



CERTIFICATE
OF
FINANCIAL IMPLICATIONS

(Made under S.74 (Cap. 171) of the Public Finance Management Act,
2015)

This is to certify that **THE CONSTITUTIONAL (AMENDMENT) BILL, 2024** has been examined for financial implications as required under Section 74 of the Public Finance Management Act, 2015 (as amended).

I wish to report as follows:

1) Objectives of the Bill

The main object of the Bill is to give effect to the Government Policy for Rationalization of Government Agencies and Public Expenditure (RAPEX) which was adopted by the Cabinet on 22nd February, 2021.

The specific objectives of the Bill are:

- i. To merge, mainstream and rationalize the functions of the Equal Opportunities Commission and public expenditure thereby, *inter alia*, relieving the Government of the financial drain on its resources and the burden of wasteful administration and expenditure;
- ii. To facilitate of efficient and effective service delivery by clearly delineating the mandates and functions of Government agencies and departments and thereby avoiding duplication of mandates and functions;
- iii. To promote coordinated administrative arrangements, policies and procedures for efficient and successful management, financial accounting and budgetary discipline of Government agencies and departments, enable Government to play its proper role more effectively and enforce accountability; and

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- iv. To eliminate bloated structures and functional ambiguities in Government agencies and departments by restructuring and re-organization of agencies and departments of Government.

2) Expected Outputs

The Bill will achieve the following outputs:

- i. Merger of Equal Opportunities Commission with Uganda Human Rights Commission into one Agency.
- ii. Dissolution of the Uganda Law Reform Commission and establishment of a department responsible for Law Reform in the Ministry responsible for Justice.

3) Funding and Budgetary Implications

There will be costs in form of terminal benefits for staff to be laid off of **UShs. 2.746Bn** arising from the merger of the Equal Opportunities Commission and Uganda Human Rights Commission and **UShs 1.456Bn** from the dissolution of Uganda Law Reform Commission. These will be provided to the relevant line Ministry to cater for retrenchment costs and severance package for staff that will not be absorbed in the rationalized structure as shown in the table below.

Table: 1 Staff Laid-off and Budgetary Implications (Bn. UShs)

	FY2024/25	FY2025/2026
Merger of Equal Opportunities Commission (EOC) and Uganda Human Rights Commission (UHRC)		
Number of Staff (laid off)	169	0
Costs (Terminal benefits)	2.746	0
Dissolution of Uganda Law Reform Commission (ULRC)		
Number of Staff (laid off)	64	0
Costs (Terminal benefits)	1.456	0

4) Expected savings and/or Revenue to Government

There will be savings to Government of **UShs. 29.656Bn** expected from the merger of the Equal Opportunities Commission and Uganda Human Rights Commission and **UShs. 12.206Bn** from the dissolution of Uganda Law Reform Commission. The saving arises from scaling down the merged structure of EOC and UHRC from 396 to 227 staff and 529 to 431 staff from the dissolution of Uganda Law Reform Commission, on account of

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elimination of duplicated positions that fall under administration and support services. This is summarized in the Table below.

Table: 2 Financial Implications for the Bill for the medium term

Category	Merger of Equal Opportunities Commission and Uganda Human Rights Commission		Dissolution of Uganda Law Reform Commission	
	FY 2024/25 Shs. (Bn)	FY 2025/26 Shs. (Bn)	FY 2024/25 Shs. (Bn)	FY 2025/26 Shs. (Bn)
Savings				
Wage	4.4	4.4	3.24	3.24
Board Expenses	0.21	0.21	0.21	0.21
Non-Wage Recurrent	20.9	20.9	7.1	7.1
GoU Development	1.4	1.4	0.2	0.2
Total	26.91	26.91	10.75	10.75
Costs/Expenditure				
Terminal benefits	2.746	2.746	1.456	1.456
Net Savings	29.656	29.656	12.206	12.206

5) Impact to the Economy

The Bill is expected to improve efficiency and effectiveness of Government administration through reduction in duplication of roles and interventions and will therefore have a positive impact on the economy. In addition, the expected savings from rationalization will be directed to more productive sectors of the economy.

Submitted under my hand this 24th day of September, 2024.


Matia Kasaija (MP)

MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

Received by: 

Date: 24th September 2024

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