



Speech by Ramathan Ggoobi setting his agenda, for the medium term, as Permanent Secretary and Secretary to the Treasury (PSST) of Ministry of Finance, Planning and Economic Development held at Serena Hotel Kampala on September 3, 2021

Protocols

I would like to begin by thanking H.E the President for entrusting me with the responsibility of leading the technical team that is going to direct the economic policy of our country, first to recover the economy to its pre-pandemic state and ultimately push for socio-economic transformation through creation of well-paying jobs as well as enhancement of household incomes and wealth creation.

As I informed you at the handover held on August 18th, I received a very gracious call from my predecessor, my Senior Mr. Keith Muhakanizi. We had a long and very cordial conversation. He congratulated me upon my appointment and gave me authentic guidance to ensure a smooth transition. I thank him wholeheartedly.

Mr. Muhakanizi together with Bank of Uganda Governor Prof. Emmanuel Tumusiime-Mutebile, among others, are arguably the grandparents of Uganda's modern economy. They endured sacrifices to rebuild Uganda. We are better off today because of the reforms they crafted and the service they've rendered.

Mr. Muhakanizi told me he joined this Ministry in June 1982 (I was 4 years old then). I congratulate him for all he has achieved, and I look forward to working with him to make our economy better, bigger, healthier and most importantly with increased opportunities for the people of Uganda in the months and years ahead. He has promised to give me all the support to ensure



we move faster to recover the economy. My interactions with the Ministry staff, our supervisors the Hon Ministers, and other stakeholders over the last month, during my induction, have suggested to me that a number of things need urgent attention:

First, the need to motivate, facilitate and effectively supervise staff to generate ground-breaking ideas that match the demands of a dynamic environment we are operating in.

Secondly, the need for internal realignment and reorganization of the functions and staffing to fit our mission and mandate. We are tasked with formulation of transformative policies; mobilization of enough

financial resources for public expenditure; regulation of the economy and ensuring efficiency; and spearheading national planning and strategic development for economic growth.

Furthermore, we need to reorganize ourselves with minimal disruptions, but with necessary recommitment. We should all prove ourselves to making a difference in what we are tasked to do. The Ministry should be ready and able to take up its lead role in informing government decisions of a development nature.

We also need to realign the plan (the NDP III) and the budget to the Covid-19 pandemic realities. The national development plan is pre-pandemic, yet Covid has disrupted the major foundations and assumptions that informed it. I'm happy the team at the Ministry and colleagues, the PSs, have embraced my proposal to have a budget strategy that is fully adjusted for the new realities. The same should happen to the plan and programmes, the programme implementation action plans (PIAPs), and the tax policy. These proposals need to be presented to Cabinet and Parliament sooner than later.



Importantly, we need to address the weak enforcement of accountability with visible/measurable results. We need to change the way we measure and report results. Paper accountability (i.e. quarter one, semi-annual and annual budget performance reports) without field inspection of outputs and outcomes and verification of their value/quality should be stopped.

This also should have implications on the way audits are carried out. We need to enforce a comprehensive and integrated approach to auditing. The people of Uganda must get the value they pay for. This is what has created unnecessary discontent that is undermining social and political harmony required for sustaining inclusive growth and economic transformation.

The need to make plans and policies fully informed by empirical research, stakeholder and political economy analysis to ensure that evidence-based interventions inform the policies, the plan and the budget. We should stop spending on projects that are not thoroughly studied and job mainstreamed.

We also need to improve on the implementation of the Private Sector Development (PSD) programme to build a strong and vibrant private sector capable of taking full advantage of the opportunities generated in the economy.



We need to put more emphasis on pro-business policies as opposed to pro-market reforms *per se*. We need to go beyond removing impediments to markets for the benefit of new entrants (foreign direct investors) and consumers. These are pro-market policies. In order to facilitate growth of local businesses and home-grown development, we need to emphasize more the pro-business policies.

Another issue that requires urgent and collective attention is the alleged corruption in the Ministry and the larger government. H.E the President recently said corruption starts in our Ministry. Being the primary consumer of intelligence, this is a serious indictment on us all. We must address this by ensuring that we serve with integrity as we address the causes of the vice.

Our immediate and medium-term tasks

- i) Recovery of the economy. How do we bring the levels of aggregate demand and output back? Then we should pursue growth-with-jobs in the medium term.
- ii) Building capability of the economy to create opportunities, employ our youthful population, raise household incomes, add value to what the people of Uganda are producing and industrialize the country; and raise exports;
- iii) Robust analysis of the economy (both macro and micro-economy) to understand its growth drivers, linkages and leakages, market failures, and any policy-induced distortions (government failures)
- iv) Mobilization of financial resources, particularly domestic resources to finance;
- v) Expenditure management to increase allocative efficiency.
- vi) Effective policy coordination and complementarity to ensure the fiscal and monetary policies support the fulfillment of our shared overall policy objectives, particularly the deficits and debt, and macro-economic stability;
- vii) Re-building fiscal space so that we can raise spending without endangering market access and debt sustainability;



- viii) Supporting the reform process of the larger government to facilitate delivery of services by ensuring implementation discipline, including implementation of an E-Government and E-Procurement without further delay; and
- ix) We must agree on how to reduce the fiscal deficit in the medium term which has increased almost unsustainably to above 9% yet it should be kept within 3%.

My personal values:

- a) Honesty and decency: High ethical and moral standards which are the cornerstone of freedom, perpetual happiness, self-worth and a living legacy.
- b) Professionalism and good work-ethic: The bedrock of career success and impact.
- c) Teamwork and good human resource relations: The ability to harmoniously work with others, including our immediate supervisors, the Hon. Minister and Hon. Ministers of State.
- d) Integrity, reliability and credibility: These are like toothpaste; once pushed out of the tube you cannot retrieve it.

In conclusion, I want us all to remember that we come from communities whose entire existence depend on a prayer that the economy we are in charge of, works for them. It is therefore imperative that we embark on building an economy that can and should not only improve the quality of life of our people, but is able to transform our country into a modern Uganda that we can all be proud of. I know it can be done and I encourage you to believe in your massive abilities to create the change we all cherish. The future is bright and we're lucky to be in charge of it.

I thank you.