

CSBAG BUDGET NEWS



Uganda's Supplementary Budgets versus Budget Priorities



The State Minister for General Duties Henry Musasizi presenting while at Parliament. Source (MoFPED file)

The approval of Supplementary Expenditure Schedule No. 5 for FY 2025/26 by the Parliament of Uganda has **added UGX 1,105.16 billion** to the national budget. Presented by the Minister of State for General Duties, Henry Musasizi, this supplementary schedule offers more than additional funding. It provides a revealing snapshot of how public financial management is functioning mid-year and how government priorities are being reshaped outside the original Appropriation Act.

From a Civil Society Organization perspective, supplementary budgets are not merely financial adjustments. They are a test of how credible the original budget was, how well government institutions planned for predictable obligations, and whether additional resources are being directed toward improving service delivery for citizens or resolving avoidable planning gaps.

Based off the **UGX 1.105 Trillion** Supplementary Budget, a small portion comes from budget reallocation amounting to **UGX 40.21 billion**, and **UGX 6.25 billion** arises from additional non-tax and local revenue. External financing contributes **UGX 72.9 billion**. However, the most significant portion, **UGX 985.8 billion**, is described as arising from "reallocation efficiency in budget execution and cash management."

For CSOs, this phrase invites deeper scrutiny because it suggests that funds previously appropriated by Parliament for other activities are being redirected on a large scale.

This raises a critical question about which planned activities are being postponed, scaled down, or entirely dropped to create this fiscal space.

The supplementary schedule also shows that **UGX 519 billion** falls within the three percent constitutional threshold that allows govt to spend in advance of parliamentary approval in emergency situations, while **UGX 586.16 billion** is above the threshold and therefore required formal approval.

The continued reliance on this **3%** provision for expenditures that appear predictable has become a growing concern among CSOs, as it risks normalizing emergency procedures for routine obligations.

A closer examination of where the funds are going reveals a mixture of service delivery needs and planning deficiencies. Forex ample **UGX 40.21 billion** has been directed toward the recruitment of health workers across **19** referral hospitals, addressing staffing gaps that directly affect access to health services. **UGX 23.21 billion** has been provided as counterpart

funding to operationalize newly constructed schools under the UGIFT programme, ensuring that infrastructure investments translate into functioning education services. **UGX 107.52 billion** is intended to cover wage, pension, and gratuity shortfalls, while **UGX 72.9 billion** represents additional financing from the World Bank for the GROW project, which supports women enterprises and economic empowerment.

These allocations demonstrate that the supplementary schedule is not devoid of pro-citizen intent. They show government responding to real gaps in service delivery and social protection.

Yet, alongside these are expenditures that raise legitimate questions about forecasting and priority setting. **UGX 132.9 billion** is being used to clear outstanding obligations under the Uganda Police Force, while **UGX 56.95 billion** is allocated for LC I, LC II, and Women Council committee elections across the country. An additional **UGX 29.57 billion** is earmarked for preparatory activities for the Africa Cup of Nations 2027.

These are all legitimate government functions, but they are also largely foreseeable. Local council elections do not occur unexpectedly.

For CSOs, this is where the central concern lies. The supplementary schedule appears to be correcting planning oversights as much as it is responding to genuine emergencies, a broader pattern that has characterized Uganda's budgeting process in recent years.

Wage and pension shortfalls regularly surface during the financial year. Critical sectors such as health and education require emergency top-ups to function effectively. Institutional arrears accumulate and then demand urgent attention. Instead of new revenue streams, government increasingly turns to internal reallocations to manage these pressures.

This practice gradually transforms the national budget from a firm planning document into a flexible framework that is routinely revised through supplementary instruments.

Supplementary budgets are legal and sometimes necessary tools within public finance management. However, when they repeatedly cater for predictable expenditures such as wages, elections, and institutional arrears, they begin to signal systemic weaknesses in planning and forecasting. Every supplementary shilling should be judged by a simple standard: whether it improves the quality of life for ordinary Ugandans or merely compensates for weaknesses in budget preparation.

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Habari Daily

May 5, 2026

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#PARTICIPATORYBUDGETING

CSBAG conducted an Induction Workshop for the Newly Elected Members of Parliament on Prudent Public Finance Management and National Development Priorities with reference to the Citizens Economic Charter (CEC) a 10 point agenda specifying the needs of citizens

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SOURCE: Ministry of Finance Supplementary Expenditure Schedule FY2025/26 No. 5

