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(HANSARD)

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FIFTH SESSION - SECOND MEETING

WEDNESDAY, 29 OCTOBER 2025



IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

FIFTH SESSION - 3RD SITTING - SECOND MEETING

Wednesday, 29 October 2025

Parliament met at 2.32 p.m. in Parliament House, Kampala.

PRAYERS

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

The House was called to order.

COMMUNICATION FROM THE CHAIR

THE DEPUTY SPEAKER: Colleagues, I welcome you to today's sitting. Matters of national importance, Hon. Chemonges William.

2.32

MR WILLIAM CHEMONGES (NRM, Kween County, Kween): Thank you, Mr Speaker. I rise on an issue of national importance about the construction of the Kapraron Craft Floor Scheme. During our budget for Financial Year 2024-2025, we approved money for the construction of the Kapraron Craft Floor Scheme. This is one of the biggest schemes that was supposed to serve almost half of my constituency. Since Kween District was created, I have never benefited. We have never had a water system in our district, and this was going to be the first of its kind. The design was completed, everything was done, the financial year ended but nothing has started. The entire district is really impatient -

THE DEPUTY SPEAKER: Hon. Chemonges, you say the scheme was in the budget of

Financial Year 2024/2025. As a Member of Parliament, did you follow up to see that it was again captured in Financial Year 2025/2026?

MR CHEMONGES: Mr Speaker, I have been following it up through the regional office in Mbale. Around May, I was told that there was only Shs 3 billion that could not make up the 30 per cent that would be advanced to the contractor. Now that the financial year has ended, I need to be guided on where we are and what happens.

Mr Speaker, yesterday, when we were approving loans - people follow through the media these days. My people are calling, saying, "Honourable, we can see serious approvals of loans -"

THE DEPUTY SPEAKER: So, have you also decided to come here and show them you have spoken?

MR CHEMONGES: Yes, my district should be part because this is also one of the most urgent issues.

THE DEPUTY SPEAKER: Now I get you, Honourable.

MR CHEMONGES: Yes.

THE DEPUTY SPEAKER: Thank you. The Minister for Water and Environment should respond tomorrow because he is the one who knows the budget items. I do not know whether the Minister for Finance, Planning and Economic Development has it off the cuff.

2.35

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES)

(Mr Henry Musasizi): Thank you, Mr Speaker. I do not have the facts off the cuff. However, since the Member is being asked by his people to follow up on this, we are in the process of budgeting for the next financial year. I will be laying the Budget Framework Paper in December, and I wish to invite the Member to take keen interest. In case this item was not captured in the Financial Year 2025/2026, he could take keen interest and we could capture it in the Financial Year 2026/2027. I thank you.

THE DEPUTY SPEAKER: Thank you, Honourable. I would like to inform the people of Kween that Hon. Chemonges has been fighting for you. *(Laughter)* Yes, consistently, as has been - *(Hon. Omara rose_)*

Hon. Omara, matters of national importance are recorded with my office. Yes, he has been fighting for you, so please, remember him in your kingdom, as people of Kween.

In relation to how Hon. Musasizi has responded, you know that budget issues are hitting us really hard. I was in Kabale - I have a special interest in Kabale because that is where I get my wife from. The people of Hon. Niwagaba's constituency told me about their health centre, and I promised that I would go to Finance and push so that they can be supported to the tune of at least Shs 500 million. So, I think Finance has a challenge. I do not know - Hon. Musasizi?

MR MUSASIZI: Thank you, Mr Speaker. You should have declared that you are one of the people of Kabale who are in the diaspora. *(Laughter)*. We are glad that you continue to remember where you came from, and thank you for synergising with us to develop that place.

Mr Speaker, we have been helping that constituency through Hon. Niwagaba. We can consider the Shs 500 million you have asked for, through him and yourself, in the next budget.

THE DEPUTY SPEAKER: Thank you.

MR MUSASIZI: And we are going to consider, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. The reason I was bringing this, honourable colleagues, is that someone went and made an allegation around Kabale that the money came and my father-in-law withdrew it and put up a building. It spread like fire because my mother-in-law, who happens to be the District Speaker of Kabale, is a councillor of that *kaaro*. When Hon. Niwagaba and she hosted me, they are the ones who made the request.

Now, the rumour came that the money was paid. "You can see Rt Hon. Tayebwa's father-in-law putting up a big structure in Kabale. How come the time we failed to get the money is when the building came up?" People believe such and yes, it can spread. Therefore, honourable minister, I would like to thank you for saving me.

Otherwise, if *Mzee* Kanagizi had taken back his daughter, I would come back here when I am in trouble. Thank you for clarifying that. Yes, Hon. Ssekikubo. I saw you abandoned your Buganda group.

2.39

MR THEODORE SSEKIKUBO (NRM, Lwemiyaga County, Ssembabule): Thank you, Mr Speaker. The Buganda group abandoned me, and I thought it was "quits" when it reached that point. Yesterday, in your communication, you promised the House that you would find out the circumstances under which the NTV broadcasting house has been barred; Nation Media. You had promised that today, you would have ascertained and informed Parliament about the circumstances under which the Nation Media Group was banned from covering this honourable House.

Mr Speaker, we have a responsibility to the citizens of this country, but I would wish to point out that the media space is increasingly narrowing and sometimes, for flimsy reasons, media houses have been locked down.

I must declare that I have an interest in this matter. Mr Speaker, you are also involved with the media, but the Uganda Communications Commission is used to closing media houses on flimsy grounds, as was the case with Point FM. There was an allegation that one of the presidential candidates was coming to the radio - that Mr Kyagulanyi was going to Mubende and they said he would be on the radio. Suddenly, they said, "You know, you owe the Uganda Communications Commission Shs 11 million, yet they owe the station Shs 27 million." They went ahead and carried away all the transmitters. The media is so sensitive.

Point FM has hosted His Excellency the President on two occasions, including *Mama Janet* and other Government ministers and officials. When we see this happen, not only to NTV and Nation Media Group, we get concerned. How come that during the electioneering period, the voices of the people are clogged?

Mr Speaker, you know the losses suffered by broadcasters and those who have paid up for their adverts. It is a big loss but for the UCC to play politics, like what I ascertained – (*Member timed out.*)

THE DEPUTY SPEAKER: Hon. Ssekikubo, that is not how we behave. You came up with an issue in the House. You went outside and you are about to go beyond the borders. I do not know where we can stop.

MR SSEKIKUBO: Mr Speaker, thank you for your guidance. Since this is a matter you promised this House that you would address, I lay my case on the question of the blackout of the Nation Media Group to cover this House. As a reminder, it is not only here but it is happening elsewhere. I pray that you guide this House on what the Nation Media has done, what crime they have committed and whether Ugandans should not be entitled to know if there is a divergent opinion.

THE DEPUTY SPEAKER: Honourable colleagues, for those who came to my office from 7.00 a.m., because by that time, I had

many colleagues who were waiting for me in the office, I have just left the office now. I left and went for approval of the Director of Public Prosecution (DPP) and the commissioners. I have not cross-checked with the Clerk. However, I will cross-check because it is an administrative matter.

What I know here is that we have accreditation procedures that may have some guidelines around them but this is an administrative matter, which the Speaker or Deputy are not involved with. So, I am going to cross-check when I get time. I do not want to put deadlines on myself, Honourable, because I am asking myself, are you not being covered nationally?

I received a message from the head of Nation Media, Madam Susan Nsibirwa. I will call her and she will give me the facts, and then I will cross-check with the Clerk. I have not called her back because I was busy. I had a lot of pending business that I had to do since morning. Yes, Hon. Ssemujju?

2.45

MR IBRAHIM SSEMUJJU (FDC, Kira Municipality, Wakiso): Mr Speaker, I thank you and Hon. Ssekikubo for bringing back the matter.

There were two issues with this matter. The first was the Parliament of Uganda taking a decision, as it has been reported, for which you are cross-checking, and we will wait.

There is also another blackout. The Nation Media Group cannot cover the President and the activities he is undertaking on behalf of Uganda. You had said that the responsible minister can explain because for me, the coincidence is what is bothering me; that the President stops the Nation Media Group from covering him conducting public business and then we get this story that the Parliament has also joined. My fear is, how many other Government agencies will do the same?

Mr Speaker, I am a journalist by training. When the *Daily Monitor* started, there was a ban on advertising in the *Daily Monitor*. It was

targeted. In fact, the *Daily Monitor* is resilient, and it did not collapse.

I recently saw the Electoral Commission advertising with only the *New Vision*, which has made it a duty that every day, they will have a photograph of only one NRM candidate. We pass money to *New Vision*, but they cover only one presidential candidate effectively; the others are just balancing.

Every day, you see the NRM candidate, Yoweri Museveni Tibuhabwe, with a crowd on the front page of *New Vision*. Therefore, Mr Speaker, I would like to know if these ministers that you instructed to come and explain are also cross-checking – for instance, the Minister for Presidency and Information. This is because we must know, is this now an unannounced Government policy that you find ways of killing private and independent media in Uganda? If it is not, we need an explanation. We see advertising going to only the *New Vision* and other media outlets that are supporting the candidature of the NRM presidential flag bearer. Can the ministers, as we had requested yesterday, explain?

THE DEPUTY SPEAKER: Hon. Kabbyanga, is the Nation Media Group not allowed to cover the President? I am getting news from Hon. Ssemujju, who has been insistent since yesterday.

2.48

THE MINISTER OF STATE FOR INFORMATION, TECHNOLOGY AND NATIONAL GUIDANCE (NATIONAL GUIDANCE) (Mr Godfrey Kabbyanga): Thank you, Mr Speaker. All media houses are allowed to cover the President, but Hon. Ssemujju is a seasoned journalist and a manager. All newspapers and media houses have editorial boards, and for them to release any news, the editorial board decides on what to release, not the Ministry of ICT and National Guidance. Therefore, it is not under my mandate to decide what *New Vision* should publish or not -

THE DEPUTY SPEAKER: Is the Nation Media allowed to cover the President? That is the question he asked, honourable.

MR KABBYANGA: Yes, it is allowed to cover him.

THE DEPUTY SPEAKER: Okay. Thank you. Leader of the Opposition?

2.49

MR MUHAMMAD MUWANGAKIVUMBI (NUP, Butambala County, Butambala): Mr Speaker, the bare minimum we expect from an honourable minister of Government is honesty. If a minister stands before a house of representatives and does not speak the truth - and he knows he is lying - that is unbecoming of an honourable colleague.

We all know that, at first, NBS, which had been barred for quite some time, was barred from covering the President. We are not talking about candidate Yoweri Kaguta Museveni Tibuhabwe; we are speaking about the President of the Republic of Uganda.

Now, it turns out that NTV and the *Monitor* publication; Nation Media, as it stands, are barred from covering the President of the Republic of Uganda. The question is, what have they done? For you to come here and not tell the truth is dishonourable.

The reason we keep coming back and forth - I thank Hon. Ssekikubo for freedom of speech and expression. Access to Parliament by the media is so cardinal that you cannot just let it be on the whim of some technocrats here to ban people. We even have a gallery where Ugandans are free to come and listen.

THE DEPUTY SPEAKER: Hon. Kivumbi, for one to cover Parliament, one must be accredited and follow the accreditation guidelines. Are you getting me? We cannot have 1,000 journalists here because Parliament is a public place. That is why we have accreditation. You are turning around a matter that we should look at soberly into something beyond. To cover Parliament, one must be accredited, and it has been a practice over time.

Hon. Kabbyanga, have you received any communication from the State House that the Nation Media Group is not allowed to cover the President?

2.50

THE MINISTER OF STATE FOR INFORMATION, TECHNOLOGY AND NATIONAL GUIDANCE (NATIONAL GUIDANCE) (Mr Godfrey Kabbyanga): I do not have any communication from the State House. Therefore, the Nation Media Group is free to go and cover the President.

THE DEPUTY SPEAKER: Thank you. Honourable colleagues, Hon. Kabbyanga is not responsible for the President's security. He is the Minister of State for ICT and has not received any communication. So, I cannot hold him accountable here. Hon. Christine Nakimwero?

2.52

MS CHRISTINE KAAYA (NUP, Woman Representative, Kiboga): Thank you, Mr Speaker. I raise a matter that needs urgent attention from all of us. We recognise that our country supports athletes, musicians, dancers, models, and pageant representatives.

However, several individuals represent Uganda on a number of issues. We have one Ms Trisha Ahwera, in her late 20s, who has represented Uganda in a number of forums; Miss Popularity and the Best Miss World Top Model. Recently, she won the Miss Environment Uganda, 2025. We are pleased that this girl has now been invited to take part in the International Miss World competition that will take place in the Philippines. However, to our surprise, some of these people carry our flag and are not recognised.

I bring this matter to request that as we plan for athletes, and in the quest to entice youth to take part in climate change actions on environmental protection and using the environment to employ many youth, and use these people to do capacity building to our people on matters of environment, we need to recognise them, but at the same time, make a contribution to their participation because they carry our flag high.

Mr Speaker, I request that the line ministries take cognisance of such people so that they can carry our flag confidently and come back to report to us about what they intend to do for our country. Otherwise, some of these representatives are unequally recognized for their contributions. Thank you.

THE DEPUTY SPEAKER: Thank you. Hon. Muyingo, do you want to comment on this?

2.55

THE MINISTER OF STATE FOR EDUCATION AND SPORTS (HIGHER EDUCATION) (Dr John Chrysostom Muyingo): Thank you, Mr Speaker. The point my honourable colleague is coming up with is very important because, for us, who are responsible for education and sports, we have always recognised those who carry our flag. One of the things we do remember to put in our possession when preparing to send off people is a flag, which has given people a lot of energy and encouragement to fight for our country, Uganda.

I agree with her that if there are any who have not been recognised before, I think we need to come up with a culture.

THE DEPUTY SPEAKER: Thank you. Honourable colleagues, in the public gallery this afternoon, we have representatives to the upcoming Miss Environment Action in the Philippines, as earlier alluded to by Hon. Christine Nakimwero. They include Ms Trisha Brendah Ahwera and Ms Prima Aisha Naluyima. They have come to observe the proceedings of this House. Please join me in congratulating them and wishing them all the best. *(Applause)*

Also, in the public gallery this afternoon, we have pupils and teachers of St Regina Nursery and Primary School from Kayunga District. They are represented by Hon. Amos Lugolobi and Hon. Idah Erios Nantaba. They have come to observe the proceedings of this House. Please join me in welcoming them. Please stand up; we want to see how smart you are. Wow, beautiful. Thank you. *(Applause)* Hon. Omara, on a matter of national importance?

2.57

MR PAUL OMARA (Independent, Otuke County, Otuke): Thank you, Mr Speaker. As you are all aware, there have been floods in Northern Uganda and my constituency Otuke and Alebtong District have been badly affected. The roads have been cut off by heavy floods.

Three bridges link to my constituency: Kaguta Bridge, Olie Bridge and Apak Bridge. All these bridges have been flooded and as we speak, there is no business going on between Otuke, Alebtong, Lira and Karamoja. We are now an island isolated from the country.

I want to appeal to the Ministry of Works and Transport to help us with the necessary equipment so that the waters are channelled appropriately and the necessary platforms are put in place for our people to travel. I submit.

THE DEPUTY SPEAKER: Thank you. Honourable Minister of Works and Transport?

2.59

THE MINISTER OF WORKS AND TRANSPORT (Gen. Edward Katumba Wamala): Mr Speaker, I sincerely feel sorry for Hon. Omara because I saw the situation in his constituency. I was there recently when we did those roads. The rivers have turned into lakes, and as of now, I may have very little to do. I think the Ministry of Water and Environment should help us control this water. *(Laughter)*

Otherwise, I do not have much to do now with the roads in that area. I will have to wait for the water to subside and deal with the situation.

THE DEPUTY SPEAKER: Honourable minister, there is nothing that comes up and the Government says that it cannot do anything. What you need to do is send a technical team to assess and engage the locals to calm them down. They will understand you. LOP?

3.01

MR MUHAMMAD MUWANGA KIVUMBI (NUP, Butambala County, Butambala): Mr Speaker, now that you are speaking about

matters in the Lango Region, the President and candidate of the National Unity Platform (NUP), Hon. Robert Kyagulanyi - His Excellency and the next President, God willing - Hon. Musasizi, be ready to be on this side - *(Laughter)*

THE DEPUTY SPEAKER: Hon. Kivumbi, stop recruiting on the Floor. *(Laughter)* Let us get straight to the point.

MR MUWANGA KIVUMBI: Last night, the security forces, the Police, combined with the military, raided his hotel in the dead of the night in Lira City. The report we have is that they were breaking into hotel rooms, tear gassing, pepper-spraying and beating - good enough, I see the Minister of Internal Affairs here with us. Can we get an explanation?

He is a presidential candidate, properly cleared by the Electoral Commission and free to reside and campaign across the country. Here we are with the police taking it into their own hands to break into a hotel where he is staying, causing all manner of mayhem.

We understand some of our campaigners who accompanied him - as presidents normally do have an entourage - have been seriously injured and some are hospitalised. Can we know the crime that warranted the police to raid a hotel and do what they did to a candidate that, for all intents and purposes, is free to campaign across the country, Mr Speaker?

THE DEPUTY SPEAKER: Minister of Internal Affairs.

3.02

THE MINISTER OF INTERNAL AFFAIRS (Gen. David Muhoozi): Mr Speaker, I have noted the question from the Hon. Muwanga Kivumbi regarding last night's incident. I only have preliminary information to that effect and I will get more details.

However, I have information that the police were in pursuit of a fugitive suspect who was part of the NUP leader's entourage and was involved in obstructing and actually taking

some items from a police officer, CID Isabirye, of counter intelligence, embedded as part of the infrastructure for crowd control. Some were arrested.

That man, Geoffrey Uzima, was suspected to be within the hotel premises, but it seems he was not. That is what caused the incident last night. However, he will be pursued and brought to book.

THE DEPUTY SPEAKER: Honourable minister, I hope these are issues, through your mechanisms, that you will share with the candidate as to why this happened and all that, so that it does not go beyond saying what the intention was and all that. Hon. Jonathan.

3.04

MR JONATHAN ODUR (UPC, Erute County South, Lira): Thank you, Mr Speaker. In that pursuit, the hotel was vandalised and much of the hotel's property was broken, including windows and even television sets. I want the Government to address their minds to the damage they have caused to a businessman, who, in pursuit of business, hosted the presidential candidate.

What would the position of the Government be in regard to the damages caused to the property? At least, the owner of the hotel deserves an explanation.

We do not want Lira City's name to be painted as unwelcoming, and businessmen should feel free to make money out of this election process. We still have about six other candidates who are coming to Lira, and we want them to be comfortable.

Can the Government address us on the issue, specifically, why the police would go and vandalise the hotel yet they have other options of containing the situation. If the suspect was within, they could even deploy and wait in the morning to be able to apprehend the suspect.

THE DEPUTY SPEAKER: Minister of Internal Affairs, is there a mechanism for compensating the hotel owner who is innocent in this process?

GEN. MUHOOZI: I think the collateral damage, like Hon. Odur has put it, will be assessed, and appropriate action taken. For purposes of this incident, a more detailed report will be furnished as soon as we get it together.

THE DEPUTY SPEAKER: Thank you. Honourable minister, you have been doing a great job, and we have had a peaceful election. Let us strive to maintain that line - Is it on the same, Hon. Ssemujju?

3.06

MR IBRAHIM SSEMUJJU (FDC, Kira Municipality, Wakiso): Not the same. I only join you in thanking the honourable minister who is one of the few ministers you can contact and he responds. Maybe, the others need to learn from him and not just for a ceremony, like what Hon. Bahati does; that answering is just a ceremony - *(Laughter)* - the Minister of Internal Affairs will give you an explanation. You may refuse it but he will - *(Hon. Bahati rose)* -

Can I raise my issue, Mr Speaker? *(Laughter)*

THE DEPUTY SPEAKER: I can see you are even conceding space before I allow Hon. Bahati - *(Laughter)* - let him raise a point of order.

MR BAHATI: Mr Speaker, I know why Hon. Ssemujju is attempting to say what he mentions to Hon. Gen. Muhoozi. I know that he will not do what he is not supposed to do to you, so you do not have to fear that. *(Laughter)*

However, is Hon. Ssemujju in order to mention that when I am answering questions here, I am just doing a ceremony, yet I am answering on behalf of the Government, under your supervision? Can he withdraw that statement, Mr Speaker? It is very serious.

THE DEPUTY SPEAKER: Maybe, also when he is tickling you, it is a ceremony - *(Laughter)* - the two of you, these days, are enjoying each other's company very much.

MR SSEMUKU: Mr Speaker, I did not intend to offend Hon. Bahati, who today I do not know whether he is a Prime Minister or the acting Government Chief Whip. If I did offend him, I am sorry.

Mr Speaker, a while ago - I am not seeking to reopen a matter that you have closed - Hon. Kabbyanga did not address one leg of the nation. I can understand that there are ministers who see the President only on television. Maybe he is one of them, so he may not know everything, as he has demonstrated.

The point is, can we get the Minister for Presidency to tell us, as a country - National Media Group is the *Daily Monitor*, Nation Television (NTV), two other radio stations and also social media. You have about seven platforms that are now not allowed to cover the President. What exactly happened? That matter will end, Mr Speaker, if you allow.

THE DEPUTY SPEAKER: Thank you. The Minister for the Presidency will come and tell us. Hon. Moses Kabuusu and then we conclude with Hon. Mwijukye.

3.09

MR MOSES KABUUSU (FDC, Kyamuswa County, Kalangala): Thank you, Mr Speaker. I rise on a matter of national importance regarding the security of fishermen in my constituency. Last week, prior to nomination, I travelled around Mazinga and Bubeke Subcounty. This subcounty is –

THE DEPUTY SPEAKER: Hon. Kabuusu, I need the attention of the Minister of Internal Affairs because this matter is for him.

MR KABUUSU: These subcounties are at the border of Tanzania, and the other one is at the border of Kenya in Lake Victoria. Mr Speaker, the fishermen reported to me that armed people, some covering their faces with masks, find fishermen at night and some during the day and rob them of their fish, fishing gear, fuel, and engines.

We reported this matter some time ago and a promise was made that there would be a joint task force of the Ministry of Security, Ministry of Defence and Veteran Affairs and the Ministry of Internal Affairs to provide relative security to our fishermen.

Mr Speaker, it is election season, and everyone seeks to be attended to. This one is not only about the election but also about the security of the fishermen, their property, and those of us travelling on the lake.

Mr Speaker, I pray that the Minister of Internal Affairs and the Minister of Security organise a team to interact with the fishermen at Kitobo Island, Miyana Island, Nkese Island, and Nkose. I will give details of these islands if necessary. I know the fishermen may know or give clues on how to trace these people so that they are secure with their property and will be there to elect us during the forthcoming elections. I thank you, Mr Speaker.

3.12

THE MINISTER OF STATE FOR INTERNAL AFFAIRS (Gen. David Muhoozi): Thank you, Mr Speaker. That is a valid concern from the Member regarding maritime safety of the people. The biggest threat has been from rogue elements and members of the security forces from the Democratic Republic of Congo (DRC), especially. Recently, we even had an incident where they robbed some fishermen but were intercepted, and some were killed, so it caused a standoff. I recently saw a reprisal attack by the same group, but it is a matter between us and the DRC to resolve, as well as put in place measures so that our people are not vulnerable. Indeed, we shall visit and address this situation before it escalates. Thank you.

3.12

MR FRANCIS MWIJUKYE (FDC, Buhweju County, Buhweju): Thank you so much, Mr Speaker. The road from Mbarara, starting in Bwizibwera, Nyakambu, Kabwohe, and Buhweju, has, for a long time, been in a very bad state. Because of the rains, most parts of this road have been cut off.

Following yesterday's rains, I called the station manager, who is based in Ibanda. She told me that the contractor who had been contracted for that road ran away about a month ago, and he is not even picking up his calls. We cannot connect through Sheema or Kashari to go to Mbarara District now, yet these are the main connections.

My concern is with the Minister of Works and Transport, Gen. Katumba Wamala. Is there anything you can do to get the contractor or replace him so that we can connect through Sheema and Kashari to Mbarara? This is a difficult season, as you know. The presidential candidates may want to access Buhweju and campaign, and we also want to access our areas as Members of Parliament. Remember, I am the shadow Minister for Works and Transport, and yet I cannot go home. Can you do something about it? Thank you.

THE DEPUTY SPEAKER: Thank you. Hon. Basil Bataringaya also approached me about the same. Would you like to add something, Hon. Basil, and then the minister responds?

3.14

MR BASIL BATARINGAYA (NRM, Kashari North County, Mbarara): Thank you, Mr Speaker. The issue of this road being tarmacked has been talked about for a long time, and we even approached the Minister of Finance, Planning and Economic Development. When we were doing the annual development plan, the road had been listed as pre-feasibility and it forced us to visit the finance minister to inquire why a road that had already obtained a contractor now had been listed as pre-feasibility as if it had never been considered. Remember, houses have been marked and now people cannot get loans.

Mr Speaker, it is a very important issue that needs to be handled urgently so as to address the current issue of the rains cutting off the road, the emergencies, but also to work on the other issue of tarmacking the road. Thank you.

3.16

THE MINISTER OF WORKS AND TRANSPORT (Gen. Edward Katumba Wamala): Thank you very much, Mr Speaker. I am very aware of the Bwizibwera-Nsiika-Nyakambu Road. I had not yet known because I was very sure that there is a contractor of the framework contract but if he has deserted then what we are going to do is to mobilise a force account and we shall handle it.

Regarding that road being tarmacked, the challenge has been money for land acquisition. We have put it in the budget, so when we get the money, which is coming soon, the Shs 30 billion, we shall start the land acquisition to enable the contractor to be on site. The contractor is ready to be on site, but land acquisition prevented us from putting him on site. We have itemised that for Shs 30 billion and we know we shall start with a good stretch.

Mr Speaker, we shall have the contractor on site. I beg to submit.

THE DEPUTY SPEAKER: Thank you. I visited that area a few months back on the invitation of Hon. Naome Kibaaaju and indeed, I asked people because Gen. Katumba had briefed me saying the contractor was ready but he did not have money for compensation.

I asked the people, "You are saying that without a road, there will be no votes. Can we allow the contractor to come and start work as we mobilise money for compensation?" They said, "No." I know the predicament. Honourable minister, it is a very big concern for that area, and I am glad that you are taking up the initiative. Thank you.

MR KATUSABE: Thank you so much, Mr Speaker. Now that I heard Hon. Ssemujju praising Gen. David, let me also take the honour to praise you, Mr Speaker, but that is not the matter. *(Laughter)*

Mr Speaker, somebody made this comment initially - it was a private talk and I said, "The Rt Hon. Speaker, Tayebwa Thomas, is coming out in the history of our country as one of the

best Deputy Speakers in Uganda”. I want to make that submission, Mr Speaker, but that is not the point.

THE DEPUTY SPEAKER: What are you up to? *(Laughter)*

MR KATUSABE: Mr Speaker, this is the point. I am grateful to the leadership of this great institution. The Rt Hon. Speaker made and received a petition and calmed down the teachers, the local government and the doctors. Mr Speaker, we want to commend you and the Rt Hon. Speaker.

Mr Speaker, this Monday, we lost a priest in my parish and I did not know but I was mobbed by over 200 teachers wanting to know the progress and I was crystal clear and honest, like I should be. I told them, we do not have money for you in the budget but Parliament is one institution that is mandated by law to appropriate.

We are approving many loan requests. We have enough leg room to bring a supplementary on the Floor. Our fellow citizens in the local government, the doctors and teachers, want fair pay that can meet all of their bills.

Mr Speaker, my procedural issue is: Is it not within our mandate to appreciate that these teachers have been crying long enough, and there is a possibility of interrupting even exams if we do not make good on our promise?

Now that the ministers for finance and education are here, the teachers, the local government workers and doctors are waiting for us to make good on the promise we made. Mr Speaker, I will appreciate it.

THE DEPUTY SPEAKER: Thank you, honourable member. Indeed, you are right. The House is handling this, and the chairman is about to finish. We shall have that item on the Order Paper next week.

However, honourable colleagues, I would like to caution you. When we are promising the public what we are able and not able to do, we should be cautious about issues of commitment

to finances. Article 93(a)(iii) is very clear on financial restrictions. We cannot, as Parliament, pass a motion, Bill, or anything that has a charge on the Consolidated Fund without it coming from the Government or the approval of the Government.

We are trying to be a bridge in between. If we could narrow it down to the issue of how much money is needed, and the Executive comes up and says, “This is what we are negotiating with the teachers”, as Parliament, we are willing to adopt the position that would give these teachers money. That one has to be very clear. However, this is an issue that will be resolved through negotiations between the Ministry of Public Service and the unions. I hope they can be expedited. Once they have concluded, then we shall come in, as the House.

In the meantime, the chairperson is about to conclude. He updated me, and we shall give it space on the Order Paper early next week. Next item?

MINISTERIAL STATEMENT ON THE
SUCCESSFUL STUDENTS’ LOAN
BENEFICIARIES FOR THE ACADEMIC
YEAR 2025/2026

THE DEPUTY SPEAKER: Honourable minister for education?

3.23

THE MINISTER OF STATE FOR EDUCATION AND SPORTS (HIGHER EDUCATION) (Dr John Chrysostom Muyingo): Thank you very much, Mr Speaker and dear colleagues –

THE DEPUTY SPEAKER: I can see it is a long statement. I do not know if you could pick out the salient issues.

DR MUYINGO: Okay, Mr Speaker.

Following the amendment of the Higher Education Students’ Financing Act, 2024 and rationalisation of Government agencies and public expenditure, the Higher Education Students’ Financing Board was abolished and

mainstreamed its activities into the Ministry of Education and Sports from 1 January 2025 and now functions as a department within the ministry.

This reform was intended to enhance efficiency in service delivery, reduce administrative duplication and strengthen alignment of student financing with the broader education and skills development agenda of the Government. I will try to summarise. The amended law mandates the Ministry of Education and Sports, therefore, to administer the Students' Loan Scheme to eligible students who wish to pursue higher education in Uganda.

Call for applications for Academic Year 2025/2026

Mr Speaker, the ministry placed the call for loan applications on 15 June 2025 in the print media up to 31 July 2025. There were extensions up to 15 August 2025. The ministry had to extend the deadline for the Uganda National Institute for Teacher Education (UNITE) because they had received their admissions late and advert messages were widely shared through the print media, social media handles that included *YouTube*, *X* formerly called *Twitter* and *WhatsApp*. I am trying to summarise, gentle people.

Loan application mode

We used online as the only mode for loan applications. Of course, there are a lot of advantages there, which you know very well. I will not take you through them.

Number of applications received

The ministry received a total of 7,125 applications, compared to 6,661 in 2024/2025. This signifies a growth of 10 per cent in the number of applications received. The total number of undergraduate degree applicants were 5,920 and 1,205 for diploma courses. I want to give you these figures as a way of answering the questions that were raised last time.

Successful loan applicants

The number of successful loan applicants was 2,047, representing a success rate of 28.8 per cent of the applications received. Of these, 1,186 were male and 861 were female. The improved female participation was a result of affirmative action for the female gender by giving an extra seven points to female applicants. We gave them affirmative action to push their numbers, as you have noted.

Mr Speaker, as mentioned earlier, the total number of female successful applicants was 861, up from 517 who were supported last financial year. The highest number of beneficiaries is in the disciplines of education, 513, followed by engineering, 444.

This is a clear testament that the scheme is well aligned with the National Development Plan IV priorities and that has put focus on industrialisation, tourism, and science technology engineering, and so forth.

Mr Speaker, the ministry awarded loans to Persons with Disabilities on affirmative action also to pursue their studies in science and humanity programmes. There is affirmative action there; I will skip the rest.

Eligibility for the scheme

In line with the amended law that established the scheme, the following considerations were taken into account while awarding loans:

- i. The applicant had to be a Ugandan;
- ii. The applicant had to be admitted for an accredited course or programme of study. Not every university programme is accredited or the other.
- iii. The applicant had to be admitted to a chartered institution of higher learning, which is accredited.
- iv. The applicant had to apply for the loan, and
- v. Allocation based on district quota, gender, socioeconomic status and equity, in accordance with the Higher Education

Students' Financing Act, 2014, as amended in 2024.

Mr Speaker, this time round, the Ministry of Education and Sports adopted a three-loan award selection model, in line with Parliament's recommendations and aspirations of taking into consideration the district quota.

In selecting the successful loan applicants, the ministry considered the district quota alongside the applicant's socio-economic status. Sixty per cent of the students were considered according to the district quota; so, 60 per cent took people to district quota, while 40 per cent were awarded based on their levels of socio-economic vulnerability using the proxy-means test formula, which was agreed upon in the past.

Of the 60 district quotas, 30 per cent of the successful beneficiaries were shared equally by all districts, whereby each district got a uniform district quota of four to five slots, regardless of the socio-economic status of the applicants, and in so doing, all the districts in Uganda that had less than five applicants were successful. The district proportionately shared the other 30 per cent according to the number of applications received from a particular district. The remaining 40 per cent were allocated based on the level of socio-economic vulnerability of the applicant using the proxy means test formula that looks at a large number of variables common with the less disadvantaged families.

Mr Speaker, we are pleased to report that every part of the country had a proportionate share of the representation, with the emphasis on district quota. The districts known for low participation rates, like Amudat, where one applied, and she was selected 100 percent. Buvuma, where only four applied, and they were all selected. Kalangala, where only three applied, and they were all selected. Madi-Okollo, where seven applied, and they were all selected. Obongi, five applied, and they were all selected.

We cannot give you what you have not asked for. Moroto, three applied, and they were all taken. Buliisa, four applied. Ntoroko, five applied, and they were all taken. Jinja City, it is eight who applied. Kaabong, five applied, and they were all taken. Kaberamaido, seven applied, and they were all taken. Nabilatuk, six applied, and all are the beneficiaries that applied qualifying this time.

The challenge was that the mentioned districts had small numbers of applicants. However, whoever applied was given a student loan.

7.0 Participating higher learning institutions.

As I said, not everybody who goes to school goes to our institutions here or to an accredited one. We are very strict that it is only those who are in chartered private universities and the other tertiary institutions offering undergraduate degree programmes or courses, respectively.

8.0 Loan coverage

The loans awarded to students covered the students' tuition fees, functional fees, and research fees payable to tertiary institutions. The loan scheme also covered the funds to cover appliances for persons with disabilities. The ministry disburses loan funds directly to the tertiary institutions and not to the beneficiaries.

9.0 Budget for the new cohort of the students' loans

The budget for the first-year students stands at Shs 7.83 billion, that had been earmarked to fund 1,500 students. I would like to report that the funds that were meant to support 1,500 students, that is, support them on this scheme, supported a total much bigger than what was planned; 2,047 students due to the increasing number of applicants with a low unit cost. As earlier reported, the majority of the beneficiaries are learners undertaking Bachelor's of Science with Education, which is lower in cost compared to many other programmes.

Mr Speaker, as I conclude, I would like to thank you for your usual support to the education sector and once again inform the House that the demand for students' loans has exponentially increased, outpacing the available resources.

This year, of the 7,215 applicants, only 2,047 of them successfully benefited from this scheme. There is, therefore, need for this Honourable House to consider allocating more funds and this will cut down the many complaints registered from the unsuccessful candidates.

Mr Speaker, allow me to lay at the Table a detailed report of the students' loan award for the academic year 2025-26 for your information. I submit.

THE DEPUTY SPEAKER: Thank you, Honourable Minister. Colleagues, I will pick three: Hon Nakimwero, Hon. Bhoka Didi, and Hon. Nyanzi. Yes, let me take those ones for now.

3.36

MS CHRISTINE KAAYA (NUP, Woman Representative, Kiboga): Thank you Mr Speaker for the opportunity and thank you, honourable minister, for sharing with us. We are happy that at least the numbers are increasingly being considered based on your report.

However, Mr Speaker, I still have an issue on the affirmative gap. The affirmative gap this time around was not on sex, it was on the regional balance or ethnicity, something like that, not on gender; that is either female or male. You see the issue of the product serving more females or girls was not the biggest challenge.

The biggest challenge was the balancing of the regions, which did not come out clearly. Mr Speaker, the issue of the online application is good. Technology is improving, but our students may not have access to these applications, especially with deadlines. Could there be an improvement in sharing these adverts with the district line officers? At least the adverts could be hung, probably at the district offices, for all people to know.

The online applications and responses become very difficult for some of our very vulnerable students, who are the main focus. They have no equipment to respond to applications. So, there could be a provision for district line officers to receive this information and help share it with some of our vulnerable students. Otherwise, leaving them behind was not good. I thank you, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. Yes, Hon. Bhoka Didi.

3.38

DR GEORGE BHOKA (NRM, Obongi County, Obongi): Thank you so much, Mr Speaker, for allowing me to make some observations of the report of the Minister of Education and Sports.

Last year, the Equal Opportunities Commission presented a report that highlighted that regions that have been highly marginalised out of the loan scheme beneficiaries include West Nile, Acholi Sub-region, Lango, and Karamoja, including Bukedea. The reasons were obvious.

These are regions that do not perform well in the Government sponsorship programme because of the situation of the schools in which they learn. Secondly, when it comes to the loan scheme financing, honourable minister, I do not know the formula used. What we see is that more and more opportunities are given to the regions and the districts that perform well under the ordinary government sponsorship.

I would like to know the affirmative action formula that is being applied to a district like Obongi that has no electricity or internet - the application is online - as well as many other Obongi-like districts. Obongi District has not received more than five students who have benefited from the government loan scheme in the last five years.

We look forward to affirmative action that considers the disparities and inequities in our educational system to ensure that the sons and daughters of this country's poor peasants are

given the first call under the loan scheme. I submit.

THE DEPUTY SPEAKER: Hon. Nyanzi?

3.40

MR PATRICK BINGI (NRM, Butemba County, Kyankwanzi): Thank you, Mr Speaker. I am happy with the report of the honourable minister now that nearly all districts are benefiting from this. I commend the House for the amendments that were passed because previously, you would find successful applicants coming from particular districts, and then another district having one or two. Therefore, this is good.

However, recently, a discussion was also on how government scholarships can be made equitable in all districts. I remember, Mr Speaker, you were the champion of this, looking at how the children of the rich will end up benefiting when we get to government sponsorship at universities.

I think that the ministry should soon consider this so that the district quota aspect can be considered. If we talk of 4,000 government slots, all other districts should equally benefit.

There is also the aspect of State House scholarships. This issue has been here for long but whenever we bring it up, nothing is discussed conclusively. I do not know one day if we asked - I do not know if the ministry has a list, but you would be surprised to see who the beneficiaries of these State House scholarships are.

I wish they could also have district quotas so that if the State House is sponsoring 500, I can also see 10 from my district. That would mean that we shall have equity and equality nationally regarding scholarships and education. Thank you, Mr. Speaker.

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

3.42

MR MUHAMMED MUWANGA KIVUMBI (NUP, Butambala County, Butambala): Mr Speaker, I appreciate the increase in numbers but the minister has made a fundamental statement and an appeal from which I request this Parliament. For the last 30 years, the entirety of the NRM government, it has maintained a paltry 4,000 students that are sponsored by the Government across universities. It is a figure that has been static, and with the increasing population, it remains a little bit laughable.

Secondly, with the Government sponsorship, the district one-loan application – originally, they have been targeting 1,500, but if I am to take on the figures the minister has given us of 2,047 and you have 145 districts, those are 14 students per district.

Mr Speaker, as you are aware, the Government has emphasised a parish model.

We have nearly 10,000 parishes in Uganda and if you are sponsoring a total of 6,000 students, both on Government or loan scheme, that means you cannot sponsor a student per parish in Uganda. However, you are busy saying the parish model is a success. You can imagine for all these years, the NRM government has failed to sponsor one student per parish in Uganda because there are 14.

A district like mine has about 25 parishes. Therefore, if you are talking about 14, they are pretty small, and this takes into consideration bigger districts like Wakiso and others.

My appeal is for the Government to consider this. The more you leave a lot of students to be privately sponsored, the more you are causing land sales. Part of the land problem in Uganda is that people are selling land to pay for school fees. You are compounding poverty.

Therefore, I ask the ruling party, are you comfortable that you cannot sponsor one student per parish in Uganda? Are you comfortable that for 40 years of your existence as a Government, you have maintained 4,000 students and 2,000 now, and you seem to be

cherishing it as an achievement? How can you be so proud, honourable, with that despicable number? You cannot even sponsor a child per parish at the government level.

I appeal that we do all we can in the next budget, and hopefully, if our government is in power, we are going to change this. We will do everything that we can. Even if we are not, I appeal to the Parliament that will be here. Good enough, you are going to be here. I do not know under which capacity, but you are assured. Let us do everything and change this; 4,000, 6,000, it is despicable.

In every district we come from, people are selling land. The number of applicants who succeed in joining a university is now over 10,000. You are paying a paltry 6,000, and the minister is so proud. My sister here was praising - I asked if she had read the statistics. You are leaving almost 90,000 into people's hands. That is despicable, and you need to improve on that. I think this is a very poor score for the NRM government for 40 years for having done all this that you can do. You ought to do better.

Reduce classified budgets and those other things, and increase money on sponsorship. Change can only come from education. Honourable minister, this is despicable and embarrassing that for 40 years, this is what you are capable of. I beg to move.

THE DEPUTY SPEAKER: I had called the Honourable Minister of Education and Sports, but I would like to know from the Honourable Minister when you made education the most priority course? This is because I can see you are proud of it, and these people have no schools to put them in, the teachers are –

Two, are you planning in any way to continue with the verification process, like you do for the district quota? With the district quotas, you write to the districts, they verify - so vulnerability, especially from districts where you get around 50 students.

Hon. Omona, you were itching to say something about this. Then, Hon. Bwanika will submit after you.

3.48

THE MINISTER OF STATE, OFFICE OF THE PRIME MINISTER (NORTHERN UGANDA) (Dr Kenneth Omona): Thank you, Mr Speaker. I thank my colleague for this statement and the House for the response toward the statement.

Education is one sector that is very key in the socio-economic transformation of any country. I am happy that as the Government continues to improve the country, we are beginning to have this kind of scheme, which was not there. This may also inform my honourable colleague, who was saying that after 40 years, we cannot sponsor 40 students per parish. We look forward, just like we introduced the Universal Primary Education, later on we introduced the Universal Secondary Education, and we look forward to improving our economy to begin sponsoring students freely, even at these universities.

However, for everything, there is a beginning. As a House, I would like us to agree on:

One, this is a very important scheme.

Secondly, next time we should allocate more money to sponsor more students.

Thirdly, I will propose an amendment in the Executive forum because we need to make this more affirmative. If you look at the data given here, there are districts that can hardly raise five students who can qualify to apply for these loans.

I will bring up these amendments so that we can push these districts to have more students, particularly the districts that are producing very few students. Mr Speaker, if you look at the data there and the equal opportunities report, some of these districts have very low numbers of students doing useful courses in the modern economy.

Therefore, how do you target those districts? For instance, in the Amudat and Kaberamaido districts and those in the highlands, for equity, we need to give them more numbers than the

universal quarter that we are giving. That is not enough. Unlike what Hon. Kivumbi is saying, I can assure you that the Government of NRM prioritises education and is one of those that we have identified as key sectors that will help transform this country.

As Government, we have started but also Parliament next time should focus on it so that we give more money. I am very happy and I would like to see it on the budget in the next debate whereby everyone here should be saying that we need more money to sponsor more students.

Finally, I implore honourable colleagues that this information about the opportunities of these schemes should reach all villages in the country. Honourable colleagues, when you pick this information because you are better positioned, give it to your constituency so that the children know about the opportunities that exist.

In my place, some students come to me looking for fees and have no idea that these opportunities exist. Others do not have the equipment, like smartphones, to apply online on time, so they miss out. Let us all agree that there is no difference as far as this is concerned. What we need to do is work together and support this scheme because it is important for our country.

THE DEPUTY SPEAKER: Hon. Omona, if you are in that sector, some people get scared when they hear the word “loan.” It is as if you are going to borrow on behalf of the family. So, districts like Amudat and Nabilatuk could raise one student. We should emphasise the district quarter arrangement. You do not need to get every district with five students.

On the Executive side, you can discuss and see how you can implement affirmative action. For example, each of these districts gets about 10 students and makes them work hard, knowing that if they pass, they will get affirmative action, not just a loan.

When some people hear about loans and say, “No, you cannot get a loan on behalf of the

family,” they may even stop you from applying. Hon. Bwanika, conclude.

3.53

DR ABED BWANIKA (NUP, Kimaanya-Kabonera Division, Masaka City): Thank you, Mr Speaker. The nation has a shortage of 187,000 health workers: doctors, nurses, and midwives. I would like to know from the minister how we choose our priorities. I have no problem with teachers, but I do not hear you. I thought that one of the objectives of this student loan would be to bridge gaps.

We do not have health workers. You have talked about education and engineers. I thought that this loan should help the Government bridge the gaps. If we have done a needs assessment in the country, health workers are one of them. Thank you.

MR ODUR: Thank you. Mr Speaker, before we conclude, I would like to let you know that the minister has been very witty in presenting a brief report and choosing to lay the main report. However, I have had the opportunity to peruse this report. If my tears were a bit out, I would be crying by now because you would wonder why the country has been marginalised.

Critically, when you look at this report, I will point out a few examples. From what I saw, the highest district with 63 students is Ntungamo, followed by Sheema with 43 and Bushenyi with 35, compared to Mitooma with 20, Gulu with 8, Abim with 9, Kalaki with 9, and Apac with 16.

THE DEPUTY SPEAKER: Mitooma has 20 or 12 students?

MR ODUR: 20 students.

THE DEPUTY SPEAKER: I also want to know which part of Mitooma, because I am not hearing people in my constituency, and they are crying.

MR ODUR: The point of procedure I wanted to move you to is that if you are pleased, this main report should be referred to the committee

to process it properly and the recommendations can be captured. I think the whole intention of Parliament has been lost in the selection of these beneficiaries. When we refer it, it will probably have very good recommendations for us that will help the Executive to undertake.

Otherwise, it is so painful that the communities that have been marginalised for long and deserve to be uplifted are the ones again seemingly being oppressed by this scheme.

THE DEPUTY SPEAKER: Thank you. I think that is good guidance, honourable colleagues. Even though the committee was handling this matter, they have not yet reported. Honourable minister, wouldn't that be good so that you interact more with honourable colleagues on the committee?

3.57

THE MINISTER OF STATE FOR EDUCATION AND SPORTS (HIGHER EDUCATION) (Dr John Chrysostom Muyingo): Thank you, Mr Speaker. Honourable colleagues, I thank all of you for supporting this scheme in the first place, especially when you look at where we came from. There was a lot of opposition against starting this scheme, but the way you are discussing it, you are fully in support, and I hope the discussions we are having are on how to get the money - because all that is needed is money.

I want to begin with those districts that have been marginalised. I think there is no marginalisation here. It is the standards we set and the conditions that determine who benefits. First of all, you have to be Ugandan.

Secondly, you must have been admitted for a degree or a diploma programme.

Thirdly, you must be admitted to a chartered education institution. Not all these institutions are chartered. When you look at the details, as my brother there was saying, very many people from districts like Wakiso applied, but in Kalangala, only four students applied.

THE DEPUTY SPEAKER: Honourable minister, can we discuss this in detail at the committee level? It would be more helpful, and we would make strong recommendations to support and strengthen this scheme further.

Therefore, I refer the report to the Committee on Education and Sports for further scrutiny and report back within three weeks. Let them give proposals on how best we can help these vulnerable areas, either through giving more slots for the district quota or whichever mechanism. Honourable minister, you will share with them. I am sure, as a senior teacher and an educationist, you will be able to guide as you interact with the committee. Next item.

LAYING OF PAPERS

I) WAIVER OF OUTSTANDING TAX ARREARS FOR UGANDA COOPERATIVE ALLIANCE (UCA)

THE DEPUTY SPEAKER: Honourable commissioner.

4.00

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi): Thank you, Mr Speaker. I beg to lay on the Table the waiver of outstanding tax arrears for Uganda Cooperative Alliance (UCA).

THE DEPUTY SPEAKER: Thank you. Sorry, I mentioned "honourable commissioner" instead of "honourable minister." Thank you.

The waiver stands referred to the Committee on Finance, Planning and Economic Development for consideration and reporting back.

II) REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS OF NATIONAL WATER AND SEWERAGE CORPORATION FOR THE YEAR ENDED 30 JUNE 2025

THE DEPUTY SPEAKER: Honourable Minister of Finance, Planning and Economic Development.

4.01

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES)

(Mr Henry Musasizi): Mr Speaker, I beg to lay on the Table the report of the Auditor-General on the financial statements of National Water and Sewerage Corporation for the year ended 30 June 2025.

THE DEPUTY SPEAKER: Thank you. The report is referred to the Public Accounts Committee on Commissions, Statutory Authorities and State Enterprises (PAC-COSASE) for consideration and reporting back.

III) REPORTS OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS OF THE MEKERERE UNIVERSITY'S NINETEEN (19) PROJECTS UNDER NORHED II PROGRAMME FOR THE PERIOD ENDED 31 DECEMBER 2024

THE DEPUTY SPEAKER: Honourable colleagues, we are just going to lay the report because it has all the details. We do not need to call from (a) up to (s). They are contained in this. Honourable Minister of Finance, Planning and Economic Development. He is a member of the Commission. Yes, what is the procedure?

MR ODUR: Mr Speaker, the item has been called for laying by the Commissioner of Parliament. We have elected commissioners on both sides of the House. There have been changes in the final year of this House. The Leader of the Opposition is a member of the Commission, and as you are aware, he has openly complained of being locked out of the Parliamentary Commission.

I would like to ask you to confirm who the commissioner designated by the Opposition is in light of the affiliation changes that have happened in this House in the last year. Who can I approach as a member of the Opposition to represent me on the Commission in light of the fact that the Leader of the Opposition is locked out and denied?

In my understanding, there is also a vacancy on the side of the Opposition. I beg to get clarification on that matter, Mr Speaker.

THE DEPUTY SPEAKER: Honourable colleague, the Leader of the Opposition is a member of the Parliamentary Commission. He attends meetings whenever he wants to and does not attend when he is not available. Hon. Mathias Mpuuga is a member of the Parliamentary Commission from the Opposition side, so I do not have any other useful information.

MR ODUR: I asked that question because if you look at the law that governs the administration of Parliament, once a member designated on the Opposition changes political party, it is in the law that the vacancy automatically occurs. I was asking in that respect –

THE DEPUTY SPEAKER: Which party has he joined, the National Resistance Movement (NRM)? I thought any party which is not NRM is an opposition party. I do not know. You can help me understand better - *(Laughter)* - You can lend us a few people, like Hon. Jonathan's party lent us, but you remain in the opposition.

MR ODUR: I know that, as the Uganda People's Congress (UPC), we have lent to you a member on the Front Bench, but this is a matter of law that I will invite your attention to. It is just for clarification because this is a House of record. We still have other parliaments to come, and we have the law that guides us. I want to be sure that the House is moving in the right direction in that respect. Maybe, when you retreat to your Chambers, you can reflect a little bit and inform us.

THE DEPUTY SPEAKER: Sure, I will consult and then inform you. Honourable commissioner/Minister of Finance, Planning and Economic Development.

4.05

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES)

(Mr Henry Musasizi): Thank you, Mr Speaker. I beg to lay on the Table the reports of the Auditor-General on the financial statements of Makerere University's 19 projects under the Norhed II Programme for the period ending 31 December 2024. The reports are also hereby laid.

THE DEPUTY SPEAKER: Thank you, honourable member. The report is referred to the Committee on Public Accounts (Central Government) for consideration and reporting back—next item.

MOTION FOR A RESOLUTION OF
PARLIAMENT TO AUTHORISE THE
GOVERNMENT TO BORROW UP
TO \$1,341 MILLION FROM THE
INTERNATIONAL DEVELOPMENT
ASSOCIATION OF THE WORLD BANK
GROUP AND RECEIVE GRANTS
WORTH \$308.3 MILLION TO FINANCE
THE UNDER-LISTED PROJECTS AND
PROGRAMMES

THE DEPUTY SPEAKER: Honourable Minister of Finance, Planning and Economic Development, we stood over –

4.06

MR MUHAMMED MUWANGA KIVUMBI (NUP, Butambala County, Butambala):

Mr Speaker, I happen to chair the Committee on Public Accounts (PAC), and I have seen the volume of work you have pushed to the committee. You know the period, difficult as it is, and the audit year will elapse in December. We shall have new audit reports. When I look at the number of audit reports you have pushed, it is nearly a hundred, a fairly tall order in the circumstances.

As the head of the institution, what time scale are you giving this committee to accomplish the work that Parliament is assigning to us? It is so critical, and I would not pretend on behalf of the committee that I have the capability to

do a thorough job, given the time scale and also the fact that the audit year ended in June. How do you advise us on how to handle this volume that you are pushing to this committee?

THE DEPUTY SPEAKER: Honourable colleague, of course, we have a statutory deadline with regard to these reports, but what we can do is to retreat with your Clerk, look through this issue and see how best you can be supported to handle your work. That is what I can say for now. We need to go back and put our heads together as a team because it is not only about us or you. Once we work together, we will find a way out, and we will do a thorough job. How many have we sent to the Public Accounts Committee (Central Government)?

MR MUWANGA KIVUMBI: About 95 per cent of the reports have been sent to one committee, which is the Public Accounts Committee (Central Government). In the Public Accounts Committee on Commissions, Statutory Authorities, and State Enterprises (PAC-COSASE), I have seen not more than five reports sent there.

THE DEPUTY SPEAKER: Let us go back - because Article 163(5) of the Constitution gives us only six months - and see the mechanisms we can have to ensure we do our work. Thank you.— Next item. Oh, Ministry of Finance, Planning and Economic Development - they had already called item 5 on the Order Paper.

Honourable Minister of Finance, Planning and Economic Development, we stood over this item yesterday, mainly because of the issue of the financing agreement. We said that we needed to hear from you today so that the conditions that are part of the financing agreement are known. I am sure the World Bank must have shared these with you. I just need to know that. Members want to be reassured, but I also said that the chairperson and the committee members should look at it.

4.10

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES)

(Mr Henry Musasizi): Thank you, Mr Speaker. Yesterday, I was not in the House because I was handling other duties at the ministry. However, this morning, when I came back, I found an invitation from the Chairperson of the Committee on National Economy asking us to appear before the committee to resolve the outstanding issue, which you have just raised, surrounding the financing agreement for the UCMID project, which we have negotiated with the World Bank.

Mr Speaker, I appeared before the committee and laid a copy of the financing agreement before it, but with your guidance, I can lay the same copy before the House.

THE DEPUTY SPEAKER: Please do.

MR MUSASIZI: Mr Speaker, I beg to lay a copy of the financing agreement titled, "Uganda Cities and Municipalities Infrastructure Development Operations between the Republic of Uganda and the International Development Association of the World Bank". I hereby lay, Mr Speaker.

THE DEPUTY SPEAKER: Thank you. Chairperson, are you satisfied because you raised this issue as a committee?

4.12

THE CHAIRPERSON, COMMITTEE ON NATIONAL ECONOMY (Mr Bosco Ikojo):

Thank you very much, Mr Speaker and honourable Members of Parliament. Yesterday, we stayed over this issue because the committee was not satisfied with the documents that had been presented to it.

Mr Speaker, I am now happy to report that this morning, the Minister of State for Finance, Planning and Economic Development, State (General Duties) appeared before the committee and clarified the issue that was queried by members.

Therefore, I request that this House considers the motion to pass a resolution for the Government to borrow up to \$1341 million from the International Development Association of the World Bank and receive a grant of \$328.3 million to finance NUSAF IV, DRDIP II, ULEARN, PIMPLUS and UCMID. Thank you.

THE DEPUTY SPEAKER: Colleagues, I now put the question that the motion - yes, Hon. Jonathan Odur.

4.13

MR ODUR JONATHAN (UPC, Erute County South, Lira): Mr Speaker, yesterday, before this issue arose, we did not have the opportunity to comment on the report. I just want to proceed because it was not debated.

THE DEPUTY SPEAKER: I thought the people who had commented were enough; I will allow only one.

MR ODUR: Thank you. My concern briefly is that when the Government conceives projects, it needs to be honest in the project scope. I want to point out the issue of NUSAF, which has the title, "Northern Uganda Social Action Fund." Yet, you look at the beneficiaries, the coverage is wide outside what we know traditionally as Northern Uganda. Yet, when it comes to other projects, which are titled differently, they do not allow any space for beneficiaries from Northern Uganda. I can cite so many of them.

Mr Speaker, I thought that this time, if this is a social action fund and the intention is to cover the whole country - and I have no problem with that - the title "Northern Uganda" should not be used. Let us use "Uganda Social Action Fund," then you can bring all the districts and put them there.

Otherwise, to borrow a lot of money in the name of Northern Uganda and then send only 10 per cent and most of the money is 'eaten' here in the Office of the Prime Minister - we have records of how money for Northern Uganda was abused here in Kampala without people of the North receiving it.

Mr Speaker, I thought that should be a very strong point that the Government should take. If you do not like those from Northern Uganda, do not borrow in their name. If you borrow in their name, then send all the money to the North so that we can benefit. I thank you.

THE DEPUTY SPEAKER: Thank you. That is a very strong point. Colleagues, I put the question that the Motion for a Resolution of Parliament to authorise the Government to borrow up to \$1,341 million from the International Development Association of the World Bank Group and receive grants worth \$328.3 million to finance the underlisted projects and programmes, be approved by this House.

(Question put and agreed to.)

Motion adopted.

THE DEPUTY SPEAKER: Thank you. The point to do with the name raised by Hon. Jonathan Odur is a critical point; it is just to do with the title, and let us not reopen this.

MR MUWANGA KIVUMBI: Mr Speaker, I tabled a report here where we audited so many of these projects, such as DRDIP, NUSAF, and Parliament adopted a resolution, which is in implementation, that a lot of Government agencies - for example, DRDIP is going to do roads, yet we have a ministry responsible and with the capability to do roads. You have a ministry responsible for managing water.

Mr Speaker, the way these projects are aligned with the competences in variance – and now that you did RAPEX, isn't it high time - for example, we realised that DRDIP is a very good project but if you read our report and Auditor-General's report on the capability of the OPM to do the work, you realise that it is nearly non-existent. Therefore, my procedural point, which is very critical, is on the method of execution as we borrow – *(Interjection)* - do you want to raise a point of information?

MS ABER: Thank you very much, my senior comrade. I want to raise this information.

Much as DRDIP handles infrastructure and supports rehabilitation of roads and the construction of facilities, the mode of doing it is that money is transferred to the district, and the local government does the procurement and the construction, not OPM. OPM does not implement that. I just wanted to give you that information.

MR MUWANGA KIVUMBI: Mr Speaker, much as I am receiving that information, I have had an opportunity to sit in a room with the implementers of these projects, and I now know how they work. Unless we clarify and be clear that, for example, let the Minister of Water and Environment handle all water-related matters, the Ministry of Works and Transport does the infrastructure, whether it is going to do the roads, let us streamline the Government. Otherwise, it is going to be business as usual. The impact will be nearly zero, yet we are receiving grants.

Mr Speaker, that was a recommendation adopted by Parliament when we presented these reports; I see we are back to square one.

THE DEPUTY SPEAKER: Thank you. Hon. Muwanga Kivumbi, you know when we present reports of the Auditor-General and the recommendations are adopted, we wait for the Treasury Memorandum. It is that Treasury Memorandum, which shows the action that has been taken. So, I have not received it to know whether the resolution, as adopted, was implemented. So, let us wait to interrogate, but that is a very good point to note.

I hope the Government, which has been pushing for RAPEX considers this. This is all about RAPEX that we have been talking about. Honourable colleagues, we have sorted this matter. Next item?

MOTION FOR A RESOLUTION OF
PARLIAMENT TO AUTHORISE
GOVERNMENT TO BORROW UP
TO € 115,876,831 FROM STANDARD
CHARTERED BANK TO FINANCE
THE CRITICAL OIL ROADS,
PACKAGE 6B, DESIGN AND BUILD
OF THE UPGRADING OF KARUGUTU-
NTOROKO ROAD (56.5 KILOMETRES)
A LINK TO RWEBISENGO (8.2
KILOMETRES) AND 3.3 KILOMETRES
OF TOWN ROADS IN NTOROKO (68
KILOMETRES)

THE DEPUTY SPEAKER: Honourable Minister of Finance?

4.20

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi): Mr Speaker, I beg to move a Motion for a Resolution of Parliament to borrow up to € 115,876,831 from Standard Chartered Bank to finance the design and build of the upgrading of Karugutu-Ntoroko Road and links (68 kilometres) project. This is under the critical oil roads, package 6B.

THE DEPUTY SPEAKER: Is the motion seconded? Okay, it is seconded by Hon. Rwemulikya, Western Youth MP, Hon. Dr. Muyingo, Hon. Rwamirama, Hon. Katumba, Hon. Omona, Minister for Disaster Preparedness, Hon. Lilian Aber, the group of West Nile –(Laughter) - led by Hon. Rose Obigah, Hon. Musa, Hon. Adriko, Member for Busongora North, Member for Kajara, Member for Bundibugyo, Member from Arua, Hon. Bhoka, Member from Sheema, Member from Masindi, Hon. Enock Nyongore, Member for Lamwo and Member for Toroma; overwhelming support.

Honourable minister, you have a minute to give the brief.

MR MUSASIZI: Thank you, Mr Speaker. Pursuant to Article 159 of the Constitution of the Republic of Uganda, Section 34 of the Public Finance Management Act, 2015, as amended,

and Rule 162 of the Rules of Procedure, I have moved the motion for Parliament to authorise the Government to borrow up to €115,876,831 to finance the upgrading of Karugutu-Ntoroko Road.

The project forms part of the critical oil roads infrastructure required to support the delivery of Uganda's first oil by 2025 –(Interjection) - by 2025; we are still in 2025. (Laughter)

Specifically, the Karugutu-Ntoroko Road and links to Rwebisengo (64.7 km) will be upgraded to paved standard, including 3.3 kilometres of town roads in Ntoroko, totalling approximately 68 kilometres.

The road will be designed and constructed to a Class II paved standard with asphalt concrete surfacing and a design life of 20 years. The lane width will be 3.5 metres, the carriage width 7.0 metres, and the shoulders 2.0 metres on either side in the urban area and 1.5 metres on either side in the rural areas.

The intervention supports the National Oil and Gas Infrastructure Plan and is aligned with the Vision 2040, the NDP IV and the NRM Manifesto.

The project financing

We will get the project financing - I have indicated the loan amount, Mr Speaker - from the Islamic Corporation for the Insurance Investment and Export Credit Insurance Premium of € 15,417,443 and will be 100 per cent financed by Standard Chartered Bank.

The project covers the design and build of the upgrading of Karugutu-Ntoroko Road and its links (68 kilometres).

Terms of financing

The terms of financing, Mr Speaker, are the following:

1. Loan amount – € 115.876 million;
2. Maturity period - 10 years;
3. Grace period - 3 years;

4. Interest rate - 6 months' libel, which is 2.214 per cent as at 28 October 2025, plus a margin of 2.15 per cent, which totals 4.274 per cent per annum;
5. The arrangements or upfront fee of 1.4 per cent is calculated on the lender's facility amount, and this is only on the first part by the Islamic Corporation for Insurance Investment.
6. Agency fee is € 20,000 per annum;
7. Commitment fees - 0.645 per cent of the undrawn amount;
8. Default interest is 2 per cent over and above the interest rate;
9. The IEC premium is 2.25 per cent per annum on disbursed amount and 0.625 per cent per annum on the undisbursed amount; and
10. The repayment is 14 equal and consecutive semi-annual instalments.

Benefits of the road project

Mr Speaker, as I conclude, the benefits of the road project will significantly boost the socio-economic development in the Albertine Graben by improving connectivity to social and economic facilities, enhancing access to rural and productive areas, and integrating Ntoroko District into the national paved road network.

It will reduce transport costs, vehicle operating expenses and travel time, while promoting tourism around Lake Albert through a sustainable, upgraded and dependable road infrastructure.

Ultimately, the intervention will deliver a safe, secure and environmentally sustainable transport system that supports local economic activities and aligns with the aspirations of the national roads sector. Mr Speaker, I submit. *(Applause)*

THE DEPUTY SPEAKER: Thank you, honourable minister. Committee chairperson, the minister has given the highlights. We can start from page 9.

4.29

THE CHAIRPERSON, COMMITTEE ON NATIONAL ECONOMY (Mr John Bosco Ikojo):

Thank you very much, Mr Speaker. Allow me to lay a report of the Committee on National Economy on the proposal by the Government to borrow up to € 115,876,831 from Standard Chartered Bank to finance the critical oils roads, package 6B, (Design and build: Upgrade of Karugutu-Ntoroko Road (56.5 kilometres), link to Rwebisengo (8.2 kilometres) and 3.3 kilometres of town roads in Ntoroko, totaling to 68 kilometres.

Mr Speaker, I beg to lay the report, the minutes of the committee meetings and the minority report that is signed by two members of my committee.

Mr Speaker, as guided, I will begin on page 9. The minister has already given the preamble to this loan, so I would like to start with its concessionality.

The loan amount is \$ 115.876 million, equivalent to Shs 473 billion. The contract was signed between Afcon Infrastructure Limited and Uganda National Roads Authority (UNRA) in March 2023, at a cost of Shs 382.68 billion, excluding VAT.

The Government of Uganda offered Shs 16.3 million in debt for land compensation out of Shs 18.5 million, and the present value of this loan is about € 116.2 million, and the total debt service of the loan will be € 148.5 million. The grant element will be negative 15.7 per cent at a discount rate of 5 per cent. This implies that this loan is a commercial loan since the grant element is negative 15.7 per cent and is less than zero and significantly lower than our concessional threshold of 35 per cent.

Mr Speaker, the project presents a positive present value of \$ 108.071 million and the economic rate of return of 21.7 percent. Since the economic rate of return is higher than Uganda's economic opportunity cost of 11 per cent, it is an indication that the project is economically viable and impactful to the whole country with both indirect and direct benefits.

Mr Speaker, now allow me to move directly to the recommendations.

Observations and recommendations of the committee

In terms of performance of debt finance projects in the works and transport sector, the committee noted that some of the projects under the sector have delayed beyond approved project schedules. This includes the development of the new Kampala Port at Bukasa with a disbursement rate of 56 per cent.

The Committee recommends that the Ministry of Works and Transport develops a mechanism to fast-track the implementation of projects under its jurisdiction to ensure those that are delayed can get back to their planned schedule.

River Semuliki Bridge connection to DRC

The committee noted that the River Semuliki Bridge connecting to DRC Congo is not included in the project. The committee recommends that the Ministry of Works and Transport should incorporate the construction of the River Semuliki Bridge connection to DRC into this project in order to boost trade between Uganda and DRC, and further improve the livelihoods of the people in the project area.

Distribution of critical oil roads

The Committee noted that some of the critical oil roads in Bunyoro sub-region were left out. These include:

- a. Nalweyo-Kisiita-Mpasana-Nkoko-Masode-Kiboga;
- b. Kisiita-Bukwiri-Kyankwanzi; and
- c. Kisiita-Mwitanzige-Kikona.

The committee recommends that the Ministry of Works and Transport fast-tracks the construction of these roads in order to improve the livelihoods of the people in this area.

Conclusion

In light of the project's strategic importance, the committee recommends that the proposal by Government to borrow up to € 115,876,831,000 from the Standard Chartered Bank to finance the critical oil roads (Package 6B), design and build: upgrading of Karugutu-Ntoroko Road, (56.5 km), linked to Rwebisengo (8.2 km), and (3.3 km) of town roads in Ntoroko, totalling to 68 km, be approved by this House, subject to the above recommendations. I beg.

THE DEPUTY SPEAKER: Thank you. I am opening for debate. Hon. Rugumayo, Hon. Rwemulikya – sorry -

MR IKOJO: Mr Speaker, I had intimated that we have a minority report signed by two members.

THE DEPUTY SPEAKER: Thank you. Yes, Hon. Kirumira Hassan.

4.35

MR HASSAN KIRUMIRA (NUP, Katikamu County South, Luweero): Thank you, Mr Speaker. I would like to categorically thank my committee chairperson for a very good presentation of a report from our committee. However, as members, we dissented on a few issues that I would like to present to this august House.

Mr Speaker and colleagues, we are cognisant of the importance of the oil roads in the Albertine region, and we are much aware of how it is going to boost trade and tourism in our country. We acknowledge the Government's goal and its partners' nightmare in achieving the first oil roads by 2020. I remember the minister just mentioned that it was 2025, but the original date was 2020, which was then revised to this current year, 2025, yet nothing has yet materialised. I think that should be put on record. We are getting to the end of the year, and that has not happened.

Mr Speaker, we dissented on two critical issues. First and foremost, the loan is too expensive for the taxpayers in our country, and two, non-

compliance with the Parliamentary Rules of Procedure.

We are much aware that this loan is purely commercial from Standard Chartered Bank, at an interest of six months Euribor, which is 2.09 per cent, plus a margin of 2.1 per cent, an arrangement fee paid up front, of 1.4 per cent, a commitment fee of 0.645 per cent for undrawn amounts, and an agency fee of \$20,000, payable annually. Probably that is a cut.

In addition to these costs, this loan includes an insurance premium of more than \$15 million. This means an increase in our country's debt burden. This Parliament should be interested in the increasing and recent borrowing from Standard Chartered Bank.

Over the last 10 years, we have borrowed only from Standard Chartered Bank for projects concerning our roads. Moreover, these projects are stagnant; some of them never got started. Are we having a loan broker between the Government of Uganda and Standard Chartered Bank?

Mr Speaker, this country's total debt is Shs 116 trillion, and the debt-to-GDP ratio has increased from 41 per cent in 2018 to 52 per cent in 2025, a rise of \$10 trillion per annum.

Mr Speaker and colleagues, it is high time we reduced our appetite for borrowing because the *wanainchi* of today and in the near future will be adversely affected by these increased borrowings, especially from non-concessional loans.

Non-compliance with Parliamentary approval guidelines

Our hands are tied by Rule 162(5)(b), which says that any loan request before Parliament for approval must include a list of financing options. That is why we questioned why only Standard Chartered Bank? If the minister had presented other financing options, we would have gotten another option that was a little bit cheaper compared to this current loan application.

While scrutinising this project request, the committee was not provided with a list of financing options. We were left in the dark about the criteria used to choose Standard Chartered Bank as the lender for this loan. If other options had been presented, perhaps we would have examined this loan more closely because it is contrary to our public debt framework principles that require such projects to be financed through concessional terms.

Recommendations

- i. The minister responsible for finance renegotiates for better terms of this loan and reports back to Parliament to save taxpayers' money; and
- ii. The minister presents a list of financing options considered and the scores of the financiers that showed interest in financing this loan for Parliament's review. This is because it is highly questionable to think that Standard Chartered Bank was the only available lender to the Government of Uganda.

Conclusion

We respectfully request that this House stands over this request for more favourable borrowing terms from another creditor to protect the country from the already burdened debt-to-GDP ratio, which is nearly 52 per cent threshold.

This minority report was signed by two members: the Hon. Charles Tebandeke and I, Hon. Hassan Kirumira. I beg to submit.

THE DEPUTY SPEAKER: Minister of Finance, Planning and Economic Development? Before I open up debate, the State Minister of Finance, Planning, and Economic Development should respond to these issues, especially on the list of lenders interested in this project. Was it only Standard Chartered Bank, honourable minister? Did you look out for other lenders to pick interest in this project?

MR MUSASIZI: Thank you, Mr Speaker. It is easier said than done. We normally get a number of expressions of interest when we want to procure financing for various projects of the Government. There are so many who come, and we ask them to express their interests. Then, we engage in discussions and negotiations, and we always take the best terms available.

Therefore, for this project, it is Standard Chartered Bank, which came with favourable terms, and that is why we moved with it.

THE DEPUTY SPEAKER: Yes, Hon. Kirumira.

MR KIRUMIRA: Our query was on the presentation of a list of creditors that showed interest in lending to the Government of Uganda, which was not presented to the committee. We are aware, of course, that Government negotiates with so many creditors willing to lend to the Government of Uganda. The question is, why in this case, there was no other creditor or a list provided before the committee for people who are interested?

If it is available, maybe you can lay it on the Table.

THE DEPUTY SPEAKER: Honourable minister first - Hon. Omara, your roads are flooded. You do not have the audacity to -

MR MUSASIZI: Thank you, Mr Speaker. Given time, I can provide this information.

THE DEPUTY SPEAKER: That means standing over it. Honourable minister, as we talk, you have a technical team that can help us - and they are listening. Therefore, the minister's technical team should help us with the list, as the minister handles issues of those who were interested in financing this project, so that the minister can share with us. Yes, Hon. Omara.

4.44

MR PAUL OMARA (Independent, Otuke County, Otuke): Thank you, Mr Speaker. I would like to dissuade my colleague from taking the position that the loan is expensive. When you consider it in the banking world, the

six months' Euribor at 2 per cent and a margin of 2.1 is basically a cheap loan.

Normally, when you go to the bank to get a foreign currency-denominated loan, it will go at a rate of 11 per cent, and it is expensive here. It is quite expensive if you go to any bank and ask for a dollar-denominated loan. So, the rates that our team has negotiated are good.

Anything else, like arrangement fees, is a standard provision in the Condition Precedent (CPs). Therefore, \$20,000, with the amount of loans we are borrowing per month, is a small amount. I want to convince my colleagues that the loan is affordable.

Secondly, our debt-to-GDP ratio, at 52 per cent, is still within our Charter for Fiscal Responsibility, and this is what we projected for the five-year term period. Thank you.

THE DEPUTY SPEAKER: Hon. Rugumayo, Hon. Rwemulikya and Hon. Rose Obiga.

4.45

MR EDSON RUGUMAYO (NRM, Youth Representative, Western): Thank you, Mr Speaker. First, I thank Government, for moving in quickly to find the fastest means to have these roads secured through financing.

In the broad sense of econometrics, if you look at the road suggested under this loan, well aware that Uganda has been investing lots of money in pacifying Eastern Congo, the only return that Uganda expects from Operation *Shujaa* is increased trade and security between Uganda and Congo.

The particular roads that we are talking about will provide a miracle for Uganda. In which sense? For example, the road mentioned under this loan, Karugutu-Ntoroko, is the only road that can guarantee a single-day return journey for a trader coming from Kampala.

If proper harmonisation is done with water transport, a trader with cargo will be able to move from Kampala, reach Lake Albert Port, proceed to Bunia, and return to Kampala

within just 24 hours. This particular road is the only road that offers that alternative.

The report of the committee has pointed out that the economic return on the road is way above the cost. I think it is right that our colleagues who have written the minority report consider the benefits of this road that outweigh the cost of the loan. I submit.

THE DEPUTY SPEAKER: Yes, Hon. Rwemulikya.

4.48

MR IBANDA RWEMULIKYA (Independent, Ntoroko County, Ntoroko): Thank you, Mr Speaker, for the opportunity. I thank the Committee for the good report and colleagues for the support.

Mr Speaker, we have been fighting for this road since 2016. All other roads in the Bunyoro Subregion were worked upon, but this road has been lagging, and Hon. Gen. Katumba knows how we have been fighting.

First, if the Democratic Republic of Congo is open to Uganda in terms of trade, Mr Speaker, you cannot believe. The trucks that go through Ntoroko Port are 200 per day. However, when you look at the condition of the road, it is alarming.

This road goes through the Semliki, which is now a National Park with the Big Five rare species, and we thank the Government. This will also boost tourism.

Thirdly, the greater Rwebisengo down - because we have a link - Mr Speaker, you know we have had floods for a very long time - moving from Rwebisengo to Karugutu during floods, the entire greater Rwebisengo is cut off. This will be a link to Karugutu and Fort Portal.

With this kind of infrastructure development in Ntoroko, the entire Uganda will be open to Eastern DRC, because this road can take you to Bunia. That is why we are saying that we should have the Semliki Bridge because from there to Bunia is only 78 kilometres - Kaseni, Chioma, Bunia to Komanda and Kisangani.

There is a lot of business - if this road is worked upon and Semliki Bridge is incorporated - I know that all of you, honourable colleagues, will have to go to DRC and do trade. Let the Uganda People's Defence Forces (UPDF) pacify that area because it is a critical road. I plead with my honourable colleagues to support the loan so that we add value to the economy of this country. Thank you, Mr Speaker.

4.50

MS ROSE OBIGAH (NRM, Woman Representative, Terego): Thank you, Mr Speaker. In the same vein, I thank the committee and honourable minister. I normally do not like to speak on speculation. However, I would like to remind the House that this time when we had a challenge at Karuma Bridge, we had an alternative route. This particular road will give a very good alternative to the current road.

As a Committee on Environment and Natural Resources, we use the current road that our friends are using, and it is in an appalling state. With an interest in tourism, we would go a great distance in selling this country and attracting many tourists.

Lastly, it is not that throughout we have been talking about one bank. I remember before this particular one, there was some borrowing from the Islamic Bank. So, it is not good to always depend on speculations and anticipations.

THE DEPUTY SPEAKER: Honourable colleagues, for those of you who have not visited Ntoroko, I request that you go there. You will understand why Ntoroko needs us; I pray for you, people of Ntoroko.

4.52

MR JONATHAN ODUR (UPC, Erute County South, Lira): Thank you, Mr Speaker. My first comment is to ask the finance minister always to be serious. We have taken a lot of time because a document with them cannot be provided. There is a reason why these documents are put in our rules and in the laws. It can save Parliament time.

Secondly, I sympathise with my brother, Hon. Rwemulikya. I have been in this Parliament since 2016. In fact, if there is a reason why I would be very hesitant about the invitation to join NRM, it is how I saw him suffering. Being a member of NRM, he has been on this Floor pleading for 10 years. I am sure that there are political consequences for him on this particular road. I imagine and say, if a member inside - supposedly the kitchen can suffer like this, what about an outsider who comes in?

Therefore, the only downside is how the Government conceives the project, and I want this to go on record. When you are doing roads, you do not need to call them oil roads. Just say that we want to do a road and justify it as stated here. What about other parts of the country without oil?

Every time you come, I mention, you tell us about oil road, a tourism road and a security road. But if I ask where is the coffee road in Mbale, Bugisu and Buganda? Where is the fish road? They are not there. What about us in Lango? Which roads are we going to be given?

Let it be known to the country that in this region, you are going to have cassava roads, banana roads and in this region, we are going to have this -

THE DEPUTY SPEAKER: Hon. Jonathan Odur, just to supplement, when you say, oil, some funders will run away because of the demonstrations all over the world against oil and climate change. So, I agree with you.

MR ODUR: I think that those names are used to marginalise certain communities. This is a loan that will be financed by each and every Ugandan, and we appreciate that DRC opens a lot of markets for us, and it brings in revenue. So, in conceiving projects, let us move away from putting in things that isolate other parts of the country because we do not see ourselves there.

Otherwise, I invite my brother, Hon. Omara, to explain that when questions are raised about cost, we are not against this particular loan but

just to give the Government an idea. Sometime back, I went to Ghana, supported by this Parliament, and I learned that for them, they keep changing every five or 10 years.

So, there was a stalemate at one point where the Opposition took over the Government and they had been opposing loans a lot. Then it was their time to ask for a loan to be approved. The other side said, you used to oppose these loans, how will you move?

So, sometimes we have to be reasonable because these roads will be there, whether we are on this side or the other side. *(Applause)*

THE DEPUTY SPEAKER: Now, I wait for Mitooma to receive consumers of oil road because we consume this oil.

4.55

MR FRED KAYONDO (DP, Mukono County South, Mukono): Thank you, Mr Speaker. If it were not for the case of Hon. Rwemulikya, I would not have supported this. Ever since I joined this Parliament, as I cry for the Koome Ferry, is the way he has been crying for that road.

Anyhow, my concern is about how we follow up on the loans we pass here. These loans are spiced to convince us to pass them.

However, immediately after passing them, the loan implementers implement different things without consulting Parliament.

Mr Speaker, I will give you an example. We passed a World Bank loan here. We took Hon. Migadde, he inspected, and we were convinced that the loan should be passed to implement what he saw on the ground.

However, the moment the loan was passed, something different was done. We were to construct a market in Katosi, but it is not being constructed. We had to do Bugigi-Mpatta Road, and it is not being constructed; the loan was diverted.

Therefore, before I support the loan, let us strengthen the way we follow up on these loans. They should be implemented exactly on what we pass them for.

Otherwise, loans are spiced here, but what is on the ground is different. Thank you, Mr Speaker.

THE DEPUTY SPEAKER: Honourable colleagues, through our oversight role, number one, we have the Auditor-General, who audits all these projects.

Number two, we have the Committee on National Economy, which should also be looking at the performance of these loans. Usually, before they approve such a loan, they look at other projects.

We also have the sectoral committee, which should follow up. So, Hon. Kayondo is saying that we should improve our oversight mechanism so that there is post-approval scrutiny of the projects to ensure that what we pass here is what is being done.

4.58

MS JOSEPHINE BEBONA (NRM, Woman Representative, Bundibugyo): Thank you, Mr Speaker. I also rise to support the loan and thank the Government for considering working on these roads. Although they are named “oil roads,” they will benefit other sectors. Only the word “Bundibugyo” is missing as the mother of Ntoroko District, but the roads will benefit populations from both Bundibugyo and Ntoroko.

He has talked about tourism. Mr Speaker, you cannot imagine, especially during this festive season we are going into, how many tourists we shall receive who will use the same roads. We also receive many schools and other tourists daily, especially those who go to the hot springs and Semuliki National Park. They come to see so many bird species.

In addition, it will improve our socioeconomic benefits. For example, it will connect not only

Congo but also Nimule in the West Nile through the water and those borders. Therefore, we are very grateful for this loan. These roads should have been worked on yesterday.

Mr Speaker, you will realise that it is very important for the Ministry of Works and Transport to maintain the Fort Portal-Karugutu-Bundibugyo Road up to the border, because we have so many trucks, which use the same road. You were there recently and saw for yourself. We appreciate the efforts, that are going to be made. Thank you.

THE DEPUTY SPEAKER: Hon. Kivumbi.

5.00

MR MUHAMMAD MUWANGA KIVUMBI (NUP, Butambala County, Butambala): Mr Speaker, I have only two concerns, but I associate with the minority report.

First, I see the committee says this is a design-and-build upgrade of this road. My experience while we were auditing is that when you do not have a design but want to build a road, there are a lot of assumptions. Therefore, the cost of packaging this road will greatly change as the design is done.

The Auditor-General has been faulting Parliament for passing loans to build roads and other projects without a clear feasibility study or design. We seem to follow this one. What normally happens when you do a road and design, this fast borrowing becomes a sweetener, just to lead you into a trap of starting a project. Along the way, they will come here and re-borrow.

That is why, Mr Speaker, when I look at the unit cost per kilometre on this road, it is \$1.6 million (Shs 5.7billion). On the face of it, it looks abnormally low given that we are talking about \$14 million. The reason is that all these are assumptions, and this borrowing, as I see it, will lead to more borrowing as you go along. What you normally get along the way is project completion delays and debts and so, you need to process more loans to finance this project.

I strongly believe that this is not well-conceived borrowing, given that we are still borrowing on a design-and-build concept. I think Parliament should strongly refrain from approving loans on a design-and-build concept. It is very risky to take that path.

When you look at the absolute numbers in the report, this will clearly go up to Shs 600 billion in terms of total loan payments and servicing, which is over and above the borrowed amount of money. Therefore, it is not a cheap loan. Your mathematics is not correct this time around, Sir.

Lastly, Mr Speaker - I am not opposing – information?

MR RUGUMAYO: Thank you, senior colleague, for giving way. In the current construction world, we are tending towards packaged contracts, where we let a contractor take the risks of designing and constructing. In the end, this becomes cheaper because the alternative would be harder. The Government would have to, first of all, call for design contractors, which is an expensive process. Again, the contractors would be hard to coordinate with the ones who are constructing and doing design reviews.

This packaged contracting method becomes cheaper in the long run, in that the designer takes responsibility for remaining within the contract sum, causing minimum variations in the construction process. Thank you.

MR MUWANGA KIVUMBI: If that were true - and I ask the chairperson of the committee - in the contract terms we approve, are those conditionalities in there? Is it that much as he will do a design, he will not vary to a certain extent within a given line?

The Auditor-General faulted Parliament for approving loans on these very terms. That is why I want to tell you, much as you are saying that it is designed, the world we are in is not as straight as you think. Look at the Mpigi Expressway. It was also done on design and build. What has happened?

THE DEPUTY SPEAKER: Hon. Kivumbi, that is why the Auditor-General's recommendations come to you here, so that you can look through them and add value. You do not only conclude and say we cannot proceed this way because the Auditor-General said ABCDE, especially on those which are general, but we engage. We study and we see the alternatives being looked at.

What we need to do is specifically engage the ministry on the Auditor-General's conclusions. They respond to you, and we weigh and advise. Thank you. Honourable Minister of Works and Transport?

5.06

THE MINISTER OF WORKS AND TRANSPORT (Gen. Edward Katumba Wamala): Mr Speaker, I would like to thank you all for your contributions to this project. As already alluded to, it has been on the shelf for a long time. I think I am going to get some rest from the honourable member here, who has been disturbing me all the time about this road.

One of the things I want to tell Parliament is that for this particular project, we have 85 per cent of the land, so there will be no delay on land acquisition. That one has already been done. This road is a critical trade route, other than just being what *Ow'ekitiibwa* called "the oil roads." (*Laughter*)

It is a critical trade route because it takes a lot of trucks to the Ntoroko Port. We may come here again to find a way of developing Ntoroko as a port, because it is now rudimentary. (*Applause*)

If somebody has been in that belt, that road is going to circumvent Semuliki National Park, in a way, saving the park from the current situation where people have been driving through, causing a lot of destabilisation. The road circumventing through Rwebisengo and getting to Ntoroko will protect the park. This road has all those advantages. It will serve the park, but at the same time, protect the park against the abuses of those who have been travelling through the park.

Mr Speaker, on the issue of Fort Portal-Bundibugyo-Lamia, we already have a contractor who is doing full maintenance of that road, that is, CCCC; it is doing all the rehabilitation because as you possibly visited, you found when some of the sections of the road had failed. Now, we have a full maintenance team on that road.

I want to thank honourable members, and I want to appeal to them to pass this loan. The contractor and the commercial contract are ready, so we are ready to go as soon as Parliament endorses them. Thank you. *(Applause)*

THE DEPUTY SPEAKER: Thank you. Honourable Minister of Finance, Planning and Economic Development, the House needed more information from you.

MR MUSASIZI: Thank you, Mr Speaker. There is an issue which arose from the minority report on whether we looked at various financing options. I wish to inform the House that in respect of this borrowing, we invited expressions of interest and the Standard Chartered Bank and TDB expressed interest. We did an analysis of the terms and the effective interest under TDB was 10.77 per cent in dollars and 9.14 in Euros, and the effective interest under Standard Chartered Bank was 8.71 per cent, which was cheaper than TDB so we made a decision to enter into an arrangement with Standard Chartered Bank.

THE DEPUTY SPEAKER: Thank you. Honourable colleagues, I put the question that the motion for a resolution of Parliament to authorise the Government to borrow up to € 115,876,831 from Standard Chartered Bank to finance the critical oil roads package 6B design and build upgrading of Karugutu-Ntoroko Road (56.5 kilometre), linked to Rwensengo (8.2 kilometre) and (3.3 kilometre) of town roads in Ntoroko, a total of 68 kilometre be approved by this House.

(Question put and agreed to.)

THE DEPUTY SPEAKER: Clerk, extract the resolution and send it to the committee. Congratulations, honourable colleagues from Ntoroko, namely, Hon. Rwemulikya, Hon. Rugumayo, Hon. Babungi, and Hon. Sowedi Kitanywa. Once again, Members from that area, I congratulate you. I know what this means.

Honourable minister, kindly look over that Bundibugyo-Ntoroko Road. I passed there recently, and I could see some areas are already getting compromised. You need to look at it early. I do not know where these people will pass. For God's sake, if you get a problem on that road, it will be trouble for that area. I do not know if you have plans for maintaining that area.

GEN. KATUMBA WAMALA: Mr Speaker, that is what I was alluding to - realising that some of the sections of that road are failing, we have now put CCCC to do the rehabilitation and maintenance of that road because that is a critical trade road up to Lamia.

Mr Speaker, that area is the source of cocoa in this country, and I think people know the price of cocoa now, so we cannot afford to lose that product.

THE DEPUTY SPEAKER: Honourable colleagues, on a light note, when we were in Bundibugyo for the Parish Development Model (PDM) tour, we noted a gentleman who is making some good money from cocoa. He told Hon. Baryomunsi that he does not have the right to marry a second wife because he has no cocoa. A person without cocoa cannot marry. *(Laughter)* They are very proud of it, and they are doing a fantastic job. We need to help them with value addition to ensure they get more and more money.

Honourable colleagues, let us handle one more item and complete the rest tomorrow.

THE DEPUTY SPEAKER: I want us to handle electricity tomorrow when the minister is here. Let us handle item eight.

MOTION FOR A RESOLUTION OF
PARLIAMENT TO AUTHORISE
GOVERNMENT TO BORROW UP TO
EUR 192,959,605.47 FROM CITI BANK
TO FINANCE THE PROPOSED PHASE I
OF THE ENHANCING AGRICULTURAL
PRODUCTION, QUALITY AND
STANDARDS FOR MARKET ACCESS
PROJECT

5.13

**THE MINISTER OF STATE FOR
FINANCE, PLANNING AND ECONOMIC
DEVELOPMENT (GENERAL DUTIES)**

(Mr Henry Musasizi): Thank you, Mr Speaker. I beg to move a motion for a resolution of Parliament to borrow up to €192,959,605.47 from CitiBank to finance the enhancing agricultural production quality and standards for market access project. I beg to move.

THE DEPUTY SPEAKER: Is the motion seconded? It is seconded by Hon. Bahati, Dr (Lt Col) Hon. Alanyo, Lt Col Hon. Rwamirama, Hon. Omona, Hon. Timuzigu, Hon. Ndamira, Hon. Karubanga, Hon. Ochwa, Hon. Adriko Yovan. Honourable colleagues, most of you have just –

Honourable minister, you can do a quick summary. You do not need to go through the rules and all that.

MR MUSASIZI: Thank you, Mr Speaker. The rules are similar to the previous one that I presented. I now come to the project components.

The project comprises three major components namely; design to strengthen agricultural quality assurance systems, enhance value addition, infrastructure, and ensure effective coordination and international accreditation of facilities.

Component 1 is the provision of quality assurance and standards equipment and infrastructure. This component focuses on establishing and equipping modern facilities for testing, certification, storage and inspection to ensure the safety and competitiveness of agricultural products, and it includes:

1. Airport pre-shipment treatment facility: Installation of an irradiation system at the Entebbe Airport for the pre-export treatment of agricultural goods.
2. National agricultural diagnostics laboratory and support centre; a central facility for disease, pesticide residue, and chemical contamination testing, servicing crops, fish, and livestock with capacity for research, training, and management of mini labs.
3. National agricultural food safety laboratory and support centre; a comprehensive laboratory for microbiological and chemical testing, food quality certification, and training accredited to international food safety standards.
4. National veterinary medical stores: a secure national storage facility for animal drugs and vaccines, providing testing, traceability, and distribution services.
5. Zonal research laboratories and compliance centres: regional centres aligned to agro-ecological zones for certification, basic testing, cold storage, and farmer training in best agricultural practices.
6. District mini laboratories, district level facilities, for example, collection, basic testing, and forwarding of zonal or national labs for advanced diagnostics.
7. Export animal pre-quarantine facility and export animal quarantine facility, a veterinary facility for disease monitoring, sampling, vaccination, and certification of animals before movement or export.
8. Land border export facility, quality control, and rapid testing centre near border posts to verify compliance with sanitary and phytosanitary standards for agricultural export;
9. Fish landing sites' facility for aggregation, cleaning, grading and temporary storage of fish includes drying racks, a mini lab and inspector's office for quality control;

10. The SPS export training and demonstration facility is a national training hub for inspectors, farmers, and exporters of SPS standards, offering live demonstrations, production, monitoring, and research support.

Component 2 - Provision of Value Addition, Equipment, and Infrastructure

This component aims to enhance agricultural commodities' post-harvest handling, processing and storage capacity. It includes:

- i. Fruit and vegetable export facility, aggregation and processing plant for sorting, grading, cooling and packaging produce from smallholder farmers equipped with two pack lines of up to five tonnes per hour;
- ii. National food and seed reserve facilities, bulk storage and processing centres for maize and grains with drying, cleaning and silos of up to 10,000 metric tonnes capacity, each equipped with mini labs and Q-mark certification systems.

These facilities will connect to the G-Soko trading platform to facilitate traceability, quality assurance and market access for both local and export trade.

Component 3 - Project Coordination, Owners' Engineer and Accreditation of Facilities

This component provides for project management, training and facility accreditation. It includes:

- i. Engagement of an owner's engineering firm for design supervision, commissioning and oversight during the construction and warranty periods;
- ii. Training of facility operators, inspectors and technocrats to ensure efficient operation and maintenance; and
- iii. Accredited all project facilities to recognise international standards, including ISO food safety system certification, Global G.A.P, UNBS, and British Retail Council.

Project financing

Mr Speaker, the total project cost is €201.684.33 million, comprised of a total loan of €192.959 million representing 95 per cent of the commercial contract plus UKEF premium of €24.66 million, which will be funded by Citibank in two tranches, namely:

1. An up to €85.725 million, which is a 100 per cent UKEF guaranteed tranche and €107.233 million UKF direct tranche; and
2. Government of Uganda counterpart funding of up to €8.724 million, representing five per cent of the commercial contract amount.

The financing terms are the following:

- i. Loan amount is as I stated earlier.
- ii. The period is 13 years, including a grace period of three years;
- iii. Arrangement fees are 0.95 per cent. This is a one-off payment which shall become due and payable on the date of execution of the facility documentation.
- iv. The facility agency fee is €20,000 per annum.

Mr Speaker, in addition to the above terms, €192.959 million UKEF facility will be funded in two tranches, on the following terms:

A. 100 per cent UKEF guaranteed loan. Tranche terms are as follows:

- i. Loan amount – € 85.725 million;
- ii. Interest rate is six months' Euribor plus margin, and which is now tentatively at 2.124 per cent, plus 0.7 per cent, which totals 2.824 per cent, out of which base rate is six months' Euribor, 2.124 per cent, as at 28 October 2025, and margin is 0.7 per cent;
- iii. Commitment fee is 0.245 per cent per annum, paid on the undrawn portion of the UKEF guaranteed tranche.

Mr Speaker, I would like to note that Euribor is a valuable rate that changes over time, based on the reference rate or market conditions. As of 28 October, it was 2.124 per cent.

- B. The UKEF direct loan tranche terms are as follows:
- iv. Loan amount – € 107.233 million;
 - v. Interest rate - 3.79 per cent per annum, based on the Commercial Interest Reference Rate (CIRR) of 28 October 2025;
 - vi. Commitment fee is 0.36 per cent per annum, paid on the undrawn portion of the UKEF direct loan amount.

We want to note that the CIRR is a valuable interest rate that will be fixed at the date of signature of the financing agreement, currently at 3.79 per cent per annum, as of 28 October 2025.

In conclusion, the project will help Uganda's farmers and agribusinesses produce safer, higher-quality products that can compete on global markets. By building modern laboratories, storage centres, and various additional facilities, it will make it easier to test, certify, and process goods that meet international standards. This means fewer export rejections, better prices, and more reliable access to regional and overseas markets.

The project will also create jobs, improve consumer food security, strengthen private sector growth and support local industries, driving higher incomes and broader economic transformation. I submit, Mr Speaker. *(Applause)*

THE DEPUTY SPEAKER: Thank you. Honourable chairperson, I can see the honourable minister has gone through the details. If you are comfortable, you can start from around page 15.

5.29

THE DEPUTY CHAIRPERSON, COMMITTEE ON NATIONAL ECONOMY (Mr Robert Migadde): Thank you, Mr Speaker. I would like to lay on the Table the minutes of the Committee on National Economy in considering this loan request and the report of the committee considering this.

This is a report of the Committee on National Economy on a proposal to borrow up to € 192,959,605 from Citibank to finance the proposed phase 1 of the Enhancing Agriculture Production Quality and Standards for Market Access Project. As you guided, Mr Speaker, I will start from page 15 - allow me to start from page 14.

The present discounted value of the loan of € 108 million, which are two tranches, is greater than the nominal value of the loan of € 107 million. This implies that the total future payment of the loan is higher than the proposed amount to be borrowed in present terms. The total future payment of the loan will amount to € 608.4 million after the loan period of 13 years. The loan is commercial, since its grant element is less than zero and lower than the concessional threshold of 35 per cent.

The loan will be implemented by the Ministry of Agriculture, Animal Industry and Fisheries, but we think the Ministry of Trade, Industry and Cooperatives should be part and parcel of the implementation because you have the standards.

8.0 Committee Observations and Recommendations

The committee observed proposed borrowing worth € 192 million is a UK export finance facility from Citibank which includes a premium of 12.78 per cent. The minister's brief Parliament estimates the premium to be equivalent to € 24,660,237 million. This implies that the total external financing required for the project is estimated to be € 168.299 million.

The committee noted that 12.78 per cent of € 168.299 is equivalent to € 21.51 million which is € 3.152 million less than the estimate provided by the ministry of finance. The committee also noted that the premium fee being charged is relatively higher than some of other premiums such as the sinosure insurance recently approved at seven percent.

The committee recommends that government;

- a) undertakes borrowing of up to € 189.81 million rather than the proposed € 192.96 million following the required premium in relation to the project cost;
- b) supplies in a timely manner all documents communicating the negotiated financing costs and terms to facilitate timely processing of loan requests by Parliament,
- c) renegotiates the premium fee to minimise on debt servicing costs.

8.2 Low Absorption of Disbursement of Funds in Past Projects.

The committee notes with concern that, as of December 2024, MAAIF was implementing seven externally financed projects with a total committed value of \$ 720.61 million, yet only \$ 112.78 million had been disbursed, representing an overall disbursement rate of just 16 per cent. This indicates significant project implementation inefficiencies, particularly related to delayed procurement processes, disbursement delays from donors, and weak coordination across agencies. The risk of similar underperformance exists if institutional bottlenecks are not addressed.

The committee recommends that the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) strengthen its institutional capacity to implement its projects efficiently, including establishing a fully staffed and technically competent project management unit with clear timelines, deliverables and performance indicators.

8.3 Project Scope

The committee notes that the project comprises extensive infrastructure development across 69 districts in 13 agro-ecological zones, including national level laboratories, pre-export facilities, veterinary quarantine stations, food safety labs, agro-processing facilities, and training centres.

While the comprehensive scope reflects the urgent need to transform agricultural value chains, the committee notes that such breadth presents a significant coordination and execution challenge, especially in light of MAAIF's previous project performance.

The committee recommends that MAAIF strengthen its project monitoring and evaluation framework by incorporating real-time data analytics and periodic independent audits. This will enable the timely identification of implementation bottlenecks and facilitate adaptive management to improve overall project performance.

Further, MAAIF should invest in targeted capacity building for local implementing agencies to ensure consistent standards and enhance execution quality across the diverse agro-ecological zones.

The committee further recommends that Government ensures coordination with the other ongoing and planned externally financed initiatives in the agriculture sector, particularly under the agro-industrialisation programme to maximise synergies, avoid duplication of efforts and promote efficient resource utilisation.

9.0 Conclusion.

Subject to the observations and recommendations presented above, the committee recommends that the government borrows up to € 189,808,026 million from Citi Bank to finance the proposed Phase 1 of the enhancing agriculture production quality and standards for market access. The Honourable Speaker and Honourable colleagues, I beg to report. We also have a minority from our colleagues as always, but we work together.

We work together, so please, I also beg to lay-

THE DEPUTY SPEAKER: As always, you work together. That is what you meant.

MR MIGADDE: Yes, as always, we work together. That is why I have a copy of the minority report.

THE DEPUTY SPEAKER: Thank you. Hon. Kirumira, just do a summary like the chair has done.

5.34

MR HASSAN KIRUMIRA (NUP, Katikamu County South, Luweero): I thank you, Mr Speaker, and once again, I thank my able Chair for a very good presentation.

However, Mr Speaker, we differed from the committee report on two basic issues. A loan to boost the quality of agricultural products is needed locally and internationally. However, this particular request lacked the minimum standard and we dissented from the main report.

One, because of non-compliance with the Parliamentary Rules of Procedure, and two, the committee did not visit these proposed agricultural interventions as per our core role of oversight. Rule 162 of our rules-

THE DEPUTY SPEAKER: Honourable member, you have reported around three minority reports on that same exact point. Can you go to the second point of non-visiting?

MR KIRUMIRA: This one, particularly, Mr Speaker, when this loan application was brought before our committee, Rule 162 mandates that the committee on agriculture, the sectoral committee, was meant to report on this particular loan and the different agricultural projects for this loan. But that never happened.

If such a rule is violated, it invalidates any approval of this particular request and exposes Parliament to legal redress. Additionally, while processing the loan, Rule 162 emphasises that this committee scrutinises the list of financing options. Again, that was disregarded.

Two, Mr Speaker, our oversight duty as legislators was overlooked while processing this particular loan. Many of the externally financed projects under the Ministry of Agriculture, Animal Industry, and Fisheries are non-performing, and that is a fact, such as strengthening climate-smart agricultural research, seed, and agro-climatic information systems.

Such projects as building a competitive and sustainable seed system have failed because the submitted specifications and designs were delayed in being approved. The market development and linkages project for selected value chains also failed due to the delayed design of the implementation roadmap. Similarly, Mr Speaker and colleagues, projects like the establishment of agricultural mechanisation centres in Buwama, Agwata, Kiryandongo all failed to kick start. Particularly, in the Agwata Mechanisation Centre in Dokolo, Northern Uganda, where the Ministry of Agriculture launched and lied to the President that the centre is operational. It is non-operational, it was abandoned, and the machines are just there. A few police officers are guarding the place in a bushy area. What a waste of taxpayers' money.

For the loan application to be successful, it would be prudent for the Committee on National Economy, in conjunction with the Committee on Agriculture, Animal Industry, and Fisheries, to visit these proposed interventions.

However, because this never happened, the Committee on Agriculture, Animal Industry and Fisheries knows nothing about this loan application. They are not informed about this loan application, and it is a sectoral committee that is mandated to do oversight duties.

Our prayers are that:

1. Parliament does stand over this loan and first receive an input from the Committee on Agriculture, Animal Industry and Fisheries.
2. Both the Committee on National Economy and the Committee on Agriculture, Animal Industry and Fisheries should visit these projects first to ascertain value for money before approving additional funding for these specific interventions.
3. Finally, the agriculture minister should update the House on the performance of all externally financed and funded projects immediately before any other wastage of taxpayers' money.

Thank you. I beg to submit.

THE DEPUTY SPEAKER: Honourable Colleagues, the Committee on Agriculture, Animal Industry and Fisheries has not been stopped from doing its work; please continue.

I put the question that the motion for a resolution of Parliament to authorise the Government borrow up to € 192,959,605.47 from Citibank to finance the proposed Phase 1 of the Enhancing Agricultural Production Quality and Standards for Market Access Project be approved by this House.

(Question put and agreed to.)

THE DEPUTY SPEAKER: The House is adjourned until tomorrow at 2.00 p.m.

(The House rose at 5.39 p.m. and adjourned until Thursday, 30 October 2025, at 2.00 p.m.)