PARLIAMENT OF UGANDA

PARLIAMENTARY DEBATES

(HANSARD)

OFFICIAL REPORT

FIRST SESSION - FIRST MEETING

THURSDAY, 11 JUNE 2026

PARLIAMENT OF UGANDA

IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

FIRST SESSION - 5TH SITTING - FIRST MEETING

Thursday, 11 June 2026

Parliament met at 1.57 p.m. in Kololo Ceremonial Grounds, Kampala.

The Uganda National Anthem

The East African Community Anthem

PRAYERS

(The Speaker, Mr Jacob Oboth, in the Chair.)

The House was called to order.

PROCLAMATION

THE SPEAKER: *"WHEREAS under Article 101(2) of the Constitution of the Republic of Uganda, His Excellency the President of the Republic of Uganda may, in consultation with the Speaker, address Parliament from time to time on any matter of national importance;*

AWARE that His Excellency the President of the Republic of Uganda has, in accordance with Article 101(2), indicated to the Speaker of Parliament his intention to address Parliament and the nation on the National Budget for the Financial Year 2026/2027;

NOW, THEREFORE, in accordance with Rule 18(1) of the Rules of Procedure of Parliament, I hereby proclaim as follows:

1. *Parliament shall sit at Kololo Ceremonial Grounds on Thursday, 11 June 2026, at 14.00 hours to receive the address of His Excellency the President on the National Budget for the Financial Year 2026/2027; and*
2. *The Kololo Ceremonial Grounds to be precincts of Parliament for the above-mentioned purpose.*

Given under my able hand at Parliament House, Kampala, this 11th day of June 2026."

ADMINISTRATION OF OATHS

THE CLERK TO PARLIAMENT (Mr Adolf Mwesige): Your Excellency the President, Rt Hon. Speaker and honourable members, on 28 May 2026, His Excellency the President of the Republic of Uganda appointed a new Cabinet. Among those appointed were non-members of Parliament who were duly approved by the Parliamentary Appointments Committee and sworn in as ministers.

In order for them to discharge their duties as ministers, they are required by law to become ex-officio Members of Parliament by virtue of Article 78(1)(d) of the Constitution and are required under Article 81(4) of the Constitution to take and subscribe to the Oath of Allegiance and the Oath of Member of Parliament.

The said members are ready to take and subscribe to the oaths. May I therefore request your permission, Mr Speaker, to invite them for the aforementioned purpose. They are:

1) Hon. Gen. Katumba Wamala, Minister of Public Service. Please come forward.
2) Hon. Ssebugwawo Joyce Juliet Nabbosa,

Minister of State for Information and Communications Technology and National Guidance (Information); and

3) Hon. Siraj Musa Ali, Minister of State for Works and Transport (Works).

I seek your permission, sir, to allow them to access the chambers.

THE SPEAKER: Permission granted.

The oaths were administered to Gen. Edward Katumba Wamala.

THE SPEAKER: Congratulations, General and welcome back to the House. You will need to append your signature to confirm the oath you have just made and you will receive a copy of the Constitution and the Rules of Procedure to enable you execute your duties as a Member of Parliament. Kindly turn it.

The oaths were administered to Ms Joyce Juliet Nabbosa Ssebugwawo.

THE SPEAKER: Congratulations. Honourable members, join me in receiving the honourable *Ow'ekitiibwa* minister. Congratulations *Mama* for catching the eye of the appointing authority. You will append your signature somewhere here to affirm or attest to the oath you have just made, and we will give you a copy of the Constitution and the Rules of Procedure to enable you to execute your mandate as a Member of Parliament with all rights except for voting.

The oaths were administered to Mr Siraji Musa Ali.

THE SPEAKER: Congratulations, Hon. Siraji Musa Ali, upon your appointment and upon taking your oath. We have a place for you there and another place down. We have a copy of the Constitution and the Rules of Procedure of this House that will enable you to execute your mandate as a Member of Parliament. Congratulations once again.

COMMUNICATION FROM THE CHAIR

THE SPEAKER: Your Excellency the President of the Republic of Uganda, Gen. Yoweri Kaguta Museveni, Her Excellency the Vice President, Maj. (Rtd) Jessica Alupo Epel, the Rt Hon. Deputy Speaker, Hon. Thomas Tayebwa, the Rt Hon. Prime Minister and Leader of Government Business, Ms Robinah Nabbanja, the Rt Hon. Deputy Prime Ministers present, the Rt Hon. Leader of the Opposition in Parliament, Mr Joel Ssenyonyi, Cabinet Ministers and Ministers of State, honourable Members of Parliament of Uganda, the Chairpersons and Members of Constitutional Commission, the Head of Public Service and Secretary to Cabinet, Madam Lucy Nakyobe Mbonye, the Auditor-General, the Permanent Secretaries present, if they are here, all the service chiefs present, the Governor, Bank of Uganda, distinguished guests, ladies and gentlemen.

I welcome you all to this Fifth Sitting of the First Session of the 12th Parliament.

Your Excellency, just seven days ago, on Thursday, 4 June 2026, you delivered at this very venue a clear and concise address on the State of the Nation, in which you reiterated the need for results-oriented, accountable, and transformative leadership at all levels as a catalyst for national transformation.

Your Excellency, as we pride ourselves in the honour of hosting you once again here today, I take the privilege of informing you that the Members of this 12th Parliament not only heard, but also listened keenly and embraced your words of wisdom. The fight against corruption and non-performance is not the Executive's fight alone. It is Parliament's fight as well, and together in harmony as a nation, we will win it.

Honourable members, during today's Sitting, His Excellency the President will deliver the Budget Speech for the Financial Year 2026/2027 in fulfilment of his constitutional obligation under Article 115(1) of the Constitution of Uganda, which states that, "*The President shall cause to be prepared and laid before Parliament in each financial year, but in any case not later than the 15th day before the commencement of the financial year, estimates* *of revenues and expenditures of Government for the next financial year*".

Honourable members, today's Budget Speech crowns an elaborate consultative budget process which began in September 2025 with the issuance of the first Budget Call Circular and the subsequent participation of various Ministries, Departments, and Agencies, local governments, development partners and civil societies, among others.

Your Excellency, the relationship between the 12th Parliament and the other Arms of Government will be complementary and people-centred.

The 12th Parliament will focus on public expenditure tracking and budget oversight through the various parliamentary committees to ensure that public funds are used for the purpose for which they are intended and in line with approved work plans.

I, therefore, implore Whips to supply the lists of their Members to the various parliamentary committees, pursuant to Rule 16(2)(d) and Rules 163 and 164 of the Rules of Procedure of Parliament. This will pave the way for the timely operationalisation of our committees.

Your Excellency, the 12th Parliament will empower its committees to effectively support Government programmes through efficient and effective monitoring, especially of the high-impact projects under the National Development Plan IV. These core flagship projects are strategic catalysts for our tenfold growth strategy.

In addition, the Members of Parliament will strengthen oversight of Government wealth creation and development funds under the Parish Development Model, Uganda Women's Entrepreneurship Programme, *Emyooga*, among others. The 12th Parliament is firmly aligned with the Government's objective of moving the approximately 38 per cent of our population from subsistence to the formal money economy.

Your Excellency and honourable members, the Legislature looks forward to a productive Financial Year 2026/2027 in line with our national development aspirations.

I thank you for your kind attention.

PRESENTATION OF THE BUDGET SPEECH

THE SPEAKER: Honourable members, as is the practice, the Minister of Finance, Planning and Economic Development will deliver the Budget Speech on behalf of His Excellency the President, after which the President will make additional remarks. I now invite the Minister of Finance, Planning and Economic Development to deliver the Budget Speech.

MR TEBANDEKE: Thank you, Mr Speaker, for the opportunity granted.

THE SPEAKER: I did not grant you any opportunity, but you have accessed the microphone. What do you have to say?

MR TEBANDEKE: Your Excellency, I take cognisance of your presence in the House. Mr Speaker, my procedural matter arises under Rule 11(5) and Rule 26(2) of the Rules of Procedure. Specifically, Rule 11(5) states that: *"The constitution of the Commission under this rule shall be done during the first meeting of the first session of a new Parliament."*

Mr Speaker, I am aware that the side of the Leader of the Opposition has already nominated its commissioner as part of the four Backbench Commissioners, that is, Hon. Nambeshe. However, from the Government side, we have not yet seen any nomination.

Since the Government Chief Whip is in place, would it not be procedurally right for us to fully constitute the House so that it can effectively carry out its mandate?

Mr Speaker, the House looks to be moving in half. It is in an amoeba or *mongolo* shape – and this is the mother of corruption. In line with Rule 26 of our Rules of Procedure, there must be a Business Committee, with your consent, to come up with the Order Paper that the House has to follow.

I am wondering if it is not risky for you to determine the entire task of the Business Committee. Members, if we move the House in such a manner, I do not know whether we shall be respecting our rules.

It is, therefore, my humble prayer and request, in line with the procedural matter raised, that the entire business that this House has handled be rendered null and void and we constitute the House fully to carry out its function, as mandated by law. Thank you, Mr Speaker.

THE SPEAKER: I thank you, honourable member for Bbaale. We all know that he is a second-year law student. He is very vigilant. Let me give guidance to the Member so that nobody else makes the same mistake. This is the first meeting, and it has sittings. This is the fifth sitting of the first meeting.

Now, the honourable member thinks that rule 11, as stipulated here, refers to the "sitting". This is the fifth sitting of the first meeting of the first session of the 12th Parliament.

Clerk, we need induction urgently to help Members understand the difference between a "sitting" and a "meeting" of Parliament. That is on the constitution of the Parliamentary Commission.

On the order of business, Parliament is forming. I have no doubt that the Clerk, even as of today, has written – and let me take the same opportunity to tell the Government Chief Whip and the Leader of the Opposition that we need lists, which I have even communicated here, of all committee members and leadership, as well as the Commission. We need that before the 26th of this month.

There is nothing null and void, except the statement made in the wrong way.

2.22

THE MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (Mr Henry Musasizi): Your Excellency the President of the Republic of Uganda, Your Excellency the Vice-President of the Republic of Uganda, Rt Hon. Speaker of Parliament, Your Lordship the Chief Justice, Rt Hon. Deputy Speaker of Parliament, Your Lordship the Deputy Chief Justice, the Vice-Chairman of the NRM, Rt Hon. Prime Minister, Rt Hon. Deputy Prime Ministers, honourable ministers and ministers of state, Your Excellences the Heads of Diplomatic Missions, honourable Members of Parliament, former leaders, traditional leaders, religious leaders, distinguished guests, ladies and gentlemen.

Mr Speaker, in accordance with Article 155 of the Constitution of the Republic of Uganda and the Public Finance Management Act, Cap. 171, and on behalf of His Excellency the President, I present to Parliament and the people of Uganda the National Budget for Financial Year 2026/2027, as approved by this Parliament.

In this speech, I will:

ii) Present the recent performance of the economy and the outlook for the year ahead;
iii) Account to the people of Uganda on the commitments made in Financial Year 2025/2026 that is coming to an end in a few days;
iv) Highlight Government priorities for Financial Year 2026/2027; and
v) Outline the strategy for financing the budget.

Mr Speaker, allow me to begin by congratulating His Excellency the President and the National Resistance Movement upon the resounding victory in the recently concluded general elections.

In addition, I congratulate His Excellency the President upon assuming chairmanship of the East African Community. This is in recognition of his exemplary leadership and passion for advancing regional integration and Pan-Africanism.

I also congratulate Her Excellency the Vice-President, Rt Hon. Speaker, Rt Hon. Deputy Speaker, Rt Hon. Prime Minister, colleague honourable ministers, honourable Members of Parliament and all other leaders elected to serve our country during this important phase of Uganda's development.

Mr Speaker, I wish to thank His Excellency the President for the confidence he has placed in me and my political leadership team by entrusting us with the responsibility of leading the Ministry of Finance, Planning and Economic Development.

I would also like to thank and congratulate my senior, Hon. Matia Kasaija, for the leadership and mentorship in the past 10 years. *(Applause)*

Your Excellency, we accept this responsibility with humility, determination, and a clear understanding of the task before us. That task is to accelerate wealth creation, eliminate poverty, create productive jobs and transform Uganda into a $500 billion economy in the shortest possible time.

Mr Speaker, Uganda enters this new political term from a position of strength. Unlike many previous election cycles that were characterised by high inflation, exchange rate instability, and macroeconomic uncertainty, our economy remains stable, resilient, and is growing rapidly.

Mr Speaker, this achievement is not accidental. It is a result of deliberate and consistent policy choices under the leadership of His Excellency the President and the NRM Government. For more than three decades, the Government has prioritised peace and security, macroeconomic stability, infrastructure development, human capital development, wealth creation, and regional integration. As a result, Uganda has built one of the strongest foundations of socioeconomic transformation on the African continent:

i) Uganda has sustained long-term economic growth above 5 per cent despite repeated global shocks;

ii) Surpassed the lower middle-income threshold of $1,136 with Gross National Income per capita reaching $1,389;

iii) We have recorded one of the strongest external sector performances in recent history, nearly doubling exports over the last five years.

iv) We have expanded access to health, education and social services.

v) We have built critical infrastructure that supports investment and competitiveness.

vi) We have established a solid foundation for industrialisation and private sector-led growth.

Mr Speaker, the challenge before us is no longer simply growing the economy. The challenge is ensuring that growth translates into jobs, household incomes, enterprise development, and prosperity for every Ugandan. That is the essence of full monetisation, as His Excellency the President has consistently emphasised. That is the focus of the Tenfold Growth Strategy and it is the central objective of this budget.

Mr Speaker, Financial Year 2026/2027 marks the commencement of the implementation of the NRM manifesto. It is also the second year of implementing the Fourth National Development Plan (NDP IV), the First Plan specifically designed to deliver the Tenfold Growth Strategy.

Mr Speaker, in the spirit of protecting the gains, we have maintained the Financial Year 2026/2027 budget theme as "Full Monetisation of Uganda's Economy through Commercial Agriculture, Industrialisation, Expanding and Broadening Services, Digital Transformation, and Market Access".

This theme is aligned with the East African Community budget theme of "Deepening

Regional Integration and Economic Resilience Through Improved Regional Security, Domestic Revenue Mobilisation, and Digital Transformation for Inclusive Growth".

I now come to the recent economic performance and outlook.

Mr Speaker, despite geopolitical tensions, global trade disruptions, and continued uncertainty in the world economy, Uganda's economic outlook remains strong and positive. The economy is stable, growth is accelerating, inflation is low, the exchange rate is stable, exports are rising, investment is increasing, and confidence in Uganda's future remains strong.

Mr Speaker, Uganda's economy continues to demonstrate remarkable resilience and dynamism. Economic growth for the Financial Year 2025/2026 is estimated at 6.4 per cent, up from 6.3 per cent in the Financial Year 2024/2025. The size of the economy is projected to increase to approximately $69.3 billion, equivalent to Shs 250.4 trillion by the end of June 2026. In purchasing power parity terms, Uganda's GDP is estimated to be $197.1 billion. GDP per capita is projected to increase to $1,420, equivalent to approximately Shs 5.1 million per person.

Mr Speaker, with the commercial oil production commencing later this calendar year, growth is projected to accelerate to 10.2 per cent in Financial Year 2026/2027. This will mark Uganda's first return to double-digit growth since the reforms of the 1990s.

Most importantly, a larger economy will accelerate more jobs, raise household incomes, expand opportunities for businesses, and generate the resources required to invest in quality education, health care, infrastructure, security, and other public services that improve the lives of Ugandans.

This performance confirms that our strategy of investing in security, infrastructure, wealth creation, and productive sectors is delivering results. I thank His Excellency the President for his steadfast leadership, strategic guidance, and insistence on phased prioritisation. Mr Speaker, I wish to repeat this one.

This performance confirms our strategy of investing in security, infrastructure, wealth creation and productive sectors is delivering results. I thank His Excellency the President for his steadfast leadership, strategic guidance, and insistence on phased prioritisation.

Colleagues, I invite you to give His Excellency the President a round of applause. *(Applause)*

I now come to inflation.

Mr Speaker, inflation remains low and stable. Average inflation during the Financial Year 2025/2026 is estimated at 3.8 per cent compared to 3.5 per cent recorded in the previous financial year. This stability has been supported by effective coordination between fiscal and monetary policy, stable food prices, and improved management of fuel supply. Low inflation protects household incomes and supports business planning, and strengthens investor confidence. The Government remains committed to maintaining price stability as a cornerstone of sustained economic growth.

Mr Speaker, the strength of an economy is reflected not only in how much it produces, but also in the confidence it inspires among investors, visitors, citizens at home and abroad. I am pleased to report that confidence in Uganda's economy continues to grow. Foreign direct investment remains strong at $3.2 billion in the 12 months ending March 2026. This reflects growing investor confidence in Uganda's economy.

Of even greater significance, investors are increasingly expressing interest in Uganda's small and medium enterprises. Kampala-based start-ups attracted about $30 million in 2025, up from just $4 million a year before. This surge signals growing confidence in Uganda's innovation ecosystem and affirms our emergence as a destination for entrepreneurship, technology and investment.

Mr Speaker, remittances from Ugandans working abroad have significantly increased to $2.8 billion in the 12 months to March 2026 from $1.9 billion a year before. Remittances provide an important source of foreign exchange, investment capital, and household income.

Tourism has fully recovered from the effects of the COVID-19 pandemic. Tourism receipts increased to $1.86 billion in 2025 compared to $1.4 billion in 2018/2019 before the COVID-19 pandemic. This remarkable recovery from the lowest receipts of $562 million recorded in 2020 demonstrates growing international confidence in Uganda as a destination for business, investment and leisure. The Government remains committed to safeguarding and expanding this vital source of foreign exchange and jobs by increasing investment in the tourism infrastructure sector, security and our missions abroad to effectively advance economic and commercial diplomacy.

The Uganda shilling remains one of Africa's best-performing freely floating currencies. This stability reflects prudent macroeconomic management, a liberalised foreign exchange regime, and strong foreign exchange inflows from exports, tourism, foreign direct investments, portfolio inflows and remittances. As a result, Uganda's foreign exchange reserves are now at $6 billion in the 12 months to March 2026, up from $3.6 billion a year before.

The Government's decision to directly import petroleum products through the Uganda National Oil Company (UNOC) has further strengthened supply stability and reduced speculative pressures in the foreign exchange market. We expect the exchange rate to remain broadly stable despite ongoing global uncertainties.

External sector

Mr Speaker, Uganda's export performance has been exceptional. Over the last five years, exports of goods and services have increased by approximately 204 per cent. Total export earnings reached $18.04 billion in the 12 months to March 2026, from $5.93 billion in the 12 months to March 2022. The leading exports include gold, coffee, cocoa, fish products, steel products, sugar and a growing range of manufactured goods. Our coffee exports reached $2.46 billion for the year ending March 2026, up from $1.84 billion a year before.

Uganda's exports mainly go to the Middle East, which accounts for $6.3 billion, Africa accounts for $4.1 billion, Asia accounts for $2.0 billion, the European Union accounts for $2.5 billion, and the rest of the world accounts for $3.1 billion. This success reflects deliberate government policy focused on industrialisation, value addition, export promotion and market access. The exports are not merely a trade statistic. They are the engine of Uganda's transformation. They generate foreign exchange, create jobs, support enterprise growth and strengthen economic resilience. As a result of strong export performance, remittances and investment inflows, Uganda recorded a balance of payment surplus of $2.47 billion, 12 months to March 2026, the highest in 15 years. (*Applause*)

Employment creation

Mr Speaker, the ultimate test of economic policy is whether it improves the livelihoods of our people through productive employment. Uganda's economy is gradually undergoing structural transformation. The services sector now accounts for 50.5 per cent of total employment, up from 47 per cent previously, while the share of employment in agriculture has declined from 40 per cent to 37.1 per cent. On the other hand, industry accounts for approximately 12.4 per cent of total employment.

These shifts are good and are consistent with the structural transformation experienced by today's rich economies, which have moved from low to higher-productivity sectors. The capacity of our economy to generate formal employment continues to improve. Employment in private formal establishments has increased by 245 per cent from approximately 672,300 workers in the Financial Year 2016/2017 to over 2,319,683 workers in the Financial Year 2024/2025. This is in addition to the 503,738 public sector jobs and 10,513,014 informal jobs reported in April 2026. This growth in jobs confirms that Uganda's economy is not only growing but also creating productive jobs for Ugandans. This is on account of deliberate Government interventions to create jobs through industrialisation and wealth creation.

However, creating more productive jobs for our rapidly growing population remains an urgent economic priority. This is why the Government is investing in ATMs and their enablers to create jobs at scale, especially for young people. Going forward, every major intervention in the national budget will ultimately be judged by its contribution to jobs, incomes and improved livelihoods.

Fiscal performance

Mr Speaker, the Government's capacity to finance its development agenda using domestic resources continues to strengthen. This financial year, domestic revenue collections are projected at Shs 35.7 trillion, compared to Shs 32.3 trillion collected the previous financial year.

This Financial Year 2025/2026, domestic revenue from taxes, non-tax revenues and local government revenues funded up to 80.9 per cent of the total discretionary budget of Shs 44.1 trillion. The discretionary budget includes all funds allocated to implementing programmes, excluding debt and other Government obligations. This represents significant progress towards fiscal self-reliance and reduced dependence on external financing.

Mr Speaker, increasing domestic revenue is not merely a fiscal objective. It is a sovereignty objective. A country that finances its development from its own resources enjoys greater policy independence, resilience and sustainability. Therefore, the Government will continue to strengthen domestic revenue in line with the domestic revenue mobilisation strategy, while preserving incentives for investment, production and enterprise growth.

In Financial Year 2026/2027, domestic revenue is projected to increase to Shs 45.6 trillion from Shs 35.7 trillion in Financial Year 2025/2026, equivalent to 15.9 per cent of GDP. The additional resources will support investments in wealth creation, ATMs and their enablers.

Public Debt

Mr Speaker, as of December 2025, Uganda's total public debt stood at \$34.86 billion, equivalent to approximately Shs 126.19 trillion. Of this, external debt amounted to \$15.84 billion, while domestic debt was \$19.02 billion. This translates into a debt-to-GDP ratio of approximately 53.0 per cent.

Public debt should always be assessed alongside the assets it finances and the economic returns it generates. Over the past 10 years, Uganda's debt has financed strategic investments that are transforming the productive capacity of our economy. These investments include:

1. Integrated transport infrastructure, which accounts for 31.1 per cent of the debt;
2. Electricity infrastructure, which accounts for 19.3 per cent;
3. Water infrastructure, which accounts for 10.3 per cent;
4. Agro-industrialisation, which accounts for 9.2 per cent;
5. Education and health, which account for 7.7 per cent;
6. Housing and urban development, which account for 6.3 per cent;
7. Industrial parks and industrial development, which account for 2 per cent; and
8. Other investments such as National Backbone Infrastructure to extend internet, Science, Technology and Innovation, and regional development, which account for 7.0 per cent.

Mr Speaker, Uganda's public debt remains sustainable and is projected to stay so over the medium and long term.

Accountability for Financial Year 2025/2026 and priorities for Financial Year 2026/2027

Mr Speaker, when the Budget for Financial Year 2025/2026 was presented last year, the Government made several commitments aimed at accelerating monetisation of the economy and implementing the Tenfold Growth Strategy. The Budget focused on three broad areas:

i) Wealth creation programmes;
ii) Strategic investments in the ATMs; and
iii) Investment in key enablers of growth.

I am pleased to report that substantial progress has been made in all three areas above.

Wealth creation

Mr Speaker, the foundation of Uganda's economic transformation is ensuring that every Ugandan participates in the money economy. The Government, therefore, has continued to invest in programmes that expand access to affordable capital, strengthen enterprise development and increase household incomes.

To date, the Government has invested close to Shs 11 trillion directly into wealth-creation initiatives targeting households in the subsistence economy, farmers, youth, women and businesses. These interventions are reducing barriers to participation in economic activity, while expanding opportunities across the country. Let me highlight what we have done in the flagship wealth creation programmes.

Parish Development Model (PDM)

Mr Speaker, the Parish Development Model remains Government's most important intervention for eliminating subsistence and expanding participation in the money economy. I wish to thank his Excellency the President for his vision and unwavering commitment to this programme. PDM is not merely a financing programme; it is a structure transformation programme. Its objective is to move households from subsistence to commercial production; from survival to enterprise; and from poverty to prosperity.

Over the past five years, the Government has transferred Shs 4.4 trillion to all 10,589 parishes nationwide as revolving capital. Ugandans who were previously outside the money economy are now engaged in money-making enterprises. By the end of this month, PDM funds will have reached over 4 million beneficiaries. The PDM is raising household incomes, improving food security and creating local economic opportunities for Ugandans who previously relied on subsistence production. Mr President, thank you for your visionary leadership. *(Applause)*

The next phase of the PDM will focus on boosting productivity, strengthening value addition and improving market access for the PDM beneficiaries. My ministry will seek policy guidance to ensure that the underserved and densely populated parishes, particularly in urban areas, receive adequate funding. Equally important, we will begin a gradual, deliberate transition from Government transfers to a self-sustaining financial ecosystem; ultimately, a PDM bank underpinned by strong repayment performance, governance and value-chain development.

Other wealth-creation programmes

Mr Speaker, in addition to the PDM, Government has continued supporting enterprise development through other wealth funds, namely:

i) *Emyooga*: Government has capitalised the programme with Shs 760 billion in revolving funds. To date, 7,148 Emyooga SACCOs have been established, with over 2.48 million members and cumulative savings of Shs 95.3 billion. An additional Shs 100 billion has been allocated in the Financial Year 2026/2027.
ii) Katale Loan Facility: The Government, through the Microfinance Support Centre, introduced this wealth fund to expand access to affordable working capital for market vendors and urban informal operators. It is currently piloted in six major markets within the Kampala Metropolitan Area, and will be rolled out nationwide

in the Financial Year 2026/2027. The pilot markets are St. Balikuddembe (commonly known as Owino), Nakawa, Kalerwe, Busega, Nakasero, and Ggaba. The facility is providing working capital loans at an interest rate of eight per cent per annum.

iii) Small Business Fund: This Fund, initially called the Small Business Recovery Fund, was established in 2021 to help small businesses affected by COVID-19 recover. The Fund has disbursed over Shs 82.1 billion to more than 4,031 small and medium enterprises. It provides affordable financing of up to Shs 500 million at a 10 per cent interest rate to formal enterprises employing at least two people.

iv) Agricultural Credit Facility: Government has invested a total of Shs 371.7 billion in the facility as co-financing with participating financial institutions. The facility has cumulatively disbursed Shs 1.35 trillion to more than 14,000 beneficiaries. In the Financial Year 2026/2027, an additional Shs 47.68 billion has been allocated to further capitalise the facility.

v) Large-Scale Commercial Farmers Financing Scheme: In the Financial Year 2025/2026, Shs 41 billion was provided for interest payments on behalf of the large-scale farmers cultivating over 50 acres of grain and animal feeds. This support has so far enabled 186 farmers to access a total of Shs 169.1 billion from Government-owned commercial banks. The farmers are expected to repay the principal while Government pays the interest on their behalf. An additional Shs 41 billion has been allocated for the Financial Year 2026/2027.

vi) Uganda Development Bank: Government has cumulatively capitalised Uganda Development Bank with Shs 1.6 trillion to provide long-term patient capital to strategic sectors vital for industrialisation and value addition. The bank has extended over Shs 2.45 trillion in financing to more than 600 businesses across agriculture, manufacturing, tourism, construction, and services. An additional Shs 442.2 billion has been allocated in the Financial Year 2026/2027 to further capitalise Uganda Development Bank.

vii) GROW and other women's funds: Through the World Bank-financed GROW project, Shs 133.14 billion in soft loans has been extended to 6,584 women-owned businesses to support their transition from informality. This complements Shs 153.5 billion previously disbursed under the Uganda Women Entrepreneurship Programme (UWEP), which has benefited 244,805 women.

viii) Youth Empowerment Programs: The Youth Livelihood Programme has financed 24,859 projects, benefiting 275,034 youths at a cost of Shs 195.4 billion, while 57,849 youths have benefited from the Youth Venture Capital Fund.

ix) Revolving Fund for the creative artists: Government has provided Shs 33 billion to establish a revolving fund for musicians and other creatives to promote enterprise growth and job creation.

x) Support to Teachers' SACCOs: Government released Shs 20 billion to private teachers' unions to strengthen teachers' welfare through improved access to affordable credit. This is in addition to the earlier Shs 25 billion that was provided to Walimu SACCO umbrella structures.

Mr Speaker, these wealth-creation interventions have expanded access to affordable capital, strengthened enterprise growth, and created jobs. In the Financial Year 2026/2027, Government has allocated an additional Shs 2.49 trillion in wealth-creation programmes to accelerate monetisation of the economy and expand wealth creation.

Accelerating tenfold growth through the ATMS

Mr Speaker, having expanded access to capital through our wealth-creation programmes, Government is now intensifying investment in the sectors that will drive Uganda's next phase of economic transformation. These sectors are collectively known as the ATMS, that is:

a) Agro-industrialisation;
b) Tourism development;
c) Mineral-based industrial development including oil and gas;
d) Science, technology, and innovations including ICT and the creative arts.

These sectors are deliberately selected because they represent Uganda's strongest comparative advantages and possess the greatest potential to generate exports, jobs, incomes and investment. Together, they form the engine of the Tenfold Growth Strategy.

The objective is simple: To convert Uganda's natural resources, human capital and innovation into wealth, jobs and prosperity.

I would now like to detail each.

Agro-industrialisation

Mr Speaker, agriculture remains the backbone of Uganda's economy. It employs millions of Ugandans, supplies raw materials to industry, produces exports and sustains livelihoods across the country.

However, Uganda's future prosperity will not come from producing more raw commodities alone. It will come from increasing productivity, expanding value addition, strengthening agro-processing and improving market access.

The Government, therefore, continues to invest strategically across the entire agricultural value chain.

Agricultural research and innovation

Mr Speaker, agricultural transformation begins with science. This year, the Government made significant advances in agricultural research and genetics. The anti-tick vaccine facility at the National Livestock Resources Research Institute in Nakyesasa was completed and is now operational, producing about 36 million doses, serving 18 million livestock in the first year.

The Government also produced Foot-and-Mouth Disease vaccines and continued to advance research on disease resistant crops and livestock breeds. These investments will reduce production losses, raise productivity and increase farmer incomes.

Water for production and irrigation

Climate change continues to expose farmers to significant weather-related risks. The Government is, therefore, accelerating investment in irrigation and water for production infrastructure to reduce dependence on rainfall.

Progress was registered on several major irrigation projects including Kabuyanda Dam in Isingiro District, Atari in Bulambuli District, Wadelai in Pakwach District, Acomai in Bukedea District, Namaitsu in Bududa District, Chembombai in Bukwo District and Sipi Irrigation Scheme in Bulambuli District. Solar-powered irrigation schemes are also being rolled out across the country. These investments will support all-year-round production, increase resilience and improve agricultural productivity.

Mechanisation and animal health

The Government continued developing Regional Agricultural Mechanisation Centres and Animal Disease Control Centres to improve efficiency and productivity in the agriculture sector. Progress was registered in Kiruhura, Mbale, Kiryandongo, Bunyangabu, Nakaseke, Katine and several other districts. These facilities are improving access to modern agricultural equipment, veterinary services and disease surveillance systems.

Expanding commercial coffee production

Mr Speaker, coffee remains one of Uganda's most important export commodities. The Government has, therefore, expanded coffee cultivation into northern and eastern Uganda. During the year, two coffee mother gardens were established and over 1.4 million coffee seedlings distributed to 7,532 farmers in northern Uganda. This intervention will broaden participation in one of Uganda's most profitable agricultural value chains.

Financial Year 2026/2027 priorities for agro-industrialisation

A total of Shs 2.26 trillion has been allocated to the agro-industrialisation programme in FY 2026/2027. This is the highest allocation ever to this programme. Priority interventions include:

i. Agricultural research and innovation, including funding for anti-tick vaccine commercialisation;
ii. Irrigation and water for production;
iii. Extension services, more extension workers and their facilitation to reach farmers;
iv. Provision of good quality agricultural input;
v. Post-harvest handling and storage;
vi. Agro-processing and value addition;
vii. Quality assurance and certification; and
viii. Expanding market access.

The objective is to move Uganda from exporting raw commodities to value-added agricultural products.

Tourism development

Tourism is one of Uganda's most powerful export industries. It generates foreign exchange, creates jobs, supports thousands of enterprises and showcases Uganda to the world.

The following achievements have been registered this financial year:

1. Uganda's global tourism visibility is at an all-time high, driven by the aggressive destination marketing under the "Explore Uganda, the Pearl of Africa" brand. The country's growing international profile and industry endorsements are evident in its recent global presence and awards.

2. In the North American market, Uganda won the "Best in Show – Africa" at the 2026 New York Travel and Adventure Show, bolstered by endorsements from the renowned travel journalists. In the Asian market, the country won the "Best Exquisite Destination Award" at the Outbound Travel Mart in Mumbai and gained strong visibility at the South Asia's leading travel and tourism exhibition in New Delhi.

3. The Government has intensified the international marketing of *Destination Uganda* through participation in major tourism exhibitions and targeted promotion campaigns in Europe, the United Kingdom, North America, Asia, East Africa and North Africa. The Government also leveraged high-profile platforms including the Africa Cup of Nations (AFCON) 2025 tournament in Morocco and the 2025 World Travel Market in London, to showcase Uganda's tourism potential and attract visitors.

4. In addition, Uganda successfully secured a bid to host two international conferences, further strengthening its position as a preferred destination for Meetings, Incentives, Conferences and Exhibitions (MICE).

5. Uganda also launched the Economic and Commercial Diplomacy (ECD) Strategy as a key instrument for advancing Uganda's economic transformation. Under this strategy, Uganda's Missions Abroad have been assigned clear performance targets focusing on four measurable economic outcomes, mainly tourism marketing, trade promotion, investment attraction and diaspora mobilisation.

The ECD Strategy is contributing to improved economic performance with increased international tourist arrivals and receipts, foreign direct investment inflows and merchandise export earnings.

The Government will continue to leverage its Missions Abroad to market Uganda as a preferred tourism, conference and investment destination, expand market access for

Ugandan products, attract strategic investors and mobilise the diaspora to support national development.

6. On tourism infrastructure, the Government continued to invest in tourism infrastructure and attractions. Progress was made in the development of museums and cultural heritage sites in Moroto and Dokolo. Investments are also underway in the Rwenzori Central Circuit Trail, Kitagata Hot Springs and visitor facilities at the Source of the Nile in Jinja, including an observatory deck and a modern restaurant. The Government also established a new wildlife education centre in Mbale.

These investments are enhancing visitor experiences and strengthening Uganda's competitiveness as a tourism destination.

In Financial Year 2026/2027, the priorities under tourism are the following:

Mr Speaker, the Government has allocated Shs 567.32 billion to continue developing the tourism sector next financial year. The priority interventions will include:

i) The branding and marketing of Uganda as a tourism and investment destination;
ii) Tourism infrastructure development;
iii) Construction of highway sanitation facilities and tourism site refreshment centres;
iv) Improving and enforcing hospitality standards and training;
v) Conservation and wildlife protection to increase wildlife population across the national parks;
vi) Health tourism; and
vii) Economic and commercial diplomacy.

I now come to mineral-based industrial development.
Mr Speaker, Uganda is richly endowed with minerals. However, sustainable transformation will come not from extracting minerals, but from processing and adding value to them.

The Government's strategy is, therefore, to transform mineral wealth into industrial wealth, and the following steps have been taken in that direction:

i) The Government intensified mineral exploration and quantification. Geochemical surveys for gold were undertaken in Kassanda, Kiboga and Mubende districts. Exploration confirmed an estimated 300 million tonnes of iron ore in Kabale, Rubanda, Rukiga, Kisoro, Kanungu, Kiruhura and Hoima districts. Surveys of copper prospects were conducted at the Bukusu Carbonatite Complex, which also has the potential for rare earth elements as well as at the Boma and Lwensankala sites. Evaluation of uranium, manganese, lithium and nickel deposits is also ongoing across the country.

ii) To add value to Uganda's limestone, a new clinker factory was commissioned in Moroto District to produce inputs for cement production. The factory operates a 6,000-tonne-per-day clinker production line with annual production capacity of two million tonnes of clinker and three million tonnes of cement. The project is expected to save the country up to $260 million, annually, in clinker imports and create up to 4,000 jobs.

iii) The Government continued to make substantial progress towards the first oil. Construction of the East African Crude Oil Pipeline (EACOP) and the Central Processing Facilities is at advanced stage and nearing completion. The Tilenga and Kingfisher upstream development projects also registered significant progress despite logistical challenges arising from the ongoing conflict in the Middle East. During the year, 51 additional wells were drilled, bringing the cumulative number to 199 wells, exceeding the 189 wells required for first oil production later this year.

iv) The Government completed the first phase of Kabalega International Airport, providing critical logistics infrastructure to support oil and gas development, tourism, trade and investment in the Albertine region.

v) Through Uganda National Oil Company, the Government continued the bulk procurement of petroleum products. This has strengthened fuel security and ensured uninterrupted supply despite disruptions in global energy markets. Consequently, Uganda experienced minimum fuel price volatility compared to several countries in the region.

vi) In addition, the Government, through the Uganda National Oil Company (UNOC), acquired a 20.15 per cent stake in the Kenya Pipeline Company. This is a strategic investment to strengthen Uganda's energy security and enhance the reliability of fuel supply. Given that over 95 per cent of Uganda's refined petroleum products are imported through the Kenyan corridor, this investment will help secure access to critical petroleum infrastructure and support more predictable fuel supply and pricing.

Financial Year 2026/2027 priorities for minerals and oil and gas

Mr Speaker, Shs 473.51 billion has been allocated for mineral-based industrial development, mining and oil and gas. The priority areas include:

i) Continued mineral exploration, quantification and certification;
ii) Continued capitalisation of the National Mining Company;
iii) Establishment of the mineral market and buying centres;
iv) Operationalisation of EACOP; and
v) Development of the oil refinery.

Science, technology and innovations

Mr Speaker, no country has achieved rapid economic transformation without innovation. Science, Technology and Innovation (STI), including ICT and the creative arts, are critical drivers of productivity, industrialisation and competitiveness. They provide the tools to modernise production, create high-value jobs and expand Uganda's participation in the global knowledge economy. For Uganda to achieve a 10-fold expansion of the economy, STI is going to be at the centre of our development strategy.

Mr Speaker, commissioning the Kiira vehicle plant in Jinja marked a major milestone in Uganda's industrialisation journey and demonstrates the country's growing technological capabilities. The plant has the capacity to produce up to 2,500 buses annually. Despite being in its early stages of operation, Kiira Motors has already made bus sales worth Shs 21.6 billion and received orders for 450 buses from Uganda and the region. The quantity, quality and reliability of its products were further demonstrated through the successful "Pearl to Cape" Electric Expedition, during which the *Kayoola* Electric Bus traversed more than 13,000 kilometres across Africa.

Mr Speaker, to date, more than 25,000 electric vehicles, including buses, motorcycles, and bicycles have been produced locally with up to 40 per cent local content.

In a further boost to the sector, Soleil Power completed the construction of East Africa's first production scale lithium-ion battery assembly plant in Uganda. This has strengthened domestic manufacturing capacity and positioned the country as a regional hub for electric mobility and clean energy technologies.

On pharmaceuticals and biotechnology, the Government continued to strengthen pharmaceutical manufacturing and biotechnology as part of the efforts to build a competitive pathogenic economy. Uganda is deliberately supporting the domestic production of medicines, vaccines, diagnostics, and other health products, while promoting research, innovation, import substitution, export growth, and resilience in the health sector.

Significant progress was registered through strategic investments in and the Government procurement from local pharmaceutical and biotechnology companies, including Microhaem Scientifics, Dei BioPharma, Jena Herbals, and other emerging manufacturers.

Macrohaem Scientifics has established itself as a leading African manufacturer for rapid diagnostic kits, recording annual sales of approximately $75 million from products used in a diagnosis of malaria, HIV/AIDS, and sickle cell diseases.

Dei BioPharma has operationalised manufacturing lines for generic oral solid and liquid medicines and secured approvals from the National Drug Authority for a range of essential medicines.

Jena Herbals, the manufacturer of Covidex, has established a pharmaceutical manufacturing facility in Soroti, expanding Uganda's capacity to produce health products locally and strengthening the country's pharmaceutical value chain. These investments are improving health security, reducing imports, and creating high-value jobs.

On advancing Uganda's space science, the Government has strengthened Uganda's space science and satellite technology capabilities. Government established modern ground satellite infrastructure at the Uganda National Space Centre at Mpoma, Mukono District. This has enabled our scientists to successfully deploy a climate camera to the International Space Station. This has expanded the country's capacity to generate real-time data for climate monitoring, environmental management, disaster preparedness, and evidence-based decision making.

On value addition under STI, the Government has intensified agro-industrialisation initiatives driven by scientific innovation aimed at increasing value addition, branding, and export competitiveness. The banana value addition facility by Prof. Muranga strengthened its production capacity for banana value-added products and fulfilled export orders from South Korea, Saudi Arabia, Qatar, and Italy.

In addition, the Government has invested in the establishment of the coffee park in Ntungamo. The Africa Coffee Park has innovated 18 products of value-added coffee, ready to go into the market for roast, freeze dry, and spray dry high-level technology.

On digital transformation, the Government continued expanding digital infrastructure to improve the availability, reliability, affordability of ICT services, as well as access to the services. During the year, an additional 879 kilometres of fibre optic cable were installed, bringing the national fibre backbone to approximately 62,941 kilometres.

As a result, internet costs declined from $70 to $35 per megabit per second. Active mobile internet subscriptions stand at 18.5 million, while the number of smartphones connected to Ugandan networks has reached 20 million. Total registered mobile telephone subscriptions have reached 57.3 million, placing Uganda among the most connected markets in the region.

The increased penetration of mobile telephones has increased financial inclusion and improved access to e-commerce, telemedicine, marketing, and agricultural information for farmers.

In the year ending March 2026, mobile money transactions rose by 29 per cent to Shs 392.7 trillion. Active mobile money accounts stood at 36.7 million. As at 31 March 2026, the number of mobile money agents had reached 1.22 million.

I now come to creative arts.

Mr Speaker, to protect intellectual property and artistic works, Government enacted the Copyright and Neighbouring Rights (Amendment) Act, 2025. Government also established the Uganda Creatives Revolving Fund to provide affordable financing to SACCOs in the creative economy.

By December 2025, approximately Shs 18.99 billion had been disbursed to 50 SACCOs of musicians, benefitting 3,047 individuals, of whom 62 per cent are youth and 43 per cent are women. Government is also finalising the acquisition of a dedicated home for creative artists to serve as a common user facility for young talents to create wealth and jobs.

The priorities for Financial Year 2026/2027 under STI, ICT, and Creatives are the following:

Mr Speaker, Shs 1.140 trillion has been provided in the new budget for Science, Technology, Innovation, ICT, and the Creative Industries. The priorities next financial year include:

i) Commercialisation of innovations, especially Kiira Motor vehicles, coffee, Dei BioPharma drugs, vaccines and banana products;
ii) Establishment of a Hi-tech city;
iii) Additional investment in science research and innovation;
iv) Expansion of digital infrastructure to increase coverage, reliability, and affordability of internet, government services, and e-commerce;
v) Growth of Business Process Outsourcing (BPO) for job creation;
vi) Expanding the free-to-air TV signal; and
vii. Strengthening intellectual property protection.

Enablers

Mr Speaker, the Government also continued to invest in the key enablers of socio-economic transformation in line with the NDP IV and the Tenfold Growth Strategy. These include human capital development, infrastructure, security and the rule of law, as well as domestic revenue mobilisation to finance the transformation agenda.

Enabler 1: Peace, security and rule of law

Mr Speaker, peace, security and rule of law are the foundations of development. Without peace, you cannot create prosperity. Without security and the rule of law, there is no investment. Without stability, there is no growth. I wish to repeat this: Without peace, you cannot create prosperity. Without security and rule of law, there is no investment. Without stability, there is no growth. The Government has continued to invest in security, justice and governance institutions.

This financial year, the following milestones have been achieved:

i) Government continued strengthening security infrastructure, intelligence services and operational capacity while improving the welfare of our security personnel in the UPDF, Uganda Police Force, Uganda Prisons and intelligence services.

ii) Uganda remains one of the region's most stable countries. Despite being an election year, reported crimes fell by 10.2 per cent from 218,715 cases in 2024 to 196,405 in 2025; reducing the crime rate from 502 to 427 per 1,000 people.

iii) Uganda continued to contribute to regional peace and security through the African Union and UN peace support operations in Somalia alongside military deployments in the Democratic Republic of Congo, South Sudan and other places.

iv) The 275-bed National Referral Military Hospital in Mbuya, Kampala is now operational. It attends to an average of 150 patients per day for services including dialysis, dental care, physiotherapy and ENT.

v) Construction of the UPDF military headquarters in Mbuya is 70 per cent complete. In addition, over 230 housing units and new administrative blocks for the Air Force and Marines are under construction to enhance personnel welfare and operational efficiency.

vi) Government provided over Shs 1.697 trillion to the relevant institutions to organise the recently concluded successful general elections.

vii) Mass enrolment and issuance of national identity cards progressed well. The total population identified with the National

Identification Number (NIN) is 34.14 million. Renewals were 13.85 million, cards printed were 14.67 million and cards issued to the population were 6.2 million. Beyond securing elections and supporting national security, the national ID has improved access to public services, broadened financial inclusion and eased travel within the East African Community.

viii) Cattle restocking has begun in Acholi, Lango and Teso, targeting 16,000 households, each receiving Shs 5 million to purchase two bulls and three heifers. To date, 2,000 households have been compensated.

Financial Year 2026/2027 priorities for security, governance and rule of law are the following

Mr Speaker, the Government has allocated Shs 10.21 trillion to security, governance and rule of law institutions for the Financial Year 2026/2027 and the priority interventions include:

i) Continued modernisation, training and welfare of the UPDF.
ii) Full equipping of the National Referral Military Hospital and completion of the UPDF Headquarters.
iii) Strengthening of broader security, counterterrorism and regional peace support operations.
iv) Enhancing community policing, crime intelligence, forensics and CCTV coverage.
v) Cyber security and protection of critical national infrastructure.
vi) Improving immigration services, NIN/ID enrolment and e-passport issuance.
vii) Fighting against corruption.
viii) Continued cattle restocking in the Acholi, Lango and Teso subregions.

Enabler 2: Infrastructure development

Mr Speaker, transport infrastructure is the bone marrow of the economy. It connects farmers to markets, workers to jobs, and industries to inputs while linking exporters to regional and global markets. Electricity powers industrialisation and drives economic transformation.

In the Financial Year 2025/2026, the Government achieved the following infrastructure development:

Roads and bridges

i) Government continued with the construction of 24 major roads totalling approximately 1,154 kilometres and rehabilitated a further 949 kilometres of national roads.
ii) Government continued developing 14 strategic bridges to enhance connectivity, improve access to socioeconomic services and support the movement of goods and people within and across regions.
iii) Government stepped up maintenance of national road network. Over 7,400 kilometres of paved and 14,000 kilometres of unpaved roads were maintained through labour-based contracts and a further 1,282 kilometres of paved and 3,146 kilometres of unpaved roads were looked after under routine mechanised maintenance.
iv) Government opened 124 kilometres, graded 175 kilometres and gravelled 64 kilometres of District, Urban and Community Access Roads (DUCAR) using the Force Account.
v) Local governments maintained 2,700 kilometres of District Urban and Community Access Roads; upgraded and maintained 820 kilometres of city and municipal roads, and rehabilitated 120 kilometres of district roads.

Development of Greater Kampala Metropolitan Area (GKMA) Infrastructure

i. Mr Speaker, the Government has embarked on revamping road infrastructure in the Greater Kampala Metropolitan Area. The target is to upgrade over 600 kilometres in the next five years and to maintain all major existing roads.

ii. To date, 297 kilometres of roads have been paved, several roads have been rehabilitated and maintained, and eight major road junctions have been signalled to improve traffic flow and road safety.
iii. Mr Speaker, Kampala made history as the first city in Africa to be inducted into the International Network of Tree Cities in the world. The Government will continue building on this heritage and global recognition.
iv. In this regard, the Government has prioritised implementation of a clean-up exercise involving restoration of wetlands and green spaces, enforcing integrated physical planning including pedestrian-friendly roads, enforcing trade order and restrictions on all forms of pollution, especially noise.

Water transport

Mr Speaker, the Government has constructed, maintained and operated 15 ferries to connect island communities to markets and services. The Buyende-Kagwara-Kaberamaido (BKK) ferry has commenced operations. Two ferries on Lake Bunyonyi in Kabale are under construction and are expected to begin service by June 2027. Preliminary works for the Bukasa inland port are nearly complete, paving the way for the commencement of the actual construction.

Railway transport

Mr Speaker, the Government has commenced construction of the 273-kilometre Standard Gauge Railway from Malaba to Kampala. Upon completion, container transport costs from Mombasa to Kampala are projected to fall from about $3,500 to roughly $ 1,600 and transit time from five days to one day.

Rehabilitation of the Tororo-Gulu Meter Gauge Railway reached 66 per cent completion, while the Kampala-Mukono section has been completed.

Air transport

Mr Speaker, about air transport:

a) Physical works for Kabalega International Airport are complete. The Government is now finalising operational requirements to get the airport ready for the first oil and the Africa Cup of Nations (AFCON) 2027.
b) Construction of Kidepo International Airport is underway to boost tourism in Karamoja.
c) Phase I of Entebbe International Airport’s rehabilitation and expansion is complete. With a new passenger terminal and expanded cargo facility, the passenger terminal capacity has risen from 2.0 million to 3.5 million travellers per year.
d) Twelve regional aerodromes have been maintained to support regional connectivity for tourism and trade.
e) The Government is strengthening Uganda Airlines as critical transport infrastructure to enhance international connectivity for tourism, trade, investment, and the diaspora. In order to enhance operational efficiency, expand and modernise the fleet, the Government is further capitalising the airline by acquiring eight additional new passenger aircraft.

The Financial Year 2026/2027 priorities for transport

Mr Speaker, Shs 8.79 trillion has been allocated next financial year for transport infrastructure development. The priority areas will include:

i. Construction of the Malaba-Kampala Standard Gauge Railway and completion of rehabilitation of the meter gauge railway.
ii. Construction, upgrade and maintenance of national, city, district, urban and community access roads.
iii. Construction and maintenance of strategic bridges.
iv. Development of water transport systems such as ferries and ports.
v. Operationalisation of Kabalega International Airport and continued upgrade of regional aerodromes.
vi. Expansion of the Uganda Airlines.

Energy development

Mr Speaker, reliable and affordable energy is essential for industrialisation and socioeconomic transformation. The Government continues to invest heavily in electricity generation, transmission and distribution infrastructure.

In the Financial Year 2025/2026, the Government achieved the following in energy development:

a) Continued development of hydro, solar and other energy projects alongside preparatory work for future nuclear investments. Installed generation capacity now stands at 2,098 megawatts. The Government's medium- to long-term target is 52,482 megawatts to support industrialisation, urbanisation and economic growth.

b) Completed and continued construction of multiple lines, including the Kole-Gulu-Nebbi-Arua line 132 KV, the Kampala Metropolitan transmission line 132 KV, including two associated mobile substations, Mbarara, Kabarole 132 KV, Karuma-Tororo 400 KV, Tororo resource 400 KV, Mutundwe-Entebbe 132 KV and Lira-Gulu-Agago 132 KV. Good progress has also been made on substations serving industrial parks in Mbarara, Kapeeka, and the Kabalega Petrochemical Industrial Park.

c) The share of households in rural areas connected to grid electricity has nearly doubled in the three years from 6.8 per cent in the Financial Year 2021/2022 to 11.4 per cent in the Financial Year 2024/2025.

d) Through the Uganda Energy Credit Capitalisation Company, Government commenced construction of four small mini-hydro power sites expected to generate 5 megawatts of electricity. These sites will be completed in March 2027 and will provide reliable power to very hard-to-reach and remote areas. Further, under the Electricity Access Scale-Up Project, 419,592 off-grid solar connections have been made countrywide.

Financial Year 2026/2027 Priorities for the Energy Sector

Mr Speaker, the Government has allocated Shs 2.07 trillion to energy development and the priority interventions include:

i) Expansion of generation capacity by commencing the 380-megawatt Kiba hydro-electricity plant, a floating solar plant at Isimba, and 500 megawatts of utility scale solar in the Elgon and Acholi subregions;
ii) Preparatory work for nuclear energy generation at Buyende;
iii) Expansion of transmission and associated substation infrastructure;
iv) Rural electrification; and
v) Industrial power connections.

Investing in People

Mr Speaker, economic transformation is ultimately about people. A healthy, educated, skilled and productive population is indispensable for sustained growth and shared prosperity. That is why the Government continues to allocate a large share of the discretionary budget to human capital development, i.e. health, education, water and sanitation, and social protection.

During Financial Year 2025/2026, the following milestones were achieved:

Health

Under health, Mr Speaker, the Government sustained its policy of progressively increasing investment in essential medicines and health supplies. Accordingly, funding through the National Medical Stores was increased by Shs 145.33 billion to Shs 862.93 billion in Financial Year 2025/2026.

The Government will continue to increase domestic financing for essential health commodities with the aim of substantially reducing reliance on donor support. This will guarantee uninterrupted access to essential medicines like anti-retroviral medicines, anti-malarial drugs, vaccines, immunisation supplies, laboratory commodities and anti-tuberculosis medicines.

The Government continued to modernise healthcare infrastructure and equipment. During the year, 17 regional referral hospitals and 25 general hospitals were equipped with Neonatal Intensive Care Units. In addition, 14 regional referral hospitals received CT scan machines.

Construction and upgrading of 31 health facilities across Karamoja is ongoing. The Government also completed high-capacity medical waste incinerators in Fort Portal, Gulu, Mbarara, KCCA and Lira. Busolwe, Gombe and Kawolo hospitals were also rehabilitated.

Mr Speaker, the Government continued to promote preventive healthcare through immunisation, disease prevention and nutrition programmes. Immunisation coverage for children under one year reached 94 per cent, while first-dose measles-rubella coverage reached 93 per cent.
Government also conducted nationwide campaigns against malaria, HIV/AIDS, Ebola, cholera and yellow fever, and promoted nutrition education for children, pregnant women, the elderly and other vulnerable groups.

Government also continued to expand specialised healthcare services in oncology, cardiology and other fields, reducing the need for treatment abroad. The Uganda Heart Institute conducted 634 cardiac interventions, including open-heart, closed-heart, vascular and catheterisation procedures. In April 2026, the Uganda Cancer Institute successfully performed the country's first bone marrow transplant.

Specialised healthcare services will be further strengthened by ongoing investments. The 250-bed capacity Cardiac Hospital in Naguru, Kampala is 44 per cent complete and expected to be completed by June 2027. The International Specialised Hospital of Uganda at Lubowa is 75 per cent complete and will be completed in December 2027. *(Applause)*

Mr Speaker, I wish to repeat this one: The International Specialised Hospital of Uganda at Lubowa is 75 per cent complete and will be completed in December 2027. *(Applause)*

The first phase of the Nuclear Medicine (PET) Centre for cancer treatment is 95 per cent complete with radiotherapy and advanced molecular imaging services. Phase II of the PET centre is 10 per cent complete. Regional cancer centres in Mbarara, Arua and Mbale are under construction, while the Gulu centre is fully operational.

Other achievements in the health sector include:

a) Expansion of the National e-Health Digital Infrastructure to support telemedicine, health information management, medicine tracking and monitoring of health worker performance; and
b) Strengthening the National Ambulance and Emergency Care System through the deployment of additional ambulances.

2026/2027 Priorities for Health

The Government has allocated Shs 5.23 trillion for the health sector in Financial Year 2026/2027. The funding will focus on:

i) Maternal and child health;
ii) Nutrition improvement;
iii) Expanded immunisation;
iv) Prevention and treatment of non-communicable diseases;
v) Provision of essential medicines;
vi) Strengthening specialised healthcare services;
vii) Improving emergency response systems; and
viii) Exploring feasible pathways towards universal health coverage.

Water and Sanitation

Mr Speaker, access to clean and safe water remains fundamental to public health, human dignity and economic productivity.
Government has, therefore, continued investing heavily in water supply and sanitation infrastructure across the country.

Access to improved water sources continues to expand, with 71 per cent of households now having access. Coverage stands at 68 per cent in rural areas and 74.5 per cent in urban areas.

Mr Speaker, during the Financial Year 2025/2026, safe water access was extended to 553 villages. Over 200 large solar-powered water and sanitation systems, several public sanitation facilities and faecal sludge treatment plants were completed in several districts. In addition, a number of urban water systems were expanded.

Government has allocated Shs 1.013 trillion in the Financial Year 2026/2027 to further expand access to safe water and sanitation services across the country. The objective is to ensure universal access to safe water and sanitation services.

Education, Skills and Sports

Mr Speaker, education remains the most powerful instrument for social mobility and long-term economic transformation.

During the Financial Year 2025/2026, the following milestones have been achieved in the education sector:

a) In order to expand access to education, Government continued financing Universal Primary Education (UPE) and Universal Secondary Education (USE). Approximately 9.52 million learners benefited from UPE, while about 995,116 learners benefitted from Universal Secondary Education and Universal Post-O-Level Education and Training.

b) Government completed construction of 90 additional seed secondary schools, expanded 54 existing schools and operationalised 259 seed schools.

c) In preparation for the Africa Cup of Nations (AFCON) 2027, Hoima Stadium has been completed, upgrades to Namboole Stadium are progressing well and other required tournament facilities remain on schedule. Further, construction of Akii-Bua Stadium is on schedule.

d) Government has intensified investment in Science, Technology, Engineering and Math (STEM) education; technical and vocational education; industry-linked skills development and digital literacy.

Financial Year 2026/2027, priorities for education, skills and sports

Next year, Government has allocated Shs 6.66 trillion to further improve education of Ugandans. Priorities will include:

i) Access to quality UPE and USE;
ii) Strengthening STEM and vocational education;
iii) Improving teacher welfare and training with emphasis on pre-primary teachers;
iv) Curriculum reform;
v) Strengthening public universities and research institutions; and
vi) Completing critical sports infrastructure for AFCON 2027.

Beginning the Financial Year 2026/2027, an additional Shs 568.65 billion has been allocated to enhance salaries for primary school teachers and Arts teachers in secondary schools and Business, Technical, Vocational Education and Training (BTVET) institutions.

Social Protection and Inclusive Development
The National Resistance Movement (NRM) Government has over the years ensured that economic growth is inclusive. Government continues implementing targeted programmes aimed at supporting vulnerable groups and expanding economic participation.

The following are some of the achievements:

i) Government has continued to support older persons through the Social Assistance Grant for Empowerment (SAGE), which has cumulatively reached 489,673 beneficiaries with a total of Shs 836.1 billion. In addition, the Special Enterprise Grant for Older Persons (SEGOP) has supported 17,245 older persons with approximately Shs 13 billion;
ii) Under the National Special Grant for Persons with Disabilities, 72,772 beneficiaries have received Shs 48.5 billion across 171 local governments;
iii) The Youth Livelihood Programme has financed 24,859 projects, benefitting 275,034 youth at Shs 195.4 billion, while 57,849 youth have benefitted from the Youth Venture Capital Fund;
iv) Generating Growth Opportunities and productivity for Women Enterprises (GROW) project has extended Shs 111.1 billion in loans to 4,889 beneficiaries, while the Uganda Women Entrepreneurship Programme (UWEP) has cumulatively supported 244,805 women with Shs 153.5 billion; and
v) Government has continued to negotiate bilateral labour agreements to protect workers' rights, promote decent work and expand overseas employment opportunities for skilled Ugandans.

Financial Year 2026/2027 priorities for social protection

Next financial year, Government has allocated Shs 173.55 billion for social protection, which will focus on:

i) Expanding economic empowerment programmes;
ii) Strengthening labour standards;
iii) Supporting youth employment initiatives;
iv) Promoting women's economic participation;
v) Enhancing social protection systems; and
vi) Establishing a robust labour market information system.

Mr Speaker, overall, Shs 13.56 trillion has been allocated for the next financial year to invest directly in the people of Uganda through health, education, social protection and water and sanitation. This investment reflects Government's conviction that people are Uganda's greatest asset.

Enabler 4: Industrial Development and Manufacturing

Mr Speaker, nations achieve prosperity not by exporting raw materials, but by transforming them into high-value products.

For this reason, Government places high priority on industrial development, manufacturing and value addition.

Besides Government investment in manufacturing under the Agro-industrialisation, Tourism, Minerals and Science, Technology and Innovation (including ICT) (ATMS) already highlighted, the following milestones have been achieved in this financial year:

a) Government continued investing in the development of industrial parks. The aim is to lower investors' establishment and operating costs and drive industrial growth. As a result, the number of formal factories has cumulatively risen to 10,437, of which 690 are located within industrial parks;

b) The Government continued capitalising Uganda Development Cooperation (UDC) to de-risk private investment in critical areas. UDC's capital investments have surpassed Shs 1.5 trillion with co-investments across key value chains including textiles i.e. Fine Spinners, agro-processing i.e. Biyinzika Enterprises Limited and Bukona Agro-processing Limited and pharmaceuticals i.e. East African Medical Vitals, Sanga Vetchem Limited and Alfasan (U) Ltd.

c) The Government through UDC also invested in the local construction sector. UDC invested in Abubaker Technical Services, a Ugandan firm delivering key national roads including Busunju-Kiboga-

Hoima (145km) and Matugga-Semuto-Kapeeka (41km), among others. UDC also invested in ETATS Construction Company, currently constructing the Bugiri-Namutumba Road (24km) and the Buwenge-Kaliro Road (48km), among others.

d) The Government completed the Special Economic Zone at Entebbe International Airport to promote high value exports. Several firms, particularly in the fresh produce exports and light manufacturing, are setting up operations.

e) Continued expansion of Presidential Zonal Hubs, which are tackling youth unemployment by providing practical industrial and vocational skills. To date, 82,790 youth have been trained and the number of hubs has grown to 28 nationwide.

Mr President, thank you very much for this initiative.

Financial Year 2026/2027 priorities for manufacturing and industrial development

Mr Speaker, the Government has allocated Shs 1.03 trillion to the manufacturing programme for FY 2026/2027. Priority interventions include:

i) Additional capitalisation of UDC to drive industrial development;
ii) Industrial infrastructure development, particularly industrial parks including new fully serviced plug and play parks;
iii) Value addition to agricultural raw materials and minerals;
iv) Supporting market access for Ugandan manufactured products;
v) Strengthening the functionality of special economic zones;
vi) Industrial research including the establishment of regional industrial incubation hubs.

Market access for wealth creators

Wealth creators need access to both domestic and export markets. Expanding the domestic market requires higher household incomes and increased purchasing power to stimulate demand for locally produced goods and services.

Export growth, on the other hand, requires deeper regional integration to access larger markets within the East African Community, COMESA, and the African Continental Free Trade Area. These opportunities are complemented by preferential and duty-free market access arrangements negotiated with key partners including the European Union, the United Kingdom, Russia, Serbia and the countries in the Middle East.

To expand both domestic and export markets, the Government will continue investing in standards, quality assurance, certification and market intelligence to enhance the competitiveness of Ugandan products and services. To this end, the Government has so far implemented the following:

i) Strengthened certification services to enhance efficiency. Additional personnel have been recruited and trained to increase capacity of the Uganda National Bureau of Standards to undertake certification, surveillance and enforcement of standards. Following automation, the turnaround time for import inspection reduced from three weeks to four hours. Product testing was reduced from 30 days to 14 days and product certification reduced from 180 days to 45 days.
ii) Decentralisation and modernised certification services to enhance access. Construction and equipping of engineering testing laboratories are ongoing and expected to be completed by September 2026. The Government also commenced construction of regional laboratories in Mbale, Gulu and Mbarara.
iii) Developed 450 standards for products and services and issued permits to 4,500 products.

iv) Trained 750 micro, small, and medium enterprises (MSMEs) in value addition and processing and certified 750 products.
v) Completed construction and equipping of an international accredited National Metrology Laboratory at Uganda National Bureau of Standards. The laboratory is being used to calibrate equipment used in the National Food Safety Laboratory and other agro-food processing laboratories and industries.
vi) Commenced operations of the petroleum laboratory in January 2026. Over 40 product samples of petroleum products have since been tested.

Priority interventions for Financial Year 2026/2027 include:
i) Development of quality assurance infrastructure under the Euro 163.56 million Enhancing Agriculture Production Quality and Standards for Market Access Project;
ii) Strengthening the capacity for development of standards and certification of products and services;
iii) Completing construction and equipping of the engineering laboratory and continuing construction of regional laboratories; and
iv) Accrediting private laboratories to increase access.

Environmental protection and disaster management

Sustainable management and use of natural resources, land, water, and environment, as well as effective response to climate change, are essential for boosting productivity and value addition.

To cushion Ugandans and our economy from climate shocks, the Government invested Shs 9.6 billion this financial year in early warning systems, hazard mitigation and emergency relief items for affected households. The Government also invested heavily in water for production facilities to protect our farmers during drought.

In order to protect and restore wetlands, the Government undertook the demarcation of 104 kilometres of wetland boundaries and restored 15,000 hectares of degraded wetlands. A total of 8,319 hectares of degraded central forest reserves were demarcated alongside 404 kilometres of forest boundaries to enhance the protection and management of forest resources.

To safeguard our environment and adapt to climate change, the Government has allocated Shs 494.08 billion next financial year. These funds will protect 1.26 million hectares of forest reserves and wetlands; restore 10,000 hectares of degraded wetlands; and demarcate critical riverbanks and lakeshores, particularly along the Nile. We will also upgrade meteorological services and early warning systems to deliver accurate forecasts for agriculture, aviation and climate monitoring.

In addition, Shs 361.88 billion has been allocated to the Contingency Fund to strengthen our national disaster response next financial year.

I now come to Administration of Justice.

Mr Speaker, under the Administration of Justice programme, the following achievements were recorded:
i) Expanded access to justice with the proportion of districts having complete justice service points rising from 79 per cent in the Financial Year 2020/2021 to 89 per cent. This was achieved by operationalising new High Court Circuits, now at 29 and establishing 10 additional Magistrates' Courts, now totalling 268, including in the island communities;
ii) Decentralisation of the Court of Appeal is underway in Mbarara and Gulu to improve regional access to appellate justice;
iii) Judicial capacity has been strengthened with the appointment of additional Justices of the Court of Appeal (now 20) and High Court (now 88), along with more magistrates to reduce case backlog and serve high demand areas;
iv) Resolution of commercial disputes has improved. Between 2023 and 2025, the Judiciary disposed of 38,102 commercial and land cases worth Shs 14.47 trillion, unlocking capital and boosting economic

activity and investment;
v) Promotion of Alternative Dispute Resolution has been scaled up, resolving over 8,000 cases in the Financial Year 2025/2026, alongside nearly 25,000 small claims matters worth Shs 19.5 billion;
vi) Mobile courts have been deployed to hard-to-reach and refugee hosting areas, bringing hearings into communities to accelerate case resolution and improved access to justice.

In the Financial Year 2026/2027, the priorities for the Administration of Justice are the following: Shs 665.55 billion has been allocated under this programme for the Financial Year 2026/2027 to:

i) Expand access to justice and further decentralise appellate services;
ii) Recruit and deploy judicial officers;
iii) Reduce case backlog through Alternative Dispute Resolution and mobile courts;
iv) Digitise courts, case management and e-filing;
v) Strengthen prosecution, forensic services and anti-corruption efforts; and
vi) Upgrade court infrastructure and circuit operations.

I now come to legislation and oversight.
Mr Speaker, during the Financial Year 2025/2026, the 11th Parliament held 34 sittings, passed 18 Bills, concluded one petition, passed 29 resolutions, and adopted 22 reports. Most importantly, the turnaround time for enacting legislation has reduced significantly, and I want to congratulate the 11th Parliament upon this achievement.

Next financial year, the Government has allocated Shs 1.23 trillion to enable Parliament to fulfil its constitutional mandates of legislation, appropriation, oversight, and effective representation.

Mr Speaker, I now come to key implementation reforms. Achieving tenfold growth requires more than investment. It requires discipline, accountability, efficiency, and integrity. The Government will therefore undertake a comprehensive implementation reform agenda aimed at eliminating waste, corruption, delays and inefficiency.

In this regard, the Government is implementing a ‘clean-up’. This means enforcement of the laws and regulations to ensure institutional effectiveness leading to improved service delivery and public trust. The specific priorities in the ‘clean-up’ include:

i) Enforcement of budget discipline and accountability. In the Financial Year 2026/2027, going forward, as part of the performance contracts, all Accounting Officers will sign a budget discipline and accountability charter, which provides for sanctions against breaches of accountability rules in planning, budgeting, and execution of public resources;

ii) Combating corruption through procurement reforms, digitisation, strengthening internal controls and audits, and ensuring transparency to facilitate accountability;

iii) Continued enforcement of trade order and traffic discipline to promote safe, orderly, and livable cities and urban centres and improve the safety of public transport;

iv) Strengthening governance, oversight and performance of state-owned enterprises;

v) Strengthening allocative efficiency by prioritising high-impact investments under the ATMS and the enablers while eliminating wasteful expenditure. To this end, as guided by His Excellency the President, state-funded celebrations on public holidays will be suspended except functions on religious holidays. Going forward, public holidays will be observed without official ceremonies;

vi) Centralising the management of counterpart funding under the Treasury to safeguard funding for priority projects;

vii) Implement the contributory Public Service Pension Fund to attain fiscal sustainability of the management of pension liabilities for the Government workers.

I now come to the financing of the budget for the Financial Year 2026/2027.

The financing strategy for the Financial Year 2026/2027, Mr Speaker, seeks to create additional fiscal space to finance the Government priorities while maintaining debt sustainability. This will be achieved through:

i) Strengthening tax administration and compliance;
ii) Introducing targeted tax policy measures to increase domestic revenue;
iii) Mobilising concessional financing from development partners and international financial institutions; and
iv) Expanding alternative sources of financing, including Public-Private Partnerships, venture capital, innovative instruments such as SUKUK, and listing of commercially viable public enterprises on the stock exchange.

Resource Envelope

Mr Speaker, the total resource envelope for the Financial Year 2026/2027 is Shs 84,391,743,343,426. This is detailed as follows:

i) Domestic revenues Shs 45.96 trillion, of which Shs 40.16 trillion is tax revenue, Shs 4.02 trillion is non-tax revenue, Shs 1.44 trillion is petroleum revenue and Shs 339.8 billion is Local Government revenue;
ii) Domestic borrowing Shs 11.97 trillion;
iii) Domestic debt refinancing Shs 13.97 trillion;
iv) External borrowing for general budget financing Shs 1.22 trillion; and
v) External financing for projects Shs 11.27 trillion.

Expenditure allocations

Mr Speaker, a summary of the allocations of the above resources is as follows:

i) Wages and salaries Shs 9.709 trillion;
ii) Non-wage recurrent expenditure, Shs 33.276 trillion, which also includes operational funds for institutions, financing for all wealth creation funds, financing for science and technology investments, grants for education and health, medicines, maintenance of infrastructure and interest payments, among others;
iii) Development expenditure, Shs 22.054 trillion;
iv) Domestic debt refinancing, Shs 13.967 trillion;
v) Debt amortisation, Shs 4.181 trillion;
vi) Domestic debt repayment to Bank of Uganda, Shs 547 billion;
vii) Domestic arrears, Shs 317 billion; and
viii) Local Government expenditure from own revenue, Shs 339.8 billion.

Mr Speaker, details of the resource envelope and expenditure allocations by Vote for the Financial Year 2026/2027 are provided in annexes one and two, respectively of this speech.

The budget for the Financial Year 2026/2027 totalling Shs 84.39 trillion has therefore increased by Shs 2.78 trillion from the revised budget of Shs 81.61 trillion for the Financial Year 2025/2026.

Tax measures for the Financial Year 2026/2027

Mr Speaker, let me now highlight the key tax policy measures as approved by Parliament to support domestic revenue mobilisation, investment, job creation and economic growth.

Income Tax

Parliament approved the following income tax measures:

i) Extension of Income Tax exemption for Bujagali Energy Limited until 2032 to support affordable electricity tariffs at an estimated revenue cost of Shs 115 billion per annum.
ii) Increase in the PAYE threshold from Shs 235,000 to Shs 335,000 per month to raise take-home pay for low-income workers at an estimated revenue cost of Shs 96 billion.

iii) Introduction of a 5 per cent withholding tax on payment of interest to foreign lending institutions to ensure equitable taxation of interest income.
iv) Provision for individuals to file and pay rental income tax monthly to improve voluntary compliance and reduce tax arrears.
v) Introduction of a tax holiday for developers of hotels and other ultra-luxury tourism facilities investing at least $10 million for foreign investors and $5 million for Ugandan investors.
vi) Equalisation of tax treatment of Tier 4 financial institutions by allowing deductions for provisioning for bad debts, thereby reducing the cost of capital.

Value Added Tax

Mr Speaker, Parliament approved the following VAT measures:

i) Increase in the annual VAT threshold from Shs 150 million to Shs 300 million to ease compliance for small businesses and improve tax administration efficiency. This measure is projected to generate Shs 349 billion.
ii) Extension of VAT deferment to inputs used in iron ore processing to support mineral value addition and industrialisation.

Excise Duty

Mr Speaker, Parliament approved the following excise duty measures:

i) Increase in Excise Duty on diesel and petrol by Shs 200 per litre to generate Shs 450 billion in revenue.
ii) Increase in Excise Duties on selected products as follows:
a) Alcoholic drinks like Uganda Waragi, Black Label, Cognac, and Amarula from Shs 1,700 to Shs 3,500 per litre to generate Shs 85 billion;
b) Motorcycles at first registration from Shs 200,000 to Shs 500,000 to generate Shs 26 billion;
c) Single-use plastics from 2.5 per cent or $70 per tonne to 25 per cent or $1,500 per tonne to protect the environment and raise Shs 10 billion;
d) Cooking oil from Shs 200 to Shs 400 per litre to generate Shs 25 billion;
e) Cement from Shs 500 to Shs 750 per 50 kilogrammes per bag to generate Shs 15 billion; and
f) Sugar from Shs 100 to Shs 200 per kilogramme to generate Shs 25 billion.
iii) Introduction of Excise duty on selected products as follows:
a) Locally manufactured paints and varnishes at 3 per cent or Shs 50 per litre or kilogramme, whichever is higher and imported paints and varnishes at 10 per cent or Shs 2,000 per litre, whichever is higher, to generate Shs 24 billion; and
b) Cooking fat at Shs 500 per litre or kilogramme to generate Shs 15 billion.

Stamp duty

Mr Speaker, a modest stamp duty has been introduced on the first registration and transfer of motor vehicles and motorcycles as follows:

i) Motorcycles, tricycles and quadricycles - Shs 30,000; and
ii) Any other motor vehicle - Shs 200,000.

This will generate Shs 30 billion.

Tax Procedures Code Act

Mr Speaker, Parliament approved the following tax relief measures:

i) Waiver of principal tax, penalty and interest owed by a taxpayer to URA as at 30th June 2016.
ii) Extension of the waiver of interest and penalties outstanding as at 30th June 2025, provided the principal tax is paid by 30th June 2027.

External trade

Mr Speaker, Parliament approved an increase in environmental levy on imported used clothing from 15 per cent to 30 per cent of Cost Insurance and Freight (CIF) value to support local manufacturing and generate Shs 40 billion.

Lotteries and gaming

Mr Speaker, Parliament approved an increase of the tax for betting from 20 per cent to 30 per cent to harmonise taxation across gaming activities and generate Shs 24 billion.

Conclusion

Mr Speaker, Uganda has become a land of opportunity and promise. Our economy has expanded to $69 billion and is projected to grow at a double-digit rate, driven by strong export performance, First Oil and sustained wealth creation interventions. More importantly, this growth is increasingly translating into jobs, higher incomes and better livelihoods for Ugandans. Investor confidence is rising and the Ugandan diaspora is responding with increased remittances, investment and active participation in our transformation.

This Budget aims to accelerate the attainment of the Tenfold Growth Strategy. The Government has allocated 95.6 per cent of discretionary resources to the ATMS - that is, Agro-industrialisation, Tourism Development, Mineral-based Industrialisation, and Science, Technology and Innovation, and their key enablers. This Budget prioritises production, productivity, value addition, exports, and job creation. I invite the private sector to take full advantage of these opportunities to create wealth.

The Budget launches Uganda into the *"Kisanja,* No More Sleep". Every Ugandan must actively engage in wealth creation and every leader must be accountable for transforming households and communities. I would like to repeat this: The Budget launches Uganda into the "*Kisanja,* No More Sleep". Every Ugandan must actively engage in wealth creation and every leader must be accountable for transforming households and communities. The era of planning and debate is over. The era of implementation and results has begun. Our mission is clear: produce more, earn more, export more, and lift every household out of subsistence.

I dedicate this Budget to all wealth creators, especially the youth, whose energy, enterprise and innovation will drive Uganda's transformation into a $500 billion economy.

Mr Speaker, I beg to move. *(Applause)*

THE SPEAKER: Thank you very much. I wondered what you drunk and realised it was Uzima water that gave you extra strength.

Honourable colleagues, make the honourable Minister of Finance, Planning and Economic Development feel welcome and appreciated for the good work. *(Applause)*

Honourable minister, thank you and by extension, His Excellency the President, for your clear delivery of the Budget Speech for the Financial Year 2026/2027.

I am made aware already that every Member of Parliament has a text, [has the Budget Speech] already. I urge you to take note of the Government's budgetary priorities and related matters for the coming financial year. This will greatly inform our legislative oversight. Honourable minister, thank you once again. I did not know you could stand for that long.

REMARKS BY H.E THE PRESIDENT

THE SPEAKER: Honourable members and distinguished guests, I now take this singular honour to invite His Excellency the President to make his remarks to take us through the Budget Speech. Your Excellency, we do not take your being here for granted. You are welcome.

Honourable members, if you really want to stamp your feet, please do it. You have the permission of the Speaker. Thank you.

4.52

THE PRESIDENT OF THE REPUBLIC OF UGANDA (Gen.(Rtd) Yoweri Kaguta Museveni): Her Excellency the Vice-President, the Rt Hon. Speaker of Parliament, all the other political and state leaders, the religious leaders, the cultural leaders, members of the diplomatic corps, and all Ugandans.

You have heard how the economy is performing well in spite of many problems in the world. The economy is performing well because Uganda is a very rich country. We have got a lot of potential.

I saw one of the people who likes writing things here and there trying to say that we are targeting many areas of support. I think he was trying to say that in South Korea, they concentrated on electronics and vehicles. However, this is because South Korea did not have much. They instead concentrated on the little they had. For us, we have what South Korea has, even more. That is why I do not listen so much to people who are running around panicking and so on. What is crucial is clarity, here within Uganda, about our potential.

The next most important thing is the African market, because when you produce, you must sell. Africa is our sure market, and then we can add other markets. This 6.4 per cent growth is really still modest. As you heard, next year the growth will go to 10.2 per cent because of petroleum.

As you heard, the performance is good by world standards but in my view, it can be stronger. I come from indigenous communities of this place, and I have been following our developments very closely for 65 years. What you need to know is that the aim of the National Resistance Movement (NRM) is not just growth, but transformation; socio-economic transformation.

It is now - before I talk about other things, I want us to solve this small problem of Ebola. Ebola is a very simple disease. It is not like COVID-19, as I said last night. COVID-19 was very dangerous because it was spreading through breathing, which meant that if you sat - The other time, I got COVID-19 from you people in Kyankwanzi when I took a group photograph with you people without my mask. I got it, and I was here for 21 days sitting in the house. COVID-19 was really dangerous. It was spreading through breathing but this Ebola spreads only through close contact with sweat, vomit, blood, sexual; by exchanging saliva through kissing, when the person is already sick but not showing symptoms of sickness.

Therefore, it can be stopped. We just need to get rid of the carelessness. As I told you last night, we have had 19 cases so far; 14 from our brothers in the Democratic Republic of Congo who came - Two died. But for those who came early, four of the Congolese them have already recovered and they have been discharged. The others are also recovering.

Our people think no more of them will die. The two people who died were Congolese from the 14. The five Ugandans who were infected were four health workers in one of the Kampala hospitals, who handled the sick people without taking precautions. That is how four of them were infected. Carelessness.

The fifth one, a Ugandan, was a taxi driver who drove the sick man from Hoima to Kampala. I do not know whether he was greeting him or what, because just driving, if he sits in his chair and you sit in yours, why should he infect you? But fortunately, that driver has now recovered. So, of the five who recovered, four are Congolese, one is a Ugandan, while the two who died were all our Congolese brothers. In the last five days, there has not been a new case. *(Applause)*

This is very simple. I really do not like people who do not take life seriously because if you want to achieve anything, you must be very serious with your life. Part of life is health. If you have got health, you can be able to do what you want to do.

The other day I was here, I saw you shaking hands, hugging. Imagine Members of Parliament setting a bad example for all these Africans to get sick and then go to hospitals and so on, or even die. I want to use this occasion to appeal to all Ugandans to solve this small problem of Ebola.

Ebola is not a serious problem. Yes, there is no vaccine against this new Ebola yet, and no direct medicine, but it is very easy to avoid. That is number one.

Number two, even when you get infected, if you report early, by controlling the temperature, rehydrating you when you vomit and sweat, you can recover as these people have recovered. I, therefore, appeal to all Ugandans to solve this small problem.

Our brothers and sisters in DR Congo were coming through the borders, but we stopped the buses and passenger vehicles. We only allow cargo, lorries, petrol tankers, and so on. However, people were coming through the border; the *panyas*. That is why we have discussed with the DR Congo Government, which has allowed us to work with them to open medical stations inside DR Congo near the border. We announce, invite our Congolese people that, "Anybody who is sick, come here and do not try to go to Uganda because when you go to Uganda, you waste and lose time. Come here, this is nearer. We are doing the same here, as we are doing in Uganda."

We hope to finish this small problem of Ebola. You, however, need to set an example by not shaking hands and hugging. Then, there are these pastors pretending to be blessing people, as if God is deaf. You can pray and God will hear you without touching people. Many of the health workers have died in Congo. That is what I hear about many of these pastors. Some of the people who got infected were pastors trying to bless people.

Coming to the Budget, you need to get the strategic picture clearly. "Strategic" means to plan to solve the whole problem from A to Z. "Tactical" is how you move from A to B. The strategic aim of the National Resistance Movement (NRM) is to transform Ugandans. I want to put it to you that it has taken a bit too long. Although we have done well, we could have done better.

I was counting the years. It is now 132 years since the British came here in 1894 and introduced their government here. Europe had started modernisation, capitalism - the money economy we are talking about had started. The British were trying to involve our great-grandparents, grandparents and parents into the money economy.

By 1962, after almost 70 years, only 9 per cent of the homesteads were in the money economy; 91 per cent were still in the *okukolera ekida kyonka*. I can testify because all of us in Ntungamo, where I come from, were in the *okukolera ekida kyonka*. There was not a single person who was interested in money. I know houses one by one.

When we were in the bush, we studied this and put them in our document called the "Ten-Point Programme". Point five was on this very point; please build an economy which is independent, integrated and self-sustaining, implying that you join the money economy.

When we came into power, we started but when I checked in 2013, you can imagine, only 32 per cent of the homesteads had joined the money economy. That is how we involved the Uganda People's Defence Forces (UPDF) and Gen. Saleh. "Please, come and beg these people to join the money economy. Take free seedlings to them. Go and beg them. *Kulala*; they are asleep." Gen. Saleh then did his best. We recently added the Parish Development Model (PDM).

With all this, it is now 67 per cent of the homesteads, which are in the money economy with some *ekibaro*. Thirty-three per cent are still refusing to join. This is the challenge. That is why I am now saying, "No more." We cannot go on like this. This is the work of the leaders. The Banyankore say, "*Amaisho g'omufu n'omwekoreire.*" "The eyes of the dead body are the eyes of the one who is carrying the dead body." If the one who is carrying the dead body falls in the pit, the body will also fall in it.

I saw this. I am here. I am not a story; I am alive. We started with those Banyankore who are very difficult, like the Karamojong who were wild, and we changed them by engaging them.

Therefore, like what we said here the other time, now that there is this capital money, which is already there in the villages, all the leaders; certainly including all the ministers, must take the lead in checking what is happening parish by parish. They should make sure that all these people stop *kukongora* - stop cheating us. We work and they do not work. They are there but want services. They want medicine, education and security but do not contribute. They are just sitting there in their homes and not engaging in the money economy.

Although we have done very well, this very good performance the minister is talking about is 67 per cent as per now. Some of them do without *ekibaro.* However, there are 33 per cent who are *wako pembene*. They are on the side. Suppose they were also part of this, we would be much further.

As the minister, Hon. Musasizi told you, for these people to join the money economy is crucial for two reasons. First of all, they get income, which means that their purchasing power goes up. Part of the problem of the purchasing power being low is because they do not have income.

I am a wealth creator. I produce milk but if you look at the figures, the production of milk now is, as I was telling you the other day, 5.4 billion litres. However, the internal consumption here is only 800 million litres. That is why you hear us saying there is too much milk in Uganda and we must export it, but this is an artificial situation.

With the 48 million people, if each one was drinking the 210 litres of milk they are supposed to drink per year so that you keep your teeth in the mouth and keep your bones, we would need 9.6 billion litres of milk. What we are producing now would not be enough. We are saying that there is surplus milk because there is under-consumption. Why is that so? It is because people have no money so they cannot buy it.

The per capita consumption of milk is now 60 litres, one-third of what a human body needs. This has gone up because in 1986, it was 18 litres. You can imagine. That is why people have no teeth in their mouth –*(Laughter)* - the teeth have gone out because they do not have enough calcium.

Therefore, this Budget is no more *okukongora*. *Okukongora* is when you work and others just lean on the hoe in the village. No more *kulala*.

As you heard, part of the Budget is on infrastructure; the roads, the railway, the pipeline, the airports, the waterways, electricity and irrigation. These are all, as the minister was saying, enablers for production to be done cost-effectively - low cost of doing business in Uganda.

The other challenge is service delivery. Again, that is where you the leaders must come in. Health centres III are in every sub-county. These sub-counties are in Uganda, not in Congo or Kenya. Why should there be no medicine in the health centre? Maybe that medicine has been stolen, but the Member of Parliament does not know and does not follow up, and people are crying.

Then you have the government officials; the *Gombolola* chief. That is why the local government must be very strict. What are the *Gombolola* chiefs doing? There is somebody called Gombolola Internal Security Officer (GISO). Have you heard of somebody called GISO? He is also there. Drugs are being stolen, and the GISO is there. This is what I can no longer tolerate. The people of Uganda have given me authority a number of times. In the past, I was a bit hesitant because I was saying maybe - especially since there was no capital which was being given but now the capital is there; Parish Development Model (PDM) and it is being stolen.

During the elections, I was disturbing the former Minister of Local Government, Hon. Magyezi, ringing him. I go to campaign in Maracha. Instead of campaigning, people are saying, “They have stolen our PDM money.” I go from campaign to a PDM tour. In Maracha, complaining. Then I ring Hon. Magyezi to come. Maracha, people are – I do not know what happened there. I was in Bukwo or Kween, I think it was Kween, and it was the same problem. Here in Kampala, Kawempe and Buwambo, PDM money was being stolen. What is the Member of Parliament doing? Even the Opposition ones. The ones of the NRM, I will struggle with them, but even the Opposition ones, as long as you are getting an allowance from Parliament and you do not go to check what is happening, I will ask the Attorney-General to see how I can deal with you. If you do not want to monitor, do not take the allowances. Say so. Go to the Clerk - But then why should you get a salary in the first place?

It seems I have got a legal basis where to demand performance from both the NRM and also the Opposition. As long as you are getting money from the Government, you must check, because some of the Opposition say – they do it maliciously. They say, let the programmes not work so that the NRM is blamed. That is not good enough for you because these programmes are not for NRM; they are for your own people.

Therefore, this service delivery: the drugs in the health centres, justice, corruption, security, law and order. The infrastructure of leadership is there. Member of Parliament for every constituency, LC III for every subcounty. Those are paid. The ones who are not paid, like the LC II, I do not want to blame them so much. However, the LC III, the Members of Parliament, the councillors are all paid people, and they have to monitor. Local government must monitor – the Chief Administrative Officer. That is why I put in local government – some people have been saying they are cantankerous, quarrelsome, like Hon. Barugahara and Hon. Nameere.

Hon. Nameere is famous for quarrelling, so you go and quarrel with - (*Laughter*) When I went to Masaka to defend Hon. Nameere, because I had to go there, they said, "*Oyo omwana oba bamukuza batya, talina mpisa*." I said that if the lack of *mpisa* is to - because in Uganda, if you see a thief and call them a thief, they say *tolina mpisa.* They say you should have kept quiet. They call that *mpisa*. This is how you are going to destroy the country. Please, both for the economy but also for service delivery, the leaders must do their work.

Fortunately, apart from this money which Hon. Musasizi is getting from all those taxes, we are going to get oil money. Government will be getting an extra $1.5 billion per year as its share of Government money.

I will discuss with you how to save this money, first of all, to create a sovereign fund so that it can earn money because that is how some countries like Norway have used their money well. Instead of using it to buy perfumes and whiskies, they put their money somewhere and it gains interest.

We need to use some of it to do the crucial infrastructure like the railway. We need to have the railway with Kenya, Tanzania, Congo, South Sudan and Rwanda, the ones near us, so that all heavy cargo moves from the road to the railway. Then the petroleum products move from the road to the pipeline. That will leave only the light cargo and passengers on the road.

The economics there - you heard Hon. Musasizi telling you that it will bring down the cost of transport of cargo from 3,000 to something much less. I am saying all this so that we harmonise and do not have to waste time arguing, because sometimes we waste time. We have done well, but we can do much better. Uganda is a rich country.

Finally, I will get time and talk about the environment and the trade order where we had to remove some of our people from the road sides and all that chaos, which was here. I want you people to support this. Do not go on with the cheap politics of misleading our people because a country is like a human body. This human body has got many systems, which must work in the way God designed them. There are whole systems aiding how you breathe, blood gets circulated, seeing, eating and hearing. Each system is separate but coordinated by the command post; the brain. The systems are diverse, specialised, but coordinated.

You cannot say that because I want to eat, I put the food in the ear or in the nose. No! The nose is not for food. Sometimes when you are in a hospital, in a bad situation, they can pass – for some time – some of the food through the nose, but you cannot stay like that for long. Food must be through the mouth, the throat and the stomach.

The nose is for breathing. The ears are for hearing. This is how the country is. The road is for vehicles and the sidewalks are for pedestrians. Can't you see that? The road is for vehicles and motorcycles. The sidewalks are for pedestrians.

The market – if you want to sell, sell in a shop, market or supermarket. Now, you say: "No, I want to sell on the roadside." Really? This is not for that. This is for walking. Then, you get people supporting that – that they are politicians. Really? It is sickening.

The swamp – the swamp is for water. It is not for *amayuni*, *lumonde* or *malakwang*. No! It is for water. And, that swamp is a saviour. We have been here for four-and-a-half million years. These things came recently – the permanent buildings, vehicles - What was sustaining us were our swamps and our forests. Even when our level of science was very low, the swamps, the forests and the grass kept us here. Now, you want to destroy that, and you say that you are a Ugandan? No. What are you looking for in the swamp? The swamp is for water.

When the Chinese came, they misled some of our people to grow rice in the swamps. This was – *(Video was played.)* You see what the swamp should look like? That is a real swamp – papyrus, water… That is how it looks – the way God created it, and we can use it like that.

Therefore, this issue of turning things upside down: wanting to eat through the ear, the nose and not through the mouth – you put food in your eye, that you are eating! You are - this is suicide!

Even for this Ebola that you are talking about, why didn't we have Ebola in the past? I had never heard of Ebola. We had other diseases, but, historically, I had never heard of Ebola, except recently. I think it is because people are invading the habitats – it is part of the problem – of these animals in the forest.

Show them the picture of how Hon. Nabbanja was saving Bugoma Forest. They showed it a bit here. See how criminal these people are – the ones you are defending. They were showing it here. Put it again. *(Video was played.)* Aah! You see? See the damage that they have done. You see these criminals now. Look at the trees that they are destroying. These are the people you are defending. What good are these? Whose interests are they serving? These are enemies of Uganda.

I will get time and write something on that. For now, please, let all the political leaders take the lead in getting the 33 per cent of our people, who are outside the money economy, to join the money economy – to do so with the *kibalo* – and then we deal with the others: value addition and so on, as the minister was saying.

I thank you and I wish you good luck.

THE SPEAKER: Thank you, Your Excellency, for the successful delivery of the Budget Speech for Financial Year 2026/2027. On behalf of Parliament, I pledge our commitment to effectively apply our mandate to realise all your progressive intentions for our beloved country and its gallant citizens.

ADJOURNMENT

THE SPEAKER: I, once again, thank you, Your Excellency and all dignitaries, for gracing this year's Budget Speech. May God bless you all. May God bless Uganda.

Honourable members, the House is adjourned to Tuesday, 30 June 2026.

The East African Community Anthem

The Uganda National Anthem

(The House rose at 5.30 p.m. and adjourned until Tuesday, 30 June 2026 at 2.00 p.m.)