

Citizens' Participation in Planning and Budgeting for Economic Inclusion

By David Walakira¹

Every year, Uganda embarks on a planning and budgeting process that is guided by the Public Financial Management (PFM) Act and the Local Government (LG) Act, typically between August and May in any given Financial Year (FY). If effectively done, this ensures that allocation for the taxpayers' money is towards the most efficient and need addressing interventions. The process is started with the review of the macro economy and modelling of the revenue generating potential of the coming FY. This facilitates the provision of indicative planning figures to spending agencies including Local Governments (LGs). The determination of the indicative resource envelope happens concurrently with consultation processes at the Lower Local Government (LLG). The idea is that by the time the Central Government organises to consult LG officially through the Local Government Budget Consultation (LGBC), the LGs have put together their performance challenges and priorities to discuss with the Central Government (CG).

In practice, many of the LGs do not organise LLG consultation meetings with the major reason being lack of financial resources to facilitate this process. This creates a situation where the annual plans and budget are disconnected to the needs and problems of the people living in the given jurisdictions. Ultimately apathy ensues and citizens participation in the planning and budgeting process is non-existent. To have people not participate is to exclude them

from deciding on the possible solutions to their plight but also having them appreciate how best they can participate. At the LG level the departments that drive economic inclusion include, production, education, community-based services, and health. With the context of minimal citizen participation in the priorities that these departments prioritise annually, we continue to see allocations in the billions but that do not link to the communities plight. In the FY

2016/17, poverty increased from 19.7% in 2013 to 21.4% and yet LG allocations were meagrely but consistently increasing. The LG total grants increased from 1.8 trillion in the FY 2012/13 to UGX 2.5 trillion in the FY 2016/27, yet poverty increased. The missing link was with adequately addressing the

shocks that keep pushing back people into poverty. These shocks include household health emergencies, natural calamities like hailstorms, landslides and the like, animal disease outbreak, among others. Today, the government has not yet enacted the health insurance bill that would shoulder health expenditure shocks, the contingencies fund continues to be left with no allocation, and when done it's the first to be targeted for reallocation when government is cash constrained, and more importantly agricultural insurance has not been institutionalised. It is largely driven by the private sector (with the overall goal being profit) but we also continue to see agriculture research interventions being housed in the state



Dr Bainomugisha, ED ACODE, speaking at the Budget Consultations in Mbarara City on September 27, 2021

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house. One can argue that the continued limited and sometimes non-existent citizens consultation is what drives these mismatches between the needs and the allocations of public resources annually.

To mitigate some of these eventualities ACODE sought space at the LGBCs that took place from the 27th of September to the 8th of October 2021. In this space, the institution presented citizens' views on what the budget FY 22/23 should consider. The evidence that was used was from the work that ACODE had done in the CBEG and LGSCI. To make the process inclusive, CSOs from the cluster districts were mentored and they presented to the congregation of both LG and CG officials.

The issues that were presented included the need to strengthen LLG administration units like the sub counties to facilitate effective services delivery and supervision of schools and HCs in their jurisdictions. There was also a note to the dis functionality of the accountability mechanisms like the district PACs and integrity forums. The failure of the accountability mechanisms has a negative impact towards achievement of development outcomes since intended resources are not spent as guided by the plans and budgets.

For economic inclusion to happen, there must be an effort to increase citizens participation in planning and budgeting. Failure to do that creates scenarios where the government programs like YLP and "emyoga" fail to deliver their goals due non remittance of initial beneficiaries of the start-up funds they receive. As a result, many are left out since many of these are meant to be revolving funds. When citizens are involved only at the stage of implementation of inclusion programs, there is often non-attainment of program goals to the detriment of the majority.

Through the LGSCI assessments and the CBEG programming, ACODE continues to facilitate and support LGs to support citizens participation in the planning and budgeting process. One such engagement was recently concluded where LLG leaders were trained on the elective functions but also how to involve their electorate in planning and budgeting for their economic solutions channelled via GoU interventions.