POSITION PAPER

NATIONAL YOUTH POST-BUDGET DIALOGUE 2026

"FROM BUDGET SPEECH TO IMPLEMENTATION: YOUTH PERSPECTIVES ON THE FY 2026/27 NATIONAL BUDGET"

BRIDGING YOUTH ASPIRATIONS AND NATIONAL BUDGET PRIORITIES
FOR INCLUSIVE AND CLIMATE-RESILIENT DEVELOPMENT

Funded by the European Union

FOREWORD

This position paper is presented at a moment of historic significance for Uganda's young people. The FY 2026/27 National Budget Uganda's largest ever at UGX 84.39 trillion has been read. The era of implementation has begun.

The 1st National Youth Post Budget Dialogue 2026 convened by Wilmat Development Foundation (WDF) in partnership with the National Youth Advocacy Platform (NYAP), WaterAid Uganda, UCOBAC, UNICEF Uganda, TAHI, MCLD Uganda Chapter, OXFAM, CIDI and other partners marks the transition from pre-budget advocacy to post-budget accountability. This paper is our collective, evidence-based response to the budget as delivered on 11th June 2026.

We commend His Excellency the President and Government for the bold commitments embedded in this budget from the record UGX 2.26 trillion for agro-industrialisation to the groundbreaking First Oil projections, the expansion of the PDM to over 4 million beneficiaries and the halving of internet costs.

Yet a budget is only as good as its implementation. Uganda's youth 77% of a population of 49 million are the primary stakeholders in what happens next.

Chairperson, NYAP/ED-WDF

This paper covers twelve priority youth issues drawn directly from the delivered Budget Speech and FY 2026/27 Budget Estimates:

1. Agro-Industrialization & Youth in Commercial Agriculture
2. Water, Sanitation & Hygiene Schools, Health Facilities & Communities
3. Youth Employment, Wealth Creation & Enterprise Finance
4. Health, Reproductive Health & Mental Wellbeing
5. Education, TVET, Skills & Sports
6. Science, Technology, Innovation & Digitalization
7. Climate Change, Environment & Conservation
8. Creative Industries & Cultural Economy
9. Mineral-Based Industrial Development & Youth
10. Gender-Responsive Financing, GBV/VAWC Prevention & Inclusion
11. Social Protection, Disability Inclusion & Youth Civic Participation
12. Public Finance, Taxation & Local Government Accountability

We express sincere gratitude to all young Ugandans whose voices and lived experiences informed this paper; to the Ministry of Finance, Planning and Economic Development (MoFPED) for transparent, publicly accessible budget documents; and to our civil society partners including Touch the Heart Uganda, WaterAid Uganda, CIDI, MCLD Uganda Chapter, CSBAG, UCOBAC, CEDOVIP, TAHI, UNICEF Uganda, OXFAM Uganda and all participating youth networks.

18/6/2026 VoP

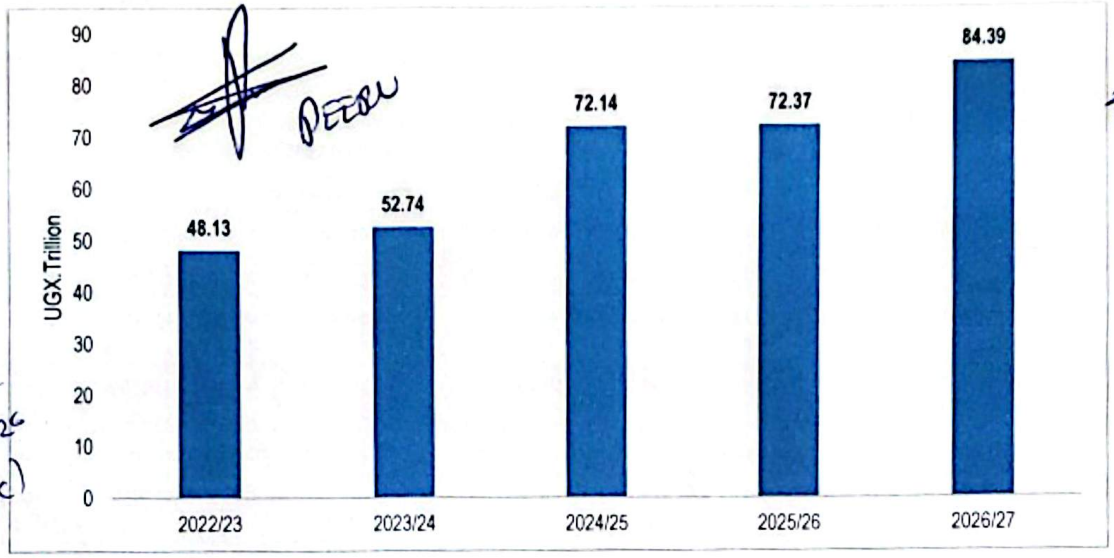
18/06/2026 UCOBAC

24/06/2026

18/6/2026 (WDF)

INTRODUCTION

Uganda is a young nation demographically, economically and in ambition. With over 77 percent of its 49 million population below the age of 35, Uganda's future is inseparable from the aspirations and well-being of its young people. On 11th June 2026, Hon. Henry Musasizi (MP), Minister of Finance, delivered Uganda's FY 2026/27 Budget Speech at Kololo Independence Grounds the nation's largest-ever budget at UGX 84.39 trillion, under the theme of Full Monetization of Uganda's Economy through Commercial Agriculture, Industrialization, Services Expansion, Digital Transformation and Market Access. The government has positioned the ATMs as the centerpiece of the ten-fold Growth Strategy in order to grow the economy from the current US$49 billion to US$500 billion by 2040 including Agro-industrialization, Tourism Development, Mineral Based Industrial Development, and Science, Technology, and Innovation including ICT and the creatives industry. This FY2026/27 Budget presents a significant increase from UGX 48.13 trillion in FY2022/23 to UGX 84.39 trillion in FY2026/27, representing an increase of UGX 36.16 trillion (75.1%) over the period



Source: Approved Budget Estimates and Budget speech FY2026/27, MoFPED

This Position Paper marks the shift from pre-budget advocacy to post-budget accountability. The budget has been read. Implementation has begun. This paper presents evidence-based, youth-informed analyses across twelve priority issue areas. For each issue, we commend the Government's commitments, identify opportunities for youth, flag critical gaps, provide recommendations for implementation and propose considerations for the FY 2027/28 Budget Framework Paper.

PROGRAMME ALLOCATIONS FY 2026/27	GoU	External	Total	%
Agro-Industrialization	1,204.80	1,059.91	2,264.72	4.4%
Mineral Development	-	-	-	0.0%
Sustainable Extractives Industry Development	435.55	37.96	473.51	0.9%
Manufacturing	691.70	334.05	1,025.74	2.0%
Tourism Dev't	567.32	-	567.32	1.1%
Climate Change, Natural Resource, Environment & Water Management	446.08	48.00	494.08	1.0%
Private Sector Dev't	2,293.25	255.53	2,548.78	5.0%
Sustainable Energy Dev't	943.13	1,125.45	2,068.58	4.1%
Integrated Transport Infrastructure & Services	4,171.75	4,615.82	8,787.57	17.3%
Sustainable Urbanization & Housing	203.07	284.97	488.04	1.0%
Digital Transformation	216.66	297.20	513.86	1.0%
Human Capital Development	11,096.81	2,465.33	13,562.15	26.6%

Innovation, Technology Dev't & Transfer	626.87	-	626.87	1.2%
Public Sector Transformation	302.00	-	302.00	0.6%
Community Mobilization & Mindset Change	-	-	-	0.0%
Governance & Security	9,742.36	466.69	10,209.05	20.0%
Regional Development	1,972.46	193.72	2,166.18	4.3%
Development Plan Implementation	2,905.09	32.34	2,937.44	5.8%
Administration of Justice	665.55	-	665.55	1.3%
Legislation, Oversight & Representation	1,226.52	-	1,226.52	2.4%
SUB TOTAL	**39,710.98**	**11,216.98**	**50,927.96**	**100.0%**

Source: Budget Speech FY2026/27

Uganda's projected 10.2% GDP growth driven by First Oil commercial production commencing later in 2026 marks a generational economic inflection point. Equally significant are the reform commitments: the "Kisanja No More Sleep" implementation ethic, the Clean-Up anti-corruption agenda and the shift from planning to delivery. Youth are the primary beneficiaries and the primary implementation partners of this transformation.

Policy Framework	Key Commitment	Youth Relevance
NDP IV (2025/26–2029/30)	ATMS-led growth; human capital; WaSH	Youth as agri-entrepreneurs, innovators, health & education beneficiaries
Tenfold Growth Strategy	USD 500Bn economy by 2040	Requires youth economic participation at scale
NRM Manifesto 2026–2031	Kisanja No More Sleep; full monetization	Youth as frontline wealth creators & job holders
AU Agenda 2063	Inclusive growth; youth empowerment	Youth in governance & development
SDGs 1,2,3,4,5,6,8,10,13,16	No poverty, health, education, gender, climate	Comprehensive youth rights agenda
Paris Agreement / NDCs	Climate adaptation & mitigation	Youth as primary climate risk bearers & green economy actors
CEDAW / Beijing Platform	Gender equality & VAWC prevention	Young women & girl protection; GBV-responsive financing
Uganda Constitution Art.21,30,32,33	Equality; education; affirmative action	Youth entitlements in national resource allocation

THE ISSUES

Issue-by-Issue Analysis: Youth Perspectives on the FY 2026/27 National Budget

The following twelve issues present structured, evidence-based, youth-informed analyses of the FY 2026/27 budget. Each issue follows the format: **(a)** Budget Context & Government Commendation, **(b)** Opportunities for Youth, **(c)** Identified Gaps and **(d)** Recommendation (s). Forward-looking considerations for the FY 2027/28 Budget Framework Paper are embedded within each set of recommendations.

ISSUE 1: AGRO-INDUSTRIALISATION AND YOUTH IN COMMERCIAL AGRICULTURE

We congratulate Government for allocating UGX 2.26 trillion to the Agro-Industrialization program in FY 2026/27 the highest-ever allocation to this program. We commend the Parish Development Model (PDM) transfer of UGX 4.4 trillion to all 10,589 parishes as revolving capital, now benefiting over 4 million Ugandans. We applaud the expansion of coffee cultivation into Northern and Eastern Uganda with 1.4 million seedlings to 7,532 farmers, the operationalization of the anti-tick vaccine facility at Nakyesasa (36 million doses; 18 million livestock served), the UGX 47.68 billion additional Agricultural Credit Facility capitalization and UGX 41 billion for the Large-Scale Commercial Farmers Financing Scheme.

Program / Allocation	FY 2026/27 Amount	Youth Relevance
Agro-Industrialization (Total)	UGX 2.26 Trillion	Highest-ever; youth agri-enterprises, value chains, extension services
Parish Development Model (PDM)	UGX 4.4Tn cumulative (10,589 parishes)	Youth SACCOs; enterprise grants; non-collateral revolving capital
Agricultural Credit Facility (ACF)	+UGX 47.68 billion	Youth agri-value chain loans; co-financing with financial institutions
Large-Scale Farmers Financing	UGX 41 billion	Youth on 50+ acre plots; interest payments covered by Government
Coffee Expansion (N & E Uganda)	1.4M seedlings to 7,532 farmers	Youth coffee farmers; value addition; export income pathway
Irrigation & Water for Production	Included in UGX 2.26Tn allocation	Kabuyanda, Atari, Wadelai, Acomai, Namaitsu, Sipi; solar roll-out
Emyooga	+UGX 100 billion (FY 2026/27)	7,148 SACCOs; 2.48M members; youth-dominant enterprise categories

OPPORTUNITIES FOR YOUTH

- **PDM SACCO Membership:** All youth in Uganda's 10,589 parishes can access enterprise revolving capital the most geographically widespread youth finance window ever created.
- **Coffee Value Chain:** The 1.4 million seedlings in Northern and Eastern Uganda open a UGX 2.46 billion coffee export economy for young farmers with plots as small as 0.5 acres.
- **Anti-Tick Vaccine Commercialization:** The Nakyesasa facility (36 million doses) creates agri-biotech employment and input dealership opportunities for youth in veterinary sciences.
- **Irrigation-Linked Farming:** Kabuyanda, Sipi, Namaitsu and other irrigation schemes offer water-secured farming for youth previously dependent on unreliable rainfall.
- **Extension Worker Jobs:** The commitment to deploy more extension workers is a direct entry point for youth with agricultural diplomas and degrees into government-facilitated field employment.
- **Agro-Processing Employment:** The move from raw commodity export to value-added products creates processing, packaging, quality control and logistics jobs for TVET-certificated youth.

IDENTIFIED GAPS

Bureaucracies and limited access to wealth creation funds continue to hinder meaningful youth participation in economic activities. Many young people face stringent eligibility requirements, lengthy application processes, and inadequate information on how to access government support programs. Furthermore, the Government of Uganda's large-scale agricultural financing initiatives often target farmers with at least 50 acres of land, a threshold that is unrealistic for the majority of youth, who typically have limited access to land and capital. As a result, many young people are excluded

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from benefiting from these programs, limiting their ability to invest in productive enterprises, create jobs, and contribute to economic growth. There is therefore a need for more youth-responsive financing mechanisms with flexible eligibility criteria that reflect the realities and needs of young entrepreneurs and farmers.

RECOMMENDATION(S):

- Establish a Youth Agriculture Innovation Window (YAIW) within the ACF/PDM structure of at least UGX 50 billion annually, with non-collateral lending criteria for youth aged 18–35 in agri-value chain activities.
- Introduce a Solar-Powered Irrigation Youth Facility of UGX 30 billion, co-implemented by MAAIF and MoWE, targeting youth farmers in climate-vulnerable districts with subsidized solar pump-irrigation systems.
- Develop and fund a Youth Coffee Enterprise Program providing seedlings, agronomic training, post-harvest handling equipment and market linkage to youth-only groups in Northern and Eastern Uganda.
- Integrate nutrition-sensitive agriculture financing (minimum UGX 20 billion) into the MAAIF budget, targeting adolescent mothers and youth households aligned with Uganda's Stunting Reduction Strategy.

> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Allocate at least UGX 75 billion as a standalone Youth Agriculture Innovation Fund in the FY 2027/28 Budget, with a defined youth targeting mechanism and an annual public audit report.
- Incorporate a Youth Agro-Processing Incubation sub-program under the manufacturing/STI budget, supporting at least 5,000 youth-owned small agro-processing enterprises per year across all regions.

ISSUE 2: WATER, SANITATION & HYGIENE (WASH) IN SCHOOLS, HEALTH FACILITIES & COMMUNITIES

We commend Government for allocating UGX 1.013 trillion to the water sector in FY 2026/27, with the stated objective of achieving universal access to safe water and sanitation. We applaud the extension of safe water access to 553 new villages during FY 2025/26, over 200 solar-powered water and sanitation systems installed and faecal sludge treatment plants constructed across multiple districts. National household water access now stands at 71 percent 68 percent rural, 74.5 percent urban.

71%	68%	74.5%	UGX 1.013Tn
National HH improved water access	Rural water coverage	Urban water coverage	Water sector allocation FY 2026/27

OPPORTUNITIES FOR YOUTH

- **Water Operator Employment:** NWSC expansion and Umbrella Water Authority scale-up create jobs for youth trained in water engineering, plumbing, water quality testing and pump maintenance.
- **Solar Irrigation Enterprises:** Government's solar irrigation roll-out creates a youth entrepreneurship opportunity in solar pump supply, installation, maintenance and agri-water management services.
- **WaSH Construction Contracts:** District-level borehole drilling, spring protection, slab casting, latrine construction and gravity flow scheme maintenance create enterprise opportunities for youth-owned construction SMEs.
- **Green Jobs in Environmental Monitoring:** MoWE's wetland management and climate adaptation programs create employment for youth with training in environmental science, geography and biology.

IDENTIFIED GAPS

- **No Dedicated WaSH-in-Schools Budget Line:** Only 55% of Uganda's schools have safe water; 42% have adequate latrines; a critically low 18% have Menstrual Hygiene Management (MHM) facilities yet MHM has no dedicated national budget line, despite over 4 million adolescent girls losing an estimated 5 school days per month.
- **WaSH in Health Facilities:** Lower-level health facilities (HCIIs/HCIIIs) where young mothers most frequently seek care remain without reliable water supply, contributing to Uganda's maternal mortality ratio of 189/100,000 live births.
- **22% Non-Functional Rural Water Points:** Disproportionately burdening young women and girls who walk 2–5 km to alternative sources, with insufficient O&M financing as the primary cause.
- **Rural-Urban Investment Disparity:** Investment in urban NWSC disproportionately outpaces rural WaSH, despite 80% of Uganda's youth living in rural areas.

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RECOMMENDATION(S):

- Create a standalone Menstrual Hygiene Management (MHM) national budget line of at least UGX 15 billion within the joint MoES/MoH/MoWE WaSH-in-Schools programme, financing girl-friendly latrines, reusable pad production and hygiene promotion in all government primary and secondary schools by FY 2027/28.
- Fast-track WaSH in Health Care Facilities Investment Plan ensuring all HCIIIs and HCIVs achieve minimum WaSH standards by FY 2027/28, tied to district health performance grants.
- Establish a National O&M Revolving Fund for Rural Water Points managed through District Umbrella Authorities, employing youth water operators, targeting non-functionality rates below 10% by FY 2028/29.
- Introduce a Rural WaSH Equity Supplement ring-fencing 40% of district WaSH conditional grants for sub-counties with below 50% safe water access prioritizing Northern Uganda, Karamoja and West Nile.

> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Commit to universal WaSH in Schools target with a dedicated multi-year sub-program (water, latrines and MHM in 100% of government schools) fully funded from the FY 2027/28 Budget Framework Paper.
- Allocate UGX 30 billion for a Youth Smallholder Irrigation Facility within Water for Production, with non-collateral access criteria and business development support for youth farmers in climate-vulnerable districts.

ISSUE 3: YOUTH EMPLOYMENT, WEALTH CREATION AND ENTERPRISE FINANCE

According to Uganda's fourth National Development Plan, youth unemployment rate remains above 16.5%, and urbanization has increased significantly, with 25% of the population living in urban areas, up from 18% in 2014 while over 600,000 Ugandans that enter the job market, only **15%** of these are actually demanded, creating a loophole for the challenges associated with unemployment. The 2024 Census report also notes that, 25.2 million persons (56.7%) of the population are in the working age population; however, 16% of those aged 18-30 years were deemed unemployed, 50.9% were neither employed, in education or training, and 50% of the youth spend at least a year or above in unemployment. We thus applaud the Government for allocating UGX 2.49 trillion wealth creation allocation for FY 2026/27 including Emyooga (+UGX 100 billion), the GROW Project (UGX 133.14 billion to 6,584 women-owned businesses), Uganda Development Bank (+UGX 442.2 billion capitalization), Youth Livelihood Program (24,859 projects; 275,034 youth; UGX 195.4 billion) and the Katale Loan Facility nationwide rollout at 8% per annum. We commend formal private sector employment growth of 245% from 672,300 workers in FY 2016/17 to over 2.32 million in FY 2024/25 and Kampala start-ups attracting USD 30 million in 2025, up from just USD 4 million the year before.

OPPORTUNITIES FOR YOUTH

- **Emyooga SACCOs:** 7,148 SACCOs with 2.48 million members provide enterprise capital to youth-dominated categories boda-boda riders, salon operators, market vendors, welders, mechanics and tailors.
- **Katale Loan Facility National Rollout:** The expansion of the 8% per annum working capital facility from 6 Kampala markets to nationwide reaches youth urban informal operators who constitute over 60% of urban market vendors.
- **UDB Youth-Accessible Products:** The additional UGX 442.2 billion capitalization extends long-term patient capital to agri-processing, manufacturing and services sectors where youth are structurally represented.
- **Start-up Ecosystem:** The USD 30 million start-up investment surge creates a momentum window for youth-led tech, agri-tech and creative economy enterprises to attract angel and venture capital.

IDENTIFIED GAPS

Low uptake of wealth creation programs among the Youth. The 2024 census report critically highlights low uptake of the Youth Livelihood Program, with only 0.4% of youth in Uganda benefiting from the program, underscoring a challenge in ensuring uptake of these funds. By sub-region, the highest proportion of the youth who benefited from any government program are in Acholi (22%), followed by Lango and Karamoja, both at 17% while the least proportion of beneficiaries are in Buganda (8%), and Busoga and Ankole are both at 10%.

- **Program Fragmentation:** At least seven overlapping youth/enterprise programs (PDM, Emyooga, GROW, YLP, Katale, MSC, UDB) with different institutional homes, eligibility criteria and no unified youth beneficiary tracking system leading to duplication and poor value for money.

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- **UDB Minimum Loan Threshold:** Despite UGX 2.45 trillion extended to 600+ businesses, UDB's minimum loan size remains largely inaccessible to youth micro-enterprises.
- **Youth Unemployment Data Gap:** No youth-specific disaggregated unemployment rate or NEET (Not in Education, Employment or Training) ratio is published making evidence-based targeting impossible.
- **Gender and Disability Gaps:** Young women and youth with disabilities face compounding barriers across all enterprise finance windows collateral requirements, mobility constraints and gender-discriminatory eligibility criteria.

RECOMMENDATION(S):

- Establish a Unified Youth Enterprise Management Unit under MGLSD to coordinate all youth-targeted programs, with a centralized NIRA-linked beneficiary database and a 60% youth inclusion quota across all enterprise finance windows.
- Introduce a UDB Youth Micro-Enterprise Tier with a minimum loan floor of UGX 5 million (non-collateral, group-guaranteed) for youth aged 18–35 owning enterprises with at least 1 full-time employee.
- Operationalize the National Labour Market Information System (LMIS) with youth-disaggregated NEET data published quarterly, guiding TVET curriculum alignment and enterprise finance targeting.
- Mandate gender and disability inclusion audits for all government enterprise finance programs, with public scorecards published annually by MGLSD/MFPED.

> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Allocate UGX 100 billion for a dedicated Youth Employment Stimulus Package in FY 2027/28, combining enterprise grants, skills training, mentorship and market linkage with clear job creation targets per region.
- Consolidate overlapping youth programs into a single Uganda Youth Economic Empowerment Program under one institutional home, one budget line, one data system and one accountability framework.

ISSUE 4: HEALTH, REPRODUCTIVE HEALTH, MENTAL WELLBEING AND WASH IN HEALTH FACILITIES

We applaud Government for allocating UGX 5.23 trillion to the health sector, whereas this is a reduction from from UGX.5.87, the 6.9% share of the national budget however this is a 11.7% increase form the FY2024/25 health sector budget reflecting government's commitment to advancing health care for all Ugandans. Key budgetary adjustments include and increment in funding for the National Medical Stores to UGX 862.93 billion from UGX.717 billion in FY2025/26 ensuring uninterrupted access to antiretrovirals, antimalarials, vaccines and anti-TB medicines. We commend Neonatal Intensive Care Units in 17 Regional Referral Hospitals and 25 General Hospitals, CT scan machines in 14 Regional Referral Hospitals, Uganda's first bone marrow transplant at the Uganda Cancer Institute (April 2026), immunization coverage for children under one year reaching 94 percent and 95% completion of Phase I of the Nuclear Medicine (PET) Centre for cancer treatment, increase for Butabika hospital from UGX.22.841 to UGX. 46.838 Billion

OPPORTUNITIES FOR YOUTH

- **Hospital Strengthening as Youth Health Entry Point:** The UGX 5.23 trillion allocation provides an opportunity to embed youth-friendly health services including adolescent reproductive health, mental health and HIV prevention clinics within hospital upgrades.
- **Health Worker Employment:** Construction of 31 new health facilities in Karamoja and rehabilitation of multiple hospitals creates jobs for youth in construction, medical equipment operation, laboratory services, pharmacy and clinical care.
- **Local Pharmaceutical Enterprises:** Government procurement from Microhaem Scientifics, Dei BioPharma and Jena Herbals demonstrates the viability of youth-owned pharmaceutical and biotech enterprises.
- **Telemedicine and Digital Health:** The National e-Health Digital Infrastructure expansion creates opportunities for youth in health informatics, telemedicine platform development and community health worker training.

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IDENTIFIED GAPS

- **No Dedicated Youth-Friendly Health Services (YFHS) Budget Line:** Uganda's adolescent fertility rate remains 130 births per 1,000 women aged 15–19, yet YFHS receives no dedicated budget line remaining largely donor-dependent.
- **Mental Health Severely Under-Resourced:** With 1.4 million Ugandans living with mental health conditions and youth facing epidemic levels of depression and anxiety, mental health receives less than 1% of the health budget.
- **WaSH in Lower-Level Health Facilities:** HCIIs and HCIIIs first contact point for most young mothers lack reliable water supply and clean delivery rooms, contributing to preventable maternal and neonatal deaths.
- **HIV/AIDS Among Youth 15–24:** Youth account for 30% of new HIV infections in Uganda yet the Uganda AIDS Commission budget and HIV prevention for youth remain structurally underfunded.

RECOMMENDATION(S):

- Establish a dedicated YFHS budget line of UGX 25 billion within MoH's vote, covering adolescent reproductive health clinics, HIV prevention, mental health first aid and YFHS training for health workers at 200 health facilities.
- Increase the mental health budget allocation to at least 3% of total health sector resources, with a community mental health outreach program targeting youth aged 15–35 across all regional referral hospital catchment areas.
- Fund the INVITE Program at a minimum of UGX 30 billion, with sub-components for adolescent economic empowerment, psychosocial support, school re-entry for teenage mothers and community-based pregnancy prevention.
- Issue a WaSH-in-Health-Facilities Implementation Directive requiring all HCIIs and HCIIIs to achieve minimum WaSH standards by June 2027, backed by a performance grant monitoring mechanism.
- FY 2027/28 Consideration: Include a dedicated Mental Health and Youth Wellbeing Program of at least UGX 50 billion targeting community-level psychosocial support and school counselling.

> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Include a dedicated Mental Health and Youth Wellbeing Program in the FY 2027/28 budget with a minimum allocation of UGX 50 billion, targeting community-level psychosocial support and school counselling.
- Design and fund a Youth SRH Multi-Year Program integrated across MoH, MGLSD and MoES from FY 2027/28, with clear targets for adolescent pregnancy reduction and HIV incidence among youth.

ISSUE 5: EDUCATION, TVET, SKILLS DEVELOPMENT AND SPORTS

In Uganda, the attainment of education among the youth remains a challenge, with 17% surviving with no educational background, while only 6.5% have attained post-secondary education as of 2024.[1] Additionally, 50.9% were neither employed, in education or training. We however applaud the Government for allocating UGX 6.66 trillion to the education sector, a 32.1% increment from UGX. 5.04 trillion in FY2025/26. This funding entails additional UGX 568.65 billion to enhance salaries for primary school teachers and arts teachers in secondary schools and BTVET institutions. We commend 259 seed schools operationalized, 90 new seed secondary schools constructed, UPE benefiting 9.52 million learners, USE and Post O-Level benefiting 995,116 learners, intensified STEM and vocational education investment and the completion of Hoima Stadium for AFCON 2027.

OPPORTUNITIES FOR YOUTH

- **Seed School Network:** 259 operationalized seed schools create expanded access to quality secondary education for rural youth particularly girls who previously faced long distances or fee barriers.
- **STEM and TVET Pathways:** Intensified investment in STEM, vocational and digital literacy education opens direct pathways from school to agro-processing, construction, ICT and green economy employment.
- **Teacher Employment:** UGX 568.65 billion for teacher salary enhancement creates demand for newly certified teachers a key professional pathway for educated youth.

[1] Census Report, 2024

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- **AFCON 2027 Infrastructure:** Stadium construction and sports facility development create temporary and permanent employment for youth in construction, event management, hospitality and sports coaching.

IDENTIFIED GAPS

- **Quality Over Access:** Despite near-universal UPE enrollment, UWEZO assessments show a majority of P3 pupils cannot read or do arithmetic at P1 level. The budget addresses access more than learning quality.
- **TVET Infrastructure and Equipment Gap:** Capital investment in BTVET workshops, equipment and practical materials remains inadequate relative to the stated industrialization ambition.
- **No Student Loan or Bursary Scheme:** No scalable student loan exists for TVET and university students from low-income families limiting higher education access for qualified but financially constrained youth.
- **School WaSH and MHM Gap:** Absent MHM facilities continue to drive girls' dropout after puberty directly undermining the education sector's own enrollment targets.

RECOMMENDATION(S):

- Introduce a National Student Loan Scheme of UGX 50 billion under MFPED/MoES providing income-contingent loans for TVET, technical college and university students from households below the poverty line, with repayment commencing 2 years after graduation.
- Allocate UGX 30 billion for BTVET Practical Equipment and Workshop Rehabilitation targeting electrical, construction, automotive, hospitality, agricultural and ICT workshops directly linked to the ATMS sectors.
- Integrate School WaSH and MHM into the Education Sector Budget as a mandatory, ring-fenced sub-program with minimum standards and annual compliance reviews.

> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Increase total education allocation toward 15% of the national budget aligned with the Abuja Declaration with new resources directed at quality improvement, TVET equipment and school WaSH.
- Design a Pre-Primary Education Sub-Program for FY 2027/28 targeting 50% ECD coverage by 2030, particularly in rural and post-conflict districts, as a long-term investment in human capital quality.

ISSUE 6: SCIENCE, TECHNOLOGY, INNOVATION, DIGITALISATION AND THE KNOWLEDGE ECONOMY

The government views STI not merely as a standalone sector but as a cross-cutting growth accelerator that will drive double-digit growth by transitioning Uganda into a knowledge-based economy, thereby increasing national competitiveness and total factor productivity.[2] We commend Government for allocating UGX 1.14 trillion to STI, ICT and creative industries. We applaud the commissioning of the Kiira Vehicle Plant in Jinja (capacity 2,500 buses/year; UGX 21.6 billion in sales; 450 bus orders), East Africa's first production-scale lithium-ion battery assembly plant (Soleil Power), Uganda's climate camera deployed to the International Space Station, internet costs halved from USD 70 to USD 35/Mbps, national fibre backbone expanded to 62,941 km, 57.3 million mobile telephone subscriptions and Kampala start-ups attracting USD 30 million in 2025 up from USD 4 million the year before.

OPPORTUNITIES FOR YOUTH

- **Hi-Tech City:** The planned establishment creates a concentrated ecosystem for youth in technology, software development, hardware manufacturing, digital services and innovation incubation.
- **BPO/Digital Jobs:** Growth of Business Process Outsourcing specifically cited as a FY 2026/27 priority creates data entry, customer service, software testing and digital marketing employment for literate, internet-connected youth.
- **E-Mobility Enterprise:** The Kiira Motors ecosystem (25,000+ electric vehicles locally produced with up to 40% local content) creates component supply, assembly, sales, maintenance and dealer franchise opportunities.
- **AgriTech and Data Platforms:** Declining internet costs and 20 million smartphones on Ugandan networks lower barriers for youth to build agri-market information platforms, weather advisory apps and rural e-commerce services.

[2] Ministry of Finance, Planning and Economic Development

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- **Lithium-Ion Battery Economy:** East Africa's first battery assembly plant positions Uganda as a regional hub for clean energy technology creating manufacturing, engineering and supply chain jobs for youth with relevant technical training.
- **Funding For Mbarara University of Science and Technology:** This has increased from UGX. 101.542 Billion in FY2025/26 to UGX. 111.632 Billion produce a highly skilled, diverse, and globally competitive workforce for the STI

IDENTIFIED GAPS

- ▶ Digital Divide Rural Youth Excluded: Despite impressive national connectivity metrics, rural youth in underserved districts still lack affordable last-mile internet, smartphones and electricity.
- ▶ No Mandatory Digital Skills Curriculum: Internet roll-out is supply-side only. Without a mandatory digital literacy curriculum in all primary and secondary schools, connectivity does not translate to skills.
- ▶ Youth Exclusion from Innovation Procurement: Government procurement still favours established, asset-rich firms. Youth-owned start-ups rarely qualify for government ICT and innovation contracts.
- ▶ Hi-Tech City Planning Gap: No public youth inclusion framework, affordable workspace allocation or youth start-up incubation mandate has been articulated in Hi-Tech City planning documents.

RECOMMENDATION (S):

- ▶ Establish a Last-Mile Digital Connectivity Fund of UGX 20 billion targeting 500 rural sub-counties without functional internet, with community digital hubs providing shared internet, device access and digital literacy training.
- ▶ Mandate digital literacy as a stand-alone computable subject in all primary (P4–P7) and secondary (S1–S4) schools by FY 2027/28, backed by teacher training, curriculum development and device provision under a PPP framework.
- ▶ Reserve at least 30% of government ICT and innovation procurement contracts for Ugandan youth-owned SMEs and start-ups through a dedicated Youth Technology Procurement Window managed by NITA-U and PPDA.
- ▶ Develop a Hi-Tech City Youth Inclusion Charter guaranteeing at least 40% of incubation spaces and affordable co-working facilities to youth-owned enterprises under the age of 35.

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> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Budget for a comprehensive national Digital Skills Census to map digital literacy levels among youth aged 15-35 by district, generating the evidence base for targeted FY 2027/28 skills investments.
- Allocate UGX 50 billion to a Youth Digital Innovation Fund in FY 2027/28, providing grants of UGX 10-50 million to youth-led tech start-ups in agri-tech, health-tech, edu-tech and green-tech sectors.

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ISSUE 7: CLIMATE CHANGE, ENVIRONMENTAL CONSERVATION AND YOUTH AS GREEN ECONOMY ACTORS

We applaud Government for allocating UGX 494.08 billion to environmental protection and climate change adaptation the highest-ever plus UGX 361.88 billion to the Contingency Fund for national disaster response. We commend the demarcation of 104 kilometres of wetland boundaries, restoration of 15,000 hectares of degraded wetlands, demarcation of 8,319 hectares of Central Forest Reserves, deployment of Uganda's climate camera to the International Space Station through the Uganda National Space Centre at Mpoma, Mukono and investment in early warning systems and hazard mitigation. We also welcome planned energy expansion including the 380 MW Kiba hydroelectricity plant and 500 MW utility-scale solar in Elgon and Acholi regions.

OPPORTUNITIES FOR YOUTH

- **Green Jobs in Wetland and Forest Management:** NFA and NEMA's programs create biodiversity conservation, environmental monitoring and ecotourism guide employment for youth with environmental science training.
- **Climate Data and Early Warning Systems:** The Uganda National Space Centre's expanded real-time climate data capacity creates youth employment in meteorology, remote sensing, GIS mapping and disaster risk reduction.
- **Solar and Clean Energy Enterprises:** The planned 380 MW Kiba hydroelectricity plant, 500 MW utility-scale solar in Elgon and Acholi and nuclear energy preparatory works collectively expand Uganda's clean energy economy creating opportunities for youth in solar installation, energy auditing and off-grid systems.

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- **Carbon Credit and REDD+ Programs:** Wetland and forest restoration activities generate potential carbon credit income streams accessible to youth forest enterprise groups through national and international carbon markets.

IDENTIFIED GAPS

- **No Youth-Specific Climate Vulnerability Fund:** Despite youth being the primary long-term bearers of climate risk, no dedicated climate adaptation fund exists with explicit youth targeting criteria.
- **Climate and Environment Education Gap:** Environmental education and climate literacy are not mandatory school curriculum components most Ugandan youth graduate without understanding climate change relevance to their livelihoods.
- **Insufficient Disaster Preparedness for Youth:** The Contingency Fund addresses disaster response but youth-specific disaster preparedness early warning literacy, evacuation planning, community resilience is not explicitly budgeted.
- **Land Degradation in Youth Farming Areas:** Northern and North-Eastern Uganda experience severe land degradation through overgrazing and deforestation, with no Youth-Specific Land Restoration Program.

RECOMMENDATION(S):

- Establish a Youth Climate Adaptation Fund of UGX 20 billion within the NEMA/MoWE budget, providing grants and technical support to youth-led community conservation, climate-smart farming and disaster risk reduction initiatives.
- Integrate mandatory Climate and Environment Literacy into the national school curriculum (P5 through S4), with an approved syllabus, trained teachers and integration into national examinations by FY 2027/28.
- Deploy youth environment compliance officers as co-management agents alongside NEMA and district environment officers particularly in peri-urban wetland areas to strengthen enforcement capacity.
- Develop a Youth Land Restoration Program of UGX 15 billion targeting Northern and North-Eastern Uganda, combining community tree planting, agroforestry, soil conservation and livelihood incentives.

> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Incorporate a Green Economy Youth Employment sub-program in the FY 2027/28 Budget Framework Paper, targeting 50,000 green jobs for youth aged 18-35 in renewable energy, conservation, eco-tourism and sustainable agriculture by 2030.
- Develop and publish Uganda's National Youth and Climate Change Action Plan aligned with NDC commitments, with its own budget line in FY 2027/28.

ISSUE 8: CREATIVE INDUSTRIES, CULTURAL ECONOMY AND YOUTH AS CREATORS

We commend Government for enacting the Copyright and Neighbouring Rights (Amendment) Act 2025, establishing the Uganda Creatives Revolving Fund (UGX 33 billion; UGX 18.99 billion disbursed to 50 SACCOs of musicians, benefiting 3,047 individuals 62% youth, 43% women), finalizing a dedicated creative arts hub as a common-user facility for young talent and expanding the free-to-air TV signal as a distribution platform for Ugandan creative content. Uganda's tourism receipts of USD 1.86 billion in 2025 (up from USD 562 million in 2020) signal a growing market for Ugandan cultural experiences.

OPPORTUNITIES FOR YOUTH

- **Uganda Creatives Revolving Fund:** Youth musicians, visual artists, filmmakers and cultural practitioners can access enterprise finance through their SACCOs bypassing traditional collateral barriers.
- **Creative Arts Hub:** The planned dedicated facility provides recording studios, rehearsal spaces, equipment and business development services for youth across creative disciplines.
- **Tourism-Creative Nexus:** Uganda's tourism receipts of USD 1.86 billion in 2025 (up from USD 562 million in 2020) create demand for Ugandan cultural experiences, music, crafts, fashion and performing arts.
- **Digital Content Economy:** Declining internet costs and expanding smartphone penetration create a viable digital content economy YouTube, social media, podcasting and e-commerce for youth creators to reach regional and global markets.

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IDENTIFIED GAPS

- **Creative Economy Not Counted:** Uganda has no official Creative Economy GDP contribution estimate. Without measurement, creative industries cannot attract proportionate budget allocation or investment.
- **Intellectual Property Enforcement Gap:** Music and film piracy, design theft and content plagiarism continue to deprive young creators of income despite the 2025 Copyright Amendment Act.
- **Limited Geographic Coverage:** UGX 18.99 billion disbursed to 50 SACCOs remains concentrated in urban areas; youth creators in rural and regional towns have minimal access.
- **Export Pathways Underdeveloped:** Ugandan creative content has growing regional and global appeal but no dedicated export promotion strategy within the ECD Strategy.

RECOMMENDATION(S):

- Commission Uganda's first National Creative Economy Audit to quantify the creative sector's GDP contribution, employment, export earnings and youth participation.
- Expand the Uganda Creatives Revolving Fund to UGX 60 billion, ensuring geographic distribution reaches at least 135 SACCOs across all regions with a minimum 60% youth allocation.
- Operationalize the Intellectual Property Enforcement Unit at URSB with an online piracy reporting portal and fast-track IP dispute mechanism, co-designed with youth creators.
- Develop a Creative Arts Export Promotion Program within the ECD Strategy, identifying 5 Uganda creative products (music, film, fashion, crafts, food culture) for targeted regional and international market development.

> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Integrate Creative Arts and Cultural Industries as a formal BTVET specialization stream with certified curriculum and industry partnership agreements.
- Allocate UGX 30 billion for a Uganda Creative Economy Incubation and Export Program in FY 2027/28, providing production grants, IP protection support and digital distribution platform access for youth-owned creative enterprises.

ISSUE 9: MINERAL-BASED INDUSTRIAL DEVELOPMENT, OIL & GAS AND YOUTH PARTICIPATION

We commend Government for the UGX 473.51 billion allocation to mineral-based industrial development, mining, oil and gas. We celebrate: 199 oil wells drilled (exceeding the 189 required for First Oil), EACOP and Central Processing Facilities nearing completion, Kabalenga International Airport first phase complete, commissioning of the Moroto clinker factory (6,000 tonnes/day; saving up to USD 260 million in imports; creating up to 4,000 jobs), Uganda's 20.15% stake in the Kenya Pipeline Company through UNOC and geochemical surveys confirming 300 million tonnes of iron ore in multiple districts.

OPPORTUNITIES FOR YOUTH

- **Oil and Gas Supply Chain Jobs:** First Oil production creates demand for logistics, hospitality, security, construction, transport and technical services in the Albertine region accessible to youth with vocational training.
- **Mineral Processing Enterprises:** Value addition in mineral processing creates entry points for youth with chemistry, engineering and manufacturing skills as technical employees or enterprise owners.
- **Clinker and Cement Economy:** The Moroto clinker factory (4,000 jobs) creates upstream supplier opportunities in quarrying, transport and construction material supply and distribution.
- **EACOP Ecosystem:** Pipeline construction, maintenance and operations create technical, environmental, community liaison and safety employment throughout the route.

IDENTIFIED GAPS

- **Community Benefit Sharing Gap:** Revenue sharing mechanisms do not yet guarantee a defined proportion of oil, gas and mineral revenues to host communities leaving youth in Hoima, Buliisa and Pakwach without a direct stake in resource wealth.

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- **No Youth-Specific Local Content Quotas:** No youth-specific quotas mandate minimum youth employment shares in EACOP, TotalEnergies Tilenga or CNOOC Kingfisher operations.
- **TVET-Oil and Gas Alignment Gap:** Vocational training institutions in the Albertine region remain under-equipped for oil-sector-specific skills drilling operations, pipeline inspection, environmental monitoring, HSE compliance.
- **Environmental Impact on Youth Livelihoods:** Oil and gas extraction in the Albertine rift risks displacing youth fisherfolk, farmers and pastoralists without adequate compensation and alternative livelihood programs.

RECOMMENDATION(S):

- Legislate a Community Resource Benefit-Sharing Framework requiring at least 5% of petroleum royalties from each producing field to be deposited into a Community Youth Enterprise Fund for host district youth enterprises.
- Introduce Youth Local Content Quotas in all oil and gas production contracts, requiring contractors to ensure at least 40% youth employment in semi-skilled and skilled positions, monitored by the Petroleum Authority of Uganda.
- Invest UGX 15 billion in Oil and Gas TVET Curricula and Equipment Upgrades in BTVET institutions within 100 km of Albertine oil operations.
- Develop an Alternative Livelihoods Program for Youth in EACOP-Adjacent Communities of UGX 10 billion, providing enterprise grants, aquaculture support and agri-value chain development.

> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Establish a Petroleum Revenue Youth Fund in the FY 2027/28 Budget Framework Paper, capitalized with a dedicated portion of Uganda's First Oil revenues, to finance youth innovation and enterprise across all regions.
- Publish annual Youth Local Content Reports by the Petroleum Authority of Uganda quantifying youth employment, procurement and enterprise participation in the oil, gas and minerals sectors.

ISSUE 10: GENDER-RESPONSIVE FINANCING, GBV/VAWC PREVENTION AND WOMEN'S INCLUSION

We commend Government for the GROW Project (UGX 133.14 billion to 6,584 women-owned businesses), Uganda Women Entrepreneurship Program (UWEP) benefiting 244,805 women, SAGE reaching 489,673 beneficiaries with UGX 836.1 billion cumulative, bilateral labour agreements protecting workers' rights and the teacher salary enhancement covering arts teachers in a sector with a high proportion of women instructors. We applaud the gender and equity compliance certificate requirement for all MDAs.

OPPORTUNITIES FOR YOUTH

- **GROW Project:** Young women aged 18-35 are primary targets of GROW enterprise grants providing soft loan capital with business development training and market linkage support.
- **UWEP Legacy:** The 244,805 women benefited under UWEP create peer mentorship networks from which young women entering entrepreneurship can draw experience and partnership.
- **Gender-Equitable Education Investments:** Seed school construction with girl-friendly infrastructure (latrines, MHM, lighting) creates safer school environments for adolescent girls, supporting retention and completion.

IDENTIFIED GAPS

- **No Dedicated GBV/VAWC Prevention Budget Line:** With 56% of women aged 15–49 experiencing intimate partner violence (UDHS 2022), there is no standalone national GBV prevention and response budget line. GBV funding remains fragmented, donor-dependent and largely remedial rather than preventive.
- **Young Women's Land Rights Not Addressed:** Women own less than 20% of registered land in Uganda. The budget does not address the structural gender gap in land ownership that limits young women's agricultural productivity.
- **Adolescent Girl-Specific Programming Absent:** No dedicated budget sub-program targets adolescent girls aged 10–17 facing child marriage, teenage pregnancy and school dropout in FY 2026/27.
- **Male Youth Gender Engagement Gap:** Gender-responsive programming largely targets women and girls, leaving young men's attitudes toward GBV and healthy relationships unaddressed missing a critical prevention lever.

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RECOMMENDATION (S):

- Establish a National GBV Prevention and Response Fund of UGX 30 billion jointly administered by MGLSD, MoH and MoJ, covering primary prevention programs for young men, one-stop centres at regional referral hospitals, psychosocial support for survivors and GBV case management in schools.
- Develop an Adolescent Girls Empowerment Program under MGLSD/MoES of UGX 25 billion, integrating economic empowerment, life skills, SRHR education, child marriage prevention and school re-entry for teenage mothers.
- Introduce a Young Women's Land Rights Program within the Ministry of Lands budget, providing legal literacy, land registration support and group land-use arrangements for young women farmers.
- Strengthen the Gender and Equity Compliance Certificate by requiring all MDAs to include a Youth Gender Impact Assessment in their Ministerial Policy Statements.

> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Develop Uganda's first National GBV Financing Strategy in the FY 2027/28 Budget Framework Paper, with a dedicated annual allocation, coordination mechanism and a public tracking dashboard for GBV program expenditure and outcomes.
- Mandate gender-disaggregated beneficiary reporting across all youth and social enterprise programs, publishing annual data on female, male, youth and disability-inclusive beneficiaries per program.

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ISSUE 11: SOCIAL PROTECTION, DISABILITY INCLUSION, LAND RIGHTS AND YOUTH CIVIC PARTICIPATION

We commend Government for the UGX 173.55 billion social protection allocation, maintaining SAGE (489,673 beneficiaries; UGX 836.1 billion cumulative), the National Special Grant for Persons with Disabilities (72,772 beneficiaries; UGX 48.5 billion across 171 Local Governments), SEGOP for older persons and cattle restocking in Acholi, Lango and Teso targeting 16,000 households. We also welcome the UGX 665.55 billion Administration of Justice allocation particularly mobile courts reaching refugee-hosting communities, Alternative Dispute Resolution resolving 8,000+ cases in FY 2025/26 and the expansion of judicial capacity with 20 Court of Appeal Justices and 88 High Court Judges.

OPPORTUNITIES FOR YOUTH

- **Social Protection as Youth Ladder:** SAGE, SEGOP and disability grants free household resources, enabling youth family members to redirect time and income from caregiving to enterprise and education.
- **PWD Enterprise Pathways:** The growing PWD economic empowerment agenda creates enterprise entry points for youth with disabilities through accessible microfinance and assistive technology.
- **Post-Conflict Livelihoods in Northern Uganda:** Cattle restocking in Acholi, Lango and Teso creates agri-enterprise opportunities for youth in livestock value chains, dairy, leather and meat processing.
- **Civic Participation Infrastructure:** The justice and governance investments mobile courts, alternative dispute resolution, judicial capacity expansion create legal employment and civic engagement infrastructure within which youth can actively participate.

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IDENTIFIED GAPS

- **Youth Not Targeted in Social Protection:** Social protection primarily targets the elderly and persons with disabilities. A dedicated youth social protection instrument for youth transitioning from school to work, recovering from climate shocks or exiting conflict does not exist.
- **Land Rights for Youth Structural Exclusion:** Uganda's land tenure systems (mailo, customary, freehold) systematically exclude youth from land ownership. Young farmers cannot access ACF, UDB or PDM loans without land as collateral.
- **PWD Youth Double Exclusion:** Youth with disabilities face compounding exclusion from enterprise finance, education, employment and social protection with no intersectional disability-youth program.
- **Refugees and Humanitarian Youth:** Uganda hosts over 1.7 million refugees many of them youth. No dedicated refugee youth enterprise or social protection program is visible in the national budget.

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RECOMMENDATION (S):

- Design and fund a Youth Resilience Social Protection Scheme of UGX 20 billion under MGLSD, providing targeted support to youth aged 18–30 who are recent school dropouts, climate shock-affected farmers, conflict-displaced persons or youth with disabilities.
- Introduce a Youth Land Access Program within the Ministry of Lands and MAAIF of UGX 15 billion, providing land leasing facilitation, customary land registration support and group land-use arrangements for youth cooperatives.
- Mandate that all enterprise finance programs adopt universal accessibility standards accessible application processes, mobile platforms, sign language support and waived collateral for certified youth with disabilities.
- Establish a National Youth Civic Engagement Fund of UGX 5 billion to support youth council structures, parliamentary engagement and budget literacy training for young citizens.

> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Develop a Youth Social Protection Policy and Budget Framework for FY 2027/28 defining eligible youth beneficiary categories, targeting criteria, transfer amounts and graduation pathways.
- Establish a Land Rights Sub-Committee within the Ministry of Lands to develop and cost a Youth Land Rights Program by December 2026, with full budgetary allocation in the FY 2027/28 Budget Framework Paper.

ISSUE 12: DEBT, TAXATION, AND OUNTABILITY AND YOUTH

Uganda's revenue is not sufficient to finance the country development prioprities. Standing at 14% of GDP, domestic and external borrowing play a significant role in financing the national budget. On an upward trajuectory, Uganda's total Debt payments as a percentage of total Revenue (Tax and Non-tax) are projected to consume **41.49% while** Domestic Interest Payments as a percentage of Total revenue-**standing at 28.01% contributing to the shrinking fiscal space/**

However, we note and applaud the Government's domestic revenue growth ambition of UGX 45.6 trillion target for FY 2026/27 (15.9% of GDP) and the Clean-Up reform agenda including budget discipline charters for all Accounting Officers, procurement reforms, anti-corruption enforcement and the contributory public service pension fund. We commend the PAYE threshold increase from UGX 235,000 to UGX 335,000 per month (direct relief for young formal sector workers), the VAT threshold doubling from UGX 150 million to UGX 300 million (easing compliance for youth-owned SMEs) and Uganda's foreign exchange reserves reaching USD 6 billion the highest in recent history.

Tax Measure	Youth Impact
PAYE threshold raised (UGX 235K→335K/month)	Direct take-home pay increase for young formal workers
VAT threshold doubled (UGX 150M→300M)	Reduced compliance burden for youth-owned SMEs
Excise duty on fuel +UGX 200/litre	Higher transport costs; higher irrigation pumping costs for youth
Cement excise duty (500→750/50kg bag)	Higher construction cost for youth self-builders
Cooking oil excise duty doubled	Higher food processing costs for youth agri-entrepreneurs
Motorcycle registration (200K→500K)	Significant cost increase for youth boda-boda riders
Betting tax raised (20%→30%)	Reduces youth gambling exposure; Government revenue gain
Import duty on 2nd-hand clothes doubled	Supports local textile industry; may raise clothing costs for low-income youth

OPPORTUNITIES FOR YOUTH

- **Domestic Revenue Growth Creates Fiscal Space:** UGX 45.6 trillion domestic revenue target if achieved funds expanded human capital, enterprise finance and infrastructure without further debt accumulation, directly benefiting future youth generations.
- **VAT Threshold Relief for Youth SMEs:** Young entrepreneurs with businesses below UGX 300 million annual turnover are now exempt from VAT reducing administrative burden and compliance costs.

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- **PFM Reform as Accountability Opportunity:** The Clean-Up agenda budget discipline charters, procurement transparency, court digitization creates opportunities for youth civil society to monitor, report and hold government accountable.

IDENTIFIED GAPS

- ▶ Fuel Levy Regressive Impact: The UGX 200/litre fuel excise duty increase disproportionately burdens youth boda-boda riders (largest operating expense), smallholder farmers using diesel irrigation and rural communities dependent on fuel-powered generators.
- ▶ No Youth Tax Impact Assessment Published: Multiple tax measures with direct youth implications were approved without a published Youth Tax Impact Assessment violating the spirit of the Government's gender and equity compliance requirements.
- ▶ Local Government Underfunding: Despite 77% of Ugandans living in LG-served areas, local governments remain severely under-resourced. Only 2% of districts have fully staffed departments (TWENDE MBELE Survey 2022) and 84.3% lack District Commercial Officers directly undermining service delivery to youth.
- ▶ Budget Absorption Rates: Multiple youth-relevant programs recorded below 50% absorption in FY 2025/26. Increased allocations without improved implementation systems will not translate into youth outcomes.

RECOMMENDATION (S):

- ▶ Publish a mandatory Youth and Gender Tax Impact Assessment alongside all future budget proposals, evaluating distributional effects of tax measures on youth income groups particularly boda-boda riders, youth farmers and young urban consumers.
- ▶ Establish a Boda-Boda Transition Fund of UGX 20 billion supporting youth boda-boda riders in transitioning to locally-produced electric motorcycles (Kiira Motors ecosystem) with subsidized purchase financing and charging infrastructure.
- ▶ Increase Local Government Development Grants by 20% with ring-fenced youth service delivery components in education, water, health and enterprise support at sub-county level and implement a comprehensive LG staffing review including regional recruitment and staff housing incentives.
- ▶ Establish a Budget Absorption Performance Bond requiring all Program Budget Holders to publicly explain any below-70% absorption rate and submit corrective action plans to Parliament within 60 days.

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> FY 2027/28 BUDGET FRAMEWORK CONSIDERATIONS

- Include a Youth Fiscal Citizenship Program in the FY 2027/28 Budget Framework Paper, funding civic education on budgeting, taxation, public finance and accountability in all secondary schools and youth centres.
- Design a Youth-Led Budget Tracking Initiative in collaboration with MFPED and civil society, publishing quarterly youth budget scorecards measuring progress against the twelve issues in this position paper.

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CROSS-CUTTING THEMES

Systemic Considerations for FY 2026/27 Implementation and FY 2027/28 Planning

3.1 Youth Data and Evidence Gap

Uganda lacks a robust, nationally disaggregated Youth Development Index. Most MDAs do not publish program beneficiary data disaggregated by age, sex, disability, region or livelihood category. Without this data, youth targeting remains aspiration rather than achievement. Every MDA should publish youth-disaggregated beneficiary data by Q3 FY 2026/27 as a minimum accountability standard.

3.2 Youth as Implementers, Not Just Beneficiaries

The FY 2026/27 budget's ***'Kisanja No More Sleep'*** philosophy demands active economic participation. Youth must be positioned as agri-enterprise operators, irrigation technicians, BPO workers, green economy actors, budget

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monitors and local government councilors not only as service recipients. Every sector budget should define how youth will be engaged as service delivery agents.

3.3 Regional Equity

Northern Uganda, Karamoja, West Nile and other underserved regions consistently receive disproportionately lower quality services despite larger allocations. All major programs PDM, irrigation, health, education, digital should publish region-disaggregated expenditure and outcome data by June 2027.

3.4 Climate Resilience as Development Baseline

Climate change is not a sectoral issue it is the defining context of every sector for Uganda's youth generation. All infrastructure investments must be climate-proofed. All agricultural programs must integrate climate-smart practices. Climate resilience must be a budget screening criterion across all MDAs from FY 2026/27 implementation.

3.5 First Oil Transition Youth Inclusion from Day One

Commercial oil production commencing in FY 2026/27 is Uganda's most transformative economic event in decades. Youth in the Albertine region and across Uganda must be prepared through skills training, enterprise development, community benefit mechanisms and environmental safeguards to benefit from this transition from the very first barrel.

OVERALL COMMENDATIONS & COLLECTIVE CALL TO ACTION

WE COMMEND THE GOVERNMENT OF UGANDA FOR:

- Delivering Uganda's largest-ever budget of UGX 84.39 trillion with a clear strategic framework rooted in ATMS, enabling a structured youth economic participation agenda.
- The record UGX 2.26 trillion allocation to agro-industrialization the single most important sector for Uganda's rural youth majority and the commitment to move from raw commodity export to value-added products.
- The Clean-Up reform agenda budget discipline charters, procurement transparency, anti-corruption enforcement which creates the governance environment in which public resources can finally reach their intended beneficiaries.
- First Oil a generational achievement that, if managed with equity and transparency, can fund education, health, water and enterprise for Uganda's youth for decades.
- The PDM reaching over 4 million beneficiaries through all 10,589 parishes the most geographically comprehensive wealth creation intervention Uganda has ever mounted.
- The halving of internet costs, 62,941 km fibre backbone and commissioning of the Kiira vehicle plant building the digital and industrial foundations of a knowledge economy.

TO THE GOVERNMENT OF UGANDA / MoFPED:

- Publish a Youth Implementation Dashboard tracking progress against each of the twelve issues in this paper with quarterly updates accessible to the public.
- Commission a Youth Impact Assessment of the FY 2026/27 budget within the first quarter, establishing a baseline for youth-disaggregated outcome tracking.
- Establish a formal Youth Consultation Mechanism in the Budget Framework Paper process, ensuring young people's voices are structurally incorporated into FY 2027/28 planning from July 2026.

TO PARLIAMENT OF UGANDA:

- Establish a Parliamentary Youth Budget Sub-Committee to systematically review budget proposals through a youth lens and track MDA performance on youth commitments.
- Summon MDAs with below-60% absorption on youth-targeted programs to account before the Budget Committee within 60 days of each quarter's budget performance report.

TO MDAs AND LOCAL GOVERNMENTS:

- Integrate youth impact statements into all Ministerial Policy Statements from FY 2026/27, treating youth inclusion as a programmatic requirement alongside gender and equity compliance.
- Designate a Youth Focal Point Officer in every MDA responsible for coordinating youth-responsive implementation, monitoring and reporting.

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TO DEVELOPMENT PARTNERS AND CIVIL SOCIETY:

- Align technical assistance and program support with the twelve priority issues in this paper particularly filling gaps in MHM, GBV/VAWC prevention, youth mental health and climate adaptation.
- Support the institutionalization of the National Youth Budget Conference as an annual accountability platform preceding and following the budget cycle.

TO UGANDA's YOUNG PEOPLE:

- Register with PDM SACCOs, Emyooga, GROW, UDB and all enterprise finance windows claiming the resources allocated in your name.
- Participate in Local Council and community budget monitoring processes, holding leaders accountable for delivery of services funded in this budget.
- Form youth budget accountability groups in schools, universities and communities tracking allocations, monitoring construction sites and reporting non-delivery.
- Embrace the Kisanja No More Sleep ethic: produce more, earn more, export more and build the enterprises that will make Uganda's tenfold growth a reality for every young Ugandan.

CONCLUSIVE NOTE

> *"The era of planning and debate is over; the era of implementation and results has begun. Our mission is clear: produce more, earn more, export more and lift every household out of subsistence."*
>
> *Minister of Finance, Hon. Henry Musasizi (MP), Budget Speech FY 2026/27, 11th June 2026, Kololo Independence Grounds*

Uganda's young people receive this Budget Speech not merely as observers but as co-owners of the national development enterprise. The FY 2026/27 budget the nation's largest, most ambitious and most structurally significant fiscal commitment has been read. Implementation has begun. And with it, Uganda's youth generation steps from the waiting room of history into the arena of action.

While income poverty has declined to 16.1% from 24.5% in FY 2010/11, multidimensional poverty remains high at 27% factoring in the vulnerability of those above the poverty line to slide back into poverty. This position paper's twelve issues and their accompanying recommendations are a structured, evidence-based youth contribution to gradually reducing poverty in Uganda and accelerating the path toward upper-middle-income status as espoused in Vision 2040.

The twelve issues we have raised are not grievances they are invitations to partnership. We applaud what has been committed. We hold Government, Parliament and all duty-bearers to account for what must now be delivered. Every shilling directed toward youth agriculture, skills, health, water, digital access, climate adaptation, creative enterprise and civic participation is a shilling multiplied many times over through productive young lives, growing businesses and stronger communities.

24/June/2026

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