

Tourism sector gets additional sh18b in next financial year

By Moses Mulondo

Following pressure from the trade and tourism committee of Parliament, the tourism sector has been allocated an additional sh18.8b in the budget for the next financial year of 2018/2019.

Tourism minister Ephraim Kamuntu has commended the committee for fighting for a sector, which he said, has enormous potential to turn around Uganda's economy if adequately financed.

According to the budget documents the minister submitted to the committee, the total budget for the tourism sector will increase from sh99.3b to sh118.12b in the next financial year.

The minister complained that whereas his sector is the leading contributor to the country's foreign exchange earnings, which amount to \$1.37b annually, the sector is poorly funded by government.

"Whereas in the national development plan tourism is identified as the key growth sectors that should be prioritised, the budgetary allocations have stagnated at between 0.1% and 0.2% over several years. As the appropriation arm of government, we count on you on the need to fund the sector adequately," the



Kamuntu (wearing red and black tie), flanked by officials from the tourism ministry, while appearing before the trade and tourism committee of Parliament on Wednesday. Photo by Miriam Namutebi

minister appealed to Parliament.

Both the Budget Act and the Public Finance Management Act give Parliament the ultimate power of allocating public funds to the various sectors.

Kamuntu said as a sector their budget for the next financial year has a shortfall of sh50b for unfunded priorities,

which the sector leaders consider very important.

Some of the unfunded priorities include sh3b required for the renovation of the National Museum, sh25b required for development of critical infrastructure at Namugongo martyrs shrines, sh14.6b for the enhancement of tourism promotion, and sh1.5b for

the establishment of five stopovers along major highways.

The minister argued that a comparison of what Uganda spends on promoting tourism and what other countries in the region spend on the same, shows that Uganda is joking.

Whereas Kenya, which gets over eight million tourists annually spends over \$20m on marketing her tourism, Uganda spends only \$2million (about sh7.5b) on marketing the same.

"If we want to attract more tourists, we need to increase our budget. We have so many unique tourism attractions which have potential to pull tourists," Kamuntu said. He said without adequate funding, it would be difficult for the sector to achieve the target of increasing tourists from the current 1.4 million to 4 million tourists and from \$1.3b to \$2.7b in earnings from the sector by 2020.

The chairperson of the trade and tourism committee of Parliament, MP Alex Ruhunda, wondered why the Government did not see the need to adequately fund the tourism sector when foreign exchange figures speak volumes.

The MPs blamed Kamuntu for not aggressively advocating that the sector be funded adequately.