

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
Website : www.finance.go.ug



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

In any correspondence on
this subject please quote No MET.50/268/01

THE REPUBLIC OF UGANDA

10th April 2015

All Accounting Officers

FOURTH QUARTER EXPENDITURE LIMITS FOR WAGE, NON-WAGE RECURRENT AND DEVELOPMENT EXPENDITURE FOR APRIL 2015 TO JUNE 2015 FOR FY 2014/15

1. This is to communicate the Expenditure-Limits for Wage, Non-Wage Recurrent and Development Expenditure for the period April-June 2015 as attached in **Annex 1**. The Expenditure requirements in your 4th Quarter Workplans have been considered to the extent possible taking into account the absorption capacity of the funds already released to you, to ensure that fiscal policy remains supportive of the overall macroeconomic objectives. The Expenditure limits have therefore been adjusted to fit within the revenue performance. Where requirements have not been fully met, you are requested to adjust your workplans to fit in the funds provided in this circular.
2. Consistent with the performance budgeting reforms, warrant requests for the Centre Votes are based on outputs. **To facilitate timely release, your projections should be submitted to this Ministry by Wednesday 15th April 2015 to facilitate releases to be made by Friday 17th April 2015 at the latest.**
3. Accounting Officers are required to submit detailed **Project level allocations** in both hard and soft copies before the release is made for Development Expenditure. For Non-Wage Recurrent Expenditure, detailed allocations by Program should equally be provided, in both hard and soft copies.
4. In the previous quarters, Expenditure Limits for wages have been on prorata basis. For Quarter four, we requested you to confirm your wage requirements and out of the 227 institutions, we received responses from 97 institutions. I have provided fully for those institutions that have responded and as earlier communicated, for those institutions that did not respond I have maintained the Q4 projection at the level proposed in my letter Ref HRM 155/222/02 dated 30th March 2015. I have however, noted that there some institutions which will have wage shortfalls against their approved budgets for FY 2014/15, **Annex 2** attached. **Those affected institutions are advised to request for Supplementary funding to cover the shortfall with clear justification for the shortfall.**
5. In respect to Pensions and Gratuity, there has been slow absorption of the funds provided for Pensions and Gratuity in a Decentralized setting. I have therefore provided Shs.61bn for payment of current pensions under Ministry of Public Service, Shs.25bn for payment of Pensions and Gratuity under Defence, and Shs.11bn for the decentralized pensions.
6. **In this circular, I have advised the aggregate levels of the different grants to be issued to Local Governments. Accounting Officers responsible for the relevant grants are**

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"