

## Gov't releases sh5Trillion for FY 2019/2020 2<sup>nd</sup> quarter



The Finance Ministry PS/ST Keith Muhakanizi, speaking during the press conference at the ministry's offices in Kampala on November 25<sup>th</sup>, 2019. @CSBAG.

**Government has released sh5Trillion for the second quarter expenditure in the Financial Year 2019/2020, with Uganda National Roads Authority (UNRA) Local Governments and National Medical Stores (NMS) taking a big chunk.**

The development was announced during the press conference that took place at Ministry of Finance Planning and Economic Development offices on November 25<sup>th</sup>, 2019.

Out of sh5Trillion released, sh1.18Trillion goes to wages, UNRA(SH436b), Local Governments Grants(sh309b), NMS (sh131b) and Road

Fund(sh109b). From the funds released, sh33b has been programmed for teachers' salary enhancement.

The Finance Ministry Permanent Secretary and Secretary to Treasury Keith Muhakanizi who presided over the event said funds were raised basing on annual workplans, quarterly work plans and annual cash flow plans.

"This Financial Year, Parliament approved budgets for Local Governments including their respective local revenue projections. All Local Governments therefore must remit their local revenue collections to the consolidated fund for release in subsequent quarter. However, an advance was provided in Quarter one as they collect and remit to the Consolidated Fund. For the first half, expenditure limits are 50.8% of the approved budget," said Muhakanizi.

### 'Accounting officers warned'

Muhakanizi noted that accounting officers are accumulating arrears through cancellation of Low Purchase Orders and issuance of new ones for other activities. According to him, the practice leads nonpayment of service providers hence crowding them out of business.

"Starting from Financial Year 2018/19, it was agreed that it is only the Accountant General and Hon. Finance Minister that can grant an authority to approve or cancel Low Purchase Orders. This will continue in Financial Year 2019/20. Accordingly, any accounting Officer who wishes to have any LPO cancelled will seek approval from Accountant General of myself with justifiable reasons," he stated.

### 'Focus on implementation of planned projects'

The Civil Society expressed concern about the delayed implementation of planned public investments by the Government, which they said humpers proper service delivery.

David Walakira, the CSBAG Budget Policy Advisor cited at a pediatric ward at Budaka Health Centre IV which has stalled for the last eleven years, yet children continue to be mixed with adults whenever they are admitted at the facility. He said the construction of the ward should be expedited.

On budget transparency, Walakira said 87% of the schools monitored during the Budget Transparency Initiative (BTI) displayed budget information on notice boards while 13% of schools did not. He said 89% of the health facilities monitored displayed information on notice boards while 11% of them did not.

"We note that some institutions are still not complying with the display of budget information, salaries and pensions on public notice boards. For example, a total of 68.4% of the sub-counties monitored did not have budget information on the notice boards," said Walakira.

Meanwhile, in a bid to boost budget transparency and accountability, Finance Ministry, CSBAG, Advocates Coalition for Development and Environment (ACODE) and Overseas Development Institute (ODI) Budget Strengthening Initiative signed a memorandum of understanding.

The signed memorandum of understanding provides framework for cooperation among parties to ensure efficiency use of public finances, improve service delivery and participation of citizens and elected representatives in service delivery monitoring.

The initiative also sees to increase demand for accountability on the use and impact of public funds, strengthening government response to citizen's demand for accountability as well awareness of public on the right to access budget information among others for citizens.