BUDGET SERIES 2026/27

2026/2027 Budget.

How Uganda's National Budget comes to life

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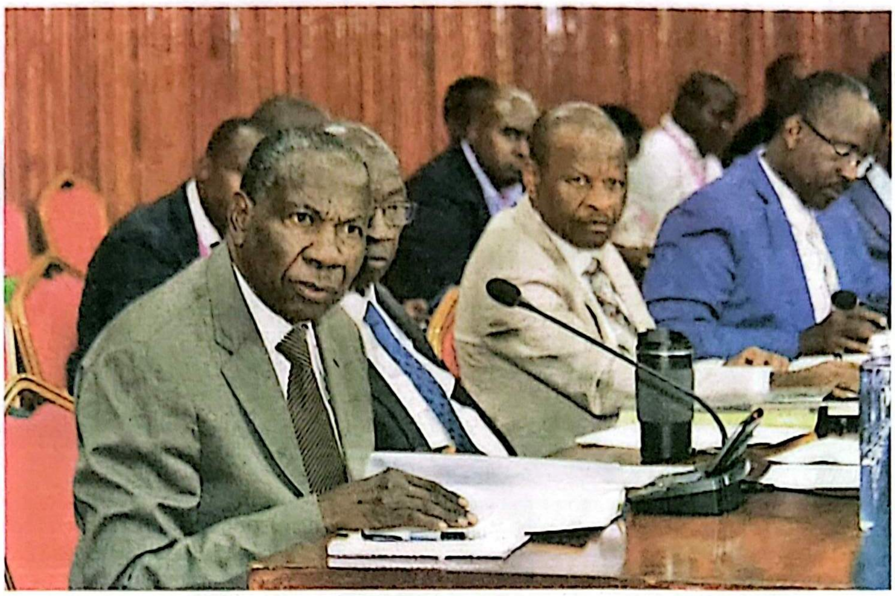

Finance Minister Matia Kasaija responds to queries in Parliament. The entire budgeting process is governed by the Public Finance Management Act 2015, which dictates deadlines for submission, approval, and implementation. PHOTO/FILE

Have you ever wondered why Mulago National Referral Hospital receives a markedly different budget allocation compared to State House Uganda? Or why critical sectors like trade, agriculture, health, and education often seem underfunded despite their central role in everyday life and economic growth?

These questions point to a deeper issue: how well do we really understand the national budget—how it is designed, debated, and ultimately implemented? For many, the budget remains a distant, technical process, yet it directly shapes public services, infrastructure, and economic opportunities.

But budget allocations are not arbitrary. They reflect government priorities, policy choices, and competing demands within limited resources. Decisions on who gets what funding are influenced by political, economic, and social considerations—often leaving essential sectors feeling sidelined.

As the financial year 2026/27 budget process gathers pace, with the government aiming to raise nearly Shs84.2 trillion, the stakes are higher than ever.

Understanding how this process works is key to holding decision-makers accountable and ensuring that national resources are allocated in a way that truly serves the public interest

Of this, Shs44.5 trillion is projected to be collected domestically (internally) as tax and non-tax revenue.

As revenue collection intensifies, there will be direct implications for households, businesses, and the broader economy. This is because everyone is a taxpayer in one way or the other, which is why this budget and its accompanying processes should not be ignored at any level.

The process

Our budgeting process happens throughout the year. In other words, it is a year-long cycle.

It is managed by the Finance Ministry on behalf of President Museveni who is technically the owner of the budget.

After budget reading in June, the plans essentially begin.

By September, following what the Finance Ministry technocrats describe as "strict, participatory, and programme-based approach" the National Budget begins taking shape.

It is at this point - between September and October – that preparing the Budget Framework Paper and consultative meetings happen.

Note that the National Budget Framework Paper (NBFP) is a strategic document linking national policy (NDP) to the annual national budget. This is presented by the Finance Ministry to Parliament by December.

This document outlines projections of future economic activities. It also provides the government's long-term plan for managing public finances, and outlines resource allocation for the medium term.

Parliamentary approval

After budget preparation, a role largely driven by technocrats with the leadership of the Finance Ministry technical wing, the next phase through November and March will begin to experience Parliament's footprint before parliamentary approval between April and May.

This means as you read this you, should have either engaged with the Parliament by way of submitting your views to the parliamentary committee pertaining to the budget proposals and measures or else you will have to bear with the implementation of the budget starting July 1 – without your views.

Key data

Shs84.2t

The total budget for the financial year 2026/2027.

Shs44.4t

Ugandans will have to raise Shs44.5 trillion in domestic taxes as tax and non-tax revenue in the 2026/2027 financial year.

What you should know

If anything, this is what you should remember as the key national budget stage of the budgeting cycle.

Setting a budget framework and priorities begin in September. The Cabinet with the technical help of the Finance Ministry reviewed the economic situation of the country, then set strategic priorities. But before that, a budget ceiling on sector programmes are determined depending on the revenue projection.

Note that consultations take place between October and December. This is after the government initiated the budget preparation process technically known as issuance of budget call circular. This is issued to local governments and ministries to prepare their budget estimates and work plans based on priorities.

Preparation submission kicks off in January–March. At this point, sectors formulate their budget proposals, which are reviewed and compiled into the National Budget Framework Paper. This is submitted to Parliament not later than March 5.

Then Parliament discusses, amends, and approves the budget by May 31st. So, you have a couple of days to influence Parliament to tow your line. In short, engagement with the Parliament must happen between April and May before Parliamentary approval, implementation and monitoring kicks on. Essentially, this function starts in July and carries on till the end of the cycle -June.

The new financial year begins on July 1. It involves budget execution which comes with releasing of funds. For Uganda's case, this is done in quarters, with ongoing monitoring by the Finance Ministry.

Eventually, there is a "postmortem" done of the budget by way of audit for value for money. This is done by the Auditor General, who reviews the budget execution at the end of the cycle.

Programme versus sector budget

Unlike previously, where budget allocations were based on sectors such as agriculture, education or health, with programme-based budgeting, the National Budget is aligned with national strategic objectives as defined in the National Development Plan (NDP) rather than just line items. For example, if skilling is the issue as identified in the NDP, it will be targeted as a programme with sufficient budget allocation to fund it rather than focusing on the entire sector.

According to the Finance Ministry, the adopted programme budgeting is more participatory as the process invol consultation with various stakehol including local governments, to en alignment with local needs.

However, local governments pre their own budgets which they sub to the Finance Ministry who alig with the National Budget.

The entire budgeting process is erned by the Public Finance Man ment Act 2015, which dictates d lines for submission, approval, an plementation. Anything outside t questionable.

THE BUDGET PROCESS

1. Consultations. Local Government Budget consultations across the country.

- The National Budget Conference is held to discuss and set budget priorities.
- The Finance Ministry issues the first Budget Call Circular outlining the budget strategy for the upcoming financial year.
- Public consultations are conducted locally and by Programmes to gather input.
- Programme Working Groups and Inter-Ministerial consultations

2. Framework paper. The National Budget Framework Paper is submitted to Parliament by December 31.

- Parliamentary committees review the budget, consult stakeholders, and provide recommendations.
- The Ministry of Finance Planning and Economic Development issues the Budget Call Circular.
- The Ministerial Policy Statements and Annual Budget are presented and debated in Parliament.
- Parliament approves the National Budget and tax bills in May.

3. Stage Three. Finance Ministry issues the Budget Execution Circular guiding implementation.

- Ministries and agencies implement the budget, conduct internal audits, and submit financial reports periodically.
- Fiscal performance reports are submitted to Parliament and the Attorney General.
- Oversight bodies and civil society monitor resource use ensuring transparency and accountability.