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CSOs Share Perspectives on the National budget Framework Paper for FY 2023/2024

Left to Right, Mr. Patrick Rubangakene, an Economist at CSBAG, Ms. Mariam Akiror, Advocacy and Communication Coordinator, Action Against Hunger Project, ***Ms. Jane Nalunga, Executive Director, SEATINI*** *Uganda and Dr Obed Kambasu, Policy and Research specialist at World Vision Uganda addressing the media during the CSO press conference.*

SEATINI Uganda and other Civil Society Organizations (CSOs) under the umbrella of the Civil Society Budget Advocacy Group (CSBAG) have called on the government to increase funding to the productive sector/programs. This was during the CSO press conference on the National Budget Framework Paper for FY 2023/2024 held at CSBAG Offices in Kampala on 15th January 2023.

> *"If we are to get out of poverty as a country and as Ugandans, government must increase funding to productive sectors/programs such as Agro-industrialization, Manufacturing, Private Sector Development, Human Capital Development, Tourism Development and Mineral Development." –* ***Jane Nalunga, Executive Director, SEATINI Uganda****"*

On 23rd December 2022, Government tabled the National Budget Framework Paper (NBFP) for Financial Year (FY) 2023/2024 under the theme; "Full Monetization of the Ugandan Economy through Commercial Agriculture, Industrialization, Expanding and Broadening Services, Digital Transformation and Market Access", in order to achieve continuity in the realization of the development agenda for socio-economic transformation for all Ugandans.

Citing the budgetary allocation to the Ministry of Trade, Industry and Cooperatives (MTIC) is getting UGX46.779 billion, Nalunga stressed that the funds are not sufficient to enable the Ministry to deliver on its mandate.

She also pointed out that NBFP for FY 2023/2024 under Manufacturing focuses on harmonizing the already concluded negotiations but does not take into account the ongoing trade negotiations in which the Government is involved. These include inter alia the African Continental Free Trade Area (AfCFTA) third phase negotiations and World Trade Organization (WTO) negotiations among others.

She also pointed out that Uganda is increasingly becoming indebted which calls for the urgent need to organize the economy and to channel more resources to productive sectors. As of June 2021, the share of public debt stock to the Gross Domestic Product (GDP) had increased from 46.90% (US$ 19.54 billion) to 48.4% (US $ 20.99 billion) in June 2022. This is partly driven by Uganda's focus to borrow on non-concessional terms which ultimately increases the cost of borrowing and high cost of debt servicing and reduces discretionary spending.

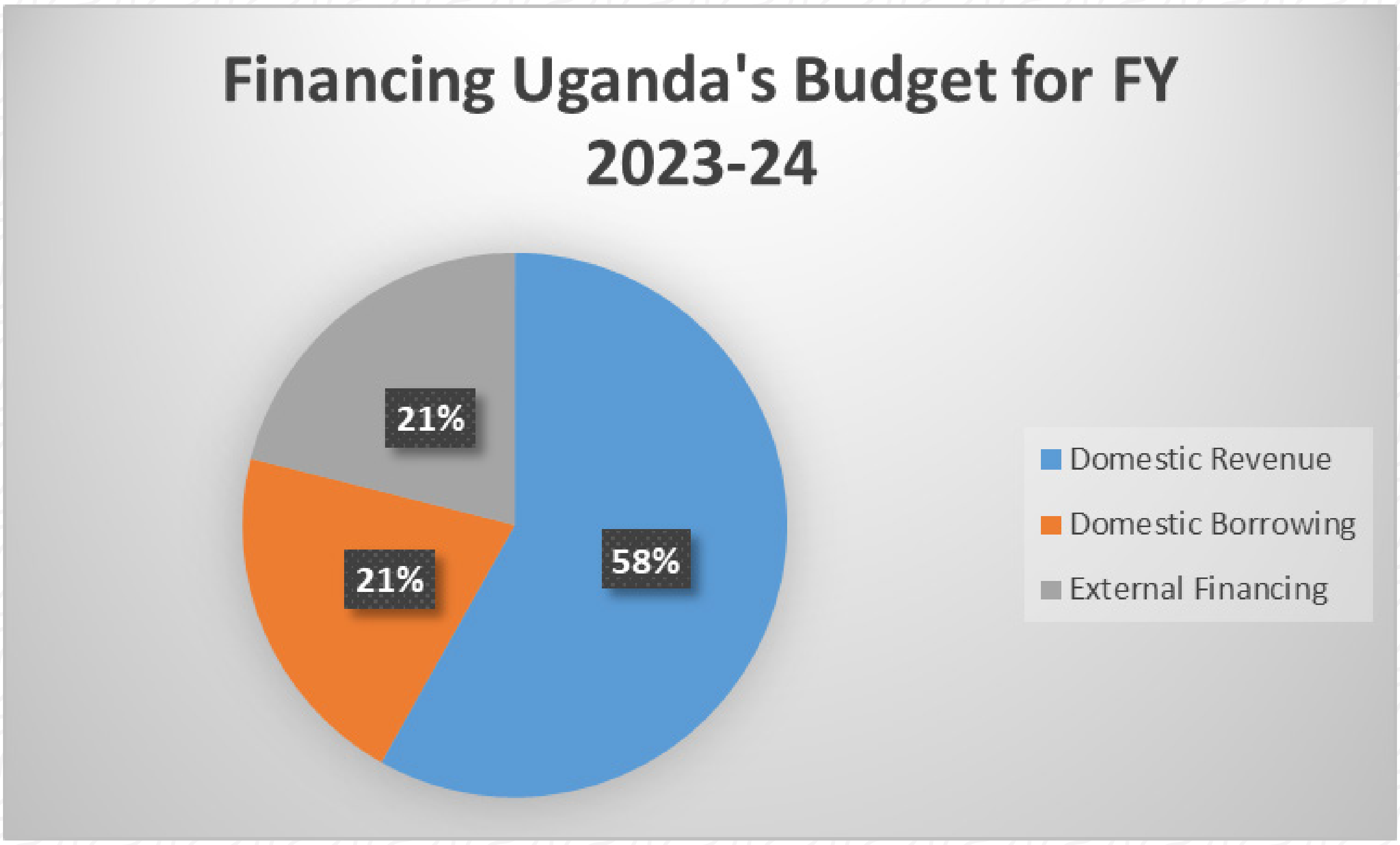
CSOs also called on the government to fast-track the rationalization of Ministries, Departments and Agencies (MDAs) in order to minimize high public expenditure.

"It may not be easy for the government to stop borrowing. However, we need to use our meagre resources prudently and also invest the borrowed money in productive sectors," Ms. Jane Nalunga said.

Patrick Rubangakene, an Economist at CSBAG noted that domestic revenue for the FY2023/24 is expected to increase by UGX3,280.3 billion from UGX25,550.8 billion in FY2022/2023 to UGX28,831.1 billion covering 58% of the budget while the external financing is projected at UGX10,535.2 billion representing 215.

CSOs also observed that the National Budget Framework Paper (NBFP) for FY 2023/2024 highlights a projected increase in the resource envelope from UGX48.130.7 billion for the FY 2022/2023 to UGX49,988.7 billion in the FY 2023/2024.

CSOs also commended the Government for putting in place and implementing a number of policies and measures towards addressing the various socio-economic challenges and shocks to keep the economy resilient amidst multiple economic challenges.



Click this link to access the CSO Press Statement: https://seatiniuganda.org/download/press-statement-on-the-nationalbudget-framework-for-fy-22-23-pdf/

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