

## Parliament Passes **Shs40.4Trn National Budget**



**Parliament in session recently. MPs have voted to pass the Appropriation Bill 2019, setting pace for the approval of the FY2019/2020 National Budget. | @CSBAG2019**

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Legislators today voted to pass the Appropriation Bill 2019, setting pace for the approval of the FY2019/2020 National Budget that is set to be introduced to the country on 13th June 2019 at Serena hotel by the Finance Minister.

The approval of next financial year's Budget however, just like the current Budget did not go without stinging remarks from Deputy Speaker, Jacob Oulanyah, who raised concerns over the abnormal budgeting process that was characterized with confusion and chaos from the Ministry of Finance. This year's budget process has faced hiccups starting right from the Ministerial Policy Statements that failed to be presented on time, as well as tabling corrigendum by the Ministry of Finance in last days. Additionally, the process has been characterized with uncoordinated figures which also delayed the passing of the Budget.

The Deputy Speaker argued that all the chaos that veiled the budgeting process is a manifestation of financial indiscipline that needs to be checked so as to improve the budgeting process and reduce on the workload brought before the House.

### **Delays in the FY2019/20 Budget Process**

Oulanyah remarked; “This has been a very abnormal year in terms of processing the Budget. But I thank you for the endurance and also for agreeing that the Budget serves a bigger purpose and if we are to go through, we would have difficulties. We all know that we never had Ministerial Policy Statements even a month after the deadline.” The Deputy Speaker also forced the Government Chief Whip, Ruth Nankabirwa to apologize to the House for the mess which the Executive has caused to Parliament where the budget committee has been made to work under pressure to beat Budget deadlines.

Nankabirwa acknowledged the mistakes made by her team and called for refresher induction of Ministers and Members of Parliament at large in between the five years of term to acquaint them with necessary procedures especially in the Budgeting process to avoid the unnecessary delays.

“I want to thank the opposition for keeping us in check so that we produce a Budget that would benefit the entire nation. We have witnessed the spirit of nationalism and I want to pray that we move on with this kind of spirit. I have done two apologies during this process. I sincerely stand here to do two apologies we lacked in terms of time frames and promise to do better.” Nankabirwa said.

On 28th March 2019, the Minister of Finance tabled draft estimates of the 2019/2020 national budget which amounted to Shs39,548,172,607,000Trn. However, on 9th May, 2018, the Minister of Finance submitted Corrigenda to the Draft Estimates, and an addendum to the Corrigenda, which revised the total proposed annual Budget for FY2019/2020 to Shs40,487,010,903,335Trn of which Shs27,957,163,419Trn is for appropriation and Shs12,530,739,916Trn is for statutory expenditure.

### **Domestic and External Financing**

In the next financial year, domestic and external financing will constitute 74.5% and 25.5% of the total resource envelope, respectively. Uganda Revenue Authority is expected to collect Shs18,823.3Trn in FY2019/2020 from Shs15,938.8Trn that was earmarked in FY2018/2019 indicating 18.1% change with tax revenues set to contribute 47.6% of the National Budget.

Under sector allocations, Works and Transport will take the largest proportion amounting to Shs6,406.8Trn (16.2%) followed by Security (9.1%) while the least allocated sector in the Budget is ICT & National Guidance (0.3%) of the National Budget.

Government has set aside Shs3,091Trn for payment of interest on loans, allocated Works & Transport Shs6,406.8Trn, Education Shs3,285.1Trn, Energy and Mineral Development Shs2,951Trn, Health Shs2,529.6Trn, Public Sector Management Shs789Bn, Security Shs3.606Trn, Justice Law & Order Shs1,636.2Trn, Accountability Shs1,930.7Trn, Agriculture Shs1,001.4Trn, while Water & Environment has been allocated Shs1,042.7Trn among other sectors.