



CERTIFICATE
OF
FINANCIAL IMPLICATIONS

(Made under Section 76 of the Public Finance Management Act,
2015)

THIS IS TO CERTIFY that **the Agricultural Chemicals (Control) (Amendment) Bill, 2024** has been examined as required under Section 76 of the Public Finance Management Act, 2015.

I wish to report as follows:

a) That the Bill has the following objectives:

- i. To enable the mainstreaming and rationalization of the functions of the Agricultural Chemicals Board established under section 5 into the Ministry responsible for agriculture and to dissolve the Agricultural Chemical Board thereby, inter alia, relieving the Government of the financial drain on its resources and the burden of wasteful administration and expenditure on a fully established Board yet the Ministry responsible for agriculture may ably perform the duties of the Board with less drain on scarce resources;
- ii. To facilitate efficient and effective service delivery by clearly delineating the mandates and functions of government agencies and departments, thereby avoiding duplication of mandates and functions;
- iii. To promote coordinated administrative arrangements, policies and procedures for: ensuring the efficient and successful management, financial accounting and budgetary discipline of government agencies and departments; enabling the Government to play its proper role more effectively: and enforcing accountability.

b) That it is expected to achieve the following major outputs;

The Agricultural Chemical Board abolished and the functions of the Agricultural Chemicals Board transferred to the Ministry responsible for agriculture.

c) Funding and Budgetary implications

There are no expected costs in form of terminal benefits resulting from the rationalization.

d) Savings

The Bill is envisaged to result in savings to Government amounting to **Shs 46 million** during the FY 2024/25 relating to board allowances.

e) Impact on the Economy

The Bill will impact the economy as follows:

- i) **Fiscal Discipline:** Rationalization will help promote fiscal discipline by aligning Government spending at Programme level with strategic priorities and reducing the potential for wasteful expenditure. This can contribute to long-term fiscal sustainability and macroeconomic stability of the sector.
- ii) **Enhanced Service Delivery** by streamlining the regulatory functions.
- iii) **Improved Coordination** through improved coordination and synergy in the development and promotion of the agricultural sector. This could lead to better planning, research, extension services, and market development efforts.
- iv) **Increased Accountability and Transparency:** A leaner and more centralized Government structure will enhance accountability and transparency by clarifying lines of responsibility and improving oversight mechanisms. This can help prevent corruption, inefficiency in the agriculture sector, and mismanagement of public resources, fostering investor confidence and economic stability.

Submitted this ^{27th}.....Day of March, 2024 under my hand


Matia Kasaija (MP)

**MINISTER OF FINANCE, PLANNING AND ECONOMIC
DEVELOPMENT**

Received by:

Date:

