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**Thursday, 1 February 2018**

*Parliament met at 2.04 p.m. in Parliament House, Kampala.*

PRAYERS

*(The Deputy Speaker, Mr Jacob Oulanyah, in the Chair.)*

*The House was called to order*.

COMMUNICATION FROM THE CHAIR

**THE DEPUTY SPEAKER:** Honourable members, I welcome you to this sitting. The timeline provided by the law is that by yesterday, we should have finalised with the report on the Budget Framework Paper earlier on presented by the Committee on Budget. Therefore, we need to do that today and finish it in order for us to comply with the timeframe provided for in the law, which we passed here. Other business will follow, but that is a statutory requirement that we need to deal with.

Today, we also have the Prime Minister’s Question Time and our Rules of Procedure of Parliament say that should start at 4 O’clock. Those of you who have questions on policies should be prepared to have a discussion with the Prime Minister at 4p.m. Thank you.

2.06

**MR PATRICK KASUMBA (NRM, Bujenje County, Masindi):** Thank you very much, Mr Speaker. I am the Member for Bujenje Constituency in Masindi District that neighbours Hoima District. On 6 January, a group of armed people invaded Rwempunu Trading Centre in Kitamba Parish, Bwijanga Sub County and robbed two slot machines and Shs 2.5 million. Several bullets were fired before the robbers took off. A case was reported under Masindi Police CRB/016/2018.

And a week after, on 18 January, this time in another village and in another sub county, a gang of five people, including two police officers whom we came to know, crossed from Hoima to Masindi District, specifically in my constituency and robbed people of their slot machines and reasonable amounts of money.

On their way, the robbers were intercepted by the community in Nyantonzi Parish - they were using two vehicles, one a Premio and one pick-up. It is alleged the police officers were using a saloon car, Premio by make - the one who was driving a Pick-up was apprehended, handed over to police and during interrogation, he revealed that they were being escorted by two police officers. One is No.51936/PC Wamimi. This one was arrested and is in police custody. Another was No.53627/PC Okello Peter, attached to Field Force Unit in Hoima.

Another person arrested was the Parish Chief of Nyantonzi Parish. Two police officers are involved and with guns. The other five people were not apprehended, so the case is hanging.

In the second incident, three civilians and one police officer were arrested. The arrested suspects have so far spent two and a half weeks in custody and there is a fear that at any time, these suspects might be released and we fear what the effect would be to the community that arrested them.

Therefore, I call upon Government to thoroughly investigate these incidents. The suspects who are still at large should be apprehended and those that are in custody be brought to book. I beg to move.

**THE DEPUTY SPEAKER:** Thank you. Government, do you have any response?

2.10

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr David Bahati):** Thank you, Mr Speaker and colleague for raising that important issue. Mr Speaker, we will, from here, inform the Minister of Internal Affairs to swing into action and ensure that that matter is investigated. The Member will be updated regularly until the matter is logically concluded.

**THE DEPUTY SPEAKER:** Thank you. We do not want a situation where people get anxiousand they do bad things when those things can be stopped. So, something should be done about that.

2.11

**MR JOHNSON MUYANJA (NRM, Mukono County South, Mukono):** Thank you, Mr Speaker and colleagues. I rise on an issue of national importance regarding the Mukono-Katosi Road, which many Ugandans are aware has really been a very big saga for quite some time.

The road currently looked as if it is complete but it is remaining with a few parts - they started working on those parts as early as January 2018 but recently, all the equipment was packed and taken away, leaving some rumours that maybe the Government has failed to pay the contractors and that they might not work on the remaining parts.

This needs the Minister of Works and Transport to come and clarify to the people otherwise, we the leaders are in a terrible situation because of the saga relating to that road. That is my prayer, Mr Speaker. Thank you.

**THE DEPUTY SPEAKER:** Thank you. Honourable minister, do you have any idea about this thing on Katosi Road; a very popular road in the country? What is happening?

**MR BAHATI:** Mr Speaker, it is an issue that has also come to our notice at the finance ministry and the issue is about resources to clear the pending certificates. If you allow me time, I will crosscheck with the Minister of Works and Transport so he can update the House on Tuesday.

2.13

**MS LUCY AKELLO (FDC, Woman Representative, Amuru):** Thank you very much, Mr Speaker. I rise on a matter of very urgent national importance. It is in regard to the eviction of about 10,000 people in Olwal village, a place that the National Forestry Authority wants to take over.

This is a place where I have grown up from. I grew up eating food grown there until today when I am 37 years. For over 70 years, people have been living in this place. As we speak, because NFA has gone ahead to start boundary marking and opening, the community is very agitated. There is already a meeting going on and the information I am getting is that there is violence already starting to take shape because their livelihood is at stake.

Mr Speaker, I am aware this issue was brought to your attention in form of a petition by my colleague, hon. Gilbert Olanya. It was referred to the Ministry of Water and Environment in December, for urgent action. However, as of now, we have not got any communication yet.

Therefore, I pray that this process is put on halt until the degazettement that is going to take place since I see there is a motion coming up for degazetting forests. There is already no forest in that place and the source of livelihood for the people is actually affected. I pray this process is stopped to allow people to continue with their normal life. I beg to submit.

**THE DEPUTY SPEAKER:** On the matter of Katosi Road and evictions in Amuru, we will wait until the substantive ministers are here. I will then raise these matters with them so that there is a direct response because some of them are urgent. Thank you very much.

Honourable members, in the VIP gallery this afternoon, we have Madam HannelBuchner, an American high school veteran teacher from Washington State. She lived in Masindi from 1956 to 1958 while her father studied the Ugandan Kobs and elephants. She is also a key instrument for the donation of the ambulance in Mubende and has educated 47 Ugandan students from Mubende for over three years, through the Turnwater Mubende Sister City Association. She is visiting Uganda and Nakasongola in particular, to explore areas where she can assist in development especially with the school feeding programme.

She has come here to observe our proceedings. Please, join me in welcoming Madam Hannel Buchner. You are welcome. Thank you.

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE ON BUDGET ON THE NATIONAL BUDGET FRAMEWORK PAPER FINANCIAL YEAR 2018/2019 – 2022/2023

**THE DEPUTY SPEAKER:** Honourable members, I am informed that what was left were the responses from the ministers to what has been presented by the Budget Committee and that two ministries responded already yesterday. Therefore, we will continue with that process to lead us to the finalisation of this particular item.

2.17

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr David Bahati):** Mr Speaker, during the debate on the Budget Framework Paper, a few issues arose regarding the Ministry of Finance, Planning and Economic Development and also the general economy. I would wish to respond to a few of them but the rest will be answered during the submission of the ministerial policy statements.

The first issue was to do with SAGE; the funds to help the senior citizens who worked hard to serve our country. The programme was started. We promised donors that we would add in some money but because of the constraint on resources, we have not been able to cater for that. This was a very strong view on the Floor.

I would like to respond that Government will consider allocation of additional funds for SAGE during the finalisation of the detailed budget estimates for the financial year 2018/2019. The budget which would be laid before the House should contain some additional resources for this programme.

The second was on the issue of –(*Interruption*)

**MR SSEWUNGU:** Thank you, Mr Speaker. We debated and complained over this matter. Has the Ministry of Finance, Planning and Economic Development or Ministry of Gender, Labour and Social Development taken interest in knowing the number of the elderly who are supposed to benefit? It is because as you talk about increasing the funds - yesterday, Mr Speaker, I said that I have an old man in Kalungu who calculated the years from the President promised that money and how much is in arrears plus interest that he is demanding. Can you clarify on that? Do you have any data on the elders in Kalungu or any other districts of Uganda as you look for that additional funding? Thank you, Mr Speaker.

**MR KAHONDA:** Thank you. Mr Speaker, the issue of SAGE was a very contentious issue in this financial year and the Ministry of Finance, Planning and Economic Development assured us - the ministry went ahead to write to the development partner, DFID, saying the Government is committed to providing Shs 17.5 billion in the supplementary budget.

Now, to our surprise, when the ministry submitted the supplementary budget, the issue of SAGE was not catered for. Can the minister clarify this issue? Did you really deceive our development partners and why was it not included in the supplementary budget? Thank you.

**MR BAHATI:** Mr Speaker, these issues were raised yesterday and we informed the House that the Budget Framework Paper looks at the broader issues of the budget. However, the detailed budget will be submitted on the 1st of April. We are committing ourselves on the Floor of the House that before we bring the budget, that figure should be reflected.

The second issue was on reducing the budget for the health sector and this is very important, friends - (*Interruption*)

**MS AMONG:** Point of clarification, Mr Speaker.

**THE DEPUTY SPEAKER:** Do you accept the clarification?

**MR BAHATI:** Can I first make this point? On the issue of a reduction on the allocation for the health sector, it is true the overall budget for the health sector has come down but on one account that most of the projects for which we had borrowed money externally to finance are exiting and one of them is Mulago; they are about to complete the rehabilitation of Mulago Hospital. If you had seen that figure in the budget and now it is not appearing, then that is the reason.

Therefore, the major reason the budget for the Ministry of Health is reducing is because the projects that we were financing externally are now exiting. We are bringing in new projects; for example, we have a loan of $200 million, which is supposed to support education and health. That will benefit the health sector.

We are also working on another project to do with Health Centres III across the country. That also will come in the budget.

Therefore, some of the figures you have not seen now, you will see them at the time we are submitting the final budget.

**MS AMONG:** Can I now seek my clarification? Mr Speaker, I have a document here which was signed between the minister and the Government of South Sudan to pay the traders that lost their goods while they traded from there. Is that going to be included in your budget? Have you made a provision for it because our people lost their goods and they can never operate anymore?

**MR BAHATI:** Let me clarify that the details, which have not been captured in the Budget Framework Paper because it is a document that talks about the broader figures and broader issues of the budget, will be included now in the detailed budget which will be laid here on the Floor of the House *–(Interruption)*

**MS SENTONGO:** Thank you, Mr Speaker. On the issue of reducing the budget for the health sector, I remember yesterday you brought up that issue - I am seeking clarification on facts about the salaries for health workers who were on strike for the last year. I am seeking clarification on the issue of hard-to-reach areas because it has been an issue here on the Floor for several times. There is also the issue of mobilisation and sensititsation of communities on diseases that are rampant. Is it also included?

**MR BAHATI:** Let me first respond then if there is anything that I have not responded to, Mr Speaker *- (Interruption)*

**MS ALYEK:** Thank you very much, Mr Speaker. The minister mentioned that he will bring the budget report on 1 April 2018, which is a Sunday and it is Easter day. So, I don’t know whether Parliament will sit on that day. *(Laughter)*

Therefore, is he in order not to check his calendar before mentioning the date which is a Sunday, Easter day and fool’s day? Thank you.

**THE DEPUTY SPEAKER:** Unfortunately, that is the law; the law mentions that date. So whether it will be a fool’s day or whatever day, the law does not care. It will be us to adjust otherwise that is what the law says; 1 April.

**MR NANDALA-MAFABI:** Thank you very much, Mr Speaker. I am so happy the minister is explaining some of these issues. He has said that for health centres III, money will be appearing in the budget and it will have increased. Now what are we approving?

I thought we are approving what will be the ceiling for the amounts in health ministry and which means that all the monies you are anticipating are already covered in the Budget Framework Paper.

The clarification I am seeking from the minister is: what are these figures? Are they already in the Budget Framework Paper or they are not there that now you will reintroduce them and we deal with them at that time?

**MR BAHATI:** Mr Speaker, we are in the budgeting process and the approval of the Budget Framework Paper is not the final approval of the budget. Some changes will happen before 1st April. As a senior Member of this House, hon. Nandala, you are aware of that.

The third issue was a general ban on recruitment *–(Interruption)*

**MR NANDALA-MAFABI:** Thank you very much. From what the finance minister is saying – *(Interjections)*– of course he is the minister because the other is away and asleep; the full minister now *- (Interjections)–* prof. Kamuntu, don’t become - you are too old.

Mr Speaker, the finance minister is saying -

**THE DEPUTY SPEAKER:** Hon. Nandala-Mafabi, were you referring to honourable?

**MR NANDALA-MAFABI:** No, I am not referring to hon. Bahati.

**THE DEPUTY SPEAKER:** Honourable member, were you referring to hon. Prof. Kamuntu?

**MR NANDALA-MAFABI:** No, not hon. Prof. Kamuntu. I was referring the other finance minister *- (Interjections) -* I am on a point of order, hon. Prof. Kamuntu.

**THE DEPUTY SPEAKER**: But honourable member, if you rise on a point of order and you, yourself in the course of raising your order violate order, you can be called to order.

**MR NANDALA-MAFABI:** Mr Speaker, thank you for that wise ruling. I am sorry for violating the order but I meant to say that hon. Bahati is now a full finance minister and is very *-(Interjections) -* yes he is here in full capacity; he has not left any powers behind and what he is deciding on here is final, if you are not aware. *(Applause)*

Mr Speaker, the order I am raising to my finance minister who is acting full is whether what we are doing is not concrete? Are we now here in the talking mood and after sometime it will be changed because you said it is a budgeting process?

Therefore, is the minister in order to come and waste our time here? We go into the process, we approve it then at the end it is different. Is he in order to tell us that?

**THE DEPUTY SPEAKER:** Honourable members, are we approving the budget today? What we are approving is the Budget Framework Paper and not the budget. It is part of the information that comes before the actual budget is tabled to this House so that we know the framework, which will guide the final figures when they come.

I would be happier if honourable members were taking note of the minister’s commitment on SAGE and on the health centres III so that we use this statement to track how they will appear in the budget. I would be happy if we were doing that because this is a framework under which the final figures will be brought. And once we approve this framework with the ceiling and everything, then we will see how the figures will be brought later and whether they will correspond to this. Therefore, let us track everything that has been issued; the minister has confirmed that these will be coming in the budget; we will track them.

**MR NSEREKO:** Thank you, Mr Speaker, for your wise guidance. Indeed if we don’t seek the two clarifications on the commitments that are made during this time then at a future moment, we won’t exactly get the clear figures put in an orderly manner.

Mr Speaker, it was the ruling of this House and the presentation and commitment by the honourable finance minister previously, on the issue of the people that transact with South Sudan. They committed, without even talking about the figure, that the Government would make an undertaking to help salvage these people out of the economic quagmire in which they are. People have lost their entire economic lifeline through various debts and loans.

How far did that Government commitment go? We would like to seek clarification from the honourable finance minister as to whether –*(Interruption)*

**MS AMONG:** Thank you for giving way. Mr Speaker, I wish to lay on the Table the agreement that the minister signed with South Sudan Government in relation to what hon. Nsereko is talking about.

**THE DEPUTY SPEAKER:** Honourable minister, you will also recall that there is a petition that was brought to this House, which I referred to you on this same matter.

**MS AMONG:** Mr Speaker, the agreement is here. It is an agreement between Uganda and South Sudan on the payment of those traders; I beg to lay.

**THE DEPUTY SPEAKER:** How do I know it is an agreement?

**MR NSEREKO:** Mr Speaker, as I wind up, I would like to thank you for your patience to this cause. The honourable minister made that commitment to this House. It is our duty to follow-up because many of our voters have gone under and they hold the economic lifeline of our nation.

For as long as these commitments are not honoured, there is no way that the private sector, mainly of Ugandans that have tried to put up businesses, will thrive. At all moments we have met our people, they ask whether Parliament has resolved this matter yet nothing has been done.

I would like to call upon the honourable minister to give this House a commitment that every single thing we say at least should be honoured.

Therefore, that is the clarification we seek from you so that you know that matters that you raise and promise to this House, are not just a mere paint that you give to beautify your speeches but they also give people commitment. The people go ahead to commit themselves economically and financially based on your statements.

Later on when they realise that nothing is achieved that will definitely hurt their economic stand. Thank you very much, Mr Speaker, for giving me a chance to make this presentation.

**MR BAHATI:** Mr Speaker and honourable colleagues, on the issue of South Sudan traders, it is true that we have an agreement between the Government of Uganda and the Government of South Sudan; if resources can be available to pay the Ugandan traders who did business in South Sudan, then when the situation stabilises there, the Government of South Sudan would pay back. So, we are coming back to the House very soon to seek your authority to do that because this will be lending.

**THE DEPUTY SPEAKER:** Honourable members, let the records show that a copy of that agreement has not been laid on the Table of Parliament.

**MR BAHATI:** On the general ban on recruitment –*(Interruption)*

**MR TAYEBWA:** Thank you, honourable minister, for giving way. Mr Speaker, this agreement was signed in 2010 –(*Interjections*)– yes, because I remember the hon. Gen. Otafire was the Minister of Trade at the time.

If it had been signed, why did you people fly the Presidential jet to Juba to sign another agreement? Honourable minister, if I can inform you, there are buildings – for example, Mr Aponye’s hotel at William Street in Kampala, was taken. Mr Chris Kailua’s apartments and three factories were taken too. I also know of some gentleman from hon. Bahati’s Constituency who died last year - Mr Owoyesigire died due to stress relating to that money. Mr Taban of KK Transporters from Koboko also lost a building because of that money. I would like to inform you that as we are dilly dallying people are losing whatever they had.

Therefore, honourable minister, can we agree with you on a timeline when you are bringing the motion to this House so that we see how we can help our traders because Ethiopia and Kenya helped theirs; it’s only the Ugandan traders who are left to rot. Thank you.

**MR JOHNSON MUYANJA:** Thank you, for giving way. Mr Speaker, recently the *Katikiro* of Buganda met the Prime Minister of the Ugandan Government over Mengo debts, which is like the Sudanese money. *(Laughter)* Like South Sudan, Mengo also has an agreement which has taken more than 6 years; it should also be considered during this budget. I thank you.

**MR BAHATI:** Mr Speaker, we will be coming, within this month of February to seek your authority to take that action. Anyhow, Mr Speaker, as I was saying, there is no general ban on recruitment. What we communicated was that if an agency is to recruit, they should ensure they are doing so within the resources that they have.

On the issue of salary enhancement for public servants, which did not appear in the Budget Framework Paper, I wish you could understand what happened. The Government set up a committee to harmonise salaries for all civil servants and this committee was supposed to finish its work by November. Unfortunately that did not happen.

By the time of the finalisation of the Budget Framework Paper as required by the law, that committee had not completed its work. It completed the work in December and we are now working on the figures and so, by the time we submitted the Budget Framework Paper, which is a requirement of the law, we were not ready. We hope that again by the time of submission of the budget in April, we will be able to do something. The House will be informed, including the health works and all the others people we have been talking about.

On the equitable distribution of resources across the region, I would like to say that at the local governments’ level, we have a formula at the finance ministry on how these resources reach all districts, including population and all others.

However, in terms of other projects, there is a very big issue that was raised here and I would beg that at an appropriate time, maybe before the budget is approved, you allow Government to come here, ministry by ministry, and show how the work that they are doing is spread across the country so that there is accountability for each sector –*(Interruption)*

**MR MUWANGA-KIVUMBI:** Thank you, Mr Speaker. We are not speaking in general terms - we would like the Government to clarify on the project for upgrading colleges for skills development.

You were very specific that you are going to upgrade six colleges, three of which are in one region. One is in central, another in Bukedi and there is another in Arua. However, what we are saying is that the whole of West Nile, Karamoja, Busoga have been left out.

We are very specific on this project because we would like equal opportunities spread across the country; we are not on the general things regarding salary.

**MR BAHATI:** Mr Speaker, in that particular one, we request the Education ministry, while responding to show the work that they are doing and in particular on that project but I know that there is some good work you are doing.

I do not know whether I should answer that or should I wait for - honourable minister, can you respond to it?

2.44

**THE MINISTER OF STATE FOR EDUCATION AND SPORTS (HIGHER EDUCATION) (Dr Chrysostom Muyingo):** Thank you, Mr Speaker. We have upgraded our existing technical colleges to centres of excellence. These are six and I want to mention all of them. These are;

1. Uganda Technical College, Kichwamba
2. Uganda Technical College, Bushenyi
3. Uganda Technical College, Elgon
4. Uganda Technical College, Lira
5. Uganda Technical College, Kyema
6. Bukalasa Agricultural College.

These are the colleges we have uplifted and they are all we have in Uganda. The money came to upgrade colleges. We are only planning to put up more. However, what is happening now is upgrading them. Therefore, it is not that we are building new ones but these are already existing and the only ones benefiting from that loan.

**MR KATUSABE:** Mr Speaker, just yesterday some Members were talking about water for domestic animals. I come from a constituency where about six sub-counties go without clean drinking water.

**THE DEPUTY SPEAKER:** Honourable, are you talking about water? (*Laughter)*

**MR KATUSABE:** They have to compete with animals and human beings. In other words, you get to a water point and first chase the animals before you can get the mud. You then get the mud through a cloth for you to be able to get that muddy water taken through some boiling system.

Mr Speaker, this Budget Framework Paper (BFP) as it is right now does not cater for clean safe drinking water yet it is a human right to have clean and safe drinking water pronounced by the United Nations.

Finally, Mr Speaker, a lot of my people and elsewhere, especially communities that border conservation areas, go to the banks, acquire loans and get into large scale agriculture. Unfortunately, the wild animals come, attack and destroy all their crops. What happens in Kampala is that people are losing property because the banks move in to attach the little that they have.

The Uganda Wildlife Authority asked for Shs 50 billion to cover the entire country but the Ministry of Finance, Planning and Economic Development says they cannot get the money. I am asking you, Mr Speaker and the entire House that please, let us save citizens and have the Shs 50 billion included in this particular budget so that we can have the entire country saved. Thank you.

**MR OKOTH:** Thank you, Mr Speaker. The issue of balanced development across the country is a statutory question. Section 9 (i) of the Public Finance Management Act, 2015 requires all accounting officers for the votes to take into consideration balanced development, gender and equity responsiveness when preparing a BFP.

Rule 143 (2) of the Rules of Procedure of the Parliament requires that the BFP should be submitted alongside with the Certificate of Equity Responsiveness.

Mr Speaker, it has been observed that it is not just in the Ministry of Education and Sports but it cuts across all these sectors. The issue of unbalanced development keeps rising. If you look at -

**THE DEPUTY SPEAKER:** Is that a procedural matter?

**MR OKOTH:** Yes, that is what I am coming to, Mr Speaker.

**THE DEPUTY SPEAKER:** Then you need to get to that.

**MR OKOTH:** Mr Speaker, the issue I am raising is, are these ministries meeting the requirements of the law when in the BFP for their votes they have failed to take into consideration issues of balanced development across the regions of this country?

Therefore, I know that the deadline is tight but are we proceeding well to continue entertaining submissions of the votes when they have actually failed to meet a statutory requirement of ensuring that there is balanced development in all the regions of the country?

**THE DEPUTY SPEAKER:** Honourable members, I recall that indeed, we reviewed the BFP on 20 December 2017 and the accompanying Certificate of Gender and Equity Responsiveness was not submitted together with it. However, I remember that in early January, I called a specific sitting to allow the Minister of Finance, Planning and Economic Development to lay the Certificate of Gender and Equity Responsiveness. It was sent to the Budget Committee and other sectoral committees to handle.

Therefore, are we proceeding correctly? Yes, we are because that is what we are dealing with now. How can we not be proceeding properly? We are dealing with a report of a committee to hear what they have said about those things. You are the one who is not proceeding properly. (*Laughter*)

**MR BAHATI:** Two, final points, Mr Speaker. On the issue of sectoral plans, I would like to inform Members that previously in this House, we had resolved that the sectors which have not developed strategic plans should be compelled to come with them when they are submitting their ministerial policy statements. If you can uphold this resolution of Parliament, I think it will help us to make sure that they comply.

The minority report raises an important question, which we are looking at, whether the Shs 4.9 trillion domestic debt that we have complies with section 36 of the Public Finance Management Act, as amended. In this amendment, we had provided that if Government is to get resources for the day-to-day operations - what we call treasury operations - then it should not go beyond 10 per cent of the previous budget.

However, the minority report says this 10 per cent relates to the whole amount of the domestic debt that we have. Our position is that the provision which we made - and I think the Attorney-General will be able to clarify - was that if there is need for a draw down from the Central Bank, for example, 1 July, when we have passed the budget and maybe we do not have resources to start spending; we can go to the Central Bank and get an advance. That advance should not go beyond 10 per cent and should be paid within the year when it is got. However, the other Shs 4.9 trillion relates to domestic borrowing where we go to the market to raise money for the finances.

Therefore, these are two separate things and if the minority Member thinks that it is not clear, we can write to the Attorney General to get clarification and then we close it.

We have two varying positions. Mr Speaker, you could guide on that and we see how to finish it.

There was an issue to do with new districts and administrative units; all of us –(*Interruption*)

**MR MUWANGA KIVUMBI:** Mr Speaker, in my humble opinion, we are moving in circles. This debate ensued when we were passing this year’s budget. It was a bone of contention to the extent that you suspended Parliament so that we can confer with the Executive arm of Government. An agreement was reached; the Attorney General was there. All the best legal brains in this Parliament were there. We agreed that money for purposes of monetary and treasury operations is a borrowing and that borrowing must conform to what it should be as per section 36 of the Public Finance Management Act.

Mr Speaker, we are very keen to have this issue addressed because if we do not, this country is going into a direction that is very critical to its development. Of the interest loan we are going to pay, which is Shs 2.7 trillion, Shs 2.2 trillion is going to pay interest for domestically borrowed money.

This debt is now standing at Shs 12 trillion. As of last year, it was Shs 11 trillion. It is rising from Shs 11 trillion to Shs 12 trillion. Mr Speaker, we are so keen that if we do not get a cure to this issue - the legal opinion of the Attorney-General is clear. We conferred in the last year’s Parliament that this is a borrowing and once it is a borrowing, it must be 10 per cent in order not to offend the law. We had that urgent and we settled it.

Therefore, for you to frame the current BFP in a way that gives the country a false impression that we are going to have a Shs 20 trillion budget when in the actual sense we are going to have literally, a 12 trillion budget for service delivery - we are saying this must be addressed critically and must conform to the law.

We agreed - I could pull back the proceedings on the *Hansard* of the last Parliament. Therefore, I do not know why you are bringing back the same issue. The Budget Committee asked you to bring an interpretation from the Attorney-general but you did not and now you are promising the entire session to say that you will still ask the Attorney-General to bring the interpretation.

Therefore, our humble view is that you must find a clever way in order not to mislead the country that we have a Shs 29 trillion budget when in actual sense we are going to deal with only about Shs 12 trillion.

**MR BAHATI:** Mr Speaker, we will seek the interpretation of the Attorney-General but obviously, we finance our budget through three ways; the resources that we get from our taxes and non- tax revenues, grants and borrowing. If resource mobilisation which Members have been talking about is not up-scaled, then there is no way we are going to avoid borrowing. However, as we borrow, we have a debt sustainability strategy. We make sure that we are within that debt sustainability.

The last point was on the issues of –(*Interruption*)

**MR CENTENARY:** Thank you, Mr Speaker. I think the issue of the debts in this House is becoming an incurable promise from the Minister of Finance, Planning and Economic Planning. I remember in the last session of Parliament, the minister promised to bring us a schedule of the loans that we have so far borrowed, those that are un-utilised and those we intend to borrow so that Parliament can determine, which direction to take in terms of the debt burden that we are pressing upon this country.

When the minister continues talking about - we are coming back here to request for a loan - I find it rather disturbing -

**THE DEPUTY SPEAKER:** The procedure?

**MR CENTENARY:** Therefore, are we proceeding right to allow the minister to continuously promise to give the nation the status of our debts and also telling us their coming to borrow when Parliament is not even in the know? We should be moving systematically.

**THE DEPUTY SPEAKER:** You see, honourable members, when you try to take advantage by using issues of procedure and yet, your intention is different, it shows eventually because you eventually stick to what you wanted to say and forget about the avenue you have used.

However, the point is, that request was made and twice, now we have received that report in this House of the extent of indebtedness. It has been laid before Parliament.

**MR BAHATI:** On that point, it is a requirement by the law and also our Rules of Procedure that we lay our debt situation annually and we do that, honourable members. I would encourage you to look at these reports so that this question does not keep coming because it is also not right when we lay a report here and then a Member is asking for the same information, which is in the House. We would not want to be on the Floor of the House exposing these kinds of situations –(*Interruption*)

**MR ODONGA OTTO:** Thank you. Mr Speaker, this is a very serious matter that we probably even need a committee of the whole House to see what we can do about it because the Government is being run on the money borrowed from its citizens and the message is that there is more money in private hands than what the Government has.

To have a debt portfolio, every day you are advertising in the newspapers sale of treasury bills worth Shs 12 trillion, as Parliament we need to do something about it. The information I am giving you is from Dr Sudhir. He told me that you people in Ministry of Finance, Planning and Economic Development should start thinking; if we are sure of extracting oil by 2021, you should start borrowing money against that prospective oil so that you borrow money at 3 per cent from our international partners and we use our oil as security. Now, you are running Government at a very expensive rate and instead of paying debts of individuals, you are renewing the debt. Therefore, the country is now on mortgage to a few individuals.

Therefore, honourable minister, the information I was giving, I do not know if in your Government ministries, you have started seeing alternative cheaper sources of money in lieu of this country producing oil. Otherwise, operating the country like this is like borrowing money from moneylenders and you think you can survive on 10 per cent interest rate per month. This is not sustainable. That is the little information I was giving.

**MR BAHATI:** Thank you, Mr Speaker and hon. Otto for that idea. Indeed, we are looking at alternative ways of how we can restructure this Shs 4.9 trillion debt that we have in the domestic market.

Lastly, the issue of the new districts and administrative units; we passed here new districts. There are also other new units, which came in like the town councils and sub-counties and we will see how best – maybe we can start with the districts, move to sub-counties and municipalities slowly according to the resources that we have.

Honourable colleagues, all the resources that we have, have been indicated in the BFP. There is no more that we have. Whatever we want to do must be done within that framework and I hope you will bear with us on that issue when we start with the few units and we move slowly but progressively.

The issue of SACCOs, I would like to request the Minister for Microfinance to respond to that question.

3.05

**THE MINISTEROF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (MICRO-FINANCE) (Mr Haruna Kyeyune):** Thank you very much, Mr Speaker. I would like to thank colleagues for raising the concerns of providing money for lendingto SACCOs. This is very important because as it is indicated on page 62 of the report, 68 per cent of the population do not have access to service delivery from formal banking institutions. For any person to develop, he must have capital and capital is from either savings or credits.

Therefore, the 68 per cent, which is financially excluded must be catered for. What we are going to do, Mr Speaker, is to provide money and as Parliament reports to treasury - once Parliament speaks, the whole country has spoken. We are going to provide for money for onward lending to SACCOs so that people can have access to cheap credit and for those different activities. I thank you very much, Mr Speaker.

**MR BAHATI:** The last one was on the issue of counterpart funding in relation to externally borrowed funds to finance our projects. We recognise that this is a very big challenge for us. For example, on roads alone, we have a shortage of above Shs 1.2 trillion. Therefore, we are going to reorganise ourselves and the issues are really there; compensation is one of the issues that we are grappling with and we are going to reorganise ourselves and ensure that we start taking on what we can chew rather than continuing to expand when we do not have enough counterpart funding.

We would like to thank the Committee on National Economy because you have made it a rule that there is no loan that will come to your committee without confirmation from the Ministry of Finance, Planning and Economic Development that counterpart funding is going to be available. (*Interjections)* I would like to thank Members for their responses and the roles will come in the Budget; the Minister of Trade, Industry and Cooperatives is available to respond to the issues that were raised.

**THE DEPUTY SPEAKER:** Thank you. Honourable members, there is a point of procedure but this is just the Ministry Finance, Planning and Economic Development. We still have all the other sectors responding. The ministers are present and can they respond quickly to the issues raised in the course of the debate?

**MR MUWANGA KIVUMBI:** Mr Speaker, I raise on a point of procedure because it is a point of law. This Parliament is about affirming and following the law established. On the point of treasury operations, it is the question of the dictates of the law. The Minister of State for Finance, Planning and Economic Development has just promised that the Attorney-General will give an opinion but the Attorney-General gave an opinion clearly articulated in the last Parliament when we had this debate. This is a borrowing going forward; the way the BFP is structured will offend the Public Financial Management Act and the Constitution.

Secondly, this is very critical and why we are putting emphasis on this point, is that Treasury Operations and the expenses related - we are talking about Shs 8 trillion of our national budget. This financial year 2018/2019, the obligations will be equal to Shs 8 trillion as a result of that operation -*(Interjections*)- no, I know why I am saying Shs 12 trillion, it is Shs 4.9 trillion for domestic financing, interest payment of Shs 2.2 trillion just because of this internal borrowing and the Shs 900 billion.

Therefore, as a country, we owe it to our voters because the next expenditure line after infrastructure on our Budget is debt financing and interest payment and there could be an interest in the treasury. Imagine there is a Director of Treasury Operations that sits annually and controls an operation of Shs 8 trillion, he may never have an interest to retire. This is a single biggest expenditure in our country.

Therefore, we need to know how we are going to proceed legally because the framers of the law gave them a right. By the way they were very flexible that every borrowing must be approved by Parliament except borrowing for monetary and treasury operations. They said, “You can borrow because situations can a raise” but they capped it to 10 per cent and that borrowing is without approval of Parliament.

Therefore, if it offends the law, then we have got to restructure the budget totally different to conform to the law. That is why I am saying, Mr Speaker, vis-à-vis what the – good enough you were the one in the Chair when we had that debate; it was settled and we would like to know how we are going to proceed in conforming to section 36 of the Public Finance Management Act.

**MR BAHATI:** Mr Speaker and colleagues - hon. Kivumbi, let us understand each other -(*Interjections)-* there are two things we are talking about here.

**THE DEPUTY SPEAKER:** Can we follow because you have raised the matter and they are responding to it.

**MR BAHATI**: There are two things we are talking about here; the issue of the figure of Shs 4.9 trillion; we agreed in this House that it is domestic borrowing and we should have a resolution here passed by Parliament. That is what we agreed when we had a meeting with some leaders from Opposition and the Government - that is what we agreed before the budget was passed.

However, the point of contention is about treasury operations as it is speculated in the Public Finance Management Act. The operations we are talking about, when Government has a shortage of cash to run the day-to-day operations, we go to the Central Bank and get a drawdown, which we said should not go beyond 10 per cent and it should be paid within a year.

We even gave Central Bank permission that if Government does not pay you, you have authority to get this money from the collection account. The difference really is about – because hon. Kivumbi, in his report, said the domestic borrowing should be now related to the 10 per cent. And we are saying, “No, the 10 per cent is for the drawdown from the Central Bank.”

Therefore, for the domestic borrowing, we shall move a motion, as we agreed in the last Parliament, to seek permission to approve that as domestic borrowing. The 10 per cent is different and does not require approval of the House as stipulated in the law. That is our understanding and it is very clear and it should not be mixed up. Mr Speaker, as a lawyer, you can guide the House on this particular matter.

**THE DEPUTY SPEAKER:** Honourable members, I think we reached an agreement on this. We said, if you come here and these matters are beyond the 10 per cent, which you are given authority to play around with without having to come to Parliament, you have to come to Parliament. Therefore, for as long as it is 10 per cent and below, you do not have to come to Parliament. This is what the law says. However anything in excess of that requires parliamentary approval.

Now, we cannot put all of them together; that which requires and that which does not require, we put them together and say it must be within the 10 per cent. We need to differentiate what is going to the treasury operations under section 36, which must not exceed 10 per cent. Is it that one? Is it what is being proposed? If it is, then that is okay. Anything above that requires parliamentary approval. Isn’t that the law? That indeed is the law. It does not matter the borrowing.

**MR MUWANGA KIVUMBI:** Mr Speaker, as long as you are going to borrow for treasury operations – (*Interjections)* - the purpose is specified - between you and I; I do not want to stretch this debate. As long as you are going to borrow for the purposes of treasury operations and monetary, it has to be 10 per cent of the projected revenue.

Even if you bring a motion here in Parliament seeking to borrow for purposes of treasury operations, they should be within 10 per cent.

**MR NANDALA MAFABI:** Mr Speaker, I remember when we were working on the Public Finance Management Act, before hon. David Bahati became a minister, we had closed that anything to be done, we must follow the budget. That time, you could not go to pick any shilling anywhere without the approval of Parliament.

When they came here to amend the Public Finance Act – (*Interjections*)- it is just an amendment. The 10 per cent was not for the budget. The 10 per cent was the expected revenue. So, if you are going to collect Shs 15 trillion, you are allowed to have Shs 1.5 trillion and this one must be paid before the end of the financial year. That is what we agreed on.

I now understand what hon. Kivumbi is raising. He is saying that you are going to have Shs 5 trillion as treasury bills. You are going to have Shs 2.7 trillion as interest repayment and at the same time, there is also loan repayment of the external debt. That is why I was saying it is Shs 12 trillion. That is why you see when they are drawing the budget guidelines, they are saying, “external financing less repayment”. If you have read the budget, that is how they have framed it. They are not picking out the repayment, which is also about Shs 4 trillion, which makes Shs 12 trillion. In fact, in our budget, Shs 12 trillion will go for debt financing. Paying the domestic, the interest and the external debt.

Now, if we are going to collect Shs 15 trillion - I think that is what hon. Kivumbi is saying - are we not supposed to approve by a parliamentary resolution such borrowings, which will be used first to pay the external debt and secondly, the internal borrowing. I think that is where he is talking about the treasury operations.

I would be happier if the minister can distinguish between getting credit of Shs 1.5 trillion because it is against the projected budget and also the local borrowings, which you want to borrow to service the budget.

**THE SPEAKER:** Let us hear from Rubanda and then I give guidance on this matter.

**MR MUSASIZI:** Thank you, Mr Speaker. The submissions by hon. Bahati and hon. Nandala have made me remember what we exactly passed. I was equally central in the amendment of Public Finance and Accountability Act of 2003, which became the Public Finance Management Act, 2015 and later on, six months down the road, we amended section 36 of the same Act.

To the best of my recollection and the *Hansard* can prove me right, the reason we amended was that a situation arose whereby the financial year was ending on 30 June and another year opening on 1 July. This is a situation where URA has not collected any money. This required Government to pick an advance from Bank of Uganda for purposes of running Government as URA collects the money. This is what we restricted to 10 per cent of the entire budget.

**THE DEPUTY SPEAKER:** Of the budget or revenue?

**MR MUSASIZI:** Of revenue. There is another situation, which is different from this whereby Government has to borrow internally or from the domestic market to finance the budget. This one was outside the 10 per cent restriction.

Therefore, what I would like to clarify to the House is that let us not use section 36 to bring restrictions, which do not exist or which were never considered when we were amending the law. It is true domestic borrowing is escalating and it raises concern. However, when we try to mix domestic borrowing with advance from BOU to run Government; you are combining two things, which are different altogether**.** Thank you, Mr Speaker. (*Members rose\_)*

**THE DEPUTY SPEAKER:** I thought that is what we agreed. Please.

**MR LUGOLOOBI:** Mr Speaker, the Public Finance Management Act defines treasury operations as follows: “*Treasury operations for the purpose of this Act means the day to day management of Government cash needs by undertaking annual, quarterly and daily cash forecast to ensuring through investments and temporary borrowing that Government has sufficient liquidity to meet its obligations on time, in line with parliamentary appropriations”.* Therefore, that is the matter of cash management.

Section 36, that is being referred to before the amendment - Not the entire Section 36, was amended. They only amended certain sections of Section 36. They amended subsection 2(b), which is about –

Mr Speaker, I think it is important that we read Section 36(1). It says, “*Subject to the Constitution, the authority to raise money by loan and to issue guarantees for and on behalf of Government shall vest solely in the Minister and no other person, public corporation, state enterprise or local government council, shall without the prior approval of the Minister, raise any loan, issue any guarantee, or take any other action, which may in any way either directly or indirectly result in the liability being incurred by the Government.”*

Subsection 2, and it is very important reads, “*For the purposes of Subsection (1), the Minister may raise a loan; a)* t*o finance a budget deficit*.”

The domestic financing we are talking about refers to financing a budget deficit. We have a deficit between our revenue and expenditure needs.

Subsection (2) (b), was amended to add Treasury operations, which I have just defined and reads, *“For the management of monetary policy and Treasury operations.”* The original, which is still part of the law as it was not removed reads, “*With exception of a loan raised for the purposes of Subsection (2)(b) or a loan raised through issuance of securities, the terms and conditions of a loan raised by a Minister shall be laid before Parliament and the loan shall not be enforceable except where it is approved by Parliament, by a resolution.*”

The exception is given Subsection 2(b). The rest will come and seek approval of Parliament to borrow. We are borrowing to cover the deficit in the budget. It is as simple, as that. The law is very clear and there is no ambiguity whatsoever. I think hon. Muwanga Kivumbi just wants to continue arguing on an obvious matter.

**THE DEPUTY SPEAKER:** No, please. Let us put this to an end. Honourable members, the Public Finance Management (Amendment) Act, 2015 was passed. In Section 36, as it was originally passed, nothing has been repealed. The amending was by addition.

The original principles contained in the original Act remained intact. What needed to be done to take care of this situation was supplied by an amendment to the Act to supplement what is already in the Act and take care of these situations we are talking about. The two have to be differentiated.

Domestic borrowing is not necessarily for Treasury operations. It could be for other purposes. What the law is saying is that all those borrowings must come to Parliament. However, the exception was created by the new law to take care of these peculiar situations, which the honourable member for Rubanda has explained.

In situations where money has not been raised, the minister is authorised under Subsection (5) (a), which is an amendment to borrow up to 10 per cent, for Treasury operations and not more. It will be strictly for Treasury operations. That is what they are doing.

Otherwise, if the argument was saying that what they have done is beyond 10 per cent for Treasury operations, that would be the issue. What the House is required to do is to ensure that the Treasury operations are accommodated within the 10 per cent and that does not require parliamentary approval. If it is in excess, it is taken care of by the preceding Subsection (2), under managing Treasury operations that can be dealt with by prior parliamentary approval. Treasury operation is also mentioned in subsection 2 as amended.

The only thing that we should be focusing on is whether what is being asked for fits within the 10 per cent? Are they trying to force everything else, even that outside the 10 per cent to fit within it? The answer is, no.

The responsibility of this House is just to say, “Okay, for 10 per cent, you do not need our authority, proceed. But beyond 10 per cent, come back to us.” That is what the law says. So where is the problem? Please!

**MR NANDALA-MAFABI:** Thank you very much, Mr Speaker. There is no problem, by the way. We can discover that they have gone beyond the 10 per cent when they are balancing their books. However, as we speak – maybe there is some small mistake somewhere. I would like to thank hon. Amos Lugoloobi. You are right.

The Ministry of Finance, Planning and Economic Development is authorised to borrow for domestic deficit but it must get the authority of Parliament. Where the ministry can go to the bank and borrow without coming to Parliament is only 10 per cent of the net expected revenue. In this case, it is about Shs 1.5 trillion.

You can only discover that they went above Shs 1.5 trillion if you have get the audit report at the end of the financial year to confirm that. Otherwise, in this state, what we are expecting the minister to do is to bring a resolution to ask for the domestic borrowings to finance his budget. I have understood him.

**THE DEPUTY SPEAKER:** Let us proceed. Honourable minister, have you finished with this? We have other sectors coming to respond. Honourable Chairperson, can you come at the end?

**MR LUGOLOOBI:** Yes, I would like to but there is something that we need to get out of the way.

On Monday, we had a meeting with Uganda National Road Authority (UNRA) in the afternoon. Because we were supposed to deliver the reports on Tuesday, we had asked them to clarify on different issues that the committee raised on counterpart funding for externally financed projects, budget absorption and several other things including the oil road infrastructure project in the Albertine region and UNRA’s road project unit costs.

Mr Speaker, UNRA wrote to me as the Chairperson of the Budget Committee and provided detailed information that explains and clarifies most of the issues that were in the minority report on this subject.

I would like to request to lay on the Table this response because it updates the information hon. Muwanga Kivumbi, was using with better information.

Mr Speaker, if time allows, you would allow me to present this information but if not, I will lay it on the Table so that it can be consumed by everybody else. The information is –*(Interruption)*

**MS OGWAL:** Mr Speaker, there are many times we sleep without closing our eyes. The issue of UNRA was discussed by the committee. The committee asked them detailed questions with the others and this report which you want to lay on the Table was smuggled, after UNRA failed to answer the questions put before them.

I have seen the document you want to table before Parliament but that is a falsehood. I know because I can read from what you are saying. I even saw the document you are holding; I have it here. So, if you attempt, I also have it. Is it in order for you to smuggle documents to confuse the House about what UNRA failed to disclose to the committee? Are you in order?

**THE DEPUTY SPEAKER:** Honourable members, what is true, and which has been admitted to by the chairperson, is that this particular letter was sent to the chairperson after the meetings. That is what he has stated. Now, the question which the chairperson is stuck with is: at what point do I let the House know about the existence of this letter? That is what he is trying to do.

There is a letter that has come into his possession which is about what is going on. It is coming from an institution which was examined but by that time, nothing came up. Now he has this letter; what does he do with this letter? That is why he said, can I just lay it on the Table or can I present it? He is requesting.

Somebody who is attempting to smuggle will not first declare that I am in the process of doing it now. We do not know what it is. Maybe for harmony, because this is just informing us in the process, just lay it on the Table for now and then we see. Maybe the minister responsible can come and tell some aspects of it.

**MR LUGOLOOBI:** Thank you so much, Mr Speaker. On the basis of your ruling, I beg to lay on the Table a letter dated 31 January 2018, addressed to the Chairperson of the Committee on Budget. The title of the letter is, “Additional Information on Budget Absorption for Vote 113, UNRA Budget, for Financial Year 2018/2019”. That is the first document.

The second document is entitled, “A Brief Note on UNRA’s Road Projects - Unit Costs”. The third document is entitled, “Uganda National Roads Authority: Uganda Roads Infrastructure Project in the Albertine Region - Project Status Brief.” It is a brief on all the oil roads and their estimated costs. The fourth document is entitled, “Kampala-Entebbe Highway Project (51.4 kilometres): Report on value for Money”; it is dated December 2012. I beg to lay.

**THE DEPUTY SPEAKER:** Were those attached to the letter?

**MR LUGOLOOBI:** Yes, they were attached to the letter.

**THE DEPUTY SPEAKER:** Okay, let the records capture that letter from UNRA which was addressed to the chairperson and came after, for purposes of the House knowing what the letter says. He was just laying it on the Table. Let us receive it for what it is worth. What we are hoping is that probably, the line minister, in the course of the responses, could bring out the issues. However, let the document be received for the record as a letter that has been received.

**MS CECILIA OGWAL:** Mr Speaker, I am standing on a procedural matter. The person on the Floor right now, representing the Committee on Budget, is the chairperson. He can only present what the committee has processed, agreed to and signed. He is coming to present on behalf of the entire committee, of which I am a member. That is why I am feeling aggrieved.

This chairperson is not part of the Executive who should come and explain the gaps. If there is some secrecy, he can go behind the House and brief the sector minister and say, “you go and tell them this”. However, he cannot bring it to the House as chairperson of the committee. We asked UNRA to give us all this information which the chairperson is now tabling. Why didn’t UNRA table this information? That is why I am pained, Mr Speaker.

If the minister is to provide the explanation, please do it outside, because now you make members of the Committee on Budget look stupid. Were we not in a position to look at these documents and understand them? Why do you have to come and lay them here on behalf of the committee? We are capable of analysing the documents. We should have interrogated UNRA on the basis of the documents you have now laid on the Table. You are now making all of us responsible for what we have not seen.

Mr Speaker, I have risen on a point of procedure because we have to know. Some of these people can smuggle documents and confuse Parliament and then they render members of the committee useless. I must know where this man got the power to hijack documents from UNRA to come and lay them on the Table on behalf of the committee when actually the committee asked for the same documents and they were not available. Can this explanation be given to the House? *(Members rose\_)*

**THE DEPUTY SPEAKER:** Honourable members, this is a procedural matter. I am hoping that one of you would like to respond to it. *(Laughter)*

Honourable members, I think let us applaud those who try to do their best in whatever circumstances. You even heard me saying, “Mr Chairman, why don’t you speak at the end of all the responses from the ministers?” He said, “There is this matter that came to me”. The letter is dated 31st and that was yesterday. The chairperson is wondering, “What do I do with this letter?”, and he asked whether he should first lay it here or read the contents.

Honourable members, today is the day when we are supposed to finish with the report of the Committee on Budget - the report that we know. The chairperson has said, “I have received this; let me draw the attention of the House to it for whatever it is worth”. It does not affect the report of the committee. It is not supplementing the report of the committee. It is just a letter received and now the attention of the House has been drawn to it.

I do not see why the honourable member should be at pains to try and do these things, because this does not affect the report. We know the report and its contents and we know the Members who signed it. The chairperson is simply discharging a burden of a letter he received after your meeting by bringing it to the attention of the House. We have now received a copy of the letter plus the attachments on the record. For whatever it is worth, he has just laid it on the Table. We have received it on record but the report of the Committee on Budget is clear. We know what it is and what decisions we are taking.

Can I now have the next ministry; otherwise, we will not go far? Can I have hon. Ephraim Kamuntu, please?

3.42

**THE MINISTER OF TOURISM, WILDLIFE AND ANTIQUITIES (Prof. Ephraim Kamuntu):** Thank you very much, Mr Speaker. I would like to thank the chairperson and in thanking the chairperson, also thank the Members who produced the minority report. I would not even call it minority, but it is an alternative report.

Yesterday, three issues were raised concerning the sector I represent. I would like to answer these three issues. However, before I do so, if you can permit me, I just wish to raise one issue of general interest from the report of the chairperson of the Committee on Budget.

The report critically analyses the macroeconomic situation. I think this is where we should start from. I believe both sides of the House, the Opposition and Government, share one vision of transforming this country from being peasantry to being a modern and prosperous country. For that to happen, the GDP growth must be in double digits and this comes out in this analysis.

Secondly, the poverty levels in this country must reduce. That also comes out in this report. The report is also very helpful in analysing why we are not having double digit growth rates and reducing poverty. That is analysed when they come to budget allocation.

Mr Speaker, these issues are so dear because this debate we are having must have a purpose *- (Interruption)-*

**MR NANDALA-MAFABI:** Thank you very much, Mr Speaker. Prof. Kamuntu has been around for so long. You remember, during the Uganda People’s Congress (UPC) time, he was the Minister of Finance, Ambassador Extraordinary and Plenipotentiary and he even became an economics professor. This gentleman has been around for so long. He has talked about the GDP and other issues and we have talked about poverty.

The general debate ended. He was in Government for a long time and he knows what the trends are. The things he is talking about are things he has been part of for all this time -

**THE DEPUTY SPEAKER:** What is the point of order?

**MR NANDALA-MAFABI:** Is Prof. Kamuntu therefore in order to come and start debating issues that he could have told his friends in Cabinet instead of answering questions raised about his sector?

**THE DEPUTY SPEAKER:** You see, when you are a carpenter, you think everything is a nail which needs to be hammered. Honourable minister, that time has passed. I remember many years back when I was a student at Dr Obote College Boroboro, you came to Lira Technical College and taught us these things you are saying now. (*Laughter*). However, for now, we would like a response from you on your sector.

**PROF. KAMUNTU**: Thank you very much, Mr Speaker. I really appreciate your clarity and precision in this House. You know, it is very difficult to debate with you.

Therefore, if these issues have been enduring, Mr Speaker, wouldn’t you feel very proud if this country became a middle income country during your time?

**THE DEPUTY SPEAKER:** Honourable minister, I would like you to propose a motion on those issues you have raised and we have a debate on that matter.

**PROF. KAMUNTU:** Now, let me answer the issues that were raised. I was with hon. Nandala-Mafabi’s father in UPC. However, let me answer the questions. Hon. Nandala-Mafabi, you are survivor; you have survived so many things.

I will go to the issues that were raised yesterday. Hon. Abala expressed concern about lack of development of tourism sites in Ngora. There were also issues of undeveloped roads in Kidepo Valley National Park and the issue of compensation for the loss of lives when wildlife crosses into people’s farms.

I am pleased hon. Abala is here because other Members who raised questions are not here. Therefore, in regards to undeveloped sites in eastern Uganda and Ngora District in particular, I would like to confirm that the ministry has plans and has already started developing the tourism sites in the east. Today if you go to the Nyero Rock paintings, you will find construction to develop the resource centre has started. We are also sensitising the population about these sites so that there is no encroachment there.

Soroti Museum building has been completed and the landscaping is happening. The opening of the museum is scheduled for May. Therefore, I would like to confirm and build confidence in honourable members that we are committed to tourism development.

Secondly, on the roads in Kidepo Valley National Park, I would like to confirm to you that the road is still murram. However, it is a priority of Government to keep it motorable. We are also adding a customs department to Kidepo Valley National Park to offer immigration services to support the direct inflow of tourists into the country. We are discussing with the Civil Aviation Authority (CAA) so that immigration services can be established in these places.

The roads are being improved. For the Karamoja region, we have discussed with the Minister of Works and Transport and the following roads are being attended to: Apoka Safari Lodge to Kotido, Kotido to Moroto, Moroto to Nakapiripirit and Nakapiripirit to Muyembe. These are regarded as tourist roads and they are being embarked upon.

With regards to lack of compensation for loss of lives when wildlife crosses into people’s farms, the law of 1996 which we are amending is already before a committee of Parliament. I am sure it will come to the Floor of the House. Previously, there was no provision for compensating the people when wildlife crosses into people’s farms. However, the new law is making that proposal. Therefore, when this new law is passed, this provision will be there.

Mr Speaker, thank you so much. I really want to thank also the voices in the minority report because there is total agreement that tourism is an engine of economic growth and it should be appropriately funded on both sides. Thank you.

3.52

**THE MINISTER OF STATE FOR EDUCATION AND SPORTS (HIGHER EDUCATION) (Mr John Chrysostom Muyingo):** Thank you very much, Mr Speaker. What was provided is not enough to cater for the needs of the ministry but we shall try our best to do everything possible to provide the best.

Mr Speaker, there are quite a number of other unfunded priorities. I would like to point out counterpart funding for donor funded projects, Shs 25 billion; revamping the EMIS and creation of a data frame, Shs 7 billion; scaling up of inspection in Business, Technical, Vocational Education and Training (BTVET) and secondary schools; staffing of public universities and salary enhancements, which has not also been provided for; and many others.

Mr Speaker, we are trying to devise ways of improving on what we have been allocated. I submit.

**THE DEPUTY SPEAKER:** Honourable, were those the issues they raised in the course of debate on your sector?

**MR MUYINGO:** Mr Speaker, I was told that I had only one minute but if you can give me more, I have other issues.

**THE DEPUTY SPEAKER:** You were supposed to respond to issues.

**MR MUYINGO:** One of the issues that were raised is about the opening of Soroti University. Soroti University is open; we have a vice-chancellor and lecturers but it has not been opened to students because the construction is still ongoing. It will be completed in March and then the process of admitting students will start. Otherwise, almost everything is set except completion of the construction of the structures.

Another issue that was raised is whether we are preparing the human resource that is badly needed to take advantage of the oil and gas industry. Quite a lot has been done and as I said earlier on, our technical colleges have been uplifted into centres of excellence. We have teamed with reputable international technical institutions that are specialised in preparing people for that kind of work. In this, there is the element of putting us within the curriculum. We have *–(Interruption).*

**MS CECILIA OGWAL:** Mr Speaker, we have heard about the centres of excellence that the minister is talking about and we know that the Government has a plan, and that the NRM manifesto has planned to provide a vocational institute in every constituency. This is very much appreciated. However, our concern as a country is that most of those vocational institutes are not functional. We are asking, why don’t you have those centres of excellence spread out across the country?

I pleaded with the Committee on Budget that a centre of excellence be established in West Nile. They were saying the north has one, but West Nile is very far from Lango. Let there also be a centre of excellence in Karamoja considering the fact that the western region alone has three centres of excellence, which we are talking about. Therefore, we are saying that in the interest of the country, can you sacrifice one of those three to go to West Nile and Karamoja? It is easy for somebody from the west to go to Karamoja but it is very difficult for the Karimojong to travel all the way to the west. *(Applause)*

Therefore, in the interest of the country *- (Interjection) -* Mr Speaker, can you protect me from the rowdy Members? Can we be nationalistic in our planning and programming? If the ministry is concerned about the plight of our children, the people that need vocational training at the moment are people from northern Uganda who have suffered insurgency for almost three decades. This time you should give them priority.

I have pleaded with Ugandans and Parliament - Karamoja really needs affirmative action. Can the minister clarify to me how he could plan for centres of excellence and leave out those areas which need to be lifted the most? How would you like people to be excellent in some region while others remain crude in other regions? Can we form a balance? Can the minister clarify to us?

**MR MUYINGO:** Thank you very much. First of all, these technical colleges are national colleges; they admit everybody from all corners of Uganda. Secondly, the money available right now does not enable us to start a new college. What we are doing –*(Interjection)–* I would like you to understand what I mean by centres of excellence. What we are doing right now, and I would like to explain –

**MS CECILIA OGWAL:** I would like to raise a point of order.

**THE DEPUTY SPEAKER:** No, please. The minister has not even responded to what you have said.

**MR MUYINGO:** All the technical colleges we have in the country are the ones we have upgraded to the level of centres of excellence. However, we have technical institutes almost all over the country and these different technical institutes are all going to be connected to these centres of excellence. In other words, all regions in Uganda are going to benefit from this exercise, where a centre of excellence will be connected to a technical institute in the different regions. Right now with the money we have, that is what can be done. I submit, Mr Speaker.

**MS NYAKECHO:** Thank you, Mr Speaker. I am painfully raising this procedural point against the minister through you. I heard my elder and senior colleague, hon. Cecilia Ogwal, speaking about regional equity and about taking three centres of excellence to the west while other regions do not have any. Is the minister procedurally right to continue justifying what the House is bitter about? He needs to balance. This is about equity, please.

**THE DEPUTY SPEAKER:** Honourable members, we seem to have a problem. The Rt Hon. Prime Minister is here; we need to find a way of ensuring that policies that affect the entire country are also approved by Parliament. *(Applause)* It is actually the proper way to do it. So, when you adopt a policy, let us discuss it. This is because as the Executive arm of Government, you are asking what the problem and the solution are.

However, these Members, being the representatives of the people, will ask a different set of questions: Is the problem properly identified? Is the solution the proper one? They will ask all these questions about equity and all these other questions, which will feed into the policy so that when it is finally approved and you go to implement, there are no issues. It might help.

These are the people’s representatives. It may not make sense to them at all and yet it is absolutely what the minister is saying. It may not make sense that three centres of excellence are in the west and none is in some other regions and yet the policy is, upgrade the existing institutes. However, because we do not know about it and it is just coming up now, it is a bit surprising.

If there could be a way of bouncing these proposals back and forth, so that we are on board, by the time implementation comes, you will have our blessing. This would really help. Instead of leaving out West Nile or Karamoja region that have been mentioned, we would guide that the circumstances that led those places to lack these institutions in the past have changed. We would then not be raising these issues in respect of Karamoja or West Nile. There might be small institutions there that could also benefit from the upgrade by way of affirmative action. That is all they are saying, honourable minister.

We have a problem with the way policies are processed. We need to be able to give some input so that when it is time for implementation, we are on board and understand everything about it. Let us pause this here. Hon. Cecilia Ogwal, these are real things and we need to deal with them in the best way we can.

**MR SSEMUJJU:** Thank you very much, Mr Speaker. You have summed up the sentiments some of our colleagues have raised very well and you made a reference to the presence of the Prime Minister. I fear that this matter will remain hanging without a commitment from Government that they have taken what you have guided and they will come back to us maybe next week or the other week. Therefore, the procedural matter I am raising is whether this matter should be concluded without Government making a commitment.

**THE DEPUTY SPEAKER:** The Rt Hon. Prime Minister is a very accomplished person. My hope was that when I raised these matters, he was going to volunteer to conclude. However, I can hardly force the Prime Minister to say things he does not want to say, but it would have been proper.

4.07

**THE PRIME MINISTER AND LEADER OF GOVERNMENT BUSSINESS (Dr Ruhakana Rugunda):** Thank you, Mr Speaker. I picked the tail end of the points raised by hon. Ssemujju and my sister, hon. Cecilia Ogwal. However, if it is factual that there is a proposal to create centres of excellence and have three in one region and none in others or another, that would obviously sound unfair and inconsistent with the policy that Government has been pursuing to achieve even development in the country.

Therefore, I agree with the guidance you have given and I would say that it is right that Government goes back, reviews the matter and the minister responsible comes back to inform this august House on the well-considered view of Government. Thank you.

**THE DEPUTY SPEAKER:** Thank you, Rt Hon. Prime Minister. Honourable members, it is 4 o’clock and we should be handling the Prime Minister’s Question Time, but we might have to dispense with it due to the circumstances we are in. I have talked to the Prime Minister, so let us proceed with the business before us now.

4.08

**THE MINISTER FOR ENERGY AND MINERAL DEVELOPMENT (Ms Irene Muloni):** Thank you, Mr Speaker. I will be very fast. I would like to thank colleagues for their support and I would like to respond to the issues that they raised yesterday.

One of the issues that were raised was the coverage of electricity in West Nile region. A lot of work has been done in expanding the grid within the West Nile region. We did rehabilitation and ensured that all districts within the West Nile region receive electricity.

However, I would like to inform you that there are already projects lined up to further expand electricity into West Nile region. We have Kangu-Ocaya-Alamva and the environs, which is under procurement. We have Wandi-Yumbe to Moyo project, which is planned under the World Bank programme. We have Onduparaka, Ondramachaku up to Abiriya project. This is also going to be executed under the World Bank programme.

We also have the Kanyikanyi project serving a good number of areas, which is planned under our country electrification programme. We have transformer installations at Moyo, Lama, Opilo, Epetele, which are being implemented using the Islamic Development Bank funding (IDB III). We have Oluche, Tera and Yivu subcounty headquarter projects, which are going to be implemented under the subcounty electrification programme.

We have Teruba-Erusi and environs, and a good number of areas in that region are also going to be worked on under the Energy for Rural Transformation III. We have Wandi-Yumbe-Moyo serving a good number of trading centres planned under the World Bank funding as well as Dranya and Rubule subcounty headquarters also packaged under the subcounty electrification programme.

We have Wulu-Ayaka-Alangi in Zeu, Padeya, Jakongolo and the environs. These works are planned under KFW and World Bank electrification programme. Finally Nyapea-Abanga and Jangokolo sub-county headquarters, which will be worked on under the sub-county headquarters programme.

I would like to assure our brothers and sisters from West Nile that indeed, a lot of work is going on to ensure that we expand the grid further. Thank you, Mr Speaker.

**THE DEPUTY SPEAKER:** Thank you very much.

4.12

**THE MINISTER OF STATE FOR INTERNAL AFFAIRS (Mr Kania Obiga):** Thank you, Mr Speaker. I would like to thank my colleagues for the comments they raised with regard to the departments in the Ministry of Internal Affairs. We appreciated the weaknesses and we have provided the resources, which we could, and we thank you for them. Of course, they were not adequate but the important thing is that you know what the ministry is going through.

Mr Speaker, I have one comment regarding National Identification Registration Authority (NIRA). The recommendations of the committee were essentially that there were some documents that were not provided, but I am told that they were. They were recommending that no additional funds should be provided to the department.

However, Mr Speaker, I do recall that when we appeared before the Committee on Defence and Internal Affairs, they asked for the documents, which were not in our possession at that time - on the 19th, I think – but we promised to provide them, which our staff did on 25 January. They were submitted and there is evidence that they were actually received by the clerk of that committee. I have that documentation.

However, now I am seeking for your guidance as to what I should do because the documents were indeed provided and there is evidence that the clerk received them. Therefore, I would propose, with your guidance, that I table them in Parliament.

**THE DEPUTY SPEAKER:** That is okay. Were there no other questions that were raised?

**MR OBIGA:** No, there were no other questions raised.

**THE DEPUTY SPEAKER:** Okay, thank you.

**MR OBIGA:** Mr Speaker, I wish to lay on the Table reports that were requested for by the committee, mainly a letter from the Ministry of Public service that cleared the NIRA organisational structure.

I would also like to lay on the Table the tenancy agreements between NIRA and the Ministry of Internal Affairs as well as the draft NIRA Strategic Plan, which is now with the National Planning Authority. I beg to lay.

**THE DEPUTY SPEAKER:** Let records capture that. Thank you.

**MR NZOGHU:** Thank you, Mr Speaker. You are aware that today morning and afternoon, the country has been awash with information of the arrest of Afande Kirumira. The Minister of Internal Affairs should have told this House what is happening because the manner in which they arrested Kirumira is unprecedented.

Therefore, the Minister of Internal Affairs should tell the country what exactly is happening because this is a matter that the people of Uganda would want to listen to. It would be fair for the minister to talk about it.

**THE DEPUTY SPEAKER:** Thank you. I think the minister respects our Rules of Procedure that you have to be relevant to the matter that is on the Floor. The matter that is before the House right now is the National Budget Framework Paper and responses from the ministers. I am sure the issue of Kirumira was not captured in the Budget Framework Paper. (*Laughter*)

4.18

**THE MINISTER FOR TRADE, INDUSTRY AND COOPERATIVES** (**Ms Amelia Kyambadde**): Thank you, Mr Speaker. We have two issues to respond to and my colleague is more conversant with the second one. I will just talk about the Soroti factory in Teso.

The Members are concerned with whether the farmers are organised. They are. We have about 28,000 farmers and they are all members of the Teso Tropical Food Cooperative Union. They have been trained in good agronomic practices. The cooperative union brings together about 5,800 farming households joined together through 57 primary cooperative societies.

Mr Speaker, the annual installed processing capacity of the Soroti Fruit Factory is: Oranges, about 22,032 metric tonnes; mangoes, about 7,344 tonnes. The estimated annual fruit production in Teso is: Oranges, about 647,880 tonnes; mangoes, about 17,600 tonnes. Therefore, production is much higher than the installed capacity. I would like to assure you that from these figures, it is clear that the possibility of the factory failing to get sufficient raw materials is very unlikely. I wish to submit.

Mr Speaker, could I call my colleague to talk about compensations?

**THE DEPUTY SPEAKER:** Honourable members, please avoid accessing the microphone before you are picked because it confuses the reporting by the *Hansard* department. If I am making a statement and in the middle of it, there is another sound coming, they will not know what to transcribe. It is therefore better to draw the attention of the Speaker without being on the microphone. There is a supplementary issue from the minister.

4.20

**THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (Trade)** (**Mr Michael Werikhe**): Thank you, Mr Speaker. There was an issue regarding compensation to cooperative unions as a result of war claims. The Ministry of Trade, Industry and Cooperatives set up a team to verify the claims across the country. As a result of that, a plan was drawn to systematically pay off these claims. So far, we have some cooperative unions such as Bugisu Cooperative Union, Masaba Cooperative Union and Banyankole Kwetarana.

This financial year, in the Budget Framework Paper, we hope to pay off Lango Cooperative Union and Teso Cooperative Union. Therefore, as and when plans are availed, we will roll out the payment to these various cooperative unions, including Masaka Cooperative Union. This is one of the cooperative unions that are going to be considered in the next financial year. Thank you.

**THE DEPUTY SPEAKER:** Thank you. Don’t you have any issue from Karamoja, honourable minister?

4.22

**THE MINISTER FOR KARAMOJA AFFAIRS** (**Mr John Byabagambi):** Mr Speaker, I think there was one issue. I would like to first apologise that I had stepped outside to answer nature’s call.

I think the issue was about the connectivity between Ik County and Kenya. It is true that this has been an issue on our table. It is a constituency in the mountains and we have agreed to open the road. I have requested for money for fuel because we have got equipment at the district level, including heavy equipment. I am getting fuel soon so that this road is done. Thank you.

4.23

**MR ELIJAH OKUPA (FDC, Kasilo County, Serere):** Thank you, Mr Speaker. The first issue I want to raise concerns what hon. Kyambadde raised - the fruit factory in Soroti. She said they have installed capacity but I am not sure what capacity she is referring to because the factory is not complete; it is not working and it has not started production. There are even complaints from local government staff that there are cracks and issues with the road network in that industrial park.

When she talks about installed capacity, I assume that it is a complete factory in production. If they have given her that information, she needs to crosscheck it. However, the issue of the substandard work done on that industrial factory remains a problem.

On the issue of raw materials for the factory and her statement that the factory will not face shortages, Mr Speaker, I am one of the potential suppliers of that fruit factory because I have over 4000 citrus fruit trees. However, the challenge that we have, as farmers, is that of pesticides and drought, which issues Government has not addressed. If you go there this season, all the fruits have fallen down.

Therefore, without the intervention of Government to help farmers in terms of irrigation and to address issues of pests and pesticides, the few who can afford cannot sustain supply to that factory. I think those are the issues that the minister should have highlighted regarding the fruit factory. This factory has not started –(*Interruption*)

**MS AMONG:** Thank you for giving way, my brother. Mr Speaker, some years back, the oranges that were planted in Teso were not compatible with the factories. It is just two years back that they started giving the variety of oranges that are compatible with the factory. Otherwise, the oranges that were planted before are not compatible with that industry and that should be taken in mind.

**MR OKUPA:** Thank you. There are four varieties of oranges: Washington, Valencia, Hamlin and I forget the fourth one. The Washington type is meant to be the favourite type but when the farmers were told that factory is coming, no one gave them this guidance. Therefore, they all planted different varieties and yet all of them cannot be taken by the factory. I think there is need for the Government to guide the farmers on what type of oranges to plant in order to supply the factories.

**THE DEPUTY SPEAKER:** Did this issue come out in the debate? This is because you are debating now.

**MR OKUPA:** Mr Speaker, it came out but it was not responded to. I thought that the minister would respond to those issues as she addresses these matters.

**MS ALUM:** Thank you, Mr Speaker. My issue was on Karamoja affairs; I do not know whether I should raise it straight away.

**THE DEPUTY SPEAKER:** No, later.

4.28

**MS CECILIA OGWAL (FDC, Woman Representative, Dokolo):** Mr Speaker, my concern is about tourism and trade. We have discovered, as a committee, that the tourism sector is generating a lot of revenue for the country and yet the contribution, in terms of budget, is very minimal.

I was surprised that the minister stood here and just thanked the Members and sat down, instead of using that as a platform to whip Parliament to put in more money. If last year we put in very little but they were able to generate Shs 4 trillion, that shows that we have this sector that is generating revenue for the country and needs to be supported.

Secondly, the Minister of Education stood here and said that we should clap because Soroti University is functioning. He did not tell us that actually, Gulu University is closed as I speak. I think that some of these issues are not being taken seriously. As Parliament, we are trying to make contributions but our contributions are not being taken seriously by the frontbenchers.

Mr Speaker, yesterday I painfully raised the issue of the oil fund and oil revenues. I also volunteered information, which you may think is a rumour but some of those rumours are eventually found to be true. There is information that truckloads of cargo from the oil fields are being taken out at night and the Ministry of Finance, Planning and Economic Development has kept quiet about the oil fund in the Budget Framework Paper.

Therefore, I wanted an explanation on what has happened. In the last National Budget Framework Paper, it was declared – Shs 125 billion - but this financial year, it is quiet. What has happened to the oil fund for budget support? That is what we are interested in.

4.31

**THE MINISTER FOR TRADE, INDUSTRY AND COOPERATIVES (Ms Amelia Kyambadde):** I would like to correct one misconception. I did not talk about the factory. The factory has not yet started producing but we have made trials. Concerning the estimated annual food production, that is highlighted in the report or in the plan. You know, whenever you are making a strategic plan, you have to include estimates.

Secondly, concerning the defects, it is true that the floor had cracks but those are being addressed. We could not address them before we installed machinery. However, now that we have installed the equipment, we have started addressing the defects.

About the ignorance of the type of oranges to be grown, we have been training members of the Teso Tropical Fruit Cooperative Union Limited, together with the Ministry of Agriculture. Honourable, I would be inquisitive to know if you are a member of that union. Well, I do not think you are. Anyway, that is the information I had to give. Thank you.

**THE DEPUTY SPEAKER**: Thank you. What about the industrial parks, honourable minister?

**MS KYAMBADDE:** Industrial parks are under the Ministry of Finance, Planning and Economic Development and I think the minister would be in a better position to talk about that.

4.33

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr David Bahati):** Mr Speaker, on the issue of the annual reports on the Petroleum Fund, I wish to inform the House that we submitted the annual report and as I promised, it will be published on our website and in other widely read papers. However, we wrote to the Speaker of Parliament on 12 December indicating the status as at the end of June 2017. This report is available with Parliament and I would like to lay it again on the Table.

On the trucks ferrying something from our oil region, we responded to that yesterday and said that the Minister of Internal Affairs should get this information and see whether it is true or not. However, to the best of our knowledge, I do not think that there is anybody ferrying crude oil from the region. However, that is the information that the Ministry of Internal Affairs should investigate. They should find out whether there is anybody carrying fuel from the region at night. I do not think that is true.

Lastly, concerning the issue of industrial parks, we stated here that we are borrowing $150 million to develop and finish Namanve Industrial Park and that is coming –*(Mr Karuhanga rose\_)* -

**THE DEPUTY SPEAKER:** Honourable member, you had risen on clarification and now you are rising on procedure.

**MR KARUHANGA:** Thank you, Mr Speaker. Initially, I had intended to seek clarification but when the Member did not allow, I realised that it could fit within a procedural point.

I have been trying to appreciate the docket of the Ministry of Trade, Industry and Cooperatives *vis-à-vis* Ministry of Finance, Planning and Economic Development. I am wondering what the justification would be for having industrial parks under Ministry of Finance, Planning and Economic Development.

It is very critical because when we interface with these entities, particularly as the Public Accounts Committee, you get to understand that certain so-called juicy aspects of the economy are kept under the Ministry of Finance, Planning and Economic Development when they should ordinarily fall under the relevant ministries. Therefore, I would –(*Interruption*)

**MR LUGOLOOBI:** Thank you so much, Mr Speaker. I would like to thank the Office of the Speaker for availing us time to discuss this paper extensively. We have seen a very significant improvement from the previous Budget Framework Papers. This time round, we have had almost a whole week looking at the Budget Framework Paper and I would like to thank the Members for the passion that has been demonstrated in discussing this paper. In fact, there was evidence that you had read the paper – (*Interruption*)

**MS ALUM:** Thank you so much, Mr Speaker. I did not intend to raise a point of order against the Chairperson of the Committee on Budget. However, is it in order for the Chairperson of the Committee on Budget to begin summarising yet there is an issue, which touches theMinistry for Karamoja Affairs and was raised on the Floor of Parliament yesterday by hon. Obua but has not been responded to?

This issue was about the Karimojong crossing into Alebtong District in Lango. This has been a perennial problem. Every year, this issue is brought to the Floor of Parliament and yesterday, there was no answer given to this problem yet it comes with very many associated problems. I thought that the Minister in charge of Karamoja Affairs would now bring the short, medium and long term solutions to this problem at this moment as we address the budget. Thank you.

**THE DEPUTY SPEAKER:** Honourable member, have you looked at item No. 5(3) on the Order Paper?

**MR LUGOLOOBI:** Mr Speaker, I was thanking the Members for the passion demonstrated in considering this National Budget Framework Paper and there was evidence that they had read the report cover to cover. We would like to thank them so much for that passion.

Secondly, I would like to thank the Committee on Budget and my members for being there and being so active in this process. This can be demonstrated by the number of members who signed this report; nearly two-thirds of the members signed. In addition, I would also like to thank the minority for the issues that they raised, which were so central to this country.

In this paper, we have raised a number of issues that require responses from the Government side - structural issues relating to the budget that can transform this economy so that this country can start moving at a faster pace than what we have been experiencing. We have been experiencing a decline in our economic growth rates and we need to reverse this. Therefore, we have proposed measures to reverse these declining trends and we strongly feel that Government will consider these proposals.

Mr Speaker, as I indicated at the beginning that this paper had part one on the macro and sectoral – (*Interruption*)

**MS ALYEK:** Thank you very much, Mr Speaker. I expected the Minister for Finance, Planning and Economic Development to respond to what I raised yesterday on the AIDS Trust Fund, which is very critical in the procurement of commodities for HIV/AIDS in this country.

Mr Speaker, we are in a crisis because of lack of Antiretroviral (ARVs) supplies in almost all the health facilities in this country. If this issue is not captured in the Budget Framework Paper for the next financial year, 2018/2019, we should expect 100 per cent deaths of people who are taking ARVs. This is because the donors are withdrawing and we need domestic financing to boost the procurement of ARVs and other commodities for HIV/AIDS in this country.

Last year, Ministry of Health –

**THE DEPUTY SPEAKER:** I think you have raised the point.

**MS ALYEK:** Okay, thank you so much, Mr Speaker.

**THE DEPUTY SPEAKER:** Was there a response yesterday? The Minister of Health responded yesterday but now we want the money.

**MR BAHATI:** Mr Speaker, the Minister of Health responded yesterday and we are working with the Ministry of Health to finalise the regulations for the HIV/AIDS fund. Once that is done, we will start mobilising resources to have a separate fund for HIV/AIDS so that we can start increasing the capacity of funding for HIV/AIDS. It is important; it is a real challenge and we must face it.

**THE DEPUTY SPEAKER:** Honourable members, you recall that the regulations for creating the fund were brought here but the House did not adopt them. There were issues with the way the regulations were drafted. That should be the basis for the generation of this fund. The minister’s commitment is that this money will be made available as soon as these matters are resolved.

**MR LUGOLOOBI:** Thank you very much, Mr Speaker. I would like to conclude. The committee and its members have identified some policy gaps and we have made numerous recommendations, which will require incorporation to generate a revised Budget Framework Paper, particularly reflecting the observations and recommendations that we have made, at least to the extent possible.

In accordance with Section 98 of the Public Finance Management Act, 2015 and rule 144(3) of our Rules of Procedure of Parliament, the committee requests Parliament to approve the Budget Framework Paper for the Financial Year 2018/2019 with the proposed amendments. I beg to move.

**THE DEPUTY SPEAKER:** Thank you. Honourable members, this debate is supposed to guide what will come in the documents that implement the budget. There have been very good recommendations from the committee and there have also been recommendations that have been applauded from the minority report. Therefore, I think we are together on these issues and we agree that some of these issues need to be taken care of.

I think there is the particular issue of Section 36 that needs to come out clearly when you come back to this House. The issues should be disaggregated clearly for the House so that we see which one is which, without mixing up the two and getting the House to start coming from the pits where it should not be. Therefore, if you come out clearly on this issue, it will help the House to take a decision.

The honourable member for Budadiri West seems to have an issue. On what matter do you rise, honourable member?

**MR NANDALA-MAFABI:** Mr Speaker, thank you very much. You are right that I have an issue.

First of all, under section 33 of our Public Finance Management Act, it is clear that there is no bank account, which can be opened by any institution of Government without the authority of the Accountant-General and the Secretary to the Treasury. It is very clear that at the end of every financial year, any amount which is unutilised is returned to the Consolidated Fund.

I have looked at the sources of the budget for this coming financial year and I do not see anything like an opening balance. Likewise, I have looked at the previous one and I do not see what the closing balance of 2016 was. This would have helped in giving an informed position on the opening balance of 2017. This is the issue, which I am raising.

Mr Speaker, I would like the minister and the chairman of the committee to assist me. There have always been closing balances. There are ministries, for example, which say they have unutilised funds and they go back to the Consolidated Fund. However, they have never been declared in the books. I would like to know where this money ends up.

Finally, I would like to put the Ministry of Finance, Planning and Economic Development on notice, together with the Minister of Trade and Cooperatives. Cooperatives supported the war claims in Luweero but we have not seen anything here about compensation of war claims of cooperatives. Unless the Minister of Trade, Industry and Cooperatives and the Minister of Finance, Planning and Economic Development put this in, we are going to have a long journey to go because cooperatives are the engine - *(Member timed out.)*

**THE DEPUTY SPEAKER:** Notice received. Honourable minister -

**MR BAHATI:** Mr Speaker, we are debating the Budget Framework Paper and today is February. The financial year of 2017/2018 is ending in June. Therefore, we cannot now capture what the balance will be on our books of accounts in June. It is not possible, and hon. Nandala-Mafabi knows, as a chartered accountant, that this cannot be. We will be able to lay on this Table, at the next sitting, the consolidated accounts of Government so that we can show the balances of our Government. Thank you.

**THE DEPUTY SPEAKER:** Thank you. Honourable members, following my guidance on the two reports, I will now put the question for adoption of the report of the Committee on the Budget on the National Budget Framework Paper for Financial Year 2018/2019- 2022/2023. I put the question.

(*Question put and agreed to.)*

**THE DEPUTY SPEAKER:** I have already guided on the minority, honourable members. It is very important for you to listen to the Speaker’s guidance. *(Laughter)*

STATEMENT ON THE CLOSURE OF SCHOOLS

4.52

**THE MINISTER OF STATE EDUCATION AND SPORTS (HIGHER EDUCATION) (Mr Chrysostom Muyingo):** Thank you very much, Mr Speaker. This is a statement on the Ministry of Education and Sports’ instruction to close over 1300 schools raised by hon. Herbert Kinobere, Kibuku County. He prayed that the Ministry of Education and Sports halts the closure of schools and also prayed for the speedy process of licensing of schools.

This response to the question is in accordance with our Rules of Procedure, and this matter had already been answered, both in the committee and in the plenary. Members should recall that one of the ministry’s efforts to have education standards improve is to regulate the establishment of schools in line with sections 31 and 32 of the Education Act, 2008 regarding licensing of schools.

My dear colleagues, permission to operate a school in Uganda is given in the form of a licence by the permanent secretary. Therefore, the schools being closed are illegal; they do not have the basic requirements and minimum standards to provide appropriate quality education to our citizens. The Ministry of Education and Sports is therefore implementing the adopted recommendation of this august House. So far, over 1,444 schools have been licensed to operate.

I would like to remind you that on 28 November 2016, the ministry had a meeting with all inspectors and District Education Officers (DEOs) from all districts and municipalities. In that meeting, we agreed to put on notice schools that were not licensed. We further agreed that they shall not open for term one of 2017. Unlicensed schools are operating illegally and posing serious safety and security concerns to the lives of our children.

Mr Speaker, we issued both area based and national notices through circulars and press statements from the Ministry of Education and Sports. On 16 March 2017, this same issue was presented to this august House, which instructed the Committee on Education and Sports to examine the ongoing closure of private schools by the Ministry of Education and Sports. The ministry interacted with the committee at length, which interaction informed their field visits and findings.

The committee, in its April 2017 report to this House, on page 16, observed thus:  *“The committee finds that the decision of the ministry to close the affected schools was justified*.” The committee made several recommendations which needed follow up by the ministry. This House adopted the committee report and the ministry is now implementing the recommendations contained in that report.

I would like to just give you some updates on what the ministry has been able to do and the emerging issues. The ministry has continuously disseminated the 2014 guidelines for the establishment, licensing, registration and classification of private schools and institutions to various districts in Uganda. These guidelines are both in soft and hard copy and they have been uploaded on the ministry’s website and Facebook account for ease of access.

The ministry also sensitised the public through radio talk shows and regional meetings. The ministry issued constant reminders to the proprietors, head teachers, district leadership and the general public to adhere to the regulations regarding licences.

Since the commencement of the school closure process in 2017, schools and institutions have responded positively and the ministry has licensed so far more than 1,444 institutions - those that met the basic requirements and minimum standards. About 89 BTVET institutions have been registered; 348 secondary schools; and 1,007 primary schools, of course without the pre-primary section which is fully decentralised and is being handled by district and municipal authorities.

In conclusion, contrary to the perception of my colleague who asked this question, licensing of schools is proceeding very well and this will help to improve the education standards of our country. May I, therefore, move that the prayer of the honourable member, that the ministry halts the closure of schools, be declined? I so pray and submit.

**THE DEPUTY SPEAKER**: Honourable members, this is not a ministerial statement. It is a response to a question raised and we treated it as such. We will give first priority to the Member who raised the issue to deal with it and if there are supplementary questions, then we shall deal with them. Otherwise, it is not a debate.

4.56

**MR HERBERT KINOBERE (Independent, Kibuku County, Kibuku):** Thank you, Mr Speaker. I would like to appreciate the minister for taking time to respond to the matter of national importance I raised regarding the closure of over 1,300 schools.

I would like to give the minister information on whatever he has submitted because he is trying to mislead this House. The Minister of Education and Sports has responded as per the Education Act but he quoted section 34, which talks about the registration of private schools and yet the issue at hand concerns section 32, which is about permission to operate a private school. The schools have submitted all the necessary documents but they are lying at the districts and at the ministry.

Sections 31 and 32 outline the requirements for establishing a private school and the permission to operate a new school and registration of schools respectively. These schools are seeking for permission to operate a private school. Permission to operate a school is given for the first two years. However, if you do not succeed in the first two years, then - *(Interjection) –* These schools are seeking for a provisional licence to operate their schools for the first two years.

The Act says if a proprietor seeks for permission, he or she will be granted permission to operate for the first two years. If you do not satisfy the ministry in the first two years, then section 34 can be invoked, which the ministry is basing on. They have left out sections 31 and 32 of the Education Act, 2008 and are only quoting section 34 in their response.

Section 34, which the minister has based his argument on, says that if the ministry gives you a provisional licence of two years and you do not perform, then the ministry has the power to order the school to close or extend the provisional licence before you are registered. *(Interruption)*

**MR KASIBANTE:** Thank you very much, honourable member, for giving way. Mr Speaker, I had a chance to look at the circular that the minister is talking about. Like my colleague said, there are two major steps in establishing a private education facility. The initial step is to apply for a provisional licence for two years. When you satisfy the requirements of the provisional licence, then the school is registered.

The circular has requirements for both licensing and registration and the requirements are the same. Mr Speaker, they include: One, you must have photographs of pupils in class. You are applying for a provisional licence but in the same requirement, you must show photographs of pupils seated in a class. Two, you must have a fully composed school management committee for a primary school and a board of governors for a secondary school.

Mr Speaker, a school management committee fully constituted has old students’ representatives. Now, this is a school applying for a provisional licence –

**THE DEPUTY SPEAKER:** Honourable, I wish you had allowed hon. Kinobere to finish what he was saying. This is because you are not giving information; you are instead going back to the debate.

**MR KASIBANTE:** Mr Speaker, thank you very much for the guidance. I will come back for a substantive submission as per your guidance.

**THE DEPUTY SPEAKER:** You have already submitted. (*Laughter*)

**MR KINOBERE:** Thank you, colleague, for the information. Mr Speaker, the ministry is basing on section 34. They have jumped all the necessary sections as per the Education Act, 2008.

On 19th January, a meeting was held at Hotel Africana by the Federation of Non-State Education Institutions and the permanent secretary was present. He said that if a school has started the process of registration either at the district, national level or ministry level, it shall not be closed.

Mr Speaker, I have the video showing the permanent secretary presenting at that conference. If the minister so wishes, they can play the video where the permanent secretary accepted that they have a backlog since 2014. I would like to lay this on the Table; I got it from Hotel Africa.

I also would like to lay on the Table the minutes of the Federation of Non-State Education Institutions meeting, which was held on 19th January, and the schools which attended this meeting.

On page 14 of yesterday’s *New Vision*, the permanent secretary, Mr Alex Kakooza, clarified that the schools that are in the process of registering will not be closed. I have a copy and I beg to lay it on the Table.

I would like to submit that this Parliament has set a precedent. Last time we had an issue where SIM cards were switched off abruptly and this Parliament took a decision. I know it is within the mandate of the ministry to close schools but as Parliament, we have set a precedent. I request that the schools be given enough time since Parliament is involved - probably this year - to ensure that every school gets a provisional licence in respect to sections 1 and 2 of the Education Act, 2008. Thank you.

**THE DEPUTY SPEAKER:** I think there are points of law that need to be clarified. Honourable minister, can you help us with this particular issue of registration and the period where you allow people to prepare for your instruction and registration later? Also tell us how many of these schools are at the first stage.

**MR MUYINGO:** Mr Speaker, what we are doing is to implement the decision taken by this House, unless the House says they are changing their position –(*Interruption*)

**MR KASIBANTE:** I rise on a point of order,Mr Speaker.

**THE DEPUTY SPEAKER:** He has not even made the point**,** please. (*Laughter*) You cannot rise on one sentence before – he has not made any sense.

**MR MUYINGO:** Mr Speaker, all these regulations are done following the law. The permanent secretary rightly made a statement about all those who have sent in their documents to our offices and we have not been able to work on them. I would like to tell you, Mr Speaker and colleagues, that lately when a document gets to our offices, it stays for a maximum of two days and as I speak, we have been able to clear all those applications that have come to our office.

Honourable members, you should know that registration is a process. It begins with LCI, goes to the subcounty, the district and finally to the Ministry of Education and Sports. This is why the notice started way back in 2016. I remember in 2016, we were preparing them so that come 2017, we would implement the decisions of closure. When we came here, you asked us to give them more time, which we did.

Honourable members, many of these schools do not have teachers or facilities, and this is causing the deteriorating standards that we are talking about. The more we continue putting these students under unprofessional people, where we do not know what is happening, the more we endanger this country.

My dear colleagues, if anybody knows a school that has the facilities and all the relevant documents and qualifies to be called a school, we are prepared to license them even if it means today. Our staff are in the field – *(Interruption)*

**MR AOGON:** Thank you so much, Mr Speaker. Sometimes it is difficult to raise a point of order against a senior minister, but I have to do it because it is now necessary.

Mr Speaker, the Ministry of Education and Sports oversee not only the private institutions in this country; they also do it for the public schools. You are looking at the private schools but leaving out your own.

How many Government primary schools have pupils sitting down on the ground? How many pupils under UPE study under trees? How many schools in this country do not have pit latrines? How many of them are never inspected by the Ministry of Education and Sports? How many are failing totally?

Mr Speaker, is it in order for the minister to deceive people that they are very serious and yet they have closed one eye and are looking at one condition and leaving the other ones to die?

**THE DEPUTY SPEAKER**: Honourable members, there is need for us to respect the procedures of this House. That is why I urge you to bring a motion if there is a matter this significant so that we have a debate and take a decision.

However, you raise an urgent matter to which the minister responds and under the rules, I am only entitled to deal with only the supplementary questions and not a debate. You can now see that the issues are more involved than the issue of a question, an answer and a supplementary question.

Why don’t we advise ourselves on getting the best solution to a particular problem? There is no way you are going to start a motion now because you have to do it properly so that we can have a proper debate.

Honourable minister, please help us. This matter came here last year and I was in the Chair. The issue of this closure was raised and the same arguments came up. This Parliament asked you to extend time and you extended the time. What has been the result of that and why are you now taking this decision at this time?

**DR MUYINGO:** Thank you very much, Mr Speaker. When we extended the time, quite a number of schools are putting in place the standards while some others have stubbornly refused to do anything.

Mr Speaker, are we saying there should not be standards in this country? Some of the schools do not even have toilets. Majority of the owners of these schools have struggled and we have really guided them. We need to appreciate that. However, for those who have stubbornly refused, why would we sacrifice the children of this country? Tomorrow, you are going to accuse the ministry for passing out substandard- (*Interruption*)

**MR NSEREKO:** Thank you, Mr Speaker. I am at pain to invoke a point of order on one of the senior teachers in this country who is also a minister but I have no option. The maxim of equity is very clear; in order to seek equity, you should come with clean hands.

Many Government UPE schools were not only sham in performance at PLE, which you clearly stated in your report but also infrastructure wise, they leave a lot to be desired. Clearly, some schools in Pader which were shown on public media have no toilets and only three teachers. These facilities were not there. You have not had the courtesy to say you will redeploy more teachers to those institutions or also close -

**THE DEPUTY SPEAKER:** You rose on a point of order.

**MR NSEREKO:** Mr Speaker, with your indulgence, I will raise it. It takes a lot for an individual to start up a business. There are very many people who are bound to lose jobs. We are in an economy that is declining economically and we have gone for private individuals.

Is it in order, therefore, for a senior teacher, an educationist and a Minister of State for Education and Sports (Higher Education) to clearly come with dirty hands to seek equity before members of Parliament at this time in point?

Mr Speaker, thank you very much.

**THE DEPUTY SPEAKER**: Honourable member, this rule you are citing only relates to the laws of equity which requires him to come with clean hands. However, honourable members, we need to have a balance. There have got to be standards that are the same for all primary schools, public or private. (*Applause*)

It cannot be this House, under my Chair, to say we should dispense with standards. There is no way we can sit here as a Parliament and say the honourable minister can dispense with standards and allow anything anybody calls a school to be let alone. That is not right. Parliament has passed the laws. They have imposed some standards and created institutions to enforce them.

If some institutions have problems with these standards, then that institution should be dealt with but not the standards. If UPE schools are not meeting the standards, they should be closed. (*Applause*) If private schools are not meeting the standards, they should equally be closed. (*Applause*) That should be the criteria. A school that does not meet the standards; it does not matter whether it is public or private, should be closed.

**DR MUYINGO:** Mr Speaker, I would like to thank you very much for that guidance. Even if it is a public school and it does not have the standards, we shall close it. What I have to do is to brief my appointer and we shall close it.

I thank you, Mr Speaker.

5.22

**THE OPPOSITION CHIEF WHIP (Mr Ibrahim Ssemujju):** Mr Speaker, I would like to thank you very much. I agree with the sentiments that have been expressed by my colleagues. I think we are dealing with a bigger problem; you go to some areas and find homes where these children come from have no toilets. Then, you would like to go into such an environment where the Ministry of Health has not closed homes and you impose the same standards - (*Laughter*).

I went to school when President Obote was in office. Even private schools were receiving help from Government. We had books not for sale. I think the Government cannot come here and hide under standards to avoid its responsibilities because you are dealing with children going to school or not.

There are schools where you can force standards because the owners have money but there are also schools in rural areas where the owners do not have money and they are community service schools. In Kireka, I have a UPE school of 700 pupils. I have just given that school electricity yet it is a UPE Government school; when it is dark, children cannot study.

I think what the Government must do is to find a solution of helping these schools that are not meeting standards and not just closing them down as if children going to school is not your responsibility - *(Interruption)*

**MS AMODING:** Thank you very much, hon. Ssemujju, for giving way. The information I would like to give you as you build that point is that this morning, I received a phone call from one of my primary public schools in a parish called Ojie. The school is the only school in that parish and the parents, the District Health Officer and the District Education Officer have instructed the school to close and they cannot open for this term.

They are calling the Member of Parliament to construct a latrine stanza before the term opens. The parents are now struggling to collect resources to construct a latrine to allow the school to open for the term. Therefore, how can the minister now come and convince the House that these children now will not be able to attend school this term or in essence, where are you now sending them as the term begins?

**MR SSEMUJJU:** Therefore, Mr Speaker, it is not that we are against standards; we all want to benefit from the standards. Let me give you another example; I have taken my child to a school where I am going to pay Shs 2.5 million school fees and I am comfortable. However, a UPE school and many in my constituency, for a whole term Government gives them Shs 1.2 million for operations to buy chalk, this and that.

You therefore cannot have the same standards. What should motivate the minister is to ensure that children are kept in school. I remember in Makerere when the university started admitting many students, there was a complaint of standards.

The President came and addressed us. He said he would rather have everybody go to the university and we deal with the issue of standards than keeping away some people from school. That is the point that we must be addressing as leaders.

Let the ministry not be excited about standards. It is okay to want standards but we must keep people in school. That should be the preoccupation of the ministry. However, when you give an order, you are going to close so many schools. What do we do with the children who are not going to access education starting with the opening of the term? I thank you.

**DR MUYINGO:** Mr Speaker, I would like to thank Members for agreeing that we have standards be it a public school or private school. My minimum standard, my sister is telling us a very interesting story about a school without a latrine. I would like you to imagine 700 young ones without a latrine. If you are going to send 700 children to school without a latrine, what about their lives? Should they be sacrificed?

Mr Speaker, those are the issues, we need to address. However, before we allow our children to go to schools where their lives will be in danger *- (Interruption)*

**MS ADONG:** Thank you, honourable minister. Mr Speaker, the clarification I seek from the minister is whether he is not falling into the trap of competition between private schools. I would like to inform the minister that between the corridors where we move, we have reports that most of these private schools that charge expensively in some places are failing to get students.

Therefore, they think that the mushrooming private schools around are competing with them because others are *-(Interjection)-* yes, I want him to clarify if he is not falling into that trap because you find a school charging Shs one million and yet others averagely charge Shs 300,000 to 400,000 and people are pulling out their children to those schools.

Isn’t the minister falling into that trap?

**DR MUYINGO:** Mr Speaker, to me competition is healthy so long as they meet the minimum standards that have been put in place for the good of this country.

**MR OBOTH:** Thank you, honourable minister, for giving way. Mr Speaker, in your guidance which I thought had settled this matter and from the debate ensuing here, we have even gotten evidence that some Government primary schools are being closed for not meeting the basic standards.

This, to me, vindicates the minister and Government that they are not only looking at the private schools but are also looking inside. Now as you had guided clearly, this is a matter that would require a fully-fledged debate and for us to gloss over it in clarification and others may not help.

However, also, these are the children of the people we represent in this House. In fact, if we are talking about fear of competition, another person would say, how many of you in that House debating right now have schools which are not up to standard?

Mr Speaker, the minister and Government, in my view, have to start from somewhere. If you look at the law here, there are basic things that we have to fulfil within the shortest period of time. If you want to do business, there are standards in all sorts of business. Why should we compromise on this standard of business of education and then at end of it all we blame the same ministry?

Mr Speaker, you guided that the minister would probably first undertake to tell us how many schools in the first two years have been closed. There are schools that have been there for 10 years and they have not done anything. If they are closing those schools, why should a Member of Parliament here object to that? Why should we –(*Interruption*)

**MR MWESIGYE:** Honourable minister, I would like you to clarify whether those schools which are being closed got licenses or not. What will happen to those children; have they made arrangements to place them in some other schools?

They are a property of government and they should be responsible for placing these children to other schools so that they are not affected. These are innocent people who went to these schools thinking that they were going to proper schools.

I do not agree with schools which do not build talent but I entirely blame you for allowing them to come up when you are watching. Thank you.

**MR KASIBANTE:** Thank you, Mr Speaker. One of the requirements of the Education Act, 2008 for closing a school for not having a licence is having an appeals tribunal in place.

According to the same Act, it is the minister who is supposed to constitute an appeals tribunal such that whoever is aggrieved of his or her school being closed has somewhere to go for redress.

Mr Speaker, is it procedurally proper for the minister to come here and justify the closure of schools for lack of a licence before he assures this august House that an appeals tribunal constituted by himself is in place?

**THE DEPUTY SPEAKER:** Honourable members, schools are supposed to open on Monday and that is why it is important that we take some practical decision on this matter. We do not know the number of the children who are going to be affected by the closure of these schools.

The minister should have guided us which of these are in the category where they are just starting up, and which of these are - like hon. Oboth says - have not done anything for 10 years because that is now impunity.

If they have been reminded for 10 years and have not done anything about the standards that are required, we cannot encourage impunity. I wish you could categorise for us.

The practical thing that we now need is to know how to handle children in the affected schools on Monday while a proper investigation is done so that we know what stages were followed.

From your statement, we are not even clear about how many have just applied and how many are in two years or one year. What happens practically on Monday?

**MS AOL BETTY:** Honourable minister, when they talk of 10 years, it looks like the Ministry of Education was not performing, and the problem kept on accumulating. Now you have woken up and want to close very many schools.

Is there an institution under Ministry of Education to monitor, called the education standards unit? What is happening to those units when taxpayers’ money is being spent on them?

We went to Luuka- I used to think that there were problems with some of our districts which are considered to be of people who are not voting for the NRM - it was unacceptable.

Under the quality education forum, you find that one class has different levels of pupils in four different corners. It is really annoying and I wonder if the Ministry of Education was aware. Why couldn’t you start addressing those problems earlier? We also want minimum standard requirements. Thank you.

**MR MUYINGO:** Thank you, Mr Speaker. My sister here who happens to be a teacher is annoyed and I think this is the time we all have to get annoyed and put our house in order.

Mr Speaker, people would like to know how many schools we are closing. You cannot even get to know because somebody has a school under a tree today and tomorrow he is shifting it to Nakawa. They are not even schools.

The ministry has made arrangements to make sure that these children will all be absorbed in those schools that have been licensed and others that are public. I thank you.

**MR MPUUGA:** Thank you, Mr Speaker, for your indulgence given the importance of this matter because you opened the space in the otherwise intricate rules of the House. I had wished to bring to the attention of the honourable minister that the policy of government is to have a primary school per parish. If this policy was implemented we would have no crisis.

Members are agitated over this matter because they are aware back home that there are many areas with access problems.

We had a very scandalous situation sometime last year when a video clip emerged in which children were crossing Lake Bunyonyi to go to school in a canoe, which was in a very dangerous state, and that was a clear sign of accessibility problem.

Mr Speaker, I wish to seek the indulgence of the minister that, while all of us seek quality education, the ministry needs to rethink the model through which this can be obtained, namely, we do not have a uniform country in terms of accessibility, infrastructure and the cultural set up of these communities. A one-sized–fits-all may not be applicable. We all love the law and the Act is very clear but it is not a sword per se but a bridesmaid for our education. At such it must be used to provide the requisite midwifery for our education.

Honourable minister, perhaps in trying to enforce these standards you could look at a possibility of dichotomising the country into areas that really must have - hon. Ssemujju submission that he has a school in Kampala Metropolitan without electricity is scandalous.

Can we try to look at where, for example, the ministry, for lack of a better word, has been “sloppy” in following - because we have serious problems with inspection; it is a fact. We also know that it is a fact that some of these policies, with due respect hon. Minister, are going to promote onsite corruption because without following what you want to achieve, people are going to use this as an opportunity to fleece school proprietors.

We also know that in some districts - not in Masaka - there are agencies of the ministry that are sitting on people’s applications on purpose to extort money from them. Maybe we need to look at how we want to achieve this. I know we are in a hurry to achieve some key objectives as a ministry and I support you 100 per cent but, we need to reflect on the best way of achieving these goals in an intricate situation where we do not have uniformity in the way our systems and communities are set up to be able to help. For example –*(Interruption)*

**MR SSEWUNGU**: Thank you, hon. Mpuuga, and our minister for education. Mr Speaker, hon. Muyingo fears my clarification but I am very useful to him. He was not in the Committee of Education when we handled this matter and agreed with the Permanent Secretary and the then minister that they should think of putting their tribunal in place so that any aggrieved party goes there. We would not be facing this now.

None of us is supporting schools that are not registered but the process is not easy. For example, a head teacher in Karamoja wishing to register a secondary school comes to do so from Kampala. It can take him a year just travelling.

You should have a tribunal which is within the law instead of saying that there is no money yet they charge money for registration. Therefore, any aggrieved party could be settled. We would not have any problem if you had a functional tribunal to handle registration queries. That is the information.

**MR MPUUGA:** Thank you for the information, hon. Ssewungu. As I conclude, maybe we can look at it this way - I am trying to suggest - we could look at schools this way: There are schools that are being set up by communities for self-help because they have accessibility issues. Like hon. Ssemujju submitted, they even need government help. There are schools that need to be guided and the ministry has not had occasion – *(Interruption)*

**MS CHEKWEL:** Thank you, honourable, for giving way. I have been burning to say this. Mr Speaker, what the honourable member was saying that there should be consideration is right. As a teacher, I moved around and realised the need for closure of these schools but it should be done on district by district basis.

I come from Kween and I have been telling the minister, as they come to our committee, that we have a whole sub-county without a primary school. However much you give them time, as long as five years to come, they will not meet the minimum standards. Therefore, I would like to beg that as the ministry plans, consider some districts that are doing badly. Thank you.

**MR MPUUGA:** Honourable minister, I was trying to suggest how we can get out of this because I believe we need to move to the standards. Are we able to find a way of looking at case by case? I would support the minister if he came to this House to ask for a supplementary budget to do rigorous specialised inspection for this purpose. There are schools that cannot be located by the ministry.

I would like to suggest that we do not go over this matter whenever it is time for schools to begin. Can we give ourselves the next four months? The minister could ask for a special supplementary fund for inspection. Inspection is not taking place, hon. minister. Without inspection, you cannot enforce standards. Can we give ourselves that time frame so that we –*(Interruption*)

**MS KAMATEEKA:** Thank you, Mr Speaker. This House took a decision for quality education when these matters came to the Floor. These schools were supposed to have been closed in the middle of last term, but we took a decision to let them continue until the end of term so that they could close to allow the proprietors a long holiday to prepare their schools.

Mr Speaker, are we procedurally correct to go back on our decision and start saying that we should have so much time? In any case, we are to start somewhere and I think the first step would be to close the schools since we said they should be inspected. Those that qualify can continue while those which are not up to standard make sure that they institute these standards so that our children can have quality education.

Mr Speaker, are we proceeding well having given these schools the grace period?

**THE DEPUTY SPEAKER:** Honourable members, we had these discussions and the extensions were made to allow the proprietors and government officials responsible for these particular affected schools to improve and have some of those required standards. What we do not know is whether there has been a re-survey since. The minister’s statement does not say that from the last list, so many have upgraded and they have been cleared. That would help us to say that if what we did last time has been able to facilitate improvement in the numbers, then we shall know we are moving in a proper way. However, you have not given us that information, did you?

**MR MUYINGO:** Rt Hon. Speaker, I did. In my statement I gave the numbers - that over 1,444 have registered.

Secondly, those who are seriously committed to promoting education have come. We are helping them and all that we are saying is that in case there is one that has not been cleared, our officers are in the field to help them. However, those that have stubbornly refused do not have the minimum standards -they have been given notices and circulars for two years. Let us be serious, for the good of this country.

We were supposed to have closed last year but we have now extended for two years, so what are you talking about, ladies and gentlemen?

I know, as hon. Mpuuga says, there could be some corruption somewhere. We are here and my officers are in the field to save some of these schools that are being suffocated - the tribunal we are talking about here, is for those which are not even schools. I beg to submit, Mr Speaker.

**MR MPUUGA:** Mr Speaker, I would like the minister to take this in good spirit. We all love standards, just like the hon. Kamateeka loves them. We are trying to strike a balance between using a blanket statement to close schools and giving ourselves a window to deal with the corruption, negligence of proprietors and the desire to absorb our children in these schools.

My prayer, honourable minister, is that a window –*(Interruption)*

**MR BYABAGAMBI:** Mr Speaker, when we took a decision in this House, we had some extension so that those people without provisional licences can apply for them; those without registration can register their schools. And we are all Members of Parliament; we know how we have been bombarded by our constituencies.

By the way, these schools are known within our constituencies and anybody who is serious that he wants his school to have a provisional licence or registration and is frustrated by an education officer or anybody else, the first person to get a phone call is a Member of Parliament.

I want to give some example from my constituency. When it happens, I have to go - I am talking of my constituency - *(Interjection)* I will, because it is a substantive topic.

Mr Speaker, they contacted me, those who are delayed by the district dignitaries, we had to intervene. However, there are those on a daily basis who are opening the so-called schools even in their own bedrooms and we have seen this. Therefore, we took a decision in this Parliament. The minister went and acted and the results have been shown. But this same Parliament now - by the way, Mr Speaker, the decision was taken under a substantive motion by that time. It was not ad hoc as we are doing now. We debated and we took a resolution, which was binding. Now to come back after this extension using the ad hoc way to change what a substantive motion decided, I think it is not proper.

I would request, Mr Speaker, in your wisdom that if good results have been obtained as the minister has stated and he has seen some room of improvement which can be added on by extension of time that a motion comes here, we debate, give them maybe another extension of two months and see the results – *(Interruption)*

**MR NANDALA-MAFABI:** Thank you, Mr Speaker. First, I went to a school called Busoga College Mwiri. If you went there now, you would close it and this is a government school. The government would have improved it but it has left it to go down and yet the only entity with a lot of money on earth is a government not individuals.

Now, some individuals do many things to put schools in their villages to provide a service and the person who should be assisting them is government. If you go to Tororo College, etc they are gone and at our time, when we were going to school, we had Mbale College, Namasagali in Kamuli and it was private. The only people who would go there are those who had performed poorly – *(Interjection)* Yes. Bright children went to Mwiri, Budo, etc.

However, now, bright children go to private schools and dense ones from poor families go to government schools. Therefore, the procedural issue I am raising - hon. Byabagambi is a very intelligent man. In fact, he went to study in Russia when he had failed to go to Makerere on scholarship - *(Interjection)* Yes, he knows.

Now, he is ever in Entebbe - (I*nterruption*)

**THE DEPUTY SPEAKER:** Point of order.

**MR BYABAGAMBI:** Mr Speaker, the honourable member holding the Floor first stated that I am an intelligent person and true, I scored very well at my advanced level and took engineering and I have got a master’s degree in chemical engineering from Russia.

Russia is a First World country and Uganda is a Third World country. Mr Speaker, I studied in a country where the first person went to the moon; I studied in a country, which is highly industrialised. I applied for the scholarship under Uganda Central Scholarship Committee, I did the interviews and beat all of them to know how intelligent I was, and I competed with characters like Mafabi.

Therefore, Mr Speaker, is the member in order to insinuate that Makerere University is the best in the whole world that everybody must study from there in order to become brilliant? Is he in order?

**THE DEPUTY SPEAKER:** But, honourable minister, the honourable member had already said that you are very brilliant. *(Laughter)*

Therefore, your brilliance is not an issue here. The only possible thing that he might not have gotten right, is whether you failed to join Makerere or you opted not to join Makerere – *(Laughter)* - which you have now clarified that you actually opted not to go to Makerere.

**MR BYABAGAMBI:** I put it on record that I opted and applied for the scholarship, which was well advertised by the way and I competed.

**THE DEPUTY SPEAKER:** Hon. Nandala Mafabi, for rushing to conclusions about the reason as to why the member never went to Makerere, you did not process your information properly. So you are not in order.

**MR BYABAGAMBI:** Thank you, Mr Speaker. I want to tell the House that during those days of the First World War – *(Interjection)* Do you remember that war?

**MR NANDALA-MAFABI:** Mr Speaker, during our time, it is true there was a scholarship centre. The discussion for Russiawas for people who had not qualified for Makerere University. You would only go for Russian scholarships if you had not been admitted to Makerere University. During our time, for one to be admitted to Makerere, you should have got two principal points and if you ask him now what he got – *(Laughter)*

Mr Speaker, having said all those – I have been to Karamoja – is it procedurally right for the Minister of Karamoja to come here and say that it is only the neighbouring schools which are in a problem, yet in Karamoja where he is in charge, is the worst state schools? Yes, most of them do not have toilets and that is why the Karimojong have resorted to going to the bush. Is it procedurally right for the Minister of Karamoja to talk here as if Karamoja is better, yet other schools are worse?

**THE DEPUTY SPEAKER:** Honourable members, we took a decision here to extend the period to allow schools that had been affected by the non-registration andcertification for them to get to the standard where they would be registered. We took that decision and we extended. There is a limit and this House should respect it. Otherwise we might begin bothering or encouraging impunity, which might not be right. The minister has said since that time, over 1,000 schools have been registered - those that should have been closed last year.

What happened to the ones that did not make the effort to register? Honourable members, I think it would be right for us to say let the ministry act and when they act, the result of it should have a process where in each case, they should be able to process it properly. There should be a limit, we cannot be here extending, yet some are not even taking the amnesty to do things right.

I think that this House could allow the ministry to act in the best interest of the children, but also act to improve on the standards and encourage the schools to – *(Interjection)* - yes for both; some of the government schools have been closed as you have just heard. The honourable member has just told you that there was a government school that was closed.

Therefore, let the government act on this and we will be periodically briefed on what is going on. Those who have not registered, we cannot be giving them the extension for them to continue benefiting from this illegality. Let the ministry take its decision on this matter and we move from there and whatever happens, we are still here and we will be able to guide on this matter.

MINISTERIAL STATEMENT ON THE STATUS OF SAND MINING IN LWERA WETLAND

6.08

**THE MINISTER FOR ENERGY AND MINERAL DEVELOPMENT (Ms Irene Muloni):** Thank you, Mr Speaker. On Tuesday, I presented a statement on this Floor of Parliament updating members on the progress made by my ministry on the resolutions that were made by Parliament on sand mining in Lwera.

Mr Speaker, Members of Parliament emphasised and highlighted the need for government to halt the process of sand mining as regulations are being formulated to regulate sand mining for industrial minerals or commercial purposes. I have been requested to make a comprehensive statement, but I would like to report that the report that the committee presented to Parliament at which Parliament resolved on all these issues was recommending NEMA to carry out various actions as far as sand mining is concerned.

I also recognise that the Ministry of Water and Environment under which NEMA is, made a statement on this Floor of Parliament. This matter was discussed in Cabinet yesterday and Cabinet directed my colleague, the Minister of Water and Environment where NEMA reports, to quickly review the actions that NEMA has taken since the time Parliament directed and report back to Parliament.

**THE DEPUTY SPEAKER:** You mean that there was no particular assignment given to the Ministry of Energy and Mineral Development by this Parliament?

**MS MULONI:** Some of the members recognised that it was the responsibility of the Ministry of Water and Environment because most of the regulations to do with halting sand mining had been through permits that NEMA had issued out. On my part, I reported on the resolutions where Parliament directed that we formulate regulations quickly so that sand mining which is done for industrial purposes is regulated and that is the report that I made.

Therefore, Cabinet looked at the matter and recognised that indeed, Ministry of Water and Environment needs to comprehensively report back on the actions undertaken by NEMA as resolved by Parliament.

**THE DEPUTY SPEAKER:** That is actually what we had asked because we are proceeding under Rule 217 of our Rules of Procedure on actions taken on the resolution of Parliament. Therefore, I would like to ask you: What particular resolution affected your ministry and what have you done about it? Do not talk about the Ministry of Water and Environment because that is for water.

**MS MULONI:** Mr Speaker, I made a statement on the Floor of Parliament and responded to all the resolutions. However, in the discussions that –

**THE DEPUTY SPEAKER:** No, we are not talking about response, but action taken. What particular resolution have you taken action on?

**MS MULONI:** Yes, I have and indeed responded to all the five resolutions. I responded and have the report on record and it is on the profile.

**THE DEPUTY SPEAKER:** Thank you. Is there any gap in the –

**MR MPUUGA:** Mr Speaker, thank you for your indulgence. I do appreciate the minister for her brief communication to the House. The only challenge is that for inter-ministerial synergies,they could have had timelines because during the debate onTuesday, Parliament was reporting a near catastrophein Lwera**.** The statement from the minister seems to have left matters at large until such a time that perhaps the Ministry of Water and other government agencies are in position to take action. Are there timelines that were resolved upon by Cabinet that we can tell our people to be patient with what is going on because sometimes, the situation is really dire? We seem to be speaking in broad terms without definite timelines yet the degradation is quite immense.

**THE DEPUTY SPEAKER:** Honourable minister, they are seeking clarification. That is for you to process.

**RT. COL. MWESIGYE:** Mr Speaker, the honourable minister is as unclear as that day of Tuesday. What we demanded was, let the mining be halted as you make those regulations to regulate mining. That is simply what we wanted. Thank you.

**MR TAYEBWA:** Thank you, honourable minister. Now, the Minister for Water came here and made a substantive response in terms of the actions taken. As we were still grappling with that, my friend hon. Okello Oryem represented the ministry and Government to commission what they called dredging on Lake Victoria.

Now, the question is, what are you dredging? You claim that you are creating a route for water transport. Who gave you the route to dredge and from which point to what point?

Remember, at the same time, there are soldiers like Gen. Angina, calling us saboteurs; they are calling Parliament economic saboteurs, who do not want sand mining. The honourable minister is still working on the regulations – how can they say that they have invested $15 million?

Mr Speaker, let me tell you what they do in that boat; they have a launcher. They launch something like a bomb under Lake Victoria and it disorganizes everything and all the sand and dirt comes into the ship, then they pick out the sand. Those people claiming to be dredging cast back all the dirt into the lake.

This is a lake on which 22 breeding grounds for fish have been identified. You are deploying soldiers in part of Buikwe and Namayimba to fight against bad fishing, where you are controlling around 1,000 fish, but you are destroying the breeding grounds. Now for some of us who have just joined this Parliament, I thought I struggled to come into this Parliament and make resolutions which will be respected, yet here we just talk and after talking, we make resolutions and someone calls us economic saboteurs.

**MR BUKENYA:** Thank you hon. Thomas Tayebwa, for giving me the floor. Mr Speaker, what hon. Tayebwa has been speaking about is correct, but I was surprised that the minister kept referring to NEMA.

Before Mango Tree started mining, and it was launched by the Minister of Trade here, NEMA issued its advice against that activity but it was not respected. It is on record; so when the minister comes here and recites NEMA, yet the other minister disrespected NEMA’s advice, I get lost.

**MR TAYEBWA:** As I conclude on this, honourable minister, what I want to tell you is that the Minister for Water came on this floor and told us how they had opened criminal cases against Mango Tree. They even gave us the file number. Two days after, when we were still in the committee, the Government officials were seen launching that same company, saying start dredging the lake and you parliamentarians are economic saboteurs.

6.19

**THE FIRST DEPUTY PRIME MINISTER (Rt Gen. Moses Ali):** Yesterday in Cabinet, this subject was very extensively discussed and a committee was formed to comprehensively study and come back to Cabinet. I want to request that you allow us and the committee to report next week so that the committee is given a chance to finish. We would have brought together all information and the minister will report to this Parliament on Thursday next week. That is my request, or else we shall debate until midnight.

**MR KAKOOZA:** Under our Rules of Procedure of Parliament, Rule 217 - I can read it verbatim -

**THE DEPUTY SPEAKER:** No, we know it. Just make your point.

**MR KAKOOZA:** The point I would like to make, Mr Speaker, is that this is not the first time we are complaining about sand mining. This is the third time.

I remember even a resolution was brought here and we passed it and the Speaker in the chair then directed them to stop sand mining. There are so many vehicles ferrying sand through Lwera, day in and day out. It seems government is not interested in taking an action. When you say that Cabinet met to stop those guys who are mining in Lake Victoria, I wonder. I belong to the Budget Committee, we complained to you already; you are saying that the economy is affected; yet these areas where they are mining, are left dry. You are relying on seasonal rain; yet you want the people to be productive. You have failed to provide water for production, because people are encroaching on it.

The procedural matter I would like to ask is whether the action of reporting under this rule is being followed. Parliament should stop making such recommendations which are left at that because it seems the Executive is not interested. Are we procedurally correct to continue requesting for more time when Parliament has already pronounced itself on this matter and no action was taken?

**MS KAMATEEKA:** Mr Speaker, in addition to what hon. Kakooza has said, we took these decisions already. However, we are watching while these activities of degrading the lake and the environment continue. Even now, the Rt Hon. Prime Minister has asked to report back next week, but between now and next week, this process will continue.

If you go to Luweero now, they have dug up to less than five metres to the main trunk road that carries heavy vehicles that go to Rwanda among others. Even these heavy vehicles that carry the sand pass on this road and this makes us wonder. The vibrations on the road go more than 100–200 meters. When you dig only four to five meters to the road, what is the benefit and what will be the result?

Therefore, are we proceeding correctly to receive the report next week while the activity is continuing? Would we rather not put a halt? Otherwise, if Government was interested, a directive can be given tonight and the activities will be halted.

**MR SSEWUNGU:** Mr Speaker, like hon. Kakooza stated, what is happening right now and this is a fact; these sand miners are excavating everything and buying pieces of land where they are mining their sand. What I have observed from hon. Muloni, is as if she is distancing herself from the fact that this is a mineral. I was listening to the Minister of Agriculture, Animal Industry and Fisheries - he is my friend. We are from the same district. He stated that the Ministry of Agriculture, Animal Industry and Fisheries has already identified breeding areas for fishing in Lake Victoria –

The procedural matter is: If we do not halt as was stated previously, there will be no need to stop these people because they are busy mining throughout the day and night. This can be evidenced along Masaka Road in Lukaya. You can find there over 200 trucks. That is the procedural matter I wanted to raise, Mr Speaker.

**THE DEPUTY SPEAKER:** Honourable members, we debated this matter and we passed resolutions but the activity has continued. That is why this matter has come back to Parliament. We sought to move under rule 217 of our Rules of Procedure, to access the status of action by the responsible sectors on those resolutions that were passed by Parliament.

You will discover that many ministries were affected. When we came to the word “mining”, as understood generally and also by law, mining is a mandate given to the Ministry of Energy and Mineral Development. When it came to the issue; aquatic and all those other things, the Ministry of Water and Environment was in charge. That is why we asked specifically. Therefore, Ministry of Water and Environment, what have you done in relation to the resolutions that were passed by this Parliament?

Now, we are coming to the Ministry of Energy and Mineral Development where mining is regulated. The question is: what have you done? Otherwise, if someone does not have a mining license - and this is a mining activity, then there is some responsibility there. However, if you are saying it is not mining, then tell us clearly so that we know who is responsible for regulating it.

**MS MULONI:** Thank you, Mr Speaker. In my statement which I presented on Tuesday, we recognised that there are lacunas in the laws right from the Constitution in the definition of a mineral. When you consider mining without attaching a mineral to it, then it becomes difficult for me because I regulate minerals. Sand, rocks, thorns, clay are among some of the substances which are not in the definition of a mineral by the Constitution. That is the origin of this challenge. However, Parliament is empowered by the same Constitution to regulate. That is what Parliament resolved and that is what I am working on to develop regulations.

Mr Speaker, I committed myself to ensure that by end of March, we have information. We have to carry out stakeholder consultation and the process is long. We are trying to fast track as much as possible so that at the earliest possible, we have these regulations in place.

In addition, we are also reviewing the mining law so that the definition of mineral -

**THE DEPUTY SPEAKER**: I wish you could listen because there are points of law which we need to understand. Otherwise, if she is going to do regulations where she is not empowered by an Act of Parliament to do - under what law will she be making those regulations? Making regulations is a delegated responsibility by an Act of Parliament. If there is no Act of Parliament giving the Ministry of Energy and Mineral Development that mandate to regulate the sector, on what basis does she make regulations? Under what law?

**MS ANN MARIA NANKABIRWA:** Thank you, Mr Speaker. Article 244(3) of the Constitution defines minerals. It says, “*Minerals, mineral ores and petroleum shall be exploited taking into account the interest of the individual landowners….”*

Article 244(4) says, in this article-

*“’Mineral’ means any substance, other than petroleum, whether in solid, liquid, gaseous forms occurring naturally in or on the earth….”*

When you continue to read further Article 244(5) it says: “*For the purposes of this article, ‘mineral’ does not include clay, murram, sand or any stone commonly used for building or similar purposes.”* Mr Speaker, the objective of the Constitution - 244(6) reads *“Parliament may regulate the exploitation of any substance excluded from the definition of mineral….”*

Mr Speaker, in view of the Constitution and understanding the objective of the framers of the Constitution, I think they wanted to exempt these materials purposely to be used and enjoyed by Ugandans. Maybe, they had not anticipated by then the framers on the uses and classification of sand. Sand is classified. We have some sand that you can use for construction of different buildings. There is also another type of sand – I am a ceramic technologist, so I understand the topic very well.

There is a type of sand that is very high in slicer. We use this sand in glass making, tile making and such sand can also be used in the embankment in the construction of dams. It can be used in the manufacture of electronics and conductors.

Today, with a lot of exploration in the country, perhaps our people are partnering with investors.

Even with a high infrastructure industry going on, the problem we got in the committee was this; when you take the example of Lwera, there is no way the Ministry of Energy and Mineral Development was coming in Lwera. Purposely for the Lwera sand, it was an environmental issue. So the committee took it on with the Ministry of Water and Environment, especially NEMA, to know whether the people mining had taken into account the issue of environment.

Because of the proximity, first of all; members you are aware sand goes through formation stages, especially sand where there are different levels of alkalinity and acidity. More so, if you test the waters where sand is, it is salty. So, it is a rock that is being broken down into sand. Sand generates, sand forms and even when you mine it, you make sure you regain during a decommissioning - it can form again. So it is a resource we can mine and use, but make sure there is management of the area where we mine so that we can regain it.

Now, the problem was, should it be the foreign investors to go into the sand mining area without any value addition? You come, mine and go and sell? That is where we came in with the issue of regulation. We went to Lake Victoria and found dredging of sand. What hurt me mostly was the sand in Lake Victoria is highly rich in silica.

We have industries that are coming up in the manufacture of glass in Tororo and Luweero for tiles, yet we would need to reserve that sand purposely for those industries. It is sand we found they were dredging, picking, cleaning and taking back the dirty material into the lake and take the sand for sale or construction, not for any qualitative industry that we would get out of it.

For that purpose, as a committee, when we were having interactions with the Ministry of Energy and Mineral Development, because the committee also supervises it, the point was how can we use the law? So, we came to Article 224 sub section (6) of the Constitution. I think the best we can do - it was a discussion. Should we hurry up with amendments of the Mining Act so that we make sand a mineral? It was dangerous for Ugandans *-(Interjections)-* what is necessary are regulations. A regulation does not take a day or two days; the regulation cuts across all areas, including in my own land and even the lakes. That regulation should also classify which sand should be used where or exempted where.

Mr Speaker, I thought I would give that privileged information to the House to help the House in taking a decision.

**THE DEPUTY SPEAKER:** Thank you, but you see honourable members, when the Constitution says Parliament should regulate, the instruction is to regulate by an Act of Parliament. It cannot be by a resolution or by regulation.

Parliament regulates by passing an Act of Parliament, so whatever is being done behind the scenes by drawing some papers is irrelevant for purposes of the Constitution.

Parliament does its regulation by an Act of Parliament and ”Parliament shall by law -” it means Parliament will pass an Act of its own to deal with the matter and it can give subsidiary authority for somebody else to deal with the regulation aspect of that particular Act.

That is where the challenge is, honourable members, but a practical decision has got to be taken to save the situation, because we have agencies responsible for the management of these things. It is not like there is a gap in the law. There can only be an improvement.

6.38

**THE MINISTER OF STATE FOR ENERGY AND MINERAL DEVELOPMENT (Mr Simon D’Ujanga):** I think now the situation has become clearer and even the Speaker reported that yesterday we had a lengthy discussion on this matter. On the surface, it looks simple, but when you go deeper, it is more complicated.

Therefore, I pray that we give Cabinet one week so that we come up with a practical solution and report back to the House.

**MR ARIKO:** Procedure, Mr Speaker?

**THE DEPUTY SPEAKER:** Is it still on this issue?

**MR ARIKO:** Yes, Mr Speaker. Thank you -

**THE DEPUTY SPEAKER:** You did not rise on procedure.

**MR ARIKO:** I did, Mr Speaker. I do not want to go away from the guidance that you have given the House. However, as I raise this matter of procedure, this morning and early afternoon, the committee of Natural Resources was interacting with NEMA on the Environmental Bill.

I had the privilege of being among three or so members that spoke to a very senior official of NEMA. He raised three pertinent issues. One, that there was an inter-ministerial review workshop that resulted from an investigation that was carried out on Lake Victoria.

He said that there is a report that said-

1. the dredging of sand in Lake Victoria is going to destroy almost all the breeding areas of fish;
2. The people from the ecological surveys and mines department, which I believe belongs to Ministry of Energy and Mineral Development, had also indicated in that same report that there are traces of valuable minerals. He promised to avail us with that report after today along the same area of the lake.

Therefore, that technical committee also recommended that a license should not be given for this activity of mining in Lake Victoria.

Mr Speaker, the gentleman said that NEMA, on the advice of this inter-ministerial task force, decided to reject the activities of Mango Tree by denying them a license.

However, all efforts by NEMA to invoke any stoppage have been failed because of contrary action from Government. Particularly, Mr Speaker, you have heard that the minister officially launched Mango Tree mining processes in Lake Victoria.

The procedural matter I am raising is, whereas it is okay for us to give the Cabinet subcommittee time, would it not be procedurally correct that this House revokes the resolution that it had made earlier on, that all forms of sand mining and activities related to dredging on Lake Victoria be suspended *–* (*Applause) -* until such a time when this Cabinet subcommittee reports to this House. I thank you.

**MR D’UJANGA:** Mr Speaker, we have mega projects ongoing. The Karuma is on; Isimba is on, the - cities and town councils that were approved here are being built using cement and sand. That is why in the Constitution, sand was left out from the list of minerals because of its importance in the building industry.

Therefore, it would not be wise to stop extraction of sands from Lake Victoria because it would mean stopping the project.

Honourable minister, you can say we do not have regulation but when we went to Lwera, everyone mining sands there had a sand permit from NEMA. It is because even if it is your land and even if it is not a mineral, you must utilise that land in an environmentally sustainable manner.

Now, the drilling boat you have on Lake Victoria was denied a permit by NEMA. It did not do an Environmental Impact Assessment (EIA). Can you go and blast on Lake Victoria without doing EIA? When I am going to build a warehouse these days, I need EIA. When I am going to blast on Lake Victoria, don’t I need EIA?

What we are saying is very simple; any entity not regulated by NEMA without EIA should not be allowed to engage in sand mining and dredging. That is according to regulations.

**THE DEPUTY SPEAKER:** Mr Deputy Prime Minister, I need you to guide us. I know you have requested for time and some of these people are operating without licences. It is also true that some of your ministers are launching operations of those activities. I need you to help this House. Even for the one week you requested this House to wait for you, what will be happening while we wait for you?

6.46

**THE FIRST DEPUTY PRIME MINISTER (Gen. (Rtd) Moses Ali):** Mr Speaker, I would like to express ignorance on what will happen between now and then. *(Laughter)* Surely, I do not know. However, my request is genuine. Let us wait until Thursday -

**THE DEPUTY SPEAKER:** While we wait, do they continue dredging in the lake?

**GEN. (RTD) MOSES ALI:** I think this should now be the decision of the Parliament because it is free to decide. Mr Speaker, the best we can do is to report on Thursday next week - comprehensively. We do not stop whatever happens between now and Thursday. The best solution is, on Thursday, what the committee would have come with will give us clear guidance on what to do with it.

**THE DEPUTY SPEAKER:** Honourable members, this House debated this matter and took decisions. If those decisions were implemented in accordance with the framework we agreed upon, we would not be having this debate now.

The First Deputy Prime Minister and Deputy Leader of Government Business has requested for one week within which he will come back to guide the House on how to proceed with this matter. It is the decision of this House, whether it is respected or not that is another matter, that all activities of mining should be stayed until the Prime Minister comes back to us next week on Thursday. *(Applause)*

It is our directive as the august House of this country constituted by the representatives of the people whose cries we listen to and feel their suffering. Please, respect that. Thank you.

Honourable members, it is coming to 7 o’clock. The House is adjourned until Tuesday at 2 o’clock.

*(The House rose at 6.50 p.m. and adjourned until Tuesday, 6 February 2018 at 2.00 p.m.)*