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BPD 86/179/01

15th July 2024

All Accounting Officers (Central Government, Local Governments & Missions Abroad)

All Chief Executive Officers of State-Owned Enterprises and Public Corporations

BUDGET EXECUTION CIRCULAR FOR FINANCIAL YEAR 2024/25

A. INTRODUCTION

1. This Circular is issued pursuant to Sections 13 (5), 15 and 45 of the Public Finance Management Act, 2015, and Articles 153 and 154 of Constitution of the Republic of Uganda. The approved estimates of revenue and expenditure for FY 2024/25 can be accessed on the budget information website: www.budget.finance.go.ug and the Ministry's website: www.finance.go.ug.
2. The purpose of this Budget Execution Circular therefore is to communicate:
 - i. The Cash Flow Plan of Government for the FY 2024/25; and
 - ii. The Policy, Operational and Administrative Guidelines for implementation of the budget for FY 2024/25.
3. As we commence the execution of the FY 2024/25, all Accounting Officers are hereby requested to strictly adhere to the explicit guidance on the following emerging issues:
 - i. The fiscal principles that will govern the implementation of the budget for FY 2024/25;
 - ii. Updates on the Rationalization of Public Enterprises and Expenditure (RAPEX) and instructions regarding the future management of rationalized agencies;

- iii. Special instructions on payroll management following completion of the payroll audit exercise to curb shortfalls and accumulation of arrears;
- iv. Guidance on Uganda Intergovernmental Fiscal Transfers (UgIFT) as we approach the conclusion of the program to ensure that the planned objectives are achieved;
- v. Management of local revenue collection for Local Governments following activation of all Local Governments on the Automated Local Revenue collection systems to boost revenue collection;
- vi. Assessment of performance of Accounting Officers on account of Non-Tax Revenue (NTR) collection against the set targets for NTR collecting institutions; and,
- vii. Procedures for public investment management for FY 2024/25 to ensure value for money for public investments, in line with the fiscal consolidation agenda.

B. THE CASH-FLOW PLAN FOR FY 2024/25

4. The Annual Cash Flow Plan (**Annex 1**) has been generated based on quarterly projections in Vote work plans, procurement plans and recruitment plans in line with Section 15(1) of the PFM Act 2015 (as amended).
5. Implementation of the FY 2024/25 budget will follow the approved work plans, procurement plans, and recruitment plans. These will form the basis of the Quarterly Expenditure Limits. You are required to undertake commitments and activities based on the Annual Cash Flow Plan issued under this Circular. Please note that due to the commitments to pay our debts in the first quarter of the financial year, there will be less money for other expenditures. You should therefore plan for most of your commitments starting in the second quarter of the financial year onwards.

Enhancing cash flow forecasting to improve Government cash management

6. Accurate and reliable cash flow forecasting is a key prerequisite for effective cash management in Government. Having in place an approved budget is the first step in ensuring availability of resources to execute government programs. It is however imperative to accurately forecast

the timing of both the inflows and outflows of government in order to seamlessly execute the budget.

7. The Ministry of Finance Planning and Economic Development developed a cash management framework to ensure efficient liquidity management by matching expenditure to available resources. One of the key principles underlying the cash management framework is operationalization of the cash flow forecasting module to capture monthly cash flow needs of all Votes throughout the Financial Year. The framework can be accessed on the Ministry's website <https://www.finance.go.ug/sites/default/files/reports/Cash%20Management%20Framework.pdf>.

Monthly Cash Flow Forecasting by Votes

8. The Ministry has recognized that whereas Votes are able to do in-year adjustments of their work plans, they are not able to make the relevant adjustments to the expenditure plans in the Program Budgeting System (PBS). This is despite the need to adjust cash plans arising from deviations in expenditure limits from the approved quarterly plans, delays in budget implementation due to matters related to procurement or any other attendant budget execution issues.
9. Accordingly, this Ministry has developed a monthly forecasting module within the PBS to be used by all Votes. The objectives of the module include, among others:
 - i. To enable MoFPED to get timely information from all Votes on changing in-year expenditure plans. This will help us to assess Government's overall cash position and devise cost effective measures to finance the expenditures; and
 - ii. For MoFPED to interact more with Votes and understand the timing of large payments in order to match them with high cash inflow seasons to reduce delays in clearance of invoices on the IFMS.



Rollout and Training of Votes on the PBS Monthly Cash Flow Forecasting Module

- 10.** The Ministry will undertake a comprehensive exercise to train central and local government Votes on the cash flow forecasting module. The exercise will commence in August 2024 and run throughout the financial year in line with a schedule that will be communicated to all Accounting Officers. The Ministry will also issue the PBS monthly cash flow forecasting guidelines.
- 11.** Training sessions will be organized for Accounting Officers and Planners/Accountants (already registered in the PBS), who will in turn be required to train the relevant Cost Centre Managers of their respective Votes.
- 12.** Upon successful completion of the trainings, operationalization of the cash flow forecasting module will commence where:
 - a) Upon approval of the Budget, the Votes will be required to prepare their monthly cash flow forecasts by end of May each financial year.
 - b) The module will be open throughout the financial year for Votes to update their forecasts. Update of forecasts will be done whenever:
 - i. Expenditure limits have been issued. Cash flow forecasts will be submitted together with warrants;
 - ii. Additional expenditure limits have been issued; and
 - iii. A Supplementary budget, virements and reallocations for a Vote have been approved.



C. POLICY DIRECTIVES, ADMINISTRATIVE AND OPERATIONAL GUIDELINES FOR IMPLEMENTATION OF THE BUDGET FOR FY 2024/25

Policy Directives

Fiscal consolidation

13. In line with Government's fiscal consolidation strategy, the following fiscal principles informed the budget for FY 2024/25 and should therefore be upheld during execution of the budget:

- i. Fast-tracking the implementation of the Domestic Revenue Mobilization Strategy (DRMS) measures to raise more revenue;
- ii. Limiting travel abroad to only H.E the President, H.E the Vice President, Parliament, Judiciary, Prime Minister, Regional Cooperation, Diplomatic relations, critical travels for security, arbitration of Government cases, resource mobilization, and critical international sports competitions;
- iii. Restriction of new vehicle purchase to only hospital ambulances, vehicles for medical supplies/distribution, agricultural extension services, security and revenue mobilization and optimize the management of existing fleet of Government vehicles;
- iv. Prioritize completion of critical on-going projects and other multi-year commitments; and,
- v. No new non-concessional financing shall be acquired for projects, except those already provided for in the fiscal framework, or those with no direct or indirect claim on the Consolidated Fund.

Growth priorities and anchors for FY 2024/25

14. The budget for FY 2024/25 prioritized interventions that are critical for growing the economy including:

- i. Investing in the people of Uganda;
- ii. Peace and Security;
- iii. Construction of the Standard Gauge Railway and Rehabilitation of the Metre Gauge Railway;
- iv. Value addition leveraging on the existing infrastructure like roads, electricity etc;



- v. Funding activities that earn us money: Parish Development Model (PDM), Emyooga, Agriculture Credit Facility, Microfinance Support Centre, State House youth support projects; and
- vi. Management of Natural Disasters.

15. Furthermore, FY 2024/25 kick-starts implementation of the strategy for growing Uganda's economy tenfold to expand the size of the economy from about USD 50 billion to USD 500 billion by 2040 through the following key growth anchors:

- i. Agro-Industrialisation;
- ii. Tourism Development;
- iii. Mineral Development, including oil & gas; and.
- iv. Science Technology and Innovation (STI), including ICT.

16. You are therefore required to prioritize resources towards the planned activities that contribute to the above strategic areas.

Implementation of the Rationalization of Public Enterprises and Expenditure (RAPEX)

17. Cabinet, on 22nd February, 2021 and under Cabinet Minute No. 43 (CT 2021), took a decision to merge, mainstream, abolish and rationalize Government Agencies and Public Expenditure. This was in a bid to facilitate efficient and effective service delivery. During FY 2023/24 Parliament of Uganda approved bills for rationalizing of 24 Agencies.

18. The Ministry of Public Service will issue a separate circular guiding all the affected Votes on the following:

- i. Implementation of the approved structures under RAPEX;
- ii. Validation of staff to be absorbed in the approved structures;
- iii. Payment of gratuity, pension and severance package for the affected staff;
- iv. Management of the transfer of Assets and Liabilities; and
- v. Undertaking of business process re-engineering for the service delivery processes under RAPEX.



19. Shs. 26.9 billion was provided in the budget of the relevant Votes to facilitate payment of severance costs for staff that will be affected by the RAPEX reform. This payment should be effected on Chart of Accounts Item 273103 – Retrenchment Costs.

Contracting in Ugandan Shillings

20. I continue to receive requests from a number of Ministries, Departments and Agencies to undertake contracts in foreign currency. I wish to reiterate this Ministry's position that to preserve the sanctity and value of our Shilling, no contract should be denominated in foreign currency. This is therefore to guide all Accounting Officers as follows:

- i. All contracts for works, goods and services shall be awarded in Uganda Shillings; and,
- ii. All contracts, including those that follow international competitive bidding procedures, shall be quoted in Ugandan Shillings except in special cases where it is clearly expressed in the financing agreements with Development Partners to use foreign currencies in the bidding process.

Administrative and Operational Guidelines

Expenditure Limits

21. In order to ensure timely availability of funds for budget execution, this Ministry will continue to undertake the following:

- i. Issue Quarterly Expenditure Limits for all categories of funds once every quarter not later than the 10th day of the first month of each quarter;
- ii. Release funds for Missions Abroad twice in the course of the financial year, in July (First Quarter) and in January (Third Quarter) to hedge against loss of poundage and to enable Missions meet obligations which require one-off payments, such as rent;
- iii. Release funds for all institutions of learning including Primary, Secondary, Tertiary, BTVETs, and other Post-Secondary



Institutions aligned to the termly calendar and semesters of the Academic Year;

- iv. For agriculture subprogram, funds will be released in line with seasonality of the activities to ensure timely availability of the necessary inputs;
- v. Release 100 percent of Local Government Development Grants by the third quarter (Q3) to avoid unspent balances at the end of the Financial Year; and,
- vi. Release local revenue to Local Governments based on actual remittance to the Uganda Consolidated Fund by the individual Local Governments.

22. All quarterly expenditure limits will be guided by your work plans, Government cash flow plan and the projected cash position of Government for the quarter.

Warranting of Funds

23. Accounting Officers are required to submit accounting warrants within five working days after the issuance of expenditure limits for a given quarter. My Ministry commits to review and approve/reject all warrants within 48 hours after submission.

24. You are reminded to warrant 100 percent of all expenditure limits for all categories of expenditure and submit all warrants in one go in line with the issued Expenditure Limits. Any warrants submitted contrary to this requirement will automatically be rejected.

25. There should be no warranting for funds across expenditure categories. For example, you should not warrant for gratuity payments from the Non-wage expenditure category. In otherwards, you should charge expenditures on the right expenditure category.

Transfers of Funds to Subventions/Local & Lower Local Governments

26. Following issuance of expenditure limits, all Central Government Votes with funds for transferring to other Agencies, Projects, or

subventions should do so within 10 days, in any case not later than the 20th day of the first month of the quarter to facilitate timely implementation of planned activities. Similarly, all Local Government Accounting Officers should ensure that funds to lower-level facilities such as Health Units, Education Institutions, Sub-Counties, Town Councils, and Municipal Divisions are transferred not later than the 20th day of the first month of the quarter to enable timely implementation of planned activities.

Finance Committee Meetings

27. Accounting Officers must schedule Finance Committee meetings following issuance of expenditure limits to agree on priorities and cost Centre allocations/Departments before warranting of funds. Please ensure that these meetings are held and signed copies of meeting minutes forwarded to this Ministry along with hard copies of warrants on a quarterly basis.

Virement of funds and change in workplans

28. The Ministry has noted an increase in requests for Virement of funds from Votes. This is largely attributed to poor budgeting and insufficient prioritization of resources during the budget process which greatly undermines the credibility of the budget. Great care needs to be taken during the budgeting process to ensure accurate budgeting.

29. Where it is unavoidable, all requests for Virements in accordance with Section 22 (2) of the Public Financial Management Act, 2015 (amended) should be initiated online using the Program Budgeting System (PBS) before the start of the subsequent Quarter. **NO Virements will be authorized once expenditure limits have been issued and funds released.**

30. Every virement must be accompanied with a change in the work plan and the outputs being scaled down or traded off.



Supplementary Funding

- 31.** We have noted that a number of Votes do not adequately provide for statutory, mandatory and critical expenditures during budget preparation hence leading to perpetual supplementary requests during execution. Due care must be made to ensure that the statutory, mandatory and critical expenditures are given a first call on the budget.
- 32.** For the case of critical needs arising during budget execution, Votes should explore the option of Virement within the 10% in line with the PFM Act (2015 Amended) to address the emergency.
- 33.** Where supplementary expenditures have been allowed, Accounting Officers should initiate timely requests online using the PBS in any case not more than five working days following approval of the supplementary as communicated by this Ministry.

Domestic Arrears

- 34.** Government has undertaken several reforms and measures to reduce the stock of domestic arrears through provision of resources in the budget to clear the outstanding arrears as verified by the Auditor General. We have however witnessed continued increase in the stock which results from non-adherence to the commitment control system.
- 35.** It is the duty of Accounting Officers to guarantee that implementation occurs effectively, adhering to both schedule and budgetary constraints to prevent the accumulation of arrears. Consequently, in line with the domestic arrears' strategy and the Public Financial Management Act, (2015 Amended), Accounting Officers are hereby reminded to:
- i. Ensure good internal controls and processes are in place and are adhered to, to prevent arrears accumulation;
 - ii. Update the IFMS Arrears tool with accurate records of all obligations and unpaid bills for quarterly reporting;
 - iii. Only enter into an obligation for which funding is sufficient or authorized; and,



iv. Remit taxes;

36. Government has provided Shs **200 billion** to clear outstanding arrears. All Accounting Officers should prioritize payment of arrears in the First Quarter on first in first out (FIFO) basis from the verified suppliers captured in the IFMS Arrears database. Furthermore, Accounting Officers should submit to this Ministry, lists of beneficiaries by category for reconciliation of released funds by 15th October 2024.

37. Effective last FY 2023/24, all Accounting Officers are mandated to submit the draft final accounts by 31st August to the Accountant General with duly signed certificates of outstanding commitments. Copies should be submitted to the Internal Auditor General. Please note that Draft Final Accounts submitted without certificates of outstanding commitments will be rejected.

Payment of Rent, Utilities and Service Providers

38. I have noted that some Votes are still accruing utility arrears despite the implementation of prepaid billing systems. I urge all Accounting Officers to settle any outstanding utilities with the respective service providers by the end of Quarter One of FY 2024/25. Additionally, you should promptly pay utility and rent bills throughout the financial year to avoid accumulating new arrears. **Rent and other utility obligations should have a first call on the budget of institutions.**

Payments of Information Communication Technology (ICT) services provided by NITA-U

39. I have noted that some Votes either under budget for or completely do not plan for ICT services provided by NITA-U despite the fact that these are consumed on a daily basis and are critical for the smooth operation of Votes and execution of their mandates. The nonpayment for the ICT services has crippled the operations of NITA-U. As a result, Government has outstanding obligations for ICT services amounting to Shs. 41 billion as of 30th June 2023 which NITA-U has programmed to clear within the first quarter of FY 2024/25 to mitigate against intermittent network disruptions.

40. Annex 2 (attached) details the annual Votes consumption of ICT services provided by NITA-U in FY 2023/24, the same is projected this financial year. Accounting Officers are therefore required to front load payment of their projected annual consumption of ICT services to NITA-U as per the referenced annex in Quarter one of this financial year. In case the amount provided for ICT services in the approved budget is less than the projected consumption, you should re-prioritize within your non-wage budgets.

Payment of Taxes and other statutory deductions by Government

41. It has come to our attention that some Accounting Officers neglect to remit tax and social security deductions to Uganda Revenue Authority (URA) and National Social Security Fund (NSSF) respectively, resulting in arrears accumulation. This practice must cease immediately.

42. Accounting Officers should therefore ensure that all payments for goods and services encompass taxes. All tax deductions should be remitted to URA to prevent the accumulation of arrears. Pay as You Earn (PAYE) should be remitted against Chart of Accounts Item 111101.

43. URA and NSSF are hereby instructed to submit to this Ministry the lists of non-compliant Votes at the onset of every Quarter for necessary action.

Remittance of Local Service Tax to Local Governments

44. Accounting Officers are reminded to remit Local Service Tax (LST) to Local Councils of your Employees' residences in line with Section 9 of the Local Governments' Act, 2017 and not to Local Councils where their employees' workplace is located by prioritizing the following:

- i. Create a database of employees' residences and update them regularly before the start of every new financial year.
- ii. Mobilize Lower Local Council authorities to keep an updated register of their residents for reconciliation purposes with remittances received; and,



- iii. Initiate application for supplier details on the IFMS system for each of all LST remitting MDAs to facilitate receipts of LST collections.

Non-Tax Revenue (NTR)

45. Section 29 of the Public Finance Management Act, 2015 (Amended) mandates the remittance of all Non-Tax Revenue collected by Votes to the Uganda Consolidated Fund (UCF). All Accounting Officers are hereby reminded to strictly comply with this provision of the PFM Act 2015. Any attempt to collect and utilize NTR at its source will result in appropriate penalties being imposed.
46. Beginning FY 2024/25, NTR collection against the set targets will be one of the parameters for assessment of the performance of Accounting Officers for NTR collecting institutions. Accordingly, an Addendum to performance contracts for NTR collecting entities on this parameter has been incorporated.

Performance Reports

47. The Ministry has observed recurring delays in the submission of quarterly performance reports from a number of Votes. According to Section 16 (1 & 2) of the Public Finance Management Act, 2015 (Amended), Accounting Officers are obligated to submit quarterly budget performance reports within 30 days following the close of the quarter, using the prescribed format provided by the Ministry through the Programme Budgeting System.
48. Furthermore, Local Government Accounting Officers should also provide copies of progress reports to the Offices of the LC Vs, RDCs and other relevant stakeholders for budget transparency.

Budget Transparency

49. The Ministry of Finance, Planning and Economic Development operates the Budget Website and Call Center to enhance Budget transparency. At the Vote level, all Accounting Officers should undertake the following interventions:



- i. Ensure that all necessary information (quarterly releases, funds provided for projects, school releases, health center releases and locally raised revenue and expenditure, pension and gratuity, etc.) is displayed on the noticeboards at all times to encourage public awareness;
- ii. Avail all relevant budget information to the political leadership to facilitate their oversight for effective implementation and proper accountability of Government Programmes for improved service delivery;
- iii. Undertake joint monitoring of Government projects with your political leaders and ensure the findings in the monitoring reports are followed up with appropriate actions; and
- iv. Ensure that accurate budget information is promptly uploaded onto your websites to increase public access, foster greater participation in monitoring public resources and advocating for accountability.

Salary, Pension and Gratuity Execution

Payroll Management

- 50.** In FY 2023/24, significant shortfalls were experienced in the wage, pension and gratuity budgets. However, we have noted that most shortfalls resulted from poor planning and budgeting, indiscipline in payroll management and processing as well as inaccurate records in the payroll management system.
- 51.** Government therefore, conducted a special audit of the payroll to establish the real causes of the persistent shortfalls in salaries, pensions and gratuity. The findings of the audit guided the allocation of the Wage Budget FY 2024/25 and Accounting Officers were expected to accurately budget for the funds across Departments/Units and payroll categories on the PBS.
- 52. Therefore, Accounting Officers are personally responsible for proper payroll management and payment of salaries and wages for your Vote in line with government policy.**



Recruitment of Staff

53. It has been noted that some Accounting Officers irregularly recruit permanent and temporary workers outside the available wage bill and then access them on the Government payroll resulting in shortfalls during execution. This has been identified as one of the sources of wage shortfalls during budget execution which is unacceptable.

54. All Accounting Officers are therefore reminded as follows:

- a)** There will be **NO** recruitment of staff (public service or contract staff) during the financial year except in the following cases:
 - i. On a replacement basis;
 - ii. In case of incapacitation;
 - iii. Where funds have been provided for recruitment of teachers and health workers under the UGIFT Programme; and
 - iv. Explicit clearance from both the Ministry of Finance, Planning and Economic Development and that of Public Service.
- b)** Accounting Officers are required to obtain clearance from the Ministry of Public Service before accessing newly recruited staff on the payroll.
- c)** You must ensure that the wage budget is charged only for staff in-post and those who may have been recruited with the authorization of the Ministry of Public Service. Staff Wage payments should be backed by the following information.
 - i. National Identification Number (NIN);
 - ii. Tax Identification Number (TIN);
 - iii. IFMS Supplier Number; and
 - iv. Integrated Personnel and Payroll System (IPPS)/Human Capital Management (HCM) Number.
- d)** Furthermore, wage payments must be charged against the wage item codes below as per the revised Chart of Accounts:
 - i. **211101** – For Public Servants recruited by the Service Commissions and Appointing Authorities;
 - ii. **211102** – For Contract Staff recruited under appointing Authorities, Boards and Councils;



- iii. **211103** – For Statutory Bodies; and,
- iv. **211106** – Allowances (for any other short-term contract and casual laborers) and Foreign Service allowances.

e) It has been noted that many public officers missed the Office of the Auditor General's verification exercise. The Ministry of Public Service scheduled a mop-up verification exercise for all officers who missed the initial exercise. **All staff who were not verified during the special audit by the Office of the Auditor General should be deleted from the payroll not later than 15th July 2024. The Ministry of Public Service is required to communicate the list of verified public officers to all Accounting Officers by 10th July 2024 for urgent action to be taken accordingly.**

55. In addition, you will note that Government implemented a reform in which Heads of Department authorize payments and invoices on the IFMS. Accounting Officers should ensure proper alignment of wage budgets to existing staff structures.

56. Payrolls for wage and pension must be clearly displayed on the publicly accessible noticeboards every month.

Management of Non-Statutory Deductions

57. Inefficiencies in the management of non-statutory deductions, have been experienced during the execution of the payroll in the previous financial years. These, include non-remittance or partial remittance of deductions, loan deductions from employees without their knowledge and consent, and continuous deductions even after full loan recovery.

58. Therefore, you should prioritize payment of non-statutory deductions at the same time with salaries. You should also adhere to the end dates of loan payment periods in consultation with the financial institutions which will provide the repayment profile of each public officer who has acquired a loan.

59. Accounting Officers should ensure that loan deduction codes are immediately frozen for those officers who have completed payment of their loan obligations. Public officers with loans should notify the



Accounting Officer, in writing, of the expiry of the loan service period three months in advance to prepare for the termination of the memorandum of understanding with the lending institution.

Pension and Gratuity Processing

- 60.** The Office of the Auditor General is undertaking the Audit of the pension payroll. All Accounting Officers are required to avail the Auditors with the necessary information and documentation to ensure timely completion of this assignment.
- 61.** Following the full decentralization of pension and gratuity processing to Vote level, all Accounting Officers are responsible for the management of their pension payrolls. However, we still note delays in processing pension files due to unmatched records/information on retirees' files on the IPPS/ HCM, among other reasons.
- 62.** Relatedly, cases of delays in accessing pensioners on the pension payroll and dropping off of some from the pension payroll without clear reasons have been reported to this Ministry. This has caused untold suffering to some of our senior citizens. Accounting Officers should, therefore:
- i. Expedite processing and approval of pension files and ensure that new pensioners are accessed onto the monthly payroll immediately after final approval;
 - ii. Maintain a stable pensions payroll, and ensure timely processing and payment of monthly pension by the 28th day of the month; and,
 - iii. Promptly notify pensioners who are due (75 years and above) to submit life certificates for verification, through the most efficient media available.
- 63.** You are advised to ensure that no file takes more than one week at any given verification or approval stage. Disciplinary proceedings should be initiated on the responsible officer(s) where such unnecessary delays are identified. The entire process should be completed within 30 days after retirement of a public officer.



Salary, Pension and Gratuity Arrears

64. In line with the full decentralization of the verification and processing of salary, pension and gratuity arrears, Accounting Officers should ensure that staff are duly paid their benefits immediately after the resources and the accompanying schedule of beneficiaries are released.
65. Relatedly, adequate funds have been provided in the FY 2024/25 Budget to clear all your verified arrears submitted to this Ministry before 31st January 2024. These funds will be released to your respective Votes in the first quarter of FY 2024/2025 together with a detailed schedule of claimants. You are advised to circulate and display this schedule on your institution's notice boards and ensure timely payments and accountability for these arrears are affected.

Public Investment Management

Project Preparation Facility

66. Government has established the Project Preparation Facility (PPF) under NPA to provide financial and technical assistance to MDAs in conducting studies to facilitate creation of viable and studied bankable projects ready for financing. Guidelines have been developed and MDAs are required, going forward, to utilize the PPF to study projects.

Monitoring and evaluation

67. A number of ongoing projects have experienced implementation bottlenecks leading to time and cost overruns. Accounting Officers are therefore required to put in place robust monitoring and evaluation frameworks to enable real-time tracking of the execution of the projects. All Accounting Officers are required to utilize the Monitoring and Evaluation (M&E) module on the Integrated Bank of Projects (IBP) to submit quarterly and annual project progress reports.



Prioritize completion of extended projects

68. A number of projects were extended on account of outstanding civil works, extension of financing agreements and need to cater for Defects Liability Period (**Annex 3**). MDAs are therefore required to fast-track completion of these projects. No further extensions will be granted to these projects beyond the extension period.

Re-scoping of ongoing projects

69. A number of MDAs have been changing scope of ongoing projects without approval of the Development Committee (DC) which distorts the development budget and affects timely completion of projects. Accounting Officers are advised to desist from this practice. I reiterate that any change of project scope can only be granted on justifiable and unavoidable grounds by the Development Committee in line with Section 4.4 of the DC guidelines. You are further advised to spend on project outputs as approved by the Development Committee to prevent projects from being suspended.

Fulfillment of readiness conditions for Externally funded projects

70. It has been observed that majority of externally funded projects experience time and cost overruns due to non-fulfillment of readiness conditions prior to entry into the Public Investment Plan and the Budget. Accounting Officers are required therefore to fast-track implementation of conditions that trigger disbursement of external financing such as acquisition of right of way, timely establishment of Project Implementation Units where necessary, social safeguards among others during the budget execution.

Project Management Professional (PMP)

71. Government is implementing measures to improve project execution, among others, by ensuring that all officers that manage the day-to-day project activities are equipped with project management skills. Accounting Officers are requested to ensure that all Project Managers are PMP certified. In addition, the IBP has added an implementation module to aid project managers during project execution. Accounting Officers should ensure that all managers are equipped to utilize these

tools and other project management skills to ensure efficient and effective implementation.

Direct Procurement of National Housing and Construction Company Limited for Works, Services and Construction Supplies

72. In order to grow the capacity of National Housing and Construction Corporation into a National Construction Company over the next five years, H.E The President, in his letter dated 2nd October 2023 directed as follows:

- i. All MDAs should engage National Housing and Construction Corporation (NHCC) under direct procurement for planned and budgeted works, design services and construction works, for example resettlement homes for refugees and internally displaced persons due to landslides and floods, among others;
- ii. National Housing should explore collaboration with The National Enterprise Corporation and Uganda Development Corporation to boost each other's capacities for joint execution of large- scale projects given that both institutions are agencies of Government whose business mandates goes beyond profit but includes social and common good objectives; and
- iii. Ministries Departments and Agencies should directly engage NHCC on moderate commercial terms for comprehensive turnkey packages and avoid losing time in laborious processes of acquisition of land since the Corporation already has land in many parts of the country.

Verification of Asset Registers

73. The Fixed Assets Module (FAM) of the Financial Management System (IFMS) was re-engineered to support the journey to accrual accounting by enforcing Capital Expenditure Budgeting. Subsequently historical asset data was loaded on the FAM in an effort to have comprehensive asset registers. Accounting Officers are required to validate this data and ensure that the asset registers are verified and updated on a timely basis.



Disposal of obsolete items

74. I have noted with concern that many unserviceable assets continue to occupy yards, stores and are left in the open to continue deteriorating. In accordance to Section 8(1) of the asset management framework & guidelines, Accounting Officers must ensure that the plan for divesture/disposal of Government Assets is included in the Budget Framework Paper and part of the action plans for the FY2024/2025. Accounting Officers should prioritize to dispose off all obsolete and non-serviceable assets in line with the disposal regulations and the annual Board of Survey among other recommendations.

Digital Number Plates

75. The Government of Uganda gazetted the Traffic and Road Safety Regulations 2022 under Statutory Instrument No. 49, which mandates the registration of new number plates with enhanced and stronger security identification features, effective 1st July 2023. Accordingly, you are hereby reminded to ensure that all motor vehicles and motorcycles under your respective jurisdictions are issued the new enhanced number plates. Compliance with this directive is mandatory.

Titling of Government Land

76. I have noted that some Votes still possess land that is not titled. Furthermore, others are attempting to undertake infrastructure projects on untitled land which can result into litigation leading to outright loss of Government property. **All Accounting Officers should ensure that no new project is implemented on untitled land and that titling of all land owned by the Votes is prioritized this Financial Year within the available resources.**



Local Government Specific Issues

Release of Funds in FY 2024/25

77. Building on the reforms to fiscal transfers under the fiscal decentralization, the following will be upheld during budget execution:

- i. The release of transfers will be managed through PBS and the enhanced IFMS interface. Information on transfers is available online, i.e. [https://www.budget.finance.go.ug/fiscal transfers](https://www.budget.finance.go.ug/fiscal_transfers) ;
- ii. Direct transfers will be made to all Lower Local Governments for the non-wage unconditional grant and the DDEG on the basis of the grant allocations made to them in line with the approved budget;
- iii. Transfers to service delivery units (schools and health facilities) will be made based on allocations in the respective Local Government budgets; and,
- iv. All Local Government development grants will be released by the third quarter to allow a one quarter lag for absorption of funds.

Virements, Reallocations & Supplementary Requests by Local Governments

78. All Accounting Officers are reminded to submit any requests for virements, reallocations and Supplementary budgets on the PBS to facilitate the timely review of the requests for appropriate action to be taken. These requests should be submitted upon clearance by the respective Local Government Council and the Council Minute should be attached as evidence. Care should be taken to ensure that the submission is done on the correct budget lines.

79. When submitting supplementary requests for off-budget funding support, evidence of remittances of funds to the collection account and signed promissory reports should be provided to enable this Ministry process the required supplementary.



Management of Local Revenue

Releases of Local Revenue

- 80.** Given that Local revenue budgets for FY 2024/25 were based on projections by the respective Local Government Votes, **expenditure limits for local revenue shall continue to be issued based on remittances to the Uganda Consolidated Fund (UCF). The expenditure limits shall be issued by the Accountant General's Office as and when funds are remitted to the UCF.**
- 81.** In the event that a Local Government collects revenue over and above the approved budget, ensure that you remit the excess funds to the UCF and request for a supplementary budget before such excess collections can be spent. **Note that these requests shall only be honored upon approval by Parliament. Therefore, the submission should be timely.**

Collection of Local Revenues through Integrated Revenue Administration System (IRAS) by Local Governments

- 82.** Government has activated all the 176 Local Governments on the Automated Local Revenue collection systems since FY 2019/20 to date. That is, 166 Local Governments at vote level (135 districts, 9 cities and 22 Municipal Councils) were activated on the Integrated Revenue Administration System (IRAS), while 10 Local Governments (1 city, 9 Municipal Councils) were activated on e-logrev as at 16th May 2024.
- 83.** Since all the collectable Local Revenues are configured on the system, there is no reason for manual collection to continue any more. Therefore, starting 1st July 2024, all Local Governments that have been activated on the Automated Local Revenue collection systems should phase out manual collection of Local Revenues by closing all the collection accounts for Local Revenues with immediate effect. All Local Revenues should be collected through the system.



Sharing of local revenue

- 84.** Collected local revenue should be shared as per the Local Government's Act Section 85 (i) and (ii) as follows:
- i. The city or municipal shall retain 50 percent of all the revenue collected, and remit 50 percent to the division; and
 - ii. The district council shall remit 65 percent of the revenue collected to the relevant subcounty. The accounting officers are reminded to strictly adhere to the above ratios.

Physical Location of Health Facilities and Institutions of Learning

- 85.** Over the years, we have received conflicting information on the location of Cost Centers/schools, which greatly affects the release of funds, especially for tertiary institutions. This is because funds are released on the basis of the location of a given facility.
- 86.** In order to avoid such situations, this Ministry, in collaboration with Ministry of Education and Sports (MoES) and that of Health (MoH), at the time of budgeting enhanced the PBS to allow respective Local Government Accounting Officers to match the Cost Centers on the PBS under their jurisdictions. ***Any Accounting Officer who fails to invoice for funds based on the aligned Cost Centers will be held personally responsible for misappropriation of resources.***

Local Government Performance Assessment

- 87.** Government implemented the Uganda Intergovernmental Transfers Program, as part of the broader Intergovernmental Fiscal Transfer Reform Program (IFTRP), purposely to address financing gaps and challenges under the Health and Education Sub-Programmes. Since then, Local Governments are assessed on three dimensions of: (i) budget and accountability requirements; (ii) cross-cutting and sub-programme functional processes and systems; and (iii) service delivery results. The results of the assessment were used in determining 50 percent of the allocation of development grant for decentralized services under Education, Agriculture, Water and Health for FY 2024/25.

- 88.**An assessment of Local Governments' adherence to budget and accountability requirements is underway to verify whether budget requirements and program guidelines have been met. I will only sign performance contracts for FY 2024/25 with Accounting Officers if the assessment shows that:
- i. Grant guidelines are properly adhered to in the budget allocations;
 - ii. Development and unconditional grant allocations are:
 - a. Properly budgeted for against the respective Lower Local Governments and facilities;
 - b. Consistent with the approved budget allocations provided by this Ministry; and,
 - iii. Bank Account details have been provided up to facility level.
- 89.**In a bid to further deepen budget transparency and accountability to the Public, all Local Governments are required to hold an accountability day during which, the District Chairperson/ Municipal Mayor presents to all stakeholders, the report on all revenues and program expenditures /projects implemented during the preceding Financial Year. In addition, the LGs are encouraged to use all media platforms at their disposal within their current budgets, to highlight priorities in their budgets and to account to the public for resources used.
- 90.**These events should be held towards the end of the Financial Year (in the month of June) in order to coincide with other Budget Transparency activities (Budget Month) that are held with the aim of accounting for public resources received and utilized during the preceding Financial Year.

Uganda Inter-Governmental Fiscal Transfers Program (UgIFT)

- 91.**In line with the fiscal decentralization strategy, Government committed to improve the adequacy, equity and delivery of services across Local Governments through the UgIFT program. The Local Government Accounting Officers are guided as follows:

a. Completion of all the remaining unmet Disbursement Linked Indicator actions under the program

92. The current UGIFT Program was meant to end by 30th June 2024. However, in order to ensure the completion and operationalization of all the remaining construction projects, the program was restructured and the proposed closing date extended by eighteen (18) months to **31st December 2025**.

93. As such, FY 2024/25 will be the last year of implementation of the UGIFT program. Accordingly, the Local Government Accounting Officers should purpose to achieve all outstanding Disbursement Linked Indicator actions as follows:

- i. Completion of residual construction works under UGIFT Projects;
- ii. Operationalization of all UGIFT projects, including the Arua, Hoima and Soroti Regional Blood Banks;
- iii. Transitioning of **20** additional health facilities under the refugecc host Local Governments;
- iv. Provision of additional Water Sources in underserved Local Governments; and,
- v. Strengthening Results Based financing in Health.

b. Guidance on the treatment of Value-Added Tax (VAT) for projects being constructed under the UGIFT program

94. Arising out of the various meetings this Ministry has held with the Local Governments, it was noted that, Contractors for some of the above projects paid VAT on the construction materials purchased. This has caused resource shortfalls which has constrained these contractors from completing the projects. Accordingly, this is to inform you as follows:

- i. Share the Circular (**attached as Annex 4**) issued on the **7th August, 2017** by this Ministry to all Accounting Officers providing guidance with respect to VAT treatment for aid-funded projects;
- ii. Share the Public Notice (**attached as Annex 5**) issued by URA clarifying the requirements for operationalization of the provisions in the above Circular; and,



- iii. Inform you that the details of all the construction projects under UGIFT in Education and Health were forwarded to the Commissioner General, URA for tax management, in accordance with Section 24 of the VAT Act.

95. As such, all the affected Local Government Accounting Officers should provide the above circulars and necessary guidance to the contractors implementing UGIFT projects to enable them follow up on their tax obligations and/or claims with Uganda Revenue Authority.

c. End-of-program procedures

96. As the UGIFT program comes to an end at the end of the FY 2024/25, all Local Government Accounting Officers are required to undertake the following:

- i. **Final Deliverables and Acceptance:** Ensure all final project deliverables are completed, conduct final acceptance testing to verify that the projects meet all agreed requirements. This should be followed by the handover of all completed sites by contractors to the Local Governments, to pave way for the commissioning of the same.
- ii. **Documentation: As part of project closure, Local Government Accounting Officers are required to compile all project documentation, including design, project and contract management documents, user manuals, maintenance guides, and other relevant materials. In addition, project closure reports summarizing the project's objectives, outcomes, performance, and any lessons learned should be prepared and stored in a designated repository for future reference.**
- iii. **Knowledge Transfer:** Local Government Accounting Officers are required to ensure that, Contractors conduct training sessions for users and support staff on operation and maintenance of the installed equipment under the program.

- iv. **Post-Implementation Review:** Conduct a post-implementation review to evaluate the project's success against its objectives and key performance indicators, and document lessons learned to inform future projects and improve processes.
- v. **Contract Closure:** Ensure all contracts and agreements are formally closed out, in accordance with all legal and regulatory requirements.
- vi. **Celebration and Recognition:** Recognize and celebrate the achievements of the project team. Acknowledge and thank all contributors and stakeholders for their efforts and support.

97. An engineering audit and the impact evaluation of the UGIFT Projects will be carried out by the Office of the Auditor General, as part of the parallel support to the Program after the end of Program in 2025. The objectives of the impact evaluation are to monitor the Program's effects, especially on the value for money and provision of health, education, water and microscale irrigation services by the Local Governments. The Value for Money audit conducted in the first and the last year of the Program will be instrumental in providing inputs to this. Therefore, All Local Government Accounting Officers are required to prepare for and support the study.

D. CONCLUSION

- 98.** This Circular has been issued to facilitate timely implementation of Government programs in the approved Budget for FY 2024/25 in accordance with the relevant legal frameworks and guidelines issued.
- 99.** All Accounting Officers are requested to commence implementation of Government programs and projects for FY 2024/25 in line with the approved work plans, procurement plans and recruitment plans, and budget implementation guidelines contained in this Circular.
- 100.** I thank you for your commitment and continued efforts towards improving service delivery. I wish you success in the implementation of the Budget for FY 2024/25.





Ramathan Ggoobi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

- cc. Rt. Hon. Speaker of Parliament
Rt. Hon. Deputy Speaker of Parliament
Rt. Hon. Prime Minister
Hon. Minister of Finance, Planning and Economic Development
Hon. Chief Whip of Government
All Hon. Ministers and Ministers of State
All Hon. Members of Parliament
The Chairperson, Parliamentary Budget Committee
The Chairperson, National Planning Authority
The Head of Public Service and Secretary to Cabinet
The Principal Private Secretary to His Excellency the President
All LC V Chairpersons and Mayors of Cities and Municipalities
All Resident District Commissioners
All Chairpersons of Service Commissions and Appointing Authorities
The Director, Parliamentary Budget Office

Vote	Vote Description	Approved Budget				Q1				Q2				Q3				Q4			
		Wage	Non Wage	Total	Dev.	Wage	Non Wage	Total	Dev.	Wage	Non Wage	Total	Dev.	Wage	Non Wage	Total	Dev.				
141	Uganda Revenue Authority (URA)	299.96	375.83	573.77	732.55	74.84	93.96	14.34	183.14	74.84	93.96	14.34	183.14	74.84	93.96	14.34	183.14	74.84	93.96	14.34	183.14
142	National Agricultural Research Organization (NARO)	43.46	27.49	38.05	106.00	10.87	4.38	0.09	15.33	10.87	6.65	8.71	26.23	10.87	6.69	8.39	25.95	10.87	6.69	8.39	25.95
143	Uganda Bureau of Statistics (UBOS)	23.26	122.71	12.36	158.33	5.82	32.93	7.82	18.25	5.82	32.93	7.82	46.57	5.82	26.16	1.99	33.97	5.82	26.16	1.99	33.97
144	Uganda Police Force	495.90	222.29	164.26	932.05	123.12	71.02	0.49	194.14	123.12	65.76	92.74	291.12	123.12	63.99	49.08	236.19	123.12	63.99	49.08	236.19
145	Uganda Prisons Service	120.41	204.11	32.86	357.38	31.10	58.03	0.49	89.63	29.90	45.54	10.45	85.89	29.90	46.23	6.21	82.34	29.90	46.23	6.21	82.34
146	Public Service Commission (PSC)	3.48	8.65	0.00	12.13	0.87	2.05	0.00	2.92	0.87	2.56	0.00	3.43	0.87	2.19	0.00	3.06	0.87	2.19	0.00	3.06
147	Local Government Finance Commission (LGFC)	1.82	8.24	0.36	10.22	0.40	2.18	0.00	2.60	0.40	1.97	0.00	2.37	0.40	1.90	0.00	2.30	0.40	1.90	0.00	2.30
148	Medical Services Commission (MSC)	4.88	13.16	2.50	20.54	1.22	3.18	0.00	4.40	1.22	3.53	0.69	5.44	1.22	3.53	1.78	6.53	1.22	3.53	1.78	6.53
149	National Population Council	3.23	4.21	0.10	7.55	0.81	1.33	0.00	2.14	0.81	1.12	0.06	1.99	0.81	1.03	0.04	1.88	0.81	1.03	0.04	1.88
150	National Environment Management Authority (NEMA)	12.17	12.66	5.53	30.35	3.04	2.23	0.00	5.27	3.04	2.25	2.03	7.32	3.04	2.15	1.91	7.10	3.04	2.15	1.91	7.10
151	Uganda Blood Transfusion Service (UBTS)	6.88	20.54	1.67	29.09	1.72	4.32	0.01	6.05	1.72	4.31	0.83	6.86	1.72	4.31	0.32	6.03	1.72	4.31	0.32	6.03
152	National Agricultural Advisory Services (NAADS)	2.97	32.14	0.64	35.75	0.24	3.48	0.00	4.25	0.24	2.74	0.29	23.77	0.24	4.13	0.74	5.19	0.24	4.13	0.74	5.19
153	Public Procurement & Disposal of Public Assets (PPDA)	12.95	6.21	1.30	20.46	3.24	1.51	0.00	4.75	3.24	1.53	0.35	5.11	3.24	1.51	0.40	5.14	3.24	1.51	0.40	5.14
154	Uganda National Bureau of Standards (UNBS)	25.86	25.57	4.55	55.98	6.45	6.36	0.00	12.82	6.45	6.46	1.75	14.68	6.45	6.35	0.00	12.82	6.45	6.35	0.00	12.82
155	Cotton Development Organization	1.96	2.85	0.27	5.08	0.49	0.81	0.00	1.30	0.49	0.84	0.09	1.42	0.49	0.51	0.17	1.17	0.49	0.51	0.17	1.17
156	Uganda Land Commission (ULC)	0.68	6.77	16.92	24.36	0.17	1.55	0.00	1.72	0.17	2.19	7.18	9.53	0.17	1.85	1.97	3.99	0.17	1.85	1.97	3.99
157	National Forestry Authority (NFA)	9.68	11.19	4.13	25.00	2.42	1.35	0.00	3.77	2.42	2.72	1.22	6.36	2.42	2.22	0.91	6.04	2.42	2.22	0.91	6.04
158	Internal Security Organization (ISO)	73.81	129.78	10.68	214.27	18.45	33.84	0.00	52.29	18.45	31.98	0.25	50.43	18.45	18.71	0.25	25.41	18.45	18.71	0.25	25.41
159	External Security Organization (ESO)	25.79	87.11	1.00	113.91	6.45	28.79	0.00	35.24	6.45	19.34	0.25	26.04	6.45	18.16	0.25	25.43	6.45	18.16	0.25	25.43
160	Uganda Coffee Development Authority (UCDA)	10.13	57.04	3.32	70.49	2.53	9.42	0.00	11.95	2.53	13.08	0.17	15.79	2.53	13.16	2.40	18.10	2.53	13.16	2.40	18.10
161	Uganda Free Zones Authority	2.71	2.22	2.34	7.77	0.68	0.68	0.00	1.36	0.68	0.67	1.17	2.51	0.68	0.66	0.00	1.34	0.68	0.66	0.00	1.34
162	Uganda Microfinance Regulatory Authority	3.56	4.95	0.22	8.52	0.84	0.99	0.00	1.83	0.84	1.40	0.10	2.34	0.84	1.15	0.84	1.99	0.84	1.15	0.84	1.99
163	Uganda Retirement Benefits Regulatory Authority	7.82	5.80	0.00	13.42	1.96	0.46	0.00	2.41	1.96	1.20	0.00	3.16	1.96	1.51	0.00	3.46	1.96	1.51	0.00	3.46
164	National Council for Higher Education	6.17	29.36	2.87	38.40	1.54	7.88	0.07	3.19	1.95	2.36	0.00	4.30	1.95	2.19	0.00	4.14	1.95	2.19	0.00	4.14
165	Uganda Business and Technical Examination Board	3.01	158.31	101.35	262.67	0.75	126.60	0.00	127.36	0.75	2.87	101.03	104.65	0.75	2.67	8.50	8.50	0.75	2.67	8.50	8.50
167	Science, Technology and Innovation	4.16	314.84	3.00	322.00	1.04	80.02	0.00	81.06	1.04	85.86	0.57	86.79	1.04	65.36	0.57	66.97	1.04	65.36	0.57	66.97
301	Makere University	221.61	121.77	13.84	357.21	55.40	35.35	0.00	90.75	55.40	28.54	2.85	86.79	55.40	35.45	3.66	94.52	55.40	35.45	3.66	94.52
302	Mukwano University	41.83	15.35	3.86	61.04	10.46	4.64	0.30	15.40	10.46	2.98	1.47	14.91	10.46	3.64	0.22	14.33	10.46	3.64	0.22	14.33
303	Makere University Business School	84.08	38.35	1.91	124.35	21.02	16.79	18.41	31.72	21.02	9.32	1.33	30.84	21.02	9.49	1.11	30.81	21.02	9.49	1.11	30.81
304	Kyambogo University	67.17	67.93	3.32	138.42	16.79	18.41	0.00	35.20	16.79	15.23	1.50	33.36	16.79	18.24	1.13	36.17	16.79	18.24	1.13	36.17
305	Burumuna University	37.56	14.61	5.38	57.55	9.39	3.91	0.00	13.30	9.39	3.61	2.34	15.34	9.39	3.38	1.32	14.09	9.39	3.38	1.32	14.09
306	Muni University	23.58	8.00	4.28	35.85	5.89	2.06	0.00	7.95	5.89	2.07	1.44	9.94	5.89	1.97	1.42	9.29	5.89	1.96	1.41	9.26
307	Kyabika University	43.70	16.95	2.33	62.96	10.93	3.75	0.00	14.67	10.93	3.77	1.10	15.80	10.93	5.18	0.92	17.03	10.93	5.18	0.92	17.03
308	Soroti University	20.77	8.23	10.13	39.13	5.19	2.27	5.00	12.46	5.19	2.04	4.06	11.29	5.19	1.94	0.82	7.96	5.19	1.94	0.82	7.96
309	Gulu University	41.43	22.78	7.04	71.24	10.36	6.54	0.14	17.03	10.36	5.18	5.23	20.77	10.36	5.90	1.05	17.31	10.36	5.15	0.63	16.13
310	Irru University	25.24	9.49	4.55	39.28	6.31	2.85	0.05	9.21	6.31	2.14	2.25	10.70	6.31	2.99	2.25	10.95	6.31	2.12	2.12	8.43
311	Law Development Centre	10.56	17.93	4.05	32.54	2.64	4.54	0.00	7.18	2.64	5.26	2.03	9.92	2.64	4.88	1.01	8.24	2.64	4.88	1.01	8.24
312	Uganda Management Institute	20.10	20.51	0.00	40.61	5.02	5.96	0.00	10.98	5.02	5.21	0.34	10.24	5.02	4.88	0.00	9.71	5.02	4.66	0.00	9.68
313	Mountains of the Moon University	25.22	14.00	2.01	41.22	6.30	4.26	0.00	10.56	6.30	3.55	0.34	10.19	6.30	3.44	0.16	9.90	6.30	3.44	0.16	9.90
401	Mulago National Referral Hospital	50.14	56.74	4.73	111.61	12.53	14.19	0.00	26.23	12.53	14.18	1.60	28.32	12.53	14.18	1.18	27.90	12.53	14.18	1.18	27.90
402	Buliiba Hospital	9.58	9.38	2.26	21.23	2.40	2.91	0.00	5.31	2.40	2.16	0.92	5.48	2.40	2.14	1.34	5.88	2.40	2.14	1.34	5.88
403	Arua Hospital	8.98	3.63	0.11	12.72	2.25	0.94	0.00	3.18	2.25	0.89	0.11	3.24	2.25	2.25	0.00	3.18	2.25	2.25	0.00	3.12
404	Fort Portal Hospital	9.82	6.18	0.11	13.66	2.45	1.95	0.00	3.41	2.45	0.94	0.03	3.41	2.45	0.92	0.42	3.41	2.45	0.92	0.42	3.43
405	Gulu Hospital	9.34	6.18	0.11	15.64	2.34	1.55	0.00	3.92	2.34	1.54	0.06	3.93	2.34	1.53	0.05	3.92	2.34	1.52	0.05	3.86
406	Hoima Hospital	10.00	3.42	0.11	13.52	2.50	0.87	0.00	3.47	2.50	0.85	0.06	3.41	2.50	0.85	0.03	3.37	2.50	0.85	0.03	3.37
407	IHH Hospital	13.17	8.95	0.12	22.23	3.79	2.29	0.01	5.59	3.79	2.21	0.02	5.52	3.79	2.21	0.02	5.52	3.79	2.24	0.06	5.59
408	Kabale Hospital	6.98	5.14	0.11	12.23	1.75	1.30	0.00	3.04	1.75	1.45	0.05	3.25	1.75	1.20	0.05	3.00	1.75	1.20	0.05	2.94
409	Masaka Hospital	8.88	3.66	0.11	12.65	2.22	0.93	0.00	3.15	2.22	0.91	0.11	3.24	2.22	0.90	0.00	3.12	2.22	0.91	0.00	3.13
410	Mbale Hospital	11.31	10.37	0.11	21.79	2.83	2.89	0.00	4.41	2.83	2.39	0.03	5.24	2.83	2.71	0.03	5.24	2.83	2.71	0.03	5.24
411	Soroti Hospital	8.42	3.44	0.11	11.97	2.11	0.86	0.00	2.86	2.11	0.86	0.03	2.99	2.11	0.86	0.03	2.99	2.11	0.86	0.03	3.02
412	Irru Hospital	10.02	7.58	0.11	17.71	2.51	1.90	0.00	4.41	2.51	1.89	0.03	4.42	2.51	1.89	0.03	4.42	2.51	1.89	0.03	4.42
413	Mbarara Regional Referral Hospital	9.42	8.38	0.11	17.91	2.36	2.10	0.00	4.46	2.36	2.08	0.08	4.52	2.36	2.08	0.03	4.46	2.36	2.12	0.03	4.48
414	Mukende Regional Referral Hospital	11.10	2.46	0.14	13.71	2.78	0.63	0.01	3.41	2.78	0.61	0.05	3.43	2.78	0.61	0.06	3.44	2.78	0.62	0.04	3.43
415	Koro Regional Referral Hospital	8.04	4.12	0.11	12.27	2.01	1.34	0.00	3.41	2.01	1.34	0.00	3.42	2.01	1.34	0.00	3.44	2.01	1.34	0.00	3.43
416	Napier National Referral Hospital	10.73	1.96	0.22	12.91	2.68	0.55	0.00	3.24	2.68	0.47	0.16	3.31	2.68	0.47	0.34	3.21	2.68	0.47	0.34	3.15
417	Kirundi National Referral Hospital	11.09	14.16	1.38	26.63	2.77	3.56	0.00	6.33	2.77	3.55	0.69	7.02	2.77	3.52	0.68	6.98	2.77	3.53	0.67	6.30
418	Kwana National Referral Hospital	15.04	7.79	0.81	23.64	3.76	1.95	0.00	5.72	3.76	1.94	0.41	6.11	3.76	1.94	0.41	6.11	3.76	1.94	0.41	6.11
419	Entebbe Regional Referral Hospital	8.10	2.91	0.81	11.82	2.02	0.74	0.00	2.77	2.02	0.68	0.38	3.08	2.02							

Vote	Vote Description	Approved Budget				Q1				Q2				Q3				Q4	
		Wage	Non Wage	Devt.	Total	Wage	Non Wage	Devt.	Total	Wage	Non Wage	Devt.	Total	Wage	Non Wage	Devt.	Total		
501	Uganda Mission at the United Nations, New York	1.95	18.86	-	20.81	0.49	9.43	-	9.92	-	-	-	-	1.46	9.43	-	10.89		
502	Uganda High Commission in the United Kingdom	2.60	9.24	2.90	14.74	1.30	4.62	1.45	7.37	-	-	-	1.30	4.62	1.45	7.37			
503	Uganda High Commission in Canada, Ottawa	1.18	4.78	9.70	15.66	0.29	1.44	4.85	6.59	-	-	-	0.88	3.34	4.85	9.07			
504	Uganda High Commission in India, New Delhi	0.40	7.28	-	7.68	0.20	3.64	-	3.84	-	-	-	0.20	3.64	-	3.84			
505	Uganda High Commission in Kenya, Nairobi	0.95	4.89	-	5.34	0.32	2.35	-	2.67	-	-	-	0.32	2.35	-	2.67			
506	Uganda High Commission in Tanzania, Dar es Salaam	0.70	8.57	7.40	16.67	0.35	4.29	3.70	8.34	-	-	-	0.35	4.29	3.70	8.34			
507	Uganda High Commission in Algeria, Algiers	0.86	3.16	-	4.02	0.43	1.80	-	2.23	-	-	-	0.43	1.80	-	2.23			
508	Uganda High Commission in South Africa, Pretoria	0.44	3.90	-	4.34	0.22	1.98	-	2.20	-	-	-	0.22	1.98	-	2.20			
509	Uganda High Commission in Rwanda, Kigali	0.83	3.33	0.78	4.94	0.41	1.67	0.39	2.47	-	-	-	0.41	1.66	0.39	2.46			
510	Uganda Embassy in the United States, Washington	2.14	11.13	2.59	15.85	1.07	5.56	1.29	7.93	-	-	-	1.07	5.56	1.29	7.93			
511	Uganda Embassy in Egypt, Cairo	0.84	3.31	-	3.85	0.14	0.82	-	0.96	-	-	-	0.14	0.82	-	0.96			
512	Uganda Embassy in Ethiopia, Addis Ababa	1.06	2.70	0.50	4.26	0.53	1.35	0.25	2.13	-	-	-	0.53	1.35	0.25	2.13			
513	Uganda Embassy in China, Beijing	0.69	7.86	0.25	8.80	0.17	1.99	0.13	2.28	-	-	-	0.17	1.99	0.13	2.28			
514	Uganda Embassy in Switzerland, Geneva	2.39	8.41	0.20	11.40	1.40	4.21	0.10	5.70	-	-	-	1.40	4.21	0.10	5.70			
515	Uganda Embassy in Japan, Tokyo	1.51	3.93	-	5.44	0.76	2.89	-	3.64	-	-	-	0.76	2.89	-	3.64			
516	Uganda Embassy in Saudi Arabia, Riyadh	1.00	5.76	0.20	6.96	0.25	1.99	0.10	2.34	-	-	-	0.25	1.99	0.10	2.34			
517	Uganda Embassy in Denmark, Copenhagen	0.95	5.15	0.50	6.60	0.24	1.28	0.25	1.76	-	-	-	0.24	1.28	0.25	1.76			
518	Uganda Embassy in Belgium, Brussels	1.40	3.17	2.20	6.77	0.70	1.59	1.10	3.39	-	-	-	0.70	1.59	1.10	3.39			
519	Uganda Embassy in Italy, Rome	0.85	4.30	0.30	5.45	0.42	2.15	0.15	2.73	-	-	-	0.42	2.15	0.15	2.73			
520	Uganda Embassy in DRC, Kinshasa	1.82	7.06	1.95	10.82	0.45	1.76	0.98	3.19	-	-	-	0.45	1.76	0.98	3.19			
521	Uganda Embassy in Sudan, Khartoum	0.81	3.19	-	4.00	0.20	1.21	-	1.42	-	-	-	0.20	1.21	-	1.42			
522	Uganda Embassy in France, Paris	1.44	6.91	-	8.35	0.72	3.29	-	4.02	-	-	-	0.72	3.29	-	4.02			
523	Uganda Embassy in Germany, Berlin	1.11	2.98	-	3.69	0.56	1.29	-	1.84	-	-	-	0.56	1.29	-	1.84			
524	Uganda Embassy in Iran, Tehran	0.66	3.44	-	4.10	0.16	0.93	-	1.09	-	-	-	0.16	0.93	-	1.09			
525	Uganda Embassy in Australia, Canberra	0.99	4.07	-	5.06	0.49	2.04	-	2.53	-	-	-	0.49	2.04	-	2.53			
526	Uganda Embassy in Russia, Moscow	0.82	3.65	1.05	5.12	0.21	1.82	0.53	2.56	-	-	-	0.21	1.82	0.53	2.56			
527	Uganda Embassy in South Sudan, Juba	1.83	9.95	10.79	22.57	0.92	6.52	5.40	12.83	-	-	-	0.92	6.52	5.40	12.83			
528	Uganda Embassy in United Arab Emirates, Abu Dhabi	0.46	3.48	0.49	4.42	0.23	1.09	0.25	1.57	-	-	-	0.23	1.09	0.25	1.57			
529	Uganda Embassy in Burundi, Bujumbura	0.43	5.93	14.04	20.39	0.10	3.02	8.77	11.89	-	-	-	0.10	3.02	8.77	11.89			
530	Uganda Consulate in China, Guangzhou	1.19	8.68	-	9.88	0.60	4.34	-	4.94	-	-	-	0.60	4.34	-	4.94			
531	Uganda Embassy in Somalia, Mogadishu	0.43	7.70	2.77	6.76	0.22	1.78	1.39	3.38	-	-	-	0.22	1.78	1.39	3.38			
532	Uganda Embassy in Malaysia, Kuala Lumpur	0.98	7.56	4.39	12.70	0.19	5.34	2.20	7.73	-	-	-	0.19	5.34	2.20	7.73			
533	Uganda Consulate in Kenya, Mombasa	0.91	5.87	-	6.79	0.23	1.57	-	1.80	-	-	-	0.23	1.57	-	1.80			
534	Uganda Embassy in Algeria, Algiers	0.84	5.61	0.39	6.54	0.14	1.40	0.20	1.73	-	-	-	0.14	1.40	0.20	1.73			
535	Uganda Embassy in Oman, Dhah	0.52	2.93	-	3.45	0.26	1.46	-	1.72	-	-	-	0.26	1.47	-	1.73			
536	Uganda Mission in Havana, Cuba	0.59	2.89	-	3.48	0.30	1.44	-	1.74	-	-	-	0.30	1.44	-	1.74			
537	Uganda Mission in Luanda, Angola	1.594.23	652.32	-	5.598.36	837.95	465.04	229.27	1,532.26	-	-	-	837.95	465.04	229.27	1,532.26			
538	Local governments	7,994.75	48,382.06	5,942.85	62,259.66	1,990.28	10,163.24	377.80	12,591.32	1,963.77	239.33	209.50	1,986.76	829.78	459.79	209.50	1,499.07		
600	Total	7,994.75	48,382.06	5,942.85	62,259.66	1,990.28	10,163.24	377.80	12,591.32	1,963.77	239.33	209.50	1,986.76	829.78	459.79	209.50	1,499.07		
																	1,993.94		
																	14,660.69		
																	2,237.92		
																	1,288.43		
																	18,892.56		



Annex 2: Annual consumption of ICT services by Votes from NITA-U

MDAs/LGs and TUGs	Service	Est Annual Consumption (Ugx)
1 Uganda Police Force (UPF)	Internet,Leased Lines ,Darkfibre	40,944,533,850
2 Uganda People's Defense Forces (UPDF)	Internet,Leased Lines ,Darkfibre	2,362,339,350
3 National Information Technology Authority - Uganda (NITA)	Internet,Leased Lines ,Darkfibre	2,138,868,000
4 Uganda Revenue Authority (URA)	Internet,Leased Lines, Colocation	1,693,917,000
5 Courts of Judicature (CoJ)	Internet and Leased Lines	1,566,715,500
6 Office of the Prime Minister (OPM)	Internet	626,314,500
7 Directorate of Citizenship and Immigration Control (DCIC) *	Internet and Leased Lines	525,955,500
8 National Social Security Fund (NSSF) *	Internet	462,766,500
9 National Identification and Registration Authority -HQ (NIRA)	Internet and Leased Lines	421,083,000
10 Accountant General's Office (AGO)	Internet and IFMS Leased Lines	414,445,500
11 Ministry of Works and Transport (MoWT)	Internet	314,086,500
12 Ministry of Health (MoH)	Internet	304,087,770
13 Law Development Center (LDC)	Internet	297,360,000
14 Ministry of Gender, Labour and Social Development (MoGLSD)	Internet	254,614,500
15 National Drug Authority HQ (NDA)	Internet	254,614,500
16 Electoral Commission -central (EC)	Internet and Leased Lines	250,897,500
17 Ministry of Energy and Mineral Development (MoEMD)	Internet	239,746,500
18 Directorate of Public Prosecutions (DPP)	Internet	237,888,000
19 Ministry of Lands, Housing and Urban Development (MOLHU)	Internet	215,586,000
20 Ministry of Justice & Constitutional Affairs (MOJCA)	Internet	215,586,000
21 Public Procurement and Disposal of Public Assets Authority	Internet	198,859,500
22 Uganda Electricity Distribution Company Limited (UEDCL)	Internet and Leased Lines	195,142,500
23 Kampala Capital City Authority (KCCA)	Internet and Leased Lines	187,708,500
24 Hosing Finance Bank Kololo	Leased Lines	186,827,040
25 Uganda Industrial Research Institute Nakawa (UIRI)	Internet	185,850,000
26 Busitema University-Arapai	Internet	185,850,000
27 Women in Technology Uganda (WITU)	Internet	185,850,000
28 Cayman Consults	Internet	185,850,000
29 Ministry of Defence HQ,Mbuya	Internet and Leased Lines	180,273,750
30 Directorate of Government Analytical Laboratory (DGAL)	Internet	174,699,000
31 Ministry of Trade, Industry& Cooperatives (MoTIC)	Internet	167,265,000
32 Bank of Uganda-Headquarters (BOU)	Internet	167,265,000
33 Ministry of Public Service (MoPS)	Internet	165,406,500
34 Ministry of Water & Environment (MOWE)	Leased Lines	165,406,500
35 Uganda Human Rights Commission (UHRC)	Internet	165,406,500
36 Uganda Registration Services Bureau (URSB)	Leased Lines	163,548,000
37 Financial Intelligence Authority	Internet	157,972,500
38 Deposit Protection Fund-Nakasero (DPF)	Internet	156,645,000
39 Parliamentary Commission - Parliament of Uganda	Internet	156,114,000
40 Ministry of Finance, Planning and Economic Development (MFPED)	Internet	154,255,500
41 Uganda National Bureau of Standards - Bweyongere (UNBS)	Internet	150,538,500
42 Ministry of Local Government (MOLG)	Internet	148,680,000
43 National Environment Management Authority (NEMA)	Internet	148,680,000
44 National Water and Sewerage Corporation (NWSC)	Internet	148,680,000
45 Office of the President (OP)	Internet	131,953,500
46 Source of the Nile Hotel Jinja	Internet	130,095,000
47 Petroleum Authority of Uganda (PAU)	Internet	128,236,500
48 Ministry of Agriculture, Animal Industry and Fisheries (MoA)	Internet	122,661,000
49 Office of the Auditor General (OAG)	Internet	118,944,000
50 Ministry of Education and Sports (MoES)	Internet and Leased Lines	107,793,000
51 National Medical Stores (NMS)	Internet	96,642,000
52 Mbarara University Administrative Units - The MUST grants	Internet	92,925,000
53 Mbarara University Administrative Units - Institute of Maternity	Internet	92,925,000
54 Mbarara University Administrative Units -SIM for Life	Leased Lines	92,925,000
55 Education Service Commission (ESC)	Internet	92,925,000
56 Insurance Regulatory Authority (IRA)	Internet	92,925,000
57 National Land Information System (NLIS)	Internet and Leased Lines	91,066,500
58 National Planning Authority (NPA)	Internet	91,066,500
59 Public Service Commission (PSC)	Internet	89,208,000
60 Uganda Blood Transfusion Services (UBTS)	Internet	83,632,500
61 Kasese One Stop Centre (SUC) Municipal Council	Leased Lines	74,340,000

62	State House	Leased Lines	68,764,500
63	National Agricultural Research Organization (NARO)	Internet	66,906,000
64	Uganda Aids Commission (UAC)	Internet	55,755,000
65	Uganda Road Fund (URF)	Internet	55,755,000
66	Capital Markets Authority (CMA)	Internet	55,755,000
67	Electricity Regulatory Authority (ERA)	Internet and Leased Lines	55,755,000
68	Justice, Law and Order Sector (JLOS) Secretariat	Internet	55,755,000
69	Uganda Bureau of Statistics (UBOS)	Internet	55,755,000
70	Uganda Microfinance Regulatory Authority (UMRA)	Internet	55,755,000
71	Uganda Redcross Society : Rubaga HQ	internet	55,755,000
72	Exquisite solutions Ltd Namanve	Internet	55,755,000
73	Federation of Uganda Football Association (FUFA)	Internet	55,755,000
74	Government for Citizen's Interaction Centre(GCIC)	Internet	55,755,000
75	Ministry of Internal Affairs (MoIA)	Internet	52,038,000
76	Hive Colab, Kampala	Internet	49,108,650
77	Butabika National Referral Hospital	Internet	46,462,500
78	Inspectorate of Government (IG)	Internet	46,462,500
79	Mbarara University of Science & Technology - Kihumuro Campus	Internet	46,462,500
80	Uganda Printing and publishing Corporation HQ (UPPC)	Internet	46,462,500
81	Local Government Finance Commission	Internet	37,170,000
82	Nsamizi Radio Communications Center	Internet	37,170,000
83	Bukedea Comprehensive Academy	Internet	37,170,000
84	Private Sector Foundation - Competitive and Enterprise Development	Internet	37,170,000
85	Soroti University	Internet	37,170,000
86	Uganda Martyrs University	Internet	37,170,000
87	GnuGrid CRB<> NIRA	Leased Lines	37,170,000
88	Uganda manufacturer's Association-Nakawa	Internet	37,170,000
89	Leadership Code Tribunal (LCT)	Internet	37,170,000
90	Uganda Union Mission, Seventh Day Adventist Church	Internet	37,170,000
91	Pharmaceutical society of Uganda	Internet	37,170,000
92	Diary Development Authority-HQ (DDA)	Internet	37,170,000
93	Electricity Regulatory Authority-(ERA)	Leased Lines	37,170,000
94	Uganda Law Reform Commission (ULRC)	Internet	33,453,000
95	Ministry of Tourism, Wildlife and Antiquities (MoTWA)	Internet	31,594,500
96	Ministry of East African Community Affairs (MEACA)	Internet	31,594,500
97	External Security Organisation (ESO)	Internet	29,736,000
98	Health Tutors College Mulago	Internet	27,877,500
99	SOS	Internet	27,877,500
100	Service Cops Limited Uganda	Internet	27,877,500
101	Equal Opportunities Commission Branch Office (EOC)	Internet	27,877,500
102	Education Policy Review Commission	Internet	27,877,500
103	National Teachers College-Mubende	Internet	27,877,500
104	National Animal Genetic Resources Centre and Data Bank - Entebbe	Internet	27,877,500
105	Health Service Commission	Internet	26,019,000
106	Ministry of Foreign Affairs (MOFA)	Internet	26,019,000
107	Ministry of ICT and National Guidance (MOICT)	Internet	26,019,000
108	Uganda National Meteorological Authority	Internet	22,302,000
109	Uganda Tourism Board (UTB)	Internet	22,302,000
110	Uganda Coffee Development Authority - HQ (UCDA)	Internet	22,302,000
111	Uganda security printing company (USPC)	Leased Lines	22,302,000
112	Directorate of Ethics and Integrity (DEI)	Internet	20,443,500
113	Masaka Regional Referral Hospital	Internet	20,443,500
114	Dr Ronald Batta Memorial Hospital	Internet	18,585,000
115	Fisheries Training Institute	Internet	18,585,000
116	District Local Government - Kasese	Internet	18,585,000
117	Lotteries and Gaming Regulatory Board	Internet	18,585,000
118	Marie Stopes Uganda - Mbale	Leased Lines	18,585,000
119	Ministry of Science, Technology and Innovation	Internet	18,585,000
120	National Population Council Secretariat - POPSEC	Internet	18,585,000
121	Uganda National Chamber of Commerce & Industry	Internet	18,585,000
122	Private Public Partnership	Internet	18,585,000
123	Public Health Nurses College	Internet	18,585,000
124	All Saints University Lira	Internet	18,585,000

125	Vocational Training Institute Ntinda	Internet	18,585,000
126	Uganda Nurses and Midwifery examination Board	Internet	18,585,000
127	Uganda Air Cargo Corporation	Internet	18,585,000
128	Ankole Western University, Mbarara	Internet	18,585,000
129	National Farmers'Leadership Centre (NFLC),Mpigi	Internet	18,585,000
130	St Ambrose Institute Of Health Sciences	Internet	18,585,000
131	Nansana Municipal Council	Internet	18,585,000
132	Jinja School of Nursing and Midwifery	Internet	18,585,000
133	Butabika School of Psychiatric Nursing	Internet	16,726,500
134	Great Lake Safaris	Internet	14,868,000
135	National Forestry Authority - HQ (NFA)	Internet	13,009,500
136	National Housing & Construction Company Limited	Internet	13,009,500
137	Uganda Freezones Authority (UFZA)	Internet	13,009,500
138	Jinja Civil Service College -Ministry of Public Service	Internet	11,151,000
139	Mulago Women's Hospital	Internet	11,151,000
140	Higher Education Students' Financing Board (HESFB)	Internet	11,151,000
141	Mbarara Municipal Council	Internet	11,151,000
142	National Building Review Board (NBRB)	Internet	11,151,000
143	National Council of Higher Education (NCHE)	Internet	11,151,000
144	St Anna Madera Girls Boarding Primary school	Leased Lines	11,151,000
145	Directorate of Education Standards	Internet	9,292,500
146	Gulu Regional Referral Hospital	Internet	9,292,500
147	Uganda Media Centre (UMC)	Internet	9,292,500
148	Entebbe Grade B Hospital	Internet	9,292,500
149	Kiruddu National Referral Hospital	Internet	9,292,500
150	Standard Gauge Railway	Internet	9,292,500
151	Uganda Retirement Benefits Regulatory Authority	Internet	9,292,500
152	Mayanja Memorial training institute Mbarara	internet	9,292,500
153	SAMI Apartment Limited	Internet	9,292,500
154	Viva College School Kakira	Internet	9,292,500
155	Ryeru High School & Ryeru Girl's School Annex	Internet	9,292,500
156	Uganda Martyrs Vocational Institute Soroti	Internet	9,292,500
157	Uganda Technical College Kyema	Internet	9,292,500
158	Iganga District Local Government-CAO's	Internet	9,292,500
159	YMCA -Jinja	Internet	9,292,500
160	Nakasongola Health Centre IV	Internet	9,292,500
161	Gulu Hospital Regional referral (repeated)	Internet	9,292,500
162	Iganga General Hospital	Internet	9,292,500
163	Mbale City Council	Internet	9,292,500
164	East Africa Civil Aviation Academy-Soroti	Internet	9,292,500
165	Hoima Regional Referral Hospital	Internet	9,292,500
166	Mityana Municipal Council	Internet	9,292,500
167	Mubende Municipal Council	Internet	9,292,500
168	Kasese Youth Polytechnical	Internet	9,292,500
169	China-Uganda Friendship Hospital Naguru	Internet	7,434,000
170	District Local Government - Mbarara	Internet	7,434,000
171	SSOCCOM Radio Soroti	Leased line	7,434,000
172	St Marys Girls Sec School Madera Soroti	Leased line	7,434,000
173	St Kizito Technical Institute Madera-Soroti	Leased line	7,434,000
174	St Francis P/S for the Blind Madera_Soroti	Leased line	7,434,000
175	Moroto Core Primary Teacher's College	Internet	7,434,000
176	Kabalega Secondary School	internet	7,434,000
177	Uganda Prisons - Social Security House (UP)	Internet	5,575,500
178	Kakooba Division Offices, Mbarara	Internet	5,575,500
179	National Curriculum Development Centre	Internet	5,575,500
180	Ntare School Mbarara	Internet	5,575,500
181	Presidential Initiative for Banana Development	Internet	5,575,500
182	Uganda Land Commission (ULC)	Internet	5,575,500
183	Elephant Plains Lodge	Leased Lines	5,575,500
184	Simba Safari Camp	Leased Lines	5,575,500
185	St Francis SSS for the Blind Madera_Soroti	Leased Lines	5,575,500
186	Immaculate Conception Parish-Soroti	Leased Lines	5,575,500
187	Bishops Residence- Soroti	Internet	5,575,500

188	Hoima School of Nursing & Midwifery	Internet	5,575,500
189	Ntungamo District Local Government	Internet	5,575,500
190	Jinja Ophthalmic Clinical Officers Training School	Internet	5,575,500
191	National Women's Council Ntinda	Internet	5,575,500
192	National Children Authority (NCA)	internet	5,575,500
193	Office of the Vice president	Internet	3,717,000
194	District Local Governemnt - Masindi	Internet	3,717,000
195	District Local Government - Bushenyi	Internet	3,717,000
196	District Local Government - Gulu	Internet	3,717,000
197	District local Government - Iganga	Internet	3,717,000
198	District Local Government - Lira	Internet	3,717,000
199	District Local Government - Lwengo	Internet	3,717,000
200	District Local Government - Lyantonde	Internet	3,717,000
201	District Local Government - Mbale	Internet	3,717,000
202	District Local Government - Mpigi	Internet	3,717,000
203	District Local Government - Mukono	Internet	3,717,000
204	District Local Government - Soroti	Internet	3,717,000
205	District Local Government - Tororo	Internet	3,717,000
206	Entebbe Municipal Council	Internet	3,717,000
207	Higher Education Science and Technology - (HEST) ADB Proj	Internet	3,717,000
208	Kabalega College	Internet	3,717,000
209	Masaka City Council	Internet	3,717,000
210	Mbarara Municipal Council - Health Centre IV	Internet	3,717,000
211	Mukono Central Division	Internet	3,717,000
212	Mukono Health Centre IV	Internet	3,717,000
213	Mukono Municipal Council	Internet	3,717,000
214	Soroti Municipal Council	Internet	3,717,000
215	Soroti School of Comprehensive Nursing	Internet	3,717,000
216	The School of Psychiatric Clinical Officers - Butabika	Internet	3,717,000
217	Uganda Wildlife Education Centre (UWEC) - Entebbe	Internet	3,717,000
218	Hoima City Council	Internet	3,717,000
219	Njeru Municipal Council	Internet	3,717,000
220	Bushenyi Health Center IV	Internet	3,717,000
221	Post Bank-	Leased Lines	3,717,000
222	Masindi Hospital	Internet	3,717,000
223	Kagadi General Hospital	Internet	3,717,000
224	Kagadi District Local Government	Internet	3,717,000
225	The Diocesan-Soroti	Leased Lines	3,717,000
226	St Patricks Catholic Parish Madera North Divison-Soroti	Leased Lines	3,717,000
227	Socadido office Soroti	Leased Lines	3,717,000
228	St Peter Seminary Madera Soroti	Leased Lines	3,717,000
229	MSGR John Eneku Training Village-Soroti	Leased Lines	3,717,000
230	Catholic Education Research Development-Soroti	Leased Lines	3,717,000
231	Kiryandongo DLG	Internet	3,717,000
232	Kiryandongo Technical Institute	Internet	3,717,000
233	Koboko DLG- Department of Finance	Internet	3,717,000
234	DLG- Bukedea	Internet	3,717,000
235	DLG - Dokolo	Internet	3,717,000
236	Empowering Youth in Technology (EYIT)	Internet	3,717,000
237	Kinoni Girls Senior Secondary School	Internet	3,717,000
238	National Library of Uganda (NLU)	Internet	3,717,000
239	Mityana General Referral Hospital	Internet	3,717,000
240	Nile University Arua	Internet	3,717,000
241	Makerere University Centre for Health and Population Resea	Internet	3,717,000
242	Uganda Security Printing Company (Repeated)	Internet	3,717,000
243	St Henry Kasule Secondary School	Internet	3,717,000
244	Kira Municipal council	Internet	3,717,000
245	Bushenyi Municipal Council	Internet	3,717,000
246	Kinoni HCIV	Internet	3,717,000
247	Fortportal city council	Internet	3,717,000
248	Makindye Ssabagabo Division	Internet	3,717,000
249	Lira City Council	Internet	3,717,000
250	Iganga Municipal Council	Internet	3,717,000

251	Gulu City Council	Internet	3,717,000
252	Moroto District Local Government	Internet	3,717,000
253	Moroto Municipal Council	Internet	3,717,000
254	Kabale Municipal Council	Internet	3,717,000
255	Lyantonde Town Council	Internet	3,717,000
256	koboko General Hospital	Internet	3,717,000
257	School of Nursing and Midwifery- Gulu	Internet	3,717,000
258	Institute of Health science-Gulu	Internet	3,717,000
259	koboko Municipal Council	Internet	3,717,000
260	Bwera senior secondary school	Internet	3,717,000
261	Kasese Municipal Council	Internet	3,717,000
262	District Local Government - Luwero	Internet	2,787,750
263	Intergrated Personal and Payroll system IPPS <> NIRA	Leased Lines	1,858,500
264	Bugiri, General Hospital	Internet	1,858,500
265	Coordinating Office for Control of Trypanosomiasis in Uganda	Internet	1,858,500
266	Cotton Development Oganisation (CD0)	Internet	1,858,500
267	District Local Government - Bugiri	Internet	1,858,500
268	District Local Government - Jinja	Internet	1,858,500
269	District Local Government - Kumi	Internet	1,858,500
270	District Local Government - Moyo	Internet	1,858,500
271	Fort Portal Regional Referral Hospital	Internet	1,858,500
272	City Council - Masaka Mayor's Office	Internet	1,858,500
273	Achwa River Range -Gulu	Leased Lines	1,858,500
274	Sango Bay Range -Masaka	Leased Lines	1,858,500
275	Karamojong Range -Moroto	Leased Lines	1,858,500
276	West Nile Range -Arua	Leased Lines	1,858,500
277	Budongo System Range -Masindi	Leased Lines	1,858,500
278	South Western Range - Bushenyi	Leased Lines	1,858,500
279	NTSC - Namanve	Leased Lines	1,858,500
280	Mbarara Plantation- Mbarara	Leased Lines	1,858,500
281	Kasindi Sector - Hoima	Leased Lines	1,858,500
282	Rural Electrification Agency (REA)	Internet	1,858,500
283	Uganda Development Corporation (UDC)	Internet	1,858,500
284	Uganda Property Holdings (UPH)	Internet	1,858,500
285	kyenjojo Hospital	Internet	1,858,500
286	National Council of Sports - Lugogo (NCS)	Internet	1,858,500
287	Sheema Municipal Council	Internet	1,858,500
288	Kyamanganda Community Development organisation	Internet	1,858,500
289	Sheema District Local Government	Internet	1,858,500
290	Ibanda District Local Government	Internet	1,858,500
291	Iganga Muncipal Medical Center	Internet	1,858,500
292	Erinah Trading Limited-Total Migyera	Internet	1,858,500
293	Kamwenge District Local Government	Internet	1,858,500
294	Ntungamo Munincipality Council	Internet	1,858,500
295	Kiryandongo Town Council	Internet	1,858,500
296	Bwera School of Nursing and Midwifery	Internet	1,858,500
297	Ntungamo Health Training Institute	Internet	1,858,500
298	M.M Wairaka College Jinja	Internet	1,858,500
299	Kalisizo Hospital	Internet	1,858,500
300	Kalisizo Town Council	Internet	1,858,500
301	Mulago School of Nursing &Midwifery	Internet	1,858,500
302	Uganda School for the deaf Ntinda	Internet	1,858,500
303	Kyotera Town Council	Internet	1,858,500
304	Kyotera District Local Govrnment	Internet	1,858,500
305	Iganga District Local Government-Finance Department	Leased Lines	1,858,500
306	Kumi water Department District Local Government	Leased Lines	1,858,500
307	Mumisa High School, Mityana	Internet	1,858,500
308	Napak District Adminstrative Block	Internet	1,858,500
309	Napak Health Department Block	Leased Lines	1,858,500
310	Mbale School of Nursing and Midwifery	Internet	1,858,500
311	Rwampara District Local Government	Internet	1,858,500
312	Uganda College of Commerce Soroti	Internet	1,858,500
313	Sheema Municipal Council -Central Division offices	Internet	1,858,500

314	Kabwohe HC IV - Sheema District	Internet	1,858,500
315	National Council for persons' with Disabilities (NCPWD)	Internet	1,858,500
316	Wakiso District Local Government	Internet	1,858,500
317	Wakiso Town Council	Internet	1,858,500
318	Lugazi Kawolo General Hospital	Internet	1,858,500
319	Mbarara city Nyakayojo Division	Internet	1,858,500



ANNEX 3: PROJECTS FOR EXTENSION INTO THE PUBLIC INVESTMENT PLAN FOR FY 2024/25

SN	Vote Name	Project Code	Project Name	Start Date	Revised end date	Project value
01	Uganda National Roads Authority (UNRA)	1274	Musita-Lumino-Busia/Majanji Road	01/07/2014	30/06/2026	207
02	Uganda National Roads Authority (UNRA)	1277	Kampala Northern Bypass Phase 2	01/07/2014	30/06/2026	545
03	Uganda National Roads Authority (UNRA)	1322	Upgrading of Muyembe-Nakapiririt (92 km)	01/07/2015	30/06/2026	400
04	Uganda National Roads Authority (UNRA)	1490	Luwero - Butalangu Road	01/07/2017	30/06/2026	200
05	Uganda National Roads Authority (UNRA)	1040	Kapchorwa - Suam Road	01/11/2010	30/06/2025	268.5
06	Uganda National Roads Authority (UNRA)	1041	Kyenjojo - Hoima-Masindi - Kigumba road	31/03/2014	30/06/2025	320.0
07	Uganda National Roads Authority (UNRA)	1281	Tirinyi-Pallisa-Kumi/Kamonkoli Road	31/03/2014	30/06/2026	480.0
08	Uganda National Roads Authority (UNRA)	1319	Kampala Flyover	01/07/2015	30/06/2025	290.9



ANNEX 3: PROJECTS FOR EXTENSION INTO THE PUBLIC INVESTMENT PLAN FOR FY 2024/25							
SN	Vote Name	Project Code	Project Name	Start Date	Revised end date	Project value	
09	Uganda National Roads Authority (UNRA)	1403	Soroti -Katakwi- Moroto - Lokitonyala Road	01/07/2017	30/06/2025	900.0	
10	Uganda National Roads Authority (UNRA)	1692	Rehabilitation of Masaka Town Roads (7.3 KM)	01/07/2020	30/06/2025	36.0	
11	Uganda National Examination Board (UNEb)	1356	Uganda National Examination Board (UNEb) Infrastructure Development Project	01/07/2019	30/06/2025	23.4	
12	Ministry of Works and Transport	1284	Development of new Kampala Port in Bukasa	01/07/2013	30/06/2025	220	
13	Ministry of Works and Transport	1489	Development of Kabaale Airport	01/07/2017	30/06/2025	428	
14	Ministry of Works and Transport	1558	Rural Bridges Infrastructure Development	01/07/2019	30/06/2026	300	
15	Ministry of Energy and Mineral Development	1143	Isimba Hydro Power Project	01/07/2012	30/06/2025	1,764	
16	Ministry of Energy and Mineral Development	1517	Bridging the demand gap through the accelerated rural electrification Programme (TBEA)	01/07/2018	30/06/2025	837	
17	Ministry of Energy and Mineral Development	1409	Mirama -Kabale 132kv Transmission Project	01/07/2016	30/06/2025	239	

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ANNEX 3: PROJECTS FOR EXTENSION INTO THE PUBLIC INVESTMENT PLAN FOR FY 2024/25							
SN	Vote Name	Project Code	Project Name	Start Date	Revised end date	Project value	
18	Ministry of Energy and Mineral Development	1518	Uganda Rural Electrification Access Project (UREAP)	01/07/2018	31/12/2024	454	
19	Ministry of Energy and Mineral Development	1259	Kampala-Entebbe Transmission Line	01/07/2013	30/06/2025	79.7	
20	Ministry of Energy and Mineral Development	1391	Lira-Gulu-Agago 132KV transmission project	01/07/2016	30/06/2025	70.0	
21	Ministry of Energy and Mineral Development	1426	Grid Expansion and Reinforcement Project - Lira, Gulu, Nebbi to Arua Transmission line	01/07/2016	30/06/2025	382.0	
22	Ministry of Water and Environment	1193	Kampala Water- Lake Victoria Water & Sanitation project	01/07/2011	30/06/2028	12	
23	Ministry of Water and Environment	1438	Water Service Acceleration Project (SCAP 100%)	01/07/2017	30/06/2025	547	
24	Ministry of Water and Environment	1524	Water and Sanitation Development Facility East-Phase II	01/07/2019	30/06/2025	179	
25	Ministry of Water and Environment	1529	Strategic Towns Water Supply and Sanitation Project (STWSSP)	01/07/2019	30/06/2025	146	
26	Ministry of Water and Environment	1531	South Western Cluster (SWC) Project	01/07/2019	30/06/2025	520	
27	Ministry of Water and Environment	1523	Water for Production Phase II	01/07/2019	30/06/2025	529	

ANNEX 3: PROJECTS FOR EXTENSION INTO THE PUBLIC INVESTMENT PLAN FOR FY 2024/25

SN	Vote Name	Project Code	Project Name	Start Date	Revised end date	Project value
28	Ministry of Water and Environment	1559	Drought Resilience in Karamoja Sub-Region Project	01/07/2019	30/06/2025	97
29	Ministry of Water and Environment	1522	Inner Murchison Bay Cleanup Project	01/07/2019	30/06/2025	46
30	Ministry of Water and Environment	1530	Integrated Water Resources Management and Development Project (IWMMP)	01/07/2019	30/06/2025	918
31	Uganda Prisons Service	1443	Revitalisation of prison Industries	01/07/2017	30/06/2026	33
32	Uganda Police Force	0385	Assistance to Uganda Police	01/07/2010	30/06/2025	2,808
33	Uganda Investment Authority (UIA)	0994	Development of Industrial Parks	01/07/2008	30/06/2025	
34	Uganda Cancer Institute (UCI)	1120	Uganda Cancer Institute	07/01/2010	30/06/2025	54
35	Uganda Cancer Institute (UCI)	1345	ADB Support to UCI	07/01/2015	30/06/2026	118
36	National Agricultural Research Organization (NARO)	1560	Relocation and Operationalisation of the National Livestock Resources Research Institute(NALIRRI)	01/07/2020	30/06/2025	80

ANNEX 3: PROJECTS FOR EXTENSION INTO THE PUBLIC INVESTMENT PLAN FOR FY 2024/25							
SN	Vote Name	Project Code	Project Name	Start Date	Revised end date	Project value	
37	Ministry of Lands, Housing and Urban Development	1514	Uganda Support to Municipal Infrastructure Development (USMID II)	01/07/2018	30/06/2025	1,308	
38	Ministry of Lands, Housing and Urban Development	1528	Hoima Oil Refinery Proximity Development Master Plan	01/07/2019	30/06/2025	922	
39	Ministry of Lands, Housing and Urban Development	1289	Competitiveness and Enterprise Development Project-CEDP	01/07/2019	30/06/2025	170	
40	Ministry of Health	0220	Global Fund for AIDS, TB and Malaria	07/07/2010	30/06/2027	209	
41	Ministry of Health	1436	GAVI Vaccines and Health Sector Dev't Plan Support	07/01/2017	30/06/2028	152	
42	Ministry of Finance, Planning and Economic Development	1208	Support to National Authorising Officer	01/07/2015	30/06/2026	9	
43	Ministry of Finance, Planning and Economic Development	1289	Competitiveness and Enterprise Development Project-CEDP	01/07/2014	30/06/2025	170	
44	Ministry of Education and Sports	1540	Development of Secondary Education Phase II	01/07/2020	30/06/2025	50	

ANNEX 3: PROJECTS FOR EXTENSION INTO THE PUBLIC INVESTMENT PLAN FOR FY 2024/25

SN	Vote Name	Project Code	Project Name	Start Date	Revised end date	Project value
45	Ministry of Agriculture, Animal Industry and Fisheries	1357	Improving Access and Use of Agricultural Equipment and Mechanisation through the use of labour saving technologies	01/07/2014	30/06/2026	52
46	Ministry of Agriculture, Animal Industry and Fisheries	1263	Agriculture Cluster Development Project (ACDP)	01/07/2013	30/09/2025	547.5
47	Ministry of Local Government	1509	Local Economic Growth (LEGS) Support Project	01/07/2018	30/06/2024	188.0
48	Ministry of Agriculture, Animal Industry and Fisheries	1444	Agriculture Value Chain Development	07/01/2017	30/06/2025	445
49	Parliamentary Commission	0355	Rehabilitation of Parliament	01/07/2011	10/09/2025	467
50	Mbarara University	0368	Mbarara University of Science and Technology	01/07/2015	30/06/2025	130
51	Lira University	1414	Support to Lira University Infrastructure Development	01/07/2021	30/06/2025	37
52	Kabale University	1418	Support to Kabale University Infrastructure Development	01/07/2016	30/06/2025	35



ANNEX 3: PROJECTS FOR EXTENSION INTO THE PUBLIC INVESTMENT PLAN FOR FY 2024/25								
SN	Vote Name	Project Code	Project Name	Start Date	Revised end date	Project value		
53	Inspectorate of Government (IG)	1496	Construction of the IGG Head Office Building Project	01/07/2018	30/06/2025	108		
54	Directorate of Public Prosecution (DPP)	1346	Enhancing Prosecution Services for all (EPSFA)	01/07/2017	30/12/2025	47		
							19,578	



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THE REPUBLIC OF UGANDA

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. TPD 137/167/08

7th August, 2017

All Accounting Officers (Central and Local Government Votes), and
All Chief Executive Officers of State Enterprises

VALUE ADDED TAX (VAT) ON AID-FUNDED PROJECTS

This Ministry has received requests from various stakeholders seeking clarification of policy changes in the VAT (Amendment) Act 2016 and the VAT (Amendment) Act 2017 regarding VAT treatment of taxable supplies made under aid-funded projects. The purpose of this Circular is to clarify the following aspects of this policy.

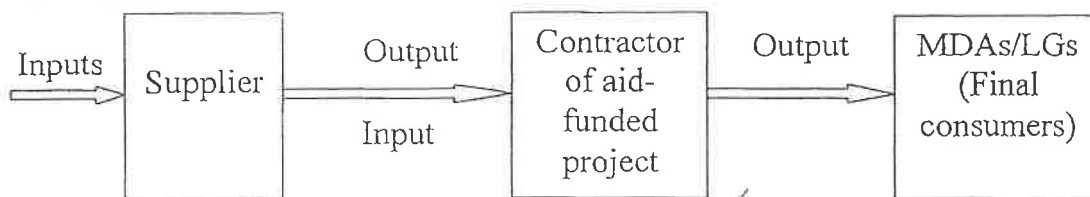
Section 4 of the VAT (Amendment) Act, 2016 provides that:

“For purposes of this section, the tax payable on a taxable supply made by a supplier to a contractor executing an aid-funded project is deemed to have been paid by the contractor provided the supply is for use by the contractor solely and exclusively for the aid-funded project”.

Section 2 of the VAT (Amendment) Act, 2017 provides that:

“For purposes of this section, the tax payable on a taxable supply made to a Government ministry, department, or agency by a contractor executing an aid-funded project is deemed to have been paid by the Government ministry, department, or agency if the supply is for use by the contractor solely and exclusively for the aid-funded project”.

Assume a Ministry/Department/Agency (MDA) contracts a service provider to implement an aid funded project and the contractor procures taxable goods from a local supplier for the purposes of executing the project. This supply chain may be represented diagrammatically as follows:



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”

The implication of Section 4 of the VAT (Amendment) Act, 2016 and Section 3 of the VAT (Amendment) Act, 2017 read together is that;

A. SUPPLIES TO A CONTRACTOR OF AID FUNDED PROJECT.

- i. The supplier to the contractor of an aid-funded project will issue a tax invoice for the full cost (including 18% VAT) for taxable supplies made to the contractor. The supplier will account to Uganda Revenue Authority in their monthly VAT return the VAT deemed to have been paid by the contractor as a book entry but will not be required to pay the tax.
- ii. The contractor will pay the supplier the invoiced amount referred to in (1) above **excluding the VAT** component because the VAT would be deemed to have been paid pursuant to Section 4 of the VAT (Amendment) Act, 2016.
- iii. The **supplier** will account to Uganda Revenue Authority in their monthly VAT return the VAT deemed to have been paid by the **contractor** but will not pay this tax. The supplier will be entitled to take a credit for any VAT which they incurred to make taxable supplies to a Contractor of an aid-funded project in respect of which the VAT-deeming applied.

B. SUPPLIES BY A CONTRACTOR TO MDA EFFECTIVE 01/07/2017.

- i. The contractor of an aid funded project will issue a tax invoice for the full cost (including 18% VAT) for taxable supplies made to the **MDA**. The contractor will account to Uganda Revenue Authority in their monthly VAT return the VAT deemed to have been paid by the MDA as a book entry but will not be required to pay the tax.
- ii. The **MDA** will pay the contractor the invoiced amount referred to in (1) above **excluding the VAT** component because the VAT would be deemed to have been paid pursuant to Section 3 of the VAT (Amendment) Act, 2017.
- iii. The **contractor** will be entitled to take credit for any VAT which they incurred to make taxable supplies to the **MDA** in respect of an aid-funded project.



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."



The effect of Section 3 of the VAT (Amendment) Act, 2017 is to remove from Ministries/Departments/Agencies with effect from 1st July 2017, the obligation to budget and pay VAT on supplies received from their contractors who execute aid-funded projects, which burden remained after the coming into force of the VAT (Amendment) Act, 2016.

The MDA would have to budget within their MTEF ceiling, for the VAT payable to other contractors other than contractors for aid funded projects effective 01/07/2017. VAT in respect of tax invoices for periods prior to 01/07/2017 should be settled in full.

Therefore, MDAs which procured taxable supplies for implementing aid-funded projects prior to 1st July 2017 should have budgeted for the VAT within their MTEF ceiling for the respective financial years and paid the VAT to the contractors.

This is therefore to request you to accordingly follow this guidance. In case you require further clarifications on any of the aforementioned issues, please liaise with the Commissioner General, Uganda Revenue Authority.


Keith Muhakanizi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

CC Commissioner General,
Uganda Revenue Authority,
KAMPALA

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"




TPD/141/167/01 Vol. 5

October 5, 2022

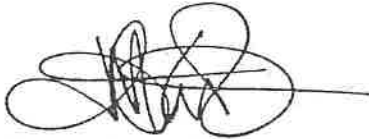
All Accounting Officers - Local Government Votes

GUIDANCE ON THE TREATMENT OF VALUE-ADDED TAX (VAT) FOR PROJECTS BEING CONSTRUCTED UNDER THE UGIFT PROGRAM

1. Government of Uganda with support from the World Bank is implementing the Uganda Inter-Governmental Fiscal Transfers (UGIFT) Program which started in FY 2017/18. Under this Program, the Government is financing the construction of Seed Secondary Schools and the upgrade of Health Centers II to IIIs in sub-counties without such facilities, among others.
2. As such, the construction of a total of **117 Seed Secondary Schools** and the upgrade of **250** HCIIIs to HC IIIs was undertaken across the beneficiary Local Governments under the UGIFT Program in the period between FYs 2018/19 to 2020/21, while the construction and upgrade of additional facilities has commenced this FY 2022/23.
3. Despite several meetings this Ministry has held with the Local Governments, we continue to receive requests from Local Governments and Contractors seeking clarification on the treatment of VAT for projects under the UGIFT Program.
4. The purpose of this letter, therefore, is to:
 - a) Share the Circular (**copy attached**) issued on the **7th August, 2017** by this Ministry to all Accounting Officers providing guidance with respect to VAT treatment for aid-funded projects;
 - b) Share the Public Notice (**copy attached**) issued by URA clarifying the requirements for operationalization of the provisions in the above Circular;


Mission

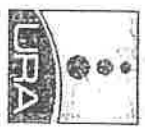
- c) Inform you that the details of all the construction projects under UGIFT in Education and Health were forwarded to the Commissioner General, URA for tax management, in accordance with Section 24 of the VAT Act; and
- d) Request you to provide the necessary guidance to the Contractors implementing UGIFT projects to enable them to follow up on their tax obligations and/or claims with Uganda Revenue Authority as guided by the above Circular and Notice.
5. By copy of this letter, the Commissioner General, URA is informed accordingly.



Ramathan Ggoobi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

- Copy to: The Permanent Secretary, Office of the Prime Minister
- The Permanent Secretary, Ministry of Education and Sports
- The Permanent Secretary, Ministry of Health
- The Permanent Secretary, Ministry of Local Government
- The Commissioner General, Uganda Revenue Authority
- Executive Director, Public Procurement and Disposal of Public Assets Authority
- The Undersecretary/Accounting Officer,
Ministry of Finance, Planning and Economic Development
- The Coordinator, PFM Reforms Coordination Unit,
Ministry of Finance, Planning and Economic Development



Uganda Revenue Authority
EYE-OPENING UGANDA EXPANDED

PUBLIC NOTICE

VALUE ADDED TAX (VAT) ON AID-FUNDED PROJECTS

Uganda Revenue Authority would like to notify the General Public, Suppliers, Contractors, and Ministries, Departments & Agencies (MDAs) that the treatment of Value Added Tax related to Aid-funded projects will be as follows:

Section 24(6) of the VAT Act provides that the tax payable on a taxable supply made by a supplier to a contractor executing an aid-funded project is deemed to have been paid by the contractor provided the supply is for use by the contractor solely and exclusively for the aid-funded project. This was effective 1st July 2016.

Section 24(7) of the VAT Act further provides that "the tax payable on a taxable supply made to a government ministry, department or agency (MDA) by a contractor executing an aid-funded project is deemed to have been paid by the ministry, department or agency if the supply is for use solely and exclusively for the aid-funded project". This was effective 1st July 2017.

Section 24(8) of the VAT Act defines an "aid-funded project" to mean a project financed by a foreign government or a development agency through loans, grants and donations.

From the above provisions, the following tax treatment shall apply.

1. Effective 1st July 2016, Suppliers shall invoice CONTRACTORS of Aid-funded projects with VAT in the normal way, but CONTRACTORS shall NOT pay the VAT so invoiced. This is because the law deems that this tax has been paid by the CONTRACTOR;
2. Suppliers shall account for the deemed VAT as provided for in the VAT return;
3. Suppliers shall claim any input tax incurred in the course of making supplies to a CONTRACTOR in the normal way;

In the case of supplies made to Government Ministries, Government Departments, and Agencies,

1. Effective 1st July 2017, the CONTRACTOR shall invoice the MDA with VAT in the normal

way, but the MDA shall NOT pay the VAT so invoiced. This is because the law deems that this tax has been paid by the MDA,

2. The CONTRACTOR is required to solely and exclusively apply the supplies on which VAT is deemed to be paid ONLY on the Aid-funded project;
3. The CONTRACTOR shall account for the deemed VAT as provided for in the VAT return.

In order to implement the above provisions, Uganda Revenue Authority shall require the following from the suppliers and contractors in respect to aid-funded projects:

- I. Copies of contracts duly stamped indicating that stamp duty has been paid;
- II. Bills of quantities (BOQs);
- III. Procurement plan with details including but not limited to names of suppliers, location, nature and description of goods and services to be procured from each supplier and quantities of each supply;
- IV. Keep proper records of all supplies including but not limited to purchase orders or pro-forma invoices, delivery notes, stock movement and utilisation at the concerned project(s);

NOTE: Uganda Revenue Authority shall issue letters to specific suppliers confirming qualifying projects and quantities to be procured by the contractor on a project by project basis.

Contractors including those who have already received confirmation from URA, that their contracts are Aid-funded and VAT in respect of supplies for purposes of the contracts, is deemed paid are required to comply by submitting the above requirements to the Commissioner Domestic Taxes for revalidation. Suppliers to aid-funded projects and the General Public are hereby informed to take note of the above and ensure that all supplies to aid-funded projects conform to the above with effect from 1st March 2018.

Commissioner General
Uganda Revenue Authority

For more information, please call our toll free line 0800117000 or visit <https://ura.ug>