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Plot 2-12, Apollo Kaggwa Road  
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Uganda

THE REPUBLIC OF UGANDA

10<sup>th</sup> July 2015

All Accounting Officers  
All Chief Executive Officers of Government Parastatals and State Enterprises

## BUDGET EXECUTION CIRCULAR FOR FINANCIAL YEAR 2015/16

### A. INTRODUCTION

1. In accordance with Article 156 of the Constitution and Section 14 of the Public Finance Management (PFM) Act 2015, Parliament approved the budget for FY 2015/16 on 30<sup>th</sup> May 2015. Electronic copies of the Approved Estimates (both Vol.1&2) and the final Workplans for FY 2015/16 can be accessed on the budget information website: [www.budget.go.ug](http://www.budget.go.ug).
2. Given that FY 2015/16 marks the first year of full implementation of the Public Finance Management Act 2015, you are therefore required to adhere to the various provisions of the law governing implementation of the budget, expenditure management, accountability and performance reporting, among others.
3. The purpose of this circular is therefore to:
  - i) *Communicate the Annual Cash Plan of Government for the FY 2015/16 as attached in Annex I;*
  - ii) *Provide policy and administrative guidelines for implementation of the budget for FY 2015/16; and*
  - iii) *Request you to embark on implementation of Government programmes and projects for the budget for FY 2015/16 in line with the approved work, procurement and recruitment plans, and budget implementation guidelines contained in this Circular.*

### B. WORKPLANS, PROCUREMENT PLANS, RECRUITMENT PLANS AND RELEASE OF FUNDS FOR THE FY 2015/16

#### a) *Implementation of Workplans*

4. Consistent with Section 13 (15) of the PFM Act 2015, Parliament approved the Work, Procurement and Recruitment Plans for the FY 2015/16. These Workplans formed the basis for preparation of the Performance Contract and the Annual Cash Plan of Government for FY 2015/16. Therefore, implementation of the budget for the FY 2015/16 should strictly follow the Workplans, Procurement Plans and Recruitment Plans approved by Parliament.

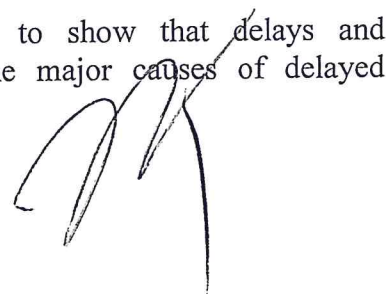
5. In line with section 15(1) of the PFM Act 2015, I have already issued the Annual Cash Plan of Government for FY 2015/16 based on the Workplans, Procurement Plans and Recruitment Plans approved by Parliament as indicated in *Annex I* attached.
6. In order to ensure that the budget is implemented as approved by Parliament, no changes in the Quarterly Workplans will be allowed during the first two Quarters of the financial year. **Adjustments in Workplans will only be allowed in the last half of the fiscal year, on the basis of the Revised Annual Cash Plan of Government and actual implementation of programmes/projects.** However, Accounting Officers will be required to clearly justify reasons for revisions of initial work plans approved by Parliament.

*b) Quarterly Expenditure Limits and Release of Funds*

7. Consistent with section 13(5) of the PFM Act 2015, the budget for FY 2015/16 became effective on 1<sup>st</sup> July 2015. The quarterly expenditure limits and release of funds shall be based on the Annual Cash Plan.
8. The process of release of funds continues to experience delays in submission of Accounting Warrants and the practice by some Accounting Officers submitting the Accounting Warrants on a piecemeal basis leading to numerous release requests and delayed release of funds. Hence, to facilitate timely implementation of the FY 2015/16 budget, you should observe the following:
  - i) This Ministry will ensure timely release of the funds by the 10<sup>th</sup> of the first month of the quarter. For instance, the First Quarter (Q1) Expenditure Limits for the FY 2015/16 were communicated in the Circular Ref: MET.50/268/01 dated 1<sup>st</sup> July 2015;
  - ii) Accounting Officers will be required to submit only one Accounting Warrant for the entire quarter, by Programme/Project;
  - iii) For Votes which are still on the legacy system, only one quarterly release warrant will be issued covering the total cash limit for that quarter; and
  - iv) Expenditure limits for local government transfers will continue to be issued to Sector Ministries at Grant level. The Sector Ministries will then be required to advise this Ministry on the amount of funds to be released to each Local Government Vote within the overall Expenditure Limit for the grant and according to the approved Workplans and Performance Contracts of the respective local governments submitted to this Ministry.
9. **As stated in your appointment letters, your appointment as Accounting Officer only becomes effective on signing of the Performance Contract and acceptance letter. All Accounting Officers who have not signed Performance Contracts will not access the 1<sup>st</sup> quarter FY 2015/16 releases.**

*c) Procurement and Contract Management*

10. Recent studies, audit and monitoring reports continue to show that delays and inefficiencies in the procurement process are among the major causes of delayed



implementation of Government Programms/Projects and failure to absorb the released funds, resulting into inefficient public service delivery. Audit reports have also been pointing out adjustments in the contract prices and committing Government by the Accounting Officers without the necessary approvals.

11. Therefore, while implementing the budget for the FY 2015/16, you should ensure timely initiation of the procurement processes for all the projects and programmes reflected in your work plans for FY 2015/16. **However, you should only sign the contracts upon confirmation of receipt of funds.**
12. **Any variations in the contract price must first be cleared by the Ministry of Finance, Planning and Economic Development before amending the contract.**
13. Reports continue to point out failure by some contractors to competently undertake works on various projects. You are required to strictly adhere to the PPDA Act in selection of contractors and ensure that **names of firms that repeatedly do shoddy works are forwarded to PPDA for black listing. You should also reprimand your technical officers who certify shoddy works.**
14. The Public Procurement and Disposal of Assets Authority (PPDA) will enhance technical support and monitoring of all Government Ministries, Departments and Agencies to ensure adherence to the procurement rules and procedure.
15. **Local Government Accounting Officers should note that failure to absorb Unconditional Grant to at least 60% will require written explanation to the Minister responsible for Finance by 31<sup>st</sup> July 2016 as required by Section 17(4) of the PFM Act 2015.**

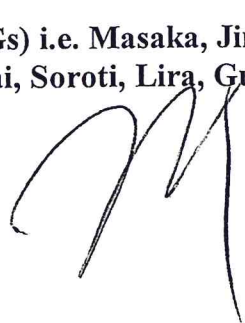
*d) Multi-Year Commitments*

16. Reports have revealed a practice by some Accounting Officers committing Government without prior clearance. Section 23 of the PFM Act 2015 stipulates that a Vote shall not enter into a contract, transaction or agreement that binds the Government to a financial commitment for more than one financial year or which results in a contingent liability except where the financial commitment or contingent liability is authorized by Parliament.

**C. ROLL-OUT OF TREASURY SINGLE ACCOUNT (TSA)**

17. In line with Section 33 of the PFM Act 2015 which mandates the Secretary to Treasury to prescribe the framework within which votes shall conduct their banking and cash management activities, the Treasury Single Account (TSA) has been implemented for Central Government Votes expenditures except for the Donor Financed Projects (DFPs).
18. In the FY 2015/16, the TSA will be rolled out to cover all DFPS and Local governments in a phased manner as follows:

- i). **Starting with IFMS Tier 1 Local Governments (LGs) i.e. Masaka, Jinja, Mbale, Mpigi, Wakiso, Mbarara, Bushenyi, Kabale, Rakai, Soroti, Lira, Gulu, Tororo**



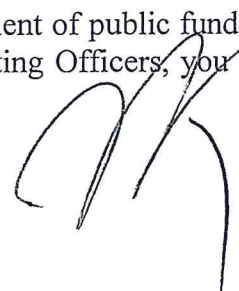
**and Arua, then IFMS Tier 2 LGs will follow and finally the third phase which will cover all the remaining LGs.**

- ii). The Local Government TSA shall be opened in Bank of Uganda and will be the main account for all payments made by the Local Governments. This account shall operate virtual accounts called Sub-TSAs for the purpose of identifying and separating transactions by LGs. The LG TSA will be maintained by Treasury and all postings and reconciliation will therefore be done by Treasury.
- iii). Each LG will maintain a revenue collection account into which local revenue will be deposited. All deposits to the Revenue Collection Account shall be remitted to the LG Treasury Single Account on a monthly basis.
- iv). Each LG may maintain their account for imprest purposes preferably in a nearby commercial bank.
- v). In the meantime, the existing LG donor financed projects' (DFPs) bank accounts will remain in operation as per the existing financing agreements until Government agrees with Development Partners on the modalities for implementing TSA for DFPs.
- vi). This Ministry will continue processing the direct transfers from the already established Treasury Holding accounts. They will not form part of the LG Treasury Single Account Arrangement.
- vii). This Ministry will conduct training and change management to facilitate a smooth transition to the TSA framework and provide technical support to LGs to address any emerging issues

#### **D. IN-YEAR VIREMENTS AND REALLOCATIONS**

##### *a) Virements and Reallocations*

- 19. Some Accounting Officers have continued to reallocate funds without seeking authority. Any reallocations must be authorized by the Minister responsible for Finance before Expenditure Limits are issued. Where it is deemed necessary for an Accounting Officer to reallocate funds from one item/activity to another, the reallocation shall not exceed 10 percent of the money allocated to an item/activity as required under section 22(2) of the PFM Act 2015.
- 20. **However, in order to ensure that payment of statutory obligations and taxes are not affected, no reallocation shall be allowed from taxes and statutory items - Wage, Pensions and Gratuity in particular - to non-statutory items/activities. Sanctions will be imposed against Accounting Officers who indulge in unauthorized reallocations.**
- 21. Expenditure reports have revealed the practice of spending against wrong budget items while in other cases, funds are spent on activities outside the approved work plans. You are required to ensure that funds are spent against the items to which they are released and in line with the approved Workplans.
- 22. Reports have also continued to reveal cases of mismanagement of public funds which has greatly affected the quality of service delivery. As Accounting Officers, you should note



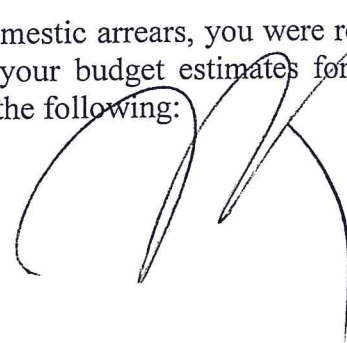
that Section 45 of the Public Finance Act 2015 stipulates that “an Accounting Officer shall control the regularity and proper use of money appropriated to a Vote, be responsible for authorizing any commitment made by a Vote and control the resources received, held and disposed of by or on account of a Vote. **In implementation of the budget for the FY 2015/16, you should strictly adhere to the requirements of the PFM Act 2015 well aware that you are personally and pecuniary liable for all financial transactions under your Vote.**

#### **E. BUDGET PERFORMANCE REPORTING**

23. In order to facilitate proper monitoring of the budget and in fulfillment of Section 16 of the PFMA 2015, you are required to submit quarterly budget performance reports which should clearly indicate the actual performance against the planned outputs and performance for each quarter showing the quantity/quality and physical location of the reported outputs against expenditure.
24. We have also noted that the failure by some Accounting Officers to adhere to the reporting requirements and timelines. The timelines for reporting by Central and Local government Votes are indicated in *Annex 2(A & B)* attached. **Failure to adhere to the reporting requirements will attract sanctions including non-appointment/immediate withdrawal of appointment as Accounting Officers and halting financial transactions of the non-compliant Votes as per Sections 15, 78, 79 and 80 of the PFM Act 2015.**
25. As part of the Government programme to strengthen monitoring of programme/project implementation, this Ministry, through the Budget Monitoring and Accountability Unit (BMAU) shall continue to monitor progress of the key Government programmes and projects for the FY 2015/16. Accounting Officers should work closely with the budget monitoring teams and avail all the relevant information.
26. To ensure finalisation of annual budget performance reports for FY 2014/15 you are required to submit your Fourth Quarter (Q4) Performance Reports for the FY 2015/16 by end of **July 2015. Please note that the reporting formats and database are now ready for collection from Room 5.1 in the Ministry of Finance, Planning and Economic Development.**
27. To fast track implementation of the key policy commitments in the Budget, the relevant Ministries, Departments and Agencies (MDAs) are required to submit quarterly progress report on the key Policy Pronouncements in the Budget Speech for the FY 2015/16 as summarized in Annex 3 attached. A window and template were created in the Output Budgeting Tool (OBT) to facilitate direct entry of the performance information in the system. Budget Speech Policy Pronouncements Tracking Matrix is attached as *Annex 3*.

#### **F. PAYMENT OF RENT, UTILITIES, TAXES & GROUND RENT ARREARS**

28. In line with the Government policy of eliminating domestic arrears, you were requested to include estimates for rent, utilities and taxes in your budget estimates for the FY 2015/16. As such, in the FY 2015/16, you should note the following:



- i). Ensure that rent, utilities and taxes are cleared as and when they are due for payment. No arrears in respect to rent, utilities and taxes shall be accepted;
- ii). Effective FY 2015/16, Government, agreed with UMEME to install electricity pre-paid meters in all Government Ministries, Departments and Agencies. This Ministry will therefore not tolerate any accumulation of unpaid electricity bills during the implementation of the budget for FY 2015/16 and going forward. All institutions with outstanding electricity arrears (list attached as *Annex 4*) are advised to accommodate these outstanding bills within their budget provision for FY 2015/16. **UMEME has been advised to disconnect any defaulting Ministries, Departments or Agencies (MDAs);**
- iii). Institutions that owe ground rent arrears to KCCA and others with arrears other than those owed to KCCA were requested to ensure that the arrears are prioritized and included in their budget estimates for FY 2015/16. In order to avoid further accumulation of interests on the said arrears, you should immediately settle arrears for which funds have been released already;
- iv). **You are required to clear all invoices for suppliers/service providers within 14 days from the time they are received.**

#### G. PAYROLL MANAGEMENT, SALARY PAYMENT

##### a) *Wage Bill Provision for the FY 2015/16*

29. Following finalization of the budget for the FY 2015/16, a number of Accounting Officers have expressed concern over the insufficient Wage Bill provisions for the FY 2015/16. As a way forward, you are advised to submit cases of wage bill shortfalls to the Ministry of Public Service with copies to Ministry of Finance, Planning and Economic Development for verification with duly signed staff lists. **The Permanent Secretary, Ministry of Public Service is accordingly informed to urgently follow up this matter.**

##### b) *Staff Recruitment*

30. To avoid any wage bill overruns, in the FY 2015/16, recruitment of staff must strictly be within the staff establishments, the Recruitment Plans and within the budget provisions and after clearance from the Ministry of Public Service in consultation with this Ministry. Where funds are available in the budget, recruitment of additional staff must be completed by not later than **31<sup>st</sup> December 2015** to enable prudent monitoring of the payroll. **Any wage shortfalls arising out of unauthorised recruitment shall be financed by way of reallocation from your non-wage recurrent budget.**

*c) Salary Payment*

31. Effective FY 2014/15, Government decentralized the payment of Salaries by transferring the responsibility for final approval of the payroll and salary payments to the Accounting Officers.
32. While the decentralized system has enabled timely payments of staff, there are a number of operational issues that require redress. These include non-remittance of salary deductions, over payments of salaries, continued existence of “ghosts” on the payroll, and payment of employees from wrong cost centres. Therefore, to further streamline the process of payroll management and salary payment, the following measures shall be enforced in the FY 2015/16:
- i). This Ministry shall continue to issue Quarterly expenditure limits indicating the quarterly provision for Salaries and Wages by Vote and item based on the approved budget and the monthly expenditure performance;
  - ii). Accounting Officers must ensure accuracy of all payroll records, timely payment of correct salaries and remittance of all payroll deductions such as PAYE, Local Service Tax and Salary Loan repayments;
  - iii). Enforce the printing and display of payrolls on public notice boards, distribution of Payment Slips to all Public Servants and submission of quarterly Performance Reports in line with the format in the OBT;
  - iv). Ministry of Public Service, in consultation with this Ministry, should communicate the Salary Structure for the FY 2015/16;
  - v). The Ministry of Public Service, in liaison with this Ministry, shall be required to strengthen monitoring the payroll and salary payments under the decentralised payment system; and
  - vi). **Starting with the month of January 2016, the payroll and the salary payment systems will be interfaced (linked) with the recent Biometric Data collected by the Office of the Auditor General and the National Identification System of Government. As such, all Public Servants will be required to have the National Identity Card (ID) Number before accessing the Government payroll and or salary payment.**

*d) Payment of Salary Arrears*

33. In order to address the challenge of salary arrears, Accounting Officers were requested to submit all outstanding salary arrears to this Ministry for Verification. The arrears that were submitted in time were verified and cleared for payment. **The claims which are still under verification shall soon be cleared for payment within the budget provision for the FY 2015/16. Any other salary arrears accumulated in the course of last FY 2014/15 should be compiled and submitted to this Ministry for verification by 31<sup>st</sup> July 2015 based on the format attached in Annex 5. Therefore, any Accounting Officer who did not submit the arrears (if any) under their Votes, shall be personally responsible for non-payment.**



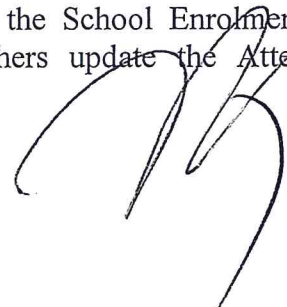
## H. PENSION AND GRATUITY

34. Government decided to decentralise the payment of Pension and Gratuity starting with staff who retired in the FY 2014/15. However, the process has been characterized by delayed processing and payment of Pension and Gratuity which must be avoided in the FY 2015/16.
35. Effective FY 2015/16, all Pension payments that have hitherto been made under the Ministry of Public Service have also been decentralized. Therefore, starting with the month of July 2015, all Pension and Gratuity payments shall be under the institutions where the staff retired from. To facilitate smooth implementation of the decentralised payment system, you should observe the following:
- i). **The Ministry of Public Service should urgently provide adequate guidelines and technical support to the institutions;**
  - ii). **The Ministry of Public Service should also transfer records of old pensioners to the institutions from where they retired from to facilitate timely payment;**
  - iii). The Accounting Officers will be responsible for the final approval of all payments for Pension and Gratuity under their Votes;
  - iv). Monthly Pension payrolls must be printed and displayed on Public Notice Boards for purposes of transparency and accountability;
  - v). Accounting Officers must submit quarterly Accountability Reports to this Ministry and copies to the Ministry of Public Service based on the format already provided in the Output Budgeting Tool; and
  - vi). Just like monthly salaries, the Pension payroll on the Integrated Personnel and Payroll System (IPPS) shall also be linked to the National ID System.
36. We have received complaints from various Pensioners regarding subjecting their retirement benefits to taxes especially PAYE. For avoidance of doubt, no income tax should be charged upon Pension, Gratuity or other Allowances granted under the Pension Act.
37. **During the FY 2014/15, Accounting Officers verified and submitted Pension and Gratuity Arrears to this Ministry for payment. Payment of the verified Pension and Gratuity arrears will be done in a phased manner but within the available resources.**

## I. ISSUES SPECIFIC TO LOCAL GOVERNMENTS

### *a) School Enrolment*

38. The recent monitoring exercise of School Enrolment has established huge variations between data submitted in the Local Government Output Budgeting Tool (LGOBT) and the records at the cost Centers/Schools. Given that Capitation Grant is allocated on the basis of the number of pupils/students in schools, these variations distort the allocation of Capitation Grant. In order to facilitate validation of the School Enrolment data, Accounting Officers must ensure that the Head Teachers update the Attendance





Registers for both Pupils/Students and Teachers at the school level under their jurisdiction. Going forward, the following measures will be undertaken:

- i). This Ministry, in collaboration with other agencies will enhance the monitoring system and Accounting Officers will be held personally responsible for submission of wrong enrolment data.
- ii). We shall embark on the process of linking the school enrolment data to the National Identification to provide a clear basis for release of capitation grant i.e. for a pupil/student to qualify for capitation grant, at least one of his/her parents must be in possession of a National ID.

*b) Consolidation of Local Government Grant Transfers*

39. In line with the Government policy of strengthening fiscal decentralization and in consultation with other stakeholders, it was decided to consolidate local government transfers to ease manageability and reduce the associated transaction costs, beginning with FY 2015/16. Local Government Accounting Officers are accordingly informed as follows:
  - i). That effective FY 2015/16 there will be a maximum of one Wage, one Non-Wage Recurrent and one Development grant per sector. New items in the Chart of Accounts have been created (**refer to circular BPD/86/153/01 dated 22<sup>nd</sup> June 2015** copy attached as *Annex 6* and also **available on [www.budget.go.ug](http://www.budget.go.ug)**);
  - ii). Releases will be made against newly created item codes. Each sector grant will be identified by the Sector and Department under which the grant falls in the revenue budget;
  - iii). Direct transfers of funds to the service delivery units will continue for the component of each grant allocated;
  - iv). Grants should be managed in line with existing grant guidelines.
40. A review of the budget performance reports of Local Governments for FY 2014/15 revealed that a number of local governments are spending beyond their approved budgets at Departmental levels without providing proper justifications. This is to emphasise to you that all re-allocations, supplementary and virements must be approved by the Executive, Council and the Accounting Officer respectively. **Beginning FY 2015/16, no performance reports shall be accepted without proper explanation and documentation of approval of reallocation, supplementary and reallocations across Departments under your respective Votes.**
41. For purposes of monitoring, Local Government Accounting Officers should submit quarterly performance reports to this Ministry with copies to Sector Line Ministries in line with the reporting guidelines. You are further required to provide copies of the performance reports to the RDCs, LCV Chairpersons and all other relevant stake holders.

## J. EXPIRY OF APPROPRIATIONS

42. In line with Section 17 of the PFMA 2015, every appropriation by Parliament shall expire and cease to have any effect at the close of the financial year for which it is made and a Vote that does not spend the money that was appropriated to the Vote for the financial year shall at the close of the financial year, pay the money to the Consolidated Fund. **You are therefore urged to strictly observe this requirement while implementing the budget for the FY 2015/16.**

## K. CONCLUSION

43. As Accounting Officers, you are required to observe the guidelines stipulated in this Circular and strictly adhere to legal and regulatory framework for Public Expenditure Management as stipulated in the various Laws and the Regulations. Most importantly, you should desist from mischarge, misappropriation of funds and strictly adhere to the reporting requirements and timelines stipulated in the PFM Act 2015.

**44. The Performance Contracts shall be vigorously enforced and strong sanctions administered to non-compliant Accounting Officers. Renewal of appointment for all Accounting Officers will take into account a proven track record of sound implementation of Government programmes/projects and after a stringent vetting process.**

45. The approved detailed budget estimates, Annual Cash Plan and First Quarter (Q1) Expenditure Limits can be accessed on the budget website: [www.budget.go.ug](http://www.budget.go.ug).

I wish you success in implementation of the budget for FY 2015/16 for improved service delivery.



Keith Muhakanizi

**PERMANENT SECRETARY/SECRETARY TO THE TREASURY**

Copy to: Hon. Speaker of Parliament  
Hon. Deputy Speaker of Parliament  
The Rt. Hon. Prime Minister  
The Rt. Hon. 1st Deputy Prime Minister and Minister of Public Service  
The Rt. Hon. 2nd Deputy Prime Minister & Deputy Leader of Government Business  
Hon. Minister of Finance, Planning and Economic Development  
All Hon. Ministers and Ministers of State  
Auditor General, Office of the Auditor General  
The Chairperson/Parliamentary Budget Committee  
The Chairperson, National Planning Authority  
The Head of Public Service and Secretary to Cabinet  
The Permanent Secretary/Office of the Prime Minister

The Ag. Permanent Secretary/Ministry of Public Service  
The Ag. Permanent Secretary/Ministry of Local Government  
Auditor General/Auditor General's Office  
The Director/Parliamentary Budget Office  
Heads of Uganda's Missions Abroad  
All Resident District Commissioners  
All Chairpersons LCV and Mayors of Municipalities















ANNEX 1: ANNUAL CASH PLAN BY VOTE FY 2015/16

Vote	Vote Description	Q3 Cashflow Plan			
		Wage	Non Wage	Development	Total
	<b>Recurrent</b>				
147	Local Government Finance Comm	279,704,600	850,234,488	-	1,129,939,088
148	Judicial Service Commission	194,885,608	519,377,949	54,149,156	768,412,713
149	Gulu University	3,297,207,171	1,271,871,226	704,064,158	5,273,142,555
150	National Environment Management Authority	943,874,500	829,914,559	294,787,561	2,068,576,621
151	Uganda Blood Transfusion Service (UBTS)	542,850,987	1,257,748,817	75,000,000	1,875,599,804
152	NAADS Secretariat	546,225,000	1,045,896,178	70,848,582,528	72,440,703,706
153	Public Procurement and Disposal of Assets	919,333,950	1,229,417,381	678,250,000	2,827,001,331
154	Uganda National Bureau of Standards	1,441,174,750	756,936,750	72,500,000	2,270,611,500
155	Cotton Development Organisation	-	241,870,196	1,015,250,000	1,257,120,196
156	Uganda Land Commission	74,894,796	99,767,000	182,374,999	357,036,794
157	National Forestry Authority	1,350,000,000	33,342,870	1,062,679,357	2,446,022,227
159	External Security Organisation	2,316,079,900	3,694,585,300	-	6,010,665,200
160	Uganda Coffee Development Authority	-	1,679,382,601	-	1,679,382,601
161	Mulago Hospital Complex	5,010,910,497	4,175,851,347	1,255,000,000	10,441,761,844
162	Butabika Hospital	949,684,591	824,799,458	450,000,000	2,224,484,049
	<b>Total Center Votes</b>	<b>348,840,986,268</b>	<b>2,418,095,280,934</b>	<b>757,546,128,125</b>	<b>3,524,482,395,328</b>
163	Arua Referral Hospital	773,671,508	444,501,139	195,000,000	1,413,172,646
164	Fort Portal Referral Hospital	888,053,769	374,554,268	125,000,000	1,387,608,037
165	Gulu Referral Hospital	741,018,850	439,631,321	157,500,000	1,338,150,171
166	Hoima Referral Hospital	714,468,323	520,992,385	50,000,000	1,285,460,708
167	Jinja Referral Hospital	934,195,814	664,846,369	50,000,000	1,649,042,183
168	Kabale Referral Hospital	626,347,152	453,709,503	140,638,138	1,220,694,793
169	Masaka Referral Hospital	673,508,194	401,178,067	299,250,000	1,373,936,261
170	Mbale Referral Hospital	986,462,686	758,899,206	98,800,000	1,844,161,892
171	Soroti Referral Hospital	697,653,894	375,019,038	140,500,000	1,213,172,932
172	Lira Referral Hospital	672,193,778	435,184,293	-	1,107,378,071
173	Mbarara Referral Hospital	849,849,508	467,039,144	156,339,000	1,473,227,652
174	Mubende Referral Hospital	634,515,075	596,646,044	25,000,000	1,256,161,118
175	Moroto Referral Hospital	533,392,178	314,354,851	126,000,000	973,747,029
176	Naguru Hospital	942,717,636	294,687,167	415,421,220	1,652,826,024
	<b>Total Referral Hospitals</b>	<b>10,668,048,363</b>	<b>6,541,242,795</b>	<b>1,979,448,358</b>	<b>19,188,739,516</b>
		-	-	-	-
201	Ugandan Mission at the UNs, New York	386,498,000	1,436,765,000	-	1,823,263,000
202	Uganda High Commission in UK, London	269,482,500	1,026,620,000	-	1,296,102,500
203	Uganda High Commission in Canada, Ottawa	192,500,000	672,086,500	200,000,000	1,064,586,500
204	Uganda High Commission in India, New Delhi	59,666,670	751,000,750	-	810,667,420
205	Uganda High Commission in Egypt, Cairo	109,187,170	390,471,155	-	499,658,324
206	Uganda High Commission in Kenya, Nairobi	60,837,750	504,038,000	-	564,875,750
207	Uganda High Commission in Tanzania, Dar es Salaam	42,500,000	236,070,167	500,000,000	778,570,167
208	Uganda High Commission in Nigeria, Abuja	43,750,000	195,690,000	-	239,440,000
209	Uganda High Commission in South Africa, Pretoria	85,750,000	431,883,500	-	517,633,500
210	Uganda Embassy in Washington	224,750,000	1,238,721,500	-	1,463,471,500
211	Uganda Embassy in Ethiopia, Addis Ababa	61,278,000	520,817,000	-	582,095,000
212	Uganda Embassy in China, Beijing	80,250,000	358,797,250	-	439,047,250
213	Uganda Embassy in Rwanda, Kigali	50,000,000	352,443,600	-	402,443,600
214	Uganda Embassy in Switzerland, Geneva	235,135,000	497,894,750	-	733,029,750
215	Uganda Embassy in Japan, Tokyo	211,250,000	738,108,000	62,066,667	1,011,424,667
216	Uganda Embassy in Libya, Tripoli	85,000,000	389,812,932	-	474,812,932
217	Uganda Embassy in Saudi Arabia, Riyadh	77,189,250	169,952,250	-	247,141,500
218	Uganda Embassy in Denmark, Copenhagen	164,500,000	607,481,000	-	771,981,000
219	Uganda Embassy in Belgium, Brussels	162,500,000	712,144,000	-	874,644,000
220	Uganda Embassy in Italy, Rome	174,500,000	497,295,500	-	671,795,500
221	Uganda Embassy in DRC, Kinshasa	91,625,000	387,439,000	-	479,064,000
223	Uganda Embassy in Sudan, Khartoum	66,250,000	259,579,500	-	325,829,500
224	Uganda Embassy in France, Paris	193,750,000	752,852,000	-	946,602,000
225	Uganda Embassy in Germany, Berlin	206,750,000	962,179,500	-	1,168,929,500
226	Uganda Embassy in Teheran	80,500,000	231,050,440	-	311,550,440
227	Uganda Embassy in Moscow	80,875,000	270,627,750	-	351,502,750
228	Uganda Embassy in Canberra	122,460,000	475,124,750	-	597,584,750
229	Uganda Embassy in Juba	50,000,000	883,609,250	-	933,609,250
230	Uganda Embassy in Abu Dhabi	90,682,943	198,201,479	-	288,884,422
231	Uganda Embassy in Bujumbura	42,500,000	197,423,500	15,250,000	255,173,500
232	Guangzhou Consulate in China	79,500,000	227,905,000	-	307,405,000
233	Mission in Ankara	115,964,500	438,527,000	-	554,491,500
234	Mission in Mogadishu	23,482,000	427,346,468	-	450,828,468
235	Mission in Kuala Lumpur	45,000,000	266,614,000	-	311,614,000
236	Mission in Mombasa	19,049,750	159,812,250	-	178,862,000
	<b>Total Missions Abroad</b>	<b>4,084,913,533</b>	<b>17,866,384,741</b>	<b>777,316,667</b>	<b>22,728,614,940</b>
500	<b>Total Local Governments</b>	<b>359,904,299,355</b>	<b>163,785,801,678</b>	<b>87,153,296,670</b>	<b>610,843,397,702</b>
	<b>Total</b>	<b>723,498,247,519</b>	<b>2,606,288,710,147</b>	<b>847,456,189,820</b>	<b>4,177,243,147,486</b>









## Annex 2 (A): Central Government Reporting and Release Cycle

<i>Quarter</i>	<i>Date</i>	<i>Release Process and Reporting</i>	<i>Condition for Release</i>
<b>Q4</b>	<i>Last Working day of July</i>	<i>Q4 performance report (prev FY) and Performance Contract (Form A)</i>	<i>Approved Q3 Performance Report and Performance contract (Form A)</i>
<b>Q1</b>	<i>Last Working day of October</i>	<i>Q1 Performance Report</i>	<i>Approved Q4 (Prev FY) Performance Report</i>
<b>Q2</b>	<i>Last Working day of January</i>	<i>Q2 Performance Report</i>	<i>Approved Q1 Performance Report</i>
<b>Q3</b>	<i>Last Working day of April</i>	<i>Q3 Performance Report</i>	<i>Approved Q2 Performance Report</i>



## Annex 2 (B): Local Government Reporting and Release Cycle

<b>Quarter</b>	<b>Date</b>	<b>Release Process and Reporting</b>	<b>Condition for Release</b>
<b>Q1</b>	Last Working day of July	Draft Q4 performance report (prev FY) and draft Budget Performance Contract	Approved Q3 (Prev FY) Performance Report and Draft Performance Contract (Form B)
	Last working day of August	Sectors Review the Q4 Performance Reports and provide feedback	
	Last working day of September	LGs review and re-submit Q4 performance reports	
<b>Q2</b>	Last Working day of October	Draft Q1 Performance Report	Approved Q4 (Prev FY) Performance Report and Final Performance Contract (Form B)
	Last working day of November	Sectors Review of Q1 Performance Reports	
	Last working day of December	LGs review and re-submit Q1 performance reports	
<b>Q3</b>	Last Working day of January	Draft Q2 Performance Report	Approved Q1 Performance Report
	Last working day of February	Sectors Review of Q2 Performance Reports	
	Last working day of March	LGs review and re-submit Q2 performance reports	
<b>Q4</b>	Last Working day of April	Draft Q3 Performance Report	Approved Q2 Performance Report
	Last working day of May	Sectors Review of Q3 Performance Reports	
	Last working day of June	LGs review and re-submit Q3 performance reports and final Budget Performance Contract (Form B)	



**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
<b>1. MACROECONOMIC TARGETS FOR FY 2015/16</b>			
1.1 Economic Growth	<ul style="list-style-type: none"> <li>GDP projected growth of 5.8%</li> </ul>	Ministry of Finance, Planning & Economic Development	
1.2 Inflation	<ul style="list-style-type: none"> <li>Keep Inflation rate with in single digit</li> </ul>	Ministry of Finance, Planning & Economic Development	
1.3 Exchange Rates	<ul style="list-style-type: none"> <li>Continue to smoothen exchange rate movements in order not to cause undue instability in the business climate.</li> </ul>	Bank of Uganda	
1.4 Interest Rates	<ul style="list-style-type: none"> <li>Increase capitalization of the Uganda Development Bank from the current Shs. 128 billion up to Shs 500 billion over the medium term.</li> </ul>	Ministry of Finance, Planning & Economic Development	
1.5 Balance of Payments	<ul style="list-style-type: none"> <li>Enhance export performance, by encouraging exports diversification through among others, adding value to agricultural products (coffee and cotton) to increase export earnings.</li> </ul>	Ministry of Agriculture, Animal Industry and Fisheries	
<b>2. KEY AREAS FOR BUDGET IMPLEMENTATION FY 2015/16</b>			
<b>2.1: Maintenance of National Security and Defense:</b>			
<b>2.1.1 National Security</b>	<ul style="list-style-type: none"> <li>Further professionalize the armed forces and other security organs;</li> <li>Acquire modern weaponry;</li> </ul>	Ministry of Defence and Office of	

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
and Defense	<ul style="list-style-type: none"> <li>Strengthen intelligence capability, training and welfare.</li> </ul>	The President	
<b>2.2: Facilitation of Private Sector Enterprise Development:</b>			
2.2.1 Private Sector Development	<p>Continue to undertake the following interventions:-</p> <ul style="list-style-type: none"> <li>Curriculum reform to enhance market demand and private sector entrepreneurship;</li> <li>Implementation of the Skilling Uganda initiative in the Business, Technical and Vocational Education Training with emphasis on provision of hands on technical skills training, and business skills development in line with the market demands;</li> <li>Enhancing financial literacy and inclusion, and implementation of the PPDA Act provisions.</li> </ul>	Ministry of Finance, Planning & Economic Development, Ministry of Education, Science Technology & Sports; and Public Procurement and Disposal of Assets Authority (PPDA)	
<b>2.3 Effective Development and Maintenance of Infrastructure;</b>			
2.3.1 Transport Infrastructure	<p>1.Complete construction of the following roads:-</p> <ul style="list-style-type: none"> <li>Atiak – Nimule (35km);</li> <li>Maracha and Koboko town roads (6.9km) and Mvara – Ediofe Cathedral road in Arua</li> </ul>	Ministry of Works & Transport, URF, and UNRA.	

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<p>Municipality (10.1km);</p> <ul style="list-style-type: none"> <li>• Kammunge- Fort Portal (65km);</li> <li>• Kafu – Kiryandongo (43km);</li> <li>• Bundibugyo Town roads (6km);</li> <li>• Rwentobo - Kabale – Katuna road (65km);</li> <li>• Ishaka – Kagamba (35km);</li> <li>• Kabale Town road (2.3km);</li> <li>• Moroto – Nakapiripit (92km);</li> <li>• Masaka - Nyendo (8km);</li> <li>• Seeta – Namugongo (7.2km);</li> <li>• Kyaliwajala-Kira (3.5km);</li> <li>• Naalya-Kyaliwajala (2.5km);</li> <li>• Namugongo Ring road (1.8km) and Shrine Access (1.8km);</li> <li>• Nakasongola road (2km).</li> </ul> <p>2. Continue construction works on the following roads:-</p> <ul style="list-style-type: none"> <li>• Kampala – Entebbe Express way with a spur to Munyonyo (51km);</li> <li>• Mpiigi – Kanoni (65km);</li> <li>• Kampala Northern Bypass (17km);</li> <li>• Kanoni – Sembabule – Villa Maria (110km);</li> </ul>		

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

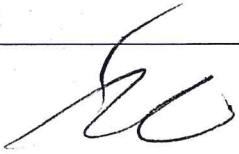
POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<ul style="list-style-type: none"> <li>• Mukono – Katosi/ Kisoga – Nyenga (74km);</li> <li>• Mukono – Kayunga – Njeru (94km);</li> <li>• Pakwach - Nebbi (54km);</li> <li>• Karuma – Kamdini;</li> <li>• Kamdini – Gulu (65km); Olwiyo (Anaka) – Gulu (70km);</li> <li>• Gulu – Acholibur (77km);</li> <li>• Acholibur – Kitgum – Musingo border (86km);</li> <li>• Lira - Akia &amp; Lira Railway &amp; Army Barracks Accesses (12km);</li> <li>• Kiryandongo – Karuma;</li> <li>• Mbarara Bypass (40km);</li> <li>• Ntungamo – Mirama Hills (37km);</li> <li>• Musita – Mayuge – Lumino – Busia/Majanji (104km);</li> <li>• Namunsi – Sironko – Muyembe (32km);</li> <li>• Iganga – Kaliro (32km).</li> </ul> <p>3. Commence construction of the following roads:</p> <ul style="list-style-type: none"> <li>• Tirinyi – Pallisa – Kumi/ Pallisa – Kamonkoli (111km);</li> <li>• Mbale – Bubulo – Lwakhakha road (45km);</li> <li>• Nakalama – Tirinyi – Mbale (101km);</li> <li>• Mbale – Nkokonjeru (21km);</li> </ul>		



**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<ul style="list-style-type: none"> <li>• Soroti - Arapai Railway Station (10km);</li> <li>• Soroti State Lodge road (2km);</li> <li>• Kamuli and Jinja Town roads (22.2km);</li> <li>• Ngora town road (2km);</li> <li>• Mityana - Mubende (89 km);</li> <li>• Kibuye - Entebbe Airport (37 km);</li> <li>• Kampala – Mukono (21km);</li> <li>• Nansana – Busunju (47km);</li> <li>• Masaka – Bukakata (41km);</li> <li>• Luuka – Kalangala (60km) Phase 2;</li> <li>• Fort Portal – Kyenjojo (50km);</li> <li>• Fort Portal - Hima (55km);</li> <li>• Hima- Katunguru (58 km);</li> <li>• Hoima - Butaba - Wanseko (111km);</li> <li>• Bulima – Kabwoya (65km);</li> <li>• Kabwoya – Kyenjojo (105km);</li> <li>• Mubende –Kibale – Kagadi - Ndaiga (142km), Kigumba – Masindi – Bulima (69km) in Western Uganda;</li> <li>• Rukungiri – Kihhi – Ishasha/ Kanungu (78km), Ishaka - Rugazi – Katunguru (55km)and Kabale – Bunyonyi Lake road (8km) in South Western Uganda; and</li> </ul>		

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<ul style="list-style-type: none"> <li>• Karenga – South Sudan border (44km) in Northern Uganda; and</li> <li>• Soroti - Katakwi -Moroto – Lokitanyala (208km); Muyembe – Nakapiripirit (92km); Mbale - Nkokonjeru (21km) in Eastern Uganda.</li> </ul> <p>4. Commence procurement of contractors to undertake the following roads:</p> <ul style="list-style-type: none"> <li>• Tororo – Mbale – Soroti maintenance and Lira – Kamdini construction and maintenance (altogether 341 km) with support from the World Bank (WB);</li> <li>• Two Kampala Flyovers and road upgrading project with assistance from the Japanese Government (JICA);</li> <li>• Muyembe – Nakapiripirit (92km) funded by the Islamic Development bank (IDB);</li> <li>• Kabwoya - Buhuka (43km) and Karugutu – Ntoroko road (55km) with assistance from the UK Government;</li> <li>• Rwenkunyeye –Masindi Port – Apac – Lira – Acholibur (250km) under IDB funding;</li> <li>• Kapchorwa – Suam road funded by African Development Bank (AfDB); and</li> <li>• Kampala – Jinja Expressway (77km) under Public Private Partnership (PPP) arrangement.</li> </ul> <p>5. Carry out feasibility studies and conduct designs on the following roads;</p> <ul style="list-style-type: none"> <li>• Luwero- Butalangu -Ngoma (83km);</li> <li>• Lusallira - Kasambya - Nkonge - Sembabule (97km);</li> <li>• Kanoni-Misingi - Mityana (61km);</li> </ul>	<p align="center">Uganda Road Fund (URF)</p> <p align="center">Ministry of Works and Transport</p>	

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<ul style="list-style-type: none"> <li>• Bombo - Ndeje - Kalasa (19km);</li> <li>• Kampala – Bombo Expressway (35km);</li> <li>• Kampala – Mpiigi Expressway (21 km);</li> <li>• Nakasero-Northern Bypass Express Route;</li> <li>• Seeta - Kyaiiwajjala - Matugga - Wakiso - Buloba-Nsangi road;</li> <li>• Najjanankumbi - Busabala Road;</li> <li>• Nambole – Namliyango road;</li> <li>• Karugutu - Ntoroko road (55km);</li> <li>• Muhororo - Ndaiga road (31km);</li> <li>• Kyenjojo (Kahunge) - Nyarukoma- Kigarale - Rwamwanja (34km);</li> <li>• Kabwohe - Bwizibweru/ Nsika - Ibanda-Kabujigera-Masyoro-Rwenjaza/Kyambura (85km);</li> <li>• Rwamwanja - Kiruhura (34km);</li> <li>• Hamurwa - Kerere - Kanungu/ Buleme - Buhoma - Butogota - Hamayanja - Ifasha - Ikumba (149km);</li> <li>• Ishasha - Katunguru (88km);</li> <li>• Kisoro - Mgahinga Gate (14km);</li> <li>• Kisoro - Rubuguli - Muko (48km);</li> <li>• Muhanga - Kisizi - Rwashamaire (50km);</li> <li>• Nabumali - Butaleja - Namutumba (90km);</li> </ul>		

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<ul style="list-style-type: none"> <li>• Magale - Bumbo - Lwakhakha road (14km); Kumi - Ngora - Serere- Kagwara/ Soroti (75km);</li> <li>• Soroti-Katakwi-Moroto, Mayuge-Mbaale-Nakivumbi – Bugiri – Namayingo - Lugala (90km);</li> <li>• Busia - Tororo (24km);</li> <li>• Simu-Kamu-Bulago-Masisa (with a loop to Bumasobo in Buyaga) and Bubulo - Bududa circular road (28km);and</li> <li>• Atiak - Adjumani-Afoji, Goli - Paidha - Zombo - Wairr - Arua (59km), and;</li> <li>• Kitgum – Kapedo road.</li> </ul> <p>6. Address the challenge of the maintenance of road unit equipment by detailing and enforcing operational procedures for equipment management;</p> <p>7. Establish a road reserve protection unit comprising of Police and UNRA officials to patrol and demolish structures set up in road reserve, gazette the road reserves, freeze any future development in the reserves and install mark posts to demarcate the road reserves;</p> <p>8. Enforce zero tolerance for corruption at weighbridges by dismissing and prosecuting corrupt officials manning weighbridges;</p> <p>9. Amend the law to make it more punitive to transporters who overload;</p> <p>10. Issue a statutory instrument banning the transporting of wet sand.</p>		





ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<p><b>Bridges</b></p> <ol style="list-style-type: none"> <li>Construct the following strategic bridges: <ul style="list-style-type: none"> <li>Second Nile Bridge at Jinja; Pakwala, Nyacyara, Goli, Nyagak- 3 (Nebbi), Enyau-3 and Alla (Arua),</li> <li>Apak Bridge on Lira - Moroto road;</li> <li>Ntungwe Bridge on Ishasha - Katunguru road (Kanungu);</li> <li>Mitano Bridge Rukunguri - Kanungu road;</li> <li>Kabaale (linking Kyankwanzi to Ngoma in Nakaseke);</li> <li>Kasozi (Lugogo) Bridge (linking Ngoma – Buruli);</li> <li>Nalakasi Bridge on Ariamoi-Kotido-Kaabong-Kapedo road;</li> <li>Lopei Bridge on Moroto -Ariamoi-Kotido road;</li> <li>Nyamugasani Bridge on Kinyamaseke-Kisinga-Kyarumba-Kibirizi road;</li> <li>Maliba-Nkenda Bridge on Bugoye- Nyakalingijo road in Kasese;</li> <li>Ruboni Bridge which provides access to Mt Mageritta tourist site in Kasese;</li> <li>Cido Bridge on Nebbi-Goli, Nebbi District;</li> <li>Leresi Bridge on Butaleja-Leresi-Budaka road;</li> <li>Nyaliti Bridge on Kapchorwa-Suam road;</li> </ul> </li> </ol>		

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

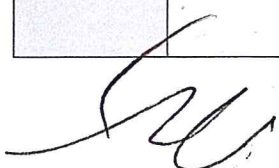
POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<ul style="list-style-type: none"> <li>• Ora Bridge on Okokko – Anyiribu road in Arua;</li> <li>• Aji Bridge on Ullepi Offaka – Nyiribu road in Arua;</li> <li>• Kangole Bridge on Katakwi – Moroto road;</li> <li>• Seretiyo on Kapchorwa – Suam road;</li> <li>• Kaabong Bridge;</li> <li>• Design of Kiakia, Ora, Mutukula, Semilik, and Murungo Bridges;</li> <li>• Kabuhuuna Bridge on Nguse River Kibaale District.</li> </ul> <p>2. Complete procurement of construction of the following 20 strategic bridges;</p> <ul style="list-style-type: none"> <li>• Ora 2 Bridge on Pakwach-Inde-Ocoko road;</li> <li>• Ora 1 bridge, Awa Bridge and Olemika Bridge on Pakwach-Inde-Ocoko road;</li> <li>• Nyakambu Bridge on Kabwohe - Bwizibwera road;</li> <li>• Koch Bridge on Keri - Midigo - Kerwa road;</li> <li>• Osu Bridge on Arua - Biliafe - Otrevu road;</li> <li>• Odrua Bridge on Arua-Vurra Custom-Paidha Goli road;</li> <li>• Nariamabune Bridge on Ariamoi-Koitido-Kabong-Kapedo road;</li> <li>• Malaba 2 Bridge, Malaba 3 Bridge, Okane Bridge and Halukada Bridge all on Tororo - Busia road;</li> </ul>		

ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16

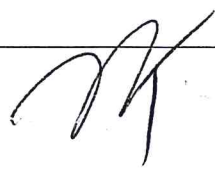
POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<ul style="list-style-type: none"> <li>• Maziba (Omukabaare) Bridge on Old Kabale Road (Kigata - Kabunyonyi - Nyakigugwe) road;</li> <li>• Bridge on Kagandi (Kaku) Natete - Busanza - Mpaka road, Kiruruma Bridge on Katojo - Kihini road;</li> <li>• Dungulwa Bridge, Rwembyo Bridge and Kaiwenge Bridge all on Kinyamaseke-Kisinga-Kyarumba-Kibirizi and;</li> <li>• Kamira Bridge on Kabwohe – Bwizibwera road.</li> </ul> <p><b>Railway Transport</b></p> <ol style="list-style-type: none"> <li>1. Revitalize the railway network in order to lower cost of freight especially for bulky commodities;</li> <li>2. Fast track the construction of the Standard Gauge Railway throughout Uganda.</li> </ol> <p><b>Water Transport</b></p> <ol style="list-style-type: none"> <li>1. Improvement of existing marine infrastructure so as to reduce the cost of transportation and increase connectivity;</li> <li>2. Increase the volume of passenger and cargo traffic by marine transport;</li> <li>3. Initiate a number of legislative interventions as measures to provide safe,</li> </ol>		

ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<p>secure and environmentally friendly inland water transport;</p> <p>4. Commission new ferries for Wanseko – Panyamur, Namasale – Lwampanga and Sugulu Islands (Bugiri district);</p> <p>5. Complete rehabilitation of Kiyindi ferry.</p> <p><b>Air Transport</b></p> <p>1. Upgrade Entebbe International Airport as Uganda's principal international airport to improve the quality of operation and maintenance;</p> <p>2. Construct a new cargo center, new passenger terminal, strengthening runways, and the replacement of navigations aids;</p> <p>3. Fast track several regional aerodromes and an airport at Kabale (Hoima) to ease the development of the oil refinery.</p> <p><b>Information and Communication Technology (ICT) Infrastructure</b></p> <p>1. Connect an additional 60 offices to the National Backbone Infrastructure (NBI);</p> <p>2. Complete the third phase of the National Backbone Infrastructure (NBI);</p> <p>3. Extended to include Short Messaging Services (SMS) and Data Services by December 2015;</p> <p>4. Connect more MDAs to the NBI to reduce the cost of internet connectivity and</p>		




**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**


POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<p>promote e-Government;</p> <p>5. strengthen the legal and institutional framework for ICT use and IT information security;</p> <p>6. Establish a fully integrated one stop centre for investment linking the National Identity Card System, the Integrated Financial Management System, Government Payroll System, (PPS) and Computerized Education Management System (CEMAS), among other interventions;</p> <p>7. Operationalize the second phase of the National Backbone Infrastructure; and</p> <p>8. Commence the construction of the National ICT Park and Innovation Centre at Namanve.</p>		
<p><b>2.3.2</b> Energy</p>	<p><b>Electricity</b></p> <p>1. Complete ongoing projects totaling to 1,938 kms of Medium Voltage lines and 1,633 kms of Large Voltage distribution lines;</p> <p>2. Fast-track the construction of:</p> <p>i. The Karuma Hydropower Project (600MW);</p> <p>ii. Isimba hydro power project (183MW),</p> <p>iii. Mini-hydro power projects such as Muzizi HPP;</p>	<p>Ministry of Energy &amp; Mineral Development</p>	

ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16

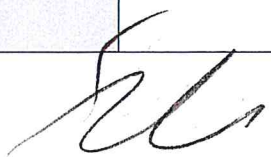
POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<p>iv. At least Five Small Hydropower plants (Nyamwamba-9.2MW, Siti 1 – 5MW, Waki – 5MW, Rwimi – 5.4MW, Kikagati 16MW and Nengo Bridge-7.5MW);</p> <p>v. Transmission lines under the Rural Electrification Programme.</p> <p>3. Implement the following projects:-</p> <ul style="list-style-type: none"> <li>i. Mitano (2.9 MW);</li> <li>ii. Lubilia (5.4 MW);</li> <li>iii. Nyagak III (4.4 MW);</li> <li>iv. Siti (21.5 MW);</li> <li>v. Waki (5.4 MW);</li> <li>vi. Rwimi (10.54MW);</li> <li>vii. Ndugutu (0.5 MW);</li> <li>viii. Nkusi (4.8MW);</li> <li>ix. Nyamwamba (9.2 MW);</li> <li>x. Nengo Bridge (6.5 MW) and;</li> </ul>	<p>Rural Electrification Agency (REA)</p>	



**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<p>xi. Esia (0.11 MW).</p> <p>4. Develop Ayago Hydro Electric Power Project on a Public-Private-Partnership arrangement;</p> <p>5. Construct a total of 2,002 Km of transmission lines across the country. These include:</p> <ul style="list-style-type: none"> <li>i. Bujagali-Tororo-Lessos (220kV);</li> <li>ii. Mbarara – Mirama Hill - Birembo (220 kV);</li> <li>iii. Mbarara – Nkenda (132kV);</li> <li>iv. Tororo – Opuyo –Lira (132kV);</li> <li>v. Kawanda – Masaka (220kV);</li> <li>vi. Nkenda – Fort Portal – Hoima (220kV);</li> <li>vii. Isimba Interconnection Project (132kV);</li> <li>viii. Karuma – Kawanda,; Karuma Lira (400kV, 220kV and 132kV line);</li> <li>ix. Mutundwe – Entebbe (132kV) and;</li> <li>x. New substations at Gulu and Agago with line bays at Lira.</li> </ul>		

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
 2.3.3 Lands and Urban Development	<p><b>Oil, Gas and Mineral Development:</b></p> <ul style="list-style-type: none"> <li>• Commence detailed engineering studies for the Oil Refinery, following the selection of a Lead Investor on a Private-Public Partnership (PPP) basis;</li> <li>• Fast track infrastructure development for the commercialization of oil, including the development of an airport near the Oil Refinery project site at Hoima.</li> <li>• Continue the exploration and production of oil and other valuable minerals such as Iron Ore and Phosphates, and also concretize the development of the Crude Oil Pipeline to the Indian Ocean and petroleum products pipelines.</li> </ul>		
2.3.3 Lands and Urban Development	<p><b>Lands Development</b></p> <ul style="list-style-type: none"> <li>• Rollout of the National Land Information System from 6 zones to 21 land offices.</li> </ul>	Ministry of Lands, Housing & Urban Development	
<b>2.4: Commercialization of Agriculture and Improved Productivity in Primary Growth Sectors:</b>			
2.4.1 Production & Productivity	<p><b>Agriculture</b></p> <ul style="list-style-type: none"> <li>• Focus on provision of inputs, while minimizing expenditure on administrative costs, seminars and workshops;</li> <li>• Place resources available for inputs provision under a single umbrella</li> </ul>	Ministry of Agriculture, Animal Industry & Fisheries.	



ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<p>where accountability will be enforced.</p> <ul style="list-style-type: none"> <li>Encourage small holders to produce surplus, however small, to focus on enterprises that provide high returns to small holder farmers;</li> <li>Encourage commercial ranching, large scale crop production and value addition.</li> <li>Leverage and facilitate agriculture using the value chain approach.</li> </ul>	<p>Ministry of Agriculture, Animal Industry &amp; Fisheries, NAADSS and Uganda Coffee Development Authority. Uganda Cotton Development Authority.</p>	
<p>2.4.2 Tourism:</p>	<p><b>Tourism Development:</b></p> <p>Continue to support private sector operations by:</p> <ul style="list-style-type: none"> <li>Developing financing and implementing a sustainable conservation strategy including appropriate penalties with the oil companies and local communities involved;</li> <li>Financing and implementing a holistic Tourism Promotion Strategy leveraging on our comparative tourism advantages;</li> <li>Reducing the cost of revisiting Uganda by promoting the Single Tourism Visa and easing cross border transits within East Africa; and</li> <li>Making sure our diversity of bio attractions, geographical, historical, religious, are all taken care of in our promotional strategy.</li> <li>Formulation of the Tourism Promotion Strategy and Conservation Strategy.</li> </ul>	<p>Ministry of Tourism, Wildlife &amp; Antiquities and Uganda Tourism Board (UTB).</p>	

ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16

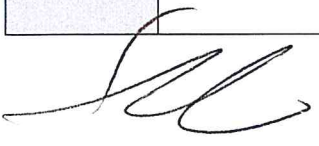
POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
2.4.3 Information and Communication Technology (ICT)	<p><b>Information and Communication Technology (ICT)</b></p> <ul style="list-style-type: none"> <li>Accelerate the commercialization of the second phase of the National Backbone Infrastructure and commence construction of the National ICT Park and Innovation Center at Namamve.</li> </ul>	Ministry of Information and Communication Technology (ICT) NITA-U	
<b>2.5: Enhanced Capacity for Increased Domestic Revenue Mobilization</b>			
2.5.1 Domestic Revenue	<p><b>Value Added tax (VAT):</b></p> <ul style="list-style-type: none"> <li>Revise the VAT threshold to UShs. 150 million;</li> </ul> <p><b>Excise Duty:</b></p> <ul style="list-style-type: none"> <li>Modest adjustments in excise duty rates on some items such as fuel, beer, cigarettes and wine and ready to drink spirits;</li> <li>Introduce 10 percent Excise duty on confectioneries and furniture and 5 percent on motor vehicle lubricants.</li> </ul> <p><b>Formalization of business</b></p> <ul style="list-style-type: none"> <li>Use the withholding tax system through designated agencies to collect taxes from informal businesses in Agriculture, wholesale and retail trade, construction, transport;</li> <li>Mandatory payment of tax for all Public Service Vehicles and Goods Motor-Vehicles at time of renewal of annual licenses;</li> </ul> <p><b>Taxation of the Petroleum and Mining Sector]</b></p>		

ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<ul style="list-style-type: none"> <li>Use the Value Added Tax Act to allow licensees to register for VAT during the exploration and development stages of their operations</li> </ul> <p><b>Environmental levy</b></p> <ul style="list-style-type: none"> <li>Increase the environmental levy on used motor-vehicles from 20 percent to 35 percent for motor vehicles of 5-10 years old and to 50 percent for those above 10 years.</li> </ul> <p><b>Non Tax Revenue</b></p> <p>Increase passport fees by Shs.30,000 to shs.150,000 and a special passport fees at Shs.300,000 for any person who wishes to get a passport expressly within 24 hours</p>		
<p>2.5.2 Tax law reforms</p>	<p><b>Tax Administration</b></p> <ul style="list-style-type: none"> <li>Implement the Joint Compliance Campaign for the fast growing priority sectors with high revenue contribution such as wholesale, retail, real estate and manufacturing.</li> <li>Undertake taxpayer sensitization and education on tax policy changes.</li> <li>Strengthen the international taxation function with respect to Audit capacity of international transactions and exchange of information with other tax jurisdictions.</li> <li>Expand Taxpayer Registration and Expansion Program (TREP) outside</li> </ul>	<p>Ministry of Finance, Planning &amp; Economic Development &amp; Uganda Revenue Authority.</p>	

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**


POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
<p>2.5.3 Implement measures agreed by EAC Ministries of Finance at the Pre-Budget consultations</p>	<p>greater Kampala, Mbarara, Wakiso, Mukono, Arua and Lira.</p> <ul style="list-style-type: none"> <li>• Automate the exchange of information and enforcement collaboration between the MDA's within greater Kampala.</li> <li>• Expand the implementation of the Single Customs Clearance Process.</li> <li>• Enhance information management systems to facilitate faster clearance of goods by rolling out the Electronic Cargo Tracking System (ECTS) to Mombasa, implementing centralized Document Processing and implementing a centralized automated valuation database.</li> <li>• Step-up the e-tax and other information management systems to augment the capacity of tax administration and improve tax payer compliance.</li> <li>• Link the e-tax with the IFMS and enhance accessibility of electronic services for small taxpayers to comply with the new tax requirements.</li> </ul>	<p>Ministry of Finance, Planning &amp; Economic Development</p>	
	<ul style="list-style-type: none"> <li>• Authority to import road tractors for semitrailers at a duty rate of 0 percent instead of 10 percent;</li> <li>• Motor vehicle for the transportation of goods with gross vehicle weight exceeding 5 tones but not exceeding 20 tones at a rate of 10 percent instead of 25 percent;</li> <li>• Motor vehicles for transport of goods with gross weight exceeding 20 tones at 0 percent instead of 25 percent;</li> <li>• Buses for the transportation of more than 25 persons at a rate 10 percent</li> </ul>		



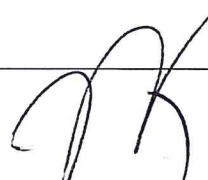
ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	instead 25 percent.		
<b>2.6: Increased Social Service Delivery</b>			
<b>2.6.1 Job Creation and Employment Strategy</b>	<ul style="list-style-type: none"> <li>• Re-align the curriculum and establishing partnerships between the private sector and educations institutions.</li> <li>• Collaborate with the private sector, the Uganda overseas Diaspora and international development partners to develop a well-designed employment market programme to address unemployment and Formulate multi-faceted packages including basic education curriculum shifts, relevant technical education and quality assurance measures and modalities to include skills, knowledge and experience of the Uganda Diaspora.</li> <li>• Implement a holistic approach by 8 Government agencies to ensure that Agricultural Productivity and Agro-business becomes a cornerstone of employment creation module.</li> </ul>	Ministry of Education & Sports.  Ministry of Agriculture, Animal Industry and Fisheries.	
<b>2.6.2: Human Resource Development</b>	<p><b>1. Education</b></p> <ul style="list-style-type: none"> <li>• Increase the Capitation and School Facilities Grants by an additional UShs.39.78 billion to ensure better effectiveness of the UPE, USE/UPOLET programmes;</li> </ul>	Ministry of Education & Ministry of Education and Sports	

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

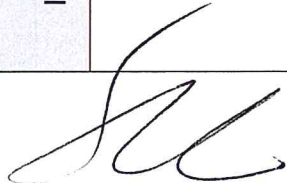
POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<ul style="list-style-type: none"> <li>• Construct 293 Primary schools in the country;</li> <li>• Train 4000 Head Teachers and orient 10,000 School Management Committees (SMCs) in Leadership and Management Skills. In addition, 12,000 teachers and head teachers will be trained in delivering early grade reading in 27 worst performing districts;</li> <li>• Provide instructional materials and teaching aids for UPE, USE and UPOLET;</li> <li>• Enhance vocational and skills development by implementing the Skilling Uganda Project with additional funding of Shs 5.9 billion;</li> <li>• Increase access to tertiary education by expanding the Student Loan Scheme with an additional allocation of Shs.6billion for loans to 1,000 new degree students and 200 diploma students;</li> <li>• Support to the Teachers SACCO with an additional Shs. 5 bn in order to increase access to affordable financial and credit facilities;</li> <li>• Kick-start construction of the National High Altitude Centre in Kapchwora and embark on preliminary design works for Akii-Bua Olympic Stadium in Lira with an additional allocation of Shs.5bn; and</li> <li>• Increase of salaries for Lecturers in all Public Universities with an additional funding of UShs.50bn. This enhancement will raise the Professor's pay from the current shs.4.1 million to UShs.6.3 million per month.</li> </ul>		

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
2.6.3: Health	<p><b>2. Health</b></p> <ul style="list-style-type: none"> <li>• Construction of specialized Maternal and Neonatal unit in Mulago hospital with funding from the Islamic Development Bank (IDB).</li> <li>• Continue the construction, expansion, rehabilitation and equipping of Mulago Hospital will continue and expected to be completed by December 2016;</li> <li>• Procure ten (10) ambulances for the planned Ambulance System for Kampala metropolitan area;</li> <li>• Rehabilitate and upgrade Rukunyu, Maracha, Kansunganyanja, and Rwashamairi health centers;</li> <li>• Procure assorted essential medical equipment and furniture for ten (10) General Hospitals, 10 Health Centre IVs, 30Health Centre IIIs and 20Health Centre IIs countrywide;</li> <li>• Construct 69 housing units at Health Centre IIIs in districts of Kaabong, Abim, Kotido, Moroto, Amudat, Napak and Nakapipirit in the Karamoja region;</li> <li>• Continue rehabilitation of the following hospitals:-Adjumani, Kitgum, Kabarole, Kiboga, Kapchorwa, Kamwenge Pallisa, Ilojo, Kitagata Bugiri, Atutur, Apac, Abim, Bundibugyo, Kaberamaido and Masindi;</li> <li>• Reconstruct Kawolo and Busolve Hospitals with the aid of a Spanish Debt Swap Grant; This will include extensions of Out Patient/Casualty units, building obstetric theatres, expansion of the delivery suites, and improvement of maternity wards;</li> </ul>	Ministry of Health	

ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<ul style="list-style-type: none"> <li>• Rehabilitate expand and equip Yumbe and Kayunga Hospitals with support from the Saudi Fund/Opec Fund for International Development (OFID) and Arab Bank for Economic Development in Africa (BADEA). This will include construction of Staff houses and provision of ambulances;</li> <li>• Enhance the treatment against Hepatitis B with an allocation of Shs. 10 billion;</li> <li>• Directly seek to address the health of mothers and children by providing comprehensive antenatal care and malaria prevention for pregnant women, in addition to HIV voluntary counseling and testing services and nutritional supplements;</li> <li>• Reduce infant mortality rates from 54 per 1,000 live births to 44 per 1,000 live births.</li> </ul>		
<p><b>2.6.4: Water &amp; Sanitation</b></p>	<p><b>Water Development</b></p> <ul style="list-style-type: none"> <li>• Construct gravity flow and piped water schemes in several areas such as Buboko-Bukoli, Bududa- Nabweya, Lirima, Kahama, Kanyampanga, Nyarwocho and Bukwo among others.</li> <li>• Rehabilitate broken down (de-commissioned-Minor &amp; major repairs) hand pumps, valley tanks and Drilling of new boreholes countrywide;</li> <li>• Construct and rehabilitate piped-water systems as well as sewerage and sanitation facilities countrywide;</li> <li>• Construct windmill-powered watering systems in Karamoja;</li> </ul>	<p>Ministry of Water &amp; Environment</p>	



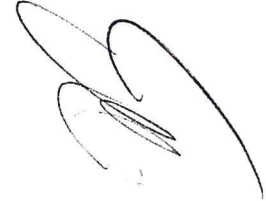


**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<ul style="list-style-type: none"> <li>Upgrade water supply systems in Rural Growth Centers (RGCs), like Nyamaranda in Kibale District, into small piped systems to replace hand pump boreholes;</li> <li>Expand the network coverage within the metropolitan Kampala with the construction of Kinawataka sanitation infrastructure.</li> </ul>		
<b>2.7: Enhanced Efficiency in Government Management;</b>			
<b>2.7.1</b> Improving Government Effectiveness in Service Delivery	<ul style="list-style-type: none"> <li>Enforce a Performance Management Framework that clearly links defining budget allocations to Sector Outcomes and Outputs and in order to improve effectiveness and efficiency of Public Service Delivery;</li> <li>Strictly monitor and enforce performance contracts, and administer strong sanctions to Accounting Officers who fail to adhere to set guidelines. Specifically, going forward, renewal of appointment for Permanent Secretaries, Chief Administrative Officers, Heads of Government Departments and all Accounting Officers will take into account a proven track record of sound implementation of Government programmes/projects and after a stringent vetting process;</li> <li>Ensure all Public Servants have the National Identity Card before accessing the Government Payroll;</li> <li>Enforce implementation of the Sanctions against officials who fail to provide timely accountability and those who continue to burden government with arrears.</li> <li>Prioritize clearance of all domestic arrears including Salary, Pension and Gratuity</li> </ul>	Ministry of Finance, Planning & Economic Development, MOPS, OPM and respective MDA's.	

**ANNEX 3: MATRIX OF THE KEY PRONOUNCEMENTS IN THE BUDGET FOR FY 2015/16**

POLICY INITIATIVE/ISSUE	MEASURES/UNDERTAKING	RESPONSIBLE CENTRE	PERFORMANCE
	<p>arrears;</p> <ul style="list-style-type: none"> <li>• Install pre-paid meters for utilities for MDAs who have not already done so as not to undermine the development of the private sector.</li> <li>• Strengthen procurement and contract management with emphasis on infrastructure projects through outsourcing project management, and scrutiny of contract variations.</li> <li>• Enhance Public Investment Management by improving project selection, appraisal and analysis; and make it mandatory for preparation of prefeasibility studies for all projects and PPPs, before the project is approved and sanctioned for funding.</li> <li>• Ensure expeditious submission of loan requests to both Cabinet and Parliament, and urge expeditious approval to enable project effectiveness.</li> </ul>	<p>Ministry of Finance, Planning and Economic Development Electoral Commission Uganda Police Force Ministry of Internal Affairs Directorate of Citizenship and Immigration.</p>	



VOTE	Agency	Umeme Bal as at 31 March 2015
162	Butabika Hospital	13,985,974
133	DPP	-1,091,715
132	Education Service Comm	0
164	Hospital-Fortportal	1,063,961
165	Hospital-Gulu	4,038,217
166	Hospital-Hoima	13,617,632
167	Hospital-Jinja	45,605,042
168	Hospital-Kabale	-28,274,251
172	Hospital-Lira	10,896,817
169	Hospital-Masaka	-700,002
170	Hospital-Mbale	43,158,817
173	Hospital-Mbarara	240,673,041
176	Hospital-Naguru	3,427,352
171	Hospital-Soroti	112,158,724
103	IGG	6,991,020
120	Immigratuin Control	-42,599,945
148	Judicial Service Comm	1
101	Judiciary	68,251,186
139	Kyambogo University	-1
136	Makerere University	-962,544
137	Mbarara University	151,538
019	Meterological Dept	0
010	MOIAAF	31,810,627
041	Ministry of Defence	17,183,386,286
004	Ministry of Education	37,334,950
017	Ministry of Energy	57,146,796
008	Ministry of Finance Planning & Econ Devt	122,291,339
006	Ministry of Foreign Affairs	108,966,321
018	Ministry of Gender	42,589,619
014	Ministry of Health	3,815,746,797
020	Ministry of ICT	33,193,580
009	Ministry of Internal Affairs	15,197,206
007	Ministry of Justice & Const	0
012	Ministry of LHUD	245,121,573
005	Ministry of Public Service	22,762,930
015a	Ministry of Tourism & Wildlife	-15,513,844
019	Ministry of Water & Envi	330,077,099
016	Ministry of Works	27,098,924
138	MUBS	1
161	Mulago Hospital Complex	1,302,422,219
142	NARO	215,773,752
157	NFA	40,818,137
131	OAG	612,373
159	OP (ESO)	78,823,524
158	OP (ISO)	5,469,994
001c	OP (MEDIA CENTRE)	1,290,584
001a	OP (RDC)	638,230,938
001b	OP (Security)	369,416
003	PRIME MINISTER'S OFFICE	2,025,324
104	Parliamentary Comm	132,958,768
146	Public Service Comm	0
002	State House	464,754,206
999	UBC	706,692,933
143	UBOS	178,057,740
151	UBTS	6,964,761
156	Uganda Land Comm	20,115
144	Uganda Police	7,888,977,573
145	Uganda Prisons	6,107,865,573
106	UHRC	-1,294,911
110	Uganda Industrial Research Institute	128,818,848
140	UMI	-5
	<b>TOTAL</b>	<b>40,447,252,980</b>



FORMAT FOR SUBMISSION OF STAFF LISTS AND SALARY PAYMENTS FOR FY 2014/15

S/N	Names	Title	Bank Name	Account Number	Category (e.g Traditional, Teacher)	Gross Amount (Annual)	Staff signature
1.							
2.							
3.							
4.							

1. Verified by: Head of Department (Cost Centre)

Name:.....

Title:.....

Signature & Stamp:.....

2. Verified by: Head Human Resources

Name:.....

Title:.....

Signature & Stamp:.....

3. Audited by: Internal Auditor

Name:.....

Title:.....

Signature & Stamp:.....

4. Authorized for Payment by: Accounting Officer

Name:.....

Title:.....

Signature & Stamp:.....



Telephone: 256 41 4707 000  
: 256 41 4232 095  
Fax: : 256 41 4230 163  
: 256 41 4343 023  
: 256 41 4341 286  
Email : [finance@finance.go.ug](mailto:finance@finance.go.ug)  
Website : [www.finance.go.ug](http://www.finance.go.ug)



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

In any correspondence on  
this subject please quote: No. BPD\86/153/01

22<sup>nd</sup> June 2015

All Local Government Accounting Officers

## CIRCULAR ON THE CONSOLIDATION OF FISCAL TRANSFERS AND THE FINALISATION OF PERFORMANCE CONTRACTS FOR FY 2015/16.

### A. INTRODUCTION

1. Refer to the second Budget Call Circular ref BPD 86/107/05 dated 20<sup>th</sup> March 2015 where you were informed of government intension to consolidate fiscal transfers to Local Governments with an aim of reducing their number, cutting down the associated transaction costs and improving their manageability. This circular and accompanying guidelines therefore, elaborate the interim consolidation for 2015/16.
2. The consolidation of fiscal transfers forms part of a broader reform to fiscal transfers whose objectives are to:
  - i). increase discretion to enable LGs deliver services in line with local needs whilst ensuring that national policies are implemented;
  - ii). allow new national policies to be funded through the transfer system, at the same time avoiding future fragmentation of transfers and reduction in discretion;
  - iii). shift the focus away from fragmented input-based conditions towards accountability for allocation decisions, expenditures and results;
  - iv). use the transfer system to provide incentives to improve institutional and service delivery performance; and
  - v). restore adequacy and equity in allocation of funds for infrastructure and service delivery.
3. In line with these objectives, my ministry is working collaboratively with central and local government stakeholders to develop proposals for 2016/17 and beyond. This will involve further redesign of discretionary and sector transfers and revision of their allocation formulae and principles. Over the coming months, my ministry will be holding consultations with local governments on these proposals.

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*Mission*  
"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"

## B. CONSOLIDATION OF GRANTS FOR FY 2015/16 AND ALLOCATIONS

4. In FY 2015/16, the allocation and conditionality associated with existing grants will be maintained and presented as 'of which' within the consolidated framework.
5. Under the Recurrent Transfers System (RTS) the conditional grants will be consolidated as follows:
  - i). **Wage:** one wage for each of the six service delivery sectors - Health, Education, Agriculture, Works and Transport, Water and Environment, and Social Development;
  - ii). **Non-wage:** one Non- wage for each of the six service delivery sectors - Health, Education, Agriculture, Works and Transport, Water and Environment, and Social Development;
  - iii). A **Support Services conditional grant** will consolidate non-wage grants for Boards and Commissions, the IFMIS, IPPS, PAF Monitoring, Start Up Costs, LLG ex-gratia and Hard to Reach Allowances; and
  - iv). The **Unconditional grant** will consolidate transfers to Transfers to DSC Chairs Salaries and Salary and Gratuity for LG Elected Leaders
6. Under the Development Transfer System (DTS), the conditional grants will be consolidated as follows:
  - i). There will be one conditional development grant per sector with development funding (Agriculture, Works and Transport, Education, Health, Water and Environment); and
  - ii). The discretionary development grants (LGMSD and USMID) will remain unchanged. An additional grant for the Luwero and Rwenzori Development grant has also been introduced.
7. The Chart of Accounts will be adjusted with the changes to the revenue codes in the central government budget and the revenue budget for Local Government. Previously each grant had its own code. Now each sector grant will be identified by a combination of the grant item code and the sector code as follows:

GRANT NAME	LG Revenue Budget	CG Budget (Asset)
Recurrent grant codes		
Sector Conditional Grant Wage	133366	321466
Sector Conditional Grant Non-Wage	133367	321467
Support Services Conditional Grant Wage	133368	321468
Support Services Conditional Grant Non-Wage	133369	321469

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GRANT NAME	LG Revenue Budget	CG Budget (Asset)
District Unconditional Grant Wage	133351	321451
District Unconditional Grant Non-Wage	133301	321401
District Equalization Grant Non-Wage	133303	321403
Urban Unconditional Grant Wage	133350	321450
Urban Unconditional Non-Wage	133302	321402
Urban Equalization Grant Non-Wage	133363	321463
<b>Development grant codes</b>		
Sector Development Grant	133370	321470
LGMSD	133326	321426
Municipal Infrastructure Grant (USMID)	133365	321465
Luwero & Rwenzori Dev't Programme (LRDP)	133371	321471

8. The approved allocations for fiscal transfers to local governments are attached to this circular. They are presented in line with the above framework.
9. Also attached are a set of Sector Grant Information Papers which provide a highlight of the roles of LGs under the Sector, The purpose of Sector transfers, grant specific guidance and the expenditure budget structure and performance indicators.

#### C. ADJUSTMENTS TO BUDGETS AND FINALISATION OF PERFORMANCE CONTRACTS

10. Following the approval of the national budget and the interim consolidation of fiscal transfers, there are three important sets of changes that must be made in Local Government budget:
  - i). The revenue budget of local governments must be adjusted to reflect the new consolidated framework for conditional grants;
  - ii). The Performance Contract has been summarized and compressed to focus on key local government results (*refer to a letter BPD 86/107/02 dated 19<sup>th</sup> June 2015 on Modification of Template for Performance Contracts*); and
  - iii). Any changes made to the grant allocations in budget approved by Parliament need to be reflected. This include allocations for the new discretionary development allocation for the Luwero Rwenzori Development Program (LRDP), which was not included in the 2015/16 Interim Planning Figures (IPFs).
11. Budget changes will need to appear in the Performance Contract (Form B) of the Chief Administrative Officer, and in the Local Government Budget Estimates and Annual Work Plans that support it. If the Local Government Budget has already

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been passed by the Council, a supplementary budget should be introduced effecting these changes.

12. Alongside this circular an update of the OBT and encrypted file containing the adjusted ceilings will be availed to you to facilitate this revision process. This will automatically adjust the revenue budgets to the consolidated framework.

#### D. CONCLUSION

13. The purpose of this circular is:

- i). To inform Local Governments the progress of reforms to fiscal transfers and provide details of their interim consolidation in 2015/16;
- ii). To communicate the IPFs for fiscal transfers following the approval of the Budget for FY 2015/16; and
- iii). To request local governments to adjust their budgets and finalize their performance contracts using the Output Budgeting Tool (OBT), in light of the provision of the interim consolidation and their final allocations for 2015/16; and

14. Accompanying this circular are guidelines for the finalization of performance contracts and budget execution in the context of these reforms.

15. You are requested to submit your signed Performance Contract (Form B) for 2015/16 no later than the 30<sup>th</sup> June 2015.

  
Keith Muhakanizi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

- cc: Head of Public Service and Secretary to Cabinet.  
Deputy Head of Public Service and Deputy Secretary to Cabinet.  
Secretary, Local Government Finance Commission.  
The Permanent Secretary, Office of the Prime Minister.  
The Permanent Secretary, Ministry of Education and Sports.  
The Permanent Secretary, Min. of Gender, Labour and Social Development.  
The Permanent Secretary, Ministry of Health.  
The Permanent Secretary, Ministry of Agriculture, Animal Industry of Fisheries.  
The Permanent Secretary, Ministry of Water and Environment.  
The Permanent Secretary, Ministry of Works and Transport.

The Permanent Secretary, Ministry of Public Service.  
The Permanent Secretary, Ministry of Lands, Housing and Urban Development.  
The Ag. Permanent Secretary, Ministry of Local Government.  
The Executive Director, National Agricultural Advisory Services.  
The Executive Director, Uganda Road Fund.  
The General Manager, National Medical Stores.



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