

PARLIAMENT OF UGANDA

PARLIAMENTARY DEBATES

(HANSARD)

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FIRST SESSION - SECOND MEETING

WEDNESDAY, 7 OCTOBER 2026

PARLIAMENT OF UGANDA

IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

FIRST SESSION - 5TH SITTING - SECOND MEETING

Wednesday, 7 October 2026

Parliament met at 2.12 p.m. in Parliament House, Kampala.

PRAYERS

(The Deputy Speaker, Thomas Tayebwa, in the Chair.)

The House was called to order.

COMMUNICATION FROM THE CHAIR

THE DEPUTY SPEAKER: Honourable members, I welcome you to today's sitting. I am happy to see *Omugurusi* Kasaija. He tried to move to the other side, but I think he deserves an honorary seat there permanently, so whenever he comes in, he should always find it comfortable to sit. *(Laughter)*

Today we started with a Business Forum, as part of the National Prayer Breakfast, where we hosted the business community here, and several issues came out. I hope Hon. Bahati and Hon. Edakasi will find time to update us here on the Floor because critical issues came up, but they were very happy to see that they can come to Parliament without being asked questions. Instead, they were the ones asking the questions. I thank those colleagues who managed to join in.

After, I met with the Secretary General of the Commonwealth, accompanied by the Minister of Foreign Affairs. We had a very good interaction because I also had the Opposition Chief Whip, the Chair, Foreign Affairs, the Shadow Minister for Foreign Affairs, Hon. Bernard Otim, Hon. Emely Kugonza, and Hon. Enos, who are part of the CPA.

We had a very fruitful engagement, especially on what touches Parliament, including the secretariat supporting Parliament on capacity building for Members, exchanges in different Commonwealth countries, training for our staff, and supporting us on the digitisation transformation process of our Parliament. So, it was a fruitful meeting, in addition to other national issues.

Afterwards, I attended the Women Forum as part of the National Prayer Breakfast, and I assured them that the Business Forum and the Women Forum are not just side events of the National Prayer Breakfast, but an integral part of it. We hope that next year, we could do most of the activities here at Parliament so that we open it up to all Members and not just invite a few, and see how best we can contribute and listen to members of the public who come to support us.

Also, earlier this morning, I had a long interaction with the Minister for Finance because he wanted details on the kind of statement we want today. I told him we want a comprehensive statement. We discussed and came to a conclusion that he needs to consult deeply with other stakeholders, especially the Central Bank, UBOS, and other critical players, so that he brings a statement that is based clearly on facts, that is well researched, and agreed upon by all critical players.

The Minister of Finance can come here, make a statement, and it causes more trouble in the market than what we would have expected. It is very insufficient to just explain the kind of situation we have. So, I have agreed with him - he is not here because he is already in some of the meeting's consulting - that we should do this statement next week after they have sat as a sector with all the critical players and agreed on the position to come up with and address the nation and this House.

I will amend the Order Paper to allow the Opposition Chief Whip to designate a member. Yes, Hon. Mwiru.

2.19

THE CHIEF OPPOSITION WHIP (Mr Paul Mwiru): Thank you, Mr Speaker and honourable colleagues. In accordance with Rule 167(2) of our Rules of Procedure, I beg to re-designate Hon. Ayagalachi Jamali from the Committee of Science, Technology and Innovation to the Committee of Subsidiary Legislation. I beg to re-designate.

THE DEPUTY SPEAKER: What is the reasoning behind this, because we concluded this process? I thought we would be working on only the new Members who do not have committees.

MR MWIRU: Thank you, Mr Speaker. There was an oversight, and when I checked the record, we had not designated any Member to that committee. So, that is the reason; I thought it was important that, as the Opposition, we have a Member to represent us on that committee.

THE DEPUTY SPEAKER: Okay. Honourable colleagues, I put the question that the Member be designated to the proposed committee.

(Question put and agreed to.)

THE DEPUTY SPEAKER: I was emphasising that part because I do not want to have continuous changes and crossings from one committee to another, according to Hon. Ssekitoleeko - yes, LOP. The Government Chief Whip, I hope the Minister for Energy and the Attorney-General are ready because they are the ones we are going to next.

2.20

THE LEADER OF THE OPPOSITION (Mr Joel Ssenyonyi): Yes, actually that is what I wanted to draw our attention to, Mr Speaker. The statements we requested yesterday were twofold: one was from the finance ministry, regarding the dollar rate, which is at a record low, and the second was from the Ministry of Energy and Mineral Development regarding the skyrocketing fuel prices.

It is good that the Government Chief Whip is assuring us that the Minister for Energy is coming. So, we shall wait. Hopefully soon, because I saw on the Order Paper that they should now be number one because we have moved finance to next week.

THE DEPUTY SPEAKER: The same minister, from what I was informed by the clerk's office, is the one who will be guiding the debate; she will be the one to respond to the issues; she is standing in for the Minister for Science, Technology and Innovation. So, let us handle matters of national importance for now.

2.21

MR ROBERT SSEKITOLEEKO (NUP, Bamunanika County, Luweero): Thank you, Mr Speaker. The matter I am raising is a health-related issue: individuals started a company called BioHaz Limited to dispose of health-related waste in Kyoga LC1, Kayindu Parish, Kalagala Subcounty, Bamunanika County, Luweero District.

At the start of the project, residents were convinced that they were going to start a textile industry. To their dismay, instead of doing what should be done scientifically, they are just getting matchboxes and setting those health wastes on fire. The smoke from there is dangerous and is causing health-related issues to the residents around. Many young people and mothers are going through a lot. People are even trying to shift to other areas where they can stay.

Mr Speaker, my prayers are: that the plant should be closed with immediate effect and the licensing authority be investigated; and two, that with your guidance, Mr Speaker, the line committee should intervene and investigate the matter to save the situation and the lives of Ugandans in that particular place, because three subcounties are affected. I beg to submit.

THE DEPUTY SPEAKER: Thank you. The response of the minister will tell us whether we should - I have the minister for environment; I think they are the ones who licence the National Environment Management Authority. Waste disposal is under NEMA. If the Government Chief Whip has more information, the better.

2.24

THE GOVERNMENT CHIEF WHIP (Dr Jane Aceng): Mr Speaker, allow me to thank Hon. Ssekitoleeko for this very important matter that he has raised on the Bio Hass Limited plant.

Mr Speaker, the procedure usually is that the plant should have written to NEMA to assess the ground where they wanted to put it. So, I do not know this because in your statement, you did not indicate whether NEMA had given them the go-ahead to put the plant in that place. We would love to know that.

Secondly, we would also love to know whether the district actually authorised them to put that plant there. If they did and there is a challenge, the Ministry of Water and Environment will come in to take action. We request that you write to the minister for environment and attach those documents. Thank you.

THE DEPUTY SPEAKER: Thank you. Honourable Minister, the member will not do that; my member is not an investigator. His role is to raise issues from the community and the minister takes it up because the Member cannot go around asking for a licence. "Do you have a licence? Were you approved by so and so?" Someone is burning hazardous items - we expect the minister to investigate and report back, and also take action.

2.25

THE MINISTER OF STATE FOR WATER AND ENVIRONMENT (ENVIRONMENT) (Ms Beatrice Anywar): Thank you, Mr Speaker. As I was coming in, I heard the honourable member, who is my son, raising the concern from his community. My chief whip has also alluded to that.

As you have guided, I am going to liaise with the Member of Parliament and send there a team on our part as the environment docket to establish the facts. We could also involve the health ministry and then we shall find a way to handle it, as Government. Thank you very much.

THE DEPUTY SPEAKER: Thank you. Honourable minister, please give us an update on this next week; take action. That is very dangerous. People who are supposed to be incinerating are simply burning items in the open. Yes, Hon. Gilbert Olanya.

Honourable colleagues, if I do not pick you yet you had your issue registered, know that I assessed and felt this issue was not among the very urgent ones that require an answer today or tomorrow.

2.26

MR GILBERT OLANYA (FDC, Kilak South County, Amuru): Thank you, Mr Speaker. I rise on a matter of national importance concerning Government stopping the payments of hard-to-reach allowances to the civil servants in 24 districts in Uganda.

Mr Speaker, in July 2010, the Government opted to pay 30 per cent on top of the payment for civil servants who work in 24 districts classified as "hard-to-reach". However, in August this year, the ministry all of a sudden gave a directive stopping payments of the hard-to-reach allowances. The staff that are mostly affected -

THE DEPUTY SPEAKER: Which ministry, honourable member?

MR OLANYA: The Ministry of Finance, Planning and Economic Development. Mr Speaker, the staff most affected are teachers, medical personnel, and civil servants working in the subcounties, and many of our teachers service their loans using their salaries. As I speak, since the payment of the hard-to-reach allowances stopped last month, many teachers have raised concerns about their money – *(Member timed out.)*

THE DEPUTY SPEAKER: Honourable member, such a narration on matters is too long. After getting a PhD, you started –*(Laughter)* – it is not a research paper.

MR OLANYA: Thank you, Mr Speaker. I wanted Members to understand. Our concern is that the Government cannot stop the payment of hard-to-reach allowances in such an abrupt manner. Change is a process.

I pray that the ministry for finance continues paying the hard-to-reach allowances to our teachers, the medical personnel and in case of any change, let it come as a process. Right now, many of our teachers are affected. They are getting negative – *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you. These are issues that I usually advise on. If the Government is to handle such an issue, update Members and the House, so that they are able to go and explain it because the people will put pressure on them. Government Chief Whip, let the Minister for Finance respond on Tuesday. Let us hear from Hon. Dr Rude, followed by Hon. Cohen.

2.30

DR MONDAY RUDE (NRM, Bukonzo County East, Kasese): Thank you, Mr Speaker, for this opportunity. I rise on a matter of national importance concerning candidates preparing to sit the forthcoming Primary Leaving Examination, Uganda Certificate of Education, and Uganda Advanced Certificate of Education examinations.

In my constituency, there are reports and evidence that learners who have not completed paying school fees are being chased away and threatened that they will not sit their final exams. A learner who is already registered by UNEB has a right to sit his or her national exam.

THE DEPUTY SPEAKER: Is that for UPE or private schools?

DR RUDE: It includes both primary and secondary schools owned by the Government. Mr Speaker, schools have their legitimate right to ask for school fees balances, but the learners also have this golden opportunity to define their future.

I, therefore, pray that Government directs that all students registered by UNEB be allowed an opportunity to sit their exams, irrespective of whether they have paid fees or not - *(Applause)*- and that Government directs these schools to comply, while exploring alternative means of recovering their fees. I submit, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. But the same Government is saying the fees are illegal. *(Laughter)* I think what is causing confusion is that we have not come out clearly on this. Hon. Balaam is in the field and is saying no one should pay. However, the Ministry of Education and Sports has not come out to issue a circular. I faced those questions in my constituency and told them not to pay because Hon. Balaam is a minister and must be conveying the position of Government.

The minister should issue a clear circular. I do not sit on the Executive; I do not know what was discussed in Cabinet. Personally, I do not want my people to pay. If this is UPE or USE, we should make it very clear but let the ministry issue clear guideline. I think that will make it very easy for all of us to know the clear direction. People should not be saying, "How can the Minister of Local Government be the one to give directives for the Ministry of Education and Sports?" Yes, Hon. Muzaid.

2.33

MR MUZAID KHEMIS (FDC, Arua Central Division, Arua City): Mr Speaker, during recess, I moved from one primary and secondary school to another.

I am a teacher by profession, in addition to the other professions I hold. The situation on the ground is not right. We are going to make statements. However, as I speak, in Kiryandongo District, teachers and headteachers were brutally arrested. Mr Speaker, is that the way we are going to treat civil servants, especially the teachers who taught us to speak this good English?

THE DEPUTY SPEAKER: Why were they arrested?

MR MUZAID: The issue was the fees that they were trying to charge. I appeal that we go on the ground because there are utilities. We have electricity that is used in the schools. We have issues to do with water. Can we really give ourselves time before we begin to arrest these teachers?

THE DEPUTY SPEAKER: No, honourable member, let us make it very simple. Let the Minister of Education and Sports come here, clarify, and/or give a clear position. The confusion is because some people are saying, "No, this is the Minister of Local Government." To me, a minister is a minister. They speak the same language here. Can we have a circular with a very clear written position from Government?

2.34

THE GOVERNMENT CHIEF WHIP (Dr Jane Aceng): Mr Speaker, allow me to remind honourable members that last week, there was a directive that I get the Minister of Education and Sports together with the Minister of Local Government to harmonise and come back next week to tell this Parliament the correct way forward.

I have already done that. I even brought it to the attention of the Prime Minister to call both of them. So, we shall get a report.

THE DEPUTY SPEAKER: Thank you. Dr Rude, your issue will be answered in that respect. Hon. Cohen Amanya -

2.35

MR COHEN AMANYA (NRM, Igara County West, Bushenyi): Thank you, Mr Speaker. I wish to rise on a matter of national importance regarding the collapse of many factories in the tea sector.

As we speak, one of the factories, Igara Tea Factory, has been reported in the newspaper - it is up for auction. I have a copy of the newspaper here, and I beg to lay it on the Table.

Mr Speaker, the tea sector and all these factories employ Ugandans. These factories have been paying taxes. So, if we leave, for example, Igara Tea Factory, which is collapsing, Mabale Tea Factory, Kayonza Tea Factory and Mpanga Tea Factory - I beseech the Government, and one of my prayers is that it intervenes and looks for ways of stopping the auction, especially of the tea factories.

Secondly, I urge that we look into the issue of a minimum price. Mr Speaker, I am saying this because all these factories and the crop that we are talking about, tea, have been here for ages.

If we leave these factories to go and our people have nowhere to sell their tea, yet we are talking about the economic transformation of this country, we will not be doing a good service.

Igara Tea Factory and other factories are on the verge of collapse and sale. We urge the Government to intervene in this sector. Thank you very much, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. Honourable colleagues, when we were at Kyankwanzi, I led a delegation, which Hon. Cohen Amanya was part of, to *Omugurusi* Kasaija. We met the President and agreed on key resolutions for the tea sector.

First, the Government would waive taxes for these factories, which were no longer

operating, because when prices fell, they ran into big problems. Yesterday, I spoke to the minister, and he said he was working on it.

Two, the President promised fertilisers. The report I got from the field in my area is that the fertilisers have come, but there was money, I think, Hon. Cohen, is it Shs 112 billion?

MR AMANYA: Yes.

THE DEPUTY SPEAKER: Yes, Shs 112 billion to help these factories. So, let the Minister of Finance, Planning and Economic Development come and update the House on how far they have gone in implementing these resolutions. My witness will be *Omugurusi* Kasaija, who was there as Minister of Finance, Planning and Economic Development. *Omugurusi* Kasaija is not *Omusuuga* in any way. He cannot be as tough as *Omusuuga*. *(Laughter)* He is a very humble man.

Hon. Grania Nakazibwe -

2.38

MS HOPE NAKAZIBWE (NRM, Woman Representative, Mubende): Thank you very much, Mr Speaker. I rise on a matter of national importance concerning the rain and hailstorm that hit my people in Mubende District, where several sub-counties were affected, including Butoloogo Subcounty, Kigando Subcounty, Nabingoola Town Council and another subcounty.

In this disaster, several crops were destroyed. The gardens were almost swept away. We had coffee plants, including those producing yields at the time, which fell, meaning the hailstorm and rain were very heavy.

Mr Speaker, in this situation, our people need relief in the form of food, crops for planting, and iron sheets for the houses that were badly affected. If possible, the Office of the Prime Minister could provide temporary shelter as we await the iron sheets if they are not ready. However, according to the Prime Minister's communication yesterday, I understand that the iron sheets are available. Thank you, Mr Speaker.

Mr Speaker, I also want to add that now that we have Mama Mabira here, Hon. Beatrice Anywar, if the ministry could provide trees for planting, as it previously did through the National Forest Authority (NFA), we would be grateful. This would help us prepare for climate change. Thank you.

THE DEPUTY SPEAKER: Thank you. Government Chief Whip?

2.40

THE GOVERNMENT CHIEF WHIP (Dr Jane Aceng): Mr Speaker, the Minister in the Office of the Prime Minister in charge of Relief, Disaster Preparedness and Refugees will be informed immediately of this disaster and requested to take action. I thank you.

THE DEPUTY SPEAKER: Thank you. Next item.

MINISTERIAL STATEMENT ON THE RISING FUEL PRICES

THE DEPUTY SPEAKER: Honourable Minister of Energy and Mineral Development?

2.40

THE MINISTER OF ENERGY AND MINERAL DEVELOPMENT (Dr Monica Musenero): Thank you very much, Mr Speaker. I thank you for the opportunity to update this House on the current pricing of petroleum products.

The statement covers the factors influencing pump prices, the current supply position, measures to strengthen market monitoring and Government interventions to ensure reliable and affordable access to petroleum products.

It also responds to concerns raised by the Honourable Member for Nabilatuk regarding regional price differentials and conditions in Karamoja, market monitoring and enforcement,

access to petroleum market information, and regional petroleum storage and distribution infrastructure.

Uganda operates a liberalised petroleum market in which the ministry does not prescribe a uniform pump price for oil-marketing companies at their various retail outlets.

Pump prices are influenced by a combination of factors, including international product prices, exchange rates, procurement arrangements, transportation and logistics costs, volumes handled, operating and financial costs, investment in retail stations, competition, customer profiles, station ownership and contractual arrangements as well as the commercial margins required by the individual OMCs.

Mr Speaker, the exchange rate is a major domestic factor increasing the landed cost of petroleum products. The Uganda shilling weakened from about Shs 3,790 per US dollar at the beginning of September 2026 to about Shs 4,035 by the 5th of October 2026. Since Uganda imports refined petroleum products, this depreciation directly raises the shilling cost of each incoming cargo even where international product prices remain unchanged.

Based on the ministry's current assessment of the product cost, the movement in the exchange rate from approximately Shs 3,790 per US dollar at the beginning of September to approximately Shs 4,035 per US dollar today translates into an estimated additional cost of about Shs 300 per litre, purely from exchange rate movement. This illustrates why changes in pump prices should be assessed against both international product costs and the domestic macroeconomic environment in which the petroleum industry operates.

The price pressures have also been compounded by the increase in excise duty on petroleum products for the Financial Year 2026/2027. The Excise Duty (Amendment) Act, 2026, increased the applicable excise duty on petroleum and diesel by Shs 200 per litre, with the amendment effective from 1 July 2026. This additional tax, together with the depreciation of the Uganda shilling and movements in international petroleum prices, has progressively increased the cost reflected in the domestic market.

The ministry, therefore, recognises that the current pump price movement reflects several factors including international prices and supply conditions, exchange rate movements, taxation, freight, insurance and other supply chain costs.

Price differences between Kampala and upcountry markets do not necessarily indicate unjustified mark-ups. OMCs receive the same applicable loading price at the relevant terminals in Kenya and Tanzania. Still, they incur different costs thereafter, including transport, volumes, contractual arrangements, operating and financing costs, safety requirements, and station investment. Larger OMCs may also spread these costs through economies of scale. It is therefore not accurate to apply a single standard cost build-up to Nabilatuk, Moroto, or other remote markets.

Mr Speaker, market surveillance on 8 September 2026 found petrol at about Shs 6,850 per litre and diesel at Shs 7,099 in Moroto, compared with Shs 6,650 and Shs 6,800 respectively in Kampala; a difference of about Shs 200 for petrol and Shs 299 for diesel. These differences cannot be attributed to distance alone. They also reflect each OMC's supply arrangements, operating efficiency, volumes, commercial strategy, and ability to absorb logistical costs.

Smaller and remote markets can have irregular conditions. In Nabilatuk, for example, limited infrastructure and weak competition can create conditions resembling a local monopoly. Low sales volumes also mean that transport and operating costs are spread over fewer litres, increasing the unit supply cost. Government, therefore, considers market structure, competition, infrastructure and actual supply costs, not distance alone, when assessing regional price differences.

Legitimate logistical costs should not justify unexplained or excessive margins. The Petroleum Supply Department monitors prices

and engages OMCs where anomalies arise. In Adjumani, following public complaints and media reports, Universal Energy received a default notice and was required to explain its pricing. The department found that prices reflected cumulative costs from multiple purchases and advised the operator to align prices with the prevailing regional market. The ministry also works with Uganda Revenue Authority (URA), the Office of the Prime Minister, and security agencies to address illegal diversion, informal cross-border trade, hoarding and artificial scarcity. The current stock position is sufficient to meet national demand.

Mr Speaker, these domestic pressures are occurring against a highly stressed international petroleum market. Disruptions to production and transportation in the Middle East, constraints on refined product supply and restrictions on international fuel trade have affected global prices. *BBC News* reported on 2 October 2026 that the average UK diesel pump price had exceeded £2 per litre for the first time, illustrating the scale of the international supply shock affecting refined products.

The Government is strengthening supply resilience through UNOC's coordinated procurement and supply management, including measures that helped cushion the exceptional price increases of March to May 2026. The Government is also engaging Kenya on a product-sharing exchange framework, pursuing alternative supply routes through Tanzania, including a refined products pipeline and Tanga storage, as well as addressing logistical constraints along the Mombasa and Dar es Salaam corridors.

In the medium term, strategic inland stocks and improved storage, including at Jinja, will provide an additional buffer against external supply disruptions.

Stable supply is critical to moderating avoidable price pressures.

The Government continues to strengthen coordinated procurement and supply management through UNOC, while the ministry monitors international prices, foreign exchange, freight insurance, and regional logistics, all of which can transmit into domestic wholesale and retail prices.

Mr Speaker, Government is addressing structural factors that raise distribution costs in remote areas through the Strategic Regional Petroleum Storage Infrastructure Project. The project proposes phased regional storage terminals along key supply corridors, including Northern Uganda, with final locations guided by technical, commercial, and demand assessments. Bringing bulk products closer to consumption centres will reduce long-distance tanker movements and logistics costs, strengthen supply security and improve access across western, northern and north-eastern Uganda.

The planned addition of a 10 million litre petrol tank to the existing 30 million-litre Jinja storage terminal will strengthen national stock-holding and response to disruptions. The Government is also supporting the 320 million-litre Kampala storage terminal as a strategic distribution hub.

The Government is strengthening support resilience through regional cooperation and route diversification. Uganda continues to engage Tanzania on developing a refined petroleum products pipeline from Tanzania and an interim storage terminal at Tanga. These measures will reduce dependency on any single supply corridor.

Mr Speaker, our approach to petroleum pricing is anchored on three priorities:

i. Maintaining adequate and reliable supplies;
ii. Strengthening market surveillance and enforcement; and
iii. Reducing structural supply chain costs through storage and distribution infrastructure.

Regional price differences must be assessed using actual market evidence rather than distance alone.

While Uganda's liberalised market allows Oil Marketing Companies (OMCs) to set retail prices according to their commercial circumstances, the Government will intervene where conduct causes unjustified price escalation or threatens security of supply.

I wish to assure this House that the ministry will continue monitoring petroleum stocks, incoming cargoes, international market development and pump prices, including in remote and border markets such as Karamoja. We will work with Uganda National Oil Company (UNOC), the OMCs, regional partners and other agencies to address avoidable supply chain costs and market distortions.

The current October stock position and confirmed cargoes provide a stable supply outlook, while planned infrastructure and market monitoring measures will strengthen resilience over the medium and long term.

Mr Speaker, we remain committed to a stable, secure and competitive petroleum market that supports households, transport, Agriculture, industry and the wider economy.

I urge Members of Parliament and the public to report suspected unjustified pricing and illegal diversion or artificial scarcity through the established channels so that the ministry can verify and take appropriate regulatory action. I beg to submit.

THE DEPUTY SPEAKER: Before I open up debate, honourable minister, you are the sole supplier of petroleum products in the country. How much do you sell to OMCs?

DR MUSENERO: Mr Speaker, UNOC plays a buffer. We do not directly sell to the users. All the petroleum products go through OMCs.

THE DEPUTY SPEAKER: That is what I asked. How much do you sell to OMCs per litre?

DR MUSENERO: Mr Speaker, give me a minute and I will get the current rate.

THE DEPUTY SPEAKER: Let me start with the Leader of the Opposition (LOP) who raised the issue, then Hon. Otimgiw and Hon. Achia.

2.57

THE LEADER OF THE OPPOSITION (Mr Joel Ssenyonyi): Thank you, Mr Speaker. I thank the minister for the statement. However, I do not think the statement is comforting enough for the population out there. There are a number of questions that are yet to be answered.

The reserves in Jinja, as mentioned in our statement, have a capacity of about 30 million litres. Uganda consumes about 6.5 million litres on a daily basis. That means that our reserves cannot take us for more than five days, which is worrying.

Yesterday, I did mention that Kenya is going to the polls next year. We have had a similar situation in 2007 where there was a crisis, so supply was disrupted and we were not ready. Mr Speaker, you encouraged us to pray for Kenya so that all goes well with their polls and we are praying. We hope that their polls go all right.

Even in our homes, before we go to sleep, we pray but afterwards check to be sure the door is closed. You trust in God but close your door. Therefore, as we are praying for Kenya to be all right with their election, we have got to be ready on our end in the eventuality of any supply disruption. That is not coming through.

Our economy was liberalised, so the oil marketing companies will determine retail prices, but again, we insist that where it becomes problematic, the Government is duty-bound to come in. That is why we are reminding them that UNOC is the sole importer of bulk petroleum products. I have heard some Government officials a few times saying that it is higher in some other countries. Why are you comparing yourselves to those who are having a worse-off situation?

If you are heading a home and your children are going without food for a day, you cannot say

that the neighbours go for three days without; at least you spend one day. You have got to fix your own home. Therefore, we should not use that excuse. Let us fix what we need to fix.

The minister's statement on page 3, point No.4, says that part of the reason we are seeing a challenge with the increase in fuel prices is because of the increase in excise duty on petroleum products for the Financial Year 2026/2027, which started in July. Government, I hope you begin to learn to listen. We were here during the budget process and we put up resistance against this Shs 200 increase. The Government said, "It's a small figure. We need that little money to buttress the budget."

We said that an increase in excise duty on fuel, even if it is a shilling, will bring problems because speculators will shoot pump prices up, saying that Parliament increased the fuel tax. We told you; you refused to listen, and now you are giving it to us as a reason for the increase in fuel prices. I hope this is a lesson we learn.

Related to that, almost every point in the minister's statement talks about exchange rates and the depreciating shilling. Points No.1, 2,3,4,5 and so on - I have been highlighting - talk about the exchange rate movements, the depreciating shilling, and so on. Again, we hope that the Government learns to listen.

It is good that that statement will come next week, but now that the minister has alluded to this in her statement on nearly every point, we were here and said our exchange rate is going to have issues partly because of that Sovereignty Bill that was passed. There are many other factors, but this was part of it. The Governor of the Bank of Uganda told us as such, but we refused to listen.

I know some people have said that the Protection of Sovereignty Bill has no connection because there were amendments to the Bill and eventually what was passed into law. I encourage those saying that to read the Protection of Sovereignty Act. Even after the Bill was amended after we made noise and certain proposals were dropped, please read what was passed and see what is in it.

Read section 13, for example, which talks about economic sabotage where an agent of a foreigner publishes false information or undermines the economic system - and I am using this as an example - and an entity that is found liable for that will pay a fine of Shs 2 billion; if it is an individual, Shs 1 billion or 10 years in prison or both.

Mr Speaker, this automatically affects our inflows because people will fear. Those who have been sending plenty of money - you know, the inflows, will say, "What happens if the Government decides that I am an economic saboteur, and I am taken to court over this matter?"

Section 2(2) of the Protection of Sovereignty Act also defines an "Agent of a foreigner" as someone who engages in political activities in Uganda to further a foreigner's interests. These are also issues we raised, and we said: "this is wide-ranging". So, people are worried out there. They say "I can be labelled somebody who is pushing interests of a foreigner". Mr Speaker, when we were speaking against corruption -

THE DEPUTY SPEAKER: Leader of the Opposition (LOP)-

MR SSENYONYI: Yes, Mr Speaker.

THE DEPUTY SPEAKER: When we make resolutions as a House, they become resolutions of the House, including those who agreed and those who disagreed. We cannot come here and start faulting one party when the Bill was passed by the House. If we had rejected it as a House, the Government would not be implementing it.

We are going to end up creating more fear within the public about the decisions of the House. If you have discomfort with any clauses in the law, you can propose a Private Member's Bill for amending that part and we get a solution.

Regarding that same law and as presiding officers, I remember we said that before the committee concludes, the Governor of the Bank of Uganda must reassure the committee that the issues he has been saying will affect the economy have been addressed. The Governor assured the committee again that the issues had been raised and if the Bill passed the way it did, we wouldn't have those issues. But again, we are alluding to that so much.

So, this is the work of the House, not of the opposition or the ruling party. Members might have disagreed but once we agree and pass a law, we all own it up. Whoever has a discomfort can propose to the House, we allow a Private Member's Bill and we amend it.

MR SSENYONYI: Thank you, Mr Speaker. It is true that when a Bill is passed, it is a Bill that has been passed by Parliament. But unfortunately, what does not change is the record that some of us disagreed even with our minority reports - and the *Hansard* captured all of that.

Therefore, for us to point out these issues, is to say, "we told you so". I have talked about an excise duty, which we mentioned. The minister is giving that as an excuse now, and yet we said, "but we told you so". Also, we do not agree that the issues, which were to clean up the Bill, in our view, were captured. That is why we still had a minority report.

Mr Speaker, the point that I am making using the Sovereignty Bill as an example that it has caused our inflows to dwindle, is because- again, widely, the Government can say this one here is promoting interests of foreigners.

When we were exposing the corruption in this House - in the last Parliament, we were called agents of foreigners, yet we were saying "no, this is corruption, it is bad and it has got to be dealt with".

When young people were expressing themselves, they were picked up, arrested brutally, saying, "you are pursuing interests of foreigners". The point there is, there is still a concern. When you say that this person is pursuing foreign interests, which the Government can, in a very wide manner, use against anyone to persecute them in any way It caused those concerns and we need to address them.

Finally, I will use the example of the Public Order Management Act. How some people in the Government - it obviously cannot be everybody, but some state actors will misuse and abuse the law. Section 5 of the Public Order Management Act talks about giving notice to the police if you have an activity.

However, some State actors interpret that to say, "no, you have got to request permission from the Inspector General of Police (IGP)". That is not the law. Section 5 of the law says that "you give notice".

Be that as it may, the Constitutional Court on March 26th, 2020, ruled that Section 8 of the Public Order Management Act was unconstitutional; it is null and void because it violates Articles 20 and 43 of the Constitution regarding freedom of peaceful assembly and expression.

However, some State actors misuse the Public Order Management Act to persecute people. The same way I am saying, even that sovereignty law, which some people think is good, can very easily be abused, and that is why some people are worried, and it affects the foreign inflows. We have seen this happen. We cannot pretend. Over the weekend, some young people organised a football match to promote the party I belong to – National Unity Platform (NUP), it is a registered political party.

However, police and the military went and arrested these young people who were going to play football. They said that they had not requested permission from the IGP, but the youth said that they had notified territorial police, the DPC, and the RPC to provide security but these state actors were now misusing that law.

In the same way, people are worried that the sovereignty law can be misused. And so, we have got to sort ourselves out; otherwise, the Government will keep finding excuse after excuse, but we are being deleterious to ourselves. And here we are.

THE DEPUTY SPEAKER: Thank you. Honourable colleagues, a member who raises an issue is usually given more time to respond when the minister has finished submitting. LOP is very clever, because Rule 74 of the Rules of Procedure concerns the "content of the speech" - I know you should remain within the line of the subject matter, but when someone refers to it as an example, then your hands, as a presiding officer, are tied. But let us discuss this item, providing hope to Ugandans and not presenting a picture of our country as finished or in trouble. Minister for Defence, do you want to guide first before I allow?

3.10

THE MINISTER OF DEFENCE AND VETERAN AFFAIRS (Mr Kiryowa Kiwanuka): Thank you, Mr Speaker. I just want to add a few things to the statement issued by the Minister for Energy. At this point in Uganda, we do not produce any oil, but we are working on that, and hopefully we will. Rather, we rely on imported products, and this information is available; we can check it.

As of 1 July, the price of crude Brent on the world market was $71 per barrel -*(Interjection)*- I am getting there. By the 15th of September of this same year, it had hit $106.69. So, it had increased by a whole 40 per cent on the world market, and that is where we get our crude. So, invariably it is going to affect our price here.

Secondly, as LOP said, the Government can intervene in the prices under the Petroleum Supply Act, though only in extremely exceptional circumstances. And those circumstances must include where a supplier is providing the product at a price, which is not reasonably acceptable. That means you have to look at what is happening out there and compare it to what is here.

Of course, the honourable minister will emphasise that the happenings in Europe and the Middle East are heavily affecting our product here because all of our product is imported.

We may talk about inflows, but we also need to talk about outflows. When you buy fuel at $71, you release $71 for every barrel of oil; when you release $106, you release more dollars than you had. So, naturally, the money in your reserves has to decrease because you are sending out more dollars. We hope the situation in the Middle East settles down so we can come.

Of course, the excise duty is a point you raised, but I think the Government was alive to that. We all discussed it and said, yes, it will increase the price, but we thought it was necessary at that point.

Mr Speaker and colleagues, what is important here for us to understand and what we need to explain to the public is that while the Government may have something it can do about the oil prices at the pump, the first place we need to deal with is where to get the product from.

The issue we are discussing about Nairobi, its elections, and security of supply: we have not gotten to the point as a country where we worry about supply. The supply is available. I do not think anyone has gone to any pump station and has been told there is no fuel. The fuel is here. The issue is the price of that fuel.

Therefore, as issues escalate in the Middle East, we are seeing these price fluctuations driven at that level. The public needs to be notified of the reality of what we are dealing with: that we do not have any product on our own. It is probably time for us to start thinking about how we can manage austerity measures in terms of product use.

Therefore, we encourage the people not to do unnecessary movement. For some of us here in the House who use two or three cars, maybe

it is time we started pulling them so we can reduce consumption. Those are the measures, as leaders, that we need to start sharing with the public. If you have a family which is releasing four vehicles from the compound in a day, it is about time for us to start thinking maybe we can use one car and come back.

The price of fuel is really not a domestic issue. It is really an international issue and the reality is, it is extremely volatile out there. And we need to address our minds to that. I beg to submit. Thank you.

THE DEPUTY SPEAKER: Thank you. Hon. Isaac, followed by Hon. Achia.

3.15

MR ISAAC OTIMGIW (NRM, Padyere County, Nebbi): Thank you very much, Mr Speaker and I thank the minister for the statement. When the Petroleum Supply (Amendment) Act was enacted into law in 2023, that gave Uganda National Oil Company (UNOC) the decree to be the sole supplier of all petroleum products in Uganda; that was a mandate that we gave UNOC to be able to negotiate petroleum products on bulk and give us the best possible prices. In addition, also be able to foresee some of these challenges.

Now, if the minister is telling us about the new supply routes at this time, those are issues we expect UNOC to have planned and foreseen much earlier in case of challenges, because we entrusted them to be the only supplier, and also to develop our infrastructure, as was much mentioned earlier by the opposite bench, in terms of our storage capabilities in developing the structures. Those are issues we wanted to hear about.

Lastly, Mr Speaker, I think we should also follow suit with what is happening in our neighbouring countries and other countries internationally by offering temporary tax relief for a shortened period. We have seen our neighbour Kenya do it. They have lowered their Value Added Tax (VAT) from 16 per cent to 8 per cent to try and cushion the price of petroleum products. Here in Uganda, the total taxes are almost equivalent to about Shs 850 per litre of petrol or diesel. There are countries that have already done that. If we look at Zambia, they have also done a three-month suspension of excise duty. We look at South Africa; they have reduced it by 3 Rand per litre. Several other countries.

Therefore, as we wait for these issues to come up, let us also try to cushion the fuel prices through tax reliefs for our people so prices can come down a bit. I beg to submit. Thank you.

THE DEPUTY SPEAKER: Thank you, Hon. Achia.

3.17

MR REMIGIO ACHIA (NRM, Pian County, Nabilatuk): Thank you, Mr Speaker. I want to go back to the guidance you gave on this issue of petroleum. I am glad the minister has given a comprehensive response. Apart from other colleagues like Hon. Ssenyonyi and others, I had written about this three months ago when I submitted my question to the clerk to the minister; it has taken two months, and we have already seen this happening.

Fuel prices should not be discussed in isolation from the state of the economy. When you see the shilling depreciating, it is feeding into our debt. We have a fiscal deficit. It means we need more shillings to service our debt. If we need to service our debt, it means we need to borrow more money to pay for other things. It is a cycle. Fuel is one trigger.

Mr Speaker, I beg that if we are going to handle this, let the Government, as you guided - let us sit as a country and see how we intervene in all this jargon. It is not just fuel alone. This month alone - since June, our shilling has depreciated by 12 per cent. It has increased our domestic debt by Shs 7.6 trillion without even borrowing anything. Are we even aware? What are we doing about it?

The shilling's depreciation from Shs 3,600 to Shs 4,000 has increased our domestic debt by Shs 7.6 trillion. The data is there. Without us

borrowing any money. What are we doing? What is the Bank of Uganda putting in place? What are we putting in place as a country? What is the Bureau of Statistics talking about it? What are we doing about inflation?

Let us sit together and develop a comprehensive plan to address this matter for our own survival as a country. It should not be addressed in piecemeal. Like my brother Hon. Ssenyonyi talking about the Public Order Management Bill or what, nothing. This is a more serious matter. As a country, we must sit down and see what to do. And how we sort out the fuel issue.

In fuel, particularly, honourable minister, what explains what the Speaker asked: the price difference here in Kampala and in Moroto is so abnormal. Why should it not be closer to the price in Mbale? There is so much difference. Why should I pay Shs 7,000 here and pay Shs 15,000 in Nabilatuk? What is the petroleum supply department, which regulates this in your ministry, doing?

You have mentioned Adjumani, but there is so much happening in the country, and we just leave our people to suffer. We can do something just by following and monitoring these Oil Marketing Companies (OMCs). There are so many differentials; too much to explain. These markups are so abnormal. We need to get the details and say, okay, as the Speaker said, what is the landing price, and how much are you selling a litre of diesel to these OMCs?

That way, we will be able to track markups from transportation, storage, or other factors so that by the time I know, I am satisfied that when I buy diesel at Shs 10,000 in Moroto, it has moved through this course; course one, course two, course three.

Let us really clarify this so that Members of Parliament can help you to explain to the country why the price in Nabilatuk is Shs 10,000, and it is Shs 6,000 in Mbale, for example. We need more, more information. As it is, it is not yet enough.

Let us recommend that even the Minister of Energy and Mineral Development, the Minister of Finance, Planning and Economic Development, the Bank of Uganda, and the Bureau of Statistics sit and bring a comprehensive answer on the state of the economy and how we move forward as a country together.

THE DEPUTY SPEAKER: Thank you. Hon. Achia, exactly as you have put it, that is what the minister is going to do next week. Therefore, the four you have talked about, Bank of Uganda, minister for energy, UBOS and Finance, will meet. This is why I said we need a more comprehensive statement which would give hope to the nation, because we do not want to spread fear. Hon. Nakiyi, then Hon. Iddi Basajja.

3.21

MR JULIUS NAKIYI (NRM, Budadiri County East, Sironko): Thank you, Mr Speaker. It is clear, from the presentation, that one of the key drivers of this price is the exchange rate. I would like to offer a solution that this House makes a resolution arguing that the Government should review the contract with Vitol, the one which supplies us, the one which supplies Uganda National Oil Company (UNOC). We need to review that contract so that these guys can give us - what we call a deferred payment period of say, six months to one year, such that when the oil marketing companies make their sales in Uganda shillings, they are able to deposit the shillings into the account of UNOC. Then UNOC can take a period of about six months to buy the dollars steadily over time. However, when you go and buy abruptly in large quantities, you put pressure on the shilling.

To smoothen it, we need to have a deferred payment period such that we do not buy the dollars at once. We should, maybe, buy a certain portion in one month, and then we can complete the payment. So, we need to review the contract. Thank you.

THE DEPUTY SPEAKER: That is a submission of a businessman; a very good one.

(Laughter) I had allowed Hon. Iddi, then Hon. Ababiku.

3.23

MR IDDI BASSAJJA (NRM, Bushenyi-Ishaka Municipality, Bushenyi): Thank you, Mr Speaker. If I may take you back to the fuel prices, I think the effect is substantially imported inflation.

When you look at oil prices, for example, British Petroleum (BP p.l.c.), the international market for oil and petroleum products, you will find that even BP, which has always had the most stable oil prices, is not stable. So, it is on and off; it is revolving.

We need to understand that many players and factors affect petroleum prices worldwide, not Uganda alone. The shilling might have lost value a bit, but still we have to appreciate that internationally, even other jurisdictions have the same problem as far as oil is concerned. Uganda, being a landlocked country, relies more on imported goods, with fuel being one of them.

When you look at it economically, from the word go, we have imported inflation. It means that even the prices of goods that we buy from Kaabong or whatever are going to be high in price, and the cost of transporting fuel from here - Members, we should appreciate that we have never had a uniform fuel price within Kampala, Kaabong, Bushenyi and wherever.

So, we have to appreciate that, partially - in fact, 85 per cent- it is imported inflation.

I agree with the minister's explanation about the effect and everything, but I do not appreciate that it is caused substantially by economic factors here. I think the effects here are like 10 to 12 per cent. The rest comes from there to Uganda; it is imported here.

Much as you are blaming the minister and she is explaining to us, we have to appreciate that all these factors are imported from the other side.

However, the President told us the other day, when we were in the caucus, that very soon we are going to have our own refinery.

From the time we refine our oil here, we will be in a position to have very stable prices, and that is when we will have to task our minister to explain to us why the prices are not stable. Going forward, let us appreciate that, though it is creating a lot of discomfort, that is the situation. I so submit, Mr Speaker. Thank you very much.

THE DEPUTY SPEAKER: Thank you. Hon. Ababiku, then Hon. Karim and Hon. Shyam.

3.26

MS JESCA ABABIKU (NRM, Woman Representative, Adjumani): Thank you so much, Mr Speaker. Allow me to thank the honourable minister for the report presented. From the report, I understand that the minister explained why inflation is happening and why prices are rising, but did not clearly outline how to solve this problem. We need to get the Government's position.

I also agree that many factors are external and beyond our control, but others are within our control; we should be able to provide solutions because we know the implications of these fuel prices for consumers.

Mr Speaker, you started by informing this House that the honourable minister and the team will present a report on the dollar rate vis-à-vis our own, and the fluctuations.

I have also observed that the Ministry of Energy and Mineral Development in isolation cannot provide proposals or remedies to this challenge that we are discussing alone.

I, therefore, propose that the Government take this and add it to what we are going to receive, so we have a comprehensive Government position tomorrow.

Lastly, Mr Speaker, the issue of fuel prices is not only affecting Uganda. Therefore, my question is, how is the sovereignty law approved by this House affecting Kenya and South Sudan?

Therefore, we should be careful when we are giving out information. Allow me to state that, as East Africa, we at least know the external causes, but there are also internal causes like the Excise Duty affecting us; we should be diplomatic enough to protect this House. Thank you, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. Hon. Karim.

3.29

MR KARIM MASABA (Independent, Industrial Division, Mbale City): Thank you very much, Mr Speaker. I do want to thank the minister for the report. She made it clear that a combination of many factors is causing the fuel increases. The Leader of the Opposition (LOP) came out and made a statement, which I think I had to run on my phone on the page of Parliament, and I looked at the Hansard of Tuesday, 21 April 2026, page 18764, and I would like to refer to it.

This was a submission by Mr Masaba as per the *Hansard,* and I would like to read it verbatim: "Madam Chairperson, every witness we interfaced with was against this proposal and no one supported the increment because it is quite huge, given that we have a lot of instability in the Middle East and prices are going up. They said that since each year we are having this Excise Duty amended, that can come after a year when things are stable."

"Honourable minister, next time we will have another discussion after we have seen how these wars will have affected the fuel prices. We do not know when it is going to end, and our people are very concerned about the fuel prices."

The response by Mr Musasizi, as per the *Hansard,* was: "Madam Chairperson, the implication on revenue, if we pass this proposal to increase tax on diesel and petrol, will give us Shs 450 billion."

That was the justification, and I think this is a learning curve for us.

As Cabinet, you need to look beyond what you are going to collect and consider how it will affect the economy. Various members, like Hon. Isaac Otimgiw, have come up with different proposals, and in my view, let the Cabinet go and sit as they always do on Monday, and come up with a solution. Maybe we can halt this increment.

They can come with a proposal on excise duty on petroleum, and we can pass it as soon as possible. We have seen how the Government has come with supplementaries and we have passed them in days. So, this issue can even be concluded in a week if the Government decides to take this step. We have seen various countries like Kenya take these steps.

They have decided to reduce the VAT on petroleum from 16 to 8 per cent. As such, Uganda is not special; we can adjust this and wait until next year. After things have stabilised, then we can look at this increment. Currently, as Parliament and Cabinet, we need to develop a permanent solution for this country. Thank you, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. Hon. Tanna?

3.32

MR SHYAM TANNA (Independent, Tororo Municipality, Tororo): Thank you, Mr Speaker. I would like to thank the honourable minister for the detailed statement. However, I would like to build my submission on the question you asked.

Mr Speaker, I heard the word "buffer". "Buffer" means that we purchase our oil, we hold some here, and we have some that is in transit. In the statement, it was mentioned that in early September, the currency exchange rate versus the dollar was Shs 3,700. Now we are at Shs 4,000.

What we have noticed is that when the exchange rate shot up, here fuel prices also shot up. Yet the fuel that is going to the pumps was bought in advance. The fuel that was in the pumps was bought when the exchange rate was lower.

Even though it is a liberalised market, the ministry can come in and regulate the retailers and make sure that the increase is not drastic but a stable one because the price would have been booked at a lower exchange rate. Thank you, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. Let me first give the minister a chance, and then I see how we can move forward. Honourable minister?

DR MUSENERO: Thank you, honourable members, for the debate. Mr Speaker, I stated in my paper, and as substantiated by the Minister of Defence and Veteran Affairs, that the current fuel increase is multifactorial.

As many Members have submitted, the base price for crude oil has increased globally. Until we pray that this war stops affecting the Strait of Hormuz – which is the main path way for crude oil – it is going to affect petroleum prices. That is the main base, and it does not only impact fuel, but it also impacts the transportation cost. It also impacts insurance costs, as I articulated in the paper.

You asked me a question: What does the Uganda National Oil Company (UNOC) keep? Actually, UNOC plays more of buffering. Mr Speaker, you will recall that this is the second surge in fuel prices. Earlier, our neighbours experienced not only scarcity but very high prices of fuel. However, Uganda did not suffer that.

As the prices increase and continue to increase, it eats on the buffer. The only benefit we keep having is that part of the price – what they call the plats; those are the additional costs – have been kept constant and so it controls the rise.

Otherwise, if we implement what some honourable members are saying – that we release it to everybody – the prices are going to be uncontrollable because the scarcity for the crude petroleum products is going to continue for a while until that war is stopped.

The other factors, I think –

THE DEPUTY SPEAKER: Honourable minister, I do not know what is special about this price. UNOC is giving out fuel to Oil Marketing Companies (OMCs) at a certain price. What is that price? That is all we need, not what UNOC keeps. If they have not given it to you, you can –

DR MUSENERO: I was still waiting for that figure.

THE DEPUTY SPEAKER: That is better than the explanation you have just given. We want to track how much are they adding. It will help the legislators here to know why we gave a monopoly and how much are these people adding.

DR MUSENERO: Mr Speaker, I am still waiting for the figure from UNOC. I believe they are going to send it before we adjourn.

THE DEPUTY SPEAKER: Thank you. Honourable colleagues, as you can see, this is an issue that we cannot divorce from the rest of the factors and issues affecting the economy. That is why the Ministry of Finance, Planning and Economic Development is including the Ministry of Energy and Mineral Development in the discussion we are having – to come up with a comprehensive statement.

Therefore, I propose that for now, we hold on this issue. The debate will continue when we are discussing the general statement on the state of the economy with major focus on the dollar rate and fuel prices. The debate on the issue is adjourned. Next item.

MINISTERIAL STATEMENT ON THE POLITICALLY EXPOSED PERSONS

THE DEPUTY SPEAKER: Thank you. Honourable Minister, when you are going to the discussions, consider the proposals from colleagues here. They have made very critical proposals. You can table them as: "Some colleagues think like this." Attorney-General?

3.38

THE DEPUTY ATTORNEY-GENERAL (Mr Jackson Kafuuzi): I am here laughing with the Attorney-General, sorry, with "Gen. KK". He says someone has given him the statement.

THE DEPUTY SPEAKER: Honorary General? Is KK now a General?

MR KAFUUZI: Yes, the only one who cannot shoot.

THE DEPUTY SPEAKER: By association. He commands generals and they get directives from him as a minister.

MR KAFUUZI: The only general who does not know where the trigger is. Mr Speaker, I have a four-page statement in response to concerns by the Rt Hon. Deputy Speaker of Parliament as to when a person ceases to be considered politically exposed, and what obligations should banks continue to impose on former public officials.

The Rt Hon. Deputy Speaker informed Parliament that he has received several complaints from former Members of Parliament and ministers who indicate that they are routinely subjected to additional scrutiny whenever they seek to conduct transactions through their bank accounts.

Definition of a Politically Exposed Person

Section 1 of the Anti-Money Laundering Act defines a politically exposed person as follows:

a. *"An individual who is or has been entrusted with a prominent public function in Uganda or another country and includes a Head of State or a Head of Government, senior politician, senior Government official, judicial or military official, senior executive of a state-owned corporation, and important party officials.*

b. *A person who is or has been entrusted with a prominent function by an international organisation and includes a member of senior management, director, deputy director, or member of a board and includes a related person of the individual."*

The definition of a politically exposed person under the Anti-Money Laundering Act is aligned with international standards set by the Financial Action Task Force (FATF).

The FATF glossary of definitions defines "politically exposed persons" as individuals who are or have been entrusted with prominent public functions in a foreign country, for example, heads of state or government, senior politicians, senior government, judicial or military officials, senior executives of state-owned corporations, and important political party officials.

Mr Speaker and honourable colleagues, from the above definition, a politically exposed person includes the persons highlighted above, including former Members of Parliament and former ministers, among others.

Enhanced Due Diligence Obligations

Mr Speaker, politically exposed persons are required to undergo enhanced due diligence procedures when transacting with financial institutions. Section 6(7) of the Anti-Money Laundering Act provides that, *"(7) In addition to customer due diligence measures, an accountable person shall implement appropriate risk management systems to determine whether a customer or beneficial owner is a politically exposed person and, if so, apply the following additional measures;*

(a) *for a foreign politically exposed person, take reasonable measures to establish the source of wealth and funds;*

(b) *apply enhanced ongoing monitoring of the business relationship and obtain the approval of senior management before establishing or continuing a business relationship with such a person;*

(c) *for a domestic politically exposed person* - like you - *and a person who is or has been entrusted with a prominent function*

by an international organisation, apply the measures referred to in paragraph (a) above where the risks of money laundering or terrorism financing are high."

When does one cease to be a politically exposed person?

Mr Speaker, the Anti-Money Laundering Act does not specifically set timelines as to when a former politician or politically exposed person ceases to be required to undergo enhanced due diligence procedures. The Republic of Uganda adopted the risk-based approach in matters relating to anti-money laundering and counter the financing of terrorism.

Mr Speaker, instead of a rigid calendar cut-off, the Financial Intelligence Authority (FIA) and financial institutions operate under a risk-based approach aligned with the International Financial Action Task Force (FATF) guidelines where financial institutions are required to continue applying enhanced due diligence and ongoing monitoring to former politically exposed persons based on residual risks such as the seniority of their past role, how recently they ceased to hold office and whether they still wield influence or control assets.

Mr Speaker, in other jurisdictions such as the United Kingdom and the European Union, financial institutions are required to treat a person as politically exposed for at least 12 months after they have ceased to hold public office.

Other jurisdictions like Canada adopted a five-year fixed rule for one to cease to be a politically exposed person.

Mr Speaker, in the law, Uganda does not have a cut-off date when one ceases to be a politically exposed person. Financial institutions apply the risk-based approach to former Members of Parliament or former ministers on a case-by-case basis.

Conclusion

In conclusion, Mr Speaker, in Uganda, financial institutions – sorry, I am repeating the same – financial institutions apply a risk-based approach when dealing with politically exposed persons on a case-by-case basis. I beg to submit.

THE DEPUTY SPEAKER: Now, colleagues, you see where the trouble is? I mean, if I would like to retire; and go into my private kind of things, and I am no longer benefitting from anything from the State, from the Government – One of the Members came to me and told me he had lost out on a very big business where he had invested a lot in terms of trying to get it. Then, on signing – A person who, 10 years ago had left Government – they said, "No, you are politically exposed, according to your laws." How do we help these people?

Attorney-General, you seem to have something you wanted to add, then, Hon. Mwiru.

MR KAFUUZI: I notice my statement left out something. We have international bodies that monitor the financial flow, and we must be kept in the clear as a country. Every time we loosen the processes, they put us on the grey list, and if it gets worse, we can even get blacklisted. Remember, ours is a smaller economy. So, the supervisory international organisations weigh heavier on us. That is what forces us to operate the way we do under the laws that we have. I beg to submit.

THE DEPUTY SPEAKER: But not permanently put us in trouble. Put five years like Canada, so that I know I have five years of being cleaned. Even if I stole money, I would have cleaned it in five years and finished. Should it be – You know – the same standard?

Hon. Mwiru?
You people who are not doing business can take these things lightly; but you will see. This is like being permanently tortured. Hon. Mwiru, the Hon. Fungaroo.

3.49

MR PAUL MWIRU (NUP, Jinja South Division East, Jinja): Thank you, Mr Speaker. I think the Attorney-General needs to do more than that. Personally, I am a manufacturer and I place my products in supermarkets. I applied to one of the supermarkets, and they responded that I am a politically exposed person; I cannot even place my goods in that particular supermarket.

When I applied for financing at the bank, I realised it was akin to discrimination because when I am a politically exposed person – as it is – it does not mean that I am a thief. I earn money through known sources; I pay taxes, and I even get tax clearance certificates from URA as a certified businessperson.

I think we have reached a level, Mr Speaker, where we need to amend some of these laws because there is a presumption that every politician is a thief. Personally, I do not agree with that because I do business and when I look at my colleague, the former Attorney-General, I do not think you are a thief. *(Laughter)*

So, for you to do any business and there is a presumption that every politician is a thief, I do not want to take that direction. I do not want to mention the particular supermarket. I manufacture and I am certified by the Government. *(Member rose_)* Yes, I will take the information from my good friend.

MR KIRYOWA KIWANUKA: That is because I was the nearest example to him. However, Mr Speaker, I think what we need to identify is not about the law you write. The decision for you to say that "I will not be politically exposed after five years," is not yours.

That law in Canada is saying that, when we are dealing with you, after five years we shall not take you to be politically exposed.

So, if we write here in Uganda, we are talking about the people who are going to come here. For example, when you go to a bank, the bank uses the law in its country of origin, to determine how to deal with you. Even if you wrote a law here and said Members of Parliament will not be politically exposed persons after five years, it does not matter; what matters is the person you are dealing with and what their law says. For example, in the supermarket; this person in the supermarket may have obtained a loan from a bank and the bank has rules which tell them, "You shall not deal with politically exposed persons."

First, it is not correct that because you are politically exposed, therefore, people should not deal with you. You are correct to that extent and that is discrimination. You must have something positively identifying me as such – a person who is undesirable for you to deal with.

What we need to do here is to enhance our risk-based approach. Why we are on a risk-based approach is because we have been marked. Uganda has just come off the Financial Action Task Force grey list. We are still at that level where we are being observed whether our systems are mature enough to correct themselves in compliance. One thing that we need to encourage here in Parliament is compliance. And when we get these cases of corruption running around our system – The more cases of corruption that you have, the more undesirable you will be to be dealt with as a community. So, that is the kind of thing that we need to address but you are right; I am not a thief. Thank you. *(Laughter)*

MR MWIRU: Finally, Mr Speaker, this takes us to a level of decommissioning some of these tools of colonialism because they seem to be here with us. Who defines these standards? Like, what is human rights in other countries is not human rights in others.

I think that for the benefit of all of us, and on the part of the Government, we need to review this matter. I have met like three or four organisations which normally say, "You are politically exposed and we cannot deal with you." I thought I should go to court for discrimination, but I also saw that it was a business arrangement. I now would be marked

and highlighted as someone who goes to court in this direction. I thank you.

3.54

MR KAPS FUNGAROO (FDC, Obongi County, Obongi): Thank you, Mr Speaker. Whereas Uganda is part of the international community, we are aware that in this House, there is a process of domestication of international laws and instruments here. This mark put on us – that you are politically exposed persons – if it comes from outside as it is, can't we find a solution here to mitigate the impact on us?

Personally, I felt pain one time here; there are Ugandans who do business in places like South Sudan, many of the West Nile people are there as well as in Congo. When they get their money, to avoid the risk of robberies on the way, and they put money in their own account to pick in Uganda here. They get into this trap. I suffered one time with one of our banks here when some few dollars entered my account from outside, they said, "You are politically exposed; can you explain where this money is coming from?"

When I showed them receipts and transactions saying that "I am out of Parliament, doing business and this is my own money," they told me that I am a politically exposed person and it hurt me. Therefore, I second the idea that there should be limits to how far a politically exposed person can be treated. Members of Parliament have just left this House and they are there settling. Should they be mistreated using this thing when they are no longer here in Parliament? I beg to submit.

3.56

MR MARSHALL ALENYO (Independent, Jonam County, Pakwach): Thank you, Mr Speaker. The issue of PEPs is an issue of perception and labelling a group of people. First of all, it mostly comes to us politicians because of the proximity you would have – maybe to corruption, bribery, enrichment, or using public funds to change yourself.

However, Mr Speaker, I applaud you for bringing this up. This shows that there is an attempt by this House to clean our image and our names. Indeed, if you are a member of the 12th Parliament, the community out there has embraced us better than maybe other Parliaments. One of the reasons why they have embraced us is because we have tried to keep our image "above sea level" and that is what we should do. We should protect our image such that out there, people know that actually Members of Parliament are not corrupt. If we are arrested in hotel rooms out there in the world, then we shall fall in line with the PEPs.

Secondly, when I was in immigration, we had the issue of passports; there are service passports like the diplomatic passports –

THE DEPUTY SPEAKER: Honourable member, what does what you do in a hotel room abroad have to do with you being politically exposed? *(Laughter)*

MR ALENYO: If you are arrested for drug trafficking in a hotel room in China, it would mean that maybe you are exposed and corrupt.

Mr Speaker, on the issue of passports, once people leave Parliament, one of the biggest cries we have out there is transitioning from your official passports to the ordinary. I want to ask the Attorney-General to look into that procedure. In other countries, people are allowed to hold service passports strictly for those journeys they make officially and have their private passports for those journeys they make as individual businessmen. This means that when you leave Parliament, you have a travel record in your ordinary passport and return the official passport to Government, but you keep your travel record in your ordinary passport.

Why our colleagues kept complaining is that if you have been a Member of Parliament for 10 years, all the journeys you made to the US or Canada are in your official passport, and they will not matter. They will not have the travel record, yet if they were in your ordinary passport, you continue, and you have a travel

record, and you can go to the US or China and do business.

Therefore, I would like the Attorney-General to comment on that policy where Members of Parliament can juggle these two passports and have the official one for official travel and our private ones to generate our travel history for purposes of private business. Thank you very much, Mr Speaker.

3.59

MS SYLIVIA NAYEBALE (NRM, Woman Representative, Gomba): Thank you very much, Mr Speaker. As much as I agree with the Deputy Attorney-General and the Minister of Defence and Veteran Affairs, especially on Uganda being off the grey list, it is a big congratulations to the country. However, when it comes to the PEPs, I think that it is high time the Attorney-General started putting out measures to de-risk us. It is very unfortunate that we go to the bank, we take our money willingly, but withdrawing it becomes a problem.

It is also unfortunate that in Uganda, a politician owning a company, just by signing, is also a crime. So, as we celebrate, we also need to think about how we work.

As my honourable colleague has said, maybe the proximity to corruption has made us criminals even in our own country, where owning a company becomes a problem. I thought a Member of Parliament should, in a legitimate way, transact like any other. So, Mr Speaker, as you brought up this PEPs issue, it is really touching, and the process is disheartening. To make matters worse, when you land in the hands of the Uganda Revenue Authority, you do not want to know the drama on that side. So, Deputy Attorney-General, as you have said, please start de-risking us so that we can comfortably invest and keep away from the proximity of corruption.

Since the 12th Parliament began, we have been seen as the cleanest Parliament. *(Applause)* We want to keep it up. Start by de-risking us, so that we can invest properly. Thank you.

THE DEPUTY SPEAKER: Thank you. Hon. Kityo and then Dr Opio.

4.01

MS BABIRYE KITYO (NRM, Bukoto County East, Masaka): Thank you, Mr Speaker. Allow me to thank the Deputy Attorney-General and the Minister of Defence and Veteran Affairs for the wisdom they shared this afternoon. Mr Speaker, allow me also to thank you for raising this matter because I think it is something that has been eating us up silently.

When a Member of Parliament leaves this House, the chances of that Member getting a job out there are almost next to impossible because he or she is politically exposed. It is really hard for a Member. I tried to register an NGO – It will take you years. Even when you have registered it, we all know our budget is not even a quarter of what this country needs, considering the demands we have in our constituencies.

We were here the other day lamenting about clean water and all that. If it is difficult for a Member of Parliament to raise funds outside Government to serve the people that he or she represents, where do we go? What are we supposed to do? It is as if they have locked us in a cage. You cannot get enough, and you cannot run outside; you cannot do much. Every single coin that enters your account is investigated as if you were a terrorist.

Mr Speaker, I kindly request the Government: we are your own, and we are Ugandans. We cannot take these funds elsewhere. In my opinion, we, as Members of Parliament, should be given support. We should live exemplary lives. We should encourage other investors to come here because we trust this country and we can save and work with it. Thank you so much.

THE DEPUTY SPEAKER: Dr Opio, then Dr Elioda, and we conclude with Hon. James Kakooza.

4.03

DR ACUTI OPIO (NRM, Kole North County, Kole): Thank you, Mr Speaker. The issue of politically exposed persons needs to be streamlined during implementation.

If you are a PEP and own a company, banks will require you to provide an IGG report before opening the account. However, they can restrict the account at any time during its operation. I was a victim: My company account was restricted for three weeks because they wanted an IGG report, yet they had not asked for it earlier. You need almost two weeks to obtain that report.

At other banks, the practice is different. During that period, you cannot pay taxes or employees. Consequently, if you delay paying taxes because your account is restricted, you also have to pay a penalty to URA.

Therefore, it would be important for the Attorney-General to clarify the extent to which the entities that are supposed to enforce these provisions should act. Where are they supposed to start and where are they supposed to stop? Thank you.

THE DEPUTY SPEAKER: Thank you. Dr Elioda, then Hon. Kakooza.

4.05

DR ELIODA TUMWESIGYE (NRM, Sheema County North, Sheema): Thank you, Mr Speaker, for raising this issue. I became really concerned when I went to a local bank to open an account. I do not have to name it here; it is a Ugandan bank owned by the Government.

You are upcountry and want to open an account in Mbarara, but it takes weeks and months. I asked, "You people, why should it take so long?" After waiting for a long time and quarrelling, they said, "Because you are a PEP." Really? I said, "You people are working like robots". Because I am labelled a PEP, opening an account becomes difficult. What risk is there?

Shortly afterwards, they will come, asking me to take a loan. At that point, when they are asking us to take loans and open accounts in their banks, they do not talk about PEP.

I believe that PEP is a really bad creation. Members of Parliament do not interact with money in most cases. It should be the accounting officers, for that matter, perhaps the Permanent Secretaries or Chief Administrative Officers, but a Member of Parliament? What risk is there? How do you come into contact with money that is not appropriated?

Mr Speaker, we have the Financial Intelligence Authority and the Government, which represent Uganda on the Eastern and Southern Africa Anti-Money Laundering Group based in Tanzania, and the Financial Action Task Force based in Paris. We can go and argue for this to be changed because it is wrong and discriminatory. We need a liberation day, like Trump's Liberation Day, to liberate all politicians on this planet from this bad labelling.

Uganda is a member of the Commonwealth Parliamentary Association (CPA) and I believe, Mr Speaker, that you are part of that. We are also members of the Inter-Parliamentary Union (IPU). Instead of discussing other things, let this be a major issue at the IPU and CPA because I am sure there must also be politicians suffering in other countries.

I believe that we can change this. If we cannot change it, then we can ask, because we have the capacity here as Members of Parliament. We domesticate treaties. We also have the capacity, as a sovereign country, to say, "Okay, we agree with you on all aspects, but on this one, we do not agree."

Mr Speaker, since you have raised this issue, can you be a champion across the world to liberate Members of Parliament from this unfortunate situation? Thank you. *(Applause)*

THE DEPUTY SPEAKER: Thank you. Hon. Kakooza, then I will go to the Front Bench. I will start with Hon. Wanyoto.

4.08

MR JAMES KAKOOZA (NRM, Older Persons Representative, Central): I want to add my voice, Mr Speaker. We have really been suffering in silence in Uganda, compared to other countries, because of indirect colonialism, which we need to study.

I have been a member of the East African Legislative Assembly. When you go to banks in Tanzania, they only need an identification card from your workplace. However, here in Uganda, to show that we are being endangered, even when a Member of Parliament wants to open an account, or his daughter or son doing business wants to open an account in that bank, they will not open it for that person.

If I have an adult son who is doing business, what does that have to do with me being a Member of Parliament? We need to study what other countries are doing. In Kenya, you cannot bring that trash. KCB has orders that any citizen, even if he or she is an MP, can open an account. Why is Uganda still practising those methods? We need to be protected –*(Interruption)*

MR AMANYA: I would like to give information to my colleague and the House. He talked about Kenya, and at that time, I happened to be a member of the Law Society, Mr Speaker. When we were debating the issue of anti-money laundering and PEPs, Kenya enacted a law that stated that for it to comply with international standards, it could not limit citizens' rights under its Constitution.

Uganda has a constitution which states that we are sovereign. Therefore, by virtue of that, international law cannot bar us from exercising our rights. The problem with what we are discussing is in the definition under the Anti-Money Laundering Act, which is an Act, not the parent law – the Constitution.

When we are discussing this issue, we need to look at the law. I heard the former Attorney-General saying that there are international standards. Yes, Kenya was not like us, but when we discussed that Bill – and the Act now – we removed lawyers, some doctors and engineers. The question is: Why are we, as politicians, leaving it to continue indefinitely? That is where the problem is. We cannot leave it indefinitely because once I leave Parliament, you cannot continue telling me that after 10 years, I am still politically exposed. That is where we need to start from. We can amend the law to safeguard ourselves against such an eventuality. We can say 10 years; we have been given a mandate.

What people are talking about Uganda being a country with a mandate under international law, is that we have enacted all the laws on anti-money laundering and established financial intelligence reporting centres. That is the compliance required under international law, but not what we are talking about. Thank you, Mr Speaker.

MR KAKOOZA: Thank you. Mr Speaker, what we need is combined effort, as representatives of Ugandans, to help others. Attorney-General, we have the Constitution, which is the supreme law of the land, and we know the practices. We cannot be part of a group that is discriminated against. These foreign investors come with bags, take our money and keep the profits. However, when we want to do business, they limit us. This contradiction needs to be studied and practised.

When we rejected homosexuality here, the World Bank said, "We are not going to give loans to help you." When we insisted, they came back and said, "We have the money to lend you." That means we should exercise our rights not to be discriminated against, especially we, Members of Parliament. Who told you that I am a thief? I have done my business. How do you go to the bank to borrow money and they tell you, "No, you are a politically exposed person (PEP)?"

The Attorney-General should help us draft a law. We are the people in power. This Parliament can do anything – *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you. Hon. Wanyoto, and then the Attorney-General concludes.

4.13

THE MINISTER OF STATE FOR PUBLIC SERVICE (Ms Lydia Wanyoto): Thank you. Mr Speaker, just an hour ago, you spoke very strongly about our domestic values, systems and rights that may not work well in international fora. The pro-life campaign in which you lead us is treated differently under laws outside Uganda. I want to propose that our Ugandan laws protect our rights and that campaigns start at home. That is what we stand for and what our Constitution speaks for.

I have been a victim of some of these laws because I offer services as a consultant outside Uganda. When you offer services, they pay you. When the money comes to Uganda, they ask you to deposit the contract letter. You write an essay, which is the size of a book, yet the money is already in the account back home in Uganda. This happens every other day when remittances come in, even within the African Union or East Africa.

This is easy. If we can enact our own laws in Uganda to protect our rights, the next level that can protect us – I thought Hon. Kakooza would talk about it – is the spirit of the East African Community (EAC). The model laws that we pass at the EAC are supposed to protect the interests of East Africans against global frustration and global dynamics.

We are building blocks. From here, we build on the East African Community, which has seven or eight countries. From there, we advance the AU efforts and legislation. Then we can confront the global dynamics that frustrate and discriminate against us, but also cheat us because this is business. They tax our hard-earned resources.

Mr Speaker, I would like to conclude by saying that we have an opportunity here in Uganda, in the EAC and even at the AU level. Let us escalate this and protect our rights and our space in the arena of negotiations and global dynamics. I thank you.

THE DEPUTY SPEAKER: Thank you. As the Attorney-General comes in, first, I was mainly fighting for honourable colleagues who left and have been out. They now have nothing to do with Government. I kept quiet on our side, saying we might still be politically exposed.

However, from what I have seen, there seems to be no standard requirement for all banks. Each bank has its own measure. Can we, for example, standardise what is acceptable under the Financial Action Task Force (FATF) so that when I am dealing with this, I know that it is the standard for all banks? Secondly, we were cautioned. Hon. Alenyo and the Attorney-General put it well that we have gone on a journey of cleaning up. We should clean up our country so that a Ugandan is not looked at suspiciously.

There are countries where you go to and do not even mind about closing your hotel room. However, there are those where you check whether there are double or triple locks. You are in a five-star hotel but want to be sure because of the image of the people of that country. Can we find a way of improving our image?

Thirdly, Attorney-General, this Parliament has shown all the goodwill of compliance. We supported every move of any law you needed to comply with FATF. What pains me now is that what I am getting here contradicts with what I was saying at the Business Forum downstairs. I encouraged the big businesspeople at the forum to help nurture our own Members into businesspeople.

In other countries, politicians become billionaires through business. Just go across to Kenya; they know. Go across to Tanzania. Do not go far. Go to America; politicians are billionaires. The United States Ambassador to Kenya was a billionaire. She was a mere ambassador.

How are we going to become billionaires when you limit us from the beginning? You are saying, "No, you remain on your salary." However, with the salary you are giving me, I am getting a loan and going into agriculture. I also want to contribute to the ten-fold growth instead of remaining a parasite who gets a salary. Yet, I am being limited. *(Applause)*

Honourable Attorney-General, you need to go back as a Government, sit and look at this. Study it and put measures in place. Maybe, we should also agree on a period. You can propose five years, for example, after which you are no longer a PEP. Then, maybe, you get a certificate of clearance from the Financial Intelligence Authority (FIA) or the IGG.

I just want to give one example. I know someone here who regrets chairing a Government board. This person had a company in Dubai before becoming the chairperson of a certain board here. When he became chairperson, he was restricted from accessing his money on the other side. He said, "I can resign and access it." They said, "No. Even if you resign, you have to wait for a period of around five years." The person said, "I am volunteering for the Government. I am not even paid." He came to me and said, "I do not want to hear of anything you want to put me on. I regret why I did this."

How does someone being a Vice-chairperson of the National Resistance Movement (NRM), for example, or National Unity Platform (NUP) for the Eastern Region give you access to Government resources? Attorney-General, we need help. We also want to be successful businesspeople. It is a bigger problem than the public may think. *(Applause)*

MR KAFUUZI: Thank you very much. Mr Speaker, permit me to begin by crediting our former Attorney-General, the Minister of Defence and Veteran Affairs, Hon. Kiryowa Kiwanuka. The Financial Action Task Force had set 40 obligations for us. I was Hon. Kiryowa's deputy. He worked around the clock and moved all over. You remember how we amended the laws here? By the time they got us off the grey list, we had met 34 of the obligations. We were left with six, and we are working towards completing them. Our next assessment is next year. We hope that after, we shall have a comprehensive study to see how best we can ease the processes.

Colleagues have raised issues relating to the operations of the Uganda Revenue Authority (URA), Bank of Uganda and Ministry of Finance, Planning and Economic Development, a very broad spectrum. Still, I may not honestly respond to them without consulting the organs that have been involved or mentioned.

Most importantly, like I have said, 2027 is supposed to be our year of assessment, working with our Financial Intelligence Authority and other organisations in the region. After that, we will come back, do a comprehensive study and see what needs to be done to ease the pressure on everyone. I beg to submit.

THE DEPUTY SPEAKER: Colleagues, in whatever we are doing, we have to ensure that we do not engage in anything that will put Uganda back on the grey list. But that does not mean that we do not fight for our space. Some of us have borrowed money from banks using our salary. We want to multiply it and make some business. Next item.

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE ON PRESIDENTIAL AFFAIRS ON THE ASSESSMENT OF THE PERFORMANCE OF SELECTED SCIENCE, TECHNOLOGY AND INNOVATION PROJECTS UNDER THE SCIENCE, TECHNOLOGY AND INNOVATION PORTFOLIO

THE DEPUTY SPEAKER: Honourable colleagues, this was presented yesterday, and we said debate would be today. Honourable Minister, standing in for the Minister of Science, Technology, and Innovation (STI), do you want to make some quick responses which will guide the House before we open up the debate?

4.23

THE MINISTER OF ENERGY AND MINERAL DEVELOPMENT (Dr Monica Musenero): Thank you, Mr Speaker. I present some responses to the report, standing in for the Minister of Science, Technology and Innovation. I thank the Committee on Presidential Affairs for undertaking the assessment of selected projects under the Science, Technology and Innovation portfolio and for presenting a comprehensive report to this House.

We welcome the committee's recognition that strategic investments in pharmaceutical manufacturing, engineering, banana value addition, coffee processing and fruit processing are building capabilities that Uganda has historically lacked.

These investments are central to our transition from an economy that predominantly exports raw materials and imports finished products to one that applies science, technology and engineering to produce higher value goods, creates skilled employment and competes in regional and international markets.

The committee's message that infrastructure and machinery are not ends in themselves is salient. Indeed, the ultimate measure of an STI investment must be the products manufactured, technologies commercialised, jobs created, imports substituted, exports generated, revenues earned, skills transferred, and improvements made in the lives of Ugandans.

At the same time, these projects represent ambitious efforts to build industrial capabilities in sectors characterised by high capital requirements, stringent regulatory standards, long technological development cycles and significant infrastructure needs.

Their performance must, therefore, be assessed rigorously but with due recognition of the time and the capabilities required to establish new industries.

Dei BioPharma

The committee notes the substantial pharmaceutical infrastructure established at Matugga, the commencement of commercial production of selected generic medicines, the regulatory approvals already obtained and the employment and technical training opportunities created.

We acknowledge the committee's concerns regarding the level of public investment, the incomplete commissioning of production lines, infrastructure constraints and the need for clear evidence of the Government's ownership, expected returns and protection of the public interest.

The current Government shareholding stands at 9.4 per cent held on behalf of Government by the Minister of Finance, Planning and Economic Development and the Minister responsible for Science, Technology and Innovation-

THE DEPUTY SPEAKER: Procedure?

MS NALUYIMA: Thank you, Mr Speaker. I welcome you back from the Women's Forum in Munyonyo. My procedural matter is: You have asked the minister to say one, two or three words so that we can react and then probably she can come in later. However, I see that she is repeating exactly what the committee presented to us yesterday, and yet we have some issues concerning the committee report. Are we proceeding well for the minister to also go in the same phrasing as per the report? Thank you.

THE DEPUTY SPEAKER: I gave the minister an opportunity to make clarifications so that we can have a balanced debate because the committee presented a report. If she could give responses which are clarifications by nature, then the debate becomes smooth because it is information.

Honourable minister, do not go deep; just go to the clarifications. And remember that she is standing in for the Minister of Science, Technology and Innovation (STI). So, I am treating a messenger cautiously.

Colleagues, this is the Minister of Energy and Mineral Development. She has forgotten everything about STI; she is now focused on Energy. She is only politically exposed to STI. Honourable minister, can we be quick on that; Members are eager to debate.

DR MUSENERO: Mr Speaker, let me comment on issues that could inform the debate. There was an issue on Dei BioPharma; that there was no evidence of the Government's shareholding. Unfortunately, I got it late, so I

am going to print it out and put it here. I have got the copies of the certificates for both the Ministry of Finance, Planning and Economic Development and the Science, Technology and Innovation Secretariat.

Engineering Development and Innovation Centre (EDiC). The issue which came up was the lack of sufficient funding or operationalisation of the facility and the Government is actively working to develop an appropriate maintenance and life cycle management framework for EDiC.

We do not have a facility like EDiC in the country at the moment. The construction has been completed but the active building of the specialised individuals is ongoing.

The issue about the banana is about the outstanding arrears and pending contractual clearances. The sector was not aware of this, and so the ministry is working to verify this following the committee report.

First, if you allow me to skip the issue of electricity supply to both the coffee park and Dei Biopharma – If you allow me to step into the shoes of the minister for energy, we have taken very progressive steps to make sure that industries are supplied and they are prioritised. The Dei Biopharma Kamuli plant is now connected to the right power, and we need about two weeks to complete power supply in Matugga, because of the extent of work that needs to be done.

The coffee park issue was mostly about electricity supply. We had a running challenge where investors built, and they did not inform us in time. Therefore, we have had to do a lot of iterations in order to connect that coffee park. Currently, it has electricity, which is not stable and not enough. However, the two companies – the Uganda Electricity Transmission Company Limited (UETCL) and Uganda Electricity Company Limited (UEDCL) – are working to connect it to power.

Lastly, there is an issue of the Nyakihanga Fruit Processing Factory. Mr Speaker, we request that we discuss this further with the committee and come up with a solution because the factory was not working. I beg to submit.

THE DEPUTY SPEAKER: Thank you, honourable minister. Honourable colleagues, I will allow each of you two minutes.

4.33

MS BETTY NALUYIMA (NUP, Woman Representative, Wakiso): Thank you, Mr Speaker. I read the report of the committee, and I appreciate the committee for what it gave us. My interest is in Dei BioPharma in Matugga, with over five villages. When the residents near the plant heard of this – They always follow Parliament. So, this morning they petitioned your office because on 18 September 2026, they saw the Minister of State for Privatisation and Investment issuing a statement that Dei BioPharma will take over the entire neighbourhood where the plant is located.

Under Article 26 of the Constitution, the Government is supposed to first compensate people fairly for what is due to them. Could we know what the ministry is up to? And let the petition of the Matugga residents that has been put in your office be considered. Mr Speaker, with your indulgence, I have a copy here, and I could lay it on the Table, for full consideration by the ministry as it plans to give members feedback on full compensation, considering their petition. I thank you.

THE DEPUTY SPEAKER: Attorney-General?

4.35

THE DEPUTY ATTORNEY-GENERAL (Mr Jackson. Kafuuzi): Thank you, Mr Speaker. I have just conferred with the honourable minister; he wanted to partly respond to what Hon. Ethel Naluyima has raised. There is a process that the Government goes through in order to acquire land. To the best of my knowledge, that process has not been put in place. If it is to start, Government is not going to grab people's land; it will be valued, and they will be paid.

What may have been spoken of, may be plans, because the ministry has to go through processes to acquire this land, have it gazetted, valued, and the owners paid. It is just a question of time. Calm them down; no one is going to be disturbed. The Government does not grab people's land; it is a process.

MS NALUYIMA: Mr Speaker, at the meeting where the state minister announced this ultimatum to over 50 residents who are affected, this minister there and then had to order Nansana Municipality – where Matugga and where the plant is – that no one should do anything.

For us in Wakiso, our minds are still fresh regarding what happened in the Kiteezi landfill, where people are not compensated up to now; they are still demanding a lot from Parliament, and we are learning a lesson. That is why I draw your attention to Article 26 of the Constitution. Whatever the Attorney-General is talking about is the process that is supposed to be followed. The reason they have petitioned Parliament is that they are worried about the Government issuing certain matters, and residents of these villages have been there for over 100 years. Their titles are enclosed in the petition to the Speaker.

Therefore, they want to be compensated and catered for, so that they are not just sent away, just like the Government has done in several areas. I beg to submit and ask for your indulgence, Mr Speaker.

THE DEPUTY SPEAKER: Honourable member, you requested me – But Number one, I have not seen the petition; so, I do not want to base it on anticipation. Number two, when a petition comes to me, as a presiding officer, I study it, and I interpret the provisions of the rules. For example, I can refer Rule 31(7) to the minister for action, instead of it coming for debate and being taken to the committee, where it takes a long time. I need to first look at the petition, and I determine whether it should either go on the Order Paper for reference to the committee or be referred to the minister for quick action.

Therefore, do not worry; if it has been delivered, I will receive it today, look through it, and guide.

MS NALUYIMA: Most obliged, Mr Speaker.

4.39

MR JOHN TEIRA (NRM, Bugabula County North, Kamuli): Thank you, Mr Speaker. I am glad that this House is not debating the legitimacy of Dei Pharma anymore in as far as its production is concerned. There was a time when we had such issues in this House. The Minister of Science and Technology deserves applause for that; we have passed that step.

I speak passionately because in Bugabula North, I have three factories belonging to Dei BioPharma: one for the production of starch, another one for fertilisers –

THE DEPUTY SPEAKER: Those are two.

MR TEIRA: There is one for the production of plastic materials used for the pharmaceutical process. That step is gone, and I want to thank the minister emeritus for that achievement because there were so many issues. The issues we are discussing now are internal issues that can easily be resolved.

Right now, in my area, Namasagali is becoming an industrial area, and I want to thank the Minister of Energy and Mineral Development – The power line is there, but for only one of the three factories. The other two factories have not yet been connected to the national grid, and one of them is operating on generators, which is making it very expensive.

Mr Speaker, these factories are employing our people. There have been a few challenges regarding land acquisition in the community as the factories expand. However, these issues have been handled locally, and the few that are yet to be settled are being handled by the administration, and as leaders we have been involved. So, I want to thank the Government for this – *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you. Hon. Ayagalachi?

4.41

MR JAMAL AYAGALACHI (NUP, Bukooli County North, Bugiri): Thank you, Mr Speaker. I was one of the members on that committee and recently –

THE DEPUTY SPEAKER: Are you a committee member?

MR AYAGALACHI: No, I was one until I was designated to another committee today. *(Laughter)*

THE DEPUTY SPEAKER: Did you sign the report?

MR AYAGALACHI: I did not. On three projects, I went with that committee during oversight visits, and that is where my interest is. One of the projects is called sericulture. The Government spent Shs 41 billion, but we found nothing on the ground.

THE DEPUTY SPEAKER: Honourable colleague, we consider a report to have been submitted to the House at the time it went to the Clerk, and then it is laid on the Table. This report was presented yesterday. You were still a member of the committee. So, kindly, the rules do not allow you to debate your own report. Hon. Martin?

4.43

MR MARTIN MUZAALE (NRM, Buzaaya County, Kamuli): Thank you, Mr Speaker. I thank the committee for the report. As an economist, of course I am concerned about the value. I am lucky to have been a member of the accountability committee and several times we interfaced with some of these investors. Initially, we interfaced with the Presidential Initiative on Banana Industrial Development way back in 2011.

Mr Speaker, these projects are good, but when you look at the value that the Government is spending, it is not worth it. As Government, we are spending endlessly on these projects. Year in and out, we give them money as if there was no business proposal at the onset which highlighted how much the project would take. I think what we need to do is have audited books for these projects so that we can know what the project cost is vis-à-vis the shares we are acquiring from these projects. Because you find that we have spent over Shs 100 billion on a particular project and have only five per cent shares yet the investor did not even invest Shs 10 billion. But as the Government, we have footed the bill for the longest journey of Shs 100 billion. This is not realistic.

Mr Speaker, we should also begin to assess the tangible results from these projects. For instance, Banana Initiative: as the Government, what value are we receiving from this project? I hear "banana flour" – on which international market? Can we see revenues from these projects so that we can begin to say it is worth investing more money? Otherwise, we are investing billions of shillings annually and endlessly. How much more are we going to give individuals who are coming up to scam the Government? Thank you.

THE DEPUTY SPEAKER: Thank you. Hon. Kajwengye?

4.46

MR WILSON KAJWENGYE (NRM, Nyabushozi County, Kiruhura): Thank you, Mr Speaker. I come from Nyabushozi, and one of the projects debated in today's report is squarely in my constituency. That is the EDiC Smart Manufacturing Centre. I welcome the report of the committee. I also thank the ministry for streamlining the concept first and for what the project is doing now.

Firstly, Mr Speaker, this is purely a government project. Money has been sunk into it, and I like that these projects are scattered all over the country. In fact, where land can be secured, these projects should be scattered all over the country. I submit that without undermining the original concept of a project, each project that is fully funded by the Government must have a component of the community surrounding it so that it is not viewed as a white elephant standing there.

For the EDiC Smart Manufacturing Centre in Rwebitete, for example, they have machines, earth-moving equipment and excavators, yet the people surrounding it have a problem with water. I would love for these machines to be given to the communities around, and they construct water sources and desilt those dams that have silted to spur production and productivity.

Secondly, I would want to see innovative, affordable irrigation systems and technologies to support the communities around such a project because this is an innovation and smart manufacturing centre. I would want to see technologies that help – *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you. I picked colleagues to speak at the beginning when we were starting. They stood up, and I picked all of them. So, I do not think I will pick others.

Now, I wanted a very good example of EDiC because I am a good witness, especially for some of us who are in manufacturing. This EDiC Smart Manufacturing Centre – I did not know about it until I was looking for a spare part for one of the things we do. And then someone said, "No, instead of importing, first give this part to a certain centre which does reverse engineering." So, we took it there and in five days we got a spare part, which we would have waited three months for. They made a spare part for us at a fraction of what we would have spent on importing, and within the stipulated time. Maybe we need to inform the public about some of these centres. They are facilitators.

Reverse engineering is extremely good for this country, but do people know about it? Chairperson, I will give you a special mention at the end because you are the chairperson of an accountability committee and you might have information that we do not have. But does the public know about these opportunities available? Hon. Dr Musa?

4.49

DR MUSA NOAH (NRM, Koboko North County, Koboko): Thank you, Mr Speaker, for this opportunity. First, I want to thank the Committee on Science, Technology and Innovation, especially the chairperson, for the report they put together, and I agree with most of those recommendations.

I would like to make a contribution regarding Dei BioPharma. If you look at the report, you will find that the company has set up almost all the production lines for the drugs that we need in this country, including the beta-lactams, non-beta-lactams, oncologic drugs, and neurotropics. If we need to harness the full potential of that project, I agree with the committee that it is very important that the Government needs to invest, and all those production lines should be operationalised. This will entirely substitute the pharmaceuticals we need in this country.

Mr Speaker, the report also raised the concern of the public resources being put in this project. I want to say that in the 11th Parliament, I had the opportunity of being a member of the Budget Committee, and that was one of the areas that was excessively discussed concerning all these projects. For example, if you look at the investments the Government has made so far, Shs 723 billion in Dei BioPharma, and the Government has only 9.4 shares. Therefore, I wanted the committee to clarify whether they think this share is commensurate with the Shs 723 billion that the Government has invested in this.

Secondly, regarding the resources the project still needs, about $400 million - If the Government is going to invest in this, I think it needs to be very clear on whether the Government is going to acquire shares or give a grant.

THE DEPUTY SPEAKER: Thank you. Hon. Rwakoojo, then Rev. Phoebe.

4.51

MS ROBINAH RWAKOOJO (NRM, Gomba West County, Gomba): Thank you, Mr Speaker. I thank the committee for the report. If the Government is investing in a project like this, then it is mandatory that electricity be thought of as one of the first things because it is futile to put in so much money and then you find that the project cannot set off because of the lack of electricity. It happens in so many of these industries and it is really frustrating.

There should be a mechanism by which electricity is thought of as the number one investment so that production can continue because these drugs are very important for Dei BioPharma, and the Africa Coffee Park also faces the same thing. Thank you, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. Rev. Phoebe, then Dr Elioda.

4.53

MS PHOEBE AYOO (NRM, Woman Representative, Gulu): Thank you, Mr Speaker. I would like to thank the committee for their thorough work and for the report. Going through the report, one of the challenges that they brought forth, especially for the Tooke Project, is the delayed handling of contracts by the Solicitor-General.

Mr Speaker, I would like to say that this is not a challenge unique to the Tooke Project. Many local governments have backlogs of procurement issues because of the slow pace at which the Office of the Solicitor-General reviews these contracts and ensures that they are sent back so work can move on.

As the committee recommended that they move fast in the case of the Tooke Project, I recommend expanding this to ensure the Office of the Solicitor-General works faster and returns contracts for review to the concerned entities on time.

Otherwise, the role enshrined in our Constitution, Article 119(5), to ensure that these documents are checked by the Office of the Attorney-General is going to turn out to be a burden instead of helping us move forward in service delivery. Let the Office of the Solicitor-General move contracts faster. This is my concern and generally the report - *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you. Yes, Hon. Dr Elioda?

4.55

DR ELIODA TUMWESIGYE (NRM, Sheema County North, Sheema): Thank you, Mr Speaker. I wish to comment on the Engineering Development and Innovation Centre (EDiC) Smart Manufacturing Centre located between Lyantonde and Sanga.

It was conceptualised, resources were mobilised, and most of the work was done when I was the Minister of Science, Technology and Innovation. I really thank my successor for completing the construction and operationalising it.

This centre was built alongside the other centre in Namanve as part of the skills enhancement project. At that time, the centre in Rwebitete - the EDiC Smart Centre was to focus on two major areas. One was the flexible factory model, which is industrial technology and which I think is now smart manufacturing. However, there was also a component on the infrastructure model that, in addition to industrial technology, which has now become smart manufacturing, we were also looking at metallurgy; aware of the oil industry, we had to look at welding, especially phosphorus welding, which was crucial in oil and gas.

We are also focusing on automotive engineering, looking at manufacturing parts like for Kiira Motors and of course engineering in that area.

We are also looking at hydrology, which Hon. Kajwengye is talking about as well as electro-pneumatics in the sense that also even - *(Member timed out)*.

THE DEPUTY SPEAKER: As a former minister who started the project, I will allow you two more minutes. Switch on.

DR ELIODA TUMWESIGYE: Okay. So, we are also looking at electro-pneumatics, like using vacuum to operate certain machinery. We are also looking at civil construction and construction machinery, as well as various other areas that I do not have to go through.

We were also informed that if you wanted to have somebody to drill boreholes, the United Nations Children's Fund (UNICEF) would have to go and bring people from India to do that. If you wanted to make roads in Uganda, we are either getting Israelis, Europeans or Chinese. Even electricity, we would get people from Sri Lanka.

Having all these technocrats, technicians, engineers, craftsmen in Uganda without jobs, we get this money as a loan, and then you get foreign companies to operate, and you find that you do not get benefits as a country.

Therefore, we saw that that centre, in addition to focusing on factory and smart manufacturing, would also enhance the skills of young engineers and help turn inventors and innovators into techno-preneurs. What happens is that sometimes innovators want to be in business, but they lack entrepreneurship and talent in that area.

Therefore, we were hoping that we would be able to get 1,500 people, take them to Rwebitete, expose them to those skills, help them form companies, and after that, we had set up technology business incubators in 40 municipalities and cities - *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you. Hon. Otim?

4.58

MR BERNARD OTIM (NRM, Maruzi North County, Apac): I think you need to be fair. Thank you, Mr Speaker. I would like to thank the committee for their good work. However, I fault them. When you look at the report's executive summary, something is inconsistent. All these science, technology, and innovation centres are consistently located in the same geographical area. You talk about Bushenyi, Ntungamo, Kiruhura, and, coincidentally, Matugga. I know you are about to guide me, Mr Speaker.

THE DEPUTY SPEAKER: No, there is nothing in Mitooma. I also wanted to complain. *(Laughter)*

MR BERNARD OTIM: Thank you, Mr Speaker. Why? Yesterday, somebody asked for lawyers to speak. I am also a lawyer. In law, equity is equality. We have a constitutional duty, as the Government and as this House, to ensure that there is equitable distribution of national resources throughout the country.

The Minister of ICT, you are here. Lango sub-region, crossing over to Abim and Acholi, has one unique resource to this country: shea nut butter. This can be used as cooking oil because it is very healthy, nice lotion for our women, black beauty. What plans do you have so that we can have innovations in this very important product so that the other parts of the country also get something better? Apac District has enough land. Come and – *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you. Hon. Nakiyi -

5.01

MR JULIUS NAKIYI (NRM, Budadiri County East, Sironko): Thank you, Mr Speaker. I want to start by speaking about Dei Biopharma. The report addressed the investment of the Government, which is Shs 723 billion. However, they did not speak about the entire capital structure of the company.

For us to have 9.4 per cent equivalent to Shs 723 billion means the valuation of this company is like $2.1 billion. Therefore, the ones who own 90.6 per cent, that is Magoola and others, must have contributed $1.9 billion, equivalent to about Shs 7 trillion. Now, do we have evidence that these people have actually contributed Shs 7 trillion to this company?

We even need to see the payment to the Uganda Revenue Authority (URA) for stamp duty because if you are contributing that, you must pay 0.5 per cent, equivalent to $ 9.5 million, in stamp duty. Why am I saying

this? The argument is that these people might have overvalued their company so that they dilute the shareholding of the Government. We therefore have an overvalued company at $2.1 billion, but they have actually not contributed their capital.

Our 9.4 per cent may actually be the 100 per cent of the company but they are simply providing branding and management, running on behalf of the Ugandan people. Therefore, we need a resolution in this Parliament that we revalue this company and then determine the true value of the Government shareholding in this entity.

Two, when we went to Inspire Africa, they said they need an additional $250 million in working capital. They already received Shs 97 billion to set up the company and buy machinery, but they need another $ 250 million to fund working capital needs. What is the contribution of Tugume and his friends? Because they already received - *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you. I do not think it is for a resolution of Parliament. The minister will answer all these issues. Hon. Nakut then Hon. Nayebale.

5.03

MS FAITH NAKUT (NRM, Woman Representative, Napak): Mr Speaker, I thank the committee for the job they have done. I like the recommendation that they gave on phasing out, clearly defining when research and development ends and when commercialisation begins. This will stop the unending investment in the same research and development for 20 years. I like that.

However, there is a recommendation I want to propose to add on to the committee recommendations that the President's Office develops and publishes a clear guideline on how talented Ugandans can be identified and supported with their innovative ideas.

This will eliminate the ad hoc method of identification and pseudo-innovators who will want to take advantage of the desire for the country to innovate, and then they just come up with ideas which are not even good. It will resolve the problem of wastefulness as we will invest in ideas that are viable.

There will be a mechanism for reviewing, and it will also be open for all Ugandans to participate, just like my honourable colleague was saying. It will be fair for everyone to know that if I want to participate, this is the procedure I will participate in.

In addition to that, the ministry should also clearly put a mechanism by which the project that has been funded can be required to give the Government a share so that it is not negotiated later when we are - *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you - (*Hon. Nakut rose)*. Colleagues, are you are hearing a threat from a commissioner? Yes. Honourable, conclude.

MS NAKUT: On this particular matter of financing, if we want a revolving fund for innovation in Uganda, it could actually come from the shareholding that the Government has in the projects that have been phased out.

If that is already put in the mind of the innovator at the beginning, it will not be a hurdle later. What we are asking for now, the revaluation of a company, would not have arisen if that condition had come at the initial stages when the project was just beginning. I propose those two amendments to this report.

5.06

MS SYLIVIA NAYEBALE (NRM, Woman Representative, Gomba): Thank you so much, Mr Speaker. I equally commend the committee for the good report. In particular, I would like to thank the President for transforming Uganda from a predominantly raw-material economy to an industrial and value-adding one.

From the recommendations of the committee, I would also like to add that during the budgeting process, we should streamline those projects that are lying idle and have not performed well. For example, Mr Speaker, in the Financial Year

2024/2025, Shs 407 billion was released, and it was spent but 69 per cent was seen as physical performance.

For those projects that are not performing well yet we keep pumping in more money, I would really recommend that the committee, at that stage, should start streamlining. Instead of adding, you cannot keep injecting a body that will not recover. Let us put more - *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you. Hon. Achia then - it is okay.

5.08

MR PATRICK NSAMBA (NUP, Kassanda County North, Kassanda): Thank you, Mr Speaker. I would like to make a statement that we have created a problem in this country where some companies are depending entirely on the Consolidated Fund to run business, which kills all the rules of competition.

When one company is producing pharmaceutical products and all the support is coming from the taxpayer's money, they cannot compete at the same level with the other company which is producing using its own money. Supporting a company one time is okay, but continuous dependence on the Consolidated Fund - this is what we are encouraging, but it is very dangerous.

We are killing the private sector and innovation in the name of promoting innovation and we need to rethink this. If we really want to promote innovation, we need to pool a fund that should be competitive for companies and it should be open to those that want to participate. However, this business of identifying one company, giving it money today, tomorrow, and the other day, is really very dangerous to this economy.

Secondly, Mr Speaker, our committees of Parliament should never ever be used as public relations teams for these companies. When you look at this - *(Member timed out but allowed to continue.)*

Thank you. Mr Speaker, when you look at this, our committees are proposing, "Please add more money to Dei BioPharma". What are they requesting for? They want us to add Shs 1.6 trillion to Dei BioPharma. Mr Speaker, that is not right.

Imagine they are telling us to pay money for verified arrears of a private company, Presidential Initiative on Banana Industry Development (PIBID). Mr Speaker, I have seen that Inspire Africa Coffee should be added another $ 250 million. This is not right for the economy today. Do you know what will happen? These companies are not even going to be competitive. They are going to be spending taxpayers' money and at the end of the day, they will not even perform. They will always concentrate on scavenging the Consolidated Fund and there will be no performance at all – *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you. Honourable minister, I hope you pick that point strongly. I have already received some manufacturers who talked to me – that does not mean that Dr Magoola is doing anything wrong. I respect him as a very smart fellow who has come up with all these patents and put in all this knowledge. He deserves all the support.

However, they are saying that he is trying to manufacture everything that the others are already manufacturing. They have borrowed money, but the Government has given this company money, and it manufactures what they are manufacturing and is given an offtake. They wonder how the Government expects them to compete with that company. They claim that the money the Government is giving the company is the taxes they have been paying.

One of the manufacturers told me, "You are telling us to pack and go." I told him that Dr Magoola is doing a great job; what do we do? He said, "No, if you are to support this company, support them to manufacture what we are not manufacturing locally so that what we are manufacturing locally is still reserved for us who are struggling with our loans."

When you listen to them, it makes sense. Someone says, "I borrowed $ 100 million. Now, once they start manufacturing, you say it is a government company, so priority should be given to a company where the Government has a share."

Another person said, "So you mean you want all of us to sell to the Government?" Honourable minister, take keen interest in this so that Dr Magoola, whom we have supported and will continue to support strongly, does not encroach on people who have struggled with loans to build their businesses. He should focus on the new things the President said he is helping us with.

Otherwise, there would be unfair competition. We shall be killing ourselves. Hon. Nsamba, thank you for bringing out that point. It is a very critical one. Hon. Mwiru and then Dr Batuwa.

5.14

THE CHIEF OPPOSITION WHIP (Mr Paul Mwiru): Thank you, Mr Speaker.

The minister will agree with me and all colleagues that these projects are funded at concept stage. I will give an example of Inspire Africa Coffee. You know for a fact that the Government department, the National Agricultural Research Institute (NaCORI), was in charge of research. True or false?

NaCORI was in charge of research, and someone just knew that a product would be commercialised, and some sharp people picked someone, took him to the President and said This is the one to commercialise the product. What did he come with? Completely nothing. We got our money, we got the research, and gave away the money.

The committee is here now telling us to get Shs 250 billion, and give it to another person. Innovations would be perfectly okay because as a manufacturer, I know that actually, if support is extended - We have departments of research and development. However, research and development is very expensive. We do not have the money to develop them to standards that would actually be working.

Mr Speaker, most of these projects have no feasibility studies. I will give an example of PIBID. When it started, it had no feasibility study. Even the products were patented in the name of Prof. Muranga. This Parliament made a resolution not to allocate more money when the products are not in the name of the Government of Uganda. It was not achieved. We gave the money.

I actually got problems because she comes from Busoga, and I did not want the Basoga to also get money. The same will apply to another person. When he gets money, they will say another Musoga is taking money. However, I took an oath to defend the Constitution of the Republic of Uganda. The framers of the Constitution who put the power in this Parliament - we need to pay attention to what we are doing.

I would propose, finally, that before we give more money, there are audit reports. When public money is spent, we are supposed to audit it. We need to see where these audited reports are. Where are the business plans of these organisations? We should even enlist the services of professionals. The quantity surveyors should tell us whether the money was put in the company and to good use to realise value for money.

If we do not do that, honourable minister, these companies will remain like stratagems and shams for purposes of siphoning public money. When they manufacture, and they are given offtake agreements - Offtake agreements are those agreements where they give you money, tell you to produce, and give you a market. Anybody can do that.

Finally, minister, as you go back, when we took up the policy of Buy Uganda Build Uganda to support the small medium enterprises, they are there. However, if you give Shs 2 trillion to one company and you do not support others –

Mr Speaker, there is a company which manufactures moulds here. I was shocked when they approached me and said, you know, we can manufacture moulds but we do not have money. One mould in China is 5,000. Those with capacity do not know where to get the capital. They do not need much money. Colleagues, as we debate, we need to know – *(Member timed out.)*

THE DEPUTY SPEAKER: Thank you. Hon. Batuwa?

5.18

DR TIMOTHY BATUWA (NUP, Jinja South Division West, Jinja City): Thank you, Mr Speaker. I associate with your view that Dr Magoola should keep in his lane. He should not manufacture paracetamol, metformin and all those other generics that he is into.

Mr Speaker, the dream of Dr Magoola or of Dei BioPharma is a strategic one for this country. I was discussing with NMS after Ebola, and I discovered that the monoclonal antibodies they gave us to treat Ebola cost $2 billion for 10 doses. Now, Dei BioPharma is designed to manufacture biopharmaceuticals. CRISPR, a genetic scissor that can cure sickle cell and other genetic diseases, would cost $2 million to treat one patient. From Dr Magoola, I have heard that he has a patent of one of those products.

True, to go into biotech products, you need a lot of money. For that particular facility to work the way it should, they need in excess of $1 billion. They need between $ 1 and 1.3 billion.

As a sovereign country, do we need that? Look at cancer management, what we call chemotherapy. This time round, they are going into biologicals whereby they train your body cells to hunt for the cancer cells, to treat and cure cancer. That is where the dream is. Dr Magoola or Dei BioPharma has now got the equipment and the bioreactors to come up with these biologicals. I believe, as a country, that we strategically need this kind of technology and facility.

I heard the President say that it is one of his $500 billion economic dream. This kind of facility should be in Uganda as Uganda realises to be a $500 billion economy, whatever it is. In Africa, it is the only facility with this kind of dream. I am convinced that actually – *(Member timed out.)*

THE DEPUTY SPEAKER: That is why I said that I strongly support Dr Magoola in his dream. However, paracetamol and these common things is not what we funded. We funded those things which are even difficult to explain, as Dr Batuwa explained. LOP -

5.20

THE LEADER OF THE OPPOSITION (Mr Joel Ssenyonyi): Mr Speaker, I thank the committee for this report. I am flummoxed by this report because it is full of contradictions. I thank them for one part, and then it becomes confusing.

On page 13, the report reads, "The committee was further informed that the Government of Uganda has a shareholding of 9.4 per cent in Dei BioPharma..." It goes ahead and says, "… however, proof of the said shareholding by the Government was not provided".

On the next page, under recommendations, they are recommending that the Government provide $434 million to Dei BioPharma. That is Shs 1.76 trillion. You are saying there is no proof of Government shareholding, but you are also saying that the Government should inject a lot more money. This is extremely confusing.

When you go to Inspire Africa Coffee, their first recommendation is that the Government should table before Parliament the contractual and financing framework that is governing its relationship with Inspire Africa, because it is not there. On the next page, they are recommending that the Government should front-load adequate capital of $250 million to Inspire Africa Coffee. That is over Shs 1 trillion. Why is the committee confusing us?

Mr Speaker, together with some colleagues, I went to these two entities, and among others,

we found numerous issues. Dei BioPharma - those are the people who promised us the COVID vaccine. COVID came and went; the vaccine was not there. They made numerous other promises. They even told us that, "We can return the money the Government has given us." Now they are asking for an additional Shs 1.76 trillion.

We went to Inspire Africa Coffee; same stories. Look, we have nothing against - *(Member timed out.)* Let me finish, Mr Speaker.

We have nothing against these privately owned companies. However, this is shambolic. Government, we cannot keep playing around with the taxpayer's money like this. You have given them money; you want to add more money to them.

Mr Speaker, when Parliament was passing the Shs 723 billion to Dei BioPharma, I did request the then Speaker of Parliament, who was presiding and said, if the Government is saying that they are buying shares in this company, can they first bring a report from the Government Chief Valuer? The Government told us, "We have not valued this company yet, but we shall value it after you have given us the money". I said, now, how do you know the stake you are buying?

The presiding officer said, "Let us pass the money, but Government do not release the money to this company until you have valued it". I said, Madam Speaker, once Parliament has passed that money, you have no control. They will not value it, and you will have nothing to do about it. They are back for more money and there is no government valuation report. I think money is being siphoned through these entities, Mr Speaker. That is what we discovered when we went with colleagues.

Again, Mr Speaker, numerous companies also require a Government bailout. Why does the Government continue to bail out these same problematic companies, while other genuine businesses are also struggling? Why don't you bail us out?

Finally, Mr Speaker, we need to audit the money that has been given to these entities. Before you can think about asking for more money - trillions of shillings for them - can we have a value-for-money audit of the funds that have already been provided before we add additional funds to them? Otherwise, we are acquiescing to the stealing of taxpayer money and it is not right, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. I request the chairperson of the committee to come and take the Floor.

Now, colleagues, this report has some parts which are problematic, even from a procedural perspective. For example, if we say that Parliament should provide a certain amount of money yet we have the Committee on Budget, which is mandated to guide the House on appropriation –

The good thing is that this is a sectoral committee. However, it is as if we are forcing the Government to go and look for the money and bring it, yet this must go through a process. Therefore, the moment you pass a resolution here at this stage, directing that this money should be provided, it means you have usurped the power of the Budget Committee. It means you have instructed the Government to go and look for money, either through borrowing or otherwise, thereby bypassing the appropriation process.

Chairperson, would you be comfortable with these problematic recommendations of saying 'give this money'? How do we handle them? You know the process of appropriation very well.

5.25

THE CHAIRPERSON, COMMITTEE ON PRESIDENTIAL AFFAIRS (Mr Martin Ojara): Thank you very much, Mr Speaker. Firstly, I would like to thank you and the honourable members for recognising the good work of the committee. I also thank the members of the committee for continuously being committed. On a lighter note, I have seen colleagues who are not members of the

committee purporting to be members. That is on a lighter note. There is one Member who said he is a member, yet he is actually not. Probably he is mistaking us with another committee.

Let me start with what you said. Mr Speaker, as a committee, ours are just recommendations. We provided these recommendations in good faith based on our findings on the ground, and we appreciate your guidance, but we pray that it is upon this Parliament and yourself to guide committees so we can continuously do a good job. We definitely thank you for the guidance, and ours is just a recommendation.

THE DEPUTY SPEAKER: No, why am I bringing this, honourable member, is because there is a process and this process sometimes goes through your committee. Now, the moment we put this to a vote and, for example, it is adopted, it is no longer a recommendation; it is a resolution of the House. It ties our hands and the anticipation and all that. I do not know whether you are comfortable looking through this and guiding us from a procedural perspective.

MR OJARA: Thank you very much, Mr Speaker. Maybe you will allow me to respond to that and then there are about two other areas.

On that very particular point you have raised, it is at the discretion of the House and yourself to guide the process. Of course, we are aware that there are different processes and so, as a committee, we have presented and when you find it fit, it is at your discretion.

Secondly, the Leader of the Opposition raised a concern and intimated that there seems to be a contradiction. There is no contradiction; probably we did not shed more light. Probably we left that statement hanging but what we did, as a committee, was to demand to understand the shares the Government has, and indeed we were given this information. We went further and demanded documentary evidence, which we were told can only be provided by the Ministry of Finance, Planning and Economic Development. Therefore, we could not say that we have this when we actually do not have documentary proof. I appreciate that the honourable minister has provided that, and she said she will be able to give copies.

Finally, Mr Speaker, what the committee is saying is not just about mere adding of money. The committee is simply saying that when you embark on a process with clear knowledge of what you want to achieve, you should then be prepared to start and finish. What we discovered, as a committee, is that yes, Government started a process but for us to achieve the intended result, there are still steps that have to be pursued. Therefore, we are recommending that we need to conclusively pursue these processes so that we achieve the desired goals. Thank you very much.

THE DEPUTY SPEAKER: Thank you. Honourable minister – *(Hon. Nsamba rose_)* On a procedural matter? Let us get the procedural matter.

MR NSAMBA: Thank you very much, Mr Speaker. I would like to begin by thanking you for your guidance on the recommendations in this report. It is very good guidance because then, Parliament will have recommendations if we take it the way it is.

Mr Speaker, wouldn't it be procedurally right that the chairperson retreats with the committee and they come up with proper recommendations that this Parliament can consider, given the work they did? Then, we will be able to give a blessing to their report.

THE DEPUTY SPEAKER: Honourable colleague, that would not be appropriate because they made great recommendations save for one, which is procedurally problematic. When you make resolutions, they are extracted and conveyed to the Government.

If we extract a resolution which says, "The Government, through the Ministry of Finance, Planning and Economic Development, provides $434 million required to complete and fully operationalise the company…" you are instructing. Parliament will have given a resolution saying, "pay." You are bypassing the processes.

Honourable member, it is not that what you are recommending is bad. We are only talking about procedure. I expected you to say - maybe a member can even move that – that we can expunge where we are recommending to give money because it is premature. It is not that in the future we should not give but we are saying this is not how they do it. I am trying to guide the committee chairperson.

MR OJARA: Thank you very much, Mr Speaker. We are on the same page. The recommendation we have provided is not necessarily to dictate. Therefore, it would be fair, just as you guided, that without appearing to be dictating figures, consideration can be taken by the Government depending on what is available.

I do not know whether you would advise the committee. We should not necessarily abandon the recommendation because the figure we have indicated is what is left to finish it. However, it is not necessarily committing or directing Government to be -

THE DEPUTY SPEAKER: You can, for example, say that Government should study the proposal by…

MR OJARA: Thank you, Mr Speaker. You will permit me to borrow your words and say, "Government should study and consider supporting these entities." Thank you. *(Applause)*

THE DEPUTY SPEAKER: That is a proposed amendment. It can be standard wherever they say we give a certain amount of money. I think that keeps us in a very safe position. I will put a question at the end. Yes, another amendment? I will allow you before I put it to the question.

DR MUSENERO: Thank you, Mr Speaker and honourable members for the vigorous debate. I will try to answer very precisely. On the matter concerning the reported proposal of land takeover, I will consult the minister to get clarity on what she meant and come to report to the House.

Mr Speaker, there are currently two companies out of the many companies under Science, Technology and Innovation (STI) where Government has shares. One is concluded and the other is still ongoing. The rest are fully Government-owned companies. Companies like Kiira Motors Corporation (KMC) and the Presidential Initiative on Banana Industrial Development (PIBID) are Government undertakings.

On the issue of transitioning a company from a grant, world over, governments provide grants to innovators to do research and development. Grants are, by nature, non-returnable. They are given based on a proposal which is written and is seen in a broader light that it is going to be very helpful to the country.

When this research progresses and reaches a point of manufacturing, usually a lot of work has gone into it. Sometimes they get money from equity investors. In the developed world, there are very many investors who have that kind of money. Unfortunately, in our start-up ecosystem, the Government comes in to support these companies.

As I said, at the time when the Government invested - I was minister then – Dei BioPharma Limited was valued by both an international valuer and a Chief Government Valuer at $2 billion. They are preparing for listing on the stock exchange and the most recent valuation puts this company at $12.9 billion - *(Mr Muzaale rose)*- and that is true – *(Interjections)* - yes.

THE DEPUTY SPEAKER: Honourable minister, have you allowed anyone on the Floor? You are the one holding it.

DR MUSENERO: Okay, Mr Speaker. I proceed.

THE DEPUTY SPEAKER: I only asked her whether she has allowed it. You might be intimidating her off the Floor. If you have allowed it, it is okay, but if not, then continue. The choice is yours, honourable minister.

DR MUSENERO: No.

THE DEPUTY SPEAKER: Okay. Hon. Martin, take your seat.

DR MUSENERO: I want to finish my submission. These valuations are done by international agencies and companies that value similar companies all over the world. It is because of this ability to amplify value that the Government invests in them. That is why they are known as innovations.

By the time the Government invested, its value of investment was about $250 million. Although this is still 9.4 per cent, it is $1.213 billion currently. If Government were to sell its shares now, that would be it -

THE DEPUTY SPEAKER: Honourable minister, who would buy those shares at that value?

DR MUSENERO: There are international companies that can.

THE DEPUTY SPEAKER: Okay.

DR MUSENERO: There were recommendations that these projects should have feasibility studies. Indeed, many of them have what would be the equivalent of a feasibility study. That is known as research and development. When you are starting with an innovation, it cannot be done the way you do a feasibility study for an energy generation project where the journey is known. These projects are coming out of research and development.

I would like to appreciate the honourable members who have appreciated companies like Dei BioPharma Limited. I feel very pleased because you know that I was here as Minister of Science, Technology and Innovation. I did not have as much understanding and support in the House as exists today. So, I would like to register my great appreciation, including to Hon. Elioda, who was my predecessor in the ministry which the Science, Technology and Innovation Secretariat represented.

I have taken note of the issue of these companies producing what others already produce. I am going to take this recommendation to the incumbent minister so that he can look at it. When I was there, our discussion was that this company must meet FDA requirements so that whenever US money is given to support countries, they can buy these medicines.

Currently, we do not have an FDA-certified company in the country. Even in the manufacturing of those drugs, that was the goal. As I said, I am the former minister, so I do not know what is now going on there. I have taken note of the matters that I can address, and I am going to submit them to the incumbent minister.

I would like to, once again, appreciate the debate. Science is in my blood and I feel very gratified that this august House now appreciates the results of science and technology. Thank you very much.

THE DEPUTY SPEAKER: Thank you, honourable minister. *[Hon. Nsamba rose_]* Hon. Nsamba, do you have a procedural matter? *[Hon. Biara rose_]* Hon. Biara, is it a procedural matter?

MR NSAMBA: Mr Speaker, the minister has made a very serious statement here about the fact that there is a valuation report on Dei BioPharma. Unfortunately, she says she is not there anymore but is aware.

Wouldn't it be procedurally right that she also makes a commitment to this Parliament? From what the LOP said on the effort it took before the payment of the Shs 736 billion, it looks like there was no such valuation at that stage when the request came before Parliament. Can she commit herself, or any person responsible, to lay this before Parliament, so that we are able to know about this?

Last year, the company was engaged in the area of pharmaceuticals. Today, the company is very busy producing fertilisers and, on another day, it is completely on something else. We will soon hear that they are producing bullets. *(Laughter)*

Mr Speaker, at this stage –*(Interjection)*- I hear someone saying that they also do hospital beds. In one year, you asked for Shs 2 billion; in another year, you ask for Shs 12 billion. You are now telling Government you need Shs 1.6 trillion to complete the line. All these are contradictions.

THE DEPUTY SPEAKER: Thank you. Honourable Member, you want the valuation report. Honourable minister?

DR MUSENERO: Mr Speaker, thank you. I have committed to bring the documents that I have, because that valuation report is in the custody of the Attorney-General's office and also in the ministry. I will convey it so that the minister can bring it and lay it.

The documents, which have been passed on to me - because I am representing the minister – and I commit to provide share certificates. I will send them tomorrow, as that information was given to me. I will ask my colleague to provide you with a copy.

I want to affirm in the positive that there was a very prolonged debate, chaired by the Attorney-General, on this valuation report before the agreement was signed for Inspire Africa and that process is ongoing. Thank you.

THE DEPUTY SPEAKER: Hon. Emmanuel, I saw you were also wondering.

5.45

MR EMMANUAL BIARA (NRM, Bulambuli County, Bulambuli): Thank you, Mr Speaker. I have been patiently listening to this debate, especially to your guidance to the chairperson about the recommendations seeking the Government to do consultations on adding money to some of these companies.

In the Equal Opportunities Act, and also for purposes of equity, equality and justice, the Elgon zone produces the best Arabica coffee, ranked third in the world, yet we have never had a value addition hub in the Elgon zone and even in Madi-Okollo in West Nile.

Why can't we remove this recommendation of adding Inspire Africa and instead propose that we establish another innovation hub in the Elgon zone, so that we equally benefit as a country? *(Applause)* Thank you.

THE DEPUTY SPEAKER: Thank you. But you can start one in Elgon without affecting the other one. They can coexist.

MR BIARA: Thank you very much, Mr Speaker.

THE DEPUTY SPEAKER: I support you. Honourable minister –

MR BIARA: Let me put it on record. We do not want to affect what Inspire Africa has done. Like Hon. Nsamba said, they have already received resources that can keep them going. Let us also give opportunity to other companies and sub-regions so that we have equity in this country. Thank you.

THE DEPUTY SPEAKER: That is why I was avoiding recommendations of giving money when we have no money to give. Article 93 does not allow us to even go into that area; it is Government which can -

Honourable minister, I know that the Committee on Science, Technology and Innovation is also doing work related to this. Whereas this is project-specific, theirs is general and it is looking at the whole sector. Let those evaluations be presented to the Committee on Science, Technology and Innovation so that they are incorporated in the findings within the report and later debated extensively.

Luckily, Dr Opio is a pharmacist so you cannot tell him that you valued this at this much. He is very strict on that. LOP, do you want to make an amendment before I put the question?

MR SSENYONYI: Mr Speaker, firstly, like to inform Hon. Biara that in the NDP III, which incidentally ended at the beginning of July, the Government committed to build two coffee value addition factories; one in the Elgon region and another in parts of Buganda region because that is where coffee is produced most.

So, we kept asking Government where those factories you committed to build are. You took one to Inspire Africa Coffee, which you are supporting, but you committed to these ones, and there is good justification in that document, but up to now, that has not happened.

Mr Speaker, you have talked about the valuation reports, which I partly wanted to also raise. The Government should make those valuation reports available to Parliament so that they go, first, to the sectoral committee. I believe the relevant accountability committee follows the money. That element will be very important. Once they are made available to Parliament, the relevant committees will be able to access them.

The other bit, Mr Speaker, is that we should add therein an audit of the money given so far. I am talking about an ordinary audit, not even a forensic audit or whatever. This is good for all of us because Parliament approved that money and these companies should be accountable.

It is very important that they account for all the billions given so far because they are now asking for more money. Dei BioPharma is asking for Shs 1.76 trillion. Inspire Africa is asking for Shs 1 trillion and a couple of billions.

Before they even talk about asking for more money, let them first account. An ordinary audit by the Auditor-General should establish: this money was given, what has the money done? That would be good for all of us, so Parliament can be at peace.

Otherwise, Parliament is now being accused of continuously giving money to people who are not accountable. We do not know what the money is doing and yet they keep asking for more. Therefore, it is good for us also to buttress ourselves.

THE DEPUTY SPEAKER: Thank you. However, Chairman of the Committee on Public Accounts (PAC), the Auditor-General has been auditing. Wherever we have put money, he is instructed by law to audit.

Hon. Kakooza - However, Hon. Kakooza, even if you are a Member of Parliament (MP) for the elderly, we do not want you to sit in the seats of the elderly. *(Laughter)* We know you are still young. You are trying to justify being elderly by - *(Laughter)*

MR KAKOOZA: For the record, when the Government submits, and Parliament passes money for private companies and Government institutions, under Section 18 of the National Audit Act, Cap 170, money passed by Parliament must be audited.

The Committee on Public Accounts, I think, has that report. Every year, the money transmitted must be audited. This information is quite important for people to understand. We faced the same problem in the past Parliaments. That is why we enacted that law to require the Auditor-General to audit that money.

THE DEPUTY SPEAKER: Yes. Honourable colleagues, this is a matter of law. Therefore, if the Auditor-General has not done that part, we shall require him to do it as presiding officers.

Honourable minister, did you want to conclude with something?

DR MUSENERO: Yes, Mr Speaker. I would like to say that the Government has proposed supporting another company in this region known as Nonda Coffee Park.

However, there is a procedure for selecting each category under the National Research and Innovation Fund. I hope Hon. Tumwesigye is still there because he spearheaded the establishment of this fund and its guidelines.

These projects are advertised and there is a national call for applications. When people apply, they go through a very rigorous process, and then the projects are selected under what we call "The National Research and Innovation Fund." Therefore, it is not random that just a few people come.

I also wanted to clarify that the Auditor-General audits every point where Government

money goes every year. The people responsible for these projects appear before the relevant committees of Parliament to respond to queries on each project annually. I beg to submit.

THE DEPUTY SPEAKER: Thank you, honourable minister. I have already guided on the issue of the valuation reports because a report is coming. We do not want to give fresh work to Hon. Mapenduzi's committee. We would rather build on the report of the Committee on Science, Technology and Innovation. We only have the amendment that we proposed on the recommendation that we provide money.

Honourable colleagues, I now put the question that the report of the Committee on Presidential Affairs on the assessment of the performance of selected science, technology and innovation projects under the Science, Technology and Innovation portfolio be adopted with the amendments as proposed.

(Question put and agreed to.)

Report adopted.

THE DEPUTY SPEAKER: Thank you and well done, Chairperson. (*Applause*) We shall extract the recommendations and send them to the relevant ministry for implementation. The ministry will be required to report back within six months, as provided by the Rules. Thank you. Next item.

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE ON TOURISM, TRADE AND INDUSTRY ON THE INQUIRY INTO COMPLAINTS BY STAKEHOLDERS ON PERSISTENT LEADERSHIP, GOVERNANCE AND MANDATE-IMPLEMENTATION CHALLENGES AT THE UGANDA NATIONAL BUREAU OF STANDARDS

THE DEPUTY SPEAKER: Thank you. Honourable colleagues, I have been told there is heavy traffic congestion outside. Even when you go, you will be stuck. *(Laughter)* We would rather be stuck here doing some work because I do not want my members to suffer in traffic congestion. Let us continue doing some work.

Tomorrow, we do not have a House sitting. I will communicate that formally. However, if you have an urgent matter - some of you have young children - please find a way. You might decide to abandon the car and walk home so that you arrive early.

Yes, honourable chairperson. Where is the committee chairperson? Just take us through the summary. The entire report will be captured. Focus on the observations and recommendations; then we shall debate and conclude this item.

5.56

THE CHAIRPERSON, COMMITTEE ON TOURISM, TRADE AND INDUSTRY (Mr Boniface Okot): Thank you very much, Mr Speaker. In accordance with our rules, I beg to lay the minutes of the committee proceedings and a copy of the report. I beg to lay, Mr Speaker.

Mr Speaker, during the sitting of the House held on Tuesday, 14 July 2026, the Parliamentary Commissioner, Hon. Faith Nakut Loru, presented a motion for a resolution of Parliament to reinstate business of the House that had lapsed upon the dissolution of the 11th Parliament, in accordance with Rule 245 of the Rules of Procedure.

The reinstated business, through the resolution, included an inquiry into complaints from multiple stakeholders about persistent leadership, governance, and mandate-implementation challenges at the Uganda National Bureau of Standards, which the then Committee on Tourism, Trade and Industry had commenced during the Fifth Session of the 11th Parliament.

In accordance with Rule 245(3) of the Rules of Procedure, the inquiry was treated as a fresh reference to the committee, which now has the pleasure of presenting its report to this august House.

Very briefly, there were four terms of reference: One, to establish and evaluate persistent leadership and governance challenges at UNBS.

Two, to evaluate and review the complaints of key stakeholders, including small and medium enterprises, concerning the mandate and functions of UNBS.

Three, to examine UNBS's funding model and its implications for service delivery.

Finally, to inquire into any matters incidental to the inquiry.

The rationale for this inquiry was that UNBS is central to the realisation of the tenfold growth strategy, which seeks to grow the economy from $50 billion to $500 billion by 2040. The Ministry of Trade, Industry and Cooperatives informed the committee that the bureau's performance directly affects that objective.

The inquiry was prompted by persistent complaints from SMEs and other stakeholders about delays in certification, the cost of compliance, leadership instability at the Bureau, and weaknesses in delivering its mandate.

Mr Speaker, in the interest of time, the committee captures the mandate of UNBS, which is about 21, in accordance with the Uganda National Bureau of Standards Act, Cap. 210.

We also reviewed UNBS's governance and organisational structure, as well as the performance review of key mandate indicators, on page 13.

In summary, on the performance of UNBS, the committee's review of UNBS's performance, which is on page 21, gives rise to four principal conclusions:

First, that UNBS's operational performance is directly influenced by the level of funding available.

Second, that increased output has not translated into timely service delivery, as turnaround times remain substantially above the prescribed targets.

Thirdly, UNBS's automated trade-facilitation functions perform more efficiently than the labour-intensive functions of certification, calibration, and verification.

Finally, UNBS's performance-reporting framework places greater emphasis on outputs than on outcomes and therefore does not adequately measure critical indicators such as turnaround time, service coverage, cost to clients, and detection of non-compliant products.

4.0 Observations, findings, and recommendations

4.1 Term of Reference 1: To establish and evaluate persistent leadership and governance challenges at UNBS. There are six leadership challenges indicated.

4.1.1 Mode of appointment of the Chairperson and members of the National Standards Council and the Executive Director of UNBS

Committee findings

Section 4 of the UNBS Act establishes the National Standards Council as the governing body of the Bureau consisting of:

(a) a chairperson appointed by the minister;
(b) two ex-officio members appointed by the minister from among public officers;
(c) six persons appointed by the minister on recommendation of the Director, with experience in commerce or industry or with technical experience or qualification; and
(d) the Director, who is the Secretary to the Council.

The committee finds that:

1. The Executive Director participates in nominating six of the National Standards Council members who eventually supervise his or her performance, and

the National Standards Council in turn recommends the appointment of the Executive Director, thereby creating a structural conflict of interest.

2. The UNBS Act does not prescribe minimum academic or professional qualifications for the Chairperson or members of the National Standards Council.
3. The UNBS Act does not provide sufficient security of tenure for Council members, leaving the Council vulnerable to wholesale reconstitution by the appointing authority.

The committee recommends that:

(a) In appointing members to the National Standards Council under Section 4 of the UNBS Act, the minister should not appoint any person who is employed by, or holds a position in any entity or body supervised or regulated by UNBS, in order to prevent conflict of interest, preserve the independence of the Council, and strengthen public confidence in national standard setting;

(b) In appointing two ex-officio members of the National Standards Council drawn from the Public Service under section 4(b), the minister should ensure that one is drawn from the Ministry of Finance, Planning and Economic Development, in order to integrate fiscal and economic policy considerations into the governance of the national standards;

(c) The Executive Director of UNBS should not be involved in recommending the names of the six members of the National Standards Council as is currently the case under section 4 of the Act, in order to uphold the separation between regulatory administration and governance;

(d) The UNBS Act should be amended to prescribe the academic and professional experience and qualifications required of all members of the Council and, where applicable, membership of a recognised professional body and skills relevant to the mandate of UNBS;

(e) The revised Act should provide for fixed and staggered terms for Council members, with removal only for cause and following due process, so that Council is not reconstituted in its entirety at any one time, as it happened severally;

(f) The minister fills the existing vacancy on the Council without delay, the committee having noted that one of the six appointees under section 4(c), appointed by a letter dated 11 August 2026, had not officially assumed office, leaving the Council with eight of its nine members.

4.1.2. Disregard for institutional communication, procedures, and reporting hierarchy

Committee findings

The committee finds:

1. The former minister of Trade, Industry and Cooperatives and the National Standards Council exercised overlapping and uncoordinated authority;
2. Governance disputes at the apex have had direct operational consequences, including the suspension of standards approvals.

The committee recommends that:

(a) The UNBS Act be amended to prescribe the role of the minister and confine the minister to guiding the Council on policy direction, legislative oversight and ensuring compliance with constitutional and statutory obligations, rather than direct involvement in administrative decisions;

(b) The UNBS Act be amended to safeguard the National Standards Council from ministerial interference by ensuring that the Council discharges its statutory functions independently;

(c) The minister and the National Standards Council should not interfere in the day-to-day administrative functions of the Bureau;

(d) The minister communicates with the Executive Director on matters of the Bureau only through, or with copy to, the Chairperson of the Council, and every

directive of the minister to the Bureau should be in writing and copied to the Council; and

(e) The Council should put in place a transitional arrangement under which a quorum-based approval of Uganda standards is possible, and the revised Act should provide for a caretaker arrangement so that standards approvals are not suspended in the absence of a Council.

4.1.3 Unchecked powers of the minister under the Act

The committee finds that:

1. Ministerial powers over appointment, removal, and direction are not accompanied by procedural safeguards or reasons-giving requirements;
2. Wholesale dismissal and reinstatement of the Council have produced prolonged instability.

Committee recommendations

The committee recommends that:
(a) UNBS formulates operational manuals to define and limit the scope of ministerial interventions in the affairs of the National Standards Council and in the operation and management of the Bureau;
(b) The manuals regulate the interaction between the minister, the National Standards Council and the Executive Director and the technical staff of the Bureau;
(c) The manual should provide for conflict-resolution mechanisms and procedures in line with the UNBS Act.

4.1.4 Internal human resource management challenges and litigation

The committee observed that there is persistent litigation against the Bureau and it has become the constant feature of the UNBS operations, which reflects internal governance and compliance weaknesses that need to be urgently addressed.

The committee finds that:
1. Terminations have not consistently followed statutory and procedural requirements.
2. Court awards have accumulated without budgetary provision.
3. The Bureau lacks effective internal dispute-resolution and performance management mechanisms.

The committee recommends that:
(a) The National Standards Council should always seek the opinion and guidance of the Attorney-General on matters of law in order to avert possible litigation arising from decisions of the National Standards Council on management and operational matters;

(b) The Uganda National Bureau of Standards (UNBS) strictly complies with the statutory and procedural requirements for termination of staff in order to avert possible court actions.

(c) Alternative dispute resolution mechanisms be set up to promote out-of-court settlements.

(d) UNBS establishes a structured internal dispute resolution mechanism with a legal risk register reported to the council quarterly.

(e) UNBS introduces performance contracts and key performance indicators for all senior managers linked to institutional targets with annual appraisal reports to the council.

5. Questionable integrity of the Chairman of the National Standards Council.

The committee noted that, as with any public office, integrity is key to holding an office as important as the chairmanship of the National Standards Council. The committee was informed by the Uganda Institution of Professional Engineers that the current chairman is not a registered engineer under the Engineers Registration Act, Cap 299, but uses the title and prefix "Eng."

Committee finds that;

The Committee finds that:

1. The Chairperson has used a professional title protected by law without registration.
2. The UNBS Act prescribes no qualifications or vetting standard for the Chairperson or members of the council

The Committee recommends that:

a. the Minister of Trade, Industry and Cooperatives should, in accordance with the rules of natural justice including the right of the Chairperson to be heard, initiate the process for removal of the Chairperson under section 5(2)(d) of the UNBS Act on grounds of unfitness to hold office;

b. the UNBS Act be amended to prescribe clear academic and professional qualifications for the chairperson and Members of the National Standards Council, including mandatory registration with a recognised professional body where applicable;

c. the appointing authority should ensure that future appointments to the office of the chairperson are subjected to rigorous vetting to ascertain integrity, professional standing and compliance with statutory requirements.

d. The Engineering Registration Board and relevant authorities consider the matter reported by IUP in accordance with the law.

6. Expenditure, procurements, and recruitment irregularities and past financial improprieties.

The Committee finds that:

a) Allegations of unauthorised expenditure, procurement deviations and non-procedural recruitment have not been investigated to conclusion.

b) There is no published and objective standard for the grant of waivers. You will notice there are records of waivers, especially for the Pre-Export Verification of Conformity to Standards Programme (PVoC).

The committee recommends that;

a. the Auditor-General undertakes a special audit of expenditure, procurements and recruitments at UNBS covering the last five financial years and report to Parliament within six months.
b. that UNBS publishes the criteria for the grant of waivers and a register of all waivers granted.

Terms of reference 2

Complaints by stakeholders

The committee evaluated complaints by key stakeholders on the implementation of the UNBS mandate. The complaints have been consolidated into these thematic areas, which are about 11.

One is delay in product certification and permit renewal.

I will go straight to recommendations, on page 38.

The committee recommends that:

a. UNBS establishes clear timelines and service standards for certification approvals with penalties against staff for unjustified delays;

b. that the UNBS recruits additional staff to ensure quicker turnaround time for product certification and continuously builds the capacity of the existing staff to address workload and expertise gaps;

c. The UNBS introduces a framework for issuance of an interim or temporary product certificate where a product meets minimum safety standards pending full approval, with enhanced surveillance and testing to safeguard consumer safety;

d. UNBS adopts a deemed renewal rule under which a certificate remains valid

where a renewal application was lodged in good time, and the delay is attributed to UNBS, and abolishes the automatic expiry of application delay through no fault of the applicant;

e. UNBS publishes a binding public service charter and digitises the full certification workflow with automatic tracking, reminders, and status notifications;

f. UNBS refunds or credits testing fees where failure of equipment or loss of a sample is attributable to the Bureau.

The high cost of compliance, fees, and certification framework. The committee finds that:

1. Certification and testing fees are applied product-by-product without regard to a single audited production system.
2. No transparent, itemised fee schedule separates certification, testing, surveillance and other regulatory charges.
3. Mandatory purchase of standards before application, and the absence of local-language versions, constitute an avoidable barrier to entry.
4. Re-testing charges and fixed certificate validity periods are applied inconsistently and without reference to risk or production cycles.

The committee finds that:

a. UNBS reviews its certification framework to make it risk-based, appropriate, and supportive of SME growth, including product family certification and a single facility certification with only incremental product-specific testing for additional variants;

b. That UNBS publishes a transparent and itemised certificate fee schedule and introduces discounted or scaled fees for additional products certified under an existing manufacturing system;

c. That UNBS provides standards free of charge or at a nominal cost as part of the certification process and makes key standards available in plain language and, where possible, local languages;

d. The UNBS establishes a periodic stakeholder consultation mechanism at least annually to review certification fees, and no new or revised fee is introduced without prior consultation and a published costing basis;

e. that UNBS considers certificate validity linked to shelf life or declared production volume and waives full retesting fees for first resubmissions where failure arises from sample deterioration during delayed testing;

f. The minister responsible for trade reviews the fees statutory instrument to cap the cumulative regulatory cost borne by an SME in its first year of certification.

Inconsistent application of requirements, weak communication and absence of service standards.

The committee findings:

1. The committee finds that there is no central documented and uniformly applied checklist for inspections and audits, including labelling requirements;

2. Missed audits and unexplained delays are not communicated to applicants;

3. The Bureau lacks a published binding public service charter and an effective internal quality assurance mechanism for decisions.

The committee recommends:

a. that UNBS issues uniform, written operating guidelines and checklists for auditors and inspectors, including on labelling and trademark registration, supported by regular retraining and peer review of borderline or disputed cases;

b. that UNBS establishes a stronger internal quality assurance mechanism so that

inspections and recommendations are applied consistently, regardless of which officer or region handles a file;

c. that UNBS develops a comprehensive stakeholder engagement and communication strategy targeting SMEs, manufacturing and consumers, including simplified guidance costs, illustrated manuals, radio and audio-visual content and district-level sensitisation;

d. UNBS adopts a mentorship and corrective approach for first-time and low-risk applicants who submit inaccurate information in good faith and gives at least 30 days' written notice of any procedural change;

e. UNBS establishes an independent internal appeals and complaints desk with a statutory response period and reports its caseload to the council quarterly;

f. UNBS gives written notice of and reason for any postponed audit or site visit within 48 hours.

7. Low laboratory capacity, testing delays, and low national coverage.

I will go straight to committee findings on page 46.

i. The testing turnaround of two to five weeks is incompatible with perishable products and with cross-border trade timelines.
ii. Regional offices exist but are not yet functioning as one-stop centres for testing and certification.
iii. The recognised private laboratory capacity is contracting rather than expanding.
iv. Field operations are constrained by facilitation and transport management rather than by absence of vehicles alone.

The committee recommends that:

a. UNBS accelerates investment in regional laboratories and expands formal recognition and accreditation of competent private and university laboratories to supplement UNBS testing services.

b. UNBS prioritises access points in industrial clusters and border districts and deploys the plug- and-play model under which infrastructure, staff, and equipment are deployed simultaneously.

c. UNBS strengthens the national accreditation framework and invests in internationally accredited National Reference Laboratories for food, minerals, oil and gas, construction materials, electrical products and medical devices.

d. UNBS introduces or strengthens online sharing of test results with traders, drivers and border authorities so that results are available before goods arrive.

e. UNBS publishes maximum testing turnaround times per product category with an expedited track for perishable products and export consignments.
f. UNBS audits the allocation, use and maintenance of its field fleet and ring-fences a field facilitation budget line for inspectors and reports the results.

g. The ministry responsible for trade together with the Ministry of Finance, Planning and Economic Development prioritises the opening of the planned Arua and Hoima offices only where equipment and staffing can be deployed concurrently.

Poor implementation and cost burden of the digital conformity stamps.

Committee findings on page 49. The committee finds that:

i. The per-unit digital stamp is regressive and for multi-product manufacturers potentially prohibitive.
ii. A digital-only channel excludes lower-capacity and rural manufacturers.
iii. That stamp availability is tied to certificate validity. So certification delay directly stops lawful trade.
iv. That UNBS and URA stamp systems are not integrated and enforcement officers act without clear communication of activation rules.

The committee recommends that:

i. UNBS and URA integrate their digital platforms to ensure that digital stamps are automatically recognised in customs clearance processes.

ii. The UNBS improves the reliability and accessibility of its digital stamps portal, including its turnaround time.

iii. The UNBS takes practical measures to reduce the cost of complying with the digital stamp requirement by manufacturers and SMEs.

iv. The UNBS maintains a hybrid system that retains manual channels while digital capacity is expanded with digital help desks, onboarding support and training for rural manufacturers delivered together with Local Governments and USSIA

v. UNBS re-costs the stamp fee on a transparent basis following consultation and considers a tiered or capped structure for multi-product SMEs.

vi. And finally, UNBS and URA jointly issue written guidance and training on stamp activation to enforcement officers and no goods are confiscated for a non-activated stamp without an opportunity to regularise within a defined period.

Issue number six, border clearance, bonded warehouses and UNBS-URA coordination

The committee finds that:

This is page 51.

i. Portal-level efficiency gains have not eliminated physical and release order delays at the bonded warehouses
ii. UNBS handles nearly one-third of all import declarations with about one-seventh of URA staffing.
iii. There is no legal or contractual framework governing joint clearance, data exchange or cost allocation between UNBS and URA.

The committee recommends that:

i. Demurrage costs arising from delays caused by UNBS or URA staff be shared proportionately between the two agencies and affected traders.

ii. The Attorney-General ensures the service level agreement between UNBS and URA is executed in order to provide a framework for joint digital compliance, border clearance and joint recognition of digital certificates.

iii. UNBS realigns consignment inspection so that standard conformity is confirmed before taxation in order to avoid goods being taxed and then held for standards reasons.

iv. UNBS and URA jointly publish monthly clearance time data.

v. UNBS deploys additional verification officers to high volume bonded warehouses and designated border points with a risk-based selection system to focus inspection on high-risk consignments.

vi. The Auditor-General takes an independent verification of the e-portal performance claims.

Matter number seven, pre-export verification on conformity and import verification (PVoC)

The committee - page 54 - finds that:

i. Contractual management of PVoC service providers did not meet the contractual review obligation.

ii. Waivers have been granted without a published objective standard.

iii. Both sets of PVoC contractors have expired and replacement is not documented.

iv. The PVoC fees are high, unpredictable and in some cases structured regressively against the small importers.

v. The conformity regime is porous for consolidated cargo and used vehicles.

The committee recommends that:

i. The UNBS strengthens the PVoC program through electronic certification, artificial intelligence, risk profiling and enhanced collaboration with URA and border agencies.

ii. PVoC costs be reviewed and reduced to affordable levels, particularly for importers in agriculture and SME dominated sectors.

iii. UNBS makes the e-portal more interactive and user-friendly with a functioning compliance, complaints and resolution channel.

iv. UNBS publishes the criteria for PVoC waivers and the register of all waivers granted and the Auditor-General and the Inspectorate of Government examine the waiver of 116 vehicles.

v. UNBS institutes physical or independent verification audits of PVoC agents in the country of export and terminates contracts where certification was issued on photographs alone.

vi. UNBS publishes a consolidated PVoC tariff and removes per-item charging for consolidators and reviews the fixed destination inspection fee for low-value consignments.

Matter number eight is legal metrology, weighing and measuring equipment and calibration.

Committee findings are on page 57. The committee finds that:

i. Statutory annual verification of market scales and weighbridges has not been achieved.
ii. Management and staff offer contradictory explanations for the lapse.
iii. Verification coverage is concentrated in urban networks and fuel pumps, leaving rural trade hubs largely uncovered.
iv. The institutional responsibility for calibration services and their pricing is unclear to enterprises.

The committee recommends that:

i. Government clarifies institutional responsibility for calibration services and makes calibration more accessible, affordable, and independently verifiable rather than a documentation-only exercise.

ii. UNBS rolls out a nationwide calibration and technical advisory outreach program delivered through vocational institutes, engineering firms, industrial parks and regional hubs.

iii. UNBS licenses, trains and supervises private verification agents under a transparent tariff.

iv. UNBS publicly names the traders found using underweight or unverified equipment and the manufacturers of underweight products consistent with the law.

Standards Development, Innovation and Regional Harmonisation

The committee findings are on page 60. The committee finds that:

i) There is no flexible pathway for emerging products for which no standard exists.

ii) Standards development timelines are slower than product innovation cycles and research output is below plan, which is 20 per cent.
iii) Divergence between Ugandan and regional standards and multiplicity of certifying bodies raises costs for Small and Medium-sized Enterprises (SMEs).
iv) The International Organisation for Standardisation (ISO) web store license and local language simplification of standards remain unfinalised.

The committee recommends that:

i) The Uganda National Bureau of Standards (UNBS) introduces a flexible pathway for emerging and innovative products, including provisional or adaptive standards

where appropriate, while fast-tracking full standards development for new product categories.

ii) The UNBS pursues harmonisation of standards with regional counterparts, including the East African Community to reduce costs and complexity of cross-border trade for SMEs. And greater harmonisation among certifying bodies, including the establishment of a halal certification arm within the UNBS.

iii) The UNBS finalises the ISO web store licence and digital sales infrastructure within 12 months, and publishes plain language or local language summaries of high-demand standards.

iv) The ministry responsible for trade expedites the approval of the standards council of the pending BDS standards and publishes a rolling standards development calendar prioritising SME dominant sectors.

v. The UNBS enters into a Memorandum of Understanding with the National Drug Authority and other regulators for joint inspections and manual recognition of results to avoid duplication.

Market surveillance, consumer protection, and unfair competition

The committee finds that:

i. Market surveillance is under-resourced and reactive, and removal of non-compliant goods from circulation is very slow.
ii. Enforcement outcomes are not communicated publicly in a manner that changes market behaviour.
iii. The cost of compliance is placing certified manufacturers at a competitive disadvantage against uncertified competitors.

The committee recommends that:

i) UNBS strengthens market surveillance, increases penalties for non-compliance and enhances public awareness of quality standards.

ii) The UNBS undertakes stronger and more visible market surveillance, faster removal of uncertified and non-compliant goods already in circulation, and a public communication of enforcement actions so that the cost of compliance does not become a competitive disadvantage for law-abiding manufacturers.

iii) The ministry responsible for trade proposes amendments providing for deterrent administration penalties and adequate recovery of costs of seizure and destruction of substandard goods.

iv) UNBS establishes a ring-fenced market surveillance budget protected from non-wage cuts, a public hotline, and an online reporting platform for consumers, and a monthly published register of seizures and prosecutions.

v) UNBS, Uganda Revenue Authority (URA), and the Uganda Police Force and local governments conclude a joint enforcement framework for outlet inspections and border operations.

Support to SMEs facilitation and informality

The committee finds that:

i) The UNBS support for SMEs is project-based and not anchored in a standing funded programme.

ii) The regulatory approach is perceived as enforcement-first rather than facilitative.

iii) High compliance costs and process unpredictability sustain informality.

The committee recommends that:

i) UNBS supports gradual staged compliance pathways for informal manufacturers, including simplified entry-level requirements, district-based formalisation clinics with Uganda Small Scale Industries Association (USSIA) and local governments and phased upgrading programmes.

ii) The Government establishes a national SME quality support programme to finance certification, testing, packaging improvement, barcoding, and standards implementation.

iii) The UNBS institutes a dedicated SME desk at the headquarters and each regional office with performance indicators on the number of SMEs formalised and retained.

iv) UNBS adopts a differentiated penalty regime for first-time offenders and publishes its enforcement and incubation policy.

Funding model of UNBS and its implication on service delivery

I will go straight to the committee findings on page 68. The committee finds that:

i) Delays in the release of funds have hindered the timely delivery of services.

ii) The Bureau's Non-Tax Revenue (NTR) targets have not been aligned with realistic collection capacity since Financial Year 2024/2025.

iii) The Bureau lacks comprehensively costed strategic actions aligned to its mandate.

The committee recommends that:

i) There should be timely release of funds. UNBS be included among the protected votes under the Ministry of Finance, Planning and Economic Development to ensure that the Bureau receives its funds in a timely manner and is able to deliver services without interruption.

ii) There should be support for costing of strategic actions.

iii) UNBS should adopt realistic, evidence-based NTR targets.

iv) Ministry of Finance within the framework of the Public Finance Management Act (PFMA) examines the mechanism through which a defined portion of the NTR collected for a service is ring-fenced for that service and released at the beginning of each quarter so that funds paid by clients for certification, testing, and calibration reach the units that deliver them.

v) The Auditor-General undertakes a value for money audit of NTR collected and used, including the cost recovery basis of each fee.

Element two under that Term of Reference (TOR) is the need for additional funding to UNBS to enhance service delivery. Page 71. The committee finds that:

1. The funding gap of Shs 326 billion, which is 71 per cent, leaves core statutory activities unfunded or underfunded.

The committee recommends on page 72 that the Ministry of Finance, Planning and Economic Development increase funding for UNBS to enable the entity to effectively carry out its mandate and deliver on set targets.

I will go to the wage bill, recruitment, and staffing levels.

Page 74. The committee finds that the Bureau is staffed at 53 per cent of its approved establishment, and at between 42 per cent and 58 per cent in its most critical technical departments.

There is also understaffing at Pre-Export Verification of Conformity (PVoC) and legal metrology. Those details are there. So, I will go straight to committee recommendations.

The committee recommends that for the Financial Year 2027/2028 budget, the Ministry of Finance, Planning and Economic Development should prioritise an increase in the UNBS Wage Bill to support the recruitment of critical additional staff and cover the associated operational costs.

I will go straight to budgetary provisions for court awards, which is still on page 74.

The committee finds that:

1. There is no budgetary provision that has been made for court awards granted to wrongfully dismissed employees.
2. The Bureau did not provide the total outstanding amount of court awards and arrears.

The committee therefore, recommends that:

a) That beginning Financial Year 2027/2028, UNBS should budget for allocations of funds to settle court awards granted to former employees who are wrongfully dismissed.
b) The Bureau should strengthen its management and human resource practices to minimise future staff compensation costs arising from wrongful employment decisions.

I will go straight to terms of reference No.4, which is to inquire into any matters incidental to the inquiry. One of them being decentralisation of the UNBS services.

The committee finds that:

That regional offices exist but do not yet function as one-stop centres.

Two, that regional laboratories are inadequately tooled and staffed. The committee recommends allocating funds to UNBS to decentralise its services across the country, prioritising retooling and staffing existing regional offices and laboratories before establishing new offices.

The second-to-last matter is the review of the legal framework.

Committee findings

The committee finds that the UNBS Act and the Weights and Measures Act are outdated and do not reflect current developments in trade, technology and governance.

The committee recommends that the minister responsible for trade immediately initiate the process of amending the UNBS Act and the Weights and Measures Act to meet contemporary trade issues.

On 4.4.3, other matters incidental to the inquiry, this was already reported on, the realignment of consignment handling, that URA and UNBS harmonise services and collaborate to ensure that URA imposes taxes only on goods that have been cleared by UNBS so that standards conformity is confirmed before taxation.

The committee recommends that URA and UNBS harmonise - on page 79 - their services such that URA imposes taxes only on goods cleared by the UNBS.

Conclusion

Mr Speaker, the committee's inquiry into leadership and governance and mandate implementation challenges at the UNBS presents an opportunity to undertake comprehensive reforms that will transform UNBS into a modern, efficient, and globally competitive national standards body, capable of supporting Uganda's tenfold growth growth strategy and industrialisation agenda.

The committee commends UNBS for output in certification, testing and calibration in the Financial Year 2025/2026, the automation of core services, the establishment of some regional offices and accredited food safety laboratories and its partnership with the private sector.

The committee, however, found that stakeholders' persistent complaints share common roots: a legal framework that allows unchecked ministerial powers and blurs the roles of the minister, the council, and management.

Instability and integrity concerns at the leadership level, a funding model in which fees paid by clients do not reach the units delivering services in good time and in which the bureau's operational budget is cut sharply in the second year after its ceiling was raised.

Staffing is at about half of the approved establishment, and service processes transfer the cost of the bureau's own delay to law-abiding enterprises.

The committee concludes that the bureau's performance rises and falls with the funding and stability it is given. The proposed Financial Year 2026/2027 reductions would reverse the recovery of Financial Year 2025/2026.

The committee therefore recommends that the House adopts the recommendations in this report and that priority actions be implemented within the timelines proposed, with progress reported to Parliament. I beg to submit.

THE DEPUTY SPEAKER: Thank you very much, Chairman and the Committee, for a very comprehensive report. Honourable minister, I do not know whether you want to comment now or we pick issues and then - Yes, Hon. Martin Muzaale.

6.42

MR MARTIN MUZAALE (NRM, Buzaaya County, Kamuli): Thank you, Mr Speaker. I would also like to thank the committee chairperson for the report.

Looking at the substance in the report, the issues are very critical and may require the cabinet minister himself to be here. In that regard, I do not know whether it would be okay for us to proceed with the discussion when the cabinet minister is not here.

THE DEPUTY SPEAKER: Thank you, Hon. Martin. What is a cabinet minister? I think that used to apply when ministers of state were not sitting in the Cabinet, but now all ministers sit in Cabinet. I just want to know whether the minister was asked to sit in - You remember, honourable colleagues, we have a programme for ministers attending Parliament. We have a rota.

When we start that culture, then we will never have a situation where a minister of state will be decisive and conclusive or will be able to commit the Government. Hon. Aza, I do not know what your view on this is. Are you able to stand in as the minister for trade and commit the Government?

6.44

THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (COOPERATIVES) (Mr Tom Aza): Thank you very much, Mr Speaker. I would like to first of all thank the chairperson for the report on the inquiry into complaints by stakeholders on persistent leadership, governance, and mandate implementation challenges at the Uganda National Bureau of Standards (UNBS).

Mr Speaker, the issue at hand covers the docket of cooperatives, which is directly under me. I will therefore undertake to consult my other colleagues, that is the Minister of State for Trade and the Minister of State for Industry; we will sit down together, interface and try to go through the document so that we can come out with answers to some of the contentious issues and recommendations, and then, if possible, find solutions to it. Thank you very much, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. Honourable colleagues, when you read through the report, the issues are not contentious at all. They mainly concern supporting the entity. It faces many challenges. Let us have Hon. Nakut, and then Hon. Ayepa. You can use the microphone the minister was using.

6.47

MS FAITH NAKUT (NRM, Woman Representative, Napak): Mr Speaker, the committee has done an excellent job of proposing solutions to the problems of UNBS, particularly the things that will be needed to improve efficiency in how the people who need stamps can be served. I have no amendment to propose to that effect.

The only contentious issue which I think we should resolve is the recommendation to reduce the powers of the minister. The report recommends reducing the minister's excessive powers so the board can serve independently. What about the board's excesses? What about

the excesses of the Managing Director (MD)? That one is a contentious issue which this report does not address. It is also not a problem of UNBS alone but of all Government agencies and enterprises.

We could reserve that particular matter of powers of the board versus powers of the MD versus powers of the minister for another debate. I wish to put this House on notice that I am preparing a motion to that effect so that we address it holistically, especially on how we can support the boards to function effectively with the right capacity that they need. I submit.

THE DEPUTY SPEAKER: For now, you are proposing that we amend that resolution?

MS NAKUT: Thank you. For now, I propose that we amend the resolution so that where we are proposing that the powers of the minister be reduced, we leave it as it is because that is the only monitoring mechanism we have now. The minister has to report to Parliament for accountability. If we reduce the minister's powers, who will report?

THE DEPUTY SPEAKER: This would, in effect, be saying that you amend the law because the power of the minister is anchored in the law. The committee chairperson will comment on that. Yes, Hon. Ayepa, Hon. Bisaso, and then the Democratic Party Whip.

6.49

MR MICHAEL AYEPA (NRM, Labwor County, Abim): Thank you, Mr Speaker. I would like to take this opportunity to thank the committee for this report and opening up the eyes of the Government on what is happening in the Uganda National Bureau of Standards (UNBS).

When we go to the supermarkets to buy products, we go with the trust that all the products we are getting are cleared by UNBS. Last week I went to a supermarket and saw a product that I wanted to buy. I said, "Let me check for the stamp," but it was not there. I asked where the UNBS stamp was. They told me that it was in the process and getting it was a tug of war. Then I asked, "Why is your item here on the market?"

THE DEPUTY SPEAKER: A stamp or a certification?

MR AYEPA: Sorry, I meant certification.

THE DEPUTY SPEAKER: The UNBS quality mark.

MR AYEPA: Yes, they said it is very difficult to get. That could be the cause of the delay.

The report of the committee has highlighted many of the things which are very urgent. That means we need to protect Ugandans from some of these issues. They say that there is delay in the certification. What if the product there is wrong? Therefore, the earlier we handle this report and action is taken by the Government on this particular entity, the better.

Delaying this report would cause harm. I feel that the report is very clear. They have pointed out good recommendations. Look at the issues of qualifications of the board and the people there. These are urgent matters we need to address, Mr Speaker.

6.51

MR ABDUL BISASO (NRM, Kassanda County South, Kassanda): Thank you, Mr Speaker. I want to thank the committee chairperson for the report. We have all been waiting for the report on UNBS.

My concern is largely on the equal application of standards to both locally manufactured commodities and the imported ones. We must maintain high standards for products manufactured in Uganda because standards protect consumers, improve quality, and make our industries competitive.

However, we must be careful that the standards imposed on local manufacturers are not significantly stricter than those on imported goods. Why is a Ugandan manufacturer required to meet every certification, testing and compliance requirement, while imported

products are questionable? Look at some of the products on our markets that are imported, especially from some countries. Phone accessories, for example: you buy them today; tomorrow you cannot use them.

When it comes to the Ugandan side, a producer must follow all certifications. It is very strict for a Ugandan producer. Why does UNBS dwell so much on products produced in Uganda, especially by our producers, and leave the other ones that are substandard to come into our markets?

Secondly, there is the issue of the East African Community (EAC) Protocols. You find that it is not easy to take a product from Uganda, even when it is certified by UNBS, to some East African countries. I will take an example of Tanzania. When you go into their supermarkets, you cannot find more than five products on their market from Uganda because of the strictness of their, I think, TNBS.

The Protocols on paper are that we are almost up to standard, but in reality, our products are questioned even when they have the certification from UNBS in Uganda. What is the minister doing about ensuring that the same procedures are here? Maybe, the East African Community can have a particular standard that is unique to all commodities produced in the region?

THE DEPUTY SPEAKER: Honourable colleagues, these standards are international. They are not only for Uganda. These are underhand non-tariff barriers and tricks used by some countries to frustrate our goods. I agree with you. I am a manufacturer personally and I know what we have gone through.

If you remember during the COVID-19 pandemic, they tested some hand wash and sanitisers from international manufacturers with those of Uganda. The ones of Uganda had a higher efficacy rate than the ones we were praising internationally. The minister is here. This means Ugandans are producing to a better standard.

However, you find that they more easily allow an international product than certifying a local product. On labelling alone, they allow an internationally labelled product. I can give an example. We saw a product called "surface disinfectant" in a certain supermarket. We studied it in the laboratory. My Research and Development (R&D) team was like, "This is very easy to make, and the standards are clear." We said we should do it instead of it coming from abroad.

When we went to UNBS, they told us that we could not call it "surface disinfectant" but "toilet disinfectant." I asked who would use it in their offices. I went for this because I found a product on a table in my office. I have a factory and the infrastructure to manufacture it easily.

They told me that, in labelling terms, I should call it toilet disinfectant. I wondered who would allow a toilet product on his office table, but they told me that I could not. It became a war. Therefore, some of us who are in this business know what we go through so the local person down there is suffering.

I had allowed Hon. Okot, the DP Whip.

6.56

MR PETER OKOT (DP, Tochi County, Omoro): Thank you, Mr Speaker. I thank the committee chairperson for a comprehensive report and also Hon. Faith Nakut for raising this. This report indicates that a number of agencies, not only UNBS, are facing many challenges in their operations.

The report clearly shows that the challenges of understaffing are responsible for the lengthy time lag during certification. It is also clearly indicated that when they finally increased staffing, the time was reduced.

However, I am wondering why it was reported that the budget was reduced from Shs 1.6 billion to Shs 0.039 billion. I do not know whether it was quoted correctly. It is a very huge budget cut, and there is no explanation as to why that came about. That is something that probably needs explanation. If an agency

with a huge responsibility to ensure that the citizens consume what is standard is not properly funded, then the Government needs to do something about it.

Secondly, as a country, we are also losing in terms of revenue. We have willing product developers who want their products certified so that they are put on the market officially. That is where Government gets taxes because no product is going to be put in the supermarket when it is not certified.

We are also losing in that line. So, it is important that UNBS is supported while the other aspect of the leadership is also catered for. Thank you.

THE DEPUTY SPEAKER: Thank you. Jonam.

6.58

MR MARSHALL ALENYO (Independent, Jonam County, Pakwach): Thank you, Mr Speaker. On another day, I would ask for your guidance, as the custodian of the rules of this House, that when we have committee reports, we do not sit through here to see chairpersons try to read committee reports of 100 pages in a very short time.

However, if it is possible, we have executive summaries of these reports highlighting those key areas so that when we come to the House, we go through the executive summary.
That said, I would like to thank the committee for the job well done, apart from the part where I also disagree with reducing the powers of the minister.

However, three quick areas: First is the issue of staffing. The staffing at UNBS is very low. This country has 251 border points. If you block a product at Busia or Malaba or at the airport, there are a lot of porous borders in this country. These Chinese have a lot of people who take these products through, and we find them on the shelves. They only have 10 per cent staffing.

Secondly, on the issue of funds, other institutions like the National Drug Authority (NDA), the Uganda Communications Commission (UCC), and the Electricity Regulatory Authority (ERA) have funds in a specific way.

Mr Speaker, we are grappling with issues of false cancer diagnoses. The chairperson n of the Committee of Health is here. Most of these referrals out to India end up with, "Oh, there was a false diagnosis", and yet machines are in this country. They are misdiagnosing our people.

My third point is about metres. UNBS should be the only institution that should verify metres. I understand that the Ministry of Water gives us metres themselves.

How can the judge also be the prosecutor in their own case? The metres should be checked strictly by UNBS. I use power very periodically, yet you find that your bill is up.

We can only be two people in a house, yet the water bills are so high. UNBS's work is to protect customers worldwide. We need to make sure that these people are empowered.

We now have junk vehicles, junk metres, junk cancer machines. Once UNBS is up to standard, even their chairman will be up to standard, because now I understand that maybe you have issues with his academic paper. Maybe he is also not up to standard.

I agree and support your motion, except for the part about curtailing the powers of the minister. Thank you very much, Committee, for your good work.

THE DEPUTY SPEAKER: Thank you, Hon. Emma. Colleagues, I have already picked the ones I picked, and I am stopping there.

7.02

MR EMMANUEL BIARA (NRM, Mbulambuli County, Mbulambuli): Thank you, Mr Speaker. I take this opportunity to thank the Chairperson of the committee for the thorough report he has given. I also take the opportunity to thank the UNBS for the role they play in the industrialisation of this country but also in consumer protection.

However, they must try to be transparent in the recruitment process. In July 2023, when the Executive Director position fell vacant, I am even happy that the Minister of Public Service is here. There were so many controversies in the recruitment of the next ED-for example, we know that even you, Mr Speaker, the 12th Parliament retained you for institutional memory.

The acting ED, Mr Daniel Nangalama, had served for about 20 years at UNBS but he was kicked out and they brought somebody new. I am not surprised about the challenges that have now engulfed the UNBS.

I request Parliament, through the same committee, to go back, even if some court orders and rulings were made. They need to inquire how the new ED of UNBS was recruited, and possibly bring the most competent person to protect Ugandans.

Otherwise, as Hon. Alenyo has stated, we are going to continue losing people to cancer and so many other diseases because of fake products. Thank you, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. I know Mr Nangalama very well. He was a very hard-working fellow. However, it becomes very tricky when Parliament starts taking that route, especially on a matter that has been sorted by the court.

What is very important is that, through our oversight, we ensure that we caution Government agencies against such and we be on a full watch out. Mr Nangalama was doing a great job. I hope he is still at UNBS. Is he still there?

MR BIARA: Mr Speaker, he is the deputy ED. However, because of the circumstances under which the recruitment process was done, I think teamwork has gone down.

And it is not only at UNBS but in all these Government parastatals. I think there is a lot of corruption involved on how they recruit the executive directors, and we should keep a keen eye on it because they play a very important role. Thank you.

THE DEPUTY SPEAKER: The issue with Mr Nangalama was mainly because he was from the humanities.

MR BIARA: Yes.

THE DEPUTY SPEAKER: He has an MBA, and HE the President guided that science-based organisations should be headed by scientists. I remember because I talked to him about that, but maybe it is something we will look into seriously.

MR BIARA: My argument is not about giving Daniel Nangalama, but across the board, some positions are being given to people who are not competent, yet we have the best scientists or even people of the humanities who can perform better. Thank you.

THE DEPUTY SPEAKER: Thank you. So, Honourable Minister for Public Service, you have heard this, and you need to share it with the Public Service Commission. Also, the new ED has been forthcoming in helping SMEs when you push.

However, the UNBS needs funding. We are demanding too much from them when we are giving little. You say, "this cow should produce for me 30 litres", but you are feeding it something which will enable it to produce only five litres. So, I hope that during budgeting we look at it seriously. *[Hon. Tumwesigye Anthony rose_]*

No, wait for the amendment, Hon. Anthony, I had already picked the people to speak, I am sorry. But you have not spoken in a long time. I will just give you a special clearance. The rest have spoken.

7.07

MR PAUL MWIRU (NUP, Jinja South Division East, Jinja City): Thank you, Mr Speaker. I join colleagues in thanking the chairperson for this good report. Firstly, the committee brought out a very critical issue

about staffing, which is at 53 per cent and yet we are not allowing them to recruit because we do not have money.

However, we have been squandering our money. We need to take this seriously. You have been recommending squandering money, yet a very critical sector like this one does not have money.

When you appropriate money to an entity whose staffing levels are below its structure, the output, of course, will not be the same.

This sector is very critical. I remember I participated in ensuring that money paid in testing fees by clients is retained by the entity. Otherwise, a manufacturer would pay money, and the next thing you would be told is that we have a single treasury account; we have no money.

Mr Speaker, the issue of staffing means that today, when we make an application for certification, you normally get a message saying, "We shall come after two or three months" about, the scheduled audit for what you are going to do. That means that when I am in business without certification, I cannot operate.

However, when we increase staffing, we will reduce audit times. So this sector becomes very critical, and Mr Speaker, as you are in the chair and you were in this sector, we need to do whatever is humanly possible to ensure that we support UNBS, because if we do not, there are very big challenges.

All the businesses you see coming up - on the other hand, when we support UNBS, we can raise more non-tax revenue. (*Applause*) We need to unanimously agree that, at the right time, when the budget comes, I know there are those saying that we cannot touch the budget, but to me, I think a case should be made for UNBS on the Government side, so that we give full support. I thank you.

7.10

MR ANTHONY TUMWESIGYE (Independent, Isingiro West County, Isingiro): Mr Speaker, thank you very much. I want to appreciate the committee for a very good piece of work that has been done on UNBS. UNBS is an important part of the Government, and the report is good because it has originated from the complaints of stakeholders, according to its heading. Many people are complaining about what is happening around them without even knowing who is supposed to provide solutions to their problems.

Hon. Marshall has talked about the inefficient meters for electricity and water, and nobody knows that UNBS should be in the spotlight for the failures of some of those. We have seen the management of UNBS fighting with the political heads, the ministers. We have seen a lot of contraband goods and services on the market.

Mr Speaker, the people in this country are at risk of being misunderstood and at risk to my own security; the majority of the people in this country are dying, will die or have even died because of UNBS not executing its mandate - *(Applause)*

I remember there is a time when Hon. Kahinda Otafiire was here on this very microphone. I did not even think about becoming a Member of Parliament, and he said, "For him he has drunk that waragi for as long as he has lived and he has not died." I have been involved in distilling and drinking waragi, but the kind of waragi which is on the market now, produced by everybody from everywhere and made from every raw material, is what is killing Ugandans.

Every time and again, people are saying they do not know the cause of cancer. Where is cancer coming from? It is coming from eating and drinking manufactured goods and drinks, taking drugs manufactured from everywhere, Najjanankumbi, Kisasi, *Mu*' Kisenyi, but which are not of the right standard.

Mr Speaker - *(Interjection)* - I have not talked about that. Mr Speaker, in the report they

talked about understaffing. I do not think that in every engagement with the Uganda Revenue Authority, the Uganda Revenue Authority has complained about being understaffed.

They can be replacing workers who have retired; they can be looking for additional professionals, but they do not complain about numbers. And as much as the Uganda Revenue Authority is mandated to collect revenue for national development, UNBS is also mandated to maintain standards for the health of Ugandans.

It must be given money, Mr Speaker, as you have talked about. We must ask them about their structural deficiencies, about their inefficiencies, because it is between you and if it is not you, then it is your relative, or it is your mother, or it is your child.

I would have wanted the committee to broaden their terms of reference and carry out research, and it can still be done, on a number of products which are not certified by UNBS. They are there; they are being produced, and you can find bread, drinks, alcohol, and everything. However, in the village where I operate and, in the village, where I was born, I have not seen a single factory closed by UNBS because it is not satisfied with it. I beg to submit.

7.14

MR PATRICK KITIYO (Independent, Kapchorwa Municipality, Kapchorwa): Thank you, Mr Speaker. I would like to thank the chairperson and the minister for the statements made. However, I would like to bring a concern about what is happening in my constituency, in relation to issues to do with the UNBS.

Some drinks come in the form of energy drinks, and upon consumption of these energy drinks, the person eventually becomes intoxicated. (*Laughter*) - Mr Speaker, I hope I am protected. We lost two persons in the month of July/ August after consumption of these purported energy drinks, and it has been a concern for us because when you look at the bottles that contain these energy drinks, they bear the logo of UNBS. We have been wondering whether UNBS has the capacity to find out the logos vis-à-vis what is contained in the drink -

THE DEPUTY SPEAKER: Do you know the specific drinks?

MR KITIYO: Yes, Mr Speaker. Specifically, there is a drink called "Sasa", which is in the market; there is another drink called "Express", and they bear "Energy drink" on the label. There is another one called "Kumbucha", and these are all labelled energy drinks, but upon consumption of these drinks, our young people are having a little bit of a challenge. I pray that the ministry addresses this issue. Thank you, Mr Speaker.

7.17

THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (COOPERATIVES) (Mr Tom Aza): Thank you very much, Mr Speaker, and my dear colleagues. Thank you very much for your observations and recommendations. I have captured all of them. And as I said before, for onward transmission to my colleagues, we are four in that docket: my senior minister, that is Hon. Sanjay Tanna, Hon. Mbadi, and then there is Hon. Bahati and I. I have captured all these issues to do with certification -

THE DEPUTY SPEAKER: You have captured all issues.

MR AZA: Okay. Thank you very much. Most obliged.

THE DEPUTY SPEAKER: Thank you.

MR BONIFACE OKOT: Thank you, Mr Speaker. There is just one point of contention, which is on the powers of the minister. The committee looked at this matter comprehensively. For the information of the Members, we identified about five areas of concern regarding the excesses the minister may have committed.

However, when the former executive directors came, there was admission that, at some point,

the minister eliminated the entire National Standards Council. This is a body that is expected to declare Ugandan standards but there was absolutely nothing happening for a whole year.

The minister could not be checked because, under what currently exists in Section 4, the minister appoints all ten members of the National Standards Council without question. No one checks his authority; he decides who goes there.

Two, the minister is expected to declare the compulsory standard specifications, which he declares any anyhow he wishes. There are no parameters.

Three, there is even an absolute ban on commodities, products or processes. This particular Act allows the minister to ban any product as he pleases. A minister could be a business person who has a problem with another person and could ban their product because the Act allows him to do so.

Finally, there is an issue that came up during this investigation, Mr Speaker. Letters on exemptions were sent directly from the Minister to the Executive Director on clearing vehicles and consignments coming into the country. The Act actually gives him authority without having these particular exemptions even checked. As a committee, we agreed and said no; we certainly need to have these powers checked.

THE DEPUTY SPEAKER: But honourable chairperson, there is no way you can develop a manual. You say that through a manual, you are going to subdue the powers given by an Act; you cannot. You develop a manual as UNBS, which should regulate the powers of the minister, as provided for under the Act?

If there is a problem, you, as a committee, can originate a Private Member's Bill, by the way, and bring it here for discussion. But also, abuse of power is always there. You can even give little power but someone abuses it; some of them go all out. That is abuse of power. Even reverends fight in church. *(Laughter)* Will you make a law and say a reverend no longer has the power to fight in a church? You cannot.

The law should be very clear, honourable colleagues. We have to be very cautious as a House on the resolutions we make because the *Hansard* is a record that is used in research and also referred to. You will ask, "But who was presiding over such a session?" or "How did a whole Parliament with senior lawyers pass this?" So, we have to be very cautious.

Hon. Batuwa, did you have an amendment? Hon. Nakut proposed an amendment in this line, so I will also allow the one of Hon. Batuwa.

7.22

DR TIMOTHY BATUWA (NUP, Jinja South Division West, Jinja City): Thank you very much, Mr Speaker. The amendment I am proposing is on item 4.2.9 of the report, which addresses standards development, innovation and regional harmonisation. It is recommendation (f) which reads, "UNBS enters into memoranda of cooperation with the National Drug Authority and other regulators for joint inspections and mutual recognition of results to avoid duplication."

Mr Speaker, we no longer have the National Drug Authority. This Parliament passed a law which was assented to by the President on 29th April this year. I pray that the good report becomes very good, which will happen when that recommendation is deleted.

I move a motion –*(Interjection)*- no, what we have is the National Drug and Healthy Products Authority. It was widened to address some of the issues one honourable member has put forward, where you have medical devices, whose standards are not well appreciated. Such medical devices are now no longer going to be regulated under UNBS; it is all now under the National Drug and Health Products Authority. It is not only medical devices, but even cosmetics. Ladies were complaining about their cosmetic products, so the quality is now going to be better.

THE DEPUTY SPEAKER: Some, not all.

DR BATUWA: Yes, some, especially the bleaching products.

THE DEPUTY SPEAKER: Those are not allowed; those are illegal.

DR BATUWA: The nutraceuticals are also going to be taken care of by the health regulatory body.

THE DEPUTY SPEAKER: So, what does your amendment say, honourable member?

DR BATUWA: The amendment is a motion under Rule 63(1) and (11) that the House allows to totally delete recommendation (f) under item 4.2.9.

THE DEPUTY SPEAKER: Honourable member, since your issue is to do with the reference to the agency, why don't you propose that we amend by referring to the right agency, which is the National Drug and Health Products Authority.

DR BATUWA: Mr Speaker, this very agency was also given powers to create, enforce and regulate standards. It was given this because of the need for Maturity Level 3, which is a prestigious award by the World Health Organisation.

THE DEPUTY SPEAKER: But honourable member, no. Look at the recommendation. They are saying that they should enter into a cooperation; of working together. What is wrong with that?

DR BATUWA: Thank you, Mr Speaker. I know you will also supplement on what I am saying. That particular law came to address exactly what we are suggesting - duplicity.

We wanted the monitoring or regulation of standards to be under one body, which is the Uganda National Drug and Health Products Authority. We did not want duplicity, and we wanted a clear line that no other entity should cross. These were in fulfilment of the global standards that are required of us, particularly the Maturity Level 3 by WHO.

THE DEPUTY SPEAKER: Chairperson, can you justify your proposal very well to the satisfaction of the Member?

MR BONIFACE OKOT: Mr Speaker, in handling this inquiry, we noticed that there were other bodies that were handling issues of standards and compliance in other sectors. So, the recommendation is simply for cooperation, and I think that is the best way to handle the duplication that he is talking about. Thank you.

THE DEPUTY SPEAKER: Honourable Government Chief Whip?

7.27

THE GOVERNMENT CHIEF WHIP (Dr Jane Aceng): Thank you very much, Mr Speaker. That recommendation is not clear. You say "enter into a memorandum of cooperation with National Drug Authority and other regulators for joint inspections and mutual recognition of results to avoid duplication". Of what?

It has to be made clear because during the enactment of the National Drug and Health Products Authority, it was very clear that UNBS does not have the capacity to inspect or regulate health products, devices and other products. After benchmarking with other countries, health products are the preserve of drug authority regulators. Therefore, anything to do with UNBS.

If we are talking about joint inspections, we should be clear, because they co-regulate other products. For example, among public health products, some fall under the National Drug Authority (NDA) and others fall under UNBS.

Regarding cosmetics, some contain medical products and are under the NDA, while others are under UNBS. Therefore, what exactly are we saying here? That is not clear.

THE DEPUTY SPEAKER: Honourable chairperson?

MR BONIFACE OKOT: Mr Speaker, the SMEs indicated to us that sometimes, in handling a single product where you are expected to go through many standards bodies, they end up being charged extra fees, especially where a product or their premises ought to be inspected, because UNBS sends people to inspect premises and so on.

Therefore, we thought that the entire standards system needed to be realigned. Anybody involved in setting standards of any kind should ideally have some level of information exchange.

That was the spirit of the committee's proposal, so as not to put our SMEs and the business community - Sometimes, you go to UNBS independently and then go to another body. Therefore, we thought that these entities could engage and determine how best to -

THE DEPUTY SPEAKER: Thank you.

MR BONIFACE OKOT: So, I will be -

THE DEPUTY SPEAKER: Honourable colleagues, I understand it this way: it is as if someone says that External Security Organisation (ESO) and Internal Security Organisation (ISO) should share information, cooperate and work together, but each remains within its area of responsibility.

You are the ones saying that the money for inspection is insufficient. What I am saying here is that when we have an understanding with UNBS, and it is going to conduct an inspection in Bushenyi, it should not only look at products under its mandate. It should also look at products under the National Drug and Health Products Authority's mandate.

Those products should have a mark. If I find National Drug and Health Products Authority products without a mark in a shop, I should not only look at products under my mandate; I should also look at those under NDHPA, get them, and inform the other authority.

Honourable colleagues, I will put the question. That amendment falls there, Hon. Batuwa. It will confuse us. Let us focus on the entity that we are going to correct. The wrong entity was referred to.

Honourable colleagues, I put the question that the report of the Committee on Tourism, Trade and Industry on the inquiry into complaints by stakeholders on persistent leadership, governance and mandate-implementation challenges at the Uganda National Bureau of Standards (UNBS) be adopted with the amendments proposed by Hon. Nakut, specifically the deletion of the clause concerning ministerial powers.

(Question put and agreed to.)

THE DEPUTY SPEAKER: Thank you, honourable colleagues. I have to go and preside over the National Prayer Breakfast Dinner for the international guests who have arrived. You have done a fantastic job. The Chairperson had another report, but we can handle it on Tuesday.

Honourable colleagues, I wish you a happy Independence Day. Those who have not been invited to pray at State House should pray from home and wherever they will be. I wish you a very happy Independence Day. The House is adjourned until Tuesday, 13 October 2026 at 2.00 p.m.

(The House rose at 7.32 p.m. and adjourned until Tuesday, 13 October 2026, at 2.00 p.m.)