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Budget Release and Expenditure Efficiency across Government Programmes in Uganda: Evidence from the FY 2024/25 Semi-Annual Budget Performance Report

by

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Abstract

Public financial management plays a critical role in ensuring that government resources are allocated and utilised efficiently to achieve national development objectives. Despite extensive public financial management reforms in Uganda, concerns remain regarding budget credibility, expenditure efficiency, budget absorption, and the timely implementation of government programmes. This study examined budget release and expenditure efficiency across government programmes in Uganda using secondary data extracted from the FY 2024/25 Semi-Annual Budget Performance Report. A quantitative cross-sectional design was employed using 336 vote-programme observations. Data were analysed using descriptive statistics, paired-sample *t*-tests, one-way Analysis of Variance (ANOVA), and Spearman's rank correlation at the 5% significance level. The descriptive analysis showed an average budget release of UGX 81.06 billion and an average expenditure of UGX 97.40 billion across government programmes. Inferential analyses revealed no statistically significant difference between budget releases and actual expenditures ($p = 0.464$), budget absorption rates ($p = 0.620$), budget releases across programmes ($p = 0.999$), or unspent budget balances ($p = 0.631$). Similarly, no statistically significant relationship was found between budget releases and budget absorption rates ($r = -0.066$, $p = 0.228$). The findings suggest that budget release levels alone do not determine expenditure efficiency. Instead, institutional capacity, procurement efficiency, planning quality, and financial management systems appear to exert greater influence on programme implementation and budget absorption. The study recommends strengthening institutional capacity, procurement planning, expenditure monitoring, and programme implementation oversight to improve expenditure efficiency and enhance the effectiveness of Uganda's programme-based budgeting framework.

Keywords: Budget credibility; Budget releases; Expenditure efficiency; Budget absorption; Programme-based budgeting; Public financial management; Government programmes; Uganda

1.0 Background

Public financial management (PFM) is a fundamental component of good governance because it ensures that public resources are mobilised, allocated, managed, and accounted for efficiently to achieve national development objectives. Effective public expenditure management enhances service delivery, promotes fiscal discipline, strengthens public accountability, and improves citizens' confidence in government institutions. Globally, governments devote substantial proportions of national income to financing public programmes; therefore, ensuring that allocated resources translate into measurable development outcomes remains a central concern of fiscal policy and public administration (Allen, 2013; Expenditure & Accountability, 2016)**.**

Although considerable progress has been made in strengthening budget preparation processes worldwide, many countries continue to experience significant weaknesses during budget execution. According to the Public Expenditure and Financial Accountability (PEFA) framework, expenditure efficiency depends not only on credible budget formulation but also on timely budget releases, effective procurement systems, institutional capacity, financial controls, and monitoring mechanisms. Delays in budget execution often result in low budget absorption, implementation bottlenecks, accumulation of unspent balances, and reduced effectiveness of public investments (Expenditure & Accountability, 2016).

Across Africa, governments continue to face challenges associated with inefficient expenditure management, procurement delays, weak institutional capacity, fragmented financial systems, and inadequate monitoring of programme implementation. These weaknesses contribute to poor utilisation of public resources despite improvements in budget preparation and fiscal planning. Consequently, improving expenditure efficiency has become a major priority for governments seeking to maximise development outcomes within constrained fiscal environments.

Uganda has implemented extensive public financial management reforms over the past two decades. These reforms include the enactment of the Public Finance Management Act, implementation of the Integrated Financial Management System (IFMS), strengthening of Treasury operations, adoption of programme-based budgeting (PBB), and continuous improvements in fiscal transparency and accountability. Under the National Development Plan (NDP III and subsequently NDP IV), Uganda shifted from output-based budgeting to programme-based budgeting to strengthen alignment between public expenditure, national priorities, and measurable development outcomes. Under this framework, government resources are allocated according to programmes designed to deliver clearly defined outputs and outcomes rather than traditional administrative units.

Within Uganda's public financial management architecture, the Ministry of Finance, Planning and Economic Development is responsible for budget preparation, cash management, and release of funds through the Treasury. Accounting Officers oversee utilisation of released funds, while Parliament, the Auditor General, and other oversight institutions monitor budget implementation to ensure accountability and value for money. Consequently, expenditure efficiency depends not only on the amount of resources released but also on institutional capacity, procurement efficiency, financial management systems, and programme implementation effectiveness.

Despite these reforms, budget performance reports continue to reveal disparities in budget releases, expenditure performance, budget absorption, and unspent balances across government programmes. Some programmes consistently exhibit high absorption rates and efficient utilisation of released funds, whereas others experience implementation delays, procurement bottlenecks, and significant unspent balances. Such variations raise important questions regarding whether differences in budget releases actually translate into differences in expenditure efficiency or whether other institutional factors explain programme performance.

The FY 2024/25 Semi-Annual Budget Performance Report provides a comprehensive opportunity to examine expenditure efficiency across government programmes using official administrative data. Analysing programme-level budget releases, expenditures, absorption rates, and unspent balances provides valuable evidence for strengthening fiscal discipline, improving programme implementation, and enhancing public financial management reforms in Uganda. Although previous studies have examined public financial management, budget credibility, and expenditure performance in developing countries, relatively few empirical studies have investigated programme-level expenditure efficiency within Uganda's programme-based budgeting framework using recent national budget performance data. This study therefore contributes to the literature by examining whether budget releases influence expenditure efficiency and whether significant differences exist across government programmes using evidence from Uganda's FY 2024/25 Semi-Annual Budget Performance Report.

Public expenditure management remains a critical component of economic governance and service delivery in developing countries, where governments allocate substantial financial resources through annual budgets to achieve national development priorities and improve socio-economic outcomes. This can be achieved through transparent and accountable management of funds to build public trust(Wanna et al., 2020) However, globally in developed countries, the government expenditures stand at 40% of gross domestic product, and citizens demand public accountability and transparency from their government, and performance measurement is demonstrated as a way of monitoring progress of the allocation of resources to enhance budget credibility(Ahuja & Pandit, 2020)Furthermore, measurement of public expenditure efficiency remains very limited, with delayed fund releases, low expenditure absorption, and inefficient utilization of public resources, which undermine program implementation and weaken service delivery. Evidence from the Public Expenditure and Financial Accountability (PEFA) Global Report indicates that many countries perform better in budget preparation than in budget execution, with weaknesses particularly evident in expenditure management, public investment management, and control of expenditure arrears (PEFA, 2022),(Moreno-Enguix & Lorente Bayona, 2017).

Public financial management remains a critical pillar in ensuring that government resources translate into effective service delivery and improved socio-economic outcomes. In developing countries such as Uganda, the efficiency with which budgeted funds are released and subsequently utilised plays a central role in determining the success of government programmes. Budget release refers to the disbursement of approved funds from the consolidated fund to ministries, departments, agencies and local governments, while expenditure efficiency concerns the extent to which released funds are utilized in a timely, cost-effective and outcome-oriented manner (Canton, 2021a; Momani & Hibben, 2024). (Canton, 2021a; Momani & Hibben, 2024). Where delays in budget releases or inefficiencies in expenditure occur, programme implementation is often disrupted, leading to underperformance in sectors such as health, education, infrastructure and social protection.

The Uganda has undertaken significant reforms in public financial management over the past two decades, including the introduction of project-based financial management, the Financial Management System (IFMS), and a robust financial management system under the Public Finance Management Act (Ezra & Musa, 2015). These initiatives aim to improve the financial system, increase transparency, and ensure value for money. However, empirical evidence suggests that cost estimates and elimination differentiation are still discontinuous problems across sectors (World Bank, 2022). In addition, annual budget performance reports often reveal discrepancies between approved budgets, actual output, and expenditures, raising concerns about program implementation and service delivery outcomes.

The 2024/25 Fiscal Year Budget Performance Report provides a great opportunity to review budget allocation and spending across government programmes. Half-yearly reports are useful tools for evaluating financial performance during the year, identifying bottlenecks, and evaluating how government agencies are achieving their goals .(Chugunov, 2019; Puloc'h, 2021). These reports typically cite issues such as late releases, limited data capture capacity, procurement barriers, and reinvestment in various projects. Such pressures undermine public confidence in the budget and undermine public confidence in financial management .(Organisation for Economic Co-operation and Development (Canton, 2021a, 2021b; Citaristi, 2022).

Efficient budget execution is particularly critical in a programme-based budgeting framework, where resources are tied to specific outputs and outcomes rather than administrative line items. Under this approach, weak release performance or inefficient expenditure may distort programme objectives and reduce the effectiveness of public investment (Allen et al., 2013b). In Uganda, differences in discharge activities across projects may also reflect factors such as affordability, capacity gaps at the local government level, and broader fiscal constraints affecting financial institutions.(Vandeninden, 2023).

Despite the ongoing improvements, there is still little empirical work that systematically examines the relationship between budget extraction activity and efficiency across government programs using recent financial data. Drawing on evidence from the 2024/25 Annual Budget Performance Report, this study seeks to examine how differences in disbursement rates affect spending and policy implementation outcomes. Understanding this relationship is essential for strengthening fiscal discipline, improving investment decisions, and improving service delivery efficiency in the public sector in Uganda(Akim, 2022).

In Africa, countries faces significant public expenditure management challenges driven by weak governance, high debt financing cost, inappropriate public procurement leading to 2.5% loss on gross domestic product and fragmented budget approaches and procedures curtailing service delivery(OSMOND et al., 2024) In Uganda, several public financial management reforms, including the adoption of programme-based budgeting under the National Development Plan (NDP III and IV), have been implemented to strengthen fiscal discipline, improve accountability, and enhance alignment between expenditure and national development priorities. Despite these reforms, disparities in budget execution and absorption persist across government programmes. The FY 2024/25 Semi-Annual Budget Performance Report indicates significant variations in budget releases, expenditure performance, and absorption rates among programmes, with some programmes exhibiting lower expenditure performance and high unspent balances compared to others.

Budget absorption is increasingly recognized as an important indicator of institutional efficiency because it reflects the extent to which released funds are utilized within a financial period. Low absorption rates are commonly associated with procurement delays, weak planning systems, inadequate implementation capacity, and inefficiencies in financial management processes. According to the PEFA Global Report, weaknesses in budget execution continue to limit the effectiveness of public expenditure and service delivery in many developing countries (PEFA, 2022). Although several studies have examined public financial management and fiscal performance in developing countries, limited empirical evidence exists on programme-level expenditure efficiency within Uganda's programme-based budgeting framework. Therefore, this study seeks to examine budget release and expenditure efficiency across government programmes in Uganda using evidence from the FY 2024/25 Semi-Annual Budget Performance Report.

Problem statement

Uganda has implemented comprehensive public financial management reforms aimed at improving fiscal discipline, accountability, expenditure efficiency, and service delivery through programme-based budgeting. Despite these reforms, government budget performance reports continue to indicate variations in budget releases, expenditure performance, budget absorption rates, and unspent balances across programmes. These disparities raise concerns regarding whether released funds are translated into efficient programme implementation and whether institutional reforms have achieved their intended objectives. Existing studies on public financial management have largely focused on budget credibility, fiscal decentralization, or overall government expenditure, with limited empirical evidence examining programme-level expenditure efficiency using recent administrative data from Uganda's programme-based budgeting system. Consequently, there remains inadequate evidence regarding whether differences in budget releases influence expenditure efficiency or whether other institutional factors account for observed variations in budget performance. This study addresses this knowledge gap by examining budget release and expenditure efficiency across government programmes in Uganda using evidence from the FY 2024/25 Semi-Annual Budget Performance Report. The findings provide evidence to inform policy reforms aimed at improving budget execution, expenditure efficiency, and programme implementation.

1.1 Overall Objective

To examine budget release and expenditure efficiency across government programmes in Uganda using the FY 2024/25 Semi-Annual Budget Performance Report.

1.2 Specific Objectives

i. To assess whether there is a significant difference between budget releases and actual expenditures across government votes in Uganda.
ii. To compare budget absorption rates across government programmes in Uganda.
iii. To compare budget releases across government programmes in Uganda.
iv. To compare unspent budget balances across government programmes in Uganda.
v. To examine the relationship between budget releases and absorption rates across government programmes in Uganda.

1.3 Alternative Hypotheses

H_1There is a significant difference between budget releases and actual expenditures across government votes in Uganda.

H_2 Budget absorption rates significantly differ across government programmes in Uganda.

H_3 Budget releases significantly differ across government programmes in Uganda.

H_4 Unspent budget balances significantly differ across government programmes in Uganda.

H_5 There is a significant relationship between budget releases and absorption rates across government.

2.0 Literature Review

Public financial management (PFM) seeks to ensure that public resources are mobilised, allocated, utilised, and accounted for efficiently to achieve national development goals. Within programme-based budgeting systems, expenditure efficiency depends not only on the availability of financial resources but also on the effectiveness of institutional planning, procurement systems, budget execution, monitoring mechanisms, and financial accountability. This chapter reviews theoretical and empirical literature relating to budget releases, expenditure efficiency, budget absorption, and programme implementation. It concludes by identifying the research gap addressed by the present study.

2.1 Theoretical Framework

2.1.1 Public Financial Management Theory

Public Financial Management (PFM) Theory explains how governments mobilise, allocate, manage, and monitor public resources to maximise efficiency, accountability, transparency, and service delivery. According to Allen, Hemming and Potter (2013), effective PFM extends beyond budget formulation to include timely budget releases, expenditure control, procurement management, monitoring, and financial reporting. Within programme-based budgeting systems, budget releases provide implementing agencies with financial resources required to achieve programme outputs. However, expenditure efficiency depends on institutional capacity to utilise these resources effectively. Consequently, differences in expenditure performance may arise from planning quality, procurement efficiency, managerial competence, and internal financial controls rather than from the amount of money released alone. The theory therefore provides the primary framework for explaining why budget releases may not necessarily translate into improved expenditure efficiency across government programmes.The theory underpins the investigation of: differences between budget releases and expenditures; programme-level budget absorption; unspent balances; expenditure efficiency; and the relationship between released funds and absorption rates.

2.1.2 Agency Theory

Agency Theory explains relationships between principals (citizens and government) and agents (ministries, departments, agencies and local governments) entrusted with public resources. The theory argues that efficient public expenditure depends upon effective monitoring, accountability systems, transparent reporting, and incentives that align agents' behaviour with national development objectives. Where monitoring is weak, released funds may remain unspent, be inefficiently utilised, or fail to generate intended programme outcomes. Agency Theory therefore explains why similar budget releases may produce different expenditure outcomes depending upon governance quality and institutional accountability.

2.2 Conceptual review

2.2.1 Budget Releases

Budget release refers to the formal disbursement of approved government funds by the Treasury to implementing entities during a financial year. Timely releases facilitate: procurement, recruitment, implementation, service delivery, and financial planning. Delayed releases disrupt programme implementation and often reduce expenditure efficiency.

2.3.1 Expenditure Efficiency

Expenditure efficiency refers to the extent to which released public resources generate intended outputs and development outcomes while minimising waste. Efficient expenditure is characterized by: timely utilisation, value for money, minimal unspent balances, achievement of programme outputs, and accountability.

2.4.1 Budget Absorption

Budget absorption measures the proportion of released funds actually utilised during a reporting period. High absorption generally indicates: efficient planning, procurement readiness, implementation capacity, and effective financial management. The low absorption often reflects: procurement delays, weak institutional capacity, inadequate planning, and implementation bottlenecks.

2.5.1 Unspent Budget Balances

Unspent balances represent released resources that remain unused at the end of a reporting period. Persistent unspent balances indicate weaknesses in: project planning, procurement, cash management, implementation, monitoring.

2.6.1. Significant differences between budget releases and actual expenditures across government votes

Budget execution theory emphasises that the credibility of a national budget depends not only on parliamentary approval but also on the consistency between planned allocations, actual releases and realised expenditures (Allen et al., 2013b). A gap between budget releases and actual expenditure often indicates weaknesses in cash management, procurement systems, or institutional capacity. The International Monetary Fund (Canton, 2021a) argues that persistent deviations between releases and expenditures undermine fiscal discipline and distort policy implementation.

In many developing countries, discrepancies between approved budgets and actual expenditures result from delayed spending cuts, deficit cuts, or mid-year budget adjustments resulting from severe economic crises.(Expenditure & Accountability, 2016). Studies conducted in sub-Saharan Africa show that unpredictable release schedules significantly affect ministries' ability to implement planned activities, leading to underspending in some sectors and overcommitment in others (Sikhosana & Nzewi, 2019). In Uganda, public expenditure reviews have highlighted inconsistencies between quarterly releases and actual expenditures, particularly in development votes where procurement delays and donor conditionalities affect absorption (Lakuma et al., 2022). Empirical research further indicates that significant differences between releases and actual expenditure weaken service delivery outcomes, especially in decentralised sectors such as health and education (Akin et al., 2005). Therefore, assessing whether statistically significant differences exist across government votes provides insight into fiscal credibility and execution efficiency.

2.6.2 Comparison of budget absorption rates across government programmes

Budget absorption rate refers to the proportion of released funds that are actually spent within a given financial period. High absorption rates indicate effective utilisation of resources, while low absorption rates may signal institutional inefficiencies or structural constraints (Arineitwe Killian & Moni, 2026). According to (Allen et al., 2013b) executive functions demonstrate the ability to govern and develop complex programs.

Comparative studies across sectors show that capital-intensive projects often set cost estimates lower than conventionally funded projects because of problems with procurement, feasibility studies and competitive contractor payments (Mulyata & Bwalya, 2022). In Uganda, infrastructure and agricultural modernisation programmes have historically exhibited lower absorption compared to wage and operational votes, which typically demonstrate near-full absorption (Dare et al., 2022).

Research in public financial management also highlights that decentralized programmes tend to experience variable absorption performance depending on local capacity, financial reporting systems, and oversight mechanisms (Expenditure & Accountability, 2016). Consequently, comparing absorption rates across programmes provides evidence on sectoral efficiency and institutional capacity disparities.

iii. Comparison of budget releases across government programmes

The performance of the budget release depends on the spending patterns in the treasury, financial stability and prioritization policies (Hameed, 2022).). Governments often prioritize wages, debt repayment and statutory obligations over development spending in times of revenue shortfalls

(Marcel, 2014). As a result, differences in allocation often reflect political and economic priorities rather than program performance alone.

Evidence from programme-based budgeting frameworks suggests that some sectors receive higher release proportions due to political salience or strategic importance (Pierre & Diaby, 2025). In Uganda, semi-annual budget performance reports reveal that security, statutory and wage-related votes often achieve higher release rates compared to development-heavy programmes (Josephs, 2024). Comparative fiscal analysis across programmes is essential to determine whether release disparities are systemic or justified by statutory obligations and macroeconomic conditions. Such comparisons contribute to understanding allocative efficiency and equity in public resource distribution (Organization, 2025).

2.6.3 Comparison of unspent budget balances across government programmes

Unspent balances occur when allocated funds are not used within the financial year. While some unspent balances may result from savings or efficiency gains, persistent unspent funds are often associated with procurement bottlenecks, project implementation delays, or poor planning (Choudhury & Mohanty, 2019). The PEFA framework identifies high unspent balances as an indicator of weak budget execution and planning shortfalls (Expenditure & Accountability, 2016).

Empirical evidence from the African public sector indicates that investment projects often accumulate large unspent balances due to land acquisition disputes, delays in contractor mobilization, and compliance procedures (Maseko, 2016).In Uganda, semi-annual and annual performance reports have documented the recurring presence of unspent development funds in some programs, particularly those dependent on externally funded projects (Ggoobi et al., 2020). Comparing unspent balances across programmes therefore provides insights into programme management efficiency and fiscal discipline. It also helps distinguish between structural challenges and administrative inefficiencies.

2.6.4 Relationship between budget releases and absorption rates across government programmes

The relationship between budget releases and absorption rates is central to evaluating fiscal execution performance. Theoretical perspectives in public financial management suggest that predictable and timely releases enhance absorption efficiency because implementing entities can plan procurement, staffing, and service delivery schedules effectively (Allen et al., 2013b). (Mamve, 2022).

Empirical studies demonstrate a positive association between release predictability and absorption performance (Akim, 2022). Where releases are delayed or below approved allocations, ministries may fail to execute planned activities within the fiscal year. In Uganda, budget performance assessments have indicated that low release percentages often correspond with lower absorption rates, particularly in development programmes (Rashid, 2019). However, some research cautions that high release levels do not automatically guarantee high absorption, as institutional capacity and project management quality also influence expenditure efficiency (Dare et al., 2022).Therefore, examining the statistical relationship between releases and absorption rates is essential for identifying whether release performance is a primary determinant of expenditure efficiency across government programmes.

2.7 Empirical Literature Review

Budget Releases and Expenditure Efficiency

International evidence indicates that predictable budget releases improve implementation by allowing agencies to undertake procurement and project execution according to approved work plans. Allen et al. (2013a) argue that credible budget execution depends on consistency between approved allocations, released resources and actual expenditure. However, studies from developing countries demonstrate that higher releases alone do not guarantee expenditure efficiency because institutional capacity frequently constrains implementation. Studies in Uganda similarly report that procurement delays, inadequate planning and weak financial management often reduce expenditure performance despite adequate releases.

2.7.1 Budget absorption

Research consistently identifies budget absorption as an indicator of institutional performance. The (WorldBank, 2005) reports that low absorption is commonly associated with: procurement bottlenecks; staffing shortages; delayed approvals; weak monitoring; and implementation constraints. Studies conducted in Uganda show considerable variation across sectors, especially within infrastructure and externally funded programmes.

2.7.2 Programme-Based Budgeting

Programme-Based Budgeting (PBB) links public expenditure directly to expected outputs and national development outcomes. Uganda adopted PBB under the Public Finance Management reforms to improve: accountability; efficiency; resource allocation; monitoring; and performance measurement. Although programme budgeting has improved strategic planning, several studies report continuing implementation challenges arising from procurement delays, institutional capacity constraints and inconsistent expenditure monitoring.

2.7.3 Institutional Capacity and Expenditure Performance

Several studies conclude that institutional capacity explains expenditure performance more effectively than funding levels alone. The factors commonly identified include: procurement systems; leadership; staffing; financial controls; monitoring; planning quality; and project management. These findings suggest that improving expenditure efficiency requires strengthening institutions rather than merely increasing financial allocations.

2.8 Critical review of existing literature

Although previous studies provide valuable insights into public financial management, several important limitations remain. First, many studies focus primarily on budget preparation rather than budget execution. Second, existing studies frequently analyse ministries or sectors individually rather than comparing programme performance across the entire government. Third, relatively few studies utilise Uganda's recent programme-based budgeting framework as the analytical unit. Fourth, many studies examine overall fiscal performance without statistically testing relationships between: budget releases, expenditure, absorption, unspent balances. Finally, limited empirical work has used the FY2024/25 Semi-Annual Budget Performance Report as a comprehensive national dataset.

2.9 Research Gap

Existing literature demonstrates that budget execution influences public service delivery and expenditure efficiency. However, previous studies have concentrated largely on: fiscal decentralization; budget credibility; sector-specific expenditure; procurement performance; and macro-level public expenditure. Limited empirical evidence exists regarding whether differences in budget releases significantly influence expenditure efficiency across government programmes operating under Uganda's programme-based budgeting framework. Furthermore, few studies simultaneously compare: budget releases; expenditures; absorption rates; unspent balances; and programme performance.

Using recent nationwide administrative data, this study addresses these gaps by employing official FY2024/25 Semi-Annual Budget Performance Report data to examine expenditure efficiency across government programmes using inferential statistical techniques. This study contributes to the literature in several ways. First, it provides one of the earliest empirical assessments of expenditure efficiency using Uganda's programme-based budgeting framework. Second, it employs official nationwide administrative data covering all government programmes. Third, it simultaneously analyses: budget releases, expenditures, absorption rates, unspent balances, and expenditure efficiency. Fourth, the findings provide policy evidence for strengthening programme implementation, institutional capacity and public financial management reforms. Finally, the study demonstrates that improving expenditure efficiency requires attention to institutional and managerial factors rather than relying solely on increased budget releases.

3.0 Methodology

This study adopted a quantitative cross-sectional research design using secondary data extracted from the Government of Uganda’s FY 2024/25 Semi-Annual Budget Performance Report (GoU, 2025). The unit of analysis consisted of vote-programme observations across government programmes in Uganda. Data were cleaned, validated, and organized into an SPSS/STATA-compatible dataset, with duplicate vote-programme observations removed to avoid double counting. Descriptive statistics, including means, standard deviations, and percentages, were used to summarize budget releases, expenditures, absorption rates, and unspent balances across programmes. Inferential statistical analyses were conducted to address the study objectives, where paired sample t-tests were used to examine differences between budget releases and actual expenditures, one-way Analysis of Variance (ANOVA) was employed to compare budget absorption rates, releases, and unspent balances across government programmes, while correlation analyses were used to examine the relationship between budget releases and absorption rates. Data analysis was conducted using Stata and IBM SPSS Statistics at a 5% level of significance.

This study adopted a quantitative cross-sectional research design using secondary data extracted from the Government of Uganda's FY 2024/25 Semi-Annual Budget Performance Report. A quantitative design was appropriate because the study sought to examine statistical differences and relationships among measurable variables relating to budget releases and expenditure efficiency across government programmes. The cross-sectional approach enabled analysis of budget execution performance during a single reporting period without manipulating the study variables. The study utilised secondary administrative data obtained from the FY 2024/25 Semi-Annual Budget Performance Report published by the Ministry of Finance, Planning and Economic Development (MoFPED). This report presents official government statistics on budget releases, actual expenditures, budget absorption, and programme performance for Ministries, Departments, Agencies, Local Governments, Universities, Hospitals, and Constitutional Bodies.

The report was selected because it represents the official national source for monitoring programme implementation and public expenditure performance within Uganda's programme-based budgeting framework. The unit of analysis consisted of vote-programme observations representing government entities implementing programmes under Uganda's Programme-Based Budgeting (PBB) framework. Each observation represented one implementing vote within a government programme during the FY2024/25 Semi-Annual Budget reporting period. The study analysed 336 vote-programme observations extracted from the FY2024/25 Semi-Annual Budget Performance Report after data cleaning and removal of duplicate observations. Because the study utilised official national administrative data covering all eligible programme observations contained in the report, no sampling procedure was undertaken. Consequently, the study analysed the entire accessible population of eligible vote-programme observations rather than selecting a sample.

This enhances the representativeness of the findings while eliminating sampling error associated with survey-based research. The extracted data were subjected to systematic quality assurance procedures before analysis. These procedures included: verification of programme classifications; removal of duplicate vote-programme observations; checking for missing values; validation of financial figures against the published report; coding of variables; and preparation of an analysis dataset compatible with IBM SPSS Statistics and Stata. These procedures enhanced the accuracy and reliability of the dataset used for statistical analysis.

Both descriptive and inferential statistical techniques were employed. Descriptive statistics included: frequencies; percentages; means; standard deviations; minimum values; and maximum values. These statistics summarised budget releases, expenditures, budget absorption rates, and unspent balances across government programmes. The study employed inferential statistical procedures aligned with each research objective these included; paired ANOVA, and one-way ANOVA, all statistical analyses were conducted using IBM SPSS Statistics and Stata at a 5% level of significance ($\alpha = 0.05$). The prior to conducting inferential analyses, the following assumptions should be assessed: Paired-Sample *t*-Test; independence of observations; continuous measurement of variables; and approximate normal distribution of paired differences. For One-Way ANOVA included; independence of observations; approximate normality; and homogeneity of variances. The Spearman's Correlation included; ordinal or continuous variables; monotonic relationship; and independence of observations. In addition to statistical significance, future analyses should report effect sizes to indicate practical significance which included;

cohen's *d* for paired-sample *t*-tests; eta squared (η^2) for ANOVA; and spearman's rho (r_s) for correlation analysis.

The study utilised official government administrative data compiled by the Ministry of Finance, Planning and Economic Development through established public financial management reporting systems. The data therefore possess high administrative validity because they originate from nationally recognised government financial reporting processes. Furthermore, standardised financial reporting procedures enhance the consistency and reliability of the published dataset. Ethical issues in the study relied exclusively on publicly available secondary administrative data. No human participants were involved; no personal or confidential information was collected. Consequently, risks relating to privacy, confidentiality, or informed consent did not arise.The study nevertheless adhered to principles of: academic integrity; accurate reporting; transparency; and proper acknowledgement of data sources.

Several limitations should be acknowledged; First, the study relied on secondary administrative data and was therefore limited to variables reported in the FY2024/25 Semi-Annual Budget Performance Report.Second, the cross-sectional design captures expenditure performance during a single reporting period and cannot establish causal relationships. Third, the study did not directly measure institutional capacity, procurement efficiency, staffing levels, or political influences that may affect expenditure efficiency and finally, the absence of original SPSS/Stata output limited reporting of assumption tests and effect sizes.

4.0 Findings

This section presents the descriptive and inferential statistical findings of the study based on data extracted from the FY 2024/25 Semi-Annual Budget Performance Report. The findings are organized according to the study objectives and include analyses of budget releases, actual expenditures, budget absorption rates, and unspent balances across government programmes in Uganda. Descriptive statistics were used to summarize programme performance, while inferential statistical techniques, including paired sample t-tests, Analysis of Variance (ANOVA), and regression analysis, were employed to examine differences and relationships among the study variables.

Table 1: Descriptive Statistics

Programme Name	Number of Votes/ministries/agencies/departments/hospitals/universities/commissions/Local governments	Average Released Budget (Billion UGX)	Average Budget Expenditure (Billion UGX)	Average Unspent budget (Billion UGX)
Administration Of Justice	8	29.138	24.19	4.948
Agro-Industrialization	17	35.445	19.732	15.712
Community Mobilization And Mindset Change	7	4.816	3.659	1.157
Development Plan	47	280.8	436.534	0.000

Implementation				
Digital Transformation	2	24.472	18.883	5.588
Governance And Security	68	65.543	55.129	10.413
Human Capital Development	63	77.667	71.445	6.222
Innovation, Technology Development And Transfer	5	42.218	30.395	11.822
Integrated Transport Infrastructure And Services	5	210.416	188.931	21.485
Legislation, Oversight And Representation	4	133.876	125.952	7.924
Manufacturing	8	17.022	13.676	3.345
Mineral Development	2	6.56	4.732	1.828
Natural Resources, Environment, Climate Change, Land And Water Management	9	13.775	8.838	4.937
Private Sector Development	20	18.542	17.118	1.423
Public Sector Transformation	9	11.77	10.258	1.511
Regional Balanced Development	12	53.264	52.438	0.825
Sustainable Energy Development	7	11.61	9.947	1.662
Sustainable Petroleum Development	10	27.363	26.237	1.126
Sustainable Urbanisation And Housing	6	11.081	7.099	3.982
Tourism Development	27	5.905	4.798	1.108

The findings in Table 1 indicate considerable variations in budget releases, expenditures, and unspent balances across government programmes in Uganda. The programme with the highest number of implementing votes was Governance and Security with 68 votes, followed by Human Capital Development with 63 votes and Development Plan Implementation with 47 votes, meaning that these programmes involve a broad range of government entities. In terms of financial allocations, Development Plan Implementation recorded the highest average released budget (UGX 280.8 billion) and the highest average expenditure (UGX 436.534 billion), indicating substantial programme financing and expenditure activities. Similarly, Integrated Transport Infrastructure and Services had a high average released budget (UGX 210.416 billion) and expenditure (UGX 188.931 billion), reflecting the capital-intensive nature of transport infrastructure investments.

The results further show that some programmes experienced relatively high levels of unspent balances. For example, Integrated Transport Infrastructure and Services recorded the highest average unspent budget (UGX 21.485 billion), followed by Agro-Industrialization (UGX 15.712

billion) and Innovation, Technology Development and Transfer (UGX 11.822 billion). This suggests possible delays in implementation, procurement challenges, or limited absorption capacity within these programmes. On the other hand, programmes such as Regional Balanced Development (UGX 0.825 billion), Sustainable Petroleum Development (UGX 1.126 billion), and Private Sector Development (UGX 1.423 billion) exhibited relatively lower unspent balances, indicating comparatively better expenditure absorption and budget utilization efficiency.

Table 1 demonstrates substantial variation in the scale of financial resources allocated to different government programmes. Governance and Security (68 implementing votes), Human Capital Development (63 votes), and Development Plan Implementation (47 votes) accounted for the largest numbers of implementing entities, reflecting the breadth of activities undertaken within these programmes.

Development plan implementation recorded the highest average budget release (UGX 280.8 billion) and the highest average expenditure (UGX 436.53 billion), while Integrated Transport Infrastructure and Services also received comparatively large financial allocations consistent with its capital-intensive nature. Conversely, programmes such as community mobilization and mindset change and tourism development received relatively modest allocations. Regarding unspent balances, Integrated Transport Infrastructure and Services, Agro-industrialization, and innovation, technology development and transfer recorded comparatively higher average unspent amounts, suggesting potential implementation delays, procurement bottlenecks, or other administrative constraints. In contrast, regional balanced development and sustainable petroleum development exhibited relatively low unspent balances, indicating comparatively efficient utilization of released funds. Although these descriptive differences appear substantial, descriptive statistics alone cannot establish whether programme differences are statistically significant. Inferential analyses presented in subsequent sections provide formal statistical evidence.

Implication of findings

When the allocated funds are not used, communities receive fewer services because the budgeting system is inappropriate: services are released when cash is available rather than when a budget is approved, and services are provided on an accrual basis. This concurs with(Wanna et al., 2020) A study that emphasized accountability management and building public trust, meaning budgeting is not done as a formality, but focuses on programs and activities that may enhance public value.

4.1 Assessing whether there is a significant difference between budget releases and actual expenditures across government votes in Uganda

This section presents findings on whether significant differences exist between budget releases and actual expenditures across government votes in Uganda. Budget releases represent the amount of funds disbursed to implementing government entities, while actual expenditures reflect the extent to which the released funds were utilized during the reporting period. Examining the differences between budget releases and actual expenditures provides important insights into budget execution efficiency and the capacity of government votes to absorb allocated resources. A paired sample t-test was conducted to determine whether the mean difference between released funds and actual expenditures across government votes was statistically significant. The findings are presented in table 2 below and interpreted at a 5% level of significance.

Table 2: Paired Sample t-Test Results for Budget Releases and Actual Expenditures Across Government Votes in Uganda

```
. ttest released_bn == expenditure_bn

Paired t test
```

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
releas~n	336	81.0553	38.29342	701.93	5.729439	156.3812
expend~n	336	97.3995	59.96657	1099.205	-20.55898	215.358
diff	336	-16.3442	22.3029	408.8189	-60.21557	27.52717

```
     mean(diff) = mean(released_bn - expenditure_bn)            t =  -0.7328
 Ho: mean(diff) = 0                              degrees of freedom =      335

 Ha: mean(diff) < 0           Ha: mean(diff) != 0           Ha: mean(diff) > 0
 Pr(T < t) = 0.2321         Pr(|T| > |t|) = 0.4642          Pr(T > t) = 0.7679
```

The paired-sample t-test results indicate that there was no statistically significant difference between budget releases and actual expenditures across government votes in Uganda at the 5% significance level (Mean diff = -16 Bn, P = 0.4642). The findings show that the average released budget was UGX 81.06 billion, while the average actual expenditure was UGX 97.40 billion. This may imply that, on average, variations between released funds and actual expenditures across government votes were not statistically significant during the FY 2024/25 reporting period.

The findings imply that, on average, government votes in Uganda were able to utilize released funds at levels not significantly different from those disbursed during the FY 2024/25 reporting period. This signifies a relatively stable relationship between budget releases and actual expenditures across government votes, indicating moderate consistency in budget execution and expenditure management. The absence of a statistically significant difference may also imply that most government entities were able to implement planned activities within the limits of the resources released, reflecting some level of effectiveness in public financial management and budget execution.

The analysis indicated that the average released budget was UGX 81.06 billion, while the average actual expenditure was UGX 97.40 billion. The paired-sample *t*-test showed no statistically significant difference between budget releases and actual expenditures ($p = 0.464$). Consequently, the null hypothesis was not rejected. These findings indicate that, during the FY 2024/25 reporting period, the observed differences between released funds and actual expenditures were not statistically significant.

Implication of the study finding

Spending above budget indicates poor vote budget monitoring, leading to increased debts and liabilities that, in the long run, affect service delivery by increasing interest paid on debts. Therefore, to ensure efficient expenditure management, the allocated budget revenue should match the planned expenditure. This aligns with (Ssekitoleko, 2020) who emphasized program-based budgeting to deliver quality, accountable, responsive service to communities.

4.2 Comparison of budget absorption rates across government programmes in Uganda

This section presents findings on the comparison of budget absorption rates across government programmes in Uganda. Budget absorption rate refers to the proportion of released funds that were actually utilized by implementing government entities during the reporting period. It is an important indicator of budget execution efficiency because it reflects the ability of programmes to effectively utilize allocated financial resources within a given financial year. Differences in absorption rates across programmes may indicate variations in implementation capacity, procurement efficiency, financial management practices, and institutional performance among government entities. To examine whether significant differences existed in budget absorption rates across government programmes, a one-way Analysis of Variance (ANOVA) was conducted at a 5% level of significance. The findings are presented in table 3.

Table 3: One-Way Anova results for budget absorption rates across government programmes in Uganda

```
. oneway absorption_rate programme_name
```

Analysis of Variance

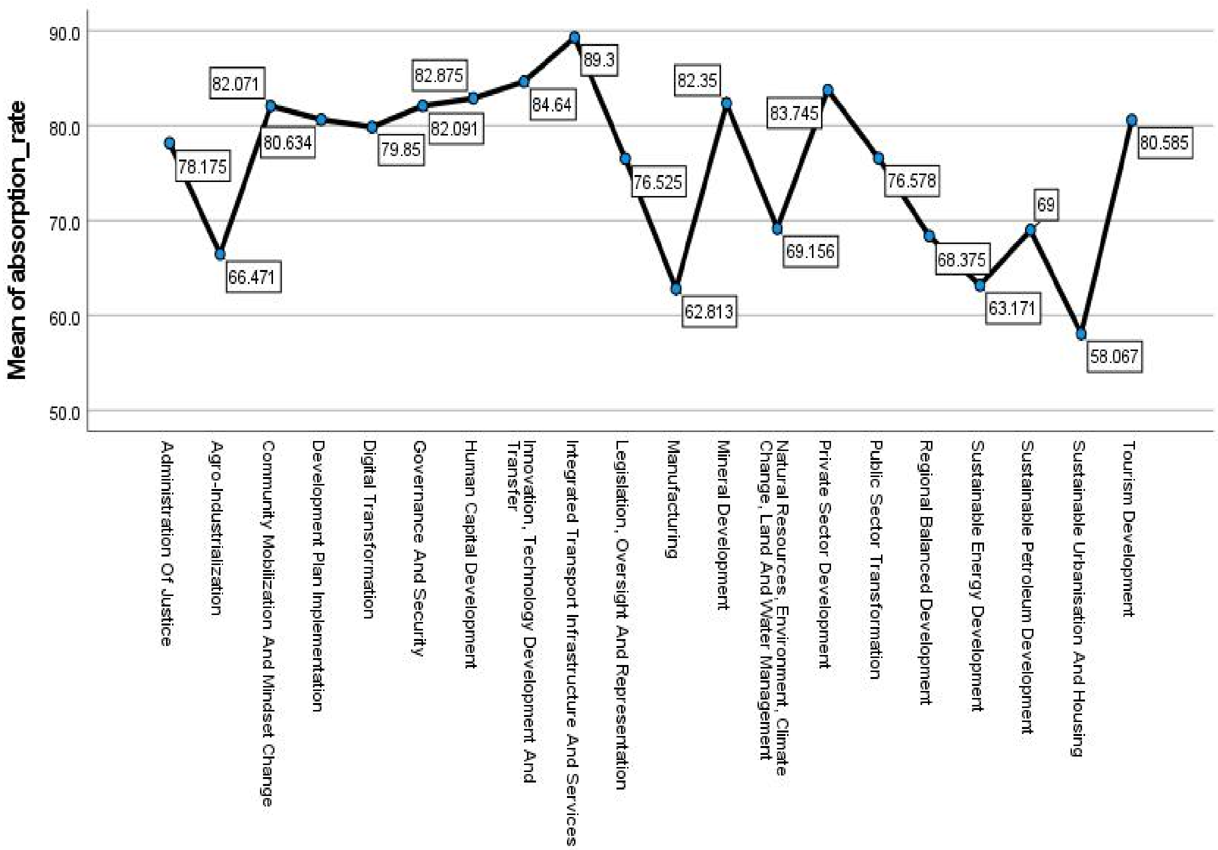
Source	SS	df	MS	F	Prob > F
Between groups	15404.9454	19	810.786597	0.87	0.6202
Within groups	294303.674	316	931.34074		
Total	309708.619	335	924.503341		

The one-way ANOVA results indicate that there was no statistically significant difference in budget absorption rates across government programmes in Uganda. The findings show that the variation in absorption rates between government programmes was relatively small (F=0.87, P=0.6202). These findings imply that, on average, government programmes exhibited relatively similar budget absorption performance during the FY 2024/25 reporting period. This may further imply that public financial management practices and expenditure execution mechanisms across government programmes operate under relatively similar institutional and administrative conditions. The findings are also consistent with the findings in Figure 1. The analysis revealed no statistically significant differences in budget absorption rates across government programmes ($F = 0.87$, $p = 0.620$). Accordingly, the null hypothesis was not rejected. Although absorption rates varied descriptively across programmes, these differences were insufficient to demonstrate statistically significant variation at the 5% significance level.

Implication of the findings

The reduction in actual budget variances shows financial discipline and the need for consistent service delivery. It also indicates strong budget control and implementation procedures that align resource allocation and distribution, which drives performance. This supports the argument of (Bîrcă, 2022) who emphasized cost forecasting and aligning procurement with the budget to avoid emergency procurement.

Figure 1: Mean Budget Absorption Rates Across Government Programmes in Uganda



4.3 Comparison of budget releases across government programmes in Uganda

This section presents findings on the comparison of budget releases across government programmes in Uganda. Budget releases refer to the amount of funds disbursed by the government to implementing entities for the execution of planned programme activities during a given financial period. Examining differences in released funds across programmes is important in understanding the distribution of public resources and assessing whether certain programmes receive significantly higher or lower financial support compared to others. To determine whether significant differences existed in budget releases across government programmes, a one-way ANOVA was conducted at a 5% level of significance. The findings are presented in Table 4 below.

Table 4: One-Way ANOVA results for budget releases across government programmes in Uganda

```
. oneway released_bn programme_name

                        Analysis of Variance
    Source              SS         df      MS            F     Prob > F
------------------------------------------------------------------------
Between groups      2558408.65      19   134653.087      0.26     0.9994
 Within groups       162497990     316   514234.146
------------------------------------------------------------------------
    Total            165056399     335   492705.668
```

The one-way ANOVA results indicate that there was no statistically significant difference in budget releases across government programmes in Uganda at 5% level (F=0.26, P=0.9994). These findings imply that the average amounts of funds released across government programmes were relatively similar during the FY 2024/25. This indicates that government programmes may have received budget releases under relatively comparable funding and disbursement mechanisms. In addition, the findings imply that although programmes differ in their mandates and operational scope, the government may have maintained relatively balanced release patterns across programmes during the reporting period. The findings indicated no statistically significant differences in average budget releases across programmes ($F = 0.26$, $p = 0.999$). The null hypothesis was therefore not rejected. These findings indicate that observed differences in released funds were not statistically significant during the reporting period.

4.4 Comparison of unspent budget balances across government programmes in Uganda

This section presents findings on the comparison of unspent budget balances across government programmes in Uganda. Unspent budget balances refer to the portion of released funds that remained unutilized by implementing government entities during the reporting period. The existence of unspent balances may indicate delays in programme implementation, procurement bottlenecks, inadequate planning, limited institutional capacity, or inefficiencies in budget execution and financial management systems. Examining differences in unspent budget balances across government programmes is important in understanding the extent of resource utilization efficiency and identifying programmes with relatively higher levels of unutilized funds. To determine whether significant differences existed in unspent budget balances across government programmes, a one-way ANOVA was conducted at a 5% level of significance. The findings are presented in Table 5.

Table 5: One-Way ANOVA Results for Unspent Budget Balances Across Government Programmes in Uganda

```
. oneway unspent_bn programme_name

                        Analysis of Variance
    Source              SS         df      MS            F     Prob > F
------------------------------------------------------------------------
Between groups      6870.95489      19   361.629205      0.86     0.6307
 Within groups      132541.532     316   419.435227
------------------------------------------------------------------------
    Total           139412.487     335   416.156677
```

The one-way ANOVA results in Table 5 indicate that there was no statistically significant difference in unspent budget balances across government programmes in Uganda (F=0.86, p=0.6307). These findings imply that the levels of unspent funds across government programmes were relatively similar during the FY 2024/25. The absence of statistically significant differences implies that most government programmes experienced comparable levels of unutilized resources, regardless of differences in programme mandates and operational activities. This may indicate that challenges related to budget utilization, expenditure execution, procurement processes, and implementation efficiency are relatively common across government programmes rather than being concentrated within specific programmes. The results showed no statistically significant differences in unspent budget balances across programmes ($F = 0.86$, $p = 0.631$). The null hypothesis was therefore not rejected. These findings indicate that observed differences in unspent balances were not statistically significant during the study period.

4.5 Relationship between budget releases and absorption rates across government programmes in Uganda

This section presents findings on the relationship between budget releases and absorption rates across government programmes in Uganda. Understanding the relationship between these variables is important in assessing whether variations in released funds influence the efficiency of budget utilization across government programmes. To examine the relationship between budget releases and absorption rates across government programmes, pairwise correlation analyses were conducted at a 5% level of significance. The findings are presented in Table 6.

Table 6: Correlation Results for Budget Releases and Absorption Rates Across Government Programmes in Uganda

			Released budget	Absorption rate
Spearman's rho	Released budget	Correlation Coefficient	1.000	-.066
		Sig. (2-tailed)	.	.228
		N	336	336
	Absorption rate	Correlation Coefficient	-.066	1.000
		Sig. (2-tailed)	.228	.
		N	336	336

The correlation results in Table 6 indicate that there was no statistically significant relationship between budget releases and absorption rates across government programmes in Uganda at the 5% level of significance (p = 0.228). These findings imply that the amount of funds released to government programmes did not significantly influence budget absorption rates during the FY 2024/25 reporting period. This may also indicate that factors such as procurement processes, implementation capacity, planning efficiency, institutional management systems, and administrative bottlenecks play a more important role in determining the ability of government programmes to utilize released funds effectively. Consequently, improving budget absorption may require strengthening institutional and operational capacity rather than focusing solely on increasing budget releases. It requires changing budgeting approaches to program- and activity-based, and changing the accounting mode to accrual accounting to ease budget implementation.

The correlation analysis produced a weak negative correlation between budget releases and budget absorption rates ($r_s = -0.066$), which was not statistically significant ($p = 0.228$). Consequently, the null hypothesis was not rejected. These findings indicate that the amount of budget released was not significantly associated with programme-level budget absorption during the FY 2024/25 reporting period.

Discussion

This chapter discusses the findings of the study in relation to the study objectives, public financial management (PFM) theory, agency theory, and previous empirical studies. The discussion focuses on the implications of the statistical findings for budget execution, expenditure efficiency, and programme implementation within Uganda's programme-based budgeting framework. The study established that there was no statistically significant difference between budget releases and actual expenditures across government votes during the FY 2024/25 reporting period ($p = 0.464$). This finding suggests that, overall, actual expenditures closely reflected the level of resources released to implementing entities.

From a public financial management perspective, this indicates that government entities generally operated within available fiscal resources during the reporting period. The finding supports the principles of public financial management theory, which emphasises that effective expenditure management depends upon credible budget execution and disciplined utilisation of released resources rather than budget formulation alone. Where released resources are utilised without statistically significant divergence from expenditure, the budget execution process demonstrates a degree of fiscal consistency.

However, the descriptive statistics revealed that certain programmes, particularly Development Plan Implementation, recorded expenditures exceeding average budget releases. Although these differences were not statistically significant overall, they suggest that some programmes may have utilised commitments from previous financial periods, supplementary releases, or other financing arrangements. This observation highlights the need for improved financial reporting to explain programme-specific variations in expenditure performance. The findings are generally consistent with Allen et al. (2013), who argue that credible budget execution requires alignment between approved allocations, released resources, and actual expenditures. However, unlike several studies conducted in developing countries that reported substantial expenditure deviations arising from delayed releases and procurement bottlenecks, the present study did not find statistically significant evidence of such differences across government programmes.

The study further established that budget absorption rates did not differ significantly across government programmes ($F = 0.87$; $p = 0.620$). This finding suggests that variations in expenditure absorption among government programmes were relatively small and may reflect common institutional operating conditions across the public sector rather than programme-specific differences. From the perspective of agency theory, similar absorption rates across programmes may indicate that implementing agencies operate under comparable accountability frameworks, financial regulations, Treasury release procedures, and oversight mechanisms. Nevertheless, the absence of statistically significant differences should not be interpreted as evidence that all programmes perform equally well. Instead, it suggests that programme-level variations were insufficient to demonstrate statistically significant differences during the reporting period.

Previous studies have frequently associated low budget absorption with procurement delays, staffing shortages, weak planning systems, and implementation bottlenecks. The present findings imply that these constraints may be systemic across government rather than confined to individual programmes. Accordingly, improving expenditure efficiency requires sector-wide institutional reforms rather than interventions targeted solely at specific government programmes.

The study also found no statistically significant differences in budget releases across government programmes ($F = 0.26$; $p = 0.999$). Although descriptive statistics indicated substantial variation in the absolute monetary value of released funds, the inferential analysis demonstrated that these variations were not statistically significant after accounting for programme variability. This finding may reflect Uganda's programme-based budgeting framework, which allocates resources according to nationally approved priorities while operating within common Treasury release procedures.

The finding differs from several international studies that reported significant disparities in resource allocation arising from political priorities and fiscal constraints. One possible explanation is that Uganda's Treasury release mechanisms apply relatively consistent budget execution procedures across programmes during the financial year. However, equitable budget releases alone do not necessarily guarantee efficient programme implementation. Programme outcomes ultimately depend upon institutional capacity, procurement systems, managerial effectiveness, and implementation readiness.

The analysis further revealed no statistically significant differences in unspent budget balances across government programmes ($F = 0.86$; $p = 0.631$). Although descriptive statistics showed variation in average unspent balances, these differences were insufficient to demonstrate statistically significant variation across programmes. Within the context of Public Financial Management Theory, unspent balances are frequently interpreted as indicators of implementation delays, procurement bottlenecks, inadequate planning, or institutional capacity constraints. However, the absence of statistically significant programme differences suggests that such challenges may affect multiple sectors in relatively similar ways. This finding reinforces the argument that improvements in budget execution should focus on strengthening government-wide financial management systems rather than assuming that expenditure challenges are concentrated within specific programmes.

The study established a weak negative and statistically insignificant relationship between budget releases and budget absorption rates ($r_s = -0.066$; $p = 0.228$). This represents one of the most important findings of the study. The finding suggests that increasing budget releases alone is unlikely to improve expenditure absorption. Instead, successful implementation depends upon several complementary institutional factors. The result supports both public financial management theory and agency theory, which recognise that financial resources alone cannot guarantee effective programme implementation. Institutional capacity, procurement efficiency, planning quality, leadership, monitoring systems, and financial accountability collectively determine whether released funds are translated into completed activities and improved service delivery. The findings are consistent with studies demonstrating that high levels of financial allocation do not necessarily produce high expenditure performance where institutional weaknesses persist. Consequently, reforms aimed solely at increasing budget releases may yield limited improvements in programme performance unless accompanied by broader institutional strengthening initiatives.

The findings have several important implications for public financial management in Uganda. First, government should place greater emphasis on strengthening institutional capacity than simply increasing financial allocations. Second, procurement planning should be strengthened to minimise implementation delays that contribute to unspent balances. Third, continuous expenditure monitoring should be integrated within programme implementation to identify bottlenecks before they affect budget performance. Fourth, public financial management reforms should continue focusing on programme performance, accountability, transparency, and evidence-based decision-making rather than concentrating exclusively on budget release performance. Finally, the findings reinforce the importance of Uganda's programme-based budgeting framework while highlighting the need to strengthen implementation systems supporting programme delivery.

The study contributes to Public Financial Management Theory by demonstrating that expenditure efficiency depends upon institutional effectiveness rather than financial allocation alone. Similarly, the findings extend Agency Theory by illustrating that accountability systems, planning quality, procurement effectiveness, and managerial capacity collectively influence budget absorption beyond the amount of resources released. These findings therefore provide empirical support for strengthening institutional performance alongside fiscal reforms.

5.0 Conclusion

This study examined budget release and expenditure efficiency across government programmes in Uganda using data extracted from the FY 2024/25 Semi-Annual Budget Performance Report. The analysis demonstrated that although descriptive variations existed in budget releases, actual expenditures, budget absorption rates, and unspent balances across government programmes, these differences were not statistically significant at the 5% level of significance. Similarly, no statistically significant relationship was found between budget releases and budget absorption rates. The findings suggest that the level of budget release alone is insufficient to explain expenditure efficiency within Uganda's programme-based budgeting framework. Rather, effective budget execution appears to depend more on institutional capacity, procurement systems, planning quality, expenditure monitoring, and financial management practices than on the amount of funds released. Overall, the study demonstrates that improving expenditure efficiency requires strengthening the institutional environment supporting programme implementation rather than focusing exclusively on increasing budget releases.

There was no statistically significant difference between budget releases and actual expenditures across government votes. This suggests that, overall, expenditure performance broadly reflected released resources during the reporting period. The budget absorption rates did not differ significantly across government programmes. This indicates that differences in programme implementation were insufficient to produce statistically significant variation in expenditure absorption.

The budget releases were not significantly different across government programmes. This finding suggests that Treasury release patterns were relatively consistent across programmes during the FY2024/25 reporting period. There were no statistically significant differences were found in unspent budget balances across government programmes. This implies that implementation constraints affecting expenditure utilization may be widespread across the public sector rather than concentrated within individual programmes. There was no statistically significant relationship was found between budget releases and budget absorption rates. This finding demonstrates that expenditure efficiency is influenced by factors beyond financial allocation alone, particularly institutional and managerial capacity.

This study makes several important contributions to public financial management research. First, it provides one of the few empirical assessments of expenditure efficiency using Uganda's programme-based budgeting framework and recent administrative data. Second, the study simultaneously examined budget releases, actual expenditures, budget absorption rates, unspent balances, and expenditure efficiency using a unified analytical framework. Third, the findings contribute to Public Financial Management Theory by demonstrating that institutional capacity, planning quality, procurement efficiency, and financial management systems are more important determinants of expenditure efficiency than budget releases alone. Finally, the study provides evidence that can inform future public financial management reforms, expenditure monitoring systems, and programme implementation strategies in Uganda.

6.0 Recommendations

The findings suggest several implications for public financial management policy. First, reforms should prioritise strengthening institutional capacity rather than relying solely on increased financial allocations. Second, improvements in procurement planning and implementation are likely to have greater impact on expenditure efficiency than adjustments in release schedules alone. Third, programme-based budgeting should continue to emphasise performance monitoring and accountability throughout programme implementation. Finally, strengthening expenditure monitoring systems may improve programme implementation and reduce unspent balances across government.

The Ministry should strengthen expenditure monitoring by conducting regular programme implementation reviews throughout the financial year. Quarterly expenditure performance assessments should be integrated into Treasury management systems to identify implementation bottlenecks early and facilitate timely corrective action. The Ministry should also continue strengthening programme-based budgeting by improving performance monitoring and ensuring that financial allocations are supported by realistic implementation plans.

Accounting Officers should strengthen procurement planning, project scheduling, expenditure tracking, and financial reporting to improve utilisation of released funds. Programme managers should strengthen internal monitoring systems to identify implementation delays before they affect expenditure performance. Continuous capacity building should be provided for programme managers, procurement officers, accountants, and planning officers on public financial management, programme budgeting, and expenditure management.

Government should continue investing in institutional capacity development across ministries, departments, agencies, and local governments to strengthen programme implementation. Government should also strengthen transparency by publishing timely information on budget releases and programme expenditure performance to enhance public accountability. Rather than reducing funding solely because of low absorption, government should first investigate whether implementation constraints arise from procurement delays, legal requirements, staffing shortages, or other institutional factors before making budgetary adjustments. Future studies should: analyse multiple financial years to examine long-term expenditure trends; incorporate institutional variables such as procurement efficiency, staffing levels, leadership, and organisational capacity; employ mixed-methods approaches to explore contextual factors influencing expenditure efficiency; compare expenditure performance across sectors or regions within Uganda; and investigate causal relationships using longitudinal or panel data where available.

Several limitations should be considered when interpreting the findings. First, the study relied exclusively on secondary administrative data and was therefore limited to variables reported in the FY2024/25 Semi-Annual Budget Performance Report.Second, the cross-sectional design provides evidence for one reporting period and does not permit causal inference. The third, variables such as procurement efficiency, leadership quality, staffing capacity, political influences, and organisational culture were not available in the dataset. Fourth, the study did not report statistical assumption tests or effect sizes because the original SPSS/Stata outputs were unavailable and these limitations should be considered when generalising the findings.

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