

THE PARLIAMENT OF UGANDA

REPORT OF THE COMMITTEE ON BUDGET

ON

THE SUPPLEMENTARY APPROPRIATION BILL 2014

OFFICE OF THE CLERK TO PARLIAMENT

23<sup>rd</sup> SEPTEMBER 2014

*[Handwritten signatures and initials]*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

## 1.0 INTRODUCTION

Rt. Hon Speaker,

On 18<sup>th</sup> September 2013, the Minister of Finance Planning and Economic Development presented the Supplementary Appropriation Bill 2013 to Parliament. The Speaker in accordance with Rule 161 (3) (2) referred the bill to the Budget Committee.

## 2.0 METHODOLOGY

The Budget Committee held a meeting with the Ministry of Finance Planning and Economic Development and examined the Bill in details.

## 3.0 OBSERVATIONS

- The total supplementary expenditure request to Parliament amounted to UGX 579.505 Bn. The amount withdrawn by the Minister of Finance, Planning and Economic Development (see annex 1) amounted to UGX 98.42Bn leaving a balance of UGX 480.63 Bn as the amount spent by the end of the FY 2013/14

Table 1: Supplementary Appropriation Bill 2014

Budget Line	Supplementary Schedule 1 FY 2013/14	Supplementary Schedule 2 FY 2013/14	Total
Recurrent	80,505,000,000	197,086,829,000	277,591,857,000
Development	156,141,000,000	46,195,763,000	202,337,712,000
Total Appropriation Excl Statutory	236,646,977,000	243,355,150,000	479,929,569,000
Grand Total Incl Statutory	237,267,828,000	243,355,150,000	480,622,979,000

- The Committee notes that the total expenditure presented under the Supplementary Appropriation Bill stands at 3.4% of the total approved Budget of FY 2013/14. This figure is higher than the 3% stipulated under section 12 of the Budget Act.

*[Handwritten signatures and initials are present at the bottom of the page, including names like 'Eliton', 'Basto', and 'Mme'.]*

- To be compliant with the Budget Act, this figure should be kept within 3% of the total approved budget for the financial year. The excess of 0.4% which translates to UGX 59.641 bn should be treated as excess expenditure under s 17 of the Public Finance and Accountability Act 2003.
- The Bill has a total Supplementary expenditure of UGX 479,929,569,000 excluding statutory.
- Rt. Hon Speaker the Committee notes that by the end of January 2014, URA revenue collection shortfalls were projected at UGX 475 Bn. In order to finance expenditures at the levels appropriated by Parliament, the Ministry of Finance had to borrow from the domestic market UGX 675Bn to cover the projected revenue shortfalls.
- It is in this regard that a supplementary requirement of UGX 454.14Bn (out of a total of UGX 480.63Bn) was financed through reallocation of the domestically borrowed funds. The matter was brought before the House and debate deferred to a future date. Other sources are donor financing, non tax revenue, unspent balances and non resources taxes.
- Rt. Hon Speaker and Hon Members you remember the passing of the Schedules I and II was differed pending harmonization of information regarding the procurement of Ankole cows for breeding at Aswa ranch in Pader district as well as ensuring that the supplementary expenditure limit does not exceed 3% of total appropriation.
- The Committee has confirmed the land is owned by Government under the names of Uganda Livestock Industries for a lease period of 99 years. A copy of the title has been availed to the Committee. In addition the Committee has received evidence of documents pertaining to the procurement of requisite materials for the works currently going on at the ranch.

#### 4.0. Recommendations

- The Committee recommends that the excess of 0.4% (UGX 59.641Bn) which is beyond the 3% provided for in the budget act be excluded from the bill.
- The Excluded UGX 59.641 bn be treated as excess expenditure and handled under S, 17 of the Public Finance and Accountability Act.

- The Supplementary expenditure of UGX 420,288,569,000 be approved for the FY 2013/14

**5.0 Conclusion:**

The Committee recommends that Parliament approves that the Supplementary Appropriations Bill, 2014 amounting to UGX. 420,288,569,000.

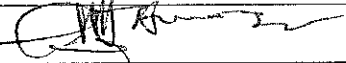
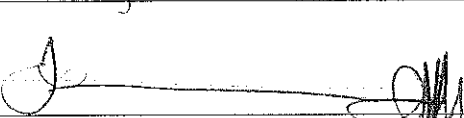


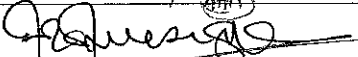
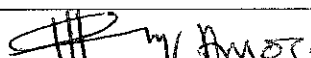
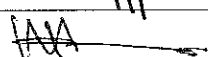
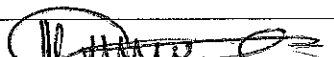
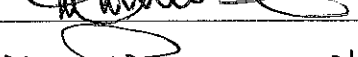


**Rt. Hon. Speaker, Hon. Members,**

**I beg to move.**



A collection of handwritten signatures and initials, including a circular stamp with the number 11111, and the name Baate at the bottom.

**REPORT OF THE BUDGET COMMITTEE ON THE SUPPLEMENTARY  
APPROPRIATION BILL, 2014**

No	NAME	SIGNATURE
1.	<b>Amos Lugoloobi - Chairperson</b>	
2.	<b>Hon. Wamakuyu Mudimi - Deputy Chairperson</b>	
3.	Hon. Acayo Christine	
4.	Hon. Amongin Jacqueline	
5.	Hon. Nyirabashitsi Sarah Mateke	
6.	Hon. Nebanda Andiru Florence	
7.	Hon. Col Mwesigye Fred	
8.	Hon. Nankabirwa Ann Maria	
9.	Hon. Bigirwa Julius Junjura	
10.	Hon. Okot Amos <b>JOHN</b>	
11.	Hon. Komuhangi Margret	
12.	Hon. Ruhunda Alex	
13.	Hon. Achia Remegio	
14.	Hon. Byamukama Nulu	
15.	Hon. Drito Martin Andi	
16.	Hon. Ssali Baker	
17.	Hon. Ayepet Micheal	
18.	Hon. Akol Rose	
19.	Hon. Akello Judith Franca	
20.	Hon. Ekanya Geoffrey	
21.	Hon. Sabiiti Jack	
22.	Hon. Atim Ogwal Cecilia	
23.	Hon. Oboi Amuriat Patrick	
24.	Hon. Ebil Fred	
25.	Hon. Matte Joseph Sibalinghana	

26	Hon. Mujungu Jennifer	
27	Hon. Odoi Fox Oywelowo	<del><i>Odoi Fox Oywelowo</i></del>
28	Hon. Bagoole John	
29	Hon. Katirima Phinehas	
30	Hon. Latif Ssebagala	<i>ml</i>

3

Laid on table by  
Hon. Jacan Omach

STATEMENT TO WITHDRAW SOME OF THE  
SUPPLEMENTARY EXPENDITURES FOR FY 2013/14

2/23/14  
C.F.T.

1. Rt. Hon. Speaker, as you are aware, we laid in this August House Supplementary Expenditure Schedules No. 1 and 2 for FY 2013/14 in accordance with Article 156 (2) of the Constitution of the Republic of Uganda as follows:

▪ Supplementary Schedule No. 1	-	Ushs.237.271 Bn
▪ Supplementary Schedule No. 2	-	Ushs.270.894 Bn
▪ Addendum 1 to Schedule No.2	-	Ushs. 65.041 Bn
▪ Addendum 2 to Schedule No.2	-	Ushs. 5.844 Bn
Total	-	<u>Ushs.579.050 Bn</u>

2. Rt. Hon. Speaker, the supplementary expenditures under Schedule No. 1 have been fully expended.

3. However, supplementary expenditure amounting to Ushs. 98.42 Bn. under Schedule No.2 including School Capitation Grants and Ex-gratia allowances for Political leaders in Local Governments has not been released yet the financial year 2013/14 ended.

4. Accordingly, I wish to withdraw the following supplementary expenditures that have become time barred amounting to Ushs. 98.42 Bn:

CODE	SUPPLEMENTARY SCHEDULE NO.	Amount in Ushs Bn
010	Ministry of Agriculture, Animal Industry and Fisheries: Acquisition of land for Kalangala Vegetable Oil Project	2.000
103	Inspectorate of Government (IGG): Wage shortfall resulting from additional recruitment of staff	0.874
112	Directorate of Ethics and Integrity: Non-Resource Taxes to facilitate procurement of eight vehicles	0.351

119	Uganda Registration Service Bureau : Facilitation to enhance collection of Non-Tax Revenue	1,000
122	Kampala Capital City Authority: Purchase of USAFI Market	0.718
143	Uganda Bureau of Statistics: Activities for conducting the National Housing and Population Census	25.137
Sub total - Schedule No. 2		30.084
ADDITIONAL NO. 1		Supplementary Expenditure US\$ Bn
Variou s	Supplementary Expenditure to cater for School Capitation Grant shortfalls for the 2 <sup>nd</sup> Term 2014 ( May and June 2014).	42.080
Variou s	Supplementary Expenditure to cater for salary shortfalls.	19.651
Variou s	Municipal Councils: payment of Ex-Gratia allowances to Political Leaders in Municipal Councils.	0.768
Sub total - Addendum 1		62.499
ADDITIONAL NO. 2		Supplementary Expenditure US\$ Bn
015	Ministry of Trade, Industry and Cooperatives - Salary arrears	0.020
137	Mbarara University - Salary arrears	4.185
149	Gulu University - Salary Arrears	0.147
501-580	Local Governments - Salary arrears	1.492
Sub total - Addendum 2		5.844
TOTAL (Items with asterisk)		8.424



## ANNEX 1: SUPPLEMENTARY APPROPRIATION BILL 2014 - Draft

VOTE	MINISTRY/ INSTITUTION	SUPPLEMENTARY SCHEDULE 1 FY 2013/14 (UShs. '000s)	SUPPLEMENTARY SCHEDULE 2 FY 2013/14 (UShs. '000s)	TOTAL SUPPLEMENTARY EXPENDITURE SCHEDULE FY 2013/14 (UShs. '000s)
<b>A. RECURRENT EXPENDITURE</b>				
001	Office of the President		4,500,000	4,500,000
004	Ministry of Defence		170,000,000	170,000,000
006	Ministry of Foreign Affairs	997,126	1,555,801	2,552,928
007	Ministry of Justice and Constitutional Affairs	8,109,601	10,325,360	18,434,961
013	Ministry of Education and Sports	1,300,000	3,740,816	5,040,816
015	Ministry of Trade, Industry and Cooperatives		2,708,846	2,708,846
021	Ministry of East Africa Community Affairs	909,480		909,480
022	Ministry of Tourism, Wildlife and Antiquities		487,680	487,680
111	Busekoma University	1,321,693		1,321,693
117	Uganda Tourism Board		929,792	929,792
125	National Animal Genetic Resources Centre and Data Bank	2,000,000		2,000,000
141	Uganda Revenue Authority		2,500,000	2,500,000
144	Uganda Police Force	60,000,000		60,000,000
157	National Forestry Authority	5,000,000		5,000,000
160	Uganda Coffee Development Authority		41,655	41,655
201	Uganda Mission in New York		233,878	233,878
217	Uganda Mission in Riyadh, Saudi Arabia		63,000	63,000
219	Uganda Mission in Brussels	867,128		867,128
	Sub-total (Recurrent)	80,505,028	197,086,829	277,591,857
<b>B. DEVELOPMENT EXPENDITURE</b>				
008	Ministry of Finance, Planning and Economic Development		8,800,443	8,800,443
010	Ministry of Agriculture, Animal and Fisheries		5,000,000	5,000,000
011	Ministry of Local Government	858,935		858,935
012	Ministry of Lands, Housing and Urban Development		2,100,000	2,100,000
022	Ministry of Tourism, Wildlife and Antiquities		12,320	12,320
117	Uganda Tourism Board		150,000	150,000
120	National Citizenship and Immigration Control	138,583,014		138,583,014
142	National Agricultural Research Organisation	16,700,000		16,700,000
152	National Agricultural Advisory Services		30,000,000	30,000,000
153	Public Procurement and Disposal of Public Assets Authority		81,000	81,000
201	Mission in New York		52,000	52,000
	Sub-total (Development)	156,141,949	46,195,763	202,337,712
	<b>TOTAL APPROPRIATION (EXCL. STATUTORY)</b>	<b>236,646,977</b>	<b>243,282,592</b>	<b>479,929,569</b>
<b>C. STATUTORY</b>				
101	Judiciary	620,851		620,851
108	National Planning Authority		72,559	72,559
	Total (Statutory)	620,851	72,559	693,410
	<b>GRAND TOTAL (INCL. STATUTORY)</b>	<b>237,267,828</b>	<b>243,355,150</b>	<b>480,622,979</b>

3.470

5. Rt. Hon Speaker, accordingly the remaining supplementary expenditures that have been expended amounts to Ushs. 480.622 Bn indicated in Annex 1 attached which I request the Hon. Members to approve so that we expedite the preparation of the Supplementary Appropriation Bill 2014.

I Beg to Move.

MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

SEPTEMBER 2014

~~What are the amounts?~~

~~Are these amounts agreed upon?~~

~~How do they affect the performance~~

~~of the sector?~~