**INVESTING IN HUMAN CAPITAL DEVELOPMENT**

Government expenditure priorities for the 2018/19 fiscal year include:

- Strengthening Uganda’s competitiveness for sustainable wealth creation, employment, and inclusive growth.
- Improving productivity in primary growth sectors.
- Addressing infrastructure deficits and other private sector constraints as well as overall improvement in delivery of social services.

**KEY POLICY ASKS**

- Expedite the establishment and maintenance of an up-to-date civil register, including timely registration of births in the entire country.

- Address the rise in vulnerability associated with the poor quality of public services by revisiting the balance between social and infrastructure spending, strengthening health, social welfare and protection systems, as well as investing in child-sensitive social protection.

- Prioritize additional investments aimed at improving the functionality of non-observables such as asset maintenance, teacher and health worker productivity, development and adherence to codes and standards.

**FIGURE 1: FY 2018/19 SECTOR BUDGET SHARES**

- Works & Transport: 21.4%
- Energy & Mineral Devt.: 11.5%
- Education: 11%
- Health: 7.4%
- Public Sector Management: 6.6%
- Security: 6.2%
- Justice Law/Order: 5.0%
- Accountability: 3.9%
- Agriculture: 3.8%
- Water & Environment: 3.2%
- Public Administration: 2.6%
- Legislature: 2.2%
- Social Dev.: 0.8%
- Land, Housing & Urban Devt: 0.7%
- Tourism, Trade & Industry: 0.5%
- ICT & National Guidance: 0.5%
- Science, Technology & Innovation: 0.3%

**KEY FACTS**

- National budget projected to decrease slightly from UGX 22,003 Billion in FY 2017/18* to UGX 21,987 Billion in FY 2018/19 in nominal terms.

- Investments in human capital development expected to account for approximately 27% of the national budget.

*2017/18* - Refers to Approved Budget for FY 2017/18
INVESTING IN EDUCATION

Education budget 2018/19 priorities include:

• Achieve equitable access to relevant education and training – ensuring universal primary education, equitable access to post-primary education and training.

• Enhance quality of education and training—improving literacy, numeracy, basic life skills and retention at pre-primary and primary, and increasing market preparedness of tertiary graduates.

• Ensure efficiency and effectiveness in delivery of education and sports training at all levels—promoting guidance and counselling, strengthening school inspection and monitoring, continuing with decentralization, and enhancing quality assurance and accountability at the school level.

INVESTING IN HEALTH

Health budget 2018/19 priorities include:

• Provide equitable, safe, and sustainable health services.

• Increase financial risk protection of households against impoverishment due to health expenditures.

• Address the key determinants of health through strengthening inter-sectoral collaboration and partnerships.

• Enhance regional competitiveness of Uganda’s healthcare industry, including establishment of centers of excellence in heart, cancer, renal care domains; and diagnostic services.

INVESTING IN WATER & ENVIRONMENT

Water and Environment Sector 2018/19 priorities include:

• Promoting value addition to the natural resources, sound management of hazardous chemicals and e-waste including establishment of modern waste management infrastructure.

• Addressing key drivers of natural ecosystems loss and degradation by nationwide tree planting and restoration of degraded natural forests and community forests.

• Provision of adequate safe and clean water supplies as well as improved sanitation facilities to reduce the burden and effects of ill-health at domestic level as well as improve public health.

• Provision of adequate safe and clean water supplies as well as improved sanitation facilities through rehabilitation, expansion and development of pipe water systems in small and large towns to support industrialization.

INVESTING IN SOCIAL DEVELOPMENT

Social Development Medium Term Sector Policy Objectives include:

• Promoting decent employment opportunities and labor productivity.

• Enhancing effective participation of communities in the development process.

• Improving the resilience and productive capacity of vulnerable persons for inclusive growth.

• Improving the capacity of youth to harness their potential and increase self-employment, productivity and competitiveness.

• Promoting rights, gender equality and women empowerment in the development process.

• Improving the performance of the SDS institutions.

• Redressing imbalances and promoting equal opportunity for all.
INVESTING IN JUSTICE, LAW AND ORDER

Justice, Law and Order Medium Term Sector Policy Objectives include:

- Enhancing infrastructure and access to JLOS services.
- Promoting the observance of human rights and fight corruption.
- Strengthen the commercial justice and the environment for competitiveness.

FIGURE 2: INVESTING IN HUMAN CAPITAL DEVELOPMENT; SECTOR NOMINAL ALLOCATIONS (UGX BILLION)

FIGURE 3: SECTOR NOMINAL ALLOCATIONS FY 2018/19 (UGX BILLION)
FIGURE 4: PERCENTAGE CHANGE IN SECTOR NOMINAL ALLOCATIONS BETWEEN FY 2017/18* & FY 2018/19

<table>
<thead>
<tr>
<th>Sector</th>
<th>2017/18*</th>
<th>2018/19</th>
<th>Percentage Change</th>
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<tbody>
<tr>
<td>Works &amp; Transport</td>
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<tr>
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<td>-11.2</td>
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<tr>
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<tr>
<td>Justice/Law &amp; Order</td>
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<td>Water &amp; Environment</td>
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<td>-11.2</td>
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NBFP 2017/18* - Refers to Approved Budget for FY 2017/18

FIGURE 5: COMPARISONS OF NBFP PROPOSALS VS APPROVED BUDGETS FY 2017/18* AND FY 2018/19 (UGX BILLION)

- NBFP 2017/18
- Approved Budget 2017/18
- NBFP 2018/19

2017/18* - Refers to Approved Budget for FY 2017/18