

POLICY GUIDELINES BY THE CHAIRMAN PRESENTED AT THE BUDGET CONFERENCE ON 12TH NOVEMBER, 2020 AT DISTRICT COUNCIL HALL

BACKGROUND

All institutions and agencies in the country are required to prepare a Budget Framework Papers as a precursor to the budgeting process. The Budget Framework Paper sets out the intentions of the institution and the strategies it intends to use in its budgeting process.

We have been given a theme as being **“industrialization for inclusive growth, employment and wealth creation”**.

As we think through our Budget Framework Paper we should bear in mind that we are to industrialize as a basis for creating employment for our people especially the youth; we also need to bear in mind that our local economy is composed mainly of the peasants and it is our responsibility to ensure that we help them to create wealth leading to economic prosperity. We should look out for a chance of attracting investors who can set up factories in our area.

In our budgeting process, we shall also be guided by the tenets in our National Development Plan III which sets out the National goals and inspirations. The plan requires us to focus on the following:-

1. Local economic recovery, laying emphasis on increased production in the agricultural sector and helping peasants to find markets where to sell their produce.
2. Making capital investment which will act as facilitator in promoting our economic activities, such as roads, irrigation schemes etc

3. Facilitating programmes to be put in place aimed at the less advantaged in our society so that they can be able to access working capital and enough money to live a worthwhile life.
4. To set up technical training institutions to skill the young people who are unemployed as evidenced by the Eastern Region skilling hub which has been set up in Mbale District at Lukhonje.

It is within the above parameters that we set out to prepare our Budget Framework Paper. We shall be guided by department heads in various departments under the auspices of Chief Administrative Officer.

THE NATIONAL ECONOMY:

Our target is lower middle income status:

As we budget we should bear in mind as to what is happening in the national economy. The overall objective of our government is to bring the country into lower middle income status. This means that the per capita income for each citizen should be US\$1039 per annum – the equivalent of Shs3,800,000 per annum. In this context we already have districts which have already achieved and surpassed this target. Districts like Kampala, Wakiso, Mpigi, Mukono, Mbarara, Jinja and Masaka. We have been informed that Lyantonde and Mbale Districts are not very far from achieving the same.

The average per capita income for the whole country is US\$891 which is equivalent to Shs3,200,000; we are just below the lower middle income status.

We should always bear in mind that we should aim at the earnings of our people.

National Infrastructure

The national infrastructure is aimed at reducing the cost of doing business in our country and acts as a basis for attracting Foreign Direct Investment in the country.

Our country is now well connected with tarmack roads all our neighboring countries are connected with tarmack. The country is now producing enough hydroelectric power with a total of 1254MW and when Karuma dam is completed with other smaller power generations, we shall have installed capacity of 200MW. The country uses only 700MW.

The above has enabled us to attract many investors in our country leading to setting up many industrial parks including the one in Mbale.

District Roads

In this context we are supposed to maintain our district roads so as to service our farmers and SME's in our local economy.

National Mineral Resources

Our country is endowed with many minerals namely phosphate, gold, oil and gas, iron ore, copper and cobalt, salt, vermiculite, uranium etc.

The country has made a lot of progress in exploiting oil and gas and the government is about to sign the final investment decision which will enable oil companies to start investing in the sector by setting up an oil refinery and the oil pipeline which will be used to export our crude oil.

It is estimated that the country will earn over US\$3Billion equivalent to about Sh13Trillion which is equivalent to about 1/3 of our national annual budget. When we start refining, oil products, we shall save a lot of foreign exchange. Importation of oil products

is the leading item in import expenditure. This will improve our terms of trade with other countries.

Our Exports

Our country is performing very well in the following commodities

- Gold
- Coffee
- Maize
- Beans
- Cotton
- Tobacco
- Milk and milk products
- Sugar
- Cement

Our District has a potential to increase its coffee production, maize and beans together with horticulture products and irish potatoes. It is unfortunate that East African Community countries are refusing to import some of our products especially sugar and milk.

The Local Economy

Road and Rail Network

In the light of the National economy, our local economy is also well integrated with national economy. It is situated along the Mombasa-South Sudan highway. We are also well connected with tarmack roads to all major towns in the country. This has resulted in the development of bus companies which easily link Mbale and other main towns.

The District also sits on the Kampala-Mombasa-Tororo-to Gulu railway line. The government is now rehabilitating the rail line. In future, the electric train will travel all the way to South Sudan.

Such connections will be crucial for the marketing of products from our Mbale Industrial Park.

These connections are likely to make Mbale City a business hub in Eastern Region.

Dominance of the Agricultural Sector

Mbale is an agricultural district all the land is under cultivation. It is currently dominated by small scale subsistence peasants whose productivity is quite low. This is an area we need to lay more emphasis in our endeavor to increase productivity.

The crops are coffee, banana, beans, Irish potatoes and various horticulture crops, cabbage, egg plants, tomatoes, sukuma wiki, spinach.

The district has many rivers flowing through it. This can be harnessed through small and medium sized irrigation schemes. This will have a big impact on our productivity all the year around.

Most of our farmers use a hand hoe in opening up land this is the main reason for low productivity. We need to have tractors to help in opening up the land more efficiently.

Eastern Region Skilling Hub at Lukhonje

The Central Government has set up a skills hub at Lukhonje. This is intended to offer technical skills to the youth and women.

The following will be the skills offered

- Value addition on maize
- Value addition on coffee
- Value addition on hides and skins
- Carpentry
- Welding
- Brick making and mansionally
- Stone cutting

- Agronomic practices with demonstration gardens

We should be keen to ensure that we enroll many of our children to take advantage of this skilling hub. It will be used as a training centre for our farmers. The production department must coordinate with Office of the President to integrate our activities in the hub.

Other Opportunities in the District

Bee-Keeping

The Uganda Wildlife Authority is willing to allow people to put the beehives in the fringes of Mount Elgon National Park. This is an opportunity with minimum investment we can start bee keeping on a commercial scale. The honey could then be processed to international standards. There is currently a huge market for honey in the USA.

Establishment of a Dam for irrigation at Busiu/Busoba

This was a World Bank project which was to cost Shs125Billion. The project was rejected initially but residents have come to realize that they could have made a lot of money out of this project – in form of compensation for their land and property together with the new opportunities which would come with the operationalization of the dam. This would attract tourism with resultant construction of hotels in the area. This would definitely spur the growth of Busiu Township together with Busoba Rural Growth centre.

The bulking of some crops for bulk selling

The District should look at the possibility of promoting certain crops on the large scale so as to tap in the international markets. Crops like red pepper, soya bean, and French beans etc could be encouraged and be funded.

DEPARTMENT GUIDELINES

PRODUCTION DEPARTMENT

Extension Services

This is the department which looks after the agriculture sector in the district and it is the priority sector. It is through the activities of this department that we can increase our output in the agricultural sector. It is responsible for the extension services to the farmers. This should be put under intensive monitoring so that we take advantage of our extension workers. Extension workers should make quarterly reports which could be consolidated by the department for presentation to the Council.

Irrigation Schemes

The Central Government has money for irrigation schemes and this can be tapped by making proposals to be funded. We should request for solar pumps to be used by farmers along Manafwa, Namatyale, Nabuyonga, Salla rivers. We can also do more projects like that in Mooni, in Mutoto Sub County

Tissue culture

We should follow up the offer by AGT-Agro genetic technologies centre to propagate Irish potatoes, bananas and other crops which will provide clean planting materials to our farmers especially those who grow Irish potatoes whose seedlings are not easily available.

Model gardens at Lukhonje

With the setting up of the skilling hub centre at Lukhonje we should team up with implementing team to be able to set up demonstration gardens for farmers. This can then be a basis for training our farmers. The project is under the Office of the President.

HEALTH SECTOR

We should review the Health Centre IIIs which do not have maternity wards and select one to be financed – Bushiende, Muruba and Bumasikeye. Bushiende would be more suitable compared to the other two.

We are now left with Nabumali Town Council without a health centre III. If funds are available, we should complete construction. This is a place with many institutions plus rural growth centre at Nabumali Corner. We also have Bunambutye Sub County which should have a health centre III.

Biometric machines administration

We should streamline the use of the Biometric machines in the health centres so that we can get a daily report on the presence of staff and how they report on duty everyday. This will lead to increased efficiency amongst our staff and a possibility of eliminating staff absenteeism. CAO should be involved, so is Human Resource section to make sure that Biometric machines are properly used and make use of the daily reports.

EDUCATION

Inspection Section

The District has low education standards despite the fact that we are semi-urban area where standards should be high, as the case in Wakiso, Mpigi and Mukono Districts.

We should lay more emphasis on the efficiency of our inspection section. This section should have a vehicle and motorcycles so that inspectors can be on the move all the time. The District Education Officer should review their reports to ensure that there is value for money and efficiency. This is a potential area for corruption tendencies so as to hide the weaknesses.

Efficient administration of head teachers

A Headteacher is a crucial resource in a school. Measures should be put in place to ensure that a Headteacher is at the school at least 4 days in a week. Frequent visits for the District Education Officer's office is not necessary with the use of mobile phones.

The inspector should lay a lot of importance on the way the head teachers run the schools and inspection report should highlight the Head teacher's efficiency in running the school. We have a case where a Headteacher of a secondary school has failed to account for capitation fees. We sent an auditor to audit the books and she refused to avail the books. Such cases should not be allowed to pass as subsequently the standard of the school will go down. We should not protect such impunity.

Parents should be encouraged to make a contribution towards the administration of the school.

WORKS DEPARTMENT

This department is responsible for the provision and maintenance of physical infrastructure in the District as follows:

- They oversee the construction and maintenance of roads
- They are responsible for all construction works in the district – schools, health centres etc
- They maintain our vehicles and construction equipment

Points to note

Road gangs

- We should do away with repair of the roads using road gangs. Our experience shows that this has not been possible to implement and in all cases there is no value for money allocated to this activity. All our roads should be maintained by machines. All money on the road gangs should be

channeled to buying fuel for road equipment. We request CAO to note the same.

- We should appoint a specific officer responsible to issue and accounting for fuel use. This will enable us to use our road equipment to the maximum. This is an area which is abused and it compromises district efficiency.
- The officer in charge of fuel should have no connection in supervising the use of road equipment.

PLANNING DEPARTMENT

This department is responsible for the following main activity

- Budgeting process in the District
- District assessment; this can be self-assessment and assessment by other ministries
- Operationalization of NUSAF programme
- Collection of statistical data to be used in the planning process.

In many cases the District has been assessed very lowly even after we have done a self-assessment as a precursor for external assessment. The Chief Administrative Officer should ensure that internal assessment is carried out in a serious manner so that we do self-correction before outsiders do their assessment. This is the case in respect to Office of the Prime Minister, Ministry of Health and Ministries of Local Government and Works.

This will improve our standing as we shall always correct our mistakes before outsiders come in. the CAO can be useful by supervising internal assessment and following up on any corrective measures. This has been our weakness in planning department.

Other departments

We shall use the proposals by the departmental heads to do the analysis of the same.

Bernard E.M Mujasi

DISTRICT CHAIRMAN, MBALE

Copies: Chief Administrative Officer

All Departmental Heads

Deputy Chief Administrative Officer