CSBAG
BREAKING NEWS

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Ensure proper budgeting to avoid abuse on supplementary budgets, CSO tell government

From right to left: Ramathan Ggoobi, PSST; Julius Mukunda, CSBAG Executive Director; and Arthur Binomugisha, ACODE Executive Director, during the Q4 releases at MoFPED offices on 8th April 2025. (Photo: CSBAG)

The resource envelope has shifted significantly from UGX 57.4 trillion, approved in the National Budget Framework Paper (NBFP), to UGX 66.09 trillion in the Second Budget Call Circular and then to UGX 71.95 trillion. While we acknowledge the government's intention to align the budget with the National Development Plan (NDP IV), such alignment should have been anticipated from the outset to ensure realistic and stable estimates.

Budget experts in the Civil Society Organizations (CSO) have advised Ministry of Finance authorities to ensure that all planning units across every Ministry Department and Agency (MDA) undertake thorough planning to lessen possibilities of having a supplementary budget.

This was carried a joint message delivered by the Executive Director of the Civil Society Budget Advocacy Group (CSBAG) Mr Julius Mukunda who was speaking at the quarter 4 release of funds for the 2024/25 budget held at the Ministry of Finance.
In his address, Mr Mukunda advised that strict measures be installed to condition all planners in various MDAs to capture al key priorities in their main budgets as a measure to lessen on the reliance of supplementary budgets that are in the long-run either abused or misused.

"There is an increasing pattern where MDAs and LGs fail to plan and budget for priorities as well as activities within their mandate. This has increased poor service delivery across the country and the misuse of supplementary budgets," Mr Mukunda said.

He added "For example, in the recently approved Supplementary Schedule NO.3 of FY2024/25 of UGX. 4.25 trillion, the Ministry of Energy had an amount of UGX. 725.42 billion for the UMEME buyout, yet the Ministry has known the need to undertake this since 2022, UGX. 3.6 billion was allocated under the same schedule to cater to wage shortfalls for Deputy LDCs in local governments."
He went on caution that "The failure to prioritize the national priorities and MDAs and LGs to plan effectively for the activities that fall within their mandate have hindered effective service delivery."

For remedial action, Mr Mukunda recommended that "The Ministry of Finance should strengthen its oversight role to ensure that all MDAs and LGs prioritize budgeting for activities that fall within their mandates first, and as such, budgets outside such an arrangement shouldn't be approved."

In reaction the Permanent Secretary and Secretary to Treasury (PSST) Mr Ramathan Ggoobi disclosed that technocrats at the Finance Ministry are implementing measures that will ensure that all forms financial indiscipline and leakages are cured.
As an example, Mr Ggoobi cited the example of tight measures passed down on every MDA budgeting and procurement office that will in the future ensure that all government financed projects are not inflated.

"Our team here at the ministry working with our colleagues in government together with the National Planning Authority, we have strengthened the valuation of projects," Mr Ggoobi said, adding that this is meant to close leakages previously used as conduits to siphon taxpayers' money.

In the same media address, Mr Ggoobi made the Shs19.79 Trillion release to finance the final lap of the 2024/25 Budget which elapses at the close of June.
In the same vein, PSST Ggoobi indicated that the government are undertaking key measures widen tax base to allow government generate more revenue required to bankroll the Shs71 Trillion budget for Financial Year 2025/26 which commences in June this year.

April - June Quarter Release for FY2024/25.

Item	**Amount (Shs)**
Wage, non-wage, recurrent & Devt project	8.903 Trillion
External Financing	2.677 Trillion
Debt & Treasury Operations	8.126 Trillion