



**CERTIFICATE  
OF  
FINANCIAL IMPLICATIONS**

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

**THIS IS TO CERTIFY** that **The Warehouse Receipt System  
(Amendment) Bill, 2024** has been examined.

I wish to report as follows:

**a) Objectives of the Bill include:**

- i) To enable the merging, mainstreaming and rationalization of the Warehouse Receipt System Act, 2006, thereby, *inter alia*, relieving the Government of the financial drain on its resources and the burden of wasteful administration and expenditure;
- ii) To facilitate efficient and effective service delivery by clearly delineating the mandates and functions of Government Agencies and Departments, thereby avoiding duplication of mandates and functions;
- iii) To promote coordinated administrative arrangements, policies and procedures for to ensure the efficient and successful management, financial accounting and budgetary discipline of Government Agencies and Departments; to enable the Government to play its proper role more effectively; and enforce accountability; and
- iv) To restructure and re-organize agencies and departments of Government by eliminating bloated structures and functional ambiguities in Government Agencies and Departments.

**b). That it is expected to achieve the following major outputs:**

- i) Warehouse Receipt System Act, 2006 (Act 14 of 2006) amended and the functions mainstreamed into the Uganda Warehouse Receipt System Authority as established under the Act into the Ministry responsible for Trade.

**c) Funding and budgetary implications**

The estimated total cost of the Bill is **Ushs.0.00bn** in form of terminal benefits for staff to be laid off and will be accommodated within the Medium Term expenditure Framework ceiling for the Ministry of Public Service as shown in the table below:

**Table 1: Total Costs**

		<b>FY 2024/25</b>	<b>FY 2025/26</b>
<b>Category</b>		<b>Ushs.Bn</b>	<b>Ushs.Bn</b>
<b>Costs</b>	Number of Staff (laid off)	0	0
	Costs (Terminal benefits) - Billions	0	0

**d) Savings**

The Bill will generate net savings for Government amounting to **Ushs. 12.427bn** as summarized in the table below:

**Table 2: Total savings**

		<b>FY 2024/25</b>	<b>FY 2025/26</b>
<b>Category</b>		<b>Ushs.Bn</b>	<b>Ushs.Bn</b>
<b>Savings</b>	Wage	1.024	1.024
	Board expenses	0.503	0.503
	Non-Wage	10.9	10.9
	Development	0	0
	<b>Total</b>	12.427	12.427
	<b>Net Savings</b>	<b>12.427</b>	<b>12.427</b>

**Table 3: Financial Implications for the Bill over the Medium Term for Uganda Warehouse Receipts Systems Authority (UWRSA)**

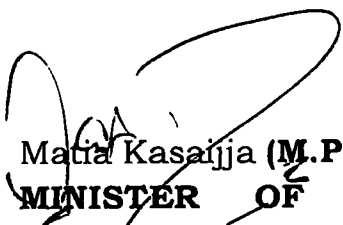
	<b>FY 2024/25</b>	<b>FY 2025/26</b>
<b>Category</b>	<b>Ushs.Bn</b>	<b>Ushs.Bn</b>
<b>Costs</b>	<b>0</b>	<b>0</b>
Staff to be laid off	0	0
o/w Terminal benefits	0	0
<b>Savings</b>	<b>12.427</b>	<b>12.427</b>
o/w Wage	1.024	1.024
o/w Board expenses	0.503	0.503
o/w Non-Wage	10.9	10.9
o/w Development	0	0
<b>Net Savings</b>	<b>12.427</b>	<b>12.427</b>

## e) Impact on the Economy

Implementation of the Bill is expected to:

- i) **Improve Market Efficiency and Mitigate Risks:** The streamlined warehouse receipt systems will make it easier for farmers and traders to access credit using their stored agricultural commodities as collateral, leading to more efficient allocation of resources in agricultural markets, reducing transaction costs and improving market liquidity.
- ii) **Increase Agricultural Productivity and Rural Development:** With easier access to credit, farmers will be incentivized to invest more in their crops, leading to increased productivity. This will stimulate economic activity in rural areas and result in higher yields and potentially lower food prices for consumers, benefiting both producers and consumers alike.
- iii) **Attract Investment:** A well-functioning warehouse receipt system will attract investment into the agricultural sector by providing assurance to financiers that there are mechanisms in place to mitigate risks associated with lending to farmers and traders.
- iv) **Market Transparency:** Through providing a transparent and standardized platform for trading agricultural commodities, the UWRSA will enhance market transparency, which will lead to fairer pricing and increased trust among market participants.
- v) **Government Revenue:** The warehouse receipt system will lead to increased economic activity and trade in agricultural commodities, resulting in higher tax revenues for the Government through various channels such as value-added taxes, transaction taxes, and income taxes.

**Submitted under my hand this .....day of March, 2024.**

  
Matia Kasalija (M.P.)

**MINISTER OF FINANCE, PLANNING AND ECONOMIC  
DEVELOPMENT**

Received by .....

Date .....

