

# Vote:021 East African Community

## VI: Vote Overview

### (i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

Billion Uganda Shillings	FY2018/19 Outturn	FY2019/20		FY2020/21 Proposed Budget	MTEF Budget Projections			
		Approved Budget	Spent by End Sep		2021/22	2022/23	2023/24	2024/25
Recurrent Wage	0.965	1.135	0.216	1.135	1.135	1.135	1.135	1.135
Non Wage	32.805	51.026	19.039	51.026	61.231	73.477	88.172	105.807
Devt. GoU	0.499	0.080	0.000	0.080	0.080	0.080	0.080	0.080
Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>GoU Total</b>	<b>34.269</b>	<b>52.242</b>	<b>19.255</b>	<b>52.242</b>	<b>62.447</b>	<b>74.693</b>	<b>89.388</b>	<b>107.023</b>
<b>Total GoU+Ext Fin (MTEF)</b>	<b>34.269</b>	<b>52.242</b>	<b>19.255</b>	<b>52.242</b>	<b>62.447</b>	<b>74.693</b>	<b>89.388</b>	<b>107.023</b>
<i>A.I.A Total</i>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Grand Total</b>	<b>34.269</b>	<b>52.242</b>	<b>19.255</b>	<b>52.242</b>	<b>62.447</b>	<b>74.693</b>	<b>89.388</b>	<b>107.023</b>

### (ii) Vote Strategic Objective

- Coordinate harmonization of Regional Legal and Policy frameworks at the National level
- Provide Strategic leadership, coordination, guidance and support for EAC integration
- Ensure compliance and implementation of EAC Policies, Laws, Decisions, Directives and Programmes.
- Strengthen institutional capacity
- Enhance public awareness and public participation in EAC regional integration.

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## V2: Past Vote Performance and Medium Term Plans

### Performance for Previous Year FY 2018/19

Non-wage Budget was over released by 23.4%, and absorbed 99.4%.

The over release of Non-wage budget is attributed to the supplementary funding (UGX 6.35 billion) specifically for Uganda's annual contributions to the EAC.

The low absorption resulted from non-absorption of some funds under Pension budget

The under performance of the pension funds was as a result of challenges in pensioners' verification.

Development Budget was under released by about UGX 30 million. All the released funds were absorbed

Wage Budget was under released by 2.4%. Out of what was released, 87.1% was spent. This is attributed to;

- a) Some expected staff recruitments were not effected
- b) Some staff transfers
- c) Staff retirement case(s)

UGX 26.18 billion remitted to the EAC Organs & Institutions

- a) EAC Secretariat (UGX 18.703Bn)
- b) Lake Victoria Fisheries Organization (LVFO) – (UGX 2.463Bn)
- c) Lake Victoria Basin Commission (LVBC) – (UGX 1.965Bn)
- d) Inter University Council of East Africa (IUCEA) – (UGX 3.050Bn)
- e) Pension timely paid out to the 527 verified beneficiaries

Coordination of the implementation of the Common Market Protocol

Carried out EAC awareness campaigns across the country as follows;

- a) One LG Sensitization (Kamwenge, Kyegegwa, Kyenjojo and Ibanda)
- b) Published articles in Print Media i.e. Newspaper articles on EAC-Passports, EAC Monetary Union and the 20 years of EAC Integration in New vision and Daily Monitor
- c) 4 Radio talk shows (About 20years of EAC Integration, Women cross boarder traders, EAC –Passports, Role of LG leaders in EAC Integrations)
- d) Public awareness in Secondary schools & tertiary institutions (CLUBS)
- e) Supplied Regional Integration centres with Assorted IEC materials - Busia, Elegu
- f) 4 Joint border sensitization/Strategic engagements; Mutukula, Busia, Elegu
- g) Participated and Exhibited during the “ Know your Budget week “organised by MoFPED, UMA Trade Fair at Lugogo and UMA Eastern Region Trade Fair in Mbale
- h) Published a booklet on Intra-EAC travel; Cross Boarder Travel for EAC Citizens: What you need to Know

Coordinated bilateral negotiations between Uganda and EAC Partner states to discuss and resolve bilateral issues related to EAC

Engaged Border communities of Busia, Mutukula, Malaba and Katuna for bilateral meetings to address challenges faced in regional integration process

Retooled MEACA offices to ease operations (Assorted Office Furniture and ICT Equipment) i.e. 10 Orthopedic Chairs, 19 Visitors Chair, 05 Desktop computer sets, 05 Printers, 01 Scanner, 10 UPS, 03 TV Sets, 04 Laptops and Carpets

Procured two Pick-up Motor Vehicles

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## Performance as of BFP FY 2019/20 (Performance as of BFP)

The approved budget for FY 2019/20 is UGX 72.466 billion, of which of which Wage is UGX 1.135 billion, Non-wage amounts to UGX 51.026 billion and Development is UGX 0.0804 billion, and arrears amounting to UGX 20.224 billion.

For the first quarter of FY 2019/20, the Ministry received funds amounting to UGX 38.552 billion (representing a 41.8% release of the total approved budget), of which wage was UGX 0.284 billion, Non-wage is UGX 21.509 billion, Development was UGX 0.040 billion and Arrears amounting to UGX 16.720 billion.

The financial performance highlights include;

- (a) By the first quarter of FY 2019/20, 88.2% of the funds released had been spent, representing 36.9% absorption of the total approved budget.
- (b) Q1 Non-wage operational funds was under released by approximately UGX 1 billion. This greatly affected MEACA operations for Q1.
- (c) Q1 EAC Contributions were released at 50% as expected
- (d) Arrears were released as expected
- (e) GoU Development was under-released by 50%
- (f) Absorption of Q1 released funds is 88.2%

(g) There were no major / significant variances in budget execution under Programme 18 (Regional Integration). The main variances in budget execution were registered under Programme 49 (Administration, Policy and Planning). i.e.

- i) There were unspent pension funds that were as a result of the lengthy validation processes and inadequate documentation presented by some intended beneficiaries
- ii) GoU. Development funds were not spent in first quarter because of incomplete procurement process

Below are the highlights of the physical performance for the first quarter of FY 2019/20;

- i. Remitted UGX 19bn to EAC Organs and Institutions (EACS, IUCEA, LVFO and LVBC)
- ii. Carried out a post Assessment Closure of Cyanika, Katuna and Mirama Hill Border Posts, Radio Talk show on Radio Kisoro.
- iii. Monitored implementation of EAC Decisions & Directives. 75% of the decisions were implemented.
- iv. Popularized the National Policy on EAC integration
- v. Coordination of the implementation of the Common Market Protocol (CMP) i.e. Held CMP expert subcommittees)
- vi. Coordinated bilateral negotiations between Uganda and EAC Partner states to discuss and resolve bilateral issues related to EAC
- vii. Held 20 Talk shows to popularize Regional Integration Agenda in Uganda
- viii. Supported staff for professional capacity building to enhance their skills on strategic leadership, coordination and negotiation
- ix. One Local Government (LG) Sensitization in the district of the South western Uganda (workshop held in Kasese)
- x. Published articles in Print Media i.e. Newspaper articles on EAC-Passports, EAC Monetary Union and the 20 years of EAC Integration in New vision and Daily Monitor
- xi. 10 Radio talk shows (About 20yrs of EAC Integration, Women cross boarder traders, EAC Passports, Role of Local Government leaders in EAC Integrations)
- xii. Public awareness in Secondary schools & tertiary institutions (CLUBS)
- xiii. Supplied Regional Integration centres with Assorted IEC materials - Busia, Elegu
- xiv. Operationalized Elegu Regional Integration Center (RIC)
- xv. 2 Joint border sensitization/Strategic engagements at; Mutukula, Busia, Elegu

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## FY 2020/21 Planned Outputs

The total budget for FY 2020/21 amounts to UGX 52.242 billion, of which Wage is UGX 1.135 billion, Non-wage amounts to UGX 51.020 billion and Development is UGX 0.0804 billion.

The Planned Outputs for 2020/21 include among others;

- 1) Providing strategic leadership in the process of coordinating implementation of the EAC Common Market Protocol;
  - a) Coordinate and monitor the implementation of the Common Market Protocol (Free Movement of Goods, Labour & Persons and Free Movement of Services);
  - b) Coordinate the elimination of emerging Non-Tariff barriers addressed
  - c) Coordinate the harmonization of national laws to ensure compliance with the EAC Common Market Protocol
  - d) Undertake Policy oriented research
  - e) Stakeholder dialogue on issues relating to Energy, TCM, Agriculture, Environment, Health, Gender, Education, and EAC Affairs, Council and Summit decisions.
  - f) Strategic dialogue meeting with Civil Society Originations on the national policy on EAC Integration held
  - g) Thematic engagement of stakeholder on the EAC Gender bill, Youth Policy and PWD Policy
- 2) Scaling-up sensitization and awareness creation among the general public to increase visibility of EAC;
  - a) Strategic engagement with all relevant sectors to ensure that EAC issues are mainstreamed in the respective BFPs and MPS
  - b) Regional Policy sensitization meetings with Local Governments
  - c) LGs Sensitization
  - d) Publishing articles in Print Media
  - e) TV and Radio talk shows
  - f) Public awareness in Secondary schools & tertiary institutions (CLUBS)
  - g) Civic Education programmes
  - h) Production of IEC materials on EAC integration
  - i) Equipping Regional Integration centres at the various OSBPs
  - j) Joint border sensitization/Strategic engagements
  - k) Sensitization of farmers, producers, traders, and manufactures about markets, standards, quality requirements, etc
- 3) Coordinating the progressive implementation of the commitments enshrined in the EAC Monetary Union Protocol;
  - a) Coordinating the harmonization of domestic Taxes
  - b) Monitoring the implementation of programmes supporting the free movement of Capital;
  - c) Coordinate the harmonization of national laws & policies which support the EA Monetary Union Laws
- 4) Ensuring the implementation of the National Policy on EAC Integration across all sectors of government;
  - a) Strategic meetings with MDAs on implementation of National Policy on EAC Integration (NPEACI) held
  - b) Dialogue meetings to ensure that sectors mainstream the EAC integration agenda held
  - c) Regional Policy sensitization meetings with Local Governments held
- 5) Coordinating national efforts towards the ultimate EAC Political Federation;
  - a) Coordination of countrywide national consultation on the drafting of the EAC Political Confederation Constitution
  - b) Dialogue meeting on harmonization of laws in peace and security sector
  - c) Mainstreaming the National Policy on EAC Integration in the peace and security sector
  - d) Coordinate and participate in the drafting of the EAC Political Confederation Constitution.
  - e) Monitoring the implementation of EAC Decisions and Directives by MDA's
  - f) Participate in the Defence Experts Group on the EAC Mutual Defence Pact

## Medium Term Plans

In line with the EAC Vision 2050, Uganda Vision 2040, and the NDP III, the following are the Strategies over the medium term;

- 1) Continuous coordination of the mainstreaming of EAC programmes (as enshrined in the National Policy on EAC Integration) into Plans and budget of Sectors and MDAs.
- 2) Ensure that Uganda meetings 100% of its statutory obligation of annually remitting funds to the EAC Organs & Institutions
- 3) Coordinate regional and national efforts towards the drafting of the EAC Political Confederation Constitution
- 4) Coordinate the progressive implementation of the commitments in the EAC Monetary Union Protocol, including harmonization of national laws and establishing legal & institutional framework which will support the Common Currency.
- 5) Enhance sensitization and public awareness, especially among farmers, traders, producers, and manufacturers on the issues of quality/standards of goods and service, quality measurements, trade procedures, EAC market access requirements, etc.

## Efficiency of Vote Budget Allocations

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The allocations have been made in such a way that statutory obligations are prioritized

## Vote Investment Plans

There are no major Capital investments.

## Major Expenditure Allocations in the Vote for FY 2020/21

The major expenditure areas include;

- a) Contributions to EAC UGX 30 billion
- b) Pension UGX 3.34 billion
- c) Travel Abroad UGX 3.185 billion
- d) Travel inland UGX 2.211 billion
- e) Rent UGX 2 billion
- f) Salaries UGX 1.135 billion

## V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

**Table V3.1: Programme Outcome and Outcome Indicators**

<b>Programme :</b>	<b>18 Regional Integration</b>				
<b>Programme Objective :</b>	To provide policy coordination and strategic leadership on all matters of East African Community integration, with a view of ensuring: Market access, Competitiveness, and Joint decision making & collaboration for all.				
<b>Responsible Officer:</b>	Director - Economic, Production & Infrastructure				
<b>Programme Outcome:</b>	<b>Regional integration deepened in Uganda</b>				
<i>Sector Outcomes contributed to by the Programme Outcome</i>					
<b>1. Harmonized government policy formulation and implementation at central and local government level</b>					
Programme Performance Indicators (Output)	Performance Targets				
	2019/20 Plan	2019/20 Q1 Actual	2020/21 Target	2021/22 Target	2022/23 Target
• Value (in US Dollars) of Uganda's exports to the EAC that are accorded preferential tariff treatment	700	355	879	926	1,089
• Number of Ugandans employed in the other EAC Partner States	2,500	899	2,976	3,380	3,792

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

Billion Uganda shillings	2018/19	2019/20		2020/21	MTEF Budget Projections			
	Outturn	Approved Budget	Spent By End Q1	Proposed Budget	2021/22	2022/23	2023/24	2024/25
<b>Vote :021 East African Community</b>								
18 Regional Integration	0.761	0.754	0.222	0.934	1.200	1.500	4.000	5.000
49 Administration, Policy and Planning	33.386	51.487	27.344	51.307	61.247	73.193	85.388	102.023
<b>Total for the Vote</b>	<b>34.147</b>	<b>52.242</b>	<b>27.566</b>	<b>52.242</b>	<b>62.447</b>	<b>74.693</b>	<b>89.388</b>	<b>107.023</b>

## V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

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

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Billion Uganda shillings	2018/19	2019/20		2020/21	Medium Term Projections			
	Outturn	Approved Budget	Spent By End Sep	Proposed Budget	2021/22	2022/23	2023/24	2024/25
<b>Programme: 18 Regional Integration</b>								
02 Political Affairs	0.154	0.152	0.035	0.192	0.300	0.320	1.000	1.100
04 Economic Affairs	0.175	0.175	0.043	0.225	0.350	0.430	1.000	1.400
06 Social Affairs	0.252	0.185	0.067	0.275	0.300	0.400	1.000	1.200
07 Production and Infrastructure	0.180	0.241	0.076	0.241	0.250	0.350	1.000	1.300
<b>Total For the Programme : 18</b>	<b>0.761</b>	<b>0.754</b>	<b>0.222</b>	<b>0.934</b>	<b>1.200</b>	<b>1.500</b>	<b>4.000</b>	<b>5.000</b>
<b>Programme: 49 Administration, Policy and Planning</b>								
01 Finance and Administration	32.861	51.312	27.320	51.027	60.766	72.612	84.658	101.142
05 Internal Audit	0.075	0.095	0.024	0.200	0.400	0.500	0.650	0.800
1005 Strengthening Min of EAC	0.499	0.080	0.000	0.080	0.080	0.080	0.080	0.080
<b>Total For the Programme : 49</b>	<b>33.436</b>	<b>51.487</b>	<b>27.344</b>	<b>51.307</b>	<b>61.247</b>	<b>73.193</b>	<b>85.388</b>	<b>102.023</b>
<b>Total for the Vote :021</b>	<b>34.197</b>	<b>52.242</b>	<b>27.566</b>	<b>52.242</b>	<b>62.447</b>	<b>74.693</b>	<b>89.388</b>	<b>107.023</b>

N / A

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

N/A

## V5: VOTE CHALLENGES FOR 2020/21 AND ADDITIONAL FUNDING REQUESTS

### Vote Challenges for FY 2020/21

The challenges experienced by the Vote include;

- Inadequate funding to effectively meet the obligation and mandate and or requirements of the Ministry
- Inadequate resources to undertake effective public awareness on EAC programmes, opportunities, market requirements, quality and standards, among others
- Sluggish pace by which MDAs are amending their respective national laws to align them to the EAC Common Market protocol and remove all the non-conforming measure in the respective laws
- Lack of appropriate Office premises to meet our Staff office space needs, and also to ably carry out our mandate of coordinating EAC matters, both nationally and at the EAC level.

**Table V5.1: Additional Funding Requests**

Additional requirements for funding and outputs in 2020/21	Justification of requirement for additional outputs and funding
<b>Vote : 021 East African Community</b>	
<b>Programme : 18 Regional Integration</b>	
<i>OutPut : 03 Strategic leadership, Guidance and Support for EAC regional Integration strengthened</i>	
Funding requirement US\$ Bn : <b>0.438</b>	
<b>Programme : 49 Administration, Policy and Planning</b>	
<i>OutPut : 32 Ministry Support Services (Finance and Administration) provided</i>	

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Funding requirement US\$ Bn : <b>7.800</b>	<p>CONSTRUCTION OF THE EAC HOUSE (MEACA OFFICE BUILDING):          Costs of land acquisition and construction of the office block. The structure is expected to have conference halls and facilities which can be used to host EAC regional meetings whenever they are hosted in Uganda. This is a medium-term cost cutting initiative for both MEACA and EAC in general.</p>
<b>OutPut : 33 Ministerial and Top Management Services provided</b>	
Funding requirement US\$ Bn : <b>0.580</b>	<p>RENT ARREARS          Accumulated rent obligations yet inadequate Rent Budget for the previous period.</p>
<b>OutPut : 34 Public awareness on EAC integration coordinated</b>	
Funding requirement US\$ Bn : <b>2.000</b>	<p>ENHANCE PUBLIC AWARENESS AND SENSITIZATION ON EAC MATTERS:          The awareness programmes will enable farmers, producers and the general public to become aware of the opportunities the EAC market presents and the requirements needed to take advantage of these opportunities.</p>
<b>OutPut : 35 Finance &amp; Human policies &amp; programmes coordinated and their implementation Monitored</b>	
Funding requirement US\$ Bn : <b>2.500</b>	<p>ATTENDING EAC COORDINATION MEETINGS:          (a) Attend core EAC meetings (Summit, Council, Sectoral Councils, EALA, e.t.c)          (b) Fund other international obligations by the Deputy prime Minister delegated by the President</p> <p>LINKAGE TO NDP:          One of the 16 programmes under the NDP III is Public Sector Transformation, which MEACA directly contributes to through the Programme Components of "Harmonization of Policy Development and implementation".</p>
<b>OutPut : 75 Purchase of Motor Vehicles and Other Transport Equipment</b>	
Funding requirement US\$ Bn : <b>3.420</b>	<p>DEVELOPMENT/VEHICLES          Limited and old fleet resulting into High maintenance costs (Cost of repairs)</p> <p>LINKAGE TO NDP          Maximize Ugandas participation and benefits from EAC integration is a core NDP III strategy. Public outreaches across the country necessitates having transport equipment, which in a goof working condition.</p>