

Vote: 004 Ministry of Defence

QUARTER 1: Highlights of Vote Performance

VI: Summary of Issues in Budget Execution

This section provides an overview of Vote expenditure

(i) Snapshot of Vote Releases and Expenditures

Table V1.1 below summarises cumulative releases and expenditures by the end of the quarter:

Table V1.1: Overview of Vote Expenditures (US\$ Billion)

(i) Excluding Arrears, Taxes	Approved Budget	Cashlimits by End	Released by End	Spent by End Sep	% Budget Released	% Budget Spent	% Releases Spent
Recurrent Wage	388.823	0.000	97.206	96.857	25.0%	24.9%	99.6%
Recurrent Non Wage	470.250	0.000	195.664	178.811	41.6%	38.0%	91.4%
Development GoU	138.995	0.000	27.799	27.121	20.0%	19.5%	97.6%
Development Donor*	562.319	N/A	0.000	0.000	0.0%	0.0%	N/A
GoU Total	998.068	0.000	320.669	302.789	32.1%	30.3%	94.4%
Total GoU+Donor (MTEF)	1,560.387	N/A	320.669	302.789	20.6%	19.4%	94.4%
(ii) Arrears and Taxes Arrears	5.106	N/A	2.196	0.192	43.0%	3.8%	8.7%
(ii) Arrears and Taxes Taxes**	0.000	N/A	0.000	0.000	N/A	N/A	N/A
Total Budget	1,565.493	0.000	322.865	302.981	20.6%	19.4%	93.8%
(iii) Non Tax Revenue	0.400	N/A	0.000	0.000	0.0%	0.0%	N/A
Grand Total	1,565.893	0.000	322.865	302.981	20.6%	19.3%	93.8%
Excluding Taxes, Arrears	1,560.787	0.000	320.669	302.789	20.5%	19.4%	94.4%

* Donor expenditure information available

** Non VAT on capital expenditure

The table below shows cumulative releases and expenditures to the Vote by Vote Function :

Table V1.2: Releases and Expenditure by Vote Function*

Billion Uganda Shillings	Approved Budget	Released	Spent	% Budget Released	% Budget Spent	% Releases Spent
VF: 1101 National Defence (UPDF)	1,462.69	296.25	288.41	20.3%	19.7%	97.4%
VF: 1149 Policy, Planning and Support Services	98.10	24.42	14.38	24.9%	14.7%	58.9%
Total For Vote	1,560.79	320.67	302.79	20.5%	19.4%	94.4%

* Excluding Taxes and Arrears

(ii) Matters to note in budget execution

The main challenge on the MOD budget is under funding. The other challenge is the ever increasing dollar rate has affected the unit value of the shilling.

Table V1.3: High Unspent Balances and Over-Expenditure in the Domestic Budget (Ushs Bn)

(i) Major unspent balances

Programs , Projects and Items

VF: 1149 Policy, Planning and Support Services

12.03 Bn Shs Programme/Project: 01 Headquarters

Reason: Payment process ongoing

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Items			
8.63 Bn Shs	Item: 212104 Pension for Military Service		
	Reason: Payment process ongoing		
1.50 Bn Shs	Item: 321614 Electricity arrears (Budgeting)		
	Reason: Payment process ongoing		
0.81 Bn Shs	Item: 213004 Gratuity Expenses		
	Reason: Payment process ongoing		
0.50 Bn Shs	Item: 321605 Domestic arrears (Budgeting)		
	Reason: Payment process ongoing		
Programs , Projects and Items			
VF: 1101 National Defence (UPDF)			
5.00 Bn Shs	Programme/Project: 02	UPDF Land forces	
	Reason: Procurement process ongoing		
Items			
1.94 Bn Shs	Item: 221009 Welfare and Entertainment		
	Reason: Procurement process ongoing		
1.16 Bn Shs	Item: 224003 Classified Expenditure		
	Reason: Procurement process ongoing		
Programs , Projects and Items			
VF: 1101 National Defence (UPDF)			
2.15 Bn Shs	Programme/Project: 03	UPDF Airforce	
	Reason: Procurement process ongoing		
Items			
1.33 Bn Shs	Item: 228002 Maintenance - Vehicles		
	Reason: Procurement process ongoing		
0.64 Bn Shs	Item: 227004 Fuel, Lubricants and Oils		
	Reason: Procurement process ongoing		
Programs , Projects and Items			
VF: 1101 National Defence (UPDF)			
0.68 Bn Shs	Programme/Project: 0023	Defence Equipment Project	
	Reason: Procurement process ongoing		
(ii) Expenditures in excess of the original approved budget			
* Excluding Taxes and Arrears			

V2: Performance Highlights

This section provides highlights of output performance, focusing on key outputs and actions implemented to improve section performance.

Table V2.1: Key Vote Output Indicators and Expenditures*

Vote, Vote Function Key Output	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
Vote Function: 1101 National Defence (UPDF)			

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
Output: 110102	Logistical support		
<i>Description of Performance:</i>	Logistics (food, fuel, uniforms, spare parts, tyres, accomodation items & all other logistical items) procured and delivered to quality, quantity and time; Aircrafts refurbished, maintained and operated at the desired levels	Logistics (food, fuel, uniforms, spare parts, tyres, accomodation items & all other logistical items) were procured and delivered to quality, quantity and time; Aircrafts were refurbished, maintained and operated at the desired levels	n/a
<i>Performance Indicators:</i>			
Value of uniforms procured and supplied	10.9		1.8
Value of assorted food stuffs procured and supplied	37.245		7.300
Value of petroleum Oil and Lubricants (POL) procured	18.304		13.144
<i>Output Cost:</i>	UShs Bn: 180.340	UShs Bn: 18.047	% Budget Spent: 10.0%
Output: 110104	Classified UPDF support/ Capability consolidation		
<i>Description of Performance:</i>	<ul style="list-style-type: none"> • Acquire, maintain and upgrade Strategic capabilities • Gather intelligence Information. 	<ul style="list-style-type: none"> • Acquired, maintained and upgraded Strategic capabilities • Gathered and disseminated intelligence Information. 	N/A
<i>Performance Indicators:</i>			
Value of classified expenditures made	296.983	134.175	
<i>Output Cost:</i>	UShs Bn: 641.905	UShs Bn: 23.377	% Budget Spent: 3.6%
Output: 110105	Force welfare		
<i>Description of Performance:</i>	Provide welfare to the troops and their families in order to boost their morale. This will be in the following areas; <ul style="list-style-type: none"> • Salaries paid by 28th month • All other allowances and emoluments paid • Medicare to the troops and their families provided • Formal education provided to the soldier's children • UPDF Welfare projects enhanced 	<ul style="list-style-type: none"> • Salaries were paid by 28th month • All other allowances and emoluments were paid • Medicare to the troops and their families was provided • Formal education was provided to the soldier's children as planned • UPDF Welfare projects were enhanced 	N/A
<i>Performance Indicators:</i>			
Value of wages and salaries paid	338.113	82.573	
No. of projects undertaken (constructed, renovated and upgraded)	50	16	
No. of children accessing education in army formal	40,842	36060	

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
schools.			
% of required medicare services accessible to UPDF officers, militants and their families	68	68	
<i>Output Cost:</i>	US\$ Bn: 571.556	US\$ Bn: 105.039	% Budget Spent: 18.4%
Output: 110106	Train to enhance combat readiness		
<i>Description of Performance:</i>	Enhanced capability in terms of training. Have different types of courses carried out. These will include; <ul style="list-style-type: none"> • Basic military courses • Advanced • Leadership courses • Specialized courses • Command courses • Auxiliary Training Courses • Peace support training Courses 	Enhanced capability in terms of training. The courses included; <ul style="list-style-type: none"> • Basic military courses • Advanced • Leadership courses • Specialized courses • Command courses • Auxiliary Training Courses • Peace support training Courses 	n/a
<i>Output Cost:</i>	US\$ Bn: 11.417	US\$ Bn: 1.958	% Budget Spent: 17.2%
Vote Function Cost	US\$ Bn: 1,462.691	US\$ Bn: 288.410	% Budget Spent: 19.7%
Vote Function: 1149 Policy, Planning and Support Services			
Vote Function Cost	US\$ Bn: 98.096	US\$ Bn: 14.379	% Budget Spent: 14.7%
Cost of Vote Services:	US\$ Bn: 1,560.787	US\$ Bn: 302.789	% Budget Spent: 19.4%

* Excluding Taxes and Arrears

n/a

Table V2.2: Implementing Actions to Improve Vote Performance

Planned Actions:	Actual Actions:	Reasons for Variation
Vote: 004 Ministry of Defence		
Vote Function: 11 01 National Defence (UPDF)		
Supplement the Defence budget so as to meet the required levels of funding	Supplementary request has been made to supplement the MOD budget	n/a
Emphasise Training and retraining of troops	Training and retraining is ongoing	N/A
Embark on construction of 30,000 units of houses for troops.	Discussions are underway on PPP	N/a
Vote Function: 11 49 Policy, Planning and Support Services		
Further Strengthen the monitoring and evaluation mechanisms in the ministry to ensure efficiency savings to supplement the budget		

V3: Details of Releases and Expenditure

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This section provides a comprehensive summary of the outputs delivered by the Vote and further details of Vote expenditures by Vote Function and Expenditure Item.

Table V3.1: GoU Releases and Expenditure by Output*

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:1101 National Defence (UPDF)	900.37	296.25	288.41	32.9%	32.0%	97.4%
<i>Class: Outputs Provided</i>	875.28	289.97	282.81	33.1%	32.3%	97.5%
110102 Logistical support	64.28	155.81	152.22	242.4%	236.8%	97.7%
110103 Other areas (Legal, CISM and Bank Charges)	0.88	0.22	0.22	24.7%	24.7%	100.0%
110104 Classified UPDF support/ Capability consolidation	372.48	24.53	23.38	6.6%	6.3%	95.3%
110105 Force welfare	429.54	107.39	105.04	25.0%	24.5%	97.8%
110106 Train to enhance combat readiness	8.09	2.02	1.96	25.0%	24.2%	96.8%
<i>Class: Capital Purchases</i>	25.09	6.27	5.60	25.0%	22.3%	89.2%
110171 Acquisition of Land by Government	1.12	0.28	0.15	25.0%	13.7%	54.8%
110172 Government Buildings and Administrative Infrastructure	16.41	4.10	4.10	25.0%	25.0%	100.0%
110175 Purchase of Motor Vehicles and Other Transport Equipment	5.16	1.29	1.18	25.0%	22.9%	91.7%
110177 Purchase of Specialised Machinery & Equipment	2.23	0.56	0.11	25.0%	5.0%	20.2%
110178 Purchase of Office and Residential Furniture and Fittings	0.17	0.04	0.04	25.0%	24.8%	99.2%
VF:1149 Policy, Planning and Support Services	97.70	24.42	14.38	25.0%	14.7%	58.9%
<i>Class: Outputs Provided</i>	97.70	24.42	14.38	25.0%	14.7%	58.9%
114901 Policy, consultation, planning and monitoring services	0.54	0.13	0.13	25.0%	23.7%	94.7%
114902 Ministry Support Services (Finance and Administration)	97.16	24.29	14.25	25.0%	14.7%	58.7%
Total For Vote	998.07	320.67	302.79	32.1%	30.3%	94.4%

* Excluding Taxes and Arrears

Table V3.2: 2015/16 GoU Expenditure by Item

Billion Uganda Shillings	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
Output Class: Outputs Provided	972.97	314.40	297.19	32.3%	30.5%	94.5%
211101 General Staff Salaries	388.82	97.21	96.86	25.0%	24.9%	99.6%
211103 Allowances	0.56	0.14	0.13	25.0%	22.5%	90.0%
212104 Pension for Military Service	34.77	8.69	0.06	25.0%	0.2%	0.7%
213001 Medical expenses (To employees)	1.01	0.25	0.25	25.0%	24.9%	99.7%
213002 Incapacity, death benefits and funeral expenses	0.31	0.08	0.08	25.0%	24.5%	98.0%
213004 Gratuity Expenses	35.31	8.83	8.02	25.0%	22.7%	90.8%
221001 Advertising and Public Relations	0.09	0.02	0.02	25.0%	24.9%	99.6%
221003 Staff Training	8.29	2.07	2.00	25.0%	24.1%	96.6%
221006 Commissions and related charges	1.06	0.26	0.26	25.0%	24.8%	99.2%
221008 Computer supplies and Information Technology (IT)	0.12	0.03	0.03	25.0%	25.0%	99.9%
221009 Welfare and Entertainment	37.61	9.40	7.39	25.0%	19.6%	78.6%
221011 Printing, Stationery, Photocopying and Binding	0.49	0.12	0.05	25.0%	10.8%	43.2%
221012 Small Office Equipment	0.22	0.06	0.05	25.0%	20.8%	83.3%
221016 IFMS Recurrent costs	0.02	0.00	0.00	25.0%	25.0%	100.0%
221017 Subscriptions	9.41	2.35	1.92	25.0%	20.4%	81.6%
221020 IPPS Recurrent Costs	0.03	0.01	0.01	25.0%	24.0%	96.0%
222001 Telecommunications	2.53	0.63	0.55	25.0%	21.7%	86.9%
222003 Information and communications technology (ICT)	3.60	0.90	0.89	25.0%	24.7%	98.6%
223001 Property Expenses	0.03	0.01	0.01	25.0%	15.8%	63.2%
223003 Rent – (Produced Assets) to private entities	0.49	0.12	0.11	25.0%	22.8%	91.3%
223005 Electricity	7.47	1.87	1.70	25.0%	22.8%	91.3%
223006 Water	3.68	0.92	0.46	25.0%	12.5%	50.0%
224001 Medical and Agricultural supplies	3.19	0.80	0.80	25.0%	25.0%	100.0%

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Billion Uganda Shillings	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
224002 General Supply of Goods and Services	0.00	134.18	134.18	N/A	N/A	100.0%
224003 Classified Expenditure	372.48	24.53	23.38	6.6%	6.3%	95.3%
224005 Uniforms, Beddings and Protective Gear	12.04	0.00	0.00	0.0%	0.0%	N/A
225001 Consultancy Services- Short term	2.99	0.75	0.73	25.0%	24.3%	97.2%
227001 Travel inland	6.35	1.59	1.57	25.0%	24.7%	98.9%
227002 Travel abroad	4.18	1.04	1.01	25.0%	24.1%	96.4%
227003 Carriage, Haulage, Freight and transport hire	1.13	0.28	0.21	25.0%	18.3%	73.0%
227004 Fuel, Lubricants and Oils	18.98	13.32	12.30	70.1%	64.8%	92.4%
228001 Maintenance - Civil	0.49	0.12	0.12	25.0%	23.9%	95.7%
228002 Maintenance - Vehicles	14.81	3.70	1.97	25.0%	13.3%	53.3%
282104 Compensation to 3rd Parties	0.40	0.10	0.09	25.0%	22.4%	89.6%
Output Class: Capital Purchases	25.09	6.27	5.60	25.0%	22.3%	89.2%
311101 Land	1.12	0.28	0.15	25.0%	13.7%	54.8%
312102 Residential Buildings	16.41	4.10	4.10	25.0%	25.0%	100.0%
312201 Transport Equipment	5.16	1.29	1.18	25.0%	22.9%	91.7%
312202 Machinery and Equipment	2.23	0.56	0.11	25.0%	5.0%	20.2%
312203 Furniture & Fixtures	0.17	0.04	0.04	25.0%	24.8%	99.2%
Output Class: Arrears	5.11	2.20	0.19	43.0%	3.8%	8.7%
321605 Domestic arrears (Budgeting)	2.01	0.50	0.00	25.0%	0.0%	0.0%
321613 Telephone arrears (Budgeting)	0.03	0.00	0.00	0.0%	0.0%	N/A
321614 Electricity arrears (Budgeting)	3.07	1.69	0.19	55.2%	6.3%	11.3%
Grand Total:	1,003.17	322.86	302.98	32.2%	30.2%	93.8%
Total Excluding Taxes and Arrears:	998.07	320.67	302.79	32.1%	30.3%	94.4%

Table V3.3: GoU Releases and Expenditure by Project and Programme*

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:1101 National Defence (UPDF)	900.37	296.25	288.41	32.9%	32.0%	97.4%
<i>Recurrent Programmes</i>						
02 UPDF Land forces	744.16	259.64	254.64	34.9%	34.2%	98.1%
03 UPDF Airforce	17.21	8.80	6.65	51.1%	38.6%	75.5%
<i>Development Projects</i>						
0023 Defence Equipment Project	138.99	27.80	27.12	20.0%	19.5%	97.6%
1178 UPDF Peace Keeping Mission in Somalia (AMISOM)	0.00	0.00	0.00	N/A	N/A	N/A
VF:1149 Policy, Planning and Support Services	97.70	24.42	14.38	25.0%	14.7%	58.9%
<i>Recurrent Programmes</i>						
01 Headquarters	97.54	24.38	14.35	25.0%	14.7%	58.9%
04 Internal Audit Department	0.16	0.04	0.02	25.0%	15.5%	62.0%
Total For Vote	998.07	320.67	302.79	32.1%	30.3%	94.4%

* Excluding Taxes and Arrears

Table V3.4: Donor Releases and Expenditure by Project and Programme*

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:1101 National Defence (UPDF)	562.32	0.00	0.00	0.0%	0.0%	N/A
<i>Development Projects</i>						
0023 Defence Equipment Project	264.05	0.00	0.00	0.0%	0.0%	N/A
1178 UPDF Peace Keeping Mission in Somalia (AMISOM)	298.27	0.00	0.00	0.0%	0.0%	N/A
Total For Vote	562.32	0.00	0.00	0.0%	0.0%	N/A