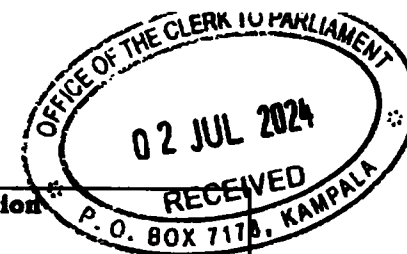


Justification for reinstating funds cut by Parliament on the Budget for FY 2024/25



Vote	MDA	Activity/Program/Sub-Program	Amount (Shs '000s)		Total	Parliament Justification	Justification for retention
			Recurrent	Development			
008	Ministry of Finance, Planning and Economic Development	224011 Research Expenses	10.00		10.00	Over provision	These are funds for the Economic Policy and Research Centre (EPRC) meant for research to inform government policy and support evidence-based decision making on budget performance.
		263402 Transfer to other Government Units, Capitalization of Uganda Development Bank	30.00		30.00	Over provision	UDB is still undercapitalized. As of December 2023, UDB's pipeline of approved projects is worth Shs. 1 trillion which will be invested in key priorities of wealth creation, agro-processing, value addition, manufacturing, tourism and mineral beneficiation. It will also support youth-led enterprises, manufacturers, and provide working capital to exporters and those involved in import substitution.
		263402 Transfer to other Government Units, Capitalization of Agricultural Credit facility	20.00		20.00	Over provision	The Agricultural Credit Facility (ACF) is undercapitalized and yet it is supporting the agro-industrialization programme. The funds required to finance the approved pipeline loans at BoU amount to Shs. 154 billion against available cash of Shs. 79 billion. The ACF escrow account in BoU is therefore in deficit of Shs. 74bn. The ACF supports agricultural projects to access patient capital for commercial on-farm investment, post-harvest management, agro-processing, and trade in agricultural produce.
022	Ministry of Tourism, Wildlife and Antiquities	Programme 5: Tourism Development, 02 Tourism, Wildlife conservation	25.00		25.00	Over provision	The funds are part of part of projected NTR collections for UWA during the FY 2024/25, of which Shs.15bn is to be transferred to the Consolidated Fund and be distributed within the Tourism Development Program to cater for unfunded priorities including;

Justification for reinstating funds cut by Parliament on the Budget for FY 2024/25

Vote	MDA	Activity/Program/Sub-Program	Amount (Shs '000s)		Total	Parliament Justification	Justification for retention
			Recurrent	Development			
		and Museum (UWA)					boosting lion populations in Protected Areas through breeding and operationalization of the Crested Crane Hotel. In addition, Shs.10bn is to facilitate acquisition of guns and ammunition, construction of Ranger accommodation, maintenance of the electric fence to curb human wildlife conflicts, and management of the protected areas.
017	Ministry of Energy and Mineral development	Project 1610 Liquefied Petroleum Gas supply and infrastructure intervention		25.00	25.00	Over provision	These funds are required to meet ongoing contractual obligations for Liquefied Petroleum Gas (LPG) Promotional kits service providers and other LPG interventions such as the Hoima LPG Storage terminal land.
		Project 263402 Namanve Thermal Power		6.80	6.80	Over provision	These funds are required for capacity payments for the operations of the Namanve Thermal Power Plant for energy security.
		Project 1773 Mineral Regulation Infrastructure Project		4.00	4.00	Over provision	These funds are required to commence establishment of mineral regulation and revenue collection infrastructure and implementation of the Minerals Law. These include weigh bridges and government regulated markets for precious stones etc.
		Project 1828 Rural Electrification and Connectivity Project		15.00	15.00	Absorption	These funds are required to kickstart works on the major 7 construction lots. The 7 lots include: 1. Batch 1 is for the Eastern Service Territory (West Budama South, Tororo South and Tororo Municipality in Tororo District, Pallisa County and Gogonya in Pallisa Districts);

Justification for reinstating funds cut by Parliament on the Budget for FY 2024/25

Vote	MDA	Activity/Program/Sub-Program	Amount (Shs '000s)		Total	Parliament Justification	Justification for retention
			Recurrent	Development			
							<p>2. Batch 2 under the Eastern Service Territory covers areas of Busiki in Namutumba, Bukooli South in Bugiri, Kumi District, Kachumbala in Bukedea District, Mbale Northern Division and Bungokho in Mbale District, Serere District;</p> <p>3. North West Service Territory for Buyanja East in Kibaale, Bugangaizi South in Kakumiro, Buhaguzi in Hoima, Hoima City, Kikuube and Buyaga East in Kagadi District;</p> <p>4. West Nile, Central North and North-North Service Territory for Ora area in Zombo, Gulu, Aringa South in Yumbe, Dokolo District and Lira East in Lira District;</p> <p>5. Western, South, and South Western Service Territory for Sheema, Ruhinda in Mitooma, Isingiro, Rubanda, Ibanda and Kisoro Districts;</p> <p>6. Western, Central and Rwenzori Service Territory for Busongora North in Kasese, Fort Portal Central in Kabarole, Kyankwanzi and Bunyagabu Districts;</p> <p>7. Central Service Territory for Bbale in Kayunga, Mukono South in Mukono, Butambala, Bukoto East in Masaka and Kiboga District.</p> <p>In addition, these funds are required to commence works on enhancing the SMEs framework priority intervention for small</p>

Justification for reinstating funds cut by Parliament on the Budget for FY 2024/25

Vote	MDA	Activity/Program/Sub-Program	Amount (Shs '000s)		Total	Parliament Justification	Justification for retention
			Recurrent	Development			
							factories and cottage industries across the country. The SMEs framework intervention is aimed at reducing the turnaround time for electricity connections to SMEs.
		Subvention to Atomic Energy Council for council expenses and administrative expenses	10.00		10.00	Over provision	These funds are required to meet staff and operational costs including salaries, gratuity, rent for office premises, utilities such as water, electricity, security, and cleaning services.
		SubProgramme 02 Transmission and Distribution, Budget Output 000078 Land Management, 342111 Land acquisition		10.00	10.00	Over provision	Energy transmission and distribution is a top priority of government and these are funds to undertake projects aimed at transmitting energy from Karuma and substation. These funds are also required for compensation of project affected persons (PAPs) for a number of projects as well as to undertake critical feasibility studies aimed at increasing electricity transmission and distribution. The major projects include the 345km Karuma-Tororo 400kV transmission line and Ntinda substation to Namanve underground cable infrastructure project, residual compensation works for Karuma and Isimba HPPs, Itanda and Kalagala Special conservation area, and other projects for feasibility studies in generation, transmission, nuclear and minerals.
112	Directorate of Ethics and Integrity	Sub sub programme 01 Ethic and	5.00		5.00	Over provision	The funds were allocated to strengthen the adjudication of the Leadership Code Act. In addition, the funds are needed to publish

Justification for reinstating funds cut by Parliament on the Budget for FY 2024/25

Vote	MDA	Activity/Program/Sub-Program	Amount (Shs '000s)		Total	Parliament Justification	Justification for retention
			Recurrent	Development			
		Integrity, 003 General Administration and support					the National Anti-Corruption Survey (NACS) Report on the perception and prevalence of corruption. The report affects the country's credit rating score internationally, which is a benchmark for our Multilateral Partners.
130	Treasury Operations	244003 Commitment fees	25.00		25.00	Over provision	These are contractual obligations for the loans we have acquired for the implementation of key projects where we haven't fully absorbed the funds. Therefore, the projections for the FY 2024/25 are based on existing loan stock, expected new agreements to be signed up to end of the current financial year plus agreements that will be entered in the FY 2024/25.
		242003 Other	300.00		300.00	Over provision	These are funds for government obligations under the share subscription agreement in servicing ROKO Bills of Exchange, and payment of EFT bank charges to Bank of Uganda, among others.
		242002 Interest on Treasury Bonds	100.00		100.00	Over provision	Increased government borrowing to cater for some of the priorities in the corrigenda and increase in domestic debt refinancing led to the increase in the interest on Treasury bond issuances. It should be noted from the budget that interest costs have increased due to an increase in debt refinancing from Shs 8.36 trillion in FY 2023/24 to Shs 12.02 trillion in FY 2024/25 and an increase in net domestic borrowing from Shs 6.67 trillion in FY 2023/24 to Shs 8.97 trillion in FY 2024/25. The projected cost in the FY 2024/25 are based on actual stock of securities

Justification for reinstating funds cut by Parliament on the Budget for FY 2024/25

Vote	MDA	Activity/Program/Sub-Program	Amount (Shs '000s)		Total	Parliament Justification	Justification for retention
			Recurrent	Development			
							held/already issued by year end and the projected issuances for the next FY, which are programmed according to the GoU issuance calendar for government securities.
		263404 Contingency Transfers	22.74		22.74	Transfer to KCCA Disaster Mitigation	As per section 26 of the PFMA 2015 (as amended), the Contingencies Fund is supposed to be allocated an amount equivalent to 0.5% of the appropriated annual budget of Government of the previous financial year. As such, Shs. 169bn had been provided for the FY 2024/25. This budget was cut by Shs. 22.74 billion which implies a breach of the above PFMA (2015) section.
019	Ministry of Water and Environment	Project 1530 Integrated Water Resources		4.00	4.00	Over provision	GoU counterpart funding for World Bank financing of various Urban Water Supply and Sanitation systems in the towns of Busia, Mbale and surrounding towns, Butaleja, Busolwe Budaka, Kadama Tirinyi, Kibuku, Namung'alwe Kaliro, Namasale, Koboko, Rukungiri, Kyegegwa-Mpara-Ruyonza, Kumi, among others.
		Project 1614 Support to Rural water supply and sanitation		10.00	10.00	Over provision	Funding for the Government interventions for increasing access to safe and clean water through a source per village in rural areas. The specific interventions include the construction and rehabilitation of point water sources in the communities, expansion of dilapidated piped water supply system, motorizing and upgrading of high yield boreholes with solar powered systems to expand and improve service coverage in

Justification for reinstating funds cut by Parliament on the Budget for FY 2024/25

Vote	MDA	Activity/Program/Sub-Program	Amount (Shs '000s)		Total	Parliament Justification	Justification for retention
			Recurrent	Development			
							various districts of Yumbe, Kyankwazi, Kakumiro, Mubende, Mityana, Isingiro, Bulisa, Kasese, Amudat, Agago, Kaabong, among others.
		Project 1520 Building Resilient Communities, wetland ecosystems and Associated catchments in Uganda		2.00	2.00	Over provision	The funds are to facilitate ongoing interventions for the restoration of degraded ecosystems including wetlands, riverbanks and hillsides in the areas of Kigezi, Kyoga, Albertine and central Uganda including the promotion of alternative livelihoods to communities.
010	Ministry of Agriculture, Animal Industry and Fisheries	Project 1357 Improving Access and use of Agricultural equipment and mechanization through the use of labour saving technologies		9.00	9.00	Absorption	<p>All funds for Earth Moving equipment of Shs 23 billion in FY 2023/24 were spent.</p> <p>The Annual requirement for funding this key intervention is Shs 40 billion and this will create a shortfall. The funds are for procurement of heavy earth moving equipment, tractors and matching implements to support agro-processing and value addition.</p>
		Subsubprogramme 03 Animal Resources, 003 Entomology		5.00	5.00	Over provision	<p>This reduction of Shs 5 billion leaves only Shs 2 billion for this intervention, which is not sufficient.</p> <p>The funds are meant for the procurement of acaricides and operations of the subvention for the control of trypanosomiasis & sleeping sickness (COCTU).</p> <p>The budget cut will significantly affect the control of the tsetse flies which will affect animal productivity and tourism especially</p>

Justification for reinstating funds cut by Parliament on the Budget for FY 2024/25

Vote	MDA	Activity/Program/Sub-Program	Amount (Shs '000s)		Total	Parliament Justification	Justification for retention
			Recurrent	Development			
							in the areas of Lake Mburo and Queen Elizabeth since tsetse eradication activities are taking place in parks.
		Project 1493 Development a Market-Oriented and Environmentally Sustainable beef Industry		10.00	10.00	Absorption	The funds are for procurement of acaricides and vaccines for the control of other livestock diseases apart from FMD such as rabies, CPD, anthrax. This cut leaves no funds for this intervention and failure to control animal diseases will affect the export volumes due to reduced production and quality.
020	Ministry of ICT and National Guidance	221016 System Recurrent Costs	5.00		5.00	Absorption	Funds for development, upgrade and maintenance of Government systems including OBRS (Business Registration), EMIS, GAMIS, Records system
011	Ministry of Local Government	221002 Workshops and Seminars	4.00		4.00	Over provision	This resource is funding for PDM monitoring and sensitization activities. Monitoring of PDM activities will not be fully undertaken if this resource is not reinstated
		221001 Advertising and Public Relations	4.00		4.00	Over provision	
		225101 Consultancy Services		3.00	3.00	Over provision	
		225201 Consultancy Services (Capital)		6.00	6.00	Over provision	As part of the fiscal consolidation strategy, Government is undertaking deliberate efforts to enhance domestic revenue collection both at central and local Government levels. Part for the strategies improve revenue administration and specifically automation of collection and reconciliation processes in local

Justification for reinstating funds cut by Parliament on the Budget for FY 2024/25

Vote	MDA	Activity/Program/Sub-Program	Amount (Shs '000s)		Total	Parliament Justification	Justification for retention
			Recurrent	Development			
							governments to reduce leakages and enable real time monitoring. This is funding for contractual obligations under local revenue collection system (E-LOGREV). The planned rollout to 32 additional sites across the country will not be undertaken without this resource. Additionally, there is possibility of litigation against Government if this resource is not provided.
015	Ministry of Trade, Industry and Cooperatives	Subvention to UDC	20.00		20.00	Over provision	UDC is Governments key intervention agency for industrialization. The requirement for capitalization is Shs 407.33 billion for FY 2024/25 and is for investment in projects including National Marketing Company; Cassava Processing Factory and Sanga Vet Chemical among others.
118	Uganda Road Fund (URF)	263402 Transfer to other Government Units	40.00		40.00	Over Provision	Government is faced with a funding requirement of Shs 900 billion for road maintained. This cut will affect District and Urban Roads including KCCA therefore worsening existing road conditions. This cut will affect the following interventions a) Settlement of road maintenance debts carried forward from FY2023/24; this will lead to an increase in the maintenance backlog. b) Reduction in much needed periodic maintenance on the paved national road network.

Justification for reinstating funds cut by Parliament on the Budget for FY 2024/25

Vote	MDA	Activity/Program/Sub-Program	Amount (Shs '000s)			Parliament Justification	Justification for retention
			Recurrent	Development	Total		
							c) Cut back in the maintenance of bridges and culvert installations across the various rivers, streams and swamps in Uganda.
104	Parliamentary Commission (PC)	Transfer from Development to Recurrent		8.93	8.93	Over Provision	This is agreeable to MoFPED
143	Uganda Bureau Of Statistics	Item 227002 Travel Inland	10.00		10.00	Over Provision	<p>These are funds for UBOS' key field work activities that produce data for the country, specifically for:</p> <ol style="list-style-type: none"> Post census activities. After Census the bureau is supposed to update geography to allocate the population numbers up to the smallest administration unit i.e. a village. It must also undertake the post enumeration survey, which is an international requirement, to validate the coverage and accuracy of the census results. Failure to undertake these activities will undermine the census results. Production of labor market statistics as high frequency indicators produced on quarterly basis. This intervention was a response to the demand by Government and in line with the NDP III target for UBOS to update the national employment indicators on a quarterly basis so as to advise policy actions on employment and underemployment levels across sector. The cut by parliament will therefore

Justification for reinstating funds cut by Parliament on the Budget for FY 2024/25

Vote	MDA	Activity/Program/Sub-Program	Amount (Shs '000s)		Total	Parliament Justification	Justification for retention
			Recurrent	Development			
							affect UBOS's capacity to undertake Labor market surveys and production of the required statistics.
405	Gulu RRH	Pension and Gratuity	1.00		1.00	Reallocation of excess Pension and Gratuity to Wage	The Vote had excess/unutilized pension worth Shs. 1.0 billion in the FY 2023/24. The Vote therefore requested that these excess funds be reallocated to wage. This Corrigenda request approved in that regard to have pension funds reduced.
	TOTAL		631.74	118.73	750.47		