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THE REPUBLIC OF UGANDA

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

21<sup>st</sup> May 2018

The Clerk to Parliament  
Parliamentary Building  
**KAMPALA**

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

Please refer to my letter of even reference dated 8<sup>th</sup> May, 2018 submitting the Corrigenda to the Draft Budget Estimates for FY 2018/19 for consideration by Parliament.

However, after submission of the Corrigenda to Parliament, new items that require correction came up as detailed under Annex A1 (attached). Secondly, it was also considered prudent to provide more details on the Corrigenda items earlier submitted, at a vote level, under Annex 9 for ease of action by Parliament.

The purpose of this letter, therefore, is to:

- i) Submit the addendum to corrigenda to the Budget Estimates FY 2018/19 with explanatory notes and financial details attached under **Annex A1** and additional details to further clarify the numbers under Annex 9 that was earlier tabled before Parliament as part of the corrigenda attached under **Annex A2**; 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  
The Government Chief Whip  
Hon. Ministers of State, MFPED  
The Chairperson, Budget Committee of Parliament  
All Chairpersons, Parliamentary Sectoral Committees  
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"*

## ANNEX A1

### ADDENDUM TO THE CORRIGENDA TO THE DRAFT BUDGET ESTIMATES FOR FY 2018/19

#### 1.0 Vote 004 - Ministry of Defence and Veteran Affairs (MoD&VA)

The guidance by Cabinet on the critical areas under Ministry of Defence and Veteran Affairs to cover shortfalls on salaries, food, uniforms, medical expenses, travels and Classified expenditure, will constrain its operations in the course of the budget execution, was received after the draft budget estimates had been submitted to Parliament. Therefore, this requires a correction by providing an additional budget of Shs 500bn which has been provided for against various items to address the pressing funding gaps under MoD&VA's Wage, Non-wage and Development Budget.

#### 2.0 Vote 015 – Ministry of Trade, Industry and Cooperative.

It has been established that the current level of funding is not sufficient for completion and operationalization of the Atiak Sugar factory. As a measure to functionalize factory, an additional provision of US\$45bn has been charged on contingencies fund and provided for under Vote 015 - Ministry of Trade, Industry and Cooperative (MoTIC) and earmarked for UDC against Prog 01, sub-programme 12 output 52 and item 264101 – Contribution to autonomous Institutions, for on-lending to Atiak Sugar factory as shareholder loan.

#### 3.0 Vote 306: Uganda Export Promotion Board

After submission of estimates, the vote observed that an allocation for Gratuity (US\$158.4m) and Social Security Contributions (US\$63.4m) was made on the assumption that additional funding will be provided for recruitment. However, no provision was made for recruitment implying the allocation will not be utilized. As a correction, the vote proposed to allocate part of the funds to recruitment of staff (i.e item 211102) and the balance to various items under sub-Programme 0605 to facilitate the recruited staff to operate for effective attainment of the core functions under the Uganda Export Promotion Board.

#### 4.0 Vote 310 - Uganda Investment Authority

After submission of the budget estimates to Parliament, it was noted that Uganda Investment Authority had provided for non-wage related expenses under the development budget as was hitherto the case when the vote operated as a subvention under MoFPED. Given that the staff are not temporary project staff but permanent employees of the Authority, UIA requested to correct the provisions and avoid mischarge in the course of budget execution by transferring Shs. 3.865bn on contract staff salaries and other non-wage related items under Vote 310 – Uganda Investment Authority from Project 0994 – Industrial Parks Development Project to Program 12, Sub-program 01 – Headquarters.



ANNEX A1: CORRIGENDA ITEMS FOR WAGE, NONWAGE AND GOU-DEVELOPMENT.  
WAGE COMPONENT

Vote Name	Source of funding	Prog	Sub Prog	Output	Item	Description	Existing UShs '000 (a)	Reduce UShs '000 (b)	Increase UShs '000 (c)	Revised Total UShs '000 d=a+b+c	Details/Justification
	GoU	01	02	110105	211101	General Staff Salaries	492,690,286	-	24,929,938	517,620,224	
<b>Total Wage</b>							492,690,286	-	24,929,938	517,620,224	

NON-WAGE COMPONENT

Vote Name	Source of funding	Prog	Sub Prog	Output	Item	Description	Existing UShs '000 (a)	Reduce UShs '000 (b)	Increase UShs '000 (c)	Revised Total UShs '000 d=a+b+c	Details/Justification
	GoU	12	01	141203	211102	Contract Staff Salaries	1,626,124	-	2,427,275	4,053,399	transferring salaries and employee related expenditure from Project 0994.
	GoU	12	01	141203	211103	Allowances	288,909	-	355,791	644,700	
	GoU	12	01	141203	212101	Contributions	83,532	-	321,808	405,340	Industrial Parks Development to Non Wage
	GoU	12	01	141203	213004	Gratuity Expenses	49,763	-	760,917	810,680	
Treasury Operations		51	01	145153	263325	Contingency Transfers	67,068,387	(45,000,000)	-	22,068,387	
	GoU	01	12	060152	264101	Contributions to Autonomous Institutions	255,108	-	45,000,000	45,255,108	UShs 45 bn provided for the completion of the Akak Sugar Factory
	GoU	01	02	110102	229201	Sale of goods purchased for resale	-	-	12,000,000	12,000	
	GoU	01	02	110102	228002	Maintenance - Vehicles	6,307,568	-	3,000,000	9,308	
	GoU	01	02	110102	227004	Fuel, Lubricants and Oils	8,964,363	-	18,935,637	27,900	
	GoU	01	02	110102	224005	Uniforms, Beddings and Protective Gear	12,073,210	-	35,700,000	47,773	
	GoU	01	02	110102	227001	Travel inland	3,800,880	-	1,000,000	4,801	
	GoU	01	02	110105	221010	Special Meals and Drinks	45,693,930	-	45,209,054	90,903	
	GoU	01	02	110105	224001	Medical and Agricultural supplies	3,143,760	-	6,000,000	9,144	
	GoU	01	02	110106	221003	Staff Training	2,858,283	-	5,500,000	8,358	
	GoU	01	03	110102	228002	Maintenance - Vehicles	-	-	700,000	700	
	GoU	01	03	110102	227004	Fuel, Lubricants and Oils	5,782,382	-	7,150,000	12,932	
	GoU	49	01	114902	227001	Travel inland	726,279	-	1,690,000	2,416	
	GoU	49	01	114902	227002	Travel abroad	1,754,178	-	3,080,000	4,834	
	GoU	49	01	114902	227004	Fuel, Lubricants and Oils	873,803	-	220,000	1,094	

ANNEX A1: CORRIGENDA ITEMS FOR WAGE, NONWAGE AND GOU-DEVELOPMENT.

Vote Name	Source of funding	Prog	Sub Prog	Output	Item	Description	Existing US\$ '000 (a)	Reduce US\$ '000 (b)	Increase US\$ '000 ©	Revised Total US\$ '000 d=a+b+c	Details/Justification	
	GoU	49	01	114902	227003	Carriage, Haulage, Freight and transport hire	535,064	-	1,674,149	2,209		
	GoU	49	01	110151	263104	Transfers to other govt Units (Current)	-	-	4,000,000	4,000		
	GoU	49	01	110199	321605	Domestic arrears (Budgeting)	9,970,552	(1,021,049)	-	8,950		
	GoU	05	01	060504	212101	Social Security	188,208	(63,400)	-	124,808		
	GoU	05	01	060504	213004	Gratuity Expenses	470,520	(158,300)	-	312,220	US\$ 0.221.7bn transferred from over allocation to NSSF	
	GoU	05	01	060504	211102	Contract Staff Salaries	144,000	-	50,400	194,400		
	GoU	05	01	060519	221009	Welfare and	-	-	19,200	19,200		
	GoU	05	01	060501	211102	Contract Staff Salaries	264,000	-	50,400	314,400		
	GoU	05	01	060519	211103	Allowances	1,490	-	45,500	46,990	Contributions & Gratuity to facilitate new recruitments and the attendant employee costs e.g. stationery, computer equipment and allowances etc	
	GoU	05	01	060501	221008	Computer supplies and	-	-	30,000	30,000		
	GoU	05	01	060504	227004	Fuel, Lubricants & Oil	50,876	-	12,000	62,876		
	GoU	05	01	060504	221009	Welfare and	30,000	-	4,200	34,200		
	GoU	05	01	060504	221011	Printing, Stationery, Photocopying & Binding	9,501	-	10,000	19,501		
	Total-Non-Wage							105,946,271	(1,242,749)	194,946,331	299,649,854	

GOU- DEVELOPMENT COMPONENT

Vote Name	Source of funding	Prog	Sub Prog	Output	Item	Description	Existing US\$ '000 (a)	Reduce US\$ '000 (b)	Increase US\$ '000 ©	Revised Total US\$ '000 d=a+b+c	Details/Justification	
	GoU	01	0023	110104	224003	Classified Expenditure	115,500,000	-	300,000,000	415,500,000		
	GoU	01	0023	110171	311101	Land	1,119,268	-	16,541,622	17,660,890		
	GoU	01	0023	110172	312101	Non-Residential Building	7,000,000	-	12,000,000	19,000,000		
	GoU	49	1439	110175	312201	Transport Equipment	585,980	-	669,600	1,255,580		
	GoU	49	1439	114999	321605	Domestic arrears (Budgeting)	-	-	1,021,049	1,021,049		
	GoU	12	0994	141203	211102	Contract Staff Salaries	2,700,000	(2,700,000)	-	-		
	GoU	12	0994	141203	211103	Allowances	355,791	(355,791)	-	-		
	GoU	12	0994	141203	212101	Social Security Contributions	270,000	(270,000)	-	-		
	GoU	12	0994	141203	213004	Gratuity Expenses	540,000	(540,000)	-	-		
	Total-GoU Development							128,071,039	(3,865,791)	330,232,271	454,437,519	
	Grand Total							726,707,597	(5,108,540)	550,108,540	1,271,707,597	

ANNEX A2: DETAILS FOR ANNEX 9 EARLIER TABLED BEFORE PARLIAMENT

Vote	Vote Name	Source of funding	Prog	Sub Prog	Output	Item	Description	Existing Ushs '000 (a)	Reduce Ushs '000 (b)	Increase Ushs '000 (c)	Revised Total Ushs '000 d=a+b+c	Details/Justification
		GoU	54	0392	085480	312101	Non-Residential Buildings	11,000,000	(11,000,000)	-	-	Reallocation from Mulago Capital Development to MoH
		GoU	54	0392	085482	312102	Residential Buildings	6,700,000	(5,000,000)	-	1,700,000	
		GoU	05	1436	080502	227003	Carriage, Haulage, Freight and transport hire	71,205	-	962,137	1,033,342	
		GoU	05	1436	080503	227001	Travel inland	1,282,262	-	24,778,784	26,061,046	
		GoU	05	1436	080503	227004	Fuel, Lubricants and Oils	-	-	3,057,680	3,057,680	
		GoU	05	1436	080503	228002	Maintenance - Vehicles	-	-	50,610	50,610	
		GoU	05	1436	080503	225001	Short term Consultancy Services-	708,066	-	2,588,810	3,296,876	
		GoU	05	1436	080502	224001	Medical and Veterinary Supplies	423,386	-	8,210,492	8,633,878	
		GoU	05	1436	080503	221002	Workshops and Seminars	1,138,059	-	2,074,270	3,212,329	
		GoU	05	1436	080503	221011	Printing, Stationery, Photocopying and Binding	882,920	-	2,314,216	3,197,136	
		GoU	02	1187	080280	312101	Non-Residential Buildings	1,036,000	-	1,270,000	2,306,000	Finalise payment for Mulago Construction
		GoU	02	1315	080280	312101	Non-Residential Buildings	450,000	-	10,130,000	10,580,000	
		GoU	05	1436	080501	224001	Medical & Agricultural Supplies	10,000,000	-	2,600,000	12,600,000	
		GoU	05	0220	080551	224001	Medical & Agricultural Supplies	100,000	-	2,000,000	2,100,000	
		GoU	08	09	080853	263104	Transfers to other Govt units	12,330,000	(900,000)	-	11,430,000	
		GoU	02	1519	080277	312202	Machinery and Equipment	-	-	2,100,000	2,100,000	Allocation for interns was over provided by Ushs. 900m which is now added to Ushs. 2.1bn provided earlier without details which has been provided (Proj 1519) thus raising the total to Ushs. 3bn for provision of medical
		GoU	02	1519	080277	312202	Machinery and Equipment	-	-	900,000	900,000	

**ANNEX A2: DETAILS FOR ANNEX 9 EARLIER TABLED BEFORE PARLIAMENT**

Vote	Vote Name	Source of funding	Prog	Sub Prog	Output	Item	Description	Existing Ushs '000 (a)	Reduce Ushs '000 (b)	Increase Ushs '000 (c)	Revised Total Ushs '000 d=a+b+c	Details/Justification
		GoU	81	1385		321470	Transitional Development Grant	7,856,000	(2,100,000)		5,756,000	
		GoU	09	1193	090280	312104	Other Structures	20,731,100	(17,731,000)		3,000,100	Ushs 17,31bn reallocated to project 1188
		GoU	09	1188	090280	312104	Other Structures	-	-	15,031,000	15,031,000	Ushs 17,31bn reallocated from Project 1193
		GoU	09	1188	090401	225002	Consultancy Services-Long-term	-	-	2,700,000	2,700,000	
		GoU	09	1075	090201		Various	8,029,000	1,915,300	1,915,300	11,859,600	To cater for construction and monitoring of water facilities in the Eastern Uganda
		External Financing	09	1193	090280	312104	Other Structures	1,140,725	-	282,627,776	283,768,501	
		External Financing	09	1193	090401	225002	Administration and Management support	-	-	30,500,000	30,500,000	
		External Financing	09	1188	090280	312104	Other Structures	-	-	98,376,400	98,376,400	
		External Financing	09	1188	090401	225002	Consultancy Services-Long-term	-	-	4,500,000	4,500,000	
		External Financing	09	1231	090280	312104	Other Structures	39,242,655		42,107,000	81,349,655	
		External Financing	09	1231	090204	225002	Consultancy Services-Long-term	-	-	4,500,000	4,500,000	
		GoU	04	07	55	263106	Other Current Grants (Current)	3,369,080	-	8,500,000	11,869,080	Additional 8.5bn for Busoga University (4.5bn) and Mountains of the Moon University (4bn)
		GoU	01	01	51	26+101	Contributions to autonomous institutions	225,446	0	1,500,000	1,725,446	This is in addition to the 0.5bn moved from Vote 013 to Vote 149. Thus a total of Ushs. 2bn for the Constituent College.