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11<sup>th</sup> April 2019

## PRESS RELEASE ON QUARTER FOUR EXPENDITURE RELEASES FY 2018/19

1. I wish to welcome the media and other stakeholders to this media briefing on the Quarter Four release of funds for FY 2018/19. The objective of this briefing is to provide information to the Public on the Fourth Quarter releases and highlight priorities for Q4 FY2018/19 for effective delivery of public services.

### A. APPROVED BUDGET FY 2018/2019

2. The Total Approved Budget for Financial Year 2018/19 is **Ushs 32,702.82 billion** detailed as follows:

• Wage	–	<i>Ushs 4,244.43 billion</i>
• Non-Wage	–	<i>Ushs 5,309.09 billion</i>
• GoU Development	–	<i>Ushs 5,229.00 billion</i>
• Arrears	–	<i>Ushs 380.50 billion</i>
• External Financing	–	<i>Ushs 7,734.54 billion</i>
• Debt and Treasury Operations	–	<i>Ushs 8,741.72 billion</i>
• Appropriation in Aid (AIA)	–	<i>Ushs 1,063.54 billion</i>
<b>Total Budget</b>	<b>-</b>	<b>Ushs 32,702.82 billion</b>

### B. HIGHLIGHTS OF QUARTER FOUR RELEASES FOR FY2018/19

3. In line with the Ministry's commitment to release funds before the 10<sup>th</sup> day of the first month of the quarter, our Ministry communicated the Expenditure limits for Quarter Four on **1<sup>st</sup> April 2019** for both Central and Local Governments to ensure timely execution of Government programs.

4. A total of **Ushs 4,948.01 billion** has been released for Quarter Four GOU expenditure. This represents 20.7% of the approved GOU Budget (excluding External Financing and Appropriation in Aid (AIA)).

5. Cumulatively a total of **Ushs 24,732.32 billion** has been released to finance expenditures for FY 2018/19, reflecting a performance of 103.5%%.

**Table 1: Cumulative Annual Release for FY2018/19 (Ushs billions)**

	Budget	Q1-Q3	%	Q4	%	Q1-Q4	%
Wage	4,244.43	3,236.95	76.3%	1,037.95	24.5%	4,274.90	100.7%
Non Wage	5,689.59	4,965.84	87.3%	1,111.18	19.5%	6,077.02	106.8%
GOU Devt	5,229.00	4,991.60	95.5%	612.08	11.7%	5,603.67	107.2%
Debt and Treasury	8,741.72	6,589.92	75.4%	2,186.80	25.0%	8,776.72	100.4%
<b>Total GoU</b>	<b>23,904.74</b>	<b>19,784.31</b>	<b>82.8%</b>	<b>4,948.01</b>	<b>20.7%</b>	<b>24,732.32</b>	<b>103.5%</b>
External Financing	7,734.54	4,943.54	63.9%	961.53	12.4%	5,905.06	76.3%
AIA	1,063.54	533.35	50.1%	85.54	8.0%	618.89	58.2%
<b>Grand Total</b>	<b>32,702.82</b>	<b>25,261.19</b>	<b>77.2%</b>	<b>5,995.08</b>	<b>18.3%</b>	<b>31,256.27</b>	<b>95.6%</b>
<b>GoU ** excluding debt, Karuma/Isimba</b>	<b>15,115.94</b>	<b>13,158.75</b>	<b>87.1%</b>	<b>2,749.76</b>	<b>18.2%</b>	<b>15,908.52</b>	<b>105.2%</b>

6. Highlights of the Fourth Quarter FY2018/19 release:

- i. **Ushs 274.1 billion** has been provided to UNRA, this brings the total GOU release to **Ushs 1,605.1 billion** and therefore 100% release to UNRA in order to cater for certificates under road construction;
- ii. **Ushs 132 billion** has been provided to Road Fund for road maintenance this brings the total GOU releases to **Ushs 532.3 billion** and therefore 100% release.
- iii. **Ushs 52 billion** has been provided to National Medical Stores to meet the obligations for purchase of essential drugs this brings the total GOU releases to **Ushs 284.7 billion** and a performance of 107%. The release also included a supplementary of Ushs 20 billion which was provided.
- iv. **UShs. 1,037.95 billion** has been released to cater for wages and salaries.
- v. **Ushs 137.55 billion** has been provided to cater for Pensions and Gratuity payments.
- vi. **Ushs 107 billion** to cater for Local Governments mainly under the Education to cater for the Second Term;

7. In addition, all releases for Universities and Missions abroad were made by Quarter Three, **Ushs 244 billion** was released for NAADs and **Ushs 73 billion** for Coffee Development Authority by Quarter Three to cater for the planting season and **Ushs 280 billion** payment for the National Airline was made on 1<sup>st</sup> April 2019.

## Local Government releases

8. A total of **Ushs 682.5 billion** has been released to Local Governments in Quarter Four of which **Ushs 497 billion** is for wages and **Ushs 185 billion** is for non wage. All development releases for Local Governments were made in the first three Quarters of the Financial Year, that is, by **10<sup>th</sup> January 2019**. This is in line with Government commitment to release funds for Local Governments timely in order to minimise procurement delays and by giving them enough time for implementation of Government programmes so as to avoid unspent balances at the end of the FY.
9. To date, **Ushs 3,143.1 billion** has been released to Local Governments and represents 100% release.

### C. THE QUARTERLY RELEASE PROCESS

10. PFMA 2015 requires this Ministry to issue the Annual Cash plan at the beginning of the Financial Year. The Annual Cash plan contains projections of expenditure for Ministries, Departments and Agencies (MDA's) and Local Governments and is derived from Work plans and procurement plans submitted by the MDAs and LGs.
11. MoFPED issues expenditure limits by the 10th day of the first month of the Quarter based on the above Quarterly workplans and revenue performance.
12. Following the issuance of Quarterly expenditure limits, Accounting Officers are required to submit to MoFPED requests for Accounting Warrants for wage, pension/gratuity, other non-wage and development budget within a week of issuance of the limits;
13. Approval/rejection of release warrants and transfers by MoFPED for MDA's is done within 48 hours of receipt of warrants. Regarding Local Governments, based on the approval of the warrant by MoFPED, Accounting Officers enter invoices for Direct Transfers to health facilities, sub counties, Town Councils, schools and Tertiary institutions. Payments can then be effected by Accounting Officers.

### D. CONCLUSION

14. In conclusion, I would like to emphasize the following:

- i) All Accounting Officers must ensure that they pay wages, salaries, pensions and gratuity by the 28<sup>th</sup> of every month.

- ii) Accounting Officers must prioritize payment of service providers on time and avoid accumulation of arrears.
- iii) There should be display of the payrolls for salaries and monthly pension on Government institutions' notice boards every month.
- iv) Accounting Officers must ensure timely submission of performance reports and accountability.

15. Over the last years, MoFPED has been committed to the timely release of funds and all stakeholders are requested to take note of information printed in the media.

16. Once again, I wish to thank the Press and Civil Society for supporting our budget transparency initiative and I urge you to make use of our website [www.budget.go.ug](http://www.budget.go.ug) where we post more detailed information. You may also call our Budget Call Centre on 0800 229 229 for any information on the Budget.

Patrick Ocaïlap

**For: PERMANENT SECRETARY/SECRETARY TO THE TREASURY**

