



NATIONAL UNION OF DISABLED PERSONS OF UGANDA

WHAT YOU SHOULD KNOW ABOUT THE COMPLIANCE OF THE HEALTH AND EDUCATION SECTOR BUDGETS FOR THE FY 2017/18 WITH THE NATIONAL DEVELOPMENT PLAN II

1. INTRODUCTION

In compliance with the Section 13 (6) and 13 (7) of Public Finance Management Act, 2015), the National Planning Authority assessed the consistency of the Annual Budget for FY 2017/18 with the National Development Plan, Charter of Fiscal Responsibility and the National Budget Framework Paper. The Certificate of Compliance seeks to ensure that the National Budget, composed of the Sector, MDA and Local Government (LG) budgets, is implemented in tandem with the National Development Plans (NDPs) to achieve Vision 2040. Every financial year, a Certificate of Compliance for the Annual Budget of the previous financial year is issued by the National Planning Authority to accompany the Annual Budget for the next financial year.

2. COMPLIANCE FINDINGS

The FY 2017/18 Annual Budget is less compliant to the NDP II compared to the FY 2016/17 Annual Budget by 4.8% reducing to 54.0% compliance in FY 2017/18 from 58.8% percent in FY 2016/17.

The average performance at the four broad levels is detailed below:

Table 1: Average performance of the FY 2017/18 budget at the four broad levels

Level	Half year data	Full year data
Macro	48.1%	46.8%
National Strategic	74.2%	66.4%
Sector and MDA	60.1%	63.3%
Local Government	51.8%	49.5%

Source: NPA Certificate of Compliance Assessment Report for FY 2017/18

The weak level of budget compliance to the NDP II is mainly attributed to the weaknesses in planning that hamper translation of sector strategic plans into budget actions that contribute to achieving NDP II. In addition, the low budget release performance to the sectors and absorption of the released funds hindered achievement of NDP II targets for the period.

3. EDUCATION SECTOR

Overall Performance

Overall, the education sector budget is **50.9%** compliant to the NDPII in FY 2017/18 down from 60.4% in FY 2016/17. 15 of the 16 sector Ministries, Departments and Agencies (MDAs) have approved strategic plans that are aligned to the NDP II. Despite this, both the Annual Budget (AB) and BFP do not adequately address critical quality and efficiency interventions including: standards and quality assurance in tertiary institutions; repetition, dropout and completion; having a Government primary school per parish and training of Early Childhood Development(ECD) caregivers. These interventions are critical in ensuring equitable education targeting vulnerable persons including Persons with Disabilities and girls.

Budget performance: Only 36.3% of the released funds had been spent at half year. This illustrates the sector's failure to utilize the already meagre resources received. Sector MDAs attributed this poor expenditure performance to the cumbersome procurement processes, inadequate advance preparation on the part of MDAs and the irregular flow of budget allocations.

Sector Project Alignment: The Assessment Report highlighted non-prioritization of the NDP II projects, where 18 of the projects that are currently being funded were adopted in 2017/18, most of which are concerned with supporting institutional retooling of the various sector MDAs. These projects were undertaken at the expense of three projects that are yet to commence namely: construction of MOES headquarters; Tororo Roads and Railway Polytechnic (TRRP); and Uganda National Examination Board (UNEBC) Infrastructure Development Project.

Recommendations

- i. The need for timely absorption of the funds allocated to the sector in spite of budget allocations
- ii. The sector needs to prioritize the NDP II sector projects especially the 3 projects yet to commence by FY 2019/20. This will enable the sector achieve its medium term objectives crucial in contributing to improvement of human capital development. It should further refrain from implementing new projects without finalizing the priority projects.

4. HEALTH SECTOR

Overall performance

Overall, the Health sector is **51.7% compliant** to the NDP II in FY 2017/18 up from 50% in FY 2016/17..21 out of 24 health sector Ministries, Departments and Agencies have approved strategic plans that are aligned to the NDPII.

However, several interventions and outputs were not planned for including: Community empowerment through implementation of the Community Health Worker's Strategy (CHEWS) that caters for health promotion and disease prevention at community level; financial risk protection of households through implementation of the National Health Insurance Scheme (NHIS); mass treatment of malaria for prevention; among others.

Sector Project Alignment: A number of projects that had been planned for FY2017/18 had not started by half year. These include; Rehabilitation of Soroti Referral Hospital (SRRH); Renovation and equipping of Kayunga and Yumbe Hospitals and Public Health Laboratory, among others.

Budget performance: Despite the fact that most MDAs had a budget outturn above 98% except Ministry of Health, Uganda Cancer Institute and Uganda Virus Research Institute; sector MDAs spent less than 90% of their releases, with the exception of National Medical Stores which spent 100%. Poor absorption of funds is a critical hindrance to provision of quality and inclusive health care.

Recommendations

- i. MDAs should strive to improve their absorption capacity especially as majority of them had received most of their funding by half year. Failure to do so continues to inhibit access to equitable health service delivery that particularly infringes the rights of vulnerable persons including Persons with Disabilities.
- ii. The sector should endeavor to prioritize health promotion and disease prevention through funding the Community Health Workers Extension Strategy (CHEWS) that will support enhancement of child nutrition, sanitation and hygiene and community rehabilitation services.
- iii. There is need to fast-track the enactment of the National Health Insurance Bill (2012) and allocate sufficient funding for its implementation. This will go a long way towards increasing financial risk protection of dependent households including those with disabilities against impoverishment due to health expenditures.

5. FY 2018/19 BUDGET COMPLIANCE TO SDGs TARGETS

The budget for FY 2017/18 is 60.9% compliant to the Sustainable Development Goals, with Goal 3 and 5 having fair performance.

Goal	Description	SDG vs NBFP	SGD vs AB	AB Weigted score
3	Ensure healthy lives and promote well-being for all at all ages	63%	59%	61%
4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	60%	60%	60%

Source: NPA Certificate of Compliance Assessment FY 2017/18

The sectors should strive to implement strategies aimed at achieving the SDG targets.

6. FY 2018/19 BUDGET COMPLIANCE TO HUMAN RIGHTS-BASED APPROACHES (HRBA)

The budget for FY2017/18 assessed for compliance towards the Human Rights Based Approach to check the budget efforts to mainstream basic principles of human rights such as participation, accountability, non-discrimination, and empowerment.

The education sector Annual budget FY 2017/18 had a 64% compliance to integrating human rights through construction of Special Needs Education compliant schools, creation of safe school environment, among others. However, poor compliance was manifested in terms of low retention and completion rates, low funding to the sector, to mention but a few.

The health sector failed to adequately address equitable access to health services due to delay in passing the National Health Insurance Scheme Bill and lack of sector specific indicators and targets for vulnerable groups including Persons with Disabilities, among others.

Recommendation

The sector MDAs should through a Sector Wide Approach collaborate to ensure gender and disability responsive planning and budgeting for all categories to achieve equitable service delivery.

7. CONCLUSION

Sector compliance to the NDP II is imperative in enabling the country achieve Vision 2040. NUDIPU and other Disabled Persons Organizations are committed to ensuring that the needs of vulnerable persons including Persons with Disabilities are effectively catered for in annual sector plans and budgets.