



CERTIFICATE
OF
FINANCIAL IMPLICATIONS

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

THIS IS TO CERTIFY that **The Rationalization of Government Agencies (Non-Performing Assets Recovery Trust Act, Cap.95) (Repeal) Bill, 2024** has been examined as required under section 76 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.

Specific objectives of the Bill are:

- i. To merge, mainstream and rationalize agencies, authorities 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
- 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 repeal the Nonperforming Assets Recovery Trust Act, Cap 95 to abolish the Trust, the Board of Trustees and the Sinking

Mission

To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development

Fund; and mainstream the functions of Nonperforming Assets Recovery Trust into the Ministry responsible for finance to eliminate duplication of roles and ambiguity of functions.

3) Funding and Budgetary Implications

There will also be costs expected from absorption of functions performed by the Non-Performing Assets Recovery Trust into the structures of the Ministry of Finance, Planning and Economic Development. The costs will be accommodated within the Medium Term Expenditure Framework ceilings of the Ministry of Public Service.

4) Expected savings and/or Revenue to Government.

There will also be savings expected from absorption of functions performed by the Non-Performing Assets Recovery Trust into the structures of the Ministry of Finance, Planning and Economic Development.

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. The bill will also promote consolidated planning for enhancing financial inclusion, financial stability, and financial consumer protection. Additionally, the expected savings from rationalization will be directed to more productive sectors of the economy.

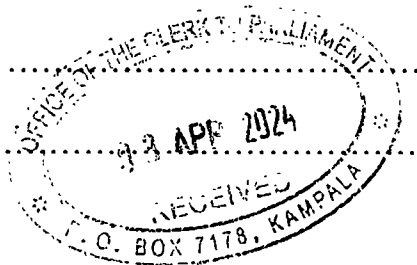
Submitted under my hand this 27th day of March, 2024.


Matia Kasajja (MP)

MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

Received by:

Date:



Mission

To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development