

How Shs17 trillion will be shared in last quarter

A significant portion of the funds has been allocated to statutory obligations

BY MARTIN LUTHER OKETCH

The government yesterday released Shs17.44 trillion for the fourth quarter of the 2025/26 financial year, outlining a cautious yet growth-focused spending plan in the wake of the recently concluded 2026 General Election.

Yesterday's fourth quarter release and including the release of the past three quarters, brings a total of Shs77.0 trillion for the entire financial year ending on June 30.

In Quarter One (July - September 2025), expenditure limits released amounted to Shs17.18 trillion, in Quarter Two it was Shs18.43 trillion, and in the third quarter the government released Shs16.537 trillion.

Funds dissemination

The Finance Ministry Permanent Secretary and Secretary to the Treasury, Mr Ramathan Ggoobi, said the Quarter Four expenditure limits for this Financial Year also comes when the world is going through uncertainty caused by geopolitical tensions in the Middle East.

"In view of this timing, the Quarter Four Expenditure Limits have been informed by our need to sustain the momentum for implementation of the Tenfold Growth Strategy but within the framework of our fiscal consolidation agenda. The agenda puts emphasis on implementation of the government's objective of sustaining macroeconomic stability and maintaining fiscal discipline," he said.

"Therefore, Mr Ggoobi explained that the following principles have been considered. They include maintaining total expenditures within the available resources; the need to achieve high



The Finance Ministry Permanent Secretary and Secretary to the Treasury, Mr Ramathan Ggoobi. PHOTO/FILE

economic growth by sustaining financing to wealth creation and highly critical priority actions within the ATMIS (agro-industrialisation, tourism development, mineral development, and science, technology, and innovation).

The other consideration was the need to sustain investment in the growth enablers, especially security, infrastruc-

ture and human capital development; and providing for the minimum required critical operational expenditure for all ministries, departments, agencies, and local governments.

A significant portion of the funds has been allocated to statutory obligations, including Shs6.38 trillion for debt and treasury operations, Shs2.04 trillion for

INVESTMENT

High-frequency indicators show improved investor confidence and trust in Uganda's economy. Mr Ggoobi said this is mainly on account of political and economic certainty, apart from the high return on investment of 14 percent on average.

wages and salaries across government; Shs343.39b for pension and gratuity; Shs204.04b for Parliament; Shs73.01b for the Judiciary, and Shs12.66b for the Office of the Auditor General.

The released funds under the infrastructure; the Works ministry took lion's share of Shs1.762 trillion, of which Shs585.2b is Government of Uganda (GoU) and Shs1.176 trillion is external financing. This includes funding for Uganda Airlines, Uganda Railways, Kalangala Infrastructure Services and the Standard Gauge Railway.

The Energy ministry took Shs331.03b, of which Shs71.8b is GoU and Shs259.24b is external, to implement rural electrification projects, finance the development of transmission lines and power generation projects.

Kampala Capital City Authority took Shs60.51b, of which Shs27.8b is GoU and Shs32.71b is external, for the provision of social services (education and health) and implementation of development projects within the city, especially roads and drainage, among others.

Ministry of Kampala Capital City and Metropolitan Affairs took Shs293.18b, of which Shs2.2b is GoU and Shs290.97b under the externally financed Greater Kampala Metropolitan Area Urban Development Project for improving roads, drainage, and sanitation within the Greater Kampala Metropolitan Area.

Under the Human Capital Development, Mr Ggoobi announced that the Health ministry has been allocated Shs372.88b, of which Shs72.7b is GoU

and Shs300.19b under external financing.

National Medical Stores (NMS) took Shs342b for the purchase of essential drugs and medicines, including the shortfall that was occasioned by the withdrawal of USAID. Uganda Cancer Institute and Uganda Heart Institute got Shs92.2b for specialised oncology and cardiovascular health services.

The quarter four has seen the release of Shs50b, National Council of Sports got Shs67.81b, Ministry of Education and Sports took Shs257.54b and Public Universities got Shs113.76b.

Economic growth

Mr Ggoobi said that despite global and regional geopolitical tensions, Uganda's economic performance is resilient and the outlook is positive. GDP growth is expected to accelerate between 6.6 percent and 7.0 percent in this FY 2025/26, up from 6.3 percent in FY 2024/25.

"By end of June 2026, GDP is projected at \$68.4 billion (Shs251.4 trillion) equivalent to \$194.2 billion in Purchasing Power Parity (PPP) terms. GDP per capita is projected at \$1,399 (Shs55,000) in June this year," he said.

Mr Ggoobi explained that the drivers of this positive outlook include the Parish Development Fund (PDF) and increased FDI (especially in oil and gas) and the ATMIS, commencement of oil production, political stability, economic growth, and a stable macroeconomic environment, adding that with the commencement of oil production later this year, double-digit growth is projected in FY 2026/27.

A strong shilling

The Ugandan shilling has performed strongly, reflecting prudent economic management: an open capital account, diversified exports, a liberalised foreign exchange market, and an active FDI policy.

Mr Ggoobi said the recent government decision to import refined petroleum products directly from producers also contributed to the strengthening of the shilling. He said above all, the sustained peace and security in Uganda is a strong contributory factor.

The shilling is projected to remain strong and stable, despite recent mild depreciation pressures driven by speculation around the Middle East conflict.

Total breakdown of the Shs17.44 trillion for 2025/26 quarter four

INSTITUTION	AMOUNT
STATUTORY OBLIGATIONS AND INSTITUTIONS	
Ministry of Finance, Planning and Economic Development (for debt and treasury operations)	Shs 6.38 trillion
MDAs (wages and salaries across government)	Shs 2.04 trillion
Pension and Gratuity	Shs 343.39 billion
Parliament	Shs 204.04 billion
Judiciary	Shs 73.01 billion
Office of the Auditor General	Shs 12.66 billion
ATMIS TO DRIVE TENFOLD GROWTH	
Agro-industrialisation (A)	Shs 314.9 billion
Tourism Development (T)	Shs 48.6 billion
Mineral-Based Industrial Development including oil and gas	Shs 24.3 billion
Science, Technology and Innovation plus ICT and the creative industry	Shs 184.5 billion
ENABLERS OF THE ATMIS/WEALTH CREATION	
Parish Development Model	Shs 542.3 billion
Remaining balance for wealth creation	Shs 74.7 billion

INSTITUTION	AMOUNT
OTHER WEALTH CREATION	
The Agricultural Credit Facility (ACF)	Shs 7 billion
Interest payments to large-scale farms	Shs 4 billion
Capitalisation of Uganda Development Bank (UDB)	Shs 13 billion
Capitalisation of Uganda Development Corporation (UDC)	Shs 50.7 billion
SECURITY	
Ministry of Defence and Veteran Affairs	Shs 414.5 billion
State House	Shs 116.9 billion
Uganda Police Force	Shs 19.9 billion
Uganda Prisons	Shs 81.5 billion
Office of the President	Shs 45.8 billion
ISO	Shs 37.2 billion
ESO	Shs 18.8 billion
INFRASTRUCTURE	
Ministry of Works and Transport - for Uganda Airlines, Uganda Railways, Kalangala Infrastructure Services and the Standard Gauge Railway.	Shs 1.762 trillion

INSTITUTION	AMOUNT
Ministry of Energy and Mineral Development	Shs 331.03 billion
Kampala Capital City Authority	Shs 60.51 billion
Ministry of Kampala Capital City and Metropolitan Affairs	Shs 293.18 billion
Ministry of Health	Shs 372.88 billion
National Medical Stores (NMS)	Shs 342 billion
Uganda Cancer Institute and Uganda Heart Institute	Shs 92.2 billion
Referral Hospitals	Shs 50 billion
National Council of Sports	Shs 67.81 billion
Ministry of Education and Sports	Shs 257.54 billion
Public Universities	Shs 113.76 billion
Local Governments	Shs 519.8 billion
REVENUE GENERATING VOTES	
Uganda Revenue Authority (URA)	Shs 133.18b
Uganda Registration Services Bureau (URSB)	Shs 10.33 billion
Immigration Control (NICC)	Shs 34.50 billion
National Lotteries and Gaming Regulatory Board	Shs 2.64 billion
Domestic Arrears	Shs 454.2 billion