



**CERTIFICATE
OF
FINANCIAL IMPLICATIONS**

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

THIS IS TO CERTIFY that **THE NATIONAL FORESTRY AND TREE PLANTING (AMENDMENT) BILL, 2024** has been examined and I wish to report as follows:

a) That the Bill has the following objectives:

- i.) To merge, mainstream and rationalize National Forestry Authority, thereby, *inter alia*, relieving the Government of the financial drain on its resources and the burden of wasteful administration and expenditure;
- ii.) Facilitate efficient and effective service delivery by clearly delineating the mandates and functions of National Forestry Authority and thereby avoiding duplication of mandates and functions;
- iii.) Promote coordinated administrative arrangements, policies and procedures for-
 - a) ensuring the efficient and successful management, financial accounting and budgetary discipline of Government;
 - b) enabling the Government to play its proper role more effectively; and
 - c) enforcing accountability.
- iv.) The restructuring and re-organization of agencies and departments of Government by eliminating bloated structures and functional ambiguities in Government agencies and departments.

b) Expected Outputs:

The National Forestry and Tree Planting Act, 2003 (Act 8 of 2003) repealed and functions of the National Forestry Authority established under the Act mainstreamed into the Ministry responsible for Water and Environment.

c) Funding and budgetary implications.

The estimated total cost of the Bill is **Shs 4.3bn** in form of terminal benefits for staff to be laid off and will be accommodated within the Medium Term Expenditure Framework ceiling for the Ministry of Public Service as shown in the table below.

Table: 1 Staff Laid-off and Budgetary Implications

	2024/25	2025/2026
Number of Staff (laid off) - 350		0
Costs (Terminal benefits) - Billions	4.30	0

d) Savings and Revenue

The Bill will generate net savings for Government as summarized in the table below:

Table: 2 Financial Implications for the Bill over the Medium Term

Category	2024/25	2025/2026
Savings	Shs (Billion)	Shs (Billion)
Wage	9.68	9.68
Non-Wage Recurrent	12.13	12.13
GoU Development	4.59	4.59
Total	26.4	26.4
Costs/Expenditure		
Terminal benefits	4.30	0
Net Savings	22.1	26.4

e) Impact on the Economy

The Bill will have a positive impact on the economy through the following:

- (i) Improved efficiency and effectiveness of Government in conservation, protection and administration of central forest reserves and increase the

national forest cover as well as overall environmental protection and mitigation of climate change effects; and

- (ii) Promotion of forest sector development through commercialization, value addition, job creation, ecotourism and foreign exchange earnings from forest products.

Submitted under my hand this *17th* day of April, 2024.


Matia Kasaija

MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

Received by

Date

