

**ACTS SUPPLEMENT**

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<b>Act 23</b>	<i>Public Finance Management (Amendment) Act</i>	<b>2015</b>
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**THE PUBLIC FINANCE MANAGEMENT (AMENDMENT)  
ACT, 2015**

**ARRANGEMENT OF SECTIONS**

*Section*

1. Amendment of section 25 of the principal Act.
2. Amendment of section 26 of the principal Act.
3. Amendment of section 28 of the principal Act.
4. Amendment of section 36 of the principal Act.
5. Amendment of section 82 of the principal Act.

**THE PUBLIC FINANCE MANAGEMENT (AMENDMENT)  
ACT, 2015.**

**An Act to amend the Public Finance Management Act, 2015; to provide for financing of supplementary estimates and Contingencies Fund; to provide for financing of treasury operations and to provide for guarantees and advances by the Bank of Uganda.**

DATE OF ASSENT: 14th November, 2015.

*Date of Commencement:* 18th November, 2015.

BE IT ENACTED by Parliament as follows:

**1. Amendment of section 25 of the principal Act.**

For section 25 of the principal Act there is substituted the following—

**“25. Supplementary expenditure.**

(1) The total supplementary expenditure that requires additional resources over and above what is approved by Parliament, shall not exceed 3% of the total approved budget for that financial year, without approval of Parliament. *by who Ministry?*

(2) Where funds are expended under subsection (1), supplementary estimates showing the sums spent shall be laid before Parliament within four months after the money is spent.

**2. Amendment of section 26 of the principal Act.**

Section 26 of the principal Act is amended—

- (a) by substituting for “three and a half” in subsection (1) with “0.5%”;
- (b) in subsection (4) by repealing “for supplementary expenditure under section 25 and”; and
- (c) by repealing subsections (5) and (6).

**3. Amendment of section 28 of the principal Act.**

Section 28 of the principal Act is repealed.

**4. Amendment of section 36 of the principal Act.**

Section 36 of the principal Act is amended—

- (a) in paragraph (e) of subsection (2) by inserting after the word “defrayed”, “or treasury operations”;
- (b) in subsection (5) by inserting immediately after the phrase “subsection (2)(b)”, “or (e)”; and
- (c) by inserting immediately after subsection (5) the following—

“(5a) Notwithstanding subsection (5), where a loan is raised for treasury operations, the loan shall not exceed 10% of the domestic revenue of Government of the financial year and shall, in any case be repaid automatically from the Uganda Revenue Authority collections account held in the Bank of Uganda, within the financial year.

(5b) “Treasury operations” for the purposes of this Act means, the day to day management of the cash needs of Government, by undertaking annual, quarterly and daily cash forecasts for ensuring through investments and temporary borrowing, that Government has sufficient liquidity to meet its obligations on time in line with the Parliamentary appropriations.”.

**5. Amendment of section 82 of the principal Act.**

Section 82 of the principal Act is amended by substituting for subsection (1) (b) the following—

- (b) in section 33 by inserting immediately after subsection (3) the following—

“(3a) The bank shall not guarantee a payment to any person on behalf of Government or make an advance to Government or to any other person on behalf of Government, except as required under section 36 of the Public Finance Management Act.”