



ISER

Facilitating Social Justice

INITIATIVE FOR SOCIAL AND ECONOMIC RIGHTS



ISER's Position on the 2023 Social Protection Budget

April 2023

ABOUT THE INITIATIVE FOR SOCIAL AND ECONOMIC RIGHTS

The Initiative for Social and Economic Rights (ISER) is a human rights Non-Governmental Organization (NGO), established in 2012. ISER was founded in 2012 to ensure full recognition, accountability and realization of social & economic rights including the right to education, health and social security. ISER is an ardent advocate for the adoption and use of a human rights-based approach to budgeting and has actively engaged in advocacy for the right to health especially for vulnerable groups including the poor, and Persons with Disabilities and older persons. ISER has been instrumental in advocating for improvements in the delivery the country's social protection programs including the Social Assistance Grants for Empowerment (SAGE).

INTRODUCTION

This budget comes at a time when the world is grappling with a cost-of-living crisis following the war in Ukraine and tightening global financial conditions. Prices domestically continue to rise annually at a rate of 9 percent¹. Poorer households are bearing much of the brunt. Many now have to do away with even larger shares of their income just to afford a basic living. For the unemployed, older persons, the sick, persons living with disability, displaced individuals & refugees, government support now remains their only alternative. However, the prospect for the government delivering on this responsibility now remains in question. With the Finance Ministry executing budget cuts to curb the surge in public debt, a number of social protection programs have not been spared.

It should be noted that social protection systems are at the heart of boosting human capital and empowering people. They help individuals and families, especially the poor and vulnerable, cope with crises and shocks, find jobs, improve productivity, invest in the health and education of their children, and protect the ageing population. It is in light of this that ISER is putting forward a set of proposals following thorough examination of the proposed 2023/24 budget.

¹https://www.bou.or.ug/bouwebsite/bouwebsitecontent/MonetaryPolicy/Monetary_Policy_Statements/MPC-Statement-for-April-2023.pdf

Issues for consideration

1.0 Immense budget cuts to weaken social protection delivery

Government has cut its own funding towards the Ministry of Gender, Labor and Social Development (MoGLSD) budget by 33 percent from Ugx 249 Bn in 2022/23 to Ugx 167 billion in 2023/24)². The reduction was on account of an 80% blanket cut on subventions (funds appropriated to government votes for onward transfer to entities that are not votes) applied by the Ministry of Finance while issuing the MTEF to the different Programmes.

Funding towards the Gender and Social protection sub-programme has therefore gone down by a third from Ugx 198 billion to Ugx 138 billion. This is going to affect the implementation of key programs on social protection. Among those affected include; - the Enterprise Fund for Older Persons; the Special Grant for Persons with Disabilities; the Youth Livelihood Programme; and the Uganda Women Entrepreneurship Programme.

Below we provide detail on budget allocations to selected social protection programs and government institutions.

Institution/Program	2022/23 Approved Budget (billion Shs)	2023/24 Draft Estimates (billion Shs)	Change (in percentage)
Social Assistance Grants for Empowerment (SAGE)	120.944	121.220	0.2
Enterprise fund for older persons	5.000	1.000	- 80.0
Special Grant for Persons with Disabilities	16.600	3.300	- 80.1
Uganda Women Entrepreneurship Program (UWEP)	12.290	2.458	- 80.0
Youth Livelihood Program (YLP)	18.440	3.872	- 79.0

² Draft estimates of revenue and expenditure (recurrent and development); Volume 1: Central Government Votes, For the year ending on June 2024

Support to street children interventions	0.1260	0.024	- 81.0
National Council for Older Persons	2.406	0.441	- 81.7

***Source:** Figures from the “draft estimates of revenue and expenditure (recurrent and development); Volume 1: Central Government Votes, For the year ending June 2024*

Below we discuss some of the affected programs

1.1 Funding for SAGE still fails to catch up to needs

Government, has in 2023/24 FY, allocated Ugx 121.2 billion towards SAGE program, a slight increment from the Ugx 120.9 billion approved in 2022/23.

With the 2022/23 allocation, government benefitted 306,556 older persons³. This number will much likely remain the same in the coming financial year. It means that the number of older persons benefitting will remain way short of what was programmed at the time of reviewing the NDP III.

It must be noted, that while reviewing its NDP III much recently, Government set out to deliver cash support to 1,008,000 old aged individuals above 75 years of age. But with just Ugx 121 billion, it will now support just only a fraction of them (a third). The continued low SAGE coverage means that many now remain deprived of their most basic needs. UNICEF⁴ has observed that close to 48 percent of older persons above the age of 65 years are in poverty. At a time of increasing vulnerability and an enduring cost of living crisis, many will be left to fend for themselves if government proceeds with these cuts.

Furthermore, the program remains plagued with concerns of exclusion as many beneficiaries are at the moment left out for the lack of national IDs. It is worth noting that [up to a third of the adult population](#) in Uganda remain shut out of the Ndaga Muntu (digital ID) system because they do not have a national ID, and many others have critical errors in their data or are unable to biometrically verify their identity. Despite publicly recognizing this, the government continues to make the national ID a mandatory requirement for accessing many social services including social protection. In so doing, thousands of eligible older persons remain barred from accessing cash assistance through the senior citizen's grant. Still of concern, is that advocacy with the relevant authorities on the need to embrace alternative identification methods continues to go unheard.

³ 2023/24 MPS for Ministry of Gender, Labor and Social Development.

⁴ Uganda's multi-dimensional poverty profile, 2020.

Recommendations

- We recommend that Parliament instructs MoGLSD to step up required funding towards SAGE
- Parliament instructs the MoGLSD to eliminate the requirement of a national ID as a precondition for SAGE beneficiaries until government has fast tracked the roll-out of IDs to all citizens. Provision should rather be made within the mean time to allow for other forms of identification that aren't exclusionary.

2.0 The Government Should Consider Establishing a Social Registry

In order to coordinate social protection programs and strengthen national-level monitoring, the Ugandan government operationalized the National Single Registry (NSR) in 2021. All beneficiary information is collected by the NSR, which merges data from multiple national social protection systems.

However, in the aftermath of the COVID 19 epidemic, the lack of a trustworthy database to identify the most vulnerable groups highlighted the need for a more complete social registry. The planned Social Registry differs from the NSR in that it would be a comprehensive database including information on individual and household level socioeconomic situations¹.

Social registers are information systems that aid in the registration and determination of possible eligibility for social programs. In terms of population served, social registers contain information on all registrants, regardless of whether they are deemed eligible for or engaged in specific social programs.

ISER affirms the need for a comprehensive social register since it acknowledges that Management Information Systems (MIS) are the foundation of good social protection programs. In addition to monitoring for effective planning and actions in case of shocks, this would offer a "getway" for potential participation of the targeted demographic into social programs.

Recommendation

- Parliament instructs the MoGLSD to embark on the process of developing a social registry. Funding should be availed towards preliminary works for this starting next financial year 2023/24.

¹ <chrome-extension://efaidnbmninnibpcjpcglclefindmkaj/https://www.udn.or.ug/download/cso-position-paper/?wpdmdl=1230&refresh=645b6e500de0d1683713616>

About the Initiative for Social and Economic Rights

ISER is a registered Non-Governmental Organization (NGO) in Uganda founded in February 2012 to ensure full recognition, accountability and realization of social and economic rights primarily in Uganda but also within the East African Region.

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