
**BILLS
SUPPLEMENT No. 14**

28th September, 2015.

BILLS SUPPLEMENT

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Bill No. 25

*Public Finance Management
(Amendment) Bill*

2015

**THE PUBLIC FINANCE MANAGEMENT (AMENDMENT)
BILL, 2015**

MEMORANDUM

The object of the bill is to—

- (a) provide for the preparation of Budget Framework Papers by sectors;
- (b) to repeal the provision on the requirement to represent a certificate certifying that the policy statements of the votes are gender and equity responsive;
- (c) to provide for virement by a vote of not more than ten percent of the budget of the vote;
- (d) to provide for further financing of supplementary estimates; and
- (e) to provide for guarantees and advances by the Bank of Uganda.

MATIA KASAJJA,
Ministry of Finance, Planning and Economic Development.

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**THE PUBLIC FINANCE MANAGEMENT (AMENDMENT)
BILL, 2015**

ARRANGEMENT OF CLAUSES

Clause

1. Amendment of section 9 of the principal Act.
2. Amendment of section 13 of the principal Act.
3. Amendment of section 17 of the principal Act.
4. Amendment of section 20 of the principal Act.
5. Amendment of section 22 of the principal Act.
6. Amendment of section 25 of the principal Act.
7. Amendment of section 36 of the principal Act.
8. Amendment of section 82 of the principal Act.

Bill No. 25

*Public Finance Management
(Amendment) Bill*

2015

A Bill for an Act

ENTITLED

**THE PUBLIC FINANCE MANAGEMENT (AMENDMENT)
ACT, 2015.**

An Act to amend the Public Finance Management Act, 2015; to provide for the preparation of Budget Framework Papers by sectors; to repeal the provision on the requirement to represent a certificate certifying that the policy statements of the votes are gender and equity responsive; to provide for virement by a vote of not more than ten percent of the budget of the vote; to provide for further financing of supplementary estimates; and to provide for guarantees and advances by the Bank of Uganda.

BE IT ENACTED by Parliament as follows:

1. Amendment of section 9 of the principal Act.

Section 9 of the Public Finance Management Act, in this Act referred to as the principal Act, is amended—

- (a) by substituting for “Accounting Officer” in subsections (1) and (2) with “sector”; and
- (b) by substituting for “vote” in subsection (1) with “sector”.

2. Amendment of section 13 of the principal Act.

Section 13 of the principal Act, is amended—

- (a) by substituting for subsection (13) the following—

“(13) The Minister or other person responsible for a vote, as the case may be, shall base on the priorities identified in the Budget Framework Paper of the sector of the vote, cause to be prepared for the vote, a policy statement for the vote, for the proceeding financial year and shall submit the policy statement to Parliament by the 15th of March.”; and

- (b) by repealing subsection (15) (g).

3. Amendment of section 17 of the principal Act.

Section 17 of the principal Act is amended—

- (a) by substituting for subsection (2) the following—

“(2) A vote that does not expend money that was appropriated to the vote for the financial year shall by the 31st July of the following financial year, repay the money to the Consolidated Fund, except where the Secretary to the Treasury authorized the vote to retain the money.”;

- (b) by substituting for subsection (3) the following—

“(3) The authority given by the Secretary to the Treasury under subsection (2) shall be valid up to 31st of October of the financial year.”

4. Amendment of section 20 of the principal Act.

Section 20 of the principal Act is substituted with the following—

(1) The functions of a vote may be transferred to another vote or a vote may be assigned additional functions.

(2) Where the functions of a vote are transferred to another vote or where a vote is assigned additional functions, the functions of the vote shall be financed in accordance with section 25.”

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2015

5. Amendment of section 22 of the principal Act.

Section 22 of the principal Act is amended—

- (a) by substituting “Minister” in subsection (1) with “Secretary to the Treasury”;
- (b) by substituting for subsection (2) (a) the following—

“(a) be more than ten percent of the budget of the vote;”.

6. Amendment of section 25 of the principal Act.

Section 25 of the principal Act is amended—

- (a) by substituting “through a Supplementary Appropriation Bill” appearing at the end of the subsection with, “within four months after the money is spent.”
- (b) by repealing subsection (2); and
- (c) by inserting immediately after subsection (4) the following—

“(4a) Where the funds in the Contingencies Fund are not sufficient to finance the supplementary budget, the supplementary budget shall be financed by a reallocation of the funds of the annual budget.”

7. Amendment of section 36 of the principal Act.

Section 36 of the principal Act is amended by inserting immediately after subsection (5) the following—

“(5a) In addition to subsection (5), a loan raised by the Government as a temporary advance by the Bank of Uganda, which does not extend beyond a financial year shall not require to be approved by Parliament.”

8. Amendment of section 82 of the principal Act.

Section 82 of the principal Act is amended by substituting for subsection (1) (b) the following—

“(b) in section 33—

(i) by substituting for subsection (1) the following—

“(1) The bank may with the approval of Parliament, make temporary advances to the Government and local governments in respect of temporary deficiencies of recurrent revenue.”

(ii) by inserting immediately after subsection (1) the following—

“(1a) Notwithstanding subsection (1), the bank may make a temporary advance to the Government, without the approval of Parliament, where the advance does not extend beyond a financial year.”

(iii) by inserting immediately after subsection (4) the following—

“(5) The bank shall not guarantee a payment to any person on behalf of Government or make any advance to any person on behalf of Government without the prior approval of Parliament.”