

Reflections from 2026 IMF/World Bank spring meetings

At the recently concluded International Monetary Fund and World Bank Spring meetings held in April, 2026 in Washington DC in the United States, Uganda's macroeconomic management was positively assessed by both institutions, commending Uganda's strong economic growth, supported by prudent fiscal and monetary policies.

The latest growth projections by IMF ranks Uganda as the second fastest-growing economy in Sub-Saharan Africa for 2026, with growth rate projected at 7.5 percent just behind Ethiopia at 9.2 percent.

Our growth has been driven by foreign direct investment, export earnings, stronger offshore portfolio inflows and government initiatives such as Parish Development Model (PDM).

This good performance of the economy is not because of good luck, or because God loves Uganda so much, it's mainly because of strategic interventions and coordination of efforts between the fiscal and monetary policies, upon which God blesses the work of our diligent hands.

During the meetings, it came out strongly that the confidence these multilateral partners have in Uganda will greatly hinge on our implementation of the domestic revenue mobilisation strategy to improve revenue collections beyond the 14 percent tax to GDP ratio, budget credibility, delivery of job-rich growth and poverty reduction.

According to the World Bank, concessional financing for Uganda is now available. However, the binding constraints that must be addressed are: delayed preparation of projects; low absorption of funds; execution bottlenecks mainly due to procurement delays; land acquisition issues and delayed approval of projects.

Going forward the Government of Uganda and the World Bank have agreed on corrective



measures such as cancellation of non-performing projects, reallocation of funds to high impact ready projects, restructuring of weak project components and introduction of standard operating procedures (SOPs) to reduce approval delays. Both parties have also agreed to fast-track flagship projects such as the Standard Gauge Railway (SGR) and intensify supervision of these projects.

The proposed World Bank Development Policy Operation (DPO)-(budget support) worth \$500 million currently under review is expected to be

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Economic Growth



anchored on our national reform agenda and macro framework.

The financing priorities of the World Bank are in line with our tenfold growth strategy, especially in the areas of energy, transport, health and strengthening health systems, urban infrastructure and the second phase of the Uganda Intergovernmental Fiscal Transfer (UgIFT 2.0).

To ensure project readiness, no project will enter the pipeline without feasibility studies, secured land and procurement readiness.

It's now in the interest of both government and partners to establish a central transaction advisory function either under the Private Sector Development Unit (PSDU) or Uganda Investment Authority (UIA) to convert the strong investor interests into bankable deals.

On the side of IMF, we are equally progressing well with discussions on the new Extended Credit Facility (ECF) under the Poverty Reduction and Growth Trust (PRGT) which will enable Uganda continue to access medium term concessional

financial support.

Besides the IMF/WB meetings, Uganda also received the commitment from Japan International Cooperation Agency (JICA) on the financing of the second phase of the flyover project (from Mukwano road to Kitgum House junction, Garden City junction and parts of Jinja road).

We could not wrap-up these meetings without discussions on the conflict in the Middle East and their implications on Uganda.

The Permanent Secretary and Secretary to the Treasury, Dr Ramathan Ggoobi, who led the technical team, said Uganda has made a strategic choice to strengthen the country in the face of this crisis.

He told the partners that this crisis was an opportunity for reallocation of global energy investment and investor diversification to Africa and also an opportunity to position Uganda on top of decarbonisation leadership.

In both Washington DC and later London, Ggoobi told development partners and prospective investors that Uganda has prioritised growth-led budgeting with focus on resilience and wealth creation rather than ad-hoc subsidies and untargeted social spending.

There is no doubt that the global interest in Uganda is strong, and the international financing opportunities are immense, what remains to be addressed are project execution bottlenecks such as low absorption of funds, weak prioritisation and limited implementation capacity to fully take advantage of the concessional financing which is now fully available for Uganda.

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