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Ministry of Finance, Planning &
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Plot 2-12, Apollo Kaggwa Road
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UGANDA

THE REPUBLIC OF UGANDA

In any correspondence on
this subject please quote: No. BPD 86/103/05

11th July 2018

The Permanent Secretary, Office of the Prime Minister
The Permanent Secretary, Ministry of Local Government
The Permanent Secretary, Ministry of Education and Sports
The Permanent Secretary, Ministry of Health
The Permanent Secretary, Ministry of Public Service
The Permanent Secretary, Ministry of Water and Environment
The Permanent Secretary, Ministry of Works and Transport
The Permanent Secretary, Ministry of Trade, Industry and Cooperatives
The Permanent Secretary, Ministry of Agriculture Animal Industry and Fisheries
The Permanent Secretary, Ministry of Lands, Housing and Urban Development
The Permanent Secretary, Ministry of Gender, Labour and Social Development
The Secretary, Local Government Finance Commission
The Executive Director, Uganda Bureau of Statistics

PLANNING STATISTICS REQUIRED FOR GENERATION OF LOCAL GOVERNMENT INDICATIVE PLANNING FIGURES (IPFs) FY 2019/20

Following the conclusion of the budget process for FY 2018/19 that culminated in Parliament passing the budget on 1st June 2018, this Ministry will embark on the process of budget preparation for FY 2019/20 leading to the issuance of the First and Second Budget Call Circulars (BCC1 and BCC2) for FY 2019/20 by 15th September 2018 and by 15th February 2019 respectively, as per the PFMA Regulations 2016.

In line with the Budget Calendar and Section 9(2) of the PFMA 2015, Local Governments will be required to submit their Budget Framework Papers for FY 2019/20 by 15th November 2018. In order to ensure timely issuance of the first Budget Call Circular (BCC1) with the attendant Local Government Indicative Planning Figures (IPFs) for FY 2019/20, it is crucial that the requisite planning data is provided in a timely manner by the responsible stakeholders.

Table 1 below indicates deadlines for submission of the requisite planning data by responsible Sector Ministries and Agencies to ensure a timely Local Government budget planning process.

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Table 1: Sector Ministries and Agencies responsible for the provision of planning data

Institution	Data required	Deadline for provision of data
<i>Ministry of Local Government</i>	Boundaries of newly created Local Governments (<i>to be submitted to UBOS</i>) and provision of the complete list of Parishes and LLGs (<i>to be submitted to UBOS</i>)	20 th July
<i>Uganda Bureau of Statistics (UBOS)</i>	Population by sex, age cohorts, rural/urban (at LLG level, including Vote Code and GIS/area code)	15 th August
	Shapefile of Uganda with boundaries of all LLGs (at LLG level, including Vote Code and GIS/area code)	
	Land area (at LLG level, including Vote Code and GIS/area code)	
	Infant mortality	
Poverty head count		
<i>Ministry of Public Service</i>	Hard to Reach and Stay classification by Local Government and boundaries	31 st December
<i>Ministry of Education and Sports</i>	List of schools by type and ownership (including EMIS numbers, supplier numbers and GPS coordinates (where available))	
	Enrolment in UPE, USE/UPOLET (by school, including EMIS and supplier number) - after receipt from NIRA	
	Performance Index for UPE and USE/UPOLET	
<i>Ministry of Health</i>	List of health facilities by type and ownership (including HMIS numbers, supplier numbers and GPS coordinates (where available))	
	Standard unit of output per facility (if applicable)	
<i>Ministry of Water and Environment</i>	Estimated per capita cost of providing water	
	Rural served population	
	Rural unserved population for SCs with coverage below 77%	
<i>Office of the Prime Minister</i>	PRDP and LRDP classification of districts and municipalities	30 th January
	Level of conflict affectedness	
	Approved Performance Assessment results	

The above institutions' submissions to this Ministry are expected every year. To facilitate the analyses and compilation of the IPFs, it is essential that all data is submitted by Local Government vote code under the Chart of Accounts, as well as the Sector Ministry or Agencies' Management Information System IDs, Supplier Numbers and GPS coordinates where applicable (as highlighted in Table 1 above).

All data should be submitted in editable electronic form, either through the Online Transfers Information Management System (OTIMS) where possible or Excel, and using the shapefile format for UBoS. Institutions with Application Programming Interfaces (APIs) - including Ministry of Health, Ministry of Education and Sports, and the Ministry of Water and Environment - should coordinate with this Ministry to provide access, in order to exchange relevant data automatically with the Programme Budgeting System.

New Administrative Units

As per my letter vide Ref: BPD 86/107/04 dated 30th November 2017, this is to reiterate that **no additional Lower Local Governments will be effected in FY 2019/20 until otherwise advised.**

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In cases where there are newly created Districts/Municipal Councils that are to become effective in a given fiscal year, the Ministry of Local Government should inform this Ministry, Uganda Bureau of Statistics, and all other institutions, by providing demarcations of their boundaries by the 20th July 2018. This Ministry will subsequently inform MDAs whether funds are available to operationalise all newly created Local Governments in a given fiscal year.

The Ministry of Local Government should also provide a complete list of Parishes/Wards and Villages/Cells in each of the Lower Local Governments to the Uganda Bureau of Statistics and with a copy to this Ministry by 20th July 2018. Any subsequent changes should be communicated by the Local Governments to Ministry of Local Government for incorporation in future budget years. In-year changes after this date will not be reflected in budget documents and systems.

Updated list of Health and Education facilities to be included in the planning process

As indicated in Table 1 above, the Ministries of Health and that for Education and Sports are required to submit the list of validated cost-centers by Local Government vote to this Ministry, using the Online Transfers Information Management System (OTIMS) which will later be uploaded into the Programme Budgeting System (PBS) through an interface. The same list will be used during the budget preparation stage and grant release during execution. This allows the ministries to exert full oversight and control over the cost-centers that Local Governments can budget for, and effect releases to, for direct transfers. Both ministries have already been notified concerning the use of Application Program Interfaces (APIs), as mentioned above.

To identify these cost-centers, the respective Health Management Information System (HMIS) ID, Education Management Information System (EMIS) ID and their supplier numbers should be included in every submission. Where available, geo-coordinates of facilities should be indicated to facilitate updating the database as and when new administrative units are to be created. The list with IPFs and releases will further be made publicly available on the budget website on www.budget.go.ug.

Sector oversight over Local Government Conditional grant budgets

Sector Ministries and Agencies with Grant Transfers are reminded to ensure that they review the BFPs submitted by Local Government Accounting Officers on the PBS to this Ministry with copies of sector extracts submitted to them for their compliance with the grant guidelines and budget requirements issued by respective sectors. This will enable Local Government Accounting Officers to take corrective measures in time for their submission of final estimates for deliberations by their Councils. **See Annex 1 attached** for more details on the roles of Sectors Ministries and Agencies in the Local Government planning process.

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The purpose of this letter, therefore, is to:

- i). Request you to submit the required data (**as indicated in Table 1**) to this Ministry;
- ii). Remind you to ensure that you review the BFPs submitted by LG Accounting Officers on the PBS for compliance with the grant guidelines that you issued; and
- iii). Inform you of your roles in the management of Local Government Transfers as indicated in **Annex 1 attached**.



Keith Muhakanizi

PERMANENT SECRETARY/ SECRETARY TO TREASURY

Copy to

- The Hon. Minister of Finance, Planning and Economic Development
- The Hon. Minister of Education and Sports
- The Hon. Minister of Local Government
- The Hon. Minister of Health
- The Hon. Minister of Water and Environment
- The Hon. Minister of Works and Transport
- The Hon. Minister of Trade, Industry and Cooperatives
- The Hon. Minister of Agriculture Animal Industry and Fisheries
- The Hon. Minister of Lands, Housing and Urban Development
- The Hon. Minister of Gender, Labour and Social Development
- The Head of Public Service and Secretary to Cabinet

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Annex 1: Role of the respective Sector Ministries and Agencies in the management of Local Government Transfers

No. Function	MoFPED	Sector Ministries and Agencies with LG Transfers	Local Government Votes
1. Budget Preparation			
Issuing grant information (including allocation formulae) and budget requirements		✓	
Issuing of overall Local Government grant operational budgeting guidelines		✓	
Provision of data for formulae variables (if not available from UBOS), proposed formulae, and approved facility lists		✓	
Application of the grants allocation formulae approved by the sector and generating IPFs using the Online Transfer Information Management System (OTIMS)	✓		
Facilitate consultations with LGs during the LGBFP regional workshops		✓	
Submission of the draft LG Budget Framework Papers following the issuance of grant operational guidelines			✓
Review of the Local Government draft Budget Framework Papers and Budget Estimates to check compliance with the budgeting requirements (including verification/accreditation of cost centre data submitted by LGs)		✓	
Issuance of the 2 nd Budget Call Circular	✓		
Preparation and approval of the Local Government Budgets (Performance Contracts including detailed Budget Estimates)			✓
2. Budget Execution			
Submission of Accounting Warrants - based on the quarterly expenditure limits issued by PS/ST and the approved budget including verified cost centre lists/data			✓
Release of Funds to Local Governments including service delivery units	✓		
Reporting on Local Government Vote activity			✓
3. Performance Assessment, Monitoring and Provision of Support			
Designing and developing a system and sets of Outputs and Outcome indicators to be used in the assessment of Local Government Performance		✓	
Conduct physical and financial monitoring of activities implemented by LGs		✓	
Complete information about Local Government performance based on assessment and monitoring results		✓	
Provide targeted support and capacity building to LGs		✓	

