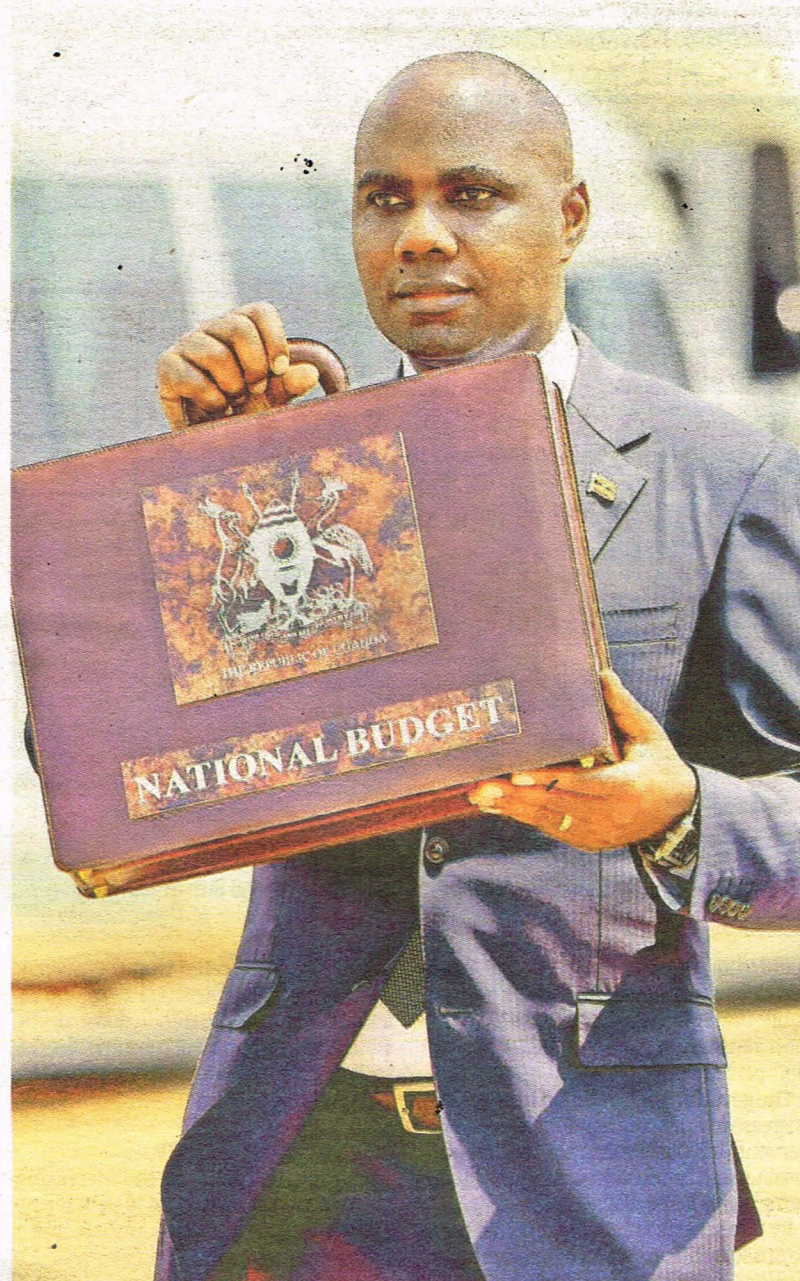


# How the 2026/27 budget has boosted key sectors



Minister of Finance, Planning and Economic Development, Mr Henry Musasizi before presenting the 2026/27 budget at Kololo Ceremonial Grounds yesterday. PHOTOS/ PARLIAMENT X HANDLE

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BY ISMAIL MUSA LADU

The government's agenda to monetise the economy continues to take shape, with wealth-creation programmes such as the Parish Development Model (PDM) taking the lead.

To date, the government has invested close to Shs11 trillion directly into wealth-creation initiatives targeting households in the subsistence economy, farmers, youth, women, and businesses.

Keeping this momentum during his budget speech, the Minister of Finance, Planning and Economic Development, Mr Henry Musasizi, announced an additional Shs2.4 trillion in wealth-creation programmes.

This is intended to accelerate the monetisation of the economy and further expand the wealth creation initiative.

To lift nearly 15 million people out of subsistence farming and into the money economy, Uganda has maintained its previous budget theme.

The focus for Financial Year 2026/2027 remains the "Full Monetisation of Uganda's Economy."

This will be driven by commercial agriculture, industrialisation, services, digital transformation, and market access. Delivered yesterday at the Kololo Independence Grounds, the budget speech made it clear that the government wants to fast-track its ambitious blueprint: growing the economy to \$500b over the next 14 years.

The strategy aims to achieve double-digit growth by focusing on the Agro-industrialisation, Tourism development, Mineral-based development (ATMS), including oil and gas, and Science, Technology, and Innovation. It is for this reason that in the 2026/27 financial year (FY), the government has allocated 95.6 percent of discretionary resources to the ATMS and their key enablers.

This budget prioritises production, productivity, value addition, exports, and job creation. According to Mr Musasizi, this budget launches Uganda into the "Kisanja No More Sleep".

## Agro-Industrialisation

Under the agro-industrialisation

pillar of the ATMS framework, a total of Shs2.2 trillion was allocated, marking the highest funding ever dedicated to the programme.

This historic allocation will primarily fund agricultural research and innovation, including the commercialisation of anti-tick vaccines and the expansion of irrigation for water-for-production.

Funds will also be used to enhance agricultural extension services by recruiting more workers and facilitating their outreach to farmers. Furthermore, the budget will support the provision of high-quality agricultural inputs, post-harvest handling, and storage.

These investments will complement ongoing financing for agro-processing, value addition, quality assurance, certification, and the expansion of market access. The sole intention of the allocation is to enhance value addition.

## Tourism

The tourism sector, which earned the country \$1.8b (Shs6.74 trillion) in the 2025/26 financial year, will receive an allocation of Shs567.3b in the next budget.

According to Mr Musasizi, this funding will support the continued development of the sector in the coming financial year. Specifically, the money will fund the branding and marketing of Uganda as a tourism and investment destination.

It will also develop tourism infrastructure, build highway sanitation facilities, and construct refreshment centres at tourism sites.

Additionally, part of the budget will be spent on enforcing hospitality standards, boosting wildlife conservation in national parks, supporting health tourism, and expanding commercial diplomacy.

## Mineral, oil and gas

Here, Shs473.51b has been allocated for mineral-based industrial development, mining, and oil and gas. The ministry concerned will use the funds for continued mineral exploration, quantification and certification; the capitalisation of the Uganda National Mining Company; and the establishment of mineral markets and buying centres.

It will also cater to the operationalisation of EACOP and the

development of the oil refinery.

## Science, innovation, technology

Slightly more than Shs1.1 trillion has been provided in the 2026/27 Budget for Science, Technology and Innovation, ICT, and the creative industries.

According to the Budget Speech, this will fund the commercialisation of innovations, especially Kiira Motors vehicles, coffee, Dei BioPharma drugs and vaccines, and banana products, and the establishment of a Hi-Tech City.

Further, funds will be invested in scientific research and innovation. The budget will also support the expansion of digital infrastructure to increase coverage, reliability, and affordability of the internet, government services, and e-commerce. It will also be spent on the growth of business process outsourcing (BPO) for job creation and the expansion of free-to-air signals.

## Security

The government has allocated Shs10.21 trillion to security, governance, and rule of law institutions for FY 2026/27. Priority interventions include the continued modernisation, training, and welfare of the UPDF.

The funds will fully equip the National Referral Military Hospital and complete the UPDF Headquarters. Additionally, the allocation will support border security, counterterrorism, and regional peace support operations, while enhancing community policing, crime intelligence, forensics, and CCTV

## JUSTICE

Under this programme, some Shs665.55b has been allocated for FY 2026/27 to expand access to justice, further decentralise appellate services, and recruit and deploy judicial officers. Funds will also be pumped into reducing the case backlog through alternative dispute resolution and mobile courts, as well as digitising court processes, case management, and e-filing. Furthermore, the allocation will support strengthening prosecution, forensic services, and anti-corruption efforts, alongside upgrading court infrastructure and circuit operations.

coverage.

The budget will also bolster cybersecurity infrastructure, protect critical national assets, and improve immigration services, NIN/ID enrolment, and e-passport issuance. These efforts run alongside the ongoing fight against corruption and continued cattle restocking in the Acholi, Lango, and Teso sub-regions.

## Infrastructure development

Some Shs8.79 trillion has been allocated for transport infrastructure development in the next financial year. The funds will cover the construction of the Malaba-Kampala standard gauge railway and the completion of the rehabilitation of the meter gauge

railway.

It will further finance the construction, upgrade, and maintenance of national, city, district, urban, and community access roads. The money will also fund the construction and maintenance of strategic bridges, the development of water transport systems such as ferries and ports, and the operationalisation of Kabalega International Airport.

In addition, the allocation will support the continued upgrade of regional aerodromes and the expansion of Uganda Airlines.

## Energy

Government has allocated Shs2.07 trillion to energy development. This fund will be directed toward expanding generation capacity by commencing the 380-megawatt Kiba hydro-electricity plant, a floating solar plant at Isimba, and 500 megawatts of utility-scale solar in the Elgon and Acholi regions.

It will also cater to preparatory work for nuclear energy generation at Buyende, the expansion of transmission and associated substation infrastructure, rural electrification, and industrial power connections.

## Health

The government has allocated Shs5.23 trillion to the health sector in FY 2026/27. The funding will focus on maternal and child health, nutrition improvement, expanded immunisation, and the prevention and treatment of non-communicable diseases.

It will also fund the provision of essential medicines, the strengthening of specialised healthcare services, the improvement of emergency response systems, and exploration of feasible pathways toward universal health coverage.

## Water and sanitation

Government has allocated Shs1.013 trillion in FY 2026/27 to further expand access to safe water and sanitation services across the country. The objective is to ensure universal access to safe water and sanitation services.

## Education and sports

Government has allocated Shs6.66 trillion to further improve the education of Ugandans. Priorities will be in expanding access to quality UPE and USE, strengthening STEM and vocational education, and improving teacher welfare and training.

There will also be emphasis on pre-primary teachers, curriculum reform, strengthening public universities and research institutions. It will also be used in completing critical sports infrastructure for AFCON 27.

Beginning FY 2026/27, an additional Shs568.65b has been allocated to enhance salaries for primary school teachers and arts teachers in secondary schools and Business, Technical, and Vocational Education and Training (BTVET) institutions.

## Social protection

Government has allocated Shs173.5b for social protection, which will focus on