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In any correspondence on
this subject please quote No. BPD/86/107/03



24th May 2018

The Clerk to Parliament
Parliamentary Building
KAMPALA

**SUBMISSION OF THE ADDENDUM TO CORRIGENDA TO THE DRAFT
BUDGET ESTIMATES FOR TREASURY OPERATIONS FY 2018/19**

Reference is made to my earlier letter dated 9th May, 2018 submitting Corrigenda to the Draft Budget Estimates for FY 2018/19 in Parliament on 9th March 2018.

However, at the end of June, 2017, Bank of Uganda registered a deficit of **Ushs. 17 billion**. Also, the projected financial performance for the year ending June 2018 indicates that the Bank will incur operating losses amounting to **Ushs. 457 billion** (mainly on account of monetary policy and currency costs), bringing accumulated losses to **Ushs. 474 billion**. This projected deficit in the core capital position, together with the required core capital position of **Ushs. 30 billion** (as provided in the Bank of Uganda Act) puts the additional recapitalization securities to the tune of **Ushs. 504 billion**.

The purpose of this letter, therefore, is to:

- i) Submit the addendum to corrigenda to the Budget Estimates FY 2018/19 amounting **Ushs. 504 billion** for Recapitalization of Bank of Uganda; and
- ii) Request you to make arrangements for the Hon. Minister of Finance, Planning and Economic Development to lay the Corrigenda before Parliament.


Keith Muhakanizi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

Copy to: Rt. Hon. Speaker of Parliament
Hon. Deputy Speaker of Parliament
Hon. Minister of Finance, Planning and Economic Development
Hon. Ministers of State, MFPED
The Government Chief Whip
The Chairperson, Budget Committee of Parliament
The Auditor General
The Accountant General
The Director, Parliamentary Budget Office

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"