



## High Level Policy Dialogue on the National Budget FY 2022/23

### Concept Note

#### Introduction

Over the past seven years the ACODE has jointly organised annual high level policy dialogues on the budget with the Ministry of Finance, Planning and Economic Development (MoFPED) and CSBAG. The dialogue is part of ACODE's mandate under Memorandum of Understanding (MoU) that governs the Budget Transparency Initiative (BTI). ACODE in collaboration with the MoFPED and CSBAG is organizing the 12<sup>th</sup> Annual High Level Policy Dialogue. The Dialogue is scheduled to be held on 17<sup>th</sup> February, 2022 at Serena Hotel, starting at 8:30am.

The FY 2022/23 budget will be the third in the implementation of the National Development Plan III and it is situated in uncertain times mostly due to the multiplicity the COVID-19 variants that continue to prolong the pandemic. To deal with the 1<sup>st</sup> and 2<sup>nd</sup> Waves of the COVID-19 pandemic government instituted several measures including total and later partial lock downs of the economy and as such schools and several businesses have been either closed or open with constraints, all geared towards managing the spread of COVID-19.

The pandemic notwithstanding, there are still commitments by the government of Uganda to the people of and in Uganda around industrialization, enhancing wellbeing of Ugandans, improving maintenance, availability & affordability of productive infrastructure while pursuing public sector effectiveness and efficiency.

Annually ACODE and its partners mobilise and organise stakeholders to situate and discuss the context of the incoming national budget with a view to contribute to strengthening the planning and budgeting and ensure it responds to and addresses the challenges prevalent in the country.

#### What is at Stake/problem?

The Ugandan economy before the COVID19 outbreak had gathered momentum. The economy registered a Real GDP growth rate of 6.3% in the Fiscal Year 2017/18, accelerating to an eight-year high of 6.4% in FY2018/19. Unfortunately, the COVID19 pandemic triggered an economic slowdown and Uganda recorded real GDP growth of 3.0% in FY2019/20. This was the slowest rate in almost three decades, and the pace of expansion only picked up marginally to 3.3% in FY2020/21.

Businesses have been severely affected by the COVID19 pandemic. These effects were mainly manifested by the disruption in education, construction, hospitality, tourism, transport, food services, arts, entertainment, and recreation. Research by the Economic Policy Research Centre indicates that business activity was reduced by more than 50 percentage points, and over 70% of the businesses reduced the size of the workforce due to risks presented by COVID19.

The pandemic has also reduced aggregate demand with a decline in domestic consumption, slowed private and public investment and lowering of Uganda's exports in regional and international markets. Foreign Direct Investment inflows also declined because of disruptions in global financial markets. The ensuing lockdown to mitigate the pandemic also caused the reduction in trade and constrained the movement of people, further dampening businesses' economic prospects.

### **Objectives of the HLPD on the National Budget**

Overall, the 12<sup>th</sup> High Level Policy Dialogue on budget is aimed at *situating the FY 2022/23 budget in Uganda's economic recovery*. The specific objectives of the dialogue are;

- (i) to discuss possible means of sustainable economic recovery from the COVID-19 pandemic with annual budgets as a conduit
- (ii) to present critical issues for consideration and dialogue on Uganda's economic recovery amidst COVID-19

### **Modalities of the Dialogue**

The dialogue will involve a keynote presentation, a panel of eminent professionals and plenary discussions. In line with the COVID-19 health guidelines, the meeting will be attended in person by not more than 60 people to in order to observe the COVID-19 SOPs including social distancing. Other participants will participate through teleconferencing using the Zoom Conferencing Platform. The proceedings will be broadcast live on ACODE's social media channels including to also widen the participation.

The presenters and panelists will be drawn from the entire spectrum of stakeholders including Government Ministries, Departments and Agencies, Parliament, development partners, academia, private sector, Civil Society and the General public.

### **Expected Outputs**

The outputs of the dialogue will be;

- i) A synthesis report of the proceedings.
- ii) Four policy memos on each of the areas of focus of the dialogue.
- iii) A feature on the dialogue to be published in the print media.
- iv) A video recording of the proceedings of the dialogue which will be edited and uploaded on YouTube.