



**CERTIFICATE
OF
FINANCIAL IMPLICATIONS**

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

THIS IS TO CERTIFY that **The Physical Planning (Amendment) 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 Bills 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 amend the Physical Planning Act, 2010 (Act 8 of 2010) to transfer the functions of National Physical Planning Board established by the Act to the National Planning Authority.

eliminate duplication of roles and ambiguity of functions.

3) Funding and Budgetary Implications

The costs and liabilities arising from rationalization of the National Physical Planning Board will be established upon absorption of the functions of the entity in National Planning Authority and establishment of its structure. The costs will be accommodated within the Medium-Term Expenditure Framework ceiling for the Ministry of Public Service.

4) Expected savings and/or Revenue to Government.

The Bill is envisaged to result in savings of **Shs 4.54bn** to Government through reduction in administrative and personnel related costs following implementation. This is broken down in Table 2 below.

Table 2: Total savings

		FY 2024/25	FY 2025/26
Category		Shs (Bn)	Shs (Bn)
Savings	Non-Wage Recurrent	4.54	0
	Net savings	4.54	0

The overall expected savings from f National Physical Planning Board is **Shs 4.54Bn**

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

It is also envisaged that integrating Physical Planning, Population planning with Development Planning will improve effectiveness of National Planning. Additionally, the expected savings from rationalization will be directed to more productive sectors of the economy.

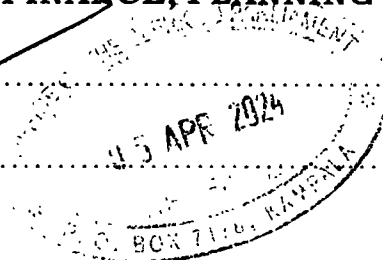
Submitted under my hand this ^{4th} day of April, 2024.

Matia Kasaija (MP)

MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

Received by:

Date:



Mission

To formulate sound economic policies, to enhance revenue, to improve the cost of education and account thereby to public resources so as to achieve the most rapid and sustained growth, economic growth and development