

Gender Responsive Budgeting in Uganda

FOWODE's experience

Politics is too serious a matter to be left to the politicians.

Charles de Gaulle



Our Mission:

To promote gender equality in all areas of decision making.

OUR FOCUS

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- We advocate for inclusive and just governance that gives women voice, choice and power.
- We nurture alternative and transformative leadership to shape a future that promotes social justice and strengthens collective power.
- We advocate against unequal power structures and lobby for public resources to equitably benefit women and men.

Gender responsive budgeting: Our Premise

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All budgets are about politics. All politics is ultimately about who controls budgets.

Women, like men, have the right to equal access to the public services.

Budgets matter to women – They support their rights to health, education and a decent life.

Poor women, more than men, rely on public services because they often do not have other options.

If they have to pay for health or education, girls and women from poorer households are often the losers as money is commonly reserved for medical care and schooling for men and boys.

Our GRB Journey

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- FOWODE's Gender Responsive Budget work dates back to **1998** (Also known as Gender and Equity Budgeting)
- Years of research and advocacy saw the in the enactment of the Public Finance Management Act (PFMA), 2015 which requires government ministries, departments and agencies to implement mandatory gender and equity budgeting with the Equal Opportunity Commission ensuring compliance.

Why Gender Responsive Budgeting?

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To raise citizens' awareness on gender and impacts that budgets and policies have on women and men

To change budgets and policies to promote gender equality

To make governments accountable for gender equality through budgetary commitments

Why we need Gender Responsive Budgeting








Source: <https://olsonfarlow.com/editorial-images/maternity-ward-at-mulago-hospital-kampala-uganda>



Source: <http://www.seedsofharvestinternational.com/wp-content/uploads/2014/07/mulago.jpg>

Key steps in GRB

-  **1** **Situation analysis** of women and men, girls and boys to determine their respective gender needs
-  **2** **Analysis of the policy framework** to examine how policies, plans and programmes appropriately respond to the needs of women and men, girls and boys and take corrective action
-  **3** **Analysis of the budget**, (including expenditures and revenues); to assess their responsiveness to priority needs of women and men, girls and boys
-  **4** **Monitoring budget implementation**, to ensure allocations to gender are spent as planned
-  **5** **Assessing the impact of policy** and the associated budget on women and men, girls and boys to evaluate the budget outcomes (expenditures and revenue policies) on gender gaps

Our GRB Actions:

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Gender Capacity Development for:

Technocrats
Legislators
CSOs

Village Budget Clubs

(VBCs)/community groups

Gender Budget Researches

- Gender analysis of national Budgets
- Public expenditure Tracking Surveys
- Gender Audits of sectors
- Position papers on Budget speeches

Gender Budget technical Support

GRB Training Materials

Gender Aware Budget Plans
GRB guide books

Advocacy

Strategic meetings with Parliamentarians and Councilors at local level

Networking with other organizations (CSBAG)

Working with special groups such as the GRB champions

The Village Budget Club Model

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Started in 2009, the Village Budget Club (VBC) VBC model seeks to promote Gender Accountability by enhancing capacities of local communities to hold local governments accountable for gender responsive service delivery

Through VBCs communities engage in planning, budgeting, and monitoring of Government programs to benefit women, men, girls and boys.

The VBC Model

Training of VBC members in gender responsive budgeting techniques & service delivery monitoring

1

Promoting accountability for gender equality through Village Budget Clubs

Conduct **monitoring** visits to inspect service delivery of community development programs e.g. Schools or Health Centers and document findings.

2

Hold **community dialogues** to discuss findings from monitoring visits with the wider community and build consensus on key issues.

3

VBCs **meet duty bearers** and present the priorities and concerns identified by the community members and document commitments to be followed up.

4

Work with the **media** to increase public awareness of key policy issues.

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The VBCs & Local Tax Regimes

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- In the face of inadequate funding for Local Governments and conditioned funding,
- Local Governments are implementing aggressive “Local Revenue Mobilization Strategies”
- The aggressive strategies often place multiplicities of tax burden on citizens in informal / small scale trade (majority of whom are women in agribusiness and retail
- VBCs engage local leadership during the budget-making cycle.
- Local tax proposals are discussed to asses their potential gender impact.

Why engage on Gender & taxation?

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- ▶ In the past, FOWODE work has been focused on Gender Responsive budget allocation and service delivery

WHY TAXATION NOW ?

- ▶ The revenue generation / taxation side has been ignored by CSOs and governments as a means of fostering gender equality
- ▶ Taxation has the potential if not equitably implemented (equal to expenditure) to further compound inequalities, worsen economic exclusion and increase poverty

Uganda Revenue Generation (snapshot FY2019/20)



Uganda's Resource Envelope of FY 2019/20 totals UGX 40,487.9 Billion of which Tax and Non-Tax revenue amounts to UGX 20,895.6 Billion.

Domestic Financing amounts to UGX 2,829.8 Billion

External Financing consists of Project Support of UGX 9,433.6 Billion and General Budget Support UGX 675.2 Billion

Government services
189.96 billion



Passports **31.95 billion**
Traffic Fines **110.15 billion**
Driving Permits **44.86 billion**

Labour 3.250 Trillion



Construction 149.9 Trillion



Consumables (necessities)
243.16 billion

Cooking Oil **33.26 billion** Sugar **209.9 billion**

Banking services
126.18 billion

Bank Charges **126.18bn**



Transport 2.234 Trillion

Petroleum **2.23 Trillion**
Motorcycles **4.63 billion**

Consumables (luxurious) 935.31 billion



Cigarettes **22.91 billion** Spirits **329.4 billion**
Beer **571.4 billion** Cosmetics **11.6 billion**

Communications 897.72 billion

Phone Talk time **572.09 billion** Over the Top Tax (OTT) **51.27 billion**
International Calls **28.26 billion** Mobile Money **246.1 billion**



Business 5.810 Trillion

Corporate tax **1.28 trillion** Tax on Imports **4.53 trillion**



GRB and Taxation

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Gender Equality in taxation is a matter of fundamental human rights, particularly in the context of low-income and developing countries

Developing Countries are raising more revenues from consumption taxes (VAT, excise)

On average, low income countries collect **over four times** as much revenue from VAT as from personal progressive income taxes

Consumption taxation disproportionately affects women due to their care / family roles

THE QUESTION: Tax for economic growth OR Tax for human well-being through economic development, poverty eradication, food security

For sustainable economic growth and poverty reduction, taxation **MUST NOT** negatively affect desired outcomes in the area of gender equality

Our previous work / success on taxation

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Campaign against Tax on SACCOs



- During the FY 2018/19 Budget formulation process, government proposed a 30% income tax on Savings and Credit Cooperative Organization (SACCOs)
- SACCOs in Uganda are mostly women dominated and especially useful for low income earners in rural communities
- FOWODE and partner NGOs mobilized women's groups across the country and petitioned government
- **Tax Proposal was dropped**

Campaign against Tax on SACCOs



- ▶ Excise Duty (Amendment) Bill, 2018 proposed to tax 1% on mobile money transaction (sending, transfer and withdrawal)
- ▶ FOWODE in partnership with CSBAG and like-minded CSOs mobilized citizens and collected over 2 million signatures
- ▶ Utilized community structures such as VBCs to sensitize citizens, persuade them to join the cause and collect signatures
- ▶ **Government conceded and reduced the proposed tax to 0.5% on funds withdrawal only**

What are we advocating for ?

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RECOMMENDATIONS TO GOV'T

- ▶ Institute progressive taxes on incomes and capital based on ability to pay
- ▶ Increase taxes on incomes from property and capital received by those with high incomes
- ▶ Reduce tax burdens on low-income self-employed women
- ▶ Eliminate inequalities in hiring, wages, promotion, and benefits



FOWODE receives award for Gender budgeting work from the Equal Opportunities Commission