What is the share of Social Protection in the sh84 trillion national budget for FY2026/27?

The sh84trillion budget has an allocation of s**hs13.56 trillion** towards Human Capital Development: education, health, water, and sanitation, and social protection. This accounts for up to 16% of the budget.
Social Protection has an allocation of sh173.55B of sh13.56 trillion. That's 1.3% of HCD. Yet shocks and vulnerabilities remain pervasive.

Unpacking the Sh173.55bn for Social Protection
1. Sh15.5b for Child Disability Benefit
For the first time, the government has allocated sh15.5billion shillings for a Child Disability Benefit. This recognizes that children with disabilities face extra costs for care, transport, and assistive devices, among others. This is Human Capital Development in action. It means more children with disabilities can stay in school, access much-needed care, and thus improve their chances of achieving their full potential. This is a commendable step towards a child- sensitive social protection system.

2. Static Financing for the Senior Citizens Grant (sh121bn)
The Senior Citizens Grant has been maintained at sh121b. This means the programme will continue to benefit the 305,000 older persons aged 80yrs and above.
In October 2025 the Cabinet resolved to reduce the age of eligibility for the Senior Citizens Grant from the current 80yrs to 65 years and to enhance the grant from sh25,000 to sh35,000 beginning FY26/27. This followed an earlier Parliamentary resolution on the same. That expansion requires an additional sh252b. This non-funding leaves the majority of older persons aged 65 years and above without any form of pension cover and vulnerable to poverty.

3. **Street Children: Six Years of Non-Compliance with the Cabinet**
Cabinet Minute 62 (CT2019) directed UGX 3.0 billion for the Street Children Intervention Programme. Six years later, the FY 2026/27 allocation stands at UGX 0.024 billion, representing 0.7% of the Cabinet-directed figure. This is not a funding shortfall; it is an effective absence of commitment to children living and working on Uganda's streets.

4. **Social Development Grant: Five Years of Stagnation**
The Social Development Grant, which funds Community Based Services (CBS) operations at District Local Government level, has been frozen at UGX 7.6 billion for five consecutive fiscal years. The Uganda Parliamentary Forum on Social Protection through regional monitoring engagements has documented the consequences directly: newly created districts such as Terego and Obongi operate with as few as three Community-Based Services staff members covering the full breadth of social protection delivery, including GBV case management, child protection referrals, SAGE beneficiary tracking, PDM oversight, and community reporting.

5. A missing shock-responsive link
A total of sh494b has been allocated for Environment and Climate Change safeguards, and Sh361b contingency is separate. HCD should connect Social Protection to those funds so that when floods and other shocks hit, existing schemes such as SAGE are able to scale up automatically. Otherwise, we miss ripe opportunities to build a comprehensive social protection system flexible enough to respond to shocks.

6. A missing link between social protection and the 2.49 trillion wealth-creation programmes

Social protection remains largely de-linked from the multi-billion wealth creation programmes such as PDM. A total of Sh2.49trillion has been allocated to wealth creation programmes to, according to the Minister, accelerate monetisation of the economy and expand wealth creation. Contributory Social Security should be embedded in wealth creation programmes to boost coverage for the informal sector population category.

Reiterating the key takeaways from the 6th Policy Dialogue on Social Protection and Development, which brings together countries from the OECD Development Centre, members of the Global Partnership for Universal Social Protection (USP 2030), partner countries, and social protection experts and practitioners, held on 12th November 2025, it was emphasised that:

- Social protection systems are vital for reducing poverty and inequality. Investing in social protection delivers significant economic and social returns, making it an investment in societal solidarity and resilience rather than merely an expenditure.
- Sustainable social protection requires countries to mobilise domestic resources, expand contributory systems, and tailor reforms to local contexts. There is a strong call for systems that are country-owned and locally financed. Success hinges on reliable data, inter-ministerial cooperation, and reforms that address both formal and informal sectors, as demonstrated by experiences in Brazil, Zambia, Senegal, and Thailand.
- Expanding fiscal space for social protection involves a combination of progressive taxation, rationalised subsidies, and innovative financing mechanisms, while ensuring that reforms are both equitable and politically feasible.

We cannot develop human capital on a thin foundation. Investment in social protection enhances uptake and boosts the outcomes of the other HCD components, such as health and education.