

BY TOM BRIAN ANGURINI

KAMPALA. A report by the Ministry of Finance, Planning, and Economic Development has revealed that government expenses in December 2025 amounted to Shs2.45 billion, surpassing the planned Shs2.31 billion for the month by 6.2 percent (Shs142 billion).

The report shows that this was on account of higher spending on the purchase of goods and services as well as grants to other government agencies during the month.

"During the month, purchase of goods and services amounted to Shs795 billion against the Shs609 billion target for the month," the report states.

According to the report, higher spending was observed in purchase of medical supplies and services as well as elec-

tion-related expenditure during the month.

Grants to other government agencies amounted to Shs689 billion, surpassing the programme for the month by 11.9 percent (Shs73.47 billion). Most of these grants were to the local governments for service delivery in the education, health, water and sanitation and road sectors.

The Finance ministry report also indicated that net acquisition of non-financial assets amounted to Shs676 billion in December 2025, exceeding the month's target by Shs230 billion. This was largely driven by spending on domestically funded development items

Govt expenses surpassed planned budget

WHAT WAS SPENT ON

Government expenses in December 2025 amounted to Shs2.45 billion, surpassing the planned Shs2.31 billion for the month by 6.2 percent (Shs142 billion), according to a report of the ministry of Finance. The report shows that this was on account of higher spending on the purchase of goods and services as well as grants to other government agencies during the month.

particularly roads and bridges, which received a significant supplementary budget that was released in Quarter Two (Q2) of the financial year.

Meanwhile, the Bank of Uganda (BoU) has revealed that the country's trade deficit with East African Community or EAC Partner States narrowed by 11.3 percent in November 2025, declining to \$174.02 million (Shs621.72 billion) from \$196.29 million (Shs701.28 billion) recorded in October 2025. Data from Uganda's central bank shows that this improvement was largely driven by a contraction in the import bill, which was more than the modest decline in export receipts.

Dr Michael Atingi-Ego, the central bank governor, says the value of imports from the EAC fell by 5.8 percent during the month, while exports declined by a comparatively smaller 1.5 percent, resulting in an overall improvement in the trade balance.

"Uganda, however, recorded trade surpluses with the Democratic Republic of Congo (\$99.41 million/Sh335.16 billion), South Sudan (\$36.77 million/Sh131.36 billion), Rwanda (\$26.0 million/Sh92.89 billion), and Burundi (\$4.96 million/Sh17.72 billion)," he said.

Dr Atingi-Ego added that conversely, the country registered trade deficits with Tanzania (\$222.70 million/Sh795.64 billion) and Kenya (\$118.4 million/Sh423.18 billion).