



THE REPUBLIC OF UGANDA

**MINISTRY OF FINANCE, PLANNING AND ECONOMIC
DEVELOPMENT**

OPENING REMARKS

BY

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**SENSITIZATION WORKSHOP FOR CENTRAL
GOVERNMENT ACCOUNTING OFFICERS ON VARIOUS
PUBLIC FINANCIAL MANAGEMENT INITIATIVES**

IMPERIAL ROYALE HOTEL, KAMPALA

29 August 2019

**Accounting Officers
Head of Accounts and Finance
Ladies and Gentlemen**

Welcome Note

I welcome you all to this half day sensitization workshop on various Public Financial Management(PFM) initiatives. It is important to continuously appraise you on progress of reforms and how you can contribute effectively to improvements in the way public resources are managed. I have noted that despite heavy investments in various reforms, there are still impediments to full realization of the envisage benefits. We must therefore work together to ensure that these loop holes are covered for improved accountability and better service delivery. This forum provides an opportunity to share new policy direction and key initiatives while also getting feedback on the impact of the reforms implemented to date.

The PFM Reforms

The reform effort has been targeted towards strengthening the legal and regulatory environment, development and deployment of various PFM systems and capacity enhancement for personnel to manage and run these systems. However, there are a number of areas which we seek your input so that together we deliver better services to our stakeholders.

The Auditor General's report highlights a number of persistent challenges that we must address for effective public financial management. One of the main challenges is mischarges which distort the budget intentions. Furthermore, the accumulation of domestic arrears needs to be tackled by exercising discipline in commitment of public resources. We also need to minimize requests for supplementary expenditure as they affect the credibility of our budget. The budgeting cycle for FY2020/21 has already begun, I therefore urge you all to take the budgeting process seriously to ensure that all critical activities are catered for within the limited resource envelop. When a budget is appropriated and funds released for a certain purpose, we must all play our part to ensure we do not distort the budget intent.

Secondly, Accounting Officers must address the issue of accountability for public expenditure to avoid embarrassment before the public. Government has invested heavily in ensuring we have in place robust systems and laws on accountability to support you in execution of your work. However, these efforts have stagnated due to the lack of professionalism within our cadre. You cannot deliver on the performance contract if the staff under you are not held accountable for the results. This is an area we want to critically review and urge Accounting Officers to support us in ensuring that every public officer is held accountable for the delivery of technical results in your respective votes.

I also note that some votes have not been observing the cash withdraw limits and we have rejected your requests. As Accounting Officers, we urge

you to enforce proper budget execution as non-compliance will adversely affect your re-appointment due to lack of accountability as guided by the PFMA 2015.

Section 34 of the Public Finance Management Act 2015 (as amended) requires an Accounting Officer to be responsible for the management of assets and the inventories of the vote. I note that there are persistent challenges highlighted in the Annual Board of Survey reports which indicate a gap in acquisition, maintenance, operation and reporting on the assets entrusted to you. The Ministry is spearheading work with other key institutions to put together a policy framework to guide the management of public assets.

Related to this effort, Cabinet approved a National Public Sector Procurement Policy which seeks to guide the procurement function in Government. This is very instrumental in social economic transformation given the size of public procurement and related complexity especially with the current infrastructure projects in various parts of the Country. I urge you to support Government in the implementation of this Policy. The Accountant General will present key highlights of these new PFM initiatives and emerging issues for discussion.

Our focus going forward, is to consolidate the gains and concentrate on key problematic areas such as boosting revenue mobilization, strengthening systems for project cycle management of public investments to increase the development return, integration of PFM

systems to improve internal controls and compliance, targeted capacity enhancement for results, improving coordination and PFM governance.

I urge you to support Government through:

1. Enforcement, supervision and monitoring of the reform efforts
2. Timely submission of accountability and reporting
3. Critical review and preparation of strategic plans that are aligned with Government overall policy direction
4. Effective budget execution which attains value for money
5. Timely implementation of oversight recommendations, and
6. Actively support formulation of innovative solutions to better public financial management as an enabler of service delivery.

Conclusion

Although the PFM reforms have yielded significant improvements in our PFM systems, our long-term economic development depends on us, the people behind the reforms to take action and be more responsive in the way we execute our functions. We must continuously seek new ways to be more efficient, effective and smarter in the way we use our resources.

Thank you for listening! I wish you fruitful deliberations