gas.

Actions to Improve Outcome Performance

1. The Sector plans a number of interventions to improve revenue performance, these include; improve tax compliance through Investment in eTAX, ASYCUDA World, Electronic Cargo Tracking System (ECTS), Data Warehouse, strengthening audits to focus on international taxation (transfer pricing) and selected

Section 3: Accountability Sector

sectors in the economy. Also, increase collaboration with MDAs and local authorities, to aggressive conduct media/publicity campaigns and tax education as a foundation for all tax activities for the benefit of taxpayers. Further review of the Tax laws to meet or exceed Government's target of a 0.5 percentage point annual increase in the tax-to-GDP ratio, without compromising social and economic development.

2. Improve macroeconomic management through enhanced revenue forecasting for better revenue estimation, maintain stability of the financial sector by advancing the pension reforms and develop capacity for better management of public private partnerships.

3. Also improving and creating a conducive investment climate, including harmonizing investment laws with the EAC requirements and ensuring signing of the outstanding protection agreements; finalization and operationalisation of the legal framework necessary for the improvement of the investment climate and the Investment Code (Amendment) Bill, the Free Zones Act 2014

4. Strengthening and tracking operations of SACCOs; design turn around activities to revive SACCOs across the country. A Tier 4 Microfinance Bill has been drafted to help improve on the regulatory framework for the SACCOs, implementing a Project for Financial Inclusion in Rural Areas (PROFIRA) to sustainably increase the access to and use of financial services by the rural population. Through this project, capacity and sustainability of the SACCOs will be improved across the country.

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>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
Vote: 008 Ministry of Finance, Planning & Economic Dev.			
Vote Function: 14 01 Macroeconomic Policy and Management			
Tax Bills for 2013 published	Amendments to Income Tax, Excise Duty, VAT, Stamps Act and Finance Bill 2014 presented to Parliament	URA efficiency and tax policy measures monitored and their impact evaluated.	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.
Carryout studies on enhancing tax revenue efforts		2.ToRs for carrying out revenue enhancement study prepared. 3. Policies for enhancing revenue collection put in place. 4	
Collaboration with KCCA with Local Government regarding hard to reach small businesses	Preliminary policy measures for FY 2015/16 generated and estimated. MDAs and URA were monitored on monthly basis to ensure that the target for Q1 is realised. Monthly and Quarterly impact assessment of revenue policy measures pronounced in the Budget Speech prepared and recommendations made.		
Vote Function: 14 04 Development Policy Research and Monitoring			
The current staff structure does not reflect the new demands on the department. Need for review of the Staff Structure	Ministry structure is currently under review	The current staff structure does not reflect the new demands on the department. Need for review of the Staff Structure	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
Vote Function: 14 06 Investment and Private Sector Promotion			
Hold quarterly executive directors' meetings of MDAs involved in the investment	A forum was held on business reforms and the Doing Business in Uganda Reform	Two Comprehensive Presidential Investor Round Table (PIRT) meetings	To merge all the institutions involved in investment and private sector development

Section 3: Accountability Sector

<i>Sector Outcome 3: Accountability Sector's contribution to economic growth and development enhanced</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
and private sector development function Initiate focal points in MDAs and Local governments to ease coordination	Memo was updated. A Cabinet Memo prepared for establishment of a new Board of Uganda Investment Authority. Consultations are ongoing on the operationalisation of One Stop Centre	facilitated to promote investments in the Country. 6 International meetings attended under EAC/COMESA. 3.	under one umbrella
Enhance advocacy and lobbying with relevant institutions like Cabinet and Parliament of Uganda Fast track the development of private sector development strategy	The Investment Code (Amendment) Bill was submitted to Cabinet for approval after incorporating comments. The Uganda Free Zones Authority was operationalised and an interim structure put in place. The Free Zones Act (Commencement) Instrument, 2014 was gazetted and the Draft Uganda Free Zones Regulations produced.	1. Enhance advocacy and lobbying with relevant institutions like 2. Cabinet and Parliament of Uganda Investment Policy developed. 3. Private sector development strategy prepared.	Enforce the laws
Vote Function: 14 08 Microfinance			
Continue monitoring of SACCOs and training of executives	Monitoring undertaken in 550 SACCOs	SACCO networking activities undertaken Microfinance Management Information System (MIS) developed and updated and Continue monitoring of SACCOs and training of executives	Monitoring framework Communication strategy
Vote Function: 14 49 Policy, Planning and Support Services			
Monitoring & Evaluation Framework and the Ministry strategic Plan fully operationalised	The exercise to collect the statistics for the M& E framework commenced in Q1 and its on going up to the end of the FY 2014/15.	Monitoring & Evaluation Framework and the Ministry strategic Plan 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
Vote: 103 Inspectorate of Government (IG)			
Vote Function: 14 51 Corruption investigation ,Litigation & Awareness			
The Inspectorate has adopted an internal policy of strengthening the Regional Offices as opposed to opening new ones. This policy aims at reducing operational costs and making them more effective	The regional offices have been strengthened by providing them with a second vehicle and increasing money allocated per month to increase effectiveness.	The Inspectorate has adopted an internal policy of strengthening the Regional Offices as opposed to opening new ones. This policy aims at reducing operational costs and making them more effective	The Inspectorate has adopted an internal policy of strengthening the Regional Offices as opposed to opening new ones. This policy aims at reducing operational costs and making them more effective

(iv) Efficiency of Sector Budget Allocations

The government through the sector is committed to enforcing Public Finance Management laws to ensure effective and efficient use of public resources for better service delivery; Public Finance Management Act 2015 will be operationalized. This law provides for a robust framework for planning, allocation, control and management of the public finances including the anticipated Petroleum revenues. The amended PPDA Act and the attendant Central Government Regulations came into force on 3rd March 2014, the sector in

Section 3: Accountability Sector

Key Sector	408.2	398.9	524.4	284.4	34.5%	34.1%	56.4%	59.3%
Service Delivery	172.8	177.7	212.1	67.1	14.6%	17.4%	22.8%	14.0%

N/A

Table S2.5: Key Unit Costs of Services in the Sector (Shs '000)

Unit Cost Description	Actual 2013/14	Planned 2014/15	Proposed 2015/16	Costing Assumptions and Reasons for any Changes and Variations from Plan
Vote: 103 Inspectorate of Government (IG)				
<i>Vote Function: 1451 Corruption investigation, Litigation & Awareness</i>				
Computers, Printers and accessories	38	38		Its assumed that Gov't will still waive off taxes on ICT equipment.
Investigation	2,118	0		The fuel prices will be the rise and the shilling will be relatively stable.
Policy and systems studies	10,000	8,333		No clear benchmarks but tried to fit within the available resources
Procurement of vehicles	0	29,000		The price variation is a result of differences in vehicle types & classes.
Prosecution	35,000	16,000		No clear benchmarks but tried to fit within the available resources
Verification and Investigation	0	0		No clear benchmarks but tried to fit within the available resources
Workshops	50,000	50,000		No clear benchmarks but tried to fit within the available resources
Civil Litigation	15,000	10,000		No clear benchmarks, but tried to fit within the available resources. It is also assumed that court process will not take long and judges will handle cases expeditiously
Vote: 122 Kampala Capital City Authority				
<i>Vote Function: 1409 Revenue collection and mobilisation</i>				
Revenue software				software will capture data base for all local revenue sources.
reevaluation of a rating zone.				All properties in CBD, commercial and owner occupied properties.
Revenue mobilisation				Field revenue staff facilitated and equipped
Revenue register				Various revenue sources identified and corresponding registers updated
Vote: 131 Auditor General				
<i>Vote Function: 1453 External Audit</i>				
No of Central Government Two audits	21,400	22,100	22,121	Resources and personnel available to carry out the audits. Unit costs changed due to the anticipated inflations.
No of Central Govt One Audits	30,386	39,246	28,500	Personnel availability, unit costs remain constant, and the number of audit entities remain the same.
No of LG entities audited	9,637	12,217	11,758	Personnel availability and stable exchange rate. The directorate shall continue using outsourced audit firms to assist in audit of LLGs.
No of Vehicles Purchased	64,042	153,333	153,333	Stable foreign exchange rate. The Office recruited more staff and it plans to acquire 3 field vehicles to carry out the Audits.
No of VFM audits carried out	216,869	304,731	274,281	Resources and personnel available to carry out the audits.
Number of Offices Constructed	12,946,669	10,000,000	4,030,608	Stable exchange rate leading to minimum project cost overruns.

Section 3: Accountability Sector

Unit Cost Description	Actual 2013/14	Planned 2014/15	Proposed 2015/16	Costing Assumptions and Reasons for any Changes and Variations from Plan
Number of Offices Renovated	243	28,636	42,955	Timely awarding of contracts. Most of the buildings have been renovated.
Office furniture and fittings (4 lots)	54,088	16,023	18,430	Stable foreign exchange rate. The office met the biggest proportion of its furniture requirements in the FY 2011/12, hence maintaining the allocation in the FY 2014/15.
Management Efficiency	10,510,000	10,389,194	11,217,127	Availability of Personnel and timely procurement.
Vote: 143 Uganda Bureau of Statistics				
<i>Vote Function: 1455 Statistical production and Services</i>				
Data Processing		89,128,200		Assuming 27 concluded surveys requiring the data personnel, stationery, scanning facility, protning, verification, data analysis.
Data collection		100,000		For data collection, every field staff is paid per diem of Shs. 100,000/= on average. Given the current budget levels, the bureau is likely to visit only 33,535 units (households/ industries/businesses).

(v) Sector Investment Plans

- UGX20 Bn has been allocated to the construction of URA headquarter building (one stop center). This is intended to house all URA satellite stations in Kampala. Saving in terms of rent will be made and the taxpayers will have a one stop center where they can access URA services.
- UGX 9.40Bn has been allocated to Disaster recovery system to ensure business continuity in case of any disaster well knowing that most of URA survives are on line
- UGX 3.00 Bn has been allocated to financing of motor vehicle leases for the vehicles purchased to facilitate URA
- UGX 5.84 (External financing) has been allocated to Data Warehouse project to enable URA have one central
 - Place where all URA data can be stored, analyzed, accessed for easy and faster decision making.-
 - Provision of URANET Services UTL (plus upgrade of CUGs) and Orange and KA Band Software/Licence UGX 5.6 Bn
 - Microsoft Volume Licensing - Supplementary True - UpSoftware/Licence UGX2.250Bn
 - Provision of Premium Support & annual maintenance of Oracle Super Cluster Software/Licence UGX 1.758Bn
 - eTAX Annual Maintenance Software/LicenceUGXe 2.8Bn
 - ETCS Annual maintenance Software/Licence UGX 1.8Bn

Table S2.6: Allocations to Class of Output over the Medium Term

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Sector Budget			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
Consumption Expenditure(Outputs Provided)	477.8	427.6	563.7	294.1	40.4%	41.9%	60.6%	61.4%
Grants and Subsidies (Outputs Funded)	617.9	505.8	252.0	142.1	52.3%	49.6%	27.1%	29.6%
Investment (Capital Purchases)	86.6	87.2	114.9	43.2	7.3%	8.5%	12.3%	9.0%
Grand Total	1,182.2	1,020.6	930.5	479.3	100.0%	100.0%	100.0%	100.0%

1. Macroeconomic Policy Management

Ushs 67.802 billion has been allocated for Capitalization of Financial Institutions, Share acquisition and Subscription to International Organizations as follows;

- Ushs 30.00 billion is for the Agricultural Credit Guarantee Scheme,
- Ushs 3.00 billion is for Capitalization of the African Development Bank
- Ushs 6.00 billion is for Capitalization of the PTA Bank
- Ushs 2.00 billion is for Capitalization of the Islamic Development Bank
- Ushs 10.00 billion is for Capitalization of the Uganda Development Bank

Section 3: Accountability Sector

- Ushs 4.80 billion is for Capitalization of the East African Development Bank
- Ushs 12.00 billion is for Capitalization of the Post Bank Uganda

2. Budget Preparation, Execution and Monitoring.

Ushs 2.55bn has been allocated for the automation of the OBT and the implementation of the performance based budgeting

3. Public Financial Management

Ushs. 20bn has been allocated for the IFMS rollout to support full implementation of the Treasury Single Account

4. Investment and Private Sector Promotion

The development of Industrial Parks has been allocated Ushs.2.69bn

Enterprise Uganda has been allocated an Ushs 2.61 billion to cater for entrepreneurship programmes which involve countrywide training of communities and individuals in entrepreneurship and business development skills provision to SMEs.

African Development Foundation has been allocated Ushs 3.6 billion to identify, develop and fund Ten projects, Increase incomes of participating SMEs and producer groups and SMEs and producer groups expanding their markets locally, regionally and internationally.

5. Policy Planning and Support Services

Ushs.6.020 billion has been allocated to the construction of parking lot and office block.

Ushs 14.035 billion has been allocated for Tax refunds to qualifying Institutions.

6. Statistical production and Services

- Manpower survey UG sh. 6,141,788,600
- NSDS 2013 UG sh. 2,561,673,000
- 10 vehicles & fleet management UG sh. 1,888,800,000
- Repair of lifts and CCTVUG sh. 1,374,000,000

7. Corruption investigation, litigation and Awareness

The major capital investment that IG intends to undertake over the medium term is completion of the architectural design for its head office. In the coming FY 2015/16, additional UGX. 1.5 Billion Has been allocated to finalize the design.

8. Revenue Collection & Administration

In the FY 2015/16, the following major capital purchases/investments will be made:

- Construction of URA HQ Building UGX 20Bn
- Disaster Recovery System UGX 7.908Bn
- Finance of motor vehicle leases UGX 5.044Bn
- Data Warehouse UGX 5.84Bn (External financing)
- Provision of URANET Services UTL & Orange 5.6Bn
- Microsoft Volume Licensing - Supplementary True - Up
- Software/License UGX 2.250Bn
- Provision of Premium Support & annual maintenance of Oracle Super Cluster Software/License UGX 1.758Bn
- e-TAX Annual Maintenance Software/LicenceUGX2.8Bn
- ETCS Annual maintenance Software/LicenceUGX1.8Bn
- Enterprise Resource Planning (ERP) , HRMS implementation, Purchase of new generators, projectors and television screens UGX5.680Bn

Table S2.7: Major Capital Investments

Project	2014/15		2015/16
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function Output			

Section 3: Accountability Sector

<i>US\$ Thousand</i>	(Quantity and Location)		
Vote: 008 Ministry of Finance, Planning & Economic Dev.			
Vote Function: 1403 Public Financial Management			
Project 1290c 3RD Financial Management and Accountability Programme [FINMAP III] Comp. 3,4&5 - FMS, LGPFM and Oversight			
140376 Purchase of Office and ICT Equipment, including Software	IFMS Tier 1 solution rolled out to 5 hybrid sites	The evaluation of bidders to undertake a turn-key consultancy to deploy IFMS tier 1 solution and provide technical support in hybrid sites, referral hospitals & donor funded projects was initiated and is expected to be concluded in the next quarter.	IFMS Tier 1 solution rolled out to 5 hybrid sites
	IFMS Tier 1 solution rolled out to 11 Referral hospitals	The procurement process of a quality assurance and IT Compliance Expert commenced with the advertisement for the position in major print media.	IFMS Tier 1 solution rolled out to 11 Referral hospitals
	IFMS Tier 1 solution rolled out to DFPs	The creation of this function is in line with the recommendations of the recently concluded security audit of the IFMS. The consultant is expected to be contracted at the beginning of the third quarter.	IFMS Tier 1 solution rolled out to DFPs
	IFMS Security Enhanced		IFMS Security Enhanced
	CEMAS Rolled out to 3 Pilot Public Universities and Self accounting Tertiary Institutions (PUSATIs)		CEMAS Rolled out to 3 Pilot Public Universities and Self accounting Tertiary Institutions (PUSATIs)
			GoU PFM IT-based systems integrated
Total	11,686,159	26,112	8,098,452
<i>GoU Development</i>	<i>11,686,159</i>	<i>26,112</i>	<i>8,098,452</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Vote Function: 1449 Policy, Planning and Support Services			
Project 0054 Support to MFPED			
144978 Purchase of Office and Residential Furniture and Fittings	150 executive Office chairs and 50 Secretarial chairs procured	Secretarial chairs procured	150 executive Office chairs and 50 Secretarial chairs procured
	50 Working tables procured	Working tables procured	50 Working tables procured
	30 filing cabinets procured.	Filing cabinets procured.	30 filing cabinets procured.
	10 executive bookshelves procured	2 executive bookshelves procured	10 executive bookshelves procured
	20 sets of Window blinds procured.	10 sets of Window blinds procured.	20 sets of Window blinds procured.
	10 work stations procured		10 work stations procured
	Furniture for the Committee rooms procured		
Total	637,400	32,784	637,400
<i>GoU Development</i>	<i>637,400</i>	<i>32,784</i>	<i>637,400</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
144977 Purchase of Specialised Machinery & Equipment	Fire safety system installed	Fire safety system installed	Fire safety system installed
	CCTV upgraded and card reader system maintained.	CCTV upgrade and card reader system maintained	CCTV upgraded and card reader system maintained.
	Centralised UPS procured and installed		Centralised UPS procured and installed
	2 Heavy duty photocopiers procured		4 Heavy duty photocopiers procured

Section 3: Accountability Sector

Project Vote Function Output <i>US\$ Thousand</i>	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)
Vote Function: 1449 Policy, Planning and Support Services			
Total	1,687,450	230,686	1,687,450
<i>GoU Development</i>	<i>1,687,450</i>	230,686	<i>1,687,450</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
144976 Purchase of Office and ICT Equipment, including Software	Digital Computerised display screen procured and installed.	Computers and related equipment provided to staff	Digital Computerised display screen procured and installed.
	Electronic content management system procured	Information systems hardware, software and consumables provided and managed	Electronic content management system procured
	Computers and related equipment provided to staff	Software and licences managed	Computers and related equipment provided to staff
	Information systems hardware, software and consumables provided and managed	Hardware upgraded and maintained	Information systems hardware, software and consumables provided and managed
	Software and licences managed	Local Area Network upgraded	Software and licences managed
	Hardware upgraded and maintained		Hardware upgraded and maintained
	Local Area Network upgraded		Local Area Network upgraded
	Smart screens acquired		Smart screens acquired
	Hardware inventory managed		Hardware inventory managed
Total	3,504,106	751,039	3,504,106
<i>GoU Development</i>	<i>3,504,106</i>	751,039	<i>3,504,106</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
144972 Government Buildings and Administrative Infrastructure	Renovation of Ministry structures completed.	Renovation of Ministry structures completed.	New Office block and staff Parking. Constructed.
	Ministry structures maintained	Ministry structures maintained	Ministry structures maintained
Total	6,020,877	274,194	6,020,877
<i>GoU Development</i>	<i>6,020,877</i>	274,194	<i>6,020,877</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Vote: 103 Inspectorate of Government (IG)			
Vote Function: 1451 Corruption investigation ,Litigation & Awareness			
<i>Project 0354 Support to IGG</i>			
145177 Purchase of Specialised Machinery & Equipment	acquire fax machines, filing cabinets, computers	surveillance equipment to carry out IG work	purchase of Filing cabinets, specialised equipment
Total	127,000	42,300	785,453
<i>GoU Development</i>	<i>127,000</i>	42,300	<i>635,455</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>149,998</i>
145175 Purchase of Motor Vehicles and Other Transport Equipment	Purchase: pickups	motor vehicles/pickup for field activities	Purchase of Pickups
Total	950,000	0	840,000
<i>GoU Development</i>	<i>710,000</i>	0	<i>710,000</i>
<i>External Financing</i>	<i>240,000</i>	0	<i>130,000</i>
145171 Acquisition of Land by Government	Prepare architectural plans and designs	The bid documents for procurement of a consultant were sent to Ministry of Works	Preparation of architectural plans

Section 3: Accountability Sector

Project	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)
Vote Function: 1451	Corruption investigation ,Litigation & Awareness		
		and Transport,evaluation yet to start.	
Total	2,100,000	255,242	1,500,000
<i>GoU Development</i>	<i>2,100,000</i>	255,242	<i>1,500,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Vote: 131	Auditor General		
Vote Function: 1453	External Audit		
<i>Project 1248 Construction of the Audit House</i>			
145372 Government Buildings and Administrative Infrastructure	Completion and furnishing of the Audit House	The Audit House Project was 97% complete.	Retention payments made to the contractor. Defects repaired
Total	10,000,000	1,427,458	10,000,000
<i>GoU Development</i>	<i>10,000,000</i>	1,427,458	<i>10,000,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Vote: 141	URA		
Vote Function: 1454	Revenue Collection & Administration		
<i>Project 0653 Support to URA Projects</i>			
145479 Acquisition of Other Capital Assets	<p>SSEP-Service Management</p> <p>6 (HSO, Kampala East, CSO, Jinja, Mbarara, Contact centre) service testing centres created for environmental preparation</p> <p>AS-IS Tax administration service model</p> <p>SLAs developed between DT & CD with IT, DT & CD with HR</p> <p>6 (HSO, Kampala East, CSO, Jinja, Mbarara, Contact centre) service centres tested for products acceptance</p> <p>Service management sustainability strategy developed</p> <p>Service management Policy, standards, processes, tools developed</p> <p>70 staff (Client Service Advisors, contact centre staff and front end staff) trained</p> <p>Pilot OJT framework to 32 DT Stations</p> <p>Knowledge management Processes, standards, tools developed</p> <p>3 communication & feedback management concepts (Single point of contact concept, Contact center concept, Client advisory centre concept) developed</p>	<p>The AS-IS service level arrangement of DT and CD with corporate HR was documented.</p> <p>Document processings centre procurement is ongoing. Bid document was approved by TMEA and Newspaper advert published. Contract award is anticipated to be completed in December 2014.</p> <p>On service management sustainability, research was carried out internally and externally on service excellence, development of a service management strategy, service measurement, monitoring and recovery.</p> <p>For the TO-BE contact centre framework paper and the AS-IS contact centre operating environment and the single point of contact and client advisory centre, researches were carried out and concepts drafted pending further review and input.</p> <p>Version one of the URA values book was developed, but pending consultations and input from key stakeholders. Preparations towards commissioning of the URA culture are ongoing. The culture diagnosis and definition report were signed off. Feedback engagements on the URA culture diagnosis and definition</p>	<p>SSEP-Decision Support Mechanism (DWH)</p> <p>DWH/BI Readness assessment report prepared</p> <p>1 DWH/BI iteration piloted</p> <p>1 DWH/BI iteration rolled out</p> <p>Manage the IDEP project</p>

Section 3: Accountability Sector

Project	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)
Vote Function: 1454 Revenue Collection & Administration			
	SSEP-Culture Transformation: Vision & values book developed	report were held with south west, western, northern and central URA stations.	
	Defined culture and vision & values book commissioned	DWH/BI readiness assessment is ongoing. End user subject matter experts have been engaged to appreciate the business domain and gather business intelligence user requirements. These are;	
	100 staff on culture transformation	Business Policy, Interpretations and Rulings (DT), Large Taxpayers Office (DT), Customs Audit (CD), Human Resource division (CSD) and Process Management (DT). The IT team was engaged to appreciate the URA ICT environment and its readiness for the DWH/BI solution. The rest of the outputs will be carried out in subsequent quarters.	
	2000 staff on culture transformation		
	SSEP-Decision Support Mechanism (DWH)		
	DWH/BI Readness assessment report prepared		
	1 DWH/BI iteration piloted		
	1 DWH/BI iteration rolled out		
	SSEP-Business Continuity Management:	The evaluations for the BIA consultancy were completed awaiting feedback from the Solicitor General's Office following completion of the market assessment report.	
	BIA report prepared BCM Policy, processes, standards, tools developed		
	15 Business continuity plans (DT - 11, IT, HR, EO, Legal) developed	ASYCUDA World was rolled out to 11 customs stations (Mirama Hills, Arua, Moyo, Lwakhakha, Kikagati, Bugango, Ishasha River, Oraba, Madi Opei, Busunga).	
	5 BCPs tested		
	12 staff trained in TOT for BCM		
	80% of staff trained in BCM	19 Customs business processes have been re-engineered and URS were developed.	
	Business Continuity Management curriculum developed	6 out of 11 chapters of the URS have been completed i.e. Registration, Returns, Assessments, Payments, Audit and Objections/Appeals.	
	BCM commissioned		
	CBSEP-Asycuda World:		
	Asycuda world rolled out to 13 stations	The SRS document was reviewed and updated for alignment with the proposed user requirements specifications for the oil and gas processes	
	9 Customs Business processes re-engineered (URS developed)		
	22 Customs Business processes re-engineered (URS developed)	Tax audits of Tullow Uganda Ltd and Total E&P have commenced. CNOOC (U) Ltd is being profiled for audit.	
	Document Processing centre commissioned		
	(Ground breaking) DPC operational	5 staff were trained in oil and gas revenue administration (2 in advanced transfer pricing, 2 in international petroleum management, 1 in HR processes, competency development and change	
	2000 clearing agents sensitised on DPC functionality		

Section 3: Accountability Sector

Project	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)
Vote Function: 1454 Revenue Collection & Administration			
	650 customs staff sensitised on DPC functionality	management). Bids for the procurement of the onsite training for 25 URA staff were evaluated by DFID's agent.	
	ITSEP-Oil & Gas Solution:		
	Oil & Gas system contract signed	5 Tax Consulting firms (PWC, KPMG, PKF, Deloitte and Touché, and EY) have been sensitized on oil and gas processes. 1 MDA (PEPD) has been sensitized on Oil and Gas processes	
	3 cost recovery audits performed of Oil and Gas companies		
	25 staff trained in Oil & Gas revenue administration		
	2300 staff sensitised on Oil & Gas processes		
	Sensitise 13 Oil & Gas external stakeholders (4 Oil & Gas Clients, 4 Tax Consultants, 5 key MDA's sensitised)		
	ITSEP-Interfaces & Integration :		
	Total	4,955,310	1,755,152
	<i>GoU Development</i>	<i>4,955,310</i>	<i>1,755,152</i>
	<i>External Financing</i>	<i>0</i>	<i>0</i>
145477 Purchase of Specialised Machinery & Equipment	DR System Implementation	Disaster recovery system implementation was not done. To be effected in quarter 2.	DR System Implementation
	Data Warehouse		
	Improved oil Taxation	Data warehouse turn key solution contract was completed. The other components such as contracting independent quality assurance consultant and preparation of readiness assessment report are ongoing.	
		Oil and gas solution implementation is ongoing. The following outputs have been accomplished so far;	
		6 out of 11 chapters of the user requirement specifications have been completed i.e. registration, returns, assessments, payments, audit and objections/appeals. The SRS document was reviewed and updated for alignment with the proposed user requirements specifications for the oil and gas processes. Tax audits of Tullow Uganda Ltd and Total E&P have commenced. CNOOC (U) Ltd is being profiled for audit.	
		5 staff have been trained in oil and gas revenue administration; 2 in advanced transfer pricing, 2 in international petroleum	

Section 3: Accountability Sector

Project Vote Function Output <i>UShs Thousand</i>	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)	
Vote Function: 1454 Revenue Collection & Administration				
		management, 1 in HR processes, competency development and change management.		
		5 tax consulting firms (PWC, KPMG, PKF, Deloitte and Touché, and EY) and 1 MDA (PEPD) have been sensitized on oil and gas processes.		
Total	16,144,035	622,500	13,751,691	
<i>GoU Development</i>	<i>12,544,690</i>	622,500	<i>7,908,200</i>	
<i>External Financing</i>	<i>3,599,345</i>	0	<i>5,843,491</i>	
145475 Purchase of Motor Vehicles and Other Transport Equipment	Vehicle Lease	The vehicles were leased and the lease is payable yearly.	Vehicle Lease	
Total	3,000,000	750,000	5,044,848	
<i>GoU Development</i>	<i>3,000,000</i>	750,000	<i>5,044,848</i>	
<i>External Financing</i>	<i>0</i>	0	<i>0</i>	
145472 Government Buildings and Administrative Infrastructure	URA Headquarter Building Construction	Construction of the URA headquarter building to commence in quarter 2.	URA Headquarter Building Construction	
Total	20,000,000	5,000,000	20,000,000	
<i>GoU Development</i>	<i>20,000,000</i>	5,000,000	<i>20,000,000</i>	
<i>External Financing</i>	<i>0</i>	0	<i>0</i>	
Vote: 153 PPDA				
Vote Function: 1456 Regulation of the Procurement and Disposal System				
<i>Project 1225 Support to PPDA</i>				
145672 Government Buildings and Administrative Infrastructure	Construction of the PPDA offices in partnership with Uganda Road Fund	Funds for this activity was received in October 2014	Site preparation, construction and supervision	
Total	1,900,000	0	1,900,000	
<i>GoU Development</i>	<i>1,900,000</i>	0	<i>1,900,000</i>	
<i>External Financing</i>	<i>0</i>	0	<i>0</i>	

S3 Proposed Budget Allocations for 2015/16 and the Medium Term

This section sets out the proposed sector budget allocations for 2015/16 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

	2013/14 Outturn	2014/15		Medium Term Projections		
		Appr. Budget	Spent by End Sept	2015/16	2016/17	2017/18
Vote: 008 Ministry of Finance, Planning & Economic Dev.						
1401 Macroeconomic Policy and Management	101.277	86.651	20.296	88.183	136.920	85.940
1402 Budget Preparation, Execution and Monitoring	8.807	17.258	2.224	17.180	26.935	19.315
1403 Public Financial Management	16.004	37.271	5.503	35.903	75.933	37.833
1404 Development Policy Research and Monitoring	40.435	25.597	7.741	25.157	69.314	28.962
1406 Investment and Private Sector Promotion	15.676	43.310	6.080	47.686	42.770	26.596

Section 3: Accountability Sector

	2013/14 Outturn	2014/15		Medium Term Projections		
		Appr. Budget	Spent by End Sept	2015/16	2016/17	2017/18
1408 Microfinance	6.135	16.664	3.052	44.597	60.562	32.181
1449 Policy, Planning and Support Services	28.715	44.227	5.616	44.580	50.160	49.942
Total for Vote:	217.048	270.978	50.510	303.286	462.594	280.769
Vote: 103 Inspectorate of Government (IG)						
1451 Corruption investigation ,Litigation & Awareness	33.559	38.123	6.970	38.208	42.625	42.629
Total for Vote:	33.559	38.123	6.970	38.208	42.625	42.629
Vote: 112 Ethics and Integrity						
1452 Governance and Accountability	5.226	5.429	1.011	5.429	6.510	6.511
Total for Vote:	5.226	5.429	1.011	5.429	6.510	6.511
Vote: 122 Kampala Capital City Authority						
1409 Revenue collection and mobilisation	0.402	3.744	0.021	3.944	4.441	9.875
Total for Vote:	0.402	3.744	0.021	3.944	4.441	9.875
Vote: 130 Treasury Operations						
1451 Treasury Operations	12.902	455.035	1.566	305.035	366.042	366.078
Total for Vote:	12.902	455.035	1.566	305.035	366.042	366.078
Vote: 131 Auditor General						
1453 External Audit	60.988	51.366	11.619	51.366	61.453	61.459
Total for Vote:	60.988	51.366	11.619	51.366	61.453	61.459
Vote: 141 URA						
1454 Revenue Collection & Administration	208.983	235.319	58.553	237.564	279.029	277.074
Total for Vote:	208.983	235.319	58.553	237.564	279.029	277.074
Vote: 143 Uganda Bureau of Statistics						
1455 Statistical production and Services	69.499	111.556	92.557	65.118	78.060	78.068
Total for Vote:	69.499	111.556	92.557	65.118	78.060	78.068
Vote: 153 PPDA						
1456 Regulation of the Procurement and Disposal System	8.115	10.685	1.582	10.685	12.787	12.788
Total for Vote:	8.115	10.685	1.582	10.685	12.787	12.788
Vote: 500 501-850 Local Governments						
1481 Financial Management and Accountability(LG)	15.240	15.240	3.810	15.240	18.288	18.290
1482 Internal Audit Services		0.000	0.000	0.000	0.000	0.000
Total for Vote:	15.240	15.240	3.810	15.240	18.288	18.290
Total for Sector:	631.962	1,197.476	228.198	1,035.875	1,331.830	1,153.543

* Excluding Taxes and Arrears and including NTR

(i) The Total Budget over the Medium Term

The Sector budget for FY 2015/16 is UGX1,035.875Bn which represents a reduction of 161.6 (13.5%) compared to FY 2012/14/15. During FY2015/17, out of UGX 1035.875Bn, UGX 160.696Bn is for wage, UGX 550.248 Bn is for Non-wage Recurrent, UGX 244.212 Bn is for GoU Development, Donor of UGX 77.21 Bn and NTR is UGX 3.510 Bn. In the FY 2016/17, the total budget allocation is estimated to be UGX 1,331.830Bn billions of which; Wage is UGX. 191.309 Bn; Non - Wage is UGX. 660.213Bn; GoU Development is UGX. 292.468 Bn; Donor of UGX 183.835 Bn and NTR of UGX 4.005 Bn; For FY2017/18, the total sector budget is projected to be UGX. 1,153.543 of which; Wage is UGX. 191.328 Bn; Non -Wage is UGX 660.318Bn, GoU Development is UGX. 292.497 Bn, Donor of UGX 0.000Bn and NTR of UGX 9.400Bn

(ii) The major expenditure allocations in the sector

Analysis of Sector allocations shows the share of the resources among various vote functions; Out of the entire sector budget, Treasury Operations takes the biggest share of 305.035 Bn (29.4%), this meant for contingency fund and debt amortization. Revenue collection and Administration takes the second biggest

Section 3: Accountability Sector

share of UGX 237.564Bn representing 22.9%; this is to enhance revenue collection, followed by Macroeconomic Policy and Management with 88.183 Bn (8.5%), Statistical production and Services with 65.118Bn (6.3%) of the entire budget, external audit with 51.366Bn (5%), Investment and Private Sector Promotion with 47.686Bn (4.6%), Micro finance and Policy Planning and Support Service each shares 44.6Bn (4.3%) of the budget, Corruption investigation, Litigation & Awareness with 38.2Bn (3.7%), Public Financial Management with 35.9Bn (3.5%), Development Policy Research and Monitoring with 25.15Bn (2.4%), Budget Preparation, Execution and Monitoring with 17.18Bn (1.7%), Financial Management and Accountability (LG) with 15.4Bn (1.5%), Regulation of the Procurement and Disposal System with 10.69 (1%) and Governance and Accountability with 5.429Bn (0.5%)

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

Overall, Accountability Sector will register a decline of 13.5% from UGX1197.418Bn in FY2014/15 to UGX1035.875Bn in FY2015/16. This significant reduction is due to completion of the Audit house. Ministry of Finance, Planning and Economic Development will register a budget increment of 13.0% from UGX 270.978Bn in FY2014/15 to UGX303.286 in FY2015/16. This is because of an increase in the budget for Micro finance with UGX 44.597 and Investment and Private Sector promotion with UGX 47.686 in FY2015/16. Uganda Revenue Authority will register a budget increments of 1% from UGX 235.319 Bn to UGX237.564 Bn. This is meant to kick start the construction of offices. Directorate for Ethics and Integrity also registered an increment of 10% from UGX 5.429Bn I FY 2014/15 to UGX 5.979Bn in FY 2015/16 to finalise the establishment of the Leadership code tribunal. Allocations for FY 2015/16 for some Sector Votes have remained the same as those of the FY 2014/15, these include; Inspectorate of Government, , Public Procurement and Disposal of Public Asset Authority, Kampala Capital City Authority, Office of the Auditor General Financial Management and Accountability LG

Table S3.2: Major Changes in Sector Resource Allocation

Proposed changes in 2015/16 Allocations and Outputs from those planned for in 2014/15:	Justification for proposed Changes in Expenditure and Outputs
Vote: 008 Ministry of Finance, Planning & Economic Dev.	
<i>Vote Function: 1453 Microfinance</i>	
Output: 14 08 53 SACCOs capacity strengthened	
<i>Change in Allocation (US\$ bn):</i> 27.915	<i>Increase in donor financing to PROFIRA to provide sustainable SACCOs with accessible financial services as well as establishing new Community Savings and Credit Groups.</i>
Increase in donor financing to Project for Rural Financial Inclusion in Rural Areas (PROFIRA) to provide sustainable SACCOs with accessible financial services as well as establishing new Community Savings and Credit Groups.	
<i>Vote Function: 1452 Investment and Private Sector Promotion</i>	
Output: 14 06 52 Conducive investment environment	
<i>Change in Allocation (US\$ bn):</i> 3.600	<i>Funds for USADF project transferred from output 140601 for proper budgeting</i>
Funds for USADF project transferred from output 140601 for proper budgeting	
<i>Vote Function: 1458 Macroeconomic Policy and Management</i>	
Output: 14 01 58 Capitalisation of institutions and financing schemes	
<i>Change in Allocation (US\$ bn):</i> 2.000	<i>Additional funding for capitalisation of Post bank Uganda to meet long term development financing needs</i>
Additional funding for capitalisation of Post bank Uganda to meet long term development financing needs	
<i>Vote Function: 1403 Public Financial Management</i>	
Output: 14 03 03 Development and Management of Internal Audit and Controls	
<i>Change in Allocation (US\$ bn):</i> 1.329	
<i>Vote Function: 1404 Public Financial Management</i>	
Output: 14 03 04 Local Government Financial Management Reform	
<i>Change in Allocation (US\$ bn):</i> 1.316	
End of FINMAP II hence the reduction in Donor Financing	
<i>Vote Function: 1401 Public Financial Management</i>	
Output: 14 03 01 Accounting and Financial Management Policy, Coordination and Monitoring	
<i>Change in Allocation (US\$ bn):</i> 1.245	

Section 3: Accountability Sector

Proposed changes in 2015/16 Allocations and Outputs from those planned for in 2014/15:	Justification for proposed Changes in Expenditure and Outputs
<i>Vote Function:1451 Investment and Private Sector Promotion</i>	
Output: 14 06 51 Provision of serviced investment infrastructure	
<i>Change in Allocation (US\$ bn): 1.094</i>	<i>Increase in donor financing for Competitiveness and Enterprise Development Project (CEDP)</i>
<i>Vote Function:1454 Development Policy Research and Monitoring</i>	
Output: 14 04 54 Support to scientific and other research	
<i>Change in Allocation (US\$ bn): 1.000</i>	<i>Additional funding to support scientific research and innovations under support to scientists project.</i>
<i>Vote Function:1499 Budget Preparation, Execution and Monitoring</i>	
Output: 14 02 99 Arrears	
<i>Change in Allocation (US\$ bn): -1.000</i>	<i>Funds re allocated to payment of arrears on international obligations</i>
<i>Vote Function:1401 Budget Preparation, Execution and Monitoring</i>	
Output: 14 02 01 Policy, Coordination and Monitoring of the National Budget Cycle	
<i>Change in Allocation (US\$ bn): -1.076</i>	<i>Money reallocated to payment of arrears for contribution to international organisations</i>
<i>Vote Function:1472 Development Policy Research and Monitoring</i>	
Output: 14 04 72 Government Buildings and Administrative Infrastructure	
<i>Change in Allocation (US\$ bn): -1.439</i>	<i>US\$ 0.669bn was allocated to UNCST for the establishment of National and Regional science Parks established leading to the varaitaion of Ushs - 1.439bn</i>
<i>Vote Function:1402 Public Financial Management</i>	
Output: 14 03 02 Management and Reporting on the Accounts of Government	
<i>Change in Allocation (US\$ bn): -1.590</i>	<i>End of FINMAP II hence the reduction in Donor Financing</i>
<i>Vote Function:1401 Investment and Private Sector Promotion</i>	
Output: 14 06 01 Investment and private sector policy framework and monitoring	
<i>Change in Allocation (US\$ bn): -3.511</i>	<i>Allocation to US ADF transferred to output 140652-onndusive investment climate</i>
<i>Vote Function:1476 Public Financial Management</i>	
Output: 14 03 76 Purchase of Office and ICT Equipment, including Software	
<i>Change in Allocation (US\$ bn): -3.588</i>	
Vote: 103 Inspectorate of Government (IG)	
<i>Vote Function:1403 Corruption investigation ,Litigation & Awareness</i>	
Output: 14 51 03 Prosecutions & Civil Litigation	
<i>Change in Allocation (US\$ bn): 1.131</i>	<i>This is to improve performance,effiency and service delivery</i>
<i>Vote Function:1401 Corruption investigation ,Litigation & Awareness</i>	
Output: 14 51 01 Administration & Support services	
<i>Change in Allocation (US\$ bn): -2.142</i>	<i>To strengthen Regional offices for performance improvement</i>
Vote: 130 Treasury Operations	
<i>Vote Function:1453 Treasury Operations</i>	
Output: 14 51 53 Contingecy Transfers	
<i>Change in Allocation (US\$ bn): 100.000</i>	
<i>Vote Function:1499 Treasury Operations</i>	
Output: 14 51 99 Arrears	
<i>Change in Allocation (US\$ bn): -20.000</i>	

Section 3: Accountability Sector

Proposed changes in 2015/16 Allocations and Outputs from those planned for in 2014/15:	Justification for proposed Changes in Expenditure and Outputs
<i>Vote Function: 1454 Treasury Operations</i> Output: 14 51 54 Capitalization <i>Change in Allocation (US\$ bn):</i> -250.000	
Vote: 141 URA <i>Vote Function: 1476 Revenue Collection & Administration</i> Output: 14 54 76 Purchase of Office and ICT Equipment, including Software <i>Change in Allocation (US\$ bn):</i> 5.680	
<i>Vote Function: 1401 Revenue Collection & Administration</i> Output: 14 54 01 Customs Tax Collection <i>Change in Allocation (US\$ bn):</i> 3.069	
<i>Vote Function: 1402 Revenue Collection & Administration</i> Output: 14 54 02 Domestic Tax Collection <i>Change in Allocation (US\$ bn):</i> 2.414	
<i>Vote Function: 1475 Revenue Collection & Administration</i> Output: 14 54 75 Purchase of Motor Vehicles and Other Transport Equipment <i>Change in Allocation (US\$ bn):</i> 2.045	
<i>Vote Function: 1477 Revenue Collection & Administration</i> Output: 14 54 77 Purchase of Specialised Machinery & Equipment <i>Change in Allocation (US\$ bn):</i> -2.392	
<i>Vote Function: 1479 Revenue Collection & Administration</i> Output: 14 54 79 Acquisition of Other Capital Assets <i>Change in Allocation (US\$ bn):</i> -3.200	
<i>Vote Function: 1405 Revenue Collection & Administration</i> Output: 14 54 05 URA Legal and Administrative Support Services <i>Change in Allocation (US\$ bn):</i> -4.674	
Vote: 143 Uganda Bureau of Statistics <i>Vote Function: 1403 Statistical production and Services</i> Output: 14 55 03 Industrial and Agricultural indicators <i>Change in Allocation (US\$ bn):</i> 5.843 Increased funding is aimed at increasing the data collection frequency and coverage on Agricultural	<i>There will be improvements in the quantity and quality of data required for planning the sector</i>
<i>Vote Function: 1401 Statistical production and Services</i> Output: 14 55 01 Economic statistical indicators <i>Change in Allocation (US\$ bn):</i> 4.641 redirecting resources after the census back to the mainstream programme	<i>Producing Economic statistical indicators is part of the core mandate of UBOS and is done monthly. Increased funding will improve projections</i>
<i>Vote Function: 1475 Statistical production and Services</i> Output: 14 55 75 Purchase of Motor Vehicles and Other Transport Equipment <i>Change in Allocation (US\$ bn):</i> 3.740	
<i>Vote Function: 1402 Statistical production and Services</i> Output: 14 55 02 Population and Social Statistics indicators <i>Change in Allocation (US\$ bn):</i> -61.111 Resources have to be released to other programs after Census	<i>funds release from census have been used to cover gaps in recurrent programs</i>

* Excluding Taxes and Arrears

S4: Challenges, Unfunded Outputs for 2015/16 and the Medium Term

This section sets out the highest priority outputs in 2015/16 and the medium term which the sector has been unable to fund in its spending plans.

1. Laxity in the implementation of recommendations made by oversight agencies
Parliament is under an obligation to discuss the reports issued by the Office of the Auditor General and Inspectorate of Government with the objective of ensuring that recommendations are implemented to bring about efficiency in service delivery. However, these reports are not discussed within the prescribed time. In the last three years, Parliament has not debated or adopted any of the PAC reports although some special

Section 3: Accountability Sector

audits have been debated. As a consequence the treasury memorandum that contains government response on the issues raised by Parliament has not been produced for years since 2004/05. This leads to complacency as no timely administrative measures are taken against institutions and individuals engaged in the violation of the set policy, rules and regulations.

2. Inadequate supervision and monitoring

There is limited supervision, monitoring and evaluation of government programs. This is a result of lack of capacity in terms of financial, logistical and technical skills. More often the inspection units operate independently leading to duplication of efforts and resources. In addition, there is minimal sharing and utilization of information. Currently monitoring and evaluation units are constrained by capacity gaps (existing number of Inspectors do not match with the task of routine inspection across local governments).

3. Uncoordinated and Segmented projects across the Sector institutions; Whereas the sector wide approach (SWA) adopted by GoU in 1999 emphasized that government projects and programmes should be supported through the sector wide approach to planning, budgeting, programme implementation, monitoring and evaluation with a shift of focus from institutional interests to sector wide strategic interests through a rationalized application of resources from the Government of Uganda and Development Partners. Uncoordinated and segmented projects across the Sector have often resulted into; Parallel programmes across sector institutions, Incoherent initiatives, failure to foster the critical needs, lack of sustainability when donor support is withdrawn and

4. Non-Compliance with some PFM procedures, regulations, and standards remains. The causes of these violations range from technical weaknesses inherent in the PFM processes to sheer lack of awareness of the public financial management and accounting regulations or internal controls at all levels of governance. Some of the specific causes of violations include lack of awareness of the internal regulations, laxity in enforcing the accountability for Advances, manual tracking of advances, bureaucratic delays in accounting and poor planning and budgeting resulting into diversion of funds and excess expenditures.

5. Weak co-ordination and collaboration among anti-corruption agencies and inadequacies in the existing laws, regulations and policies are curtailing anti-corruption initiative. These include absence of Leadership Code Tribunal, lack of corporate status and lack of legal regime for asset recovery.

6. Non remittance of withholding taxes, PAYE and huge tax arrears, low collection of non-tax revenue impede revenue mobilization.

7. Limited capacity due to inadequate staffing at national and regional offices in some MDAs affects the execution of their huge mandates.

8. Low public demand for accountability

The Government of Uganda has established financial systems to improve standards of accountability. However, one of the key challenges for the sector is poor 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. This is further compounded by limited access to required information (financial releases, work plans, progress report etc) at the lower local councils.⁷ 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.

Table S4.1: Additional Output Funding Requests

Additional Requirements for Funding and Outputs in 2015/16	Justification of Requirement for Additional Outputs and Funding
<i>Vote Function: 1459 Macroeconomic Policy and Management</i>	
Output:	1401 59 Support to Financial Intelligence Authority

Section 3: Accountability Sector

Additional Requirements for Funding and Outputs in 2015/16	Justification of Requirement for Additional Outputs and Funding
<p><i>Funding Requirement (US\$ Bn)</i> 6.900 Operationalisation of the Financial Intelligence Authority (FIA) requires Ushs 6.9bn.</p>	<p>Operationalisation of the Financial Intelligence Authority (FIA) requires Ushs 6.9bn.</p>
<p><i>Vote Function: 1403 Public Financial Management</i></p>	
<p>Output: 1403 03 Development and Management of Internal Audit and Controls</p>	
<p><i>Funding Requirement (US\$ Bn)</i> 14.216 Funds required to operationalize the Procurement Appeals Tribunal (PAT) Ushs 2.577 bn (Ushs 1.007 bn Wage and Ushs 1.500bn Non Wage).</p>	<p>1. Funds required to operationalize the Procurement Appeals Tribunal (PAT) Ushs 2.577 bn (Ushs 1.007 bn Wage and Ushs 1.500bn Non Wage). 2. Ushs. 8.385bn required for operationalisation of the new Directorate of Cash and Debt (Ushs 2.939bn Development and Ushs 5.446bn Non Wage). 3. Ushs. 3.253bn required for operationalisation of the new Internal Audit Directorate (Ushs 0.780bn Wages and Ushs 2.473bn Non Wage)</p>
<p><i>Vote Function: 1457 Investment and Private Sector Promotion</i></p>	
<p>Output: 1406 57 Support to Uganda Free Zones Authority</p>	
<p><i>Funding Requirement (US\$ Bn)</i> 5.776 Operationalisation of the Uganda Free Zones Authority (UFZA) requires Ushs 5.776 bn.</p>	<p>Operationalisation of the Uganda Free Zones Authority (UFZA) requires Ushs 5.776 bn.</p>
<p><i>Vote Function: 1401 Corruption investigation ,Litigation & Awareness</i></p>	
<p>Output: 1451 01 Administration & Support services</p>	
<p><i>Funding Requirement (US\$ Bn)</i> 4.500 Additional funds needed for recruitment of new staff, buy equipment, operational funds and architectural designs for construction of IG office building.</p>	<p>Additional funds needed for recruitment of new staff, buy equipment, operational funds and architectural designs for construction of IG office building.</p>
<p>Output: 1451 05 Decentralised Anti - corruption programmes</p>	
<p><i>Funding Requirement (US\$ Bn)</i> Additional funding for strengthening Regional Offices.</p>	<p>Additional funding for strengthening Regional Offices.</p>
<p><i>Vote Function: 1401 Governance and Accountability</i></p>	
<p>Output: 1452 01 Formulation and monitoring of Policies, laws and strategies</p>	
<p><i>Funding Requirement (US\$ Bn)</i> 3.000 Operationalization of the Pornographic Control Committee</p>	<p>Funds required for establishment of the Pornographic Control Committee to monitor compliance with the Anti-Pornography Law that was recently promulgated by Parliament. Start up costs arising from capital equipment requirements of Shs. 1.5bn and operationalization and salaries, wages and allowances for staff of Shs. 1.5bn</p>
<p><i>Vote Function: 1402 Revenue collection and mobilisation</i></p>	
<p>Output: 1409 02 Local Revenue Collections</p>	
<p><i>Funding Requirement (US\$ Bn)</i> 0.000 This Funding will increase NTR from UGX. 94.47Bn. to UGX. 111Bn.</p>	<p>Increased NTR would lead to increased services and infrastructure contributing to growth.</p>
<p><i>Vote Function: 1401 External Audit</i></p>	
<p>Output: 1453 01 Financial Audits</p>	
<p><i>Funding Requirement (US\$ Bn)</i> 32.562 The office requires additional funding of Shs 32.562bn and the expected outputs include: •A backlog of 1,891 and 1,978 sub-county and schools audit cleared. •Resource center equipped with modern knowledge management hard and soft ware tools •2 regional offices expanded •27 motor vehicles procured •Court awards cleared •Estates Unit beefed up with 6 staff •Video conferencing facilities procured •Annual subscription for Teammate licenses paid</p>	<p>To address the above challenges, the office requires an additional funding of Shs 32.562bn as detailed below: Strengthening operational independence - Shs 15.942Bn The priority interventions include: operation and maintenance of Audit House, expansion of Arua and Soroti regional offices, replacement of the fleet at regional offices, strengthening the Estates Unit, payment of assessed bill of costs. (i) Operation and maintenance of Audit House Following the commissioning of the Audit House, there is need to provide for additional operation and maintenance costs estimated at Shs1.57bn in respect of the following budget items :electricity, water, cleaning and sanitation, civil maintenance, maintenance of machinery, equipment & furniture and Security services. Considering the savings of Shs 560,000,000 from rent, the office requires additional funding of Shs</p>

Section 3: Accountability Sector

Additional Requirements for Funding and Outputs in 2015/16

Justification of Requirement for Additional Outputs and Funding

1.01bn.

(ii) Expansion of existing regional offices

In line with the office objective of strengthening operational independence, the office plans to expand Soroti and Arua regional offices and to provide a conducive working environment for staff. This requires an addition funding of Shs 4.0bn.

(iii) Replacement of fleet at regional offices

Majority of the vehicles that are currently deployed at the regional offices are all above 5 years old resulting into high expenditure on maintenance and repair. In this regard, there is need to replace the aging fleet at the regional offices to improve operational efficiency. This requires a total budget of Ushs 4.183bn to procure 27 vehicles and deploy three vehicles at each regional office.

(iv) Strengthening the Estates Unit

Maintaining and operating the installations at Audit House requires specialised skills which are not provided for in the current structure of the Estates Unit. Therefore, the office proposes restructure the estates unit to provide for the following positions: Estates Officer- Civil (U4); Estates Officer- Power Technician (U5); Estates Officer - AC Technician (U5); Plumber (U5); CCT Operator (U5) and Manager Estates - Principal Estates Officer (U2). The financial implication for the above proposals amounts to Shs 0.250bn including 10% NSSF contribution and the other associated operational costs.

(vi) Payment of assessed bill of costs (Court Award)

In the process of executing its mandate, the office of the Auditor General was sued and the court ruled that the office pays the plaintiff Shs 6.5bn.

Clearing of Audit Backlog and Expansion of Audit Coverage - UGX 13.886Bn

Section 13 of the National Audit Act 2008 requires the Auditor General to audit and report on all public accounts of Uganda and of all public offices. However, due to inadequate funding the office is unable to cover its entire audit population especially Local authorities and schools resulting into accumulation of audit backlog. In addition due to on-going developments in the country, new audit areas have emerged.

Therefore, in the FY 2015/16, the office requires additional funding of Shs 13.886bn to clear audit backlog and expand audit coverage as summarised below:

- Shs 0.597 for clearing audit back log of 702 Sub-Counties for the FY 2013/14;
- Shs 2.884bn for audit of 1,189 Sub-Counties for the FY 2014/15
- Shs 4.445bn for audit of 889 secondary schools and tertiary institutions for the FY 2013/14
- Shs 4.60bn for audit of 1,089 secondary schools and tertiary institutions the FY 2014/15
- Shs 0.300bn for audit of 2 Private Public Partnerships;
- Shs 0.800bn for audit of 4 PSAs/Cost Recovery Reviews.

Improvement on Knowledge Management - Shs 0.525Bn

The office established a resource centre to facilitate timely accessibility of

Section 3: Accountability Sector

Additional Requirements for Funding and Outputs in 2015/16	Justification of Requirement for Additional Outputs and Funding
	<p>information by both internal and external stakeholders. However, the resource centre is currently being managed manually which makes information storage and retrieval tedious. Therefore, in the FY 2015/16, the office requires additional funding of Shs 0.525 to equip the resource center with the necessary knowledge management hard and soft ware.</p> <p>Capacity Building - Shs 1.762Bn</p> <p>In view of the ever increasing demand for quality audits, the office needs to respond by undertaking thorough training of staff in financial audits and emerging specialised audit areas. This will require additional funding of UGX1.762bn.</p> <p>ICT Infrastructure Development – UGX 0.446Bn</p> <p>The office is rolling out the use of computerised audit tools (Teammate) whose coverage is currently at 50%. Under FINMAP, the office will be procuring 100 licences in the FY 2015/16 and this will increase the coverage to 100%. In this regard, the office requires additional funding of Shs 0.246bn for annual licence renewal. In addition, the office plans to acquire video conferencing equipment for the training centre at the Audit House estimated cost of Shs 0.2bn.</p>
Vote Function: 1472 Revenue Collection & Administration	
Output: 1454 72 Government Buildings and Administrative Infrastructure	
<p>Funding Requirement (US\$ Bn) 19.066</p> <p>The funding for URA house is projected to last a period of three years. This is a shortfall on the the MTEF projection</p>	<p>Construction of URA one stop centre building will save the organization vast resources in terms of rent, systems connectivity, transport and communication expenses, as well as improve service delivery to our clients.</p>
Vote Function: 1472 Regulation of the Procurement and Disposal System	
Output: 1456 72 Government Buildings and Administrative Infrastructure	
<p>Funding Requirement (US\$ Bn) 2.000</p> <p>Development of PPDA Home in partnership with URF</p>	<p>The current offices of PPDA are small and cannot accommodate all PPDA staff thus requiring the Authority to rent extra space which is unsustainable in the long run.</p>