

A SCOPING REVIEW OF UGANDA'S FISCAL AND MONETARY POLICIES

Are they contributing to the achievement of inclusive and sustainable development in Uganda?

Terms of Reference

Introduction:

SEATINI Uganda and CEHURD in partnership with WEMOS, EURODAD and Action Aid International are implementing a project titled “**Mobilizing Domestic Resources for Public Investments through Economic Justice.**” Specifically, the project is intended to support [SDG 17.1](#), which calls for “strengthening domestic resource mobilization, including through international support to developing countries to improve domestic capacity for tax and other revenue collection.” The project focuses on efforts to strengthen awareness, create a public dialogue and build broad-based advocacy for adopting a more accommodative macroeconomic framework.

Problem:

Since the 1980s, it has been common practice to implement tight fiscal and monetary policies (keeping fiscal deficits and inflation rates at very low levels), constraining the ability of countries to meaningfully increase public investment as a percentage of GDP and limiting potentially higher economic growth rates. Decision-making on economic policies has been largely inspired by the neoliberal paradigm, with a focus on deregulation and reducing the role of the state in development, free flow of capital of capital (not labour), and restrictions on unionization. These policies have often resulted in reduced capacity of governments to raise taxes and invest in human capital, and have contributed to increased inequality and a shift of power towards those who possess capital.

Specific policy goals associated with the neoliberal paradigm include macroeconomic stability, narrowly defined as maintaining low deficits and very low inflation rates. In particular inflation targeting has become an overriding policy goal, implemented by independent central banks.

Although national governments and central banks are the decision-makers on these policies, they have been and continue to be heavily influenced by international financial institutions (including the IMF, regional development banks). Annual surveillance reports by the IMF on individual countries can impact on their access to debt rescheduling, new development aid, and their credit ratings in bond markets, therefore the pressure for countries to comply with IMF policies is considerable. This is largely similar to the situation in Uganda.

More still, there is limited engagement of CSOs with government and the Central Banks in discussions about alternative arrangements and the efficacy and feasibility of more expansionary options that could allow for scaled-up public investment. This has been attributed to limited knowledge among CSOs on the processes as well as limited spaces for their engagement with government.

Justification

It is upon this background that SEATINI Uganda and CEHURD would like to conduct a scoping review on the impact of existing fiscal and monetary policies towards achieving inclusive and sustainable development in Uganda.

The specific objectives of the scoping review are to:

- Identify the current relevant policies, laws and regulations that shape Uganda's fiscal and monetary policies.
- Assess the commitments made by government around monetary and fiscal policies towards the achievement of improved social services.
- Provide a stakeholder analysis to guide CSO engagement towards engaging in policy influencing around monetary and fiscal policy.
- Provide recommendations for consideration by government to ensure that fiscal and monetary policies contribute to the achievement of pro-poor development in Uganda.

Duration of the Conducting of the Scoping review

The work on the scoping study is expected to start on 13th June 2021 and will go on for two months until 31st August 2021

Management of the process

The Consultant will be working closely with SEATINI Uganda Financing for Development / Tax Justice Team and the knowledge management program team at CEHURD

The Executive Director of SEATINI Uganda will oversee the process.

Qualifications of the Consultant

The suitable consultant shall have the following qualifications:

- At least a master's degree in a relevant field in the area of planning, public policy, development economics, law and tax.
- A thorough knowledge of the fiscal and monetary policy and analytical skills.
- Excellent skills in written and spoken English.

Method of application

- The consultant will submit a technical and financial proposal including a brief on their understanding of the ToRs, the proposed methodology, timelines and an indicative budget including tax. It should be followed by a CV and an Expression of Interest that highlights previous similar experiences.
- Submission deadline by COB on 4th June 2021 to nregina@seatiniuganda.org and cc: info@seatiniuganda.org