

SEATINI



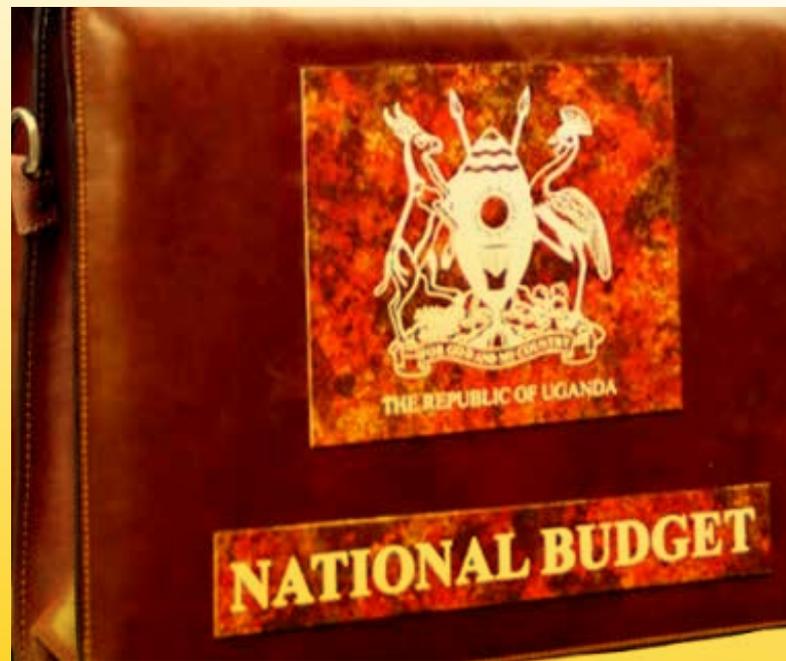
Strengthening Africa in World Trade



FY 2021/22 National Budget – Expert Reactions:

On 10th June 2021, Hon. Amos Lugolobi, the State Minister for Planning (designate) presented the FY 2021/22 National Budget to Parliament. In reaction to the Budget presented, below is what SEATINI Uganda Executive Director, Ms. Jane Nalunga had to say:

“ My general take on the FY 2021/22 National Budget is that, it is not balancing especially when one looks at the side of the expenditure and the side of the income. Our total budget is 44.7 trillion shillings and yet as part of this Budget, we have a debt repayment budgeted for of 15.34 trillion which means that if we are looking at the available resources for this budget, we should only consider 28.8 trillion which is already little money to cater for everything including agro-industrialization, education and health, infrastructure, ICT among others. We shouldn't look at 44.7 trillion but rather look at the monies available after deducting debt repayment.



Also, when you look at the income inside, Uganda Revenue Authority will most definitely experience a revenue shortfall which means that we are going to borrow more money. Infact, it is clearly indicated in the Budget that we shall borrow 3.5 trillion from outside but we are also going to borrow 2.942 trillion domestically. This is a challenge because our borrowing on the domestic market means that we are going to pay a very high interest rate and we are also crowding out other local businesses to access credit.

This Financial Year's Budget is also based on program based budgeting which is very good because of the linkages across sectors for example agriculture, Trade among other. Our biggest challenge has been that we produce but not for a specific market and the quality and quantity of the produce do not match with any specific market. We are hopeful that the program based planning will address this challenge.

The FY 2021/22 National Budget was read against the backdrop of the COVID 19 pandemic which has brought to the fore several challenges in the health sector and the economy at large. It important that when we are budgeting, we need to be cognizant of the COVID 19 situation; how to address this health crisis and at the same time boost the economy.

While addressing the health challenge of COVID 19, it is important that we go beyond vaccines but also look at the entire health system. Government needs to put more money in the preventive instead of only focusing on the curative. ”

For more information, please contact:

SEATINI Uganda
P. O Box, 3138, Kampala
Plot 806, Block 213, Bukoto-Kisasi Road – Kampala

Email: info@seatiniuganda.org
Tel: +256 414 54085/707481726
Website: www.seatiniuganda.org