Telephone : 256 41 4707 000

: 256 41 4232 095 : 256 41 4230 163 Fax

: 256 41 4343 023 : 256 41 4341 286

Email Website

: finance@finance.go.ug

: www.finance.go.ug

In any correspondence on this subject please quote No. BPD 103/132/01

10th December, 2018

Permanent Secretary Ministry of Public Service **KAMPALA**



THE REPUBLIC OF UGANDA

Ministry of Finance, Planning & **Economic Development** Plot 2-12, Apollo Kaggwa Road P.O. Box 8147 Kampala Uganda

ADDITIONAL FUNDING PROVISION TO MINISTRIES, DEPARTMENTS AND LOCAL GOVERNMENTS FOR PENSION INDEXATION AGAINST INFLATION.

Reference is made to your letter ref; PM 10/345/01 dated 6th October 2018 requesting for supplementary budget of Ushs 15.6bn to enable Votes effect adjustment of monthly Pension resultant from indexation to inflation. Further reference is made to vour letter ref; ARC 6/135/01 dated 23rd November 2018 on submission of draft Wage, Pension and Gratuity budget estimates for FY 2019/20.

Please note that, in accordance with Section 25(3) of the Public Finance Management Act 2015 (as amended), only the Accounting Officer of a particular Vote has the responsibility of requesting for a supplementary budget under his/her Vote.

The purpose of this letter therefore, is to inform you to go ahead and automate the inflation adjustment of Pension of 5.58% as guided by the Uganda Bureau of Statistics. This should be effected in the January 2019 Pension payroll.

By copy of this letter, Accounting Officers that experience shortfalls as a result of this adjustment are requested to submit their shortfalls not later than 28th February 2019 to facilitate processing of consolidated supplementary funding.

You are further requested to ensure that you communicate the inflation adjusted Pension and Gratuity estimates for FY 2019/20 not later than 1st March 2019, to enable consolidated submission of the National Budget to Parliament by 1st April 2019, in accordance with the law.

Patrick Ocailap

FOR: PERMANENT SECRETARY/ SECRETARY TO THE TREASURY

Hon. Minister of Finance, Planning and Economic Development. Copy to;

Hon. Minister of Public Service
Head of Public Service and Secretary to Cabinet
The Auditor General
The Accountant General
The Executive Director, Uganda Bureau of Statistics
All Accounting Officers