

MBALE DISTRICT LOCAL GOVERNMENT

The District Chairman

Resident District Commissioner

Hon. Members of Parliament

His Worship the Mayor

Hon. District councilors

Heads of Departments

Development partners

Ladies and Gentlemen

BUDGET FRAMEWORK PAPER OVERVIEW FOR FY 2020/2021

1.0 Preamble

In accordance with article 155 of the constitution of the Republic of Uganda and Section 5 of the Budget Act 2001, all government Ministries, Departments, Agencies and Local Governments were required to prepare and submit their preliminary detailed estimates of revenues and expenditure for the next financial year.

Allow me to take this opportunity to welcome you all to this Mbale District Local Government Budget consultative conference that marks the beginning of the Budget preparation process for FY 2020/2021. The overall objective of this conference is to discuss key policies that will guide the budget preparation for the coming FY and to highlight the operational issues which constrain Mbale District Local Government in the delivery of Public Services. At the same time, this platform gives us an opportunity to highlight the progress made in the implementation of District consolidated work plan for the first quarter of FY 2020/2021. The progress registered will be discussed in detail by the heads of departments during their presentations.

As you may be aware, a new Public Finance Management Act (PFMA) 2015 came in force with a purpose of strengthening the entire Public Financial Management System. Section 9 (2) of the Public Financial Management Act (PFMA) 2015 requires each Accounting Officer to prepare and submit a Budget Framework Paper (BFP) to the Ministry of Finance, Planning and Economic Development by 15th November each financial year.

2.0 Purpose of Budget Conference.

The purpose of this Budget Conference and this presentation is to;

- a) Give a policy directive and strategic direction as regards Planning and Budgeting for the Financial Year 2021/2022.
- b) Highlight development priorities.
- c) Provide a platform for soliciting views from different stakeholders regarding planning, Budgeting and Implementation status of activities in the District.
- d) Disseminate information regarding the past performance of the district in terms of achievements and challenges.

3.0 Budget strategy and priorities for FY 2021/2022

3.1 The Budget Strategy for fiscal year 2021/2022 is premised on the eighteen (18) growth and development programs of NDPDIII under the theme sustainable industrialization for inclusive growth, employment and Wealth Creation. It will primary focus on three broad interventions.

- i) Economic recovery i.e. increased production, enhancing supply, boosting aggregate demand and external market access,
- ii) Sustainable livelihoods – addressing poverty, vulnerability and regional inequalities, sustaining current jobs while creating additional ones and
- iii) Investment in Key Growth Enablers, primary infrastructure and skills development.

3.2 The Budget interventions for FY 2021/2022 have been clustered along the following five development objectives;

- i) Enhancing value addition in Key Growth opportunities
- ii) Strengthening the private program to create job
- iii) Consolidation and increasing the stock and quality of productive infrastructure.
- iv) Enhancing productivity and Social wellbeing of the population; and,
- v) Strengthening the role of the state in guiding and facilitating development

3.3 In line with the guidance by H.E. The President, under this objective, the budget interventions will target increasing investment in the real economy to maximize returns from Public Infrastructure. The priorities will encompass the following;

- i) Agriculture production, agro-industrialization and manufacturing;
- ii) Mineral development; and
- iii) Supporting the tourism sub – program to weather the Covid – 19 storm.

Agriculture Production and Agro- industrialization.

3.4. Government Actions will be directed forwards;

- i) Addressing Production side constraints / supply side constraints; Quality of inputs, irrigations, integrating small holder farmers in the supply chain; reorganizing institutions under the program among others and,

ii) Addressing storage and market side constraints; cooperatives, standards, negotiation with partners to remove non-tariff barriers, and the positioning of local traders / investors to benefit from the various trade blocks such as the African Continental Free Trade Area (AFCFTA) in increase market access and attract Foreign Direct Investment (FDI) among others

3.5. Effective FY 2021/2022 and over the rest of the NDPIII period, Government will prioritize interventions to deliver on closing gaps in Agricultural Production Infrastructure and Agro-processing. These will include the following;

- i) Develop and operationalize an agro-industrial policy,
- ii) Completion of the second phases of the development of the on-going five major irrigation schemes of Doho, Mubuku, Wadelai, Tochi and Olweny. These will be sequenced over the four years. Designs and construction of 5 new irrigation schemes each year and over 68,000 micro and small irrigation systems over the next four years, beginning with 1,000 in fiscal year 2021/2022. This will be in addition to investment in the rehabilitation and the development of infrastructure for water harvesting, mainly the valley tanks.
- iii) Expanding and equipping regional agricultural mechanization and service centres in all the nine (9) agro-ecological zones, beginning with three zones in fiscal year 2021/2022 and the rest sequenced over the subsequent fiscal years.
- iv) Embark on the establishment of regional post-harvest handling, storage and value addition facilities in key strategic locations; Grain in Jinja, Cassava in Gulu; Dairy in Mbarara; Meat in Nakasongola; fresh fruits in Soroti; Vegetable oil in Kalangala; beverages in Fortportal; fish in Mukono and Rice in Butaleja.
- v) Establish eco-friendly fully serviced agro-industrial parks/export processing zones to stimulate and expand agro-processing
- vi) Completion of the development of existing agro-industrial parks / export processing zones to stimulate and expand agro-processing
- vi) Completion of the development of existing agro-industries. These are the Kayonza, Mbale and Zombo Tea Factories among others. The Government will also commence the preparatory work for the establishment of Starch and Ethanol Factories in Gulu and Tororo, fish processing factory in Mukono and Meat processing factory in Nakasongola.

3.6 Enhanced research and development in fast maturing and high yields crops varieties, improved animal breeds and development of pesticides and animal vaccines that are affordable. This will require continued investment in rehabilitation and equipping of agricultural research institutions, training and profiling of agricultural researches as well as the formulation of regulations to ensure high-quality research.

3.7 Enhancing the capacity of extension workers on modern means of providing extension services through the development of ICT – enabled extension system and availing appropriate training to extension workers. Besides, the government should

incorporate BTVET institutions into the Agricultural Extension system to ensure that what is taught in these institutions is adopted and utilized by farmers.

3.8 Enhance regulation to improve the quality of agricultural inputs. The main focus will be on strengthening the UNBS and NAADS to limit counterfeit products on the market and control the quality of inputs. This can be complemented by the establishment of the e-verification platforms for agricultural inputs in all districts as well as licensing and registration of agricultural input dealers.

3.9 Strengthening Cooperatives through organizing farmers into groups/ cooperatives to guide input distribution, extension service, sharing of value addition infrastructure, storage and market access.

3.10 Implementation of the area-based commodity approach in each of the nine (9) agro ecological zones. This will draw on the success story of Kalangala, Ankole, Kigezi and Toro in the commercial production of vegetable oil, dairy and tea respectively.

3.11 Improve agricultural financing through;

- i) Increase the availability of capital by scaling up the Agricultural Credit Facility as well as increasing capitalization of Microfinance Support Centre Limited (MSCL), the Uganda Development Bank (UDB) and the Uganda Development Corporation.
- ii) Reduce the cost to serve smallholder farmers and Agro – MSMEs through institutional capacity building of microfinance institutions that have a large presence in rural areas (especially SACCOs) and promotion of digital financial services.
- iii) Improve efficiency and effectiveness of agricultural financing initiatives by establishing a technical assistance facility to build the bankability of smallholder farmers and Agro – MSMEs.

4. Sustaining Tourism Development.

4.1 Experience from several past shocks to tourism (worldwide) show that the recovery of the Program takes quite a short time. It takes under eleven months for the tourism industry to fully recover from disruptions. Government will therefore ensure focus on the following priorities;

- i) Conservation of tourism / wildlife resources
- ii) Development of requisite infrastructure Skilling
- iii) Promotion of virtual tourism marketing
- iv) Leveraging ICT and innovation, that is to say, the promotion of virtual tourism marketing and tours to sustain the country's tourism efforts and promote domestic interest.

5. Strengthening the Private Sector to Sustain and Create Jobs.

5.1 The focus will be on supporting the recovery and enhancing the country's Micro Small and Medium Enterprises (MSMEs) competitiveness MSMEs account for nearly 72% of private jobs and are therefore a dominant player in the Ugandan job market. The following measures will be undertaken;

- i) Additional support to businesses affected or at risk of being affected by Covid-19 and natural disasters to ensure their full recovery. We shall study the possibility of extending the period for some of the liquidity assistance packages to the private companies, given that effect of Covid-19 to the economy is still eminent.
- ii) Increase local content participation in development projects through increasing value of public contracts and sub-contracts awarded to local firms, especially in infrastructure projects. This will also include the use of locally available raw materials, labour and services.
- iii) Improving investment financing options for MSMEs. The government will, through the Central Bank, engage commercial banks on strategy for de-risking lending to MSMEs and lowering the cost of credit.
- iv) Sensitization of the Private Program, through the Private Program foundation of Uganda (PSFU) on market opportunities and partnership for purposes of pulling resources together for more significant investments and production sustainability.

Transport Infrastructure.

6. To build on the already existing transport network, the government will prioritize optimal use of transport infrastructure and services investment, promote integrated land use and transport planning and reduce the cost of transport infrastructure and services. The following measures will be undertaken;

- i. Prioritize transport asset management through routine maintenance of transport networks and increased funding to Uganda Road Fund (URF) for road maintenance;
- ii. Construct and regularly maintain community access and feeder roads for market access;

7. In the energy sub-program, the government will prioritize interventions that will enable connectivity to industrial and processing centers as well as the reduction in the cost of energy. The measures for the coming fiscal year will include the following;

- i) Enhancing the transmission and distribution networks to key growth economic zones (industrial and science parks, mining area and free zones etc.), including the rehabilitation of existing networks.
- ii) Addressing issues of land compensation and acquisition of public / development projects;
- iii) Completion of the development of on-going HEP projects e.g. Karuma
- iv) Promote the use renewable energy solutions (solar water heating, solar drying, solar cookers, wind water pumping solutions, solar water pumping solutions and

Enhancing Productivity and Social Wellbeing of the Population.

8. The Ugandan demographic composition is predominantly young. This positions the country to benefit from demographic dividends in the near future. But the government country will have to continue to priorities strategic investment in improving health outcomes and skilling.

50. Also, with the existential threat of Covid-19 and other natural disasters, emphasis on protecting current jobs, social protection, community mobilization and mind-set change, especially on the maintenance of hygiene at the household level, need adequate attention.

Psychosocial Support and Social Protection

9. Under this Sub – program, the following interventions will be undertaken;

i) Psychosocial support to individuals directly affected by the coronavirus pandemic. It is necessary to follow-up on individuals affected. Several research findings show that other people are more affected and may have long-term effects of Covid-19, for example, the effects to the brain heart, kidney, and the reduced physical ability

ii) Measures for Social protection and boosting aggregate demand;

a) Improve the provision/ targeting and management of social safety net to prevent the vulnerable from drifting into poverty.

b) Continued support to organized vulnerable and special talent groups, through the youth fund, women fund, and the seed fund (Emyooga).

(iii) Supporting communities in disaster-prone areas e.g. through strengthening early warning systems such as the use of seismic and accurate weather information on climate change issues. Also, the government will position itself to benefit from the climate fund avenues by fulfilling the requirements of donors. The fund, if acquired would help in financing climate change mitigation and adaptation measures.

Human Capital Development.

10. Uganda's demography is predominantly composed of young people. This presents a challenge of increased demand for social service provision. However, with the right investment in the young, this challenge can be transformed into an opportunity for growth and development. The key ingredients for this transformation process will require (i) skilling of the youth, especially, (ii) provision of better health care services, and (iii) increasing access to safe water for domestic consumption.

Literacy and Skilling.

11. Over the next four years, the government will aim at increasing average years of schooling from 6.1 to 11 years, and the provision of requisite skills to address the human resource requirements necessary to implement the eighteen growth and development programs. Specific attention will be given to the facilitation of the acquisition of appropriate skills set for manufacturing, minerals development and agro-processing that hold great potential for job creation. The following interventions will be prioritized;

i) The implementation an integrated ICT enabled teaching in primary and secondary schools. In FY 2021/2022, 15% primary and secondary schools should be connected to power, NBI infrastructure and with fully established computer laboratories. This should be complemented with the training of ICT teachers.

- ii) Roll out of the Early Grade Reading (EGR) and Early Grade Maths (EGM) in all primary schools to enhance proficiency in literacy and numeracy.
- iii) The development and implementation of the Distance Learning Policy
- iv) Equip specific TVET institutions for international accreditation by providing the necessary Infrastructure, /equipment and materials
- v) Addressing inefficiencies in TVET management to make them attractive and competitive with the private vocational schools
- vi) Improving apprenticeship / internship for TVET graduates
- vii) Using the Parents Teachers' Association (PTA) structures to close gaps in supervision of education institutions.
- viii) Undertaking preliminary work for several education / human resource policy reforms. These will include;
 - a) Introduction of a minimum of one year of compulsory TVET training immediately after A Level before enrolling for further education to delivered through a mandatory national service program framework.
 - b) Linking allocation of scholarships and loan financing to critical skill needs for the implementation of development programs.
 - c) Work permits should be provided in only the areas where the country is facing staffing shortages.

Improving Health Care Services.

12. The government made commendable strides in improving health care outcomes over the years. The public health investments have led to improved life expectancy overall. Over the next few years, beginning with FY2021/2022, the government will direct attention and resources to increase universal health access from 44% to at least 65%. Emphasis will be placed on further improvement of the most pressing public health issues. These include malnutrition, infant and maternal mortality, communicable and Non-Communicable Diseases.

12.1 Government will therefore focus on reducing case of high-burden communicable diseases – malaria, HIV/AIDS, TB, epidemics and other tropical diseases; addressing malnutrition; and, the preventing, early diagnosis and treatment of Non-Communicable Diseases such as cancer, diabetes, among others.

12.2. The following actions will be taken in FY 2021/2022;

- i) Provision of adequate resources for essential health expenditure to contain spread of the virus.
- ii) Refocusing efforts on the delivery of health services that received less attention during the coronavirus pandemic such as family planning and maternal care services and supplies, malaria control, among others.
- iii) Support local pharmaceutical industries with low-cost credit facilities targeting first HIV/AIDS Anti- malarial drugs. This will be complemented with the on-going program for mosquito net distributions to households;
- iv) Equipping health centers IIIs in all districts.
- v) Establish and functionalize centers of excellence, including the construction of Uganda Heart Institute (UHI) State of the Art home, Regional Cardiovascular centers at Regional Referral Hospitals (RRHs), Regional Oncology centers in Gulu and Mbarara and the expansion of cancer services at selected RRHs.
- vi) Enhancing preventive measures, early diagnosis and treatment of Non-Communicable Diseases (NCD). Health promotion community programs, screen for

common NCDs in the community, including cancer and high blood pressure, Social behaviour change communication for use of handwashing with water, including investment in public hand washing facilities

vii) Establish and functionalize intensive Care Units (ICUs) in all the regional referral hospitals.

viii) Promotion of telemedicine to improve efficiency, that is to say, the remote diagnosis and treatment of patients using ICT solutions, in segments of the population and areas of the country for which is practical.

ix) Promoting community development initiatives to support the government in the delivery of health and education services. For example, the transformation of the Village Health Teams (VHTs) into critical mass of paramedics.

x) Implementation of the national health insurance scheme to close public funding gaps to the health program.

xi) Establish and functionalize intensive Care units (ICUs) in all the regional referral hospitals

xii) Actualize the Uganda National Ambulance System, allowing participation of private Program in provision of ambulance services. This will close the gap in public ambulance services.

Addressing Poverty Vulnerabilities and Climate Change

13. Government will undertake the following measures to address the vulnerable poor and those at risk of climate change effects: -

i) Improve the provision, targeting and management of social safety net to prevent the vulnerable from drifting into poverty, based on the poverty map and regional specific solutions.

ii) Continued support to organized vulnerable and special talent groups, through the youth fund, women fund and the seed fund (Emyooga), including the implementation of one-mile strategy to all vulnerable Ugandans.

iii) Supporting communities in disaster prone-areas through: -

a) Strengthening early warning systems such as the use of seismic and accurate weather information on climate change issues.

b) Institutionalize disaster risk planning in Programs.

c) Enhance the capacity for resettlement of persons at risk of disasters.

d) Mobilize and significantly increase financial resources from all sources to conserve and sustainably use natural resources.

e) Strengthen the operation of the environment police in the enforcement of environmental laws and curbing environment offenders.

Strengthening the Role of the State in Guiding and facilitating Development.

14. In order to deliver on the growth and development targets for FY 2021/22, the role of government will be strengthened along the following areas: -

i. Actualizing the programmatic budgeting approach through reclassification of government institutions, resource allocation and budget implementation

- along the 18 development programs. Going forward, government will speed up the restructuring and rationalization of government institutions.
- ii. Strengthening Monitoring and Evaluation (M&E), performance reporting and dissemination of results through building capacity in M&E, enhanced use of the existing legal frameworks to enforce reporting use of performance results to guide remedial/policy actions.
 - iii. Fighting corruption in public offices, including those of politicians and private firms involved in syndicated dealings in public procurements. The Government will improve verification of compensation claims for ROW and war affected persons, rolling out of the e-Procurement, and salary enhancement for public servants to match the increased cost of living and mitigate on tendencies of rent seeking.
 - iv. Strengthening Government implementation mechanism through improving the implementation of the sub-county model.
 - v. Prioritization of funding for national surveys and statistics production to guide evidence-based policymaking, and

Resource Envelop for FY 2021/2022 and MTEF Protection.

15. The preliminary Resource Envelope for Fy 2021/2022 is Ushs 40,715.2 Billion of Government of Uganda domestic resource funding (including arrears and domestic debt payment) is Ushs 21,073.2Billion and external financing is Ushs. 5,473.9 Billion.

15.1 Mbale District Resource Envelope for FY 2021/2022;

a) The Mbale District Local Government Resource Envelope for FY 2021/2022 is estimated at a total of Ushs. 51,691,553,968 down from FY 2020/202021 we are running an approved budget of Ushs. 59,103,304,000.

b) The departmental allocations in FY 2021/2022;

S/N	Department	Amount
1.	Administration	7,244,539,342
2.	Finance	648,153,928
3.	Statutory Bodies	940,831,664
4.	Production	8,652,408,360
5.	Health	7,144,551,448
6.	Education	22,654,566,521
7.	Water	1,400,681,659
8.	Roads	1,158,238,604
9.	Natural Resources	295,084,857
10.	Community Based Services	575,529,368
11.	Planning	228,135,767
12.	Audit	82,394,112
13.	Trade, Industry and Led	66,924,317
	Total	51,092,039,968

Local Government Specific issues.

16. The revised Local Governments Indicative Planning Figures (IPFs) for FY 2021/2022 for all programs, as generated off the online. Transfer Management System (OTIMS) are attached in Annex 3 (issued by Ps /ST MOFPED) which have been sent to your mail for reference. All HoDs, Vote Controllers and Accounting Officers of LLGs are advised to plan and budget as per the ceilings provided and as communicated by your respective Ministries.

Government of Uganda with support from the World Bank is financing the Intergovernmental Fiscal Transfers Program for Results (Ug. IFTR) . Accordingly, 117 seed schools and 186 Health Centers are undergoing construction and, are expected to be completed by December, 2020 while new projects are expected to commence in the current FY 2020/2021. Therefore, as you embark on preparation, identification, planning and budgeting for new projects to be financed in the Budget for FY 2021/2022, all Local Government Accounting Officers are advised to note the following;

i. Operationalization of completed projects

You are required to plan and budget for operationalization of the UGIFT completed facilities, especially adequate wage provisions for functional staffing norms, operation and maintenance costs, i.e., utilities and other operation and maintenance costs.

ii. Monitoring and supervision of Projects.

Refer to my Circular on Contract Management of **Ref: BPD 86/107/01 dated 26th May 2020** guiding on monitoring and supervision of UGIFT facilities. Plan and budget for regular monitoring of projects through Project Investment Service costs under budget items **281502** and **281504** to facilitate monthly and quarterly joint monitoring and supervision.

iii. Budgeting for Environment and Social Compliance Safeguards.

Ensure that your budgets reflect monitoring and evaluation of environmental and social compliance, including environmental and social impact assessments / screening, and preparation of environmental and social management plans

iv. Budgeting for Titling of Land.

Ensure that adequate resources are budgeted for the processing of land titles for on-going and new project sites to avert future encumbrances and risks to such Government property.

v. National Assessment 2020.

The Office of the Prime Minister in consultation with stakeholders have revised the Local Governments Performance Assessment Manual in preparation for the next assessment due **October 2020** to include **Minimum conditions**, and the results shall inform the final Development grant allocations FY 2021/2022. Therefore, you are requested to make preparations for this assessment.

Operationalization of New Administrative Units.

New Cities.

17. In FY 2020/2021, Government created 15 cities, i.e., Arua, Gulu, Lira, Soroti, Mbale, Jinja, Masaka, Fort Portal, Hoima, Mbarara, Moroto, Nakasongola, Entebbe, Kabale and Wakiso. Effective FY 2020/2021, Government also operationalized 10 of the newly created Cities i.e. Arua, Gulu, Lira, Soroti, Mbale, Jinja, Masaka, Port Portal, Hoima and Mbarara. This creation of these cities led to changes in boundaries and shifting of some Administrative Units in the Districts where these cities were created. These cities are currently being financed using the approved budgets of the respective elevated Municipalities and Sub counties from which they were created.

17.1 Therefore, in FY 2021/2022, the last of the new cities will be operationalized and they include; Moroto, Nakasongola, Entebbe, Kabale and Wakiso. They will be financed in the same modality Therefore, the Districts whose sub counties have been annexed to the Cities will have their IPFs reduced by the allocations to those sub counties that will be moving to the cities and the respective Accounting Officers are expected to budget accordingly.

18. As advised in my earlier Circulars, operationalization of the newly created Sub counties should not start operations until resources are available or else otherwise advised. **Local Government Accounting Officers are strongly advised to maintain boundaries of all these sub counties and Town Councils under the previous mother Sub counties.**

Location of Cost Centers / Public Institutions.

19. Various concerns have been raised on the variations between data submitted to this Ministry, on the location of Cost Centers / Schools which greatly affects release of funds, especially for Tertiary Institutions. In order to ensure that facilities are correctly budgeted for on the right Votes, this Ministry in collaboration with Ministry of Education and Sports has accordingly enhanced the PBS to allow respective LG Accounting Officers match the cost centers on the PBS. **Any Accounting Officer who fails to align the cost centers will be held personally responsible for submission of wrong data.**

20. HoDs and Accounting Officers of LLG are also reminded that the PBS has been opened to enable your Local Government to fill Cost Centers such as Education and Health **but not for new Sub counties and Town Councils.**

21. Under the Public Finance Management Act 2015 (Amended), all revenues collected is apprpriants by Parliament. Therefore, you are advised to provide realistic projections for FY 2021/2022 with the assumptions thereof to avoid understating or exaggerating the revenue budgets for the entire provision of 100% of which; 65% will be transferred to the Sub counties (for Districts) and 50% for the

Municipalities Divisions (in the case of Municipalities) as you prepare your BFPs for FY 2021/2022.

21.1 This Ministry has noticed that, a number of Local Governments continue to report shortfalls in their budgets for District/Municipal Councillors' allowances and ex-gratia for Political Leaders due to poor budgeting because most Local Government Accounting Officers don't pay keen attention to the degree of accuracy of the information submitted in the PBS. Therefore, all Accounting Officers are requested to adequately budget for Ex-gratia and Councillor's allowance in FY 2021/2022.

Planning and Budgeting for training of newly elected political leaders at Sub-County and District Levels on Planning and Budgeting Policy Requirements

22. The general elections will be conducted in Third Quarter FY 2020/2021. The implication is that a number of new political leaders will be voted in. Consequently, there will be dire need to have them trained and appraised with the planning/budgeting cycles and all budget documents for purposes of evidence based and quality decision making at District and City levels. Accounting Officers are therefore advised to plan and budget accordingly.

CROSS CUTTING ISSUES

23. The Third National Development Plan has intensified the mainstreaming and budgeting of Gender and Equity, HIV/AIDS Concerns, Population and Environmental issues in all the NDP III 18 Development Programs based on the lessons learnt from NDP s 1 and II so as to stem up their dire consequences on the socio-economic goals and targets of the Plan. In view of that, all Accounting Officers will be required to seriously take into account these issues while planning and budgeting for FY 2021/2022. DDEG Guidelines for use of sub counties, Town Councils in FY 2021/2022.

POLICY AND ADMINISTRATIVE ISSUES.

Alignment of Program Based Budgeting PBB to the Third National Development Plan (NDPIII) PROGRAM.

24. The Third National Development Plan (NDPIII) has adopted Program Planning Approach (PPA comprising eighteen programs to be aligned to the program Based Budgeting as attached in Annex. The implication therefore, is that the NDPIII Program Planning approach is now in full scale for implementation in line with the PBB concept. Therefore, you are all requested to plan and budget in line with the set 18 programs and their respective intervention areas. Please read the Guidelines for transitioning to PPB as issued by NPA (Annex 10 of BCCI emailed to you for proper Analysis and understanding of PPA and PPB)

Review of the Chart of Accounts.

25. Comprehensive review of the chart of accounts has been undertaken and has helped to eliminate duplications and overlaps in revenue and expenditure Codes and above all alignment with NDPIII Programs. In the revised Chart of Accounts, program have replaced sectors and MTEF Codes replaced with Program Codes. A detailed Chart of Accounts will be issued separately to all Votes after amending the Treasury Instructions of 2017, indicating the changes that have been undertaken in IFMS, PBS, IPPS and Other relevant PFM Systems.

Asset Management Strategy.

26. Government has invested a lot of resources in the bid to strengthen Public Asset Management, through enhanced efficiency in operations and maintenance. In order to have this implemented HoDs, especially CFO and DE are required to undertake the following as they plan for FY 2021/2022;

- i) Plan and Budget for the right mix of assets to be utilized in FY 2021/2022.
- ii) Prepare a 3 – year Medium-Term Asset Strategic plan and an annual asset management action plan to inform the annual estimates.
- iii) The LG/LLG strategic Plans for assets should in include acquisition, maintenance, replacement, and disposal plans and shall be prepared using the formats provided by the Accountant General.

Key development achievements for FY 2019/2020 and first quarter for FY 2020/2021

- Constructed roads using Labour intensive Public works funded by NUSAF i.e. Busamba-Namiko road, Buwangolo-Kyakyoya road, Mutuba-Kituti road, Marinde- Lukhonge road at a cost of 213,410,000 shillings.
- Construction of Seed Secondary School in Bubentsye at advance stages.
- Completed a 3 classroom block at Bufumbo Primary Schools
- Constructed 11 (eleven) stance pit latrines at Kilayi, Makunda , Bukasakya, Bumbobi, Nambozo, Nanyinza, Bunamayi, Namatsale , Mulatsi, Nakaloke and Lwambogo.
- Renovation of 3 classroom block at Mulatsi
- Renovation of 2 classroom block at Busiu and Bulweta Primary School.
- Constructed an OPD at Lwasso HC III.
- Completion of Bumasikeye OPD.
- Purchased land at Bufumbo HC IV.
- Constructed stance pit latrine at Bufumbo HC IV
- Purchased 2 motorcycle for Health Department
- Procure one desk top for DHOs office.

- Boundary and surveying of 6 district properties for valuation purposes by Chief Government Valuar , former CAO office, resources centre, Wambewo land and land opposite Lukhobho hall and Manafwa High School.
- Conducted 4 district physical planning meeting to approve development plans and land applications for land board.
- Planted 157,235 trees on private land in Busano, Bumasikeye and Busiu sub counties and 36 school.
- Survey and opened boundaries for Kolonyi Local Forest Reserve in Namabasa.
- Trained 58 area land committee members for town councils and divisions on land management.
- Conducted compliance monitoring on policies, laws and regulations on natural resources management in the district.
- Mobilized, trained and registered 33 group members for tree planting in Kolonyi local forest reserve in Namabasa sub county.
- Mobilize 2 communities in Busiu/Busoba and Nakaloke/Namanyonyi for wetlands restoration under Building community resilience project.
- Trained farmer groups in Wanale and Nyondo sub counties on smart agriculture/farming
- Prepared land documents for clients i.e. lease offers and forwarding letters for titling.
- Started demarcation of Namakole wetland in Nakaloke and Namanyonyi.
- Carried livelihood options for wetlands users in Nakalole and Namanyonyi sub counties with world vision.
- Constructed 4 classroom in Bunawire Primary School in Wanale Sub County.
- Constructed 1 Vocational Institution at Maumbe Mukhwana in Bungokho Sub County.
- Constructed 1 Seed School in Bubentsye Phase 2 at Wanale Sub County.
- Completion of 3 classrooms in Bufumbo sub county.
- Renovation of 3 classroom block in Busiu Primary School in Busiu Town Council.
- Renovation of 3 classrooms in Bumbobi Primary at Bumbobi Sub County.
- Construction of 40 stances in 8 Schools as shall be detailed in the Education BFP.
- Procured 352 Desks for 12 schools.
- Renovation of 4 classroom block at Nyondo Dem. Primary School.
- Completion of Namanyonyi Irrigation Scheme.
- Procurement of NROCASI cassava cutting for multiplication.
- Procurement of 27 bee suits and 208 hives
- Procurement of 1 surgical kit for Veterinary office.
- Procurement of 1 liquid nitrogen tank for Veterinary Office.
- Procurement of 100 doses of Bovine semen

- Procurement of 100 litres of Nitrogen
- Procured and distributed 8,000 kgs fish feeds to farmers in Bukonde, Bukasakya, Busoba and Bungokho
- Procured and distributed 6,000 fish fingerlings to farmers in Bukonde, Bukasakya, Busoba and Bungokho
- Procurement of seine nets.
- Drilled 12 boreholes
- Rehabilitated Busoba GFS
- Rehabilitated 47 boreholes
- Constructed 2 stance public pit latrines in 2 Bufumbo and Bukhiende RGCs.
- Repaired 16 District Vehicles
- Maintained 12 road equipment.
- 164.92 kms of roads manually maintained, 52kms mechanically maintained and 20.90km of roads periodically maintained.
- Maintained Community Access roads in 20 Sub counties.

29. Challenges faced by the district during implementation

- Over reliance on remittances from the centre yet they are never enough to finance all our priorities.
- Low capacity of contractors in the district has negatively led to shoddy works and delays in completion of projects
- Low local revenue base and inadequate local revenue to address key local priorities and complement Central Government transfers.
- Total lack of health facilities in some Lower Local Governments for instance Lwasso, Namabasa, Nakaloke S/C, Nauyo-Bugema T/C, Bunambutye sub county and Bufumbo sub county.

30. Mbale District Local Government seeks to promote;

- Independence through Local revenue mobilization and reduction of over dependence on the Centre for remittances
- Better service delivery in education, health, water, roads and community services.
- High levels of economic and social development through strengthening of governance, transparency and accountability.
- The strategies to achieve these objectives shall be presented to you by the sector Heads.

Nambozo Joyce Loyce

CHIEF ADMINISTRATIVE OFFICER / MBALE.

FOR GOD AND MY COUNTRY

