

# PUBLIC INVESTMENT AND INFRASTRUCTURE - CONTRIBUTION TO ECONOMIC GROWTH

## AGENDA

1. KEY FACTS
2. CHALLENGES
3. PROPOSALS

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“FOR EACH SHILLING SPENT IN UGANDA PUBLIC INFRASTRUCTURE, LESS  
THAN ONE SHILLING IS GENERATED”

(WB, 2016)

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## **KEY FACTS ABOUT PUBLIC INFRASTRUCTURES IN UG**

- GDP growth rate has slowed down since 2010. Investing in infrastructure is key to return to high growth rates.
- Uganda invest on average \$1b in Infrastructure every year. To close the infrastructure gap, need to invest \$1.4b per year for the next decade
- Uganda Infrastructure investment mostly funded by borrowings (currently at almost 38% of GDP).

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## **THE CHALLENGES**

- Physical planning and projects selection/prioritization.
- Financing
- Efficient and Effective implementation
- Maintenance of existing public infrastructures
- Environmental preservation

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## PROPOSALS

- Prioritize high-impact infrastructure projects
  - Irrigation, Water and Sanitation, Rural Electrification, Affordable housing, Access to a wider Market, countrywide connectivity, ...etc.
- Increase Public-Private Partnerships (PPP)
- Increase tax collection to reduce dependence on borrowings
- Increase social investment in Education and Health
- Implement a strict control framework and apply zero tolerance to breaches