

Vote: 155 Uganda Cotton Development Organisation

QUARTER 3: Highlights of Vote Performance

V1: Summary of Issues in Budget Execution

This section provides an overview of Vote expenditure

(i) Snapshot of Vote Releases and Expenditures

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

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

<i>(i) Excluding Arrears, Taxes</i>	Approved Budget	Cashlimits by End	Released by End	Spent by End Mar	% Budget Released	% Budget Spent	% Releases Spent
Recurrent Wage	0.000	0.000	0.000	0.000	N/A	N/A	N/A
Recurrent Non Wage	1.390	11.002	0.762	0.590	54.8%	42.4%	77.4%
Development GoU	2.196	1.505	0.062	0.136	2.8%	6.2%	221.3%
Development Donor*	0.000	N/A	0.000	0.000	N/A	N/A	N/A
GoU Total	3.586	12.507	0.823	0.726	23.0%	20.2%	88.2%
Total GoU+Donor (MTEF)	3.586	N/A	0.823	0.726	23.0%	20.2%	88.2%
<i>(ii) Arrears and Taxes</i> Arrears	0.001	N/A	0.000	0.000	0.0%	0.0%	N/A
Taxes**	0.000	N/A	0.000	0.000	N/A	N/A	N/A
Total Budget	3.587	12.507	0.823	0.726	23.0%	20.2%	88.2%
<i>(iii) Non Tax Revenue</i>	2.405	N/A	1.582	1.582	65.8%	65.8%	100.0%
Grand Total	5.992	12.507	2.405	2.308	40.1%	38.5%	95.9%
Excluding Taxes, Arrears	5.991	12.507	2.405	2.308	40.1%	38.5%	95.9%

* Donor expenditure information available

** Non VAT on capital expenditure

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

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

Billion Uganda Shillings	Approved Budget	Released	Spent	% Budget Released	% Budget Spent	% Releases Spent
VF:0152 Cotton Development	5.99	2.41	2.31	40.1%	38.5%	95.9%
Total For Vote	5.99	2.41	2.31	40.1%	38.5%	95.9%

* Excluding Taxes and Arrears

(ii) Matters to note in budget execution

Justification for variances in budget execution:

- Un-spent funds under Non-wage recurrent are due to on-going procurements.
- There was low absorption of funds under the Development component (Project 1219) due interruption of work arising from termination of contract between CDO and China Jiangxi Corporation for International Economic and Technical Cooperation on 6th January, 2015 for fundamental breach of clause 9.1 of the GCC and for fraudulent practice, contrary to PPDA Code of Ethical Conduct for Bidders and Providers.

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

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

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* Excluding Taxes and Arrears

V2: Performance Highlights

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

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

Vote, Vote Function Key Output	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
Vote Function: 0152 Cotton Development			
Output: 015201	Provision of cotton planting seeds		
<i>Description of Performance:</i>	Organize and coordinate distribution of high quality cotton planting seeds to farmers in 58 cotton growing districts in Eastern, Northern, West Nile, Mid-West & Central and Western Regions.	- About 1,580 Mt of delinted and graded cotton planting seed were processed and supplied to farmers in 55 districts in Eastern, Northern, West Nile and Mid West & Central and Western Regions for the 2014/15 season. - 1,550 Mt of fuzzy seed were procured from ginner and 392 Mt of delinted and graded seed had been produced by end of Q3 in preparation for 2015/16 planting.	Three districts in West Nile were not served seed because farmers did not register for cotton production for the 2014/15 season.
<i>Performance Indicators:</i>			
No. of districts served with cotton planting seed	58	55	
<i>Output Cost:</i>	US\$ Bn: 0.250	US\$ Bn: 0.186	% Budget Spent: 74.5%
Output: 015202	Seed multiplication		
<i>Description of Performance:</i>	- Organize and mobilize seed growers to establish about 10,000 acres of seed crops in 5 segregated seed multiplication areas in Pallisa, Serere, Amolator, Bulisa and Rubirizi which are expected to produce 3,750 Mt of certified seed. Emphasis will be put on increasing productivity from lower acreage.	- 6,083 seed growers were registered and trained on crop establishment, crop management, pest control and harvesting. - Distributed 44,400 units of pesticides and 200 spray pumps to seed growers. - Approximately 8,516 acres were established under seed multiplication. - Approximately 5,100 Mt of seed cotton were produced in the seed multiplication areas in Rubirizi, Amolator, Alebtong, Dokolo, Oyam, Lira, Gulu, Abim, Bullisa, Hoima and Masindi. This produced about 3,160 Mt of certified seed.	CDO conducted mobilization campaigns as planned however cotton production in the seed cotton production in the seed multiplication areas was affected by drought at the beginning of the season (i.e. July and early August 2013) and at the end (December 2013 & January, 2014). As such, fewer seed growers were registered due to the reduction in production.
<i>Performance Indicators:</i>			
No. of seed growers registered and trained on seed production	10,000	6083	
<i>Output Cost:</i>	US\$ Bn: 1.050	US\$ Bn: 0.455	% Budget Spent: 43.3%
Output: 015203	Farmer mobilisation and sensitisation for increasing cotton production and quality		

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
<i>Description of Performance:</i>	- Organize establishment of 3,500 demonstration plots for training farmers on the recommended agronomic practices for increasing production and quality.	- 3,078 demonstration plots established. - Conducted over 10,150 farmer-field days/training sessions around the demos for about 83,000 farmers. - Broadcast 5 extension messages on crop management, pest control, indicative farm-gate price and post-harvest practices in 10 local languages. - About 150,000 acres were planted to cotton. - Cotton marketing started in November 2014 and by end of March 2015, 48,571 Mt of seed cotton equivalent to 91,892 bales of lint had been purchased from farmers by ginners.	- Drought during July and erratic rains in August 2014 resulted in reduction in the number of demonstration gardens planted. - There was good turn-up of farmers during the farmer-field days/training sessions due to intensive mobilization by Field Extension Workers.
<i>Performance Indicators:</i>			
No. of training sessions conducted at the demos	10,500	10150	
No. of farmers trained during the training sessions	70,000	83000	
No. demonstration plots established for farmer training	3500	3078	
<i>Output Cost:</i>	US\$ Bn: 1.810	US\$ Bn: 1.278	% Budget Spent: 70.6%
Output: 015206	Mechanisation of land opening		
<i>Description of Performance:</i>	Procure and distribute 1,000 ox-ploughs to cotton farmers in Eastern, Northern, West Nile, Mid West & Central Regions.	- Delivery and distribution of ox ploughs is due in April 2015 in time for land preparation for planting cotton. - 24 tractors owned by Ginners & CDO were deployed which ploughed about 4,088 acres. - In addition, over 60,000 acres were ploughed by the 4,950 ox ploughs distributed in previous 4 seasons.	Procurement of ox ploughs was initiated in Q2 and delivery is due in April 2015.
<i>Performance Indicators:</i>			
No. of ox ploughs procured and distributed to farmers	1,000	0	
<i>Output Cost:</i>	US\$ Bn: 0.385	US\$ Bn: 0.034	% Budget Spent: 8.9%
Vote Function Cost	US\$ Bn: 5.991	US\$ Bn: 2.308	% Budget Spent: 38.5%
Cost of Vote Services:	US\$ Bn: 5.991	US\$ Bn: 2.308	% Budget Spent: 38.5%

* Excluding Taxes and Arrears

None

Table V2.2: Implementing Actions to Improve Vote Performance

Planned Actions:	Actual Actions:	Reasons for Variation
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Planned Actions:	Actual Actions:	Reasons for Variation
Vote Function: 01 52 Cotton Development		
Avail high quality production inputs at reduced prices to encourage farmers to use them to increase yields and improve profitability.	Production inputs were provided to farmers on credit and at reduced prices; cotton planting seed was supplied at 42% of the cost, fertilizers at 56%, pesticide at 35%, spray pumps at 48% and tractor hire services at 50% of the cost.	None
Implement the approved 2014/15 Cotton Production Program supported by the ginners and with increased participation of ginners in field activities.	Distributed 299 MT of NPK & Urea fertilizers, 690,658 units of pesticides and 1,012 spray pumps to farmer and trained them on their usage using demonstration gardens.	None
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Vote Function: 01 52 Cotton Development		
Sensitising stakeholders on the value addition options available along the cotton value chain and the importance and impact of increased domestic value addition to lint and cotton.	Implemented the Revolving Buffer Stock Fund for procurement and supply of raw materials (lint) to local textile manufacturers.	None

V3: Details of Releases and Expenditure

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

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

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:0152 Cotton Development	3.59	0.82	0.73	23.0%	20.2%	88.2%
<i>Class: Outputs Provided</i>	1.39	0.76	0.59	54.8%	42.4%	77.4%
015201 Provision of cotton planting seeds	0.05	0.05	0.05	92.2%	94.7%	102.7%
015202 Seed multiplication	0.70	0.29	0.35	41.6%	49.3%	118.4%
015203 Farmer mobilisation and sensitisation for increasing cotton production and quality	0.31	0.20	0.19	63.5%	62.1%	97.9%
015206 Mechanisation of land opening	0.33	0.23	0.00	68.8%	1.3%	1.9%
<i>Class: Capital Purchases</i>	2.20	0.06	0.14	2.8%	6.2%	221.3%
015271 Acquisition of Land by Government	0.06	0.01	0.02	17.6%	28.1%	160.1%
015272 Government Buildings and Administrative Infrastructure	2.08	0.05	0.12	2.5%	5.8%	233.9%
015277 Purchase of Specialised Machinery & Equipment	0.06	0.00	0.00	0.0%	0.0%	N/A
Total For Vote	3.59	0.82	0.73	23.0%	20.2%	88.2%

* Excluding Taxes and Arrears

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

Billion Uganda Shillings	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
Output Class: Outputs Provided	1.39	0.76	0.59	54.8%	42.4%	77.4%
211103 Allowances	0.05	0.04	0.04	77.6%	77.6%	100.0%
221001 Advertising and Public Relations	0.02	0.01	0.01	50.0%	50.0%	100.0%
221002 Workshops and Seminars	0.02	0.01	0.01	50.0%	50.0%	100.0%
221003 Staff Training	0.05	0.04	0.03	77.8%	66.7%	85.7%
221007 Books, Periodicals & Newspapers	0.03	0.01	0.01	25.0%	41.0%	164.0%
221008 Computer supplies and Information Technology (IT)	0.02	0.00	0.00	0.0%	0.0%	N/A

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<i>Billion Uganda Shillings</i>	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
221011 Printing, Stationery, Photocopying and Binding	0.03	0.01	0.02	46.3%	54.9%	118.5%
222001 Telecommunications	0.01	0.01	0.01	50.0%	50.0%	100.0%
222002 Postage and Courier	0.00	0.00	0.00	75.0%	50.0%	66.7%
224006 Agricultural Supplies	0.74	0.41	0.25	55.0%	33.3%	60.6%
226001 Insurances	0.05	0.05	0.05	100.0%	100.0%	100.0%
227001 Travel inland	0.11	0.06	0.06	54.8%	54.8%	100.0%
227002 Travel abroad	0.10	0.05	0.03	48.2%	31.4%	65.2%
227004 Fuel, Lubricants and Oils	0.06	0.04	0.04	77.1%	77.1%	100.0%
228002 Maintenance - Vehicles	0.02	0.01	0.01	50.0%	49.4%	98.9%
228003 Maintenance – Machinery, Equipment & Furniture	0.10	0.03	0.03	24.9%	29.2%	117.4%
Output Class: Capital Purchases	2.20	0.06	0.14	2.8%	6.2%	221.3%
231001 Non Residential buildings (Depreciation)	2.00	0.05	0.12	2.4%	5.8%	245.3%
231005 Machinery and equipment	0.06	0.00	0.00	0.0%	0.0%	N/A
281504 Monitoring, Supervision & Appraisal of capital wor	0.06	0.01	0.02	17.6%	28.1%	160.1%
312104 Other Structures	0.08	0.00	0.00	5.3%	5.3%	100.0%
Output Class: Arrears	0.00	0.00	0.00	0.0%	0.0%	N/A
321612 Water arrears(Budgeting)	0.00	0.00	0.00	0.0%	0.0%	N/A
Grand Total:	3.59	0.82	0.73	23.0%	20.2%	88.2%
Total Excluding Taxes and Arrears:	3.59	0.82	0.73	23.0%	20.2%	88.2%

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

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:0152 Cotton Development	3.59	0.82	0.73	23.0%	20.2%	88.2%
<i>Recurrent Programmes</i>						
01 Headquarters	1.39	0.76	0.59	54.8%	42.4%	77.4%
<i>Development Projects</i>						
1219 Cotton Production Improvement	2.20	0.06	0.14	2.8%	6.2%	221.3%
Total For Vote	3.59	0.82	0.73	23.0%	20.2%	88.2%

* Excluding Taxes and Arrears

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