

VOTE: 130 Treasury Operations

I. VOTE MISSION STATEMENT

To effectively and efficiently manage Government statutory debt obligations, Investments and the Contingencies Fund.

II. STRATEGIC OBJECTIVE

To Strengthen transparency, accountability and anti corruption systems.

To Strengthen Budgeting and Resource Mobilization

III. MAJOR ACHIEVEMENTS IN 2022/23

Processed 641 loan withdraw applications that were submitted by projects during the period amounting to UGX 2.065tn. These included the online disbursement applications to IFAD & World Bank using Client Connection web.

The projections for External and Domestic debt due were prepared and reconciled with creditors.

Payment of principal, interest, commissions and other costs related to external borrowing was processed as and when it fell due without incurring any penalties to Government of Uganda.

Availed resources amounting to Ugx 20bn to the Office of the Prime Minister to support households at risk of food insecurity in Karamoja sub-region and other parts of the country.

Prepared Financial Statements for Treasury Operations Vote 130 and the Contingencies Fund for the FY ended 30th June, 2022 and statutory Audit supported for the year ended.

The Debt Management and Financial Analysis System was updated with 8 new loans contracted during the period amounting to USD 864.7M. Domestic debt issuances, loan and grants disbursements, Treasury bills and Bond Costs paid and repayments of maturing debt were also updated in the system to facilitate production of reports.

The 1st Instalment amounting to USD 65m with respect to the International Court of Justice award against Government of Uganda in reparations to the Democratic Republic of Congo over a war that began in the late 1990s was made during the period.

Provided management reports to stakeholders.

Upgraded the Debt management system (DMFAS) and trained users accordingly.

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IV. MEDIUM TERM BUDGET ALLOCATIONS

Table 4.1: Overview of Vote Expenditure (Ushs Billion)

	2022/23		2023/24	MTEF Budget Projections			
	Approved Budget	Spent by End Dec	Budget Estimates	2024/25	2025/26	2026/27	2027/28
Recurrent	Wage	0.000	0.000	0.000	0.000	0.000	0.000
	Non-Wage	15,174.174	10,275.349	18,747.154	18,770.438	19,010.838	22,507.068
Devt.	GoU	0.000	0.000	0.000	0.000	0.000	0.000
	Ext Fin.	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total	15,174.174	10,275.349	18,747.154	18,770.438	19,010.838	22,507.068	25,070.585
Total GoU+Ext Fin (MTEF)	15,174.174	10,275.349	18,747.154	18,770.438	19,010.838	22,507.068	25,070.585
Arrears	213.373	254.265	0.000	0.000	0.000	0.000	0.000
Total Budget	15,387.547	10,529.614	18,747.154	18,770.438	19,010.838	22,507.068	25,070.585
Total Vote Budget Excluding Arrears	15,174.174	10,275.349	18,747.154	18,770.438	19,010.838	22,507.068	25,070.585

VOTE: 130 Treasury Operations**Table 4.2: Budget Allocation by Department for Recurrent and Development (Ushs Billion)**

<i>Billion Uganda Shillings</i>	Draft Budget Estimates FY 2023/24	
	Recurrent	Development
Programme:18 Development Plan Implementation	18,747.154	0.000
SubProgramme:02 Resource Mobilization and Budgeting	18,747.154	0.000
Sub SubProgramme:01 Treasury Operations	18,747.154	0.000
001 Administration	18,747.154	0.000
Total for the Vote	18,747.154	0.000

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V. PERFORMANCE INDICATORS AND PLANNED OUTPUTS

Table 5.1: Performance Indicators

Programme: 18 Development Plan Implementation

SubProgramme: 02 Resource Mobilization and Budgeting

Sub SubProgramme: 01 Treasury Operations

Department: 001 Administration

Budget Output: 560050 Debt Service Payments

PIAP Output: Integrated debt management strengthened

Programme Intervention: 180101 Align government borrowing with NDP priorities

Indicator Name	Indicator Measure	Base Year	Base Level	2022/23		Performance Targets
				Target	Q2 Performance	2023/24
An updated debt management system in place	Percentage	2022	99%	100%	98%	100%
Integrated debt management strategy developed	Number	2022	1	100%	100	1

Budget Output: 560051 Contingencies Fund Management

PIAP Output: Integrated debt management strengthened

Programme Intervention: 180101 Align government borrowing with NDP priorities

Indicator Name	Indicator Measure	Base Year	Base Level	2022/23		Performance Targets
				Target	Q2 Performance	2023/24
An updated debt management system in place	Percentage	2002	99%	100%	100%	100%
Integrated debt management strategy developed	Number	2002	1	Yes	1	1

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VI. VOTE NARRATIVE

Vote Challenges

Budget cuts on key items during appropriation distorts budget efficiency through unnecessary requests for budget revisions during execution.

Ever Increasing cost of borrowing arising from a shift from concessional borrowing to market based loans which are costly in terms of interest and arrangement fees.

Low absorption of funds by some projects due to multiple issues such as COVID 19, Procurement delays and Resettlement / compensation of Project Affected Persons.

The budget for redemptions depends on a number of factors which affect the actual outturn and may result into budget revisions. These include; at the time of budgeting the current financial year will not have ended and the tenures not sealed, the issuance calendar for the next financial year is not approved so tenures are not certain, any adjustment upwards in domestic financing target affects the budget, yields on the market and investor preferences cause variations in the issuance calendar and subsequently the projected budget.

Plans to improve Vote Performance

Strengthen debt analysis and negotiation of loans from concessional lenders

Strengthen efforts towards analyzing and negotiating for Cheapest Financing Options.

MOFPED setup a committee to review the loan portfolio and problematic projects are recommended for restructuring or cancellation

VII. Off Budget Support and NTR Projections

Table 7.1: Off Budget Support by Project and Department

N/A

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Table 7.2: NTR Collections (Uganda Shillings Billions)

N/A

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VIII. VOTE CROSS CUTTING POLICY AND OTHER BUDGETARY ISSUES

Table 8.1: Cross- Cutting Policy Issues

i) Gender and Equity

N / A

ii) HIV/AIDS

N / A

iii) Environment

N / A

iv) Covid

N / A

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IX. PERSONNEL INFORMATION

Table 9.1: Staff Establishment Analysis

N / A

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Table 9.2: Staff Recruitment Plan

N/A