



PARLIAMENT OF UGANDA

PARLIAMENTARY DEBATES

(HANSARD)

OFFICIAL REPORT

SECOND SESSION - SECOND MEETING

THURSDAY, 3 NOVEMBER 2022



PARLIAMENT OF UGANDA

IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

SECOND SESSION - 3RD SITTING - SECOND MEETING

Thursday, 3 November 2022

Parliament met at 2.03 p.m. in Parliament House, Kampala.

PRAYERS

(The Speaker, Ms Anita Among, in the Chair.)

The House was called to order

COMMUNICATION FROM THE CHAIR

THE SPEAKER: Honourable members, I welcome you to today's sitting and commend you for your efficiency and effectiveness in executing the role that you are performing, especially after resuming the session.

This is not to everybody but to those who come to the House and those who are working - there are some who are outside there. However, as I said yesterday, we will do the roll call. However, O.O., thank you for coming. *(Laughter)*

Yesterday, we passed two Bills that had been returned by the President. We have two others at committee level. We have the "Employment (Amendment) Bill, 2022", which was read for the first time on Wednesday, 21 September 2022 and referred to the Committee on Gender, Labour and Social Development. The 45 prescribed days under rule 129(2) elapsed on the 5th of November. I expect the committee to come and either ask for an extension or bring the Bill back to the House for consideration.

The second Bill is "The Legal Aid Bill, 2022" that was read the first time on 28 September

2022 and referred to the Committee on Legal and Parliamentary Affairs. The 45 days prescribed time as per 129(2) elapsed on the 12th of November. I expect these Bills in the House on Tuesday.

I, therefore, ask the chairpersons responsible to ensure that these two Bills are before the House next week on Tuesday and Wednesday, for consideration. This Parliament, as we have always said, will be judged according to our output. That is determined by what we pass in this House. When we relax as presiding officers by not giving you timelines, then we will not be doing our work. Therefore, kindly bear with us. We need the Bills in the House.

Maybe to the Government, too, we still need the Bills in the House. You gave us a legislative agenda of 62 Bills. We have not received them yet. We also have Bills that were passed by this House like the Markets Bill. The prescribed dates have passed. We have not got a response from the President, whether they have been assented to or not. If not, what is the reason behind? Can we have that feedback because the sponsor of the Bill, I think, comes to my office every day seeking it. We need to have it done. I am happy the Minister of Local Government is here.

Once more, I want to thank you for the work you are doing for Ugandans. We can go straight to matters of national importance. Honourable members, yesterday, there was a statement made. We needed a personal statement from Hon. Abubaker, who was said to have said

that there is no Ebola. Can you give your statement? I will subject it to the other people who said you had said, then we will see what to do afterwards.

2.10

MR ABUBAKER KAWALYA (NUP, Rubaga Division North, Kampala): Thank you, Madam Speaker. Let me start by appreciating your gesture to give me space to defend myself as per the allegations that were made yesterday against me. I am here to present my statement as the Shadow Minister for Kampala and a Member of Parliament representing the people of Rubaga North, on the allegations made by the State Minister in charge of Primary Health Care; that happened yesterday on 2 November 2022 on the Floor of the House.

Madam Speaker and honourable members, I rise under Rule 55(2) of the Rules of Procedure of Parliament to offer an explanation in lieu of the misinformation by Hon. Muhanga Margaret - Minister of State in charge of Primary Health Care, that while appearing on a talk show on CBS Radio of Buganda on 1 September 2022, I misinformed the public that there is no Ebola outbreak in Uganda.

First and foremost, I need to establish whether my sister knows Luganda very well because CBS is a radio in Buganda Kingdom, where we present most of our issues in Luganda.

Whereas it is true that I am a regular panellist on CBS FM Radio Luganda talk shows, I have never been part of the said talk show of 1 September 2022 as per the document that was laid before this honourable House yesterday.

As you are aware, the Minister of Health declared the Ebola outbreak in Uganda on 20 September 2022. There is no way whatsoever, I could have participated in a discussion concerning Ebola that was non-existent in Uganda at that time. The so many times that I have participated in discussion on matters of –

THE SPEAKER: What have you just said?

MR KAWALYA: What I have just said is that Ebola was declared in Uganda on the 20th of September. When you consult the document that was submitted by Hon. Muhanga, she said that I was on CBS on 1 September 2022 – *(Interjections)* – it is on record.

There are so many times that I have participated in discussions on matters of national importance. My cardinal role has always been, and continues to be raising awareness and providing alternatives to the Central Government as a Shadow Minister for Kampala.

Madam Speaker, as a country and the world at large, we are still struggling to recover from the negative effects occasioned to us by the COVID-19 lockdown. Let us not put Ugandans back into lockdown as a result of Ebola.

Like I have noted, my plea has always been calling upon the Central Government to avail resources to sensitise the public about the required Standard Operating Procedures.

As we speak, a very big section of Ugandans are still ignorant about the deadly disease. I represent a constituency that has already been affected by Ebola and there is no way I would say, “There is no Ebola in Uganda” when I have even lost two residents from my constituency.

I advise the honourable minister to focus on investing the resources into sensitisation, other than making false allegations against the able, informed and well-meaning Member of Parliament. It is quite unfortunate that a Government minister can come out boldly to give false statements on the Floor of this House against a sober Member of Parliament. If the minister indeed listened to the talk show, let her avail concrete evidence before this House.

My prayers, Madam Speaker, are:

1. The statement made by the honourable minister be expunged from the record of Parliament, and I request the honourable Members of Parliament to be on my side;

2. The honourable minister's intentions should be investigated by this House and the matter be referred to the Committee on Rules, Privileges and Discipline; and
3. The minister should apologise to me in person and the public, for the misinformation said on the Floor of this House, like what she did yesterday.

Madam Speaker, I beg to submit. Thank you very much.

THE SPEAKER: Thank you so much for the statement, as per Rule 55(2) of our Rules of Procedure. We have heard the statement.

Declaring that Ebola was in Uganda on the 20th did not mean that it broke out that day. If what the minister reported was on the 1st of September and you made your statement on the 20th - it is the other way round - truth be told, there was Ebola - whichever date – [*Member rose*] - I have not told you to stand up.

Secondly, the minister made a statement and I made a ruling that we will get the recordings for that day. We will investigate the matter and see what to do after we have listened to all the recordings. We have heard from the minister; we have heard from you. This House will take a decision. We are not going to expunge the record. Let the record be there; yours is also there. We will investigate it.

The minister is not going to come and apologise before we investigate. Maybe, you will be the one to apologise. How do you know? Therefore, there will be no apology from the minister until we have carried out investigations. After that, we will expect an apology from either of you; whoever will be found on the wrong side.

And as much as you say that you are sober, I am also imagining the minister was also sober when she made her statement; and she is also a *Hajat*. Thank you for the statement - we will work on that.

MR AKOL: Madam Speaker, thanks for your ruling. However, you talk about the investigation taking place, I do not know, which committee you are referring the matter to, to carry out that investigation and report.

THE SPEAKER: I am doing the investigation myself. (*Laughter*)

2.18

MR SOLOMON SILWANY (NRM, Bukooli County Central, Bugiri): Thank you, Madam Speaker. From yesterday, when you communicated the issue of roll call to Members of Parliament, some of them have been coming to my office, as a backbench Commissioner, to find out how the exercise is going to happen, given the current circumstances where some Members are attending plenary via Zoom. This is because we are not all supposed to be present in the House.

Therefore, Madam Speaker, I rise to seek your guidance on the Members attending plenary via Zoom and to guide the Clerk on how the roll call will be done. This is because Members are not sure of how it will be done. They cannot all come here because the whips have not released the lists of Members that are supposed to attend the House early. I am just seeking your guidance and more clarity.

THE SPEAKER: Honourable members, I can be able to know who is attending plenary via Zoom and who is not. For example, as I speak, I have the Deputy Speaker, Hon. Milly Babalanda, Hon. Faith Kunihira and Hon. Andrew Ojok on Zoom. There is no other person. If you are going to attend plenary via Zoom, make sure the Office of the Clerk knows about it beforehand. For example, yesterday, Hon. Oshabe said he would be on Zoom and we gave him time to participate. Try to do that early enough because that is what the rules say; you made these rules yourselves.

2.20

MR ATKINS KATUSABE (FDC, Bukonzo County West, Kasese): Thank you very much, Madam Speaker. About three weeks ago, the President of the Republic of Uganda, who also

doubles as the Commander-in-Chief, directed all servicemen and servicewomen to clear road barriers or what we call “roadblocks.”

When going to my community in Kasese District – that is before the Ebola outbreak - I either take the Mubende route or Mbarara Road. Before the Ebola outbreak, I went via Mubende and there was no roadblock or road barrier anywhere, indicating that officers and men had inclined their ears to the word and instructions of the Commander-in-Chief.

However, when I went to Rwimi, almost getting into my district Kasese, I found road barriers. And when coming back through Mbarara, it occurred to me that the entire highway was clear until I went to Katunguru, getting into my community district, Kasese; that is where I found road barriers.

Madam Speaker, like everybody knows, Kasese is part of Uganda. I do not know why roadblocks should be off the road everywhere else in Uganda and in all of the districts except Kasese. This is not only limited to the roadblocks. You are aware, Madam Speaker, and you have received delegations from Kasese - the fish allowed in other markets - the same fish - is impounded in Kasese. While all the borders in Uganda are open, the Kasese–DRC border is the only border that is closed.

When I raised this matter in this Parliament, the Prime Minister was there. She indicated that she was not aware. Madam Speaker, my prayers to the Commander-in-Chief and that is the President -

THE SPEAKER: The Commander-in-Chief works through ministries. Can you give your prayer to a particular ministry?

MR KATUSABE: The Minister for Defence who is in the House. Mr Minister, sir, and also the Internal Affairs minister -

THE SPEAKER: Your *muko* - Hon. Atkins, I know you do not only go to Kasese. What about when you go to Tororo? Do you get roadblocks? (*Laughter*)

MR KATUSABE: Thank you, Madam Speaker. The entire country is off roadblocks, including the eastern region. (*Laughter*) In Kasese, this is something that is shutting down livelihoods because people cannot go to the markets, vehicles and *boda bodas* are impounded for carrying fish that is legally allowed to be sold in other markets but impounded in Kasese.

My prayer is that the minister, who is here, directs our officers and men that before I get to the community this weekend, I should find no road barrier in Kasese.

Two, that the vehicles and *boda bodas* that are impounded for carrying legally allowed fish are released because these people got loans from the banks and every time you hold up their *boda bodas* and vehicles, the banks move on them to sell their property.

Lastly, the Minister for Trade is right here. Mr Minister, we want the fish market on the DRC-Uganda border opened. Thank you very much.

THE SPEAKER: Thank you, Hon. Atkins. Honourable Minister, I am told people are disrespecting the directive of the President. If it is so, can you respond to Hon. Atkins?

2.26

THE MINISTER OF STATE FOR DEFENCE AND VETERAN AFFAIRS (DEFENCE) Mr Jacob Oboth: Thank you, Rt Hon. Speaker and thank you, my brother and honourable colleague -

THE SPEAKER: Hon. Basalirwa, can you leave the minister to make a statement?

MR OBOOTH: I know Hon. Basalirwa is missing me in the Committee on Legal Committee and he has seen me today. I can justify his excitement. (*Laughter*) The issue that has been raised by the honourable colleague is a matter that will need us to investigate why the directive has not been complied with.

I also know that probably it could have been what they call snap roadblocks where, maybe, they are intelligence based and could have been for one or two days.

However, this is a matter that we can investigate and report back, but now that you have raised the concern here, please, on the weekend as you go, you will find the way clear for you.

THE SPEAKER: Thank you. Hon. Bahati, on the market.

2.27

THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (INDUSTRY) Mr David Bahati: Thank you,

Madam Speaker and thank you, honourable, for raising this matter. I will look into the issue of the fish market and report back to the House but action will be taken in terms of opening it for the public.

THE SPEAKER: Thank you. Hon. Bahati, we actually miss you on the Floor. We see you seated but miss you speaking on the Floor.

2.28

MS NAOME KABASHARIRA (Independent, Rushenyi County, Ntungamo): Thank you, Madam Speaker. My issue is on health. In Uganda, we have an estimated number of HIV/AIDS patients of about 1.4 million, out of which 14,000 HIV/AIDS patients are on the third line of treatment.

The doctors know the third line and maybe those who have relatives who are suffering but you understand when I talk of the “third line”. In my constituency, I have people who are on the third line of treatment. A majority of them are unable to afford or even access and continue with the treatments due to high costs involved.

In particular, there is a drug called Raltegravir, which is recommended for treatment of HIV patients on the third line and it is very expensive. It costs around Shs 700,000 for a month. However, this drug is not readily available except at selected centres including TASO, Makerere University, and the John Hopkins University Research Collaboration in Mulago Hospital complex.

The implication is that failure by Government to readily provide anti-retroviral drugs for HIV patients on the third line treatment leaves patients with little hope of health. Since this drug, which I have mentioned is essential in suppressing the HIV virus to undetectable levels and hence key in preventing further infection, its unavailability to the patients makes it difficult to attain zero new HIV infections in the country and partly accounts for the rising number of new HIV cases.

My prayer is that the Ministry of Health conducts an actual census of HIV patients in the country to establish the number of those that are on third line treatment because they seem to be left behind and they suffer because they are few.

Number two is that Government appropriates funds to support treatment of HIV patients on the third line.

Number three is that the Minister of Health takes it as an emergency and lets the National Medical Stores procure this drug. I have mentioned this because I have constituents who have suffered because they cannot manage Shs 700,000 in a month. I beg to submit.

THE SPEAKER: Thank you, Hon. Naome. That is something pertinent.

2.32

THE THIRD DEPUTY PRIME MINISTER AND MINISTER WITHOUT PORTFOLIO (Ms Rukia Nakadama): Rt Hon. Speaker, like you said, it is something really pertinent. Most of our people, not only from her constituency but all over, cannot manage to pay that amount of money for that drug. I am going to bring this to the attention of the ministry so that the national drugstores can get that drug for our patients. Thank you.

THE SPEAKER: When do we get feedback from the Government on that?

MS NAKADAMA: Next week on Tuesday, Madam Speaker.

THE SPEAKER: Thank you. They should give us feedback on Tuesday. Hon. Anthony Akol?

2.33

MR ANTHONY AKOL (FDC, Kilak North County, Amuru): Madam Speaker, I am raising a matter of urgent national importance in reference to school children who are in classes below primary seven.

As you recall, I raised the issue here last week but up to today, there is still a communication from primary schools, saying that tomorrow - on Friday - parents should pick up their children, while the others are sitting for PLE, and then return them on Thursday next week.

My issue of concern is that the Minister of Health updated us yesterday about the situation of Ebola in the country. I see a potential risk that the children who are going in different directions might be infected in the community and at the same time, those who are going to come back to school might bring infections back in the primary schools.

I thought the Minister of Education and Sports would address this issue but it looks like it has not been addressed because up to now, communication is going on. Many parents are getting messages, including myself. I got information that I should pick up my children from school. This is a matter that must be addressed because it is very urgent and it can plunge the country into problems. Thank you, Madam Speaker.

THE SPEAKER: Thank you. Hon. Akol, do you still have babies? *(Laughter)*

MR AKOL: Madam Speaker, my acting last born is in primary five. *(Laughter)*

THE SPEAKER: Yesterday, when they talked about Ebola, it was about the reduction of the infection rate and that is what he is raising. How do we reduce it? Do we need the children at home?

2.35

THE THIRD DEPUTY PRIME MINISTER AND MINISTER WITHOUT PORTFOLIO (Ms Rukia Nakadama): Madam Speaker, I am going to consult the Minister of Education and Sports right now so that I can communicate back before close of business today and get to know exactly what is going on.

Of course, it is dangerous if we are going to bring our children back. That to-and-fro movement can cause a lot of problems in between. So, I am going to communicate. Thank you.

THE SPEAKER: Thank you. Can you communicate and give us feedback before we break off? Of course, that movement is not good for our children. Hon. Faith Nakut -

2.36

MS FAITH NAKUT (NRM, Woman Representative, Napak): Thank you, Madam Speaker. When I visited our people in Napak, a number of livestock farmers complained that there was a disease eating their livestock. The disease had signs of Foot and Mouth Disease.

I inquired from the extension workers who agreed with the farmers. I also inquired from the Minister of Agriculture, Animal Industry and Fisheries and he said he was aware.

Madam Speaker, action needs to be taken immediately, not just in Napak, Karamoja or Teso, but in many parts of the country.

The livestock sector contributes a lot to the economy. Anything that affects it affects our economy. In these difficult times, we must take action when we are required to do so urgently.

My prayers are as follows:

- i) The Ministry of Agriculture, Animal Industry and Fisheries should urgently make an assessment and provide vaccines for all the livestock in Uganda;
- ii) The Ministry of Agriculture, Animal Industry and Fisheries provides guidelines for the isolation of the animals that are

already sick so that we do not force them into a lockdown, given the economic challenges of locking down that sector;

- iii) That Parliament considers providing resources for routine vaccination of our livestock so that when we have a situation like this, we do not come back to square one. The minister of agriculture highlighted to me that they have challenges – maybe financial – so, Parliament should provide resources required for the vaccination of livestock such that our farmers do not suffer what they are going through right now –(Interruption)

THE SPEAKER: There is information from Hon. Bosco Ikojo.

MR IKOJO: Thank you, Hon. Nakut. Madam Speaker, what my colleague has said is even affecting Teso subregion, particularly Bukedea, in Kamutur Subcounty. We have had a similar incident where we lost a number of cows.

Actually, this morning, I received information that a tune of 107 cows have died in Bukedea. I request that the ministry acts upon this to save the situation. Thank you.

THE SPEAKER: Personally, I have lost over 50 cows. My Member of Parliament even knows about it and it is a very serious issue. So, we want to hear from the agriculture ministry. What are you doing about Foot and Mouth Disease?

2.40

THE MINISTER OF STATE FOR AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (AGRICULTURE) (Mr Fred Bwino): Thank you very much, Madam Speaker. I thank Hon. Nakut for raising the issue. First of all, it is true that Hon. Nakut raised this matter with my senior colleague, Hon. Frank Tumwebaze. At our meeting as a ministry, he briefed us and we also got reports from various parts of the country about the same.

My response, for now, is that we are going to carry out a thorough assessment, but in the meantime, we have a consignment of vaccines that are going to be delivered by the 10th of this month. However, that particular consignment is not based on a thorough assessment of the extent, as we talk.

Finally, Madam Speaker, we have a proposal that we presented to Cabinet about this particular problem. According to this proposal, the answer to this challenge lies in doing universal vaccination of all the animals in the country, which should be done in three rounds. However, the universal vaccination goes with preventing animals from the neighbouring country from coming in. It involves a lot of money.

The budget that we attached to this proposal is Shs 500 billion – it is so big. We have been advised by His Excellency the President that we need to come up with a sustainable way because such a budget cannot be financed from our national budget.

Madam Speaker, we shall come back with a comprehensive statement on this after we have assessed it. I thank you.

THE SPEAKER: You need to come with the action that you have taken, not a statement. And, between today and the 10th, what will happen to our cows?

MR KYAKULAGA: Madam Speaker, the issue of vaccines is a procurement matter; we cannot receive them before the 10th of this month. Between now and then -

THE SPEAKER: Had you planned for that kind of disease before?

MR KYAKULAGA: Madam Speaker, we planned and this particular procurement is based on that earlier plan.

THE SPEAKER: Is that also under the PDM?

MR KYAKULAGA: Madam Speaker, this is not part of the PDM; it is a different arrangement.

THE SPEAKER: Where is the senior minister of agriculture? We are talking to a minister who doesn't know the value of a cow. Where is the senior minister? This is a very serious matter; it is affecting the cattle corridor. The cows are dying because of Foot and Mouth Disease. You cannot protect people's cows. Yes, let us hear from Hon. Nathan and, then, Hon. Naome.

MR BYANYIMA: Thank you. There is a lot of miscoordination within their ministry. Last Friday, Hon. Tumwebaze was in Mbarara, launching the pesticide for the Foot and Mouth Disease at a large scale. Indeed, he doesn't know. So, is he in order to stand here and misinform this House? Actually, it is proper and fitting that the Cabinet minister comes and tells us what he was launching in Mbarara. People were happy about the drug. I thank you.

MS KABASHARIRA: Thank you, Madam Speaker. I am seeking clarification from the minister because he has said that they are going to assess. Each district has got a veterinary officer and they have records of everything. Do you use them to give you information or are they just staff? I wish you knew how we are suffering. I did not talk – good enough Hon. Nakut brought it up.

However, in Rushenyi, they are not selling anything, yet this is the time when people need money for school fees. I wish you knew how we are suffering so that maybe you think of assessing. You have veterinary people who should give you this information. Thank you.

THE SPEAKER: James? (*Member rose*) You will respond to it.

2.46

MR JAMES KABERUKA (NRM, Kinkizi County West, Kanungu): Madam Speaker, indeed, we can observe the miscoordination. I do not know who the champion of this miscoordination is.

I want to thank you, especially when you brought up the issue of the Parish Development Model. Everybody is thinking and dreaming about the Parish Development Model. Nobody

is thinking about the critical infrastructure that we have in agriculture as well as the critical resources we have in agriculture. They are there thinking about the Parish Development Model, which is a myth - (*Interjection*).

Madam Speaker, whoever says it is not a myth, I am from a constituency where in the 2021/2022 budget that ended on the 30th of June, the money that was given to parishes has never been utilised – and you are telling people they are getting rich. Therefore, tell me whether it is not a myth.

Madam Speaker, I witnessed the launch of the vaccine in Mbarara, but – you can imagine – the colleagues in the ministry are not aware. So, who is the champion of this miscoordination? Is it intended to misguide us? I think we need a bigger discussion because in my constituency, in the subcounty of Butogota, last night all the goats that came from Kabale were infected and they all perished.

So, we need a bigger discussion, Madam Speaker, on this matter. Thank you.

THE SPEAKER: Clerk, put this for Tuesday; it must be a matter. (*Applause*) We cannot afford losing our few cows. Can I have information about the students?

2.49

THE THIRD DEPUTY PRIME MINISTER AND MINISTER WITHOUT PORTFOLIO (Ms Rukia Nakadama): Madam Speaker, the minister will come in with a statement on Tuesday so that we get a bigger discussion as honourable colleagues have requested.

Secondly, about the issue of our children who are supposed to be picked from schools, a circular was given to all boarding schools, instructing teachers not to request parents to pick their children. Also, parents should desist from picking children from boarding schools.

Those who are in day schools are supposed to remain home during the two days of the PLE. Soon, the Ministry of Education and Sports will give a statement on this. I thank you, Madam Speaker.

THE SPEAKER: I am told the students are supposed to be picked tomorrow. Is that true? No, there is a circular that the minister is laying on the Table. Honourable members, some order.

MS NAKADAMA: Madam Speaker, I would like to lay this. Should I read it first?

THE SPEAKER: Yes, read it.

MS NAKADAMA: *“To head teachers of all primary schools with boarding sections and proprietors of all private primary schools with boarding sections*

Management of non-candidate classes during Primary Leaving Examinations

Reference is made to our Circular No.22/2022 issued on 28 October 2022 which, in addition to suspending school visitation days and leavers' parties, discouraged nonessential trips out of the school by learners in boarding institutions.

In spite of the above clear guidance, we have learnt that some primary schools with boarding sections are asking parents to pick their children in classes below Primary Seven for a break during the Primary Leaving Examinations, scheduled for 8 and 9 November 2022.

This is inappropriate and demonstrates lack of appreciation of the current public health emergency arising from the outbreak of the Ebola Virus Disease and the need for effective implementation of the necessary infection, prevention and control measures.

The purpose of this circular, therefore, is to direct head teachers and managers of all primary schools with boarding sections to desist from asking parents to pick their children in non-candidate classes for a school break during the PLE.

Arrangements should be made to keep the concerned learners in the boarding facilities for the two days of PLE. The children in day schools may remain home on the two days when PLE is being conducted.

By copy of this circular, all Resident District Commissioners, Chief Administrative Officers, District Education Officers and District Inspectors of Schools are requested to ensure that primary schools comply with the above directive. Signed, the Permanent Secretary, Ministry of Education.”

I lay it on the Table. Thank you.

THE SPEAKER: Thank you. Can I have a copy? Honourable Members, you have heard the circular. Hon. Akol, what do you say?

2.53

MR ANTHONY AKOL (FDC, Kilak North County, Amuru): Madam Speaker, I had a very short meeting with the Government Chief Whip and he gave me a copy of the circular, which has been read by the Prime Minister. Unfortunately, the reference is talking about Circular No.22 of 2022, that talks about stopping visitation in schools during this term because of Ebola. That means something is going wrong in the middle, which needs to be crosschecked. Thank you.

THE SPEAKER: Honourable members, there is no contradiction. It is saying that on top of that Circular No.22 of 2022, we are also stopping the pupils from being picked from school during this exam time. This is to caution all the head teachers not to release the children who are in boarding section. They should stay at school as per the circular from the ministry to avoid the infection rate from escalating.

2.55

MR FRANCIS MWIJUKYE (FDC, Buhweju County, Buhweju): Thank you, Madam Speaker. I have been interacting with very many women in this country - *(Laughter)*

THE SPEAKER: Honourable members, he is a member of UWOPA and also represents women in his constituency; so, let him report about the women. *(Laughter)*

MR MWIJUKYE: And of course, I am married. I have also interacted with women leaders and women activists from various NGOs. The

matter of national importance I have is that these women are concerned about the women councils. If you can recall, in February 2022, the Electoral Commission issued a roadmap for women councils, following which, they recruited subcounty and parish supervisors and village election officials.

Later, this process was halted by the Electoral Commission. Right now, the term of office for these councils has expired. It expired on the 23rd of August this year. These women leaders are hopeful that the 11th Parliament is people-centred, pro-people and pro-women. They are also hopeful that there is a Speaker, who is a woman. They are very hopeful that we have a Prime Minister here and her deputies, most of whom are women. They are very hopeful that there are very many district women representatives.

Therefore, we have the following prayers:

1. Through the Ministry of Justice and Constitutional Affairs, the Electoral Commission should inform this House of the fate of the women council elections.
2. We also need to understand how the Shs 15.6 billion that was released to the Electoral Commission was used if this process did not take place.
3. Finally, what is the fate of the supervisors and the electoral officials who were recruited and have never been paid?

I so pray.

THE SPEAKER: Thank you very much, member of UWOPA, who loves the women very much. The women of this country want those elections to take place; we were all prepared to have them. I was also standing for a position; I even travelled from here to Bukedea, wasted my fuel then the next day they said there were no elections. What happened and what is your plan, as Government?

2.58

THE THIRD DEPUTY PRIME MINISTER AND MINISTER WITHOUT PORTFOLIO (Ms Rukia Nakadama): Madam Speaker, it was a countrywide programme that everybody was concerned about. I appreciate the honourable colleague, who is also a member of UWOPA, for bringing up that issue.

We did not have enough money to hold the women council elections. The Minister of Justice and Constitutional Affairs is going to give us a detailed programme of how we are going to handle the elections - I think soon.

THE SPEAKER: The other question was: What happened to the Shs 15.6 billion that was released? Can we have accountability since the activity never took place?

MS NAKADAMA: Madam Speaker, that is why I said that we are going to get detailed information on how that money was used - accountability and how we can get more money so that elections are held. Thank you.

THE SPEAKER: Honourable members, value for money. If no activity took place, how can you spend any money? Can we have accountability; we need a record of what happened to that money. On Tuesday, we need a report from the justice ministry on what happened and the persons responsible, and where the money went.

3.00

MS CHRISTINE APOLOT (NRM, Woman Representative, Kumi): Thank you, Madam Speaker. I appreciate the advocate of women. The women councils have work to do, including mobilising women for UWEP programmes. Now that their term of office expired - I was in my district and the chairperson, district women council asked that since the elections have not taken place and their term of office expired, what can the Ministry of Gender, Labour and Social Development do. If they went ahead right now to do anything, it is irrelevant and cannot be considered.

THE SPEAKER: It is actually illegal.

MS APOLOT: I, therefore, want to find out whether we can have a provision where the minister of gender can make some write-up across the country, so that these women are given some time to first continue pursuing the women activities before elections are conducted.

THE SPEAKER: That will come on Tuesday when they are presenting the document. First of all, we cannot fail to have money for women. How can you, with all these women in this House? Whether it means passing a supplementary budget for women elections, we shall do it. Hon. Hillary, do you want to talk about the same after I have ruled on it? Commissioner? - Commissioner is a custodian of the rules. You know we like you very much.

3.02

MR HILLARY KIYAGA (NUP, Mawokota County North, Mpigi): Thank you very much, Madam Speaker. With the heavy rains, one of the health centres in my constituency called Kampiringisa Health Centre III was unroofed. We had the opportunity to host the Prime Minister together with all the ministers in Mpigi and we raised the issue. However, for two weeks now, nothing has been done. As we talk, they are operating under trees.

Therefore, my prayer is that we need a temporary shelter for this facility, where health workers can operate. It is an Ebola season and you can imagine what is going on with the health centre. The buildings are too weak; so, we need a permanent structure now because these buildings were constructed during the Obote time.

Kampiringisa is a rehabilitation centre where our children are being looked after; so, you can imagine the kind of emergency that this health centre has. I beg to move.

THE SPEAKER: Hon. Teddy had the same issue. Please use the microphone so that you do not say that I denied you a chance to speak.

3.04

MS TEDDY NAMBOOZE (NUP, Woman Representative, Mpigi): I do appreciate your indulgence, Madam Speaker. My prayer too is that the Ministry of Health, together with the Office of the Prime Minister, should come together and offer a temporary solution for that cause. Thank you.

THE SPEAKER: They are from the same constituency, so, it is okay. You can sit. They are raising the same issue and this is directed to the Ministry of Health. Let us get a response from the Rt Hon. Prime Minister.

3.05

THE THIRD DEPUTY PRIME MINISTER AND MINISTER WITHOUT PORTFOLIO (Ms Rukia Nakadama): Sorry to our people who are not getting proper services because of what happened to that building.

Madam Speaker, I am going to call the ministry in charge to see if they can at least put up a temporary structure for our people to receive health services, as we look for a permanent solution. I thank you.

LAYING OF PAPERS

1) THE ANNUAL MACROECONOMIC AND FISCAL PERFORMANCE REPORT FOR FINANCIAL YEAR 2021/2022

3.06

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi): Madam Speaker, I beg to lay on the Table the Annual Macroeconomic and Fiscal Performance Report for the Financial Year 2021/2022.

THE SPEAKER: Thank you. Honourable members, the appropriation function of the Legislature comes with the responsibility to monitor and track the impact of the monies that we allocate to specific government programmes and for interventions. The budget that is appropriated by this House has specific

monetary and fiscal objectives. These are the fiscal policies, which are being used by the Government in spending and taxation to influence the economy. Let us receive this report and we will forward it to the Committee on Budget for scrutiny.

I interest all of you to have a look at this report for your own consumption so that when we come back to debate it, you do not debate it on hearsay; you debate from an informed point of view.

There was supposed to be a statutory instrument on the regulations of Ebola in Uganda. Can we have it laid on the Table? Remember, on Tuesday and yesterday, we discussed the statutory instrument, as a matter that was raised, and is causing illegality. An instrument was supposed to be laid.

3.08

THE THIRD DEPUTY PRIME MINISTER AND MINISTER WITHOUT PORTFOLIO (Ms Rukia Nakadama):

Madam Speaker, let me consult and report to the House. Thank you

THE SPEAKER: Rt Hon. Prime Minister, what have you just said?

MS NAKADAMA: Madam Speaker, it will be laid on the Table next week.

THE SPEAKER: Honourable members, failure to act on what the House agrees upon is contempt of Parliament. I would like to ask the Prime Minister to excuse herself and go and get the instrument. As we proceed with other things, please, call and find out where the instrument is. We want it laid here on the Table today.

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE ON PUBLIC ACCOUNTS, LOCAL GOVERNMENT, ON THE REPORT OF THE AUDITOR-GENERAL FOR THE FINANCIAL YEAR 2020/2021 ON FOUR DISTRICT LOCAL GOVERNMENTS AND TWO MUNICIPAL COUNCILS

THE SPEAKER: [*Hon. Atkins Katusabe rose*] Hon. Katusabe, I will not give you time to talk. Let us move on. I am waiting for the report from Hon. Mapenduzi.

Honourable members, as you recall, the chairperson, on Tuesday, had started presenting the report and we adjourned prematurely because of the absence of some ministers from the sector where the report falls. It is our obligation, under Article 163 of the Constitution, where we are bound to have these reports presented in the House. These are the Auditor-General's reports that will require a treasury memorandum within six months. Honourable chairperson, can you present your report?

3.12

THE CHAIRPERSON, COMMITTEE ON PUBLIC ACCOUNTS - LOCAL GOVERNMENT (Mr Ojara Mapenduzi):

Thank you very much, Madam Speaker. On Tuesday, before you guided on how we should proceed, you had already granted me the permission to lay on the Table, the minutes and the report of the committee. And indeed, I laid those documents.

Madam Speaker, I had also requested, through you, the House to allow me to skip some parts, especially the parts on cross-cutting and general issues, which I consider to be a repetition since I had already presented that after you gave me the permission.

I request that I move to page 28 where I can look at specific local government entities.

Madam Speaker, because you emphasized that the honourable minister needed to be here, allow me, for purposes of emphasis, to start

from vote 582 on page 28, which is Buikwe District Local Government, which had an unqualified opinion.

Query one looks at the payment of salaries, pension, and gratuity. And just briefly under that, it specifically looks at the absorption of funds where the audit report revealed that Shs 15,040,000,000, representing 93.1 per cent, was spent out of the total of Shs 16,150,000,000, resulting into unabsorbed balance of Shs 1,110,000,000.

That amount was returned back to the Treasury because it was not spent.

Madam Speaker, the committee observed that the money that was not spent was majorly meant for paying secondary school teachers. And the committee observed that unfortunately, the Ministry of Education and Sports had not deployed those teachers who should have been paid.

We also noted that part of the money returned was meant for the recruitment of staff. Accordingly, the committee has come up with recommendations as follows:

- (i) The Permanent Secretary in the Ministry of Education and Sports should ensure that recruitment and posting of secondary school teachers is expedited to save the Local Government entity from returning funds meant for salaries to Treasury; and
- (ii) The accounting officer should ensure that the recruitment to fill the vacant critical positions is conducted to enhance service delivery and avoid the return of funds to the Consolidated Fund.

Query No.2 was about the payment of salaries using the wrong scales. Here, the committee detected that the entity used the wrong scales for payment and as a result, about seven staff were overpaid by a tune of Shs 6,542,796 while 24 staff were underpaid by a tune of Shs 20,566,092.

Madam Speaker, the committee noted that payment of staff salaries based on wrong salary

scales was indicative of fraudulent actions, and a breach of subsection (B-a)(6) and (7) of the Uganda Public Service Standing Orders, 2010.

We also noted that there was reluctance by the accounting officer and the Human Resource Officer in updating annual increments on the salaries of the staff.

As a result, the committee gave recommendations as follows:

- (1) The accounting officer and the Human Resource Officer be held personally liable and reprimanded for failing to update increments on the salaries of staff leading to underpayment.

Here, we particularly pointed out that their actions contravene the provision of subsection (B-a)(6) and (7) of the Uganda Public Service Standing Orders, 2010. The officers - Mr Ntulume George and Sebalya Hadijah - should be reprimanded.

Again, on query No.3 on the delayed deletion of staff from the payroll, the audit report noted that Shs 4,697,808 was wrongly paid to two staff who had retired. The committee observed that the deletion of staff from the entity's active payroll was a violation of subsection (B-a)(12) of the Uganda Public Service Standing Orders, 2010, which states that Payment of salary to public officers be stopped immediately they cease rendering services to Government under whatever circumstances, including death.

Therefore, the committee recommends that the accounting officer should ensure the full recovery of all the funds that were paid.

The committee further recommends that the Permanent Secretary and Secretary to Treasury should reprimand the accounting officer and hold him personally liable for causing financial loss to Government.

Under the management of payroll deductions, the committee noted under, query 2.1, the over and under-remittances of deductions. The audit report revealed that whereas Shs 2,999,737,881 was deducted from employees' salaries to be remitted to different beneficiaries, only Shs

2,962,441,829 was remitted, leading to an over and under-remittance of Shs 73,052 and Shs 28,369,104, respectively.

Madam Speaker, the committee noted that there was an under remittance of Shs 28 million to different beneficiaries, affecting the operations of those entities.

The committee recommends that the accounting officer carries out reconciliations before remitting the said money to the beneficiaries to avoid underpayment and overpayment.

Query 2, under that, talks about unauthorised loan deductions, where the audit report noted that the district made unauthorised loan deductions totaling to Shs 56,120,313, from 23 employees that neither had letters of undertaking nor existed in the active deduction or my-approval reports on the Payroll Deduction Management System (PDMS) operated by Payroll Consult Africa.

Additionally, loan deductions relating to 23 employees did not have evidence of consent by the said employees. The accounting officer gave his part of the story but the committee noted that all the loan guarantee letters originated from the banks, hence putting the employees at the mercy of the bank, which is contrary to the provisions of the law.

There were also no copies of the loan guarantee letters available. As a result, the committee recommends that the accounting officer or the entity plays a central role in the initiation, processing and approval of all loan deductions.

As such, we recommend that the accounting officer should ensure that all loan deductions are backed by adequate documents.

Madam Speaker, under that we have another query, which is delayed or non-remittance of deductions to UCLA and UBA.

The audit report noted that deductions to UCLA and UBA were not remitted concurrently with salary payments for five months, with delays ranging from five to 14 days.

The committee observed that corrective measures were undertaken and the committee recommends that the accounting officer should ensure that all payments and deductions are done concurrently and promptly.

Madam Speaker, the next query is delayed access to the payroll. The audit report noted that 10 newly recruited employees delayed to access the payroll, with delays ranging between one to six months.

The accounting officer gave his part of the story but the committee observed that by keeping the newly recruited staff without accessing the payroll for six months, the accounting officer and the human resource officer failed to perform their duties in guiding and supporting these staff.

The committee noted that the newly recruited staff, however, accessed the payroll later on after six months. Accordingly, the committee recommends that the accounting officer and the human resource officer be held personally liable for the failure to have the newly recruited staff access payroll for more than six months, contrary to the provision of subsection (B-a) (11) of the Uganda Public Service Standing Orders, 2010.

Madam Speaker, under delayed access to pension payroll, the audit noted that 22 pensioners delayed to access pension payroll with delays ranging from seven to 24 months. The accounting officer gave his part of the story.

The committee made the following observation; that although the said pensioners had challenges and delays in accessing the payroll, actions had been taken. The pensioners stayed without accessing pension payroll for about 24 months, contrary to paragraph 5.1 of the Establishment Notice No. 1 of 2020.

Delayed access to pension affects the wellbeing of the retirees as well as accumulation of pension arrears and as a result, the committee made the following recommendations:

1. The accounting officer and the human resource officer be held personally liable for failure to have the pensioners access pension payroll for two years, contrary to paragraph 5.1 of the Establishment Notice No. 1 of 2020;
2. The accounting officer should ensure that all pensioners promptly submit their documents in order to ensure expeditious access to the pension payroll.

Query 4, Madam Speaker, looks at misclassification of salary, pension and gratuity expenditure. The audit report noted that payments amounting to Shs 55,352,971 were charged on amount salary codes of 211101 instead of the prescribed pension code of 212102.

The accounting officer gave his part of the story and the committee gave the recommendation as follows:

1. The committee observed that misclassification of funds contravenes section 7.10.3 of the Treasury Instructions 2017, which provides for a uniform budget classification and execution using the chart of accounts.

Madam Speaker, the committee therefore recommended that the PS/ST should reprimand the accounting officer for contravening the provision of section 110(3) of the Treasury Instructions 2017.

The accounting officer should also desist from misclassifying expenditures.

Query 5 looks at internal control weaknesses.

Madam Speaker, under query 5.1, we looked at monthly wage, pension and gratuity performance analysis and remittance of quarterly returns to Ministry of Finance. We observed that failure to submit returns leads to accumulation of arrears and under absorption of wage, pension and gratuity.

The district did not submit the report for Financial Year 2020/2021 contrary to paragraph 2.1 of the Establishment Notice No. 1 of 2020. As a result, the committee recommended that the accounting officer should strengthen internal control measures by submitting quarterly returns in compliance with the Establishment Notice.

Query 5.2 - payment of salaries and pension and gratuity of IPPS

Madam Speaker, the audit report noted that 180 pension and gratuity payments totalling Shs 95,481,460 were not paid through IPPS. The accounting officer gave us his part of the story but the committee observed that payment of IPPS was irregular and contrary to paragraph 4.5 of the Establishment Notice No. 2 of 2019. The committee also observed that payment of IPPS can be used as a conduit to pay non-existent pensioners and staff, hence loss of funds.

As a result, the committee gave the following recommendations:

1. That the accounting officer and the human resource officer be held personally liable for breach of the guidelines as stipulated in paragraph 4.5 of the Establishment Notice No. 2 of 2019;
2. The PS/ST should reprimand the accounting officer for making payments of IPPS, which is contrary to the provisions of the law.

Query 5.3, validation of employees' pension and beneficiaries on the IPPS against the NIRA interface

The committee observed that the verification forms and copies of verification cards of nine staff were not on the file. The committee also observed that much as the verification forms and copies of the verification cards were not on the files, some measures had been taken.

As a result, the committee recommended that the accounting officer should ensure that at all times, verification forms are filed in the respective officers' personal files.

Query 6 – Receivables

The audit report noted unrecovered advances from the youth and women groups amounting to Shs 597,864,391. The committee observed that the district had developed and rescheduled the recovery period to challenges faced during COVID-19 lockdown. Much as the groups received the funds, there was no sign that the groups had the capacity to repay these monies they received.

As a result, the committee recommends that:

1. The accounting officer should ensure the development of a more effective recovery mechanism of the YLP and UWEP funds; and
2. The Ministry of Gender, Labour and Social Development should re-examine the implementation of YLP and UWEP in order to save future interventions.

Query 7: Implementation of the approved budget

Madam Speaker, we noted that the local Government entities performed poorly and the reason given was that the local Government entities generally across the country were affected in the financial year under review as a result of the COVID-19 lockdown period.

As a result, the committee recommended that:

1. The accounting officer should ensure the effectiveness and operationalisation of the revenue enhancement committees; and
2. The accounting officer should develop effective mechanisms to deal with revenue leakages and spending at source.

Madam Speaker, on transfers from other Government units, we noted in the audit report that the districts had budgeted to receive Shs 3,722,714,774 as transfers from other Government units. However, the entity only received Shs 1,966,083,581 which is 53 per cent of the total money budgeted.

The committee observed that the shortfall in funds received affected implementation of so many programmes that had been planned. As a result, we recommended that the accounting officer should develop mechanisms to widen their local revenue generation base to avoid over dependence on external financing.

Madam Speaker, we also looked at off-budget support - and to cut it short - we noted that off-budget support amounting to Shs 1,460,725,115 was received for result-based financing from the Ministry of Health and Makerere University Walter Reed Project.

It was noted that these funds were not provided for in the budget approved by the district. The accounting officer gave his part of the story but the committee observed that these funds are channelled directly to health facilities' accounts without going through the district collection accounts, rendering it difficult to be captured in the district budget.

The committee recommended that the Ministry of Finance, Planning and Economic Development should mainstream the disbursement of result-based financing through the normal planning and budgeting cycle to avoid off-budget receipts.

We also looked at query 8 - the missing land title. The audit report discovered that verification of the district assets revealed that the original copy of the land title for Plot 18 Kyaggwe, Block 564, land at Nansagazi Landing Site measuring 7.6 hectares was missing from the safe.

Madam Speaker, the accounting officer - and I want to emphasise this - explained to the committee that:

- i) In 2018, the district signed an agreement with a company called M/s Bless to Bless to avail 7.6 hectares of land and in return, this company would put a satellite town at the landing site;
- ii) At the time of the audit, the title was with M/s Bless to Bless who later on availed it to the district; and

- i) The company was given the land for 49 years effective from 15 October 2018 and was expected to complete the said project by 15 October 2023. However, since then, we noted that there was not much development on the land as squatters were also posing challenges to the development.

MR OJARA MAPENDUZI: I will provide that, Madam Speaker.

THE SPEAKER: We want the names of all the people who have done whatever is being said. The chairperson does not have powers to commit the Government to such.

The committee made the following observations:

MR OJARA MAPENDUZI: Thank you, Madam Speaker. That is exactly what the committee noted.

- i) There were two signatories on the agreement, that is, the accounting officer and the district chairperson, who illegally signed yet he is not the custodian of the district property;
- ii) The district was not availed with a copy of the proposed plan for the satellite town;
- iii) The district signed the agreement without ascertaining the capacity/capability of M/s Bless to Bless in the execution of this development.
- iv) The agreement between Buikwe and M/s Bless to Bless contravenes Section 34(1) of the Public Finance Management Act.

We also recommend that the district leadership should take all the necessary measures to repossess the land and ensure that the land is free from any encumbrances.

Madam Speaker, the next is Vote 779: Nansana Municipal Council, which also has an unqualified opinion.

Under query 1.0, we looked at the payroll management at the municipal council and query 1.1 is the payment of salaries, pension and gratuity.

As a result, the committee made the following recommendations:

- i) Absorption of funds

The audit report noted that Uganda Shs 9.3 billion representing 97 per cent was spent, out of the total Shs 9.6 billion, resulting in unspent balance of Shs 278 million, which was returned back to the Treasury.

- i) This agreement be considered null and void and the land reverts back to the district.
- ii) Political leaders should refrain from committing Government property as the binding document is the responsibility of the accounting officer as the custodian of Government property.
- iii) The district leadership should take all the necessary measures-

Madam Speaker, the committee observed that there was laxity on the side of the accounting officer in ensuring that no funds were swept back to the Consolidated Fund.

We recommend, as a committee that the PS/ST should reprimand the accounting officer and hold him personally liable for failure to implement the recruitment plan as required, leading to the return of unspent monies to the consolidated fund.

THE SPEAKER: Who was the chairperson?

MR OJARA MAPENDUZI: The former Chairperson of Buikwe District Local Government.

THE SPEAKER: That is Nansana.

THE SPEAKER: What is his name?

MR OJARA MAPENDUZI: Nansana Municipal Council. This particular accounting officer is Mr Francis Byabagambi. The human resource officer is Ms Olga Nakalembe.

The committee also recommends that the accounting officer should ensure that all the approved plans are implemented within the approved period to avoid the entity from returning money or funds to the Treasury.

Query 12: Overpayment of salary

The audit report noted that an overpayment of Shs 2,494,859 was made. The committee observed laxity on the side of the accounting officer, hence causing financial loss to the Government through overpayment.

Recommendations

- ii) The PS/ST should reprimand the accounting officer and hold him personally liable for causing financial loss to the government.
- iii) The accounting officer should ensure recovery of the overpaid money amounting to Shs 2,494,859 or make good the loss within three months from the time of adoption of this report.

Query 13: Over and underpayment of pension and gratuity

The audit report noted an overpayment of Shs 12,696,166. The accounting officer informed the committee that he had no proof of overpayment of gratuity and pension.

The committee observed that:

- i) Overpayment contravenes subsection (B-a)(7) of the Uganda Public Service Standing Orders, 2010 hence causing financial loss to the Government.
- ii) The accounting officer had taken no effort to reconcile this anomaly.

The committee provides the following recommendations:

- i) The accounting officer should ensure the reconciliation of the said figures and make recoveries of any monies overpaid

or make good the loss within three months of the adoption of this report.

- ii) The accounting officer should comply with the provision of Section (B-a)(7) of the Uganda Public Service Standing Orders, 2010.

Query 1.4: Wrong computation of gratuity

The audit report noted an overpayment of Shs 11,791,871 and an underpayment of Shs 6,206,585 to pensioners and beneficiaries.

The committee observed that:

- i) The overpayment of Shs 11 million contravenes Section (B-a)(7) of the Uganda Public Service Standing Orders, 2010;
- ii) There was no effort made by the accounting officer to recover the funds that were overpaid; and
- iii) There was also underpayment of the pensioners/beneficiaries amounting to Shs 6 million, as I mentioned.

The committee recommends the following:

- i) The PS/ST should reprimand the accounting officer and hold him personally liable for overpayment hence causing financial loss to the Government.
- ii) Full recovery be made or the accounting officer makes good the loss within three months from the adoption of this report.

Query 2. Management of payroll deductions

Query 2.1. Unauthorised loan deductions.

The audit report noted that management made unauthorised loan deductions totalling to Shs 18,027,312. The deductions were from 15 employees that lacked letters of undertaking, although they existed in the active deductions.

The committee observed the following:

- i) Nansana Municipal Council became a municipal council in 2016, hence the accounting officer's justification for unauthorised deduction is untenable.
- ii) Unauthorised deductions by the district were contrary to Sections 2.1.2 and 2.1.4 of the Service Agreement between the Government of Uganda and Uganda Consumers' Lenders Association and Uganda Bankers Association.

Therefore, we recommend the following:

- i) The accounting officer should be held personally liable for contravening the provisions of this guideline and should be reprimanded.
- ii) The accounting officer should ensure that all the deductions are backed by proper documentation, as required by the set standards.

Query 2.2. Delayed remittances of deductions to UCLA and UBA

The audit report noted that the municipal council made payroll deductions to UCLA and UBA, but these were not remitted concurrently with salary payments.

The committee observed that:

- i) Delays in remitting deductions to these bodies could result in unnecessary default charges on employees; and
- ii) The entity failed to remit the deduction concurrently contrary to Paragraph 4.6.1 of the Establishment Notice No.2 of 2019.

Therefore, the committee recommends that the accounting officer should ensure that payments and deductions are done concurrently and promptly.

Query 2.3. Non-deductions of PAYE from political leaders

The audit report noted that the municipal council did not subject political leaders gratuity totalling Shs 10,408,800 to the computation of PAYE in IPPS, leading to an under deduction of Shs 3,122,640.

The committee observed that although deductions of PAYE for political leaders were mandatory, the accounting officer had not effected the deduction, contrary to Section 19(1)(a) of the Income Tax Act.

The committee recommends the following:

- i) The accounting officer recovers the amount in question from the affected political leaders or makes good the loss within three months from the time of adoption of this report.
- ii) The PS/ST should reprimand the accounting officer and hold him personally liable for failure to perform his duties in line with Section 19(1)(a) of the Income Tax Act.

Query 3: Access to payroll

3.1. Delayed access to salary payroll

The audit report noted that three newly recruited/transferred employees delayed to access payroll with delays ranging between one and two months. The accounting officer informed the committee that, indeed, the staff had some challenges in their verification credentials. However, corrective measures had been taken.

The committee noted that, indeed, although there were challenges, corrective measures had been taken. The committee recommends that the accounting officer should ensure that all new staff promptly submit their documents in order to access the payroll as early as possible.

Query number 3.2: Delayed access to pension payroll

The audit report noted that 19 pensioners delayed to access the payroll with delays ranging between 31 days and 24 months. The committee noted that although the said pensioners had challenges in accessing the pension payroll, corrective actions had been undertaken.

The committee, therefore, recommends that the accounting officer should also ensure that all pensioners promptly submit their documents in order to ensure expeditious access to pension payroll.

Query 4: Internal control weaknesses

The audit report noted that the municipal council did not prepare monthly wage, pension and gratuity performance analysis and submit quarterly returns on payroll to the Ministry of Public Service.

The committee observed that failure to submit returns leads to accumulation of arrears and under-absorption of wage, pension and gratuity. Also, the municipal council did not submit the report for 2020/2021, contrary to paragraph 2.1 of the Establishment Notice No. 1 of 2020.

As a result, we recommend that the accounting officer be held personally liable for failure to perform his duties in line with paragraph 2.1 of the Establishment Notice No. 1 of 2020.

The accounting officer should also strengthen internal control measures by submitting quarterly returns in compliance with the establishment notice.

Query 4.2: Effectiveness and reliability of the IPPS/NID interface

The committee observed that the interface was weak, an issue that cuts across all local governments. The Ministry of Public Service was frequently introducing new payroll management systems without taking into consideration the capacity of the officers to use

these systems. As a result, we recommend the following:

- i) The accounting officer should ensure adequate capacity building on payroll management; and
- ii) The Ministry of Public Service should develop a user-friendly payroll system and an adequate plan for capacity building for the users.

Query 5: Receivables

The audit report noted that the municipal council reported a receivable balance of Shs 1,780,766,221 in the financial statement. The accounting officer explained that a total of Shs 682,248,488 of these receivables comprised deposits for YLP and UWEP groups, while Shs 1,098,517,733 was accrued local revenue.

The committee made the following observations:

- i) Much as the groups received the funds, there was no sign that these groups had the capacity to repay; and
- ii) The municipal council did not have a clear recovery plan for UWEP and YLP projects, hence the low recovery.

As a result, we recommend the following.

- i) The accounting officer should ensure the development of a more effective recovery mechanism of YLP and UWEP funds; and
- ii) The Minister of Gender, Labour and Social Development should re-examine the implementation of YLP and UWEP in order to save future interventions.

Payables

On payables, the audit noted outstanding payables amounting to Shs 84,603,199 by close of the financial year. The committee observed that efforts were made by the accounting officer to clear these outstanding debts.

We, therefore, recommend the following:

- i) The accounting officer should desist from committing the local government to services they cannot pay for; and
- ii) The accounting officer should ensure that the outstanding balance is budgeted for and cleared to avoid litigation.

Query 7: Implementation of the approved budget

7.1: Existence of strategic plans that are aligned to National Development Plan III

The audit report noted that the entity's strategic plan had not been approved at the time of the audit. The committee observed that there was laxity by the accounting officer in expediting the process of approval of the strategic plan.

The committee recommends that the accounting officer should ensure that the entity complies with the requirements and have its plan in line with the National Development Plan III.

Query 7.2: Revenue performance

Local revenue performance

The audit report noted that the municipal council budgeted to collect Shs 6,165,559,000 during the financial year, but collected Shs 3,833,940,292 only, representing 62 per cent performance –

THE SPEAKER: There is a procedural matter.

MR ENOS ASIIMWE: Thank you, Madam Speaker. I thank the chairperson of the committee, but it looks like most of the observations are more or less generic. The only difference is that they come from different entities. Most of them are about staff payroll, remittance of deductions, unauthorised loan deductions, misclassification of pension and gratuity.

Isn't it procedurally right that he only looks out for specific observations in the different entities and we ignore staff-related observations? They

seem to be the same problems, except for the figures. Thank you.

THE SPEAKER: We cannot ignore this staff-related mismanagement because we want to know the actual persons. These are different entities. Even the figures are different. Why are we in a rush? We are here to work.

MR MAPENDUZI OJARA: Thank you, Madam Speaker, for your guidance. The municipal council had 62 per cent performance. The shortfalls in local revenue collection was Shs 2,326,618,708, representing 38 per cent. The justification for that was, again, related to the difficult COVID-19 period.

The recommendations that we gave as a committee were that:

- i) The accounting officer should be a lot more proactive in ensuring that the local revenue enhancement committee is strengthened; and
- ii) The accounting officer should also ensure that the entity looks for ways and broadens the local revenue base to improve service delivery in the municipal council.

Query 8.1: Performance of the Uganda Road Fund

On the performance of the Uganda Road Fund, the audit report noted that the municipal council had an approved budget of Shs 3,315,118,656, but received Shs 3,013,133,767, resulting in a shortfall of Shs 301,984,889, representing 9.1 per cent. The realised amount included funding under the emergency intervention, amounting to Shs 1.2 billion.

The committee observed that the municipal council received insufficient funds although they were re-voted for the implementation of the undone work.

The committee recommends that the Uganda Road Fund should ensure that funds are provided as planned to avoid interference with the approved work plan of the local governments.

Query 8.2: Status of implementation of planned road works

Query 8.2 (i): Routine manual maintenance

The audit report noted that a total of 16.3 kilometres at an estimated cost of Shs 183 million was planned to be undertaken. However, audit revealed that 16.3 Kilometres were actually undertaken at the cost of Shs 109 million, leading to a saving of Shs 73,298,770.

The committee was availed with supporting documents relating to the savings and utilisation of the funds. Indeed, here, the committee commends the accounting officer and recommends that more efforts be put to ensure value for money and save Government funds in the implementation of programmes.

Periodic maintenance

The audit report noted that a total of two kilometres at an estimated cost of Shs 1,099,966,300 was planned to be undertaken. However, it was noted that Shs 1.1 billion - representing 103 per cent - was spent on two kilometres reflecting over-expenditure of Shs 51,408,546.

The committee observed that the additional money above the approved budget was money saved from the previous expenditure, as I indicated.

The committee recommends that the accounting officer should ensure that supervision is strengthened to ensure value for money.

Underfunding of road works

Review of the Uganda Road Fund work plan indicated that out of the 147 kilometres of municipal roads, only 137 kilometres were funded by the Uganda Road Fund, leaving 10 kilometres unfunded. The audit report noted that most of the affected roads that were not funded required routine mechanised maintenance.

The committee observed that the municipal council is challenged by inadequate funding to facilitate the long road network in the municipality. Therefore, we recommend that the Uganda Road Fund should ensure that funds are provided, as planned, to avoid interference with approved work plans of the local government.

Inspection of implemented roadwork

Query 8.3: Upgrade of Eastern Ring Road

The municipal council undertook phase two and three of the upgrade of the Eastern Ring Road at a contract sum of Shs 1,181,000,000 under emergency intervention, using the force on account mechanism. The works executed involved an upgrade of 1.015 kilometres to bitumen standard, sectional stone pitching an installation of culverts.

The audit report noted that there are some sections of the road that required stone pitching, which were not done. This may lead to deterioration of the affected road section.

The committee observed that the municipal council still has a challenge of inadequate release to facilitate the municipal approved work plan. As a result, the committee recommends that the accounting officer should ensure resumption of work with strict supervision to ensure value for money.

The Youth Livelihood Programme

This indicates the status of recovery under query 9.1.

The audit report noted that during financial years 2016/2017 to 2020/2021, a total of 74 groups were funded to a tune of Shs 568,915,000. However, by close of the financial year, only Shs 95,978,735 had been recovered, leaving an unrecovered balance of Shs 486,336,265.

The accounting officer informed the committee that management had come up with recovery plans, as indicated below - and I refer Members to the observation and recommendations as I

had indicated before as far as UWEP and World Peace are concerned.

Again, it is the same with the Uganda Women Entrepreneurship Programme; on the same page, I refer Members to read through the recommendations because they are the same.

Vote 780: Makindye Ssabagabo Municipal Council

It also had an unqualified opinion.

Query 1.0 is on payroll of salaries, pension and gratuity.

Query 1.1 looks at absorption of funds.

The audit report noted that Shs 4,000,000,000 - that is equivalent to 91 per cent - was spent out of the total money received Shs 4.44 billion, resulting in unspent balance of Shs 421 million.

The accounting officer explained that the under-absorption was partly related to pension and gratuity and the affected individuals delayed to submit relevant documentation, for example, letters of administration, and in some cases, there were disagreements among the beneficiaries. In addition, the under-absorption also arose due to failure to recruit.

The committee observed the following:

- i) There was late recruitment, which was conducted in February, yet the municipal council had budgeted for wages for the whole financial year and, therefore, the staff were underpaid from January to June, leading to money being sent back to the Consolidated Fund.
- ii) There was also no proof that the municipal council had reached out to the affected pensioners' families in a bid to support them and find means of addressing some of the challenges limiting them from accessing pension, payroll, and payment of gratuity.

The committee, therefore, recommends the following:

1. The PS/ST should reprimand the accounting officer and hold him personally liable for failure to implement the recruitment plan as required, leading to return of unspent monies to the Consolidated Fund;
2. The accounting officer ensures that all approved plans, including recruitment, be implemented within the approved period to avoid returning funds to the Treasury;
3. The accounting officer develops a mechanism to reach out and support pensioners to access their benefits without causing unnecessary delays;
4. The accounting officer who failed to ensure timely access and payment of pensioners' benefits be held personally liable and subjected to disciplinary action. Here, the accounting officer that we recommend to be held personally liable is Mr Richard K. Monday. The human resource officer is Faridah Nantege.

Query 1.2: Overpayment of salary

The audit report noted that Shs 8,992,140 was overpaid to nine staff. The accounting officer explained that an analysis was made and it was realised that only three staff were overpaid, and thus, full recovery had been made on the three. The remaining staff were new recruits; thus, no overpayment was made.

The committee observed that as much the municipal council had recovered the overpaid amount, as indicated, the overpayment contravenes subsection (B-a) (7) of the Uganda Public Service Standing Orders, 2010.

Therefore, the committee recommends that:

1. The PS/ST should hold the accounting officer personally liable and have him reprimanded for contravening subsection (B-a) (7) of the Uganda Public Service Standing Orders, 2010; and

2. The accounting officer, going forward, should carry out proper reconciliation before any payments are made to avoid such occurrences.

Query 1.3: Computation of gratuity

The audit report noted that the municipal council had wrongly computed gratuity benefits of four pensioners, thus, Shs 9,709,876 was underpaid. The accounting officer acknowledged the errors in the computation and noted that a review had been carried out awaiting authorisation from the Ministry of Public Service to upload the gratuity areas.

The committee observed that the accounting officer had taken efforts to ensure payment of the arrears through communication to the Ministry of Public Service.

The committee recommends that:

1. The PS/ST should reprimand the accounting officer and hold him personally liable for contravening subsection (L-d) (1) and (2) of the Uganda Public Service Standing Orders, 2010.
2. The accounting officer, going forward, should carry out proper reconciliation before any payments are made to avoid, again, similar occurrences.

Query 1.4: Delayed deletion of staff from the payroll

The audit report noted that Shs 20,892,893 was irregularly paid to nine staff who had retired, transferred services, absconded or even died. The accounting officer explained that there were delays in accessing the posting instructions for the teachers thus the delayed deletion.

The committee observed that:

- (i) The continuous stay on the payroll leads to financial loss to Government thus, the need to put safeguards in place.

- (ii) Management had taken measures in recovering this money that was irregularly paid. And, therefore, the committee recommends that the accounting officer should ensure prompt deletion of staff who have retired, absconded, transferred services or died from payroll to avoid similar occurrences.

Query No.2.0. is on management of payroll deductions. Again, the audit report revealed that unauthorised loan deductions were made, totalling Shs 29,407,510 from 27 employees.

The committee observed that corrective measures were undertaken by the entity and also that all the loan guarantee letters originated from the banks and, therefore, the employees were at the mercy of the banks. They were not being safeguarded.

There were also no copies of loan guarantee letters and as a result, the committee recommended the following:

- (i) The accounting officer or the entity should play a cardinal role in the initiation, processing and approval of all loan deductions.
- (ii) The accounting officer should ensure that all loan deductions are backed by adequate documents.

Again, on page 66, we have, under query No.2.2, delayed remittance of deductions to UCLA and UBA. We observed that corrective measures had been taken. And again, we emphasised that the accounting officer should ensure that actions are taken promptly.

Question No.2.3, non-deduction of PAYE from political leaders. The audit report noted that Shs 3,439,340 gratuity for political leaders was not computed for PAYE and therefore, Shs 3,015,540 was not deducted.

The committee, again, observed that although deductions of PAYE for political leaders was mandatory, the accounting officer had not effected the deductions contrary to the provision of the Income Tax Act.

As a result, the committee recommends that the Permanent Secretary/ Secretary to Treasury (PSST) should reprimand the accounting officer for contravening Section 19(1)(a) of the Income Tax Act hence causing financial loss to Government.

The accounting officer should recover the amount in question from the political leaders affected or make good the loss within a period of three months from the time of approval of this report.

Under query No.3; access to payroll

3.1 delayed access to salary payroll

The audit report noted that four newly recruited staff or transferred employees delayed to access payroll.

The committee noted that although the said staff had challenges in accessing their payroll, corrective measures had been undertaken.

The committee, therefore, recommends that the accounting officer should ensure that all newly recruited staff promptly submit their documents in order to access the payroll timely.

Again, delayed access to pension payroll; the audit report noted that four pensioners delayed to access their pension payroll, the committee observed that although the pensioners were challenged, again corrective measures had been taken.

The committee recommends that the accounting officer, again, should ensure that all pensioners promptly receive their benefits and should be supported to have all the documentation processes concluded in a timely manner.

On salary payment to teachers with inadequate records, the audit report noted that Shs 83,688,411 was paid to head teachers who did not have the necessary academic documents, appointment letters, registration numbers, and minute extracts on their personal files to support the existence.

The committee observed that the accounting officer explained that these were secondary schools, teachers who were appointed and posted by the Ministry of Education and during COVID-19 restrictions, the teachers could not submit the documents.

We observed as a committee that although the anomalies were noted, corrective measures had been taken and the documents were availed.

The committee, therefore, recommends that the accounting officer should ensure that all the requisite documents for appointment of employees are kept on their files.

On mischarges of gratuity expenditure, the audit report noted that Shs 304,575,692 were charged on wrong codes, the accounting officer acknowledged the anomalies and committed himself to take corrective measures.

The committee noted the explanation given and recommended that the accounting officer should at all times ensure that payments are effected using the right codes because anything short of that is a violation of the set standards.

On system challenges, we provided recommendations and I would request members to look through them for the purposes of saving time. On payables Madam Speaker again, under UWEP and YLP, we have provided the same recommendations because recovery is extremely poor as indicated and the recommendations are also outlined.

THE SPEAKER: Clerk, capture the whole report and have it on the *Hansard*.

(The report is hereto appended.)

MR MAPENDUZI: Thank you, Rt Hon. Speaker. On page 73, query 8.2, which talks about local revenue performance, the poor performance is noted resulting from the COVID-19 lockdown as indicated and we have provided recommendations and they are not different from what we had provided before.

Under query 9.1, performance of the Uganda Road Fund, the audit report noted that whereas Shs 1,371,574,000 was approved in the budget, Shs 1,174,566,256 was received, leaving a shortfall of Shs 197,007,744 totalling to 14.5 per cent.

In addition, Rt Hon. Speaker, Shs 1.85 billion was received for emergency intervention, giving a total of Shs 3,024,566,256. Our observation was that although there was a shortfall of 197 million of the approved budget, the entity received additional funding from Government in form of emergency funding.

Therefore, the committee recommended that the Uganda Road Fund should ensure that these funds are provided for as planned and released timely to avoid interference with the approved work plans of the local governments.

On page 74, we provided the details on the status of the implementation of planned roadworks. The audit report noted that 19.1 Kilometres at an estimated cost of Shs 70 million was planned but Shs 152 million was the approved change in the work plan and the money was not available.

As a committee, we observed that it was irregular for the municipality to spend beyond the budgeted amount without the required approvals of the district roads committee and also poor planning.

The fact that the entities spend 100 per cent above the approved budget - their approved budget was Shs 70 million, but they ended up spending Shs 152 million.

The committee recommends that the accounting officer should ensure adequate planning to avoid encroaching on funds that are meant for other activities.

On payment for incomplete works, the audit report noted that 98.9 per cent of the contract sum that Shs 3,534,950,779 had been paid to the contractor yet the civil works on the drainage and walkways were still ongoing.

The Auditor-General also noted a balance of Shs 40 million as deemed to be insufficient to cover the outstanding works and the retention money.

Furthermore, the Auditor General reported that paying for incomplete works was irregular.

Madam Speaker – *(Interruption)*

MR EKUDO: Madam Speaker, under rule 41, it is time for Prime Minister Question Time. Are we proceeding well?

THE SPEAKER: Okay but do you understand the kind of report you are listening to? You do appropriation of money in this House. You appropriate money to communities, districts and MDAs; you need to know how that money is used. *(Applause)* Even the Prime Minister – actually, it is for the benefit of the Prime Minister that she gets to know how these institutions use the money that she gives them.

Issues of time - is that rule entrenched? Honourable member, is it entrenched? Okay, by the powers vested in me, I suspend the rule to pave way for the House to receive the report, but this is with permission from the Rt Hon. Prime Minister. *(Applause)*

MR MAPENDUZI OJARA: Thank you very much, Madam Speaker. For purposes of saving time, again, permit me to give just a summary. I had indicated payment for works that are not complete, as observed by the audit report. The committee observed that the municipality irregularly effected payment for works that were still ongoing contrary to the required accounting and procurement regulations.

The committee recommends that the accounting officers should always adhere to strict accounting and procurement regulations to save the entity and Government from losing money.

Madam Speaker, query 9.4 is about the delayed completion of works. The audit report noted that works had delayed and that there was no evidence availed to show the contract extension beyond the original contract end date.

The committee observed that the contractor had failed to complete the project within the contract period. We further noted the laxity by the project management team to enforce the completion of the said project.

The committee, therefore, recommends that the accounting officers should ensure that the contractual obligations are strictly adhered to.

On Youth Livelihood Programme (YLP), under query 10, again, it gives the status of YLP. We have provided details and the recommendations and observations are not different. I refer you to previous recommendations that we gave, concerning YLP.

Madam Speaker, the next query is about Vote 781 – Kira Municipality; this had an unqualified opinion. Again, under payroll management, we have budgeting for salaries, pensions and gratuity and submission of wage; this is to guide Members, and it is on page 77, for those who are following the report.

The committee made observations that the non-submission of wage estimates in time leads to distortion of budgeting processes. The municipal council did not submit the wage estimates, contrary to paragraph 2.2 of the Establishment Notice No. 1 of 2019.

Therefore, the committee recommends that the PS/ST should hold the accounting officer personally liable for failure to perform his duties. This Accounting Officer is Mr Benon Yiga.

Under absorption of funds, Madam Speaker, the audit report noted that Shs 5.5 billion was spent out of a total of Shs 5.7 billion, resulting into an unspent balance of Shs 160 million. The committee observed that there was no recruitment conducted, leading to the sweeping back of the money to the Consolidated Fund.

Therefore, we recommend that again, the PS/ST should reprimand and hold this accounting officer personally liable for failure to implement the recruitment plan as required, leading to the return of unspent monies to the Consolidated Fund.

We also recommend that the accounting officer should ensure that all approved work plans, including the recruitment plan, are implemented within the approved period to avoid returning funds to the Treasury.

Under query 1.3, on the payment of salaries using the wrong scales; again, we have made recommendations because we observed that this was indicative of fraudulent actions and a breach of subsection (B-a)(6) and (7) of the Uganda Public Service Standing Orders, 2010.

However, again, we observed reluctance by the accounting officers and the human resource officer in updating annual increments on the salaries of staff. Therefore, we recommend that the PS/ST should hold accountable and reprimand the accounting officer and the human resource officer. In this case, the Human Resource Officer is Cissy Nabwami. Both of them should be held accountable for contravening the sections I quoted above.

We also recommend that the accounting officer should ensure that the underpaid staff receives their salary arrears immediately.

The audit report also noted the wrong computation of gratuity, where the municipal council had wrongly computed gratuity benefits for pensioners, leading to an overpayment of Shs 15,675,224 to nine pensioners and underpaid an amount of Shs 39,539,078 to six pensioners. Indeed, the accounting officer acknowledged the anomaly.

So, the committee observed that the accounting officers wrongly computed benefits for pensioners, leading to loss of funds. Also, nine pensioners were underpaid due to the wrong computation of their benefits.

We recommend as follows:

1. The PS/ST should reprimand this accounting officers and the Human Resource Officer, and hold them personally liable for causing financial loss to Government, amounting to 15,675,224;

2. The accounting officers should ensure the full recovery of the overpaid money or make good the loss within three months from the time of adoption of this report;
3. The accounting officers should also ensure that the pensioners underpaid due to wrong computation, receive their arrears with immediate effect; and
4. The accounting officers, going forward, should carry out proper reconciliations before any payments are made to avoid such occurrences.

Madam Speaker, on the delayed deletion of staff from payroll, the audit report noted that Shs 9,760,000 was paid to nine staff who had retired. Again, the accounting officers acknowledged the delays in the deletion of the retired staff from the payroll.

The committee, therefore, observed that the continuous stay on the payroll of these staff leads to financial loss to Government and therefore, the need to put safeguards in place. The accounting officers and the Human Resource Officer failed to delete retired staff from the payroll, contrary to subsection (B-a) (12) of the Uganda Public Service Standing Orders, 2010.

So, the committee recommends that the PS/ST should reprimand the accounting officers and the Human Resource Officer - and I mentioned their names - for causing financial loss to Government, amounting to Shs 9,760,000. They should also make a full recovery of the monies irregularly paid or make good the loss within three months from the time of adoption of this report.

Madam Speaker, query 1.6 is about the management of payroll deductions; they are not different from what I read before and I, therefore, request that Members look through for purposes of saving time.

THE SPEAKER: You can tell us the names of accounting officers who should be held accountable per district.

MR MAPENDUZI OJARA: Thank you, Madam Speaker. For this particular entity, the accounting officers for the financial year under review, again, is the one for Kira Municipality, as I had mentioned. His name is Mr Benon Yiga.

Again, the audit report noted that the municipal did not include the deduction of leaders' gratuity, amounting to Shs 10,051,800 in the computation of PAYE, leading to under-deduction –

THE SPEAKER: Go to a district or municipality and tell us the name of the accounting officer, since we have cross-cutting issues.

MR MAPENDUZI OJARA: Thank you, Madam Speaker. Based on your guidance, I will ask Members to turn to page 83, which looks at access to payroll. We have made observations and recommendations; they are not different from what we made before. I will refer you to page 84, under Delayed Access to Pension Payroll, where 16 pensioners were late to access the pension payroll for 24 months. We recommend that this was in total contravention of paragraph 5.1 of the Establishment Notice No.1 of 2024 for pensioners to take two years without accessing their benefits.

We recommend that the accounting officer and the human resource officer be held personally liable and be reprimanded by the PS/ST. This is the accounting officer I mentioned before for Kira Municipality -

THE SPEAKER: Go to page 92, Mityana District, mention the accounting officers responsible. Go to Butambala -

MR MAPENDUZI: Thank you, Madam Speaker. Vote 568, Mityana District Local Government, which is unqualified opinion and the Accounting Officer at that time or for the financial year under review is Mr Musingye Edward and the Human Resource Officer is Mr Samuel Sekatte.

Madam Speaker, Page 92 looks at absorption of funds where a total of Shs 700 million was unabsorbed. About Shs 500 million of the total was meant for payment of salaries for teachers and it was returned to the Treasury. There were vacant positions that they failed to fill and we gave recommendations that the Ministry of Education and Sports should ensure strict and timely adherence to their recruitment plan to avoid delays in staff recruitment.

We also recommended that the accounting officer I mentioned before be reprimanded and held personally liable for failure to implement the recruitment plan leading to return of monies unspent.

On Page 93, Madam Speaker, over payment of salary, again Shs 2.9 million was overpaid. We gave the same recommendation; reprimand and being held personally liable, but also recovery of the said amount or the officer be forced to pay the money within a period of three months.

On Page 94, under wrong computation of gratuity, again there was an overpayment of Shs 4.4 million and also an underpayment of Shs 2.1 million. We observed that this was in total contravention of paragraph (L-d)(1) and (2) of the Uganda Public Service Standing Orders, 2010 and we recommended reprimand and holding the officers personally liable. We also recommended recovery of funds or the officers will have to make good the losses.

Madam Speaker, on page 95, delayed deletion of staff from payroll where a total of Shs 4 million was paid to 10 staff that had retired or even absconded or died. Again, we noted laxity on the side of the accounting officer and no recovery had been done. We recommended that this accounting officer be held personally liable and reprimanded for breach of Section (B-a) (12) of the Uganda Public Service Standing Orders, 2010 and also recovery be made or the officer make good the loss within three months from the time of adoption of this report.

On Page 96, under Over and Under Remittance, the audit report noted that there was under remittance and over remittance -

THE SPEAKER: Chairperson, these are cross-cutting issues. I said give us the names of the officers of Mityana, then you go to vote 608 and give us the names of the officers. Go to vote 502, give us the names of the officers because we expect a Treasury Memorandum out of this from the ministry.

MR MAPENDUZI OJARA: Thank you, Madam Speaker. I will, therefore, take you to page 109, Vote 608, Butambala District Local Government, which had unqualified opinion. The accounting officer for the financial year under review is -

THE SPEAKER: Who is the accounting officer? Hon. Kivumbi?

MR MAPENDUZI OJARA: The Accounting Officer for Butambala - I would like to make a correction, Madam Speaker. For Mityana District Local Government, the Accounting Officer is Mr Emmanuel Ofwono and the Principal Human Resource Officer is Mr Hussein Mukiibi while for Butambala District Local Government, he is the one I mentioned before; Mr Edward Musingye and the Principal Human Resource Officer, Mr Samuel Sekate.

Madam Speaker, I would request Members to go through the recommendations including reprimand, recovery funds and other suggestions that we provided.

Madam Speaker, based on your advice, I will request that we move to the next entity, Apac District Local Government. For Apac District Local Government, Vote 502 had unqualified opinions and they are very serious issues that I needed to go through, with your permission. But if -

THE SPEAKER: They are crosscutting.

MR MAPENDUZI OJARA: Thank you, Madam Speaker but just to mention this, there are several instances where contractors are paid without finishing and there are lots of irregularities and we have made observations.

Lastly, Madam Speaker, for Apac District Local Government, the Accounting Officer for the financial year under review is Mr Oryano Omonda. It is important to note that this officer is already under interdiction for other related issues and the Principal Human Resource Officer is Mr Sovan Jokene. These are the officers who executed the programmes in the financial year under review.

Madam Speaker, with your guidance, these are the six local government entities covered in this report. Thank you very much.

THE SPEAKER: Thank you very much, chairman. When you listen to the chairperson and look at his report, most of the issues are cross-cutting; there is a mismatch between recruitment plan and the actual recruitment, which is contrary to Section 13, 15(d), 15(1) and 17(3) of the Public Finance Management Act, 2015, which is leading to a total loss of Shs 421 million. That money should have been sent to our Consolidated Fund account.

Secondly, there is a lapse in the payroll management characterised by overpayment of people who have retired, people who have left the service and people who died; all those kinds of people. Maybe, these ghost workers, which is really a breach on paragraphs (L-d) (1), and Section (B-s) of the Public Service Standing Orders, 2010, section 19(1) of the Income Tax Act and the Public Finance Management Act. All these issues are being raised; payment of contractors before they finish the work, the shoddy work -

Prime Minister, the tendency is that once they find that this accounting officer has this problem, they transfer them. That is recycling problems from one area to the other. How we wish, as a House this time round, that you terminate and remove such accounting officers. There are many accounting officers out there who are looking for jobs. However, if you are going to get an accounting officer from Apac and take him to Gulu, he takes the same character to Gulu. Accounting officers, then again, you take him to Kakumiro; so what are you solving? We are losing a lot of money. We

are saying Government is not giving money, yet, it is individuals.

Instead of spending Shs 70 million, you spend Shs 150 without authorisation from the PS/ST. Are we still following the law? Or, are we having an ad hoc kind of work in institutions, not under your leadership? Let us start with the youth.

4.31

MR ALLAN MAYANJA (NUP, Nakaseke Central County, Nakaseke): Thank you, Madam Speaker for the opportunity –

THE SPEAKER: I am sorry if that hurts but he is a youth. He is not an off-layer like Sarah. *(Laughter)*

MR ALLAN MAYANJA: Madam Speaker, my issue is about overpayment. In fact, you have talked about it and you said that these officers should be terminated. They should not only be terminated but also prosecuted. Their property should be put on auction and they should pay back the money.

Lastly, the ministry should create an automated retirement monitoring system. Madam Speaker, we are in a digital era; so, the ministry should change from analogue to the digital world. Maybe, that is how we can overcome these overpayments.

THE SPEAKER: Hon. Allan is making an addition that on top of dismissal, we should prosecute these members and recover the funds lost, which is a very good proposal.

Honourable members, we agreed that these are very direct issues. We want to hear from the minister about the action they are going to take. Remember, we still have other items. We will have a debate from about five Members.

4.34

MR SOLOMON SILWANY (NRM, Bukooli County Central, Bugiri): Madam Speaker, I have always observed the Prime Minister here, the Rt Hon. Robina Nabbanja, fighting Accounting officers who are misusing

Government resources. I think she is one of the champions of fighting corruption. I, therefore, thank her for that. I know she will follow up the recommendations we are going to make very fast to see that these individuals are reprimanded and brought to book because she has always been leading by example.

This time round, we should bite. We talked until we cannot talk anymore. Look at an Accounting officers making payments before a contract work is over. This is outright corruption and impunity.

Honourable members, I seek your indulgence as Parliament to take a strong decision including interdiction of these Accounting officers who are doing a disservice to this country because of the impunity with which *–(Interjections)–* I take the information.

THE SPEAKER: Honourable members, we may not have the mandate to interdict but we have powers to urge the ministry to do it. Let us recommend that this is what should be done. The honourable member is saying that because of what is happening in these districts and municipalities, we, as Parliament should recommend - and we are. If you have relatives there, we are going to do this without fear or favour. The Member was giving information.

MR GILBERT OLANYA: Thank you, Madam Speaker. I would like to thank the honourable member for giving way. I remember Parliament has been recommending the recovery of funds for very many years. Up to now, the minister is not coming on the Floor of Parliament to tell us how much has been recovered.

Therefore, this time, the minister should come and report to Parliament on how much has been recovered from those people. I beg to move.

THE SPEAKER: First of all, we also need a Treasury Memoranda of all the reports we passed. We need action-taken reports. We had tourism and so, we need the action reports by next week. What we are doing here now is like having a talk show. It is business as usual.

MR SILWANY: Lastly, I request the minister to give us timelines on when they are going to take action on these accounting officers. We have taken some decisions as Parliament but the minister may take forever.

THE SPEAKER: The recommendation of Parliament takes immediate effect. Minister, that is why we suspended this debate the other day because we wanted you in the House. We want actions to be taken. This time, we should be seen as a biting institution.

4.37

MS SARAH OPENDI (NRM, Woman Representative, Tororo): Thank you, Madam Speaker. I thank the committee for the elaborate report. However, first, I propose that the cross-cutting issues should have uniform recommendations.

When you read through the report, you will note that some of the issues, for example, the non-taxation of the political leaders' earnings, had contradictions in the recommendations to the Accounting officers. One was that in future, Accounting officers should "ensure" whereas elsewhere, it is reprimanding the Accounting officer. There should be uniformity so that our report is not challenged.

THE SPEAKER: Is the amount also uniform?

MS OPENDI: Madam Speaker, the issue was on the principle that there was a non-deduction.

THE SPEAKER: There is what they call the "materiality concept" in accounting.

MS OPENDI: Madam Speaker, that would require going through the report but that is what I noted. Some of the money was Shs 3 million and others Shs 8 million.

THE SPEAKER: There is no inconsistency in the report. Let us look at the materiality aspect. How much is the value that is being recommended?

MS OPENDI: Thank you, Madam Speaker. The second issue is concealing or failing to

recruit staff and keeping positions for relatives. How I wish the committee had mentioned clearly the names of these local governments where this is taking place.

It is terrible that Government releases funds for the recruitment of staff but then, officers sit on the money waiting for particular relatives to graduate so that they can be recruited. This also should have come out clearly.

I request the committee that moving forward, on those other reports on local governments whose reports they are yet to bring here, clearly state the names. As you can see, when you were reading the report, the names were on a different sheet.

Some of them even had abbreviations. How I wish the names were mentioned in full. If you are talking of “Sarah Opendi”, let it be “Sarah Opendi” not “Sarah A” or “Sarah O”.

The other issue, Madam Speaker –

THE SPEAKER: Maybe – just on that one – there was an abbreviation of “K”: what was “K. Monday”? Can you get us the name?

MS OPENDI: I hope he gets the name. The issue of unauthorised loan deductions from civil servants is a serious matter. The report from the committee states that, for example, there was money lent to a teachers’ SACCO and the teachers’ salaries - whether they took a loan or not - were deducted. This has gone on just like that. I request for the names of these public officers, who deduct salaries from staff - it could be a deal between the Human Resource Department or somebody in accounts and somebody within Public Service.

I would like to propose that this House recommends a forensic audit into these loan deductions. This is because even under the Committee on Public Accounts (Central Government), in the health sector, it appeared. Health workers’ salaries were being deducted, yet, they had never taken loans. It takes time to recover that money.

Another issue is that we are getting the report now: can we look back? Can we request the minister to ensure that if this problem is recurring - maybe in the previous year the same accounting officer did this - this accounting officer should be dismissed? It cannot be a recurring problem from one financial year to the next by the same accounting officer. Otherwise, it becomes business as usual.

Lastly -

THE SPEAKER: Hon. Sarah, you are over talking.

MS OPENDI: Madam Speaker, I request that I conclude with the issue of the Uganda Road Fund. One of the recommendations –

THE SPEAKER: Prime Minister, do you have something to say?

4.43

THE PRIME MINISTER AND LEADER OF GOVERNMENT BUSINESS (Ms Robinah Nabbanja): Madam Speaker, first and foremost, I would like to thank the committee members and the chairperson for a well-elaborated report. (*Applause*) I would like to inform this House that it is not going to be business as usual. You have seen the ministers accompanying me to the field. We have been acting on the same.

Therefore, we have taken note of all the concerns of Members in the report. I would like to inform you, Madam Speaker, that we shall act. We have even recovered some money and we shall follow these recommendations to the letter. We shall come back here and report. Thank you very much.

THE SPEAKER: Rt Hon. Prime Minister, when are you reporting back?

MS NABBANJA: Madam Speaker, I request that you give us two months because there are many institutions. I promise that the results will be glaring.

THE SPEAKER: Of course, the recommendations begin from now and within two months' time -

4.45

THE CHIEF OPPOSITION WHIP (Mr John Baptist Nambeshe): Thank you very much, Madam speaker. What I would like to take issue with – now that the Leader of Government Business has committed to handling – is that the recentralisation of previously decentralised functions has a negative impact on service delivery and even accountability. Most of the devolved functions are being recentralised.

Could you also address the question of a paradigm shift? You have to go back to the approach – that was the objective of the decentralisation policy - to address the issues of the undermined accountability. You know, accountability is a very important principle of good governance. Good governance is lacking in that aspect because of the previously devolved services being recentralised.

THE SPEAKER: Thank you very much. Of course, that will come in the report concerning the action that has been taken – in the Treasury Memorandum.

Rt Hon. Prime Minister, I wish Parliament could rethink the Uganda Road Fund. We, all Members of Parliament, are complaining about the Uganda Road Fund but most of the Members of Parliament are chairpersons of the road committees.

In the next budget - it is a suggestion - if you allocated every district, say, Shs 1 billion for the road fund, where a politician or Member of Parliament is directly a chairperson, I think we would do very well with the roads. You allocate money and it goes directly to the district, where the Member of Parliament is a chairperson of that committee - I am a chairperson of the committee in my district. That way, you will manage the road fund properly.

MS NABBANJA: Madam Speaker, the fact is that Members of Parliament were always denied information. We have discovered this. The President has directed me to also instruct

the Uganda Road Fund to gazette - to put in the papers or to create a data bank where Members of Parliament can access this information and get to know how much money has been given to the districts that are going to construct roads.

Secondly, there are some districts where the chairpersons of the road committees are LC V chairpersons. I have seen it in Mukono, Mpigi, Kabarole and many others.

Therefore, we have agreed with the Minister of Works and Transport that he should write a circular that the chairpersons LC V should relinquish that position to Members of Parliament. *(Applause)*

We have also agreed that the district road committees should sit regularly, without fail. What we have seen is that the districts have been accounting through the chairpersons of district road committees, without the members sitting to decide how to use the money. This must stop.

Colleagues, Members of Parliament, I request that you allot time to your districts to make sure that these roads, that we are all clamouring to have, are worked on. Thank you so much.

THE SPEAKER: I think we will need to amend the Act to that effect.

MS OPENDI: Thank you, Madam Speaker. I would just like to remind the Rt Hon. Prime Minister that this matter of the Uganda Road Fund has been on the Floor, following a motion presented here. Just before we broke off for recess, the Presiding Officer, the Rt Hon. Thomas Tayebwa, directed the Prime Minister to convene a meeting between the Ministry of Works, the Attorney-General and the movers of that motion; we are still waiting for the Prime Minister.

Madam Speaker, even if you ask them to give districts Shs 1 billion, the problem is in the Ministry of Finance. The Uganda Road Fund is starved of the funds it is supposed to receive as per the Uganda Road Fund Act. Unless we follow through what the Constitution states, that money will not be there.

Madam Speaker, would it not be procedurally right that the Prime Minister convenes this meeting as directed, so that we can find a lasting solution to this problem?

THE SPEAKER: Ministry of finance, did you give us the money for the Uganda Road Fund?

MS NABBANJA: Madam Speaker, we had a meeting with the President - I promised a meeting with the concerned members - But also, I would like to give information to Members that after many questions came on this Floor when you were presiding, the President got concerned. He invited us and asked; "Where is the problem? All the money that you have in the Treasury, please, give some to the Uganda Road Fund." And money was given.

The Uganda National Roads Authority (UNRA) was given almost 75 per cent. We even frontloaded and the districts were given 50 per cent of their annual budget. As we speak, they have all paid up to 50 per cent. *(Interjection)* If they are not giving you information, I am now giving it to you.

THE SPEAKER: Honourable members, as we said before, the problem is lack of information. They are not giving us what we are getting in our districts. If we were getting it, we would be able to know what is there and you would be able to do your oversight role. What the Prime Minister is saying is correct; the only problem is that you do not have the information.

MS NABBANJA: Madam Speaker, whatever information I am sharing with this House is facts because there is no need for me to deceive. You instructed me, Madam Speaker, and the President picked interest. It is true our roads are in dire need of renovation, so, we felt it necessary that we provide funds to the districts, which money we have given. Madam Speaker, I request that Members go to their districts and get this information.

THE SPEAKER: Honourable members, on Tuesday, Minister of Local Government, I want all Members of Parliament to get information on how much money they have received in their districts - in their pigeon holes.

I am saying that on Tuesday, we should get information as regards to how much has been disbursed to our districts. The moment you get that, then we will be debating with facts. So, let us first get that.

I now put the question that the report of the Public Accounts Committee (Local Government) on the report of the Auditor-General for the Financial Year 2020/2021 on the four district local governments and two municipal councils be adopted with amendments by this House.

(Question put and agreed to.)

Report adopted.

THE SPEAKER: I urge the Clerk to extract the recommendations, what has been adopted by this House and forward it for action. We expect a report from you within two months and the recommendations must start with immediate effect.

MOTION FOR A RESOLUTION OF
PARLIAMENT TO AUTHORISE
GOVERNMENT TO BORROW UP TO
€ 455.03 MILLION (EQUIVALENT
TO \$464.13 MILLION) FROM THE
STANDARD CHARTERED BANK (SCB)
AND OTHER FINANCE INSTITUTIONS
TO FINANCE THE DEVELOPMENT AND
INFRASTRUCTURE BUDGET FOR THE
FINANCIAL YEAR 2020/2023

THE SPEAKER: Honourable members, as I guided yesterday, the appropriation role of the Legislature especially involves the approval of ways and means of generating revenue to finance the priorities.

As you recall, on 20 May 2022, this House approved a Budget of Shs 48.1 trillion with various funding sources. Domestic revenue was Shs 25.7 trillion, grants were Shs 2.616 trillion, domestic borrowing was Shs 12.97 trillion and external borrowing was Shs 7.1 trillion.

In specific reference to this loan request, the House, in principle – and I repeat: the House, in principle - approved this loan during the

appropriation. What was approved was the loan and what is supposed to be presented now are the terms and conditions of borrowing.

The motion is in furtherance to Article 159(2) of the Constitution of the Republic of Uganda. The Committee on National Economy has exhaustively looked at the loan under rule 155(2). The question would be; why didn't I use rule 155(1)?

I would like to refer you to Rule 8 of the Rules of Procedure - that the Speaker has powers. And I used my prerogative to refer it direct because of the urgency of the matter. And I am doing it because of the issues that we have in our constituencies.

We are saying we do not have money for Ebola, we want to know; after approving, is money going to be given for Ebola? Is money going to be given for the Uganda Road Fund? And based on that, there is a report that is ready but could I have the motion moved by the minister?

4.58

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi): Madam Speaker, I beg to move a motion for a resolution of Parliament to authorise Government to borrow up to €455.03 million (an equivalent to \$464.13 million) from the Standard Chartered Bank and other finance institutions to finance the development and infrastructure budget for the Financial Year 2020/2023.

I beg to move.

THE SPEAKER: The motion is seconded by the Government Chief Whip, by Commissioner James, by the whole of this side, including Hon. Ebwalu and Hon. Mapenduzi. Honourable Members, I just want to re-echo what we approved as Parliament - and I have my brother, the shadow minister here from Butambala.

What we approved during appropriation and what is in the Appropriation Act is external borrowing of Shs 7.16 trillion. What is being

borrowed today; the motion that we have before us is Shs 1.7 trillion, meaning we still have more to borrow. *(Laughter)*

Honourable members, the report is ready. Would you like to speak to your motion?

MR MUSASIZI: Thank you, Madam Speaker. You have already emphasised the salient issues in the motion. I want to suggest that the chairperson of the committee adds on, in the interest of time, so we can move faster.

THE SPEAKER: Honourable members, I am also aware that there is a minority report on this loan borrowing. I do not know whether it is on borrowing or on the terms. One thing I need to advise my - this letter was sent by Hon. Kirumira.

Hon. Kirumira, in the next letter that you write, kindly quote the proper rule. The rule for a minority report is 205, not 202. Of course, a wrong provision of the law does not provide you with a remedy but since it is the first time, I do not want it to be seen like we are suffocating the honourable member. It is his right. We are not suffocating him but it is a correction that we are making. Next time, please, use the right rule; and he will go ahead and present his minority report. Honourable chairperson, can you give us a summary of your report?

5.03

THE CHAIRPERSON, COMMITTEE ON NATIONAL ECONOMY (Mr Bosco Ikojo): Thank you very much, Madam Speaker. Before I go through the report, allow me to lay the minutes of the Committee on National Economy, the report and attached is the minority report from some members who dissented.

The report I am going to read is the report on the Committee on National Economy on the proposal by Government to borrow up to 455.03 million € equivalent to U \$464.13 million, from the Standard Chartered Bank and other financial institutions to finance the development and infrastructure budget for the Financial Year 2022/2023.

Since you are urging me to summarise the report, I am not going to read the background and introduction – *(Interjection)* - and the -

THE SPEAKER: Why don't you leave the Member to read his report? The report is uploaded.

MR IKOJO: Madam Speaker, the committee submitted this report to your office and the Clerk's office and I believe that it was uploaded.

THE SPEAKER: Can I have a look at your iPad? [Member: "There is a network problem."] Why is it opening for others and not you? [Members: "It is not there."]

Honourable members, the report is there. If yours is not on, we can still read everything so that you do the listening.

MR IKOJO: Can I proceed, Madam Speaker?

THE SPEAKER: Proceed with the pertinent issues concerning the loan.

MR IKOJO: Madam Speaker, pursuant to Rule 155 of the Rules of Procedure, the Committee on National Economy received the Business from this House to process the terms of borrowing of \$455 million on the 1st of November this year.

Background to the borrowing

This House approved a budget of Shs 48.13 trillion to finance the expenditure for the Financial Year 2022/2023. The budget was to be financed through domestic revenue, including Appropriation in Aid, amounting to about Shs 25.7 trillion, grants amounting to Shs 2.16 trillion and the rest of the budget deficit was to be financed through external funding, which was external funding of Shs 7.1 trillion, of which I believe this borrowing directly falls.

Madam Speaker, with regard to the performance of the resource envelope, the committee was informed that the cumulative net revenue collection for quarter one of the Financial Year 2022/2023 amounted to Shs 5.4 trillion, against the approved projection of about Shs

5.233 trillion, registering a surplus of Shs 177 billion.

The tax revenues accounted for 78 per cent, which is about Shs 139.6 billion of the surplus, while non-tax revenue component accounted for 22 per cent, which is about Shs 38.3 billion of the quarter one surplus domestic revenue.

On the other hand, domestic borrowing had performed at 33 per cent of quarter one target, realising only Shs 505.9 billion, leaving a deficit of Shs 1.037 trillion.

Attached is – unfortunately, we do not have it but attached is the performance of the resource, as per quarter one Financial Year 2022/2023.

Madam Speaker, you will allow me to go ahead to read the narrative.

THE SPEAKER: Hon. Alioni, please sit. *(Laughter)*

MR IKOJO: Madam Speaker, by the end of quarter one of Financial Year 2022/2023, Government had not received any budget support, both in form of loans or grants. The committee was further informed that the IMF budget support loan that was expected – about \$125 million – *(Interjections)* - in quarter one had not yet been disbursed.

THE SPEAKER: Let me hear from Hon. Alioni.

MR ALIONI: Thank you very much, Madam Speaker, for the opportunity given to me. The matter we are handling now is very important for this country. The amount of money that we intend to borrow is not a very small amount. As a country, if we had, we would not subject ourselves to borrowing. I know we are borrowing because we are in a situation that needs finances.

Either way, the chairperson of the committee cannot come to the Floor of this Parliament and bring a summary of his report and to make it worse, goes ahead and tells this House that he is sorry he does not have a copy of that summary.

Madam Speaker, is the chairperson of the committee, therefore, in order to present to us his report without even any evidence of the various sectoral committees' reports?

THE SPEAKER: Which sectoral committee reports did you expect?

MR ALIONI: The loan is meant to facilitate various activities, which fall under various sectoral committees. According to rule 155, the minister was supposed to present the request for the loan, after which he has done - (*Interjection*) - yes, the Speaker allows the various committee reports on the loan to be presented. Yes, that is according to rule 155; it gives the provisions. So, is he in order to present to us a report, which is not detailed for such an amount of money?

THE SPEAKER: Hon. Alioni, you have made your point. And I am happy that you have made a statement after that apology and the public now knows that you are around. So, have a seat - it is public knowledge that you are now a free man and you are out there.

For your information, I suspended rule 155(1) using the powers vested in me under rule 8, and said that because of the urgency of the matter, we are now using rule 155(2). Sub-rule (2) states, "*The Speaker shall commit the proposed loan or guarantee request to the Committee on National Economy and the relevant sectoral committees*" which is in (1), which I suspended.

And when you say that the chairperson is making summaries - I am following this report - I do not know whether you have a copy of the report. I am following this report - because you are saying you cannot see what was uploaded. The chairperson is reading word for word. Unless you want to keep - even my sister Christine has it - you are using your personal data but are you seeing it? - Very good girl. Can you continue reading the report?

MR IKOJO: Thank you very much, Madam Speaker, for your guidance. I would like to inform the honourable members that since you have not gone through the report -

THE SPEAKER: And I would like to remind the honourable members that it is you who approved this loan. You approved the money and it is Shs 7 trillion and they need only Shs 1.7 trillion. You are the ones - and I am happy the agriculture minister is here. Minister, while you were away, our cows are dying of Foot and Mouth Disease. And we are told you do not have money and now, we want money to treat our animals.

MR IKOJO: Madam Speaker, I would like to inform Members that since they complained that they did not have the report on the iPads, I decided to go through the report word for word, except for the table -

THE SPEAKER: Please, listen.

MR IKOJO: Except for the table that I skipped but I can still go back and read it - (*Interjections*) - yes because I had already given you the narrative, honourable members.

THE SPEAKER: Honourable members, listen. This is not anything new to you. Do not push me to the corner because I am going to ask both the minority and majority teams to summarise their reports. We are going to borrow for budget support. And then, I will ask this side to respond to the issues that have been raised in the minority report. Can you summarise your report? And I am saying I want a summary.

MR IKOJO: Madam Speaker, I am going to try to summarise as you have guided me. The microphone seems to -

THE SPEAKER: Go to your observations and recommendations, and then, I will get from the minority. And I will expect responses from Government on the minority.

MR IKOJO: Madam Speaker, I will go directly to observations.

The need to enhance domestic revenues

The committee noted that an increase in revenue collection reduces the country's budget

deficit and consequently, her reliance on debt. In effect, keeping public debt at a sustainable level over the years, domestic revenues have stagnated at around 13 per cent of the GDP despite the growth in the economy.

Tax collections remained below the sub-Saharan average of 15 per cent. Uganda's economy is dominated by the informal sector, which constitutes about 55 per cent, implying limited tax collections. In addition, most of the taxes are generated from a smaller formal sector.

The committee noted that in a bid to enhance revenue collections, the Government developed the domestic revenue mobilisation strategy in 2019/2020-2023/2024. The core objective of this strategy is to improve revenue collection and raise Uganda's tax-to-GDP ratio from 12.5 per cent to 16 per cent or 18 per cent within the five financial years.

Further, the revenue strategy over the third national development plan period envisages improving compliance and efficiency in tax revenue collection through the implementation of the domestic revenue mobilisation strategy. Emphasis is given to strengthening administrative efforts so as to narrow the gap between the current and potential revenue performances.

The committee noted that although there has been an increase in revenue collection over the years, a large portion of additional revenue is spent towards public administration, thus increasing the borrowing need to finance Government's development agenda.

In addition, Government loses a lot of revenue through tax exemptions and illicit financial flows, thus contributing to low tax revenue and failure to attain the tax to GDP of the country's peers in the Sub-Saharan region.

Madam Speaker, the committee recommends that the Minister of Finance, Planning and Economic Development should review and present to Parliament a tax exemption policy with a view to streamlining the tax burden proportionally.

In addition, the Uganda Revenue Authority should widen the tax base through registering informal businesses, curb unqualified tax expenditures and illicit financial flows.

Further, the committee recommends that Government puts a halt on creation of further administrative units that have resulted into recurrent expenditure.

The other observation is the need for early and timely sourcing of creditors. The committee observed that budgets are approved with resource envelopes that indicate planned borrowing to finance the budget deficits, among others.

However, during the implementation, the creditors are identified and the loan terms submitted to Parliament later for approval, sometimes as late as the third quarter of the financial year. Most of the terms are unfavourable, especially non-concessional terms for the budget support loans noting that the budget would have already been approved, leading to approval of loans at expensive times, given the absence of timely alternatives. The rejection would imply failure to finance the already approved budget.

The committee recommends that Government considers submitting the draft budgets for approval together with proposed creditors and the financial terms for the proposed budget support borrowing to ensure that the budget is approved with the budget support loans whose credit terms and conditions are agreeable to Parliament just as it is with the revenue Bills.

The other observation is the need to bring down the cost of borrowing. The committee observed that in the proposed borrowing, Standard Chartered Bank is the mandated lead arranger and investment agent and restructuring global coordinating bank. The bank is playing three roles, which attracts different costs.

In addition, there is a broker who is also paid a different fee. This implies that the cost of borrowing increases through intermediaries, which would have otherwise been avoided if

Government was procuring this loan through direct sourcing.

The committee recommends that Government devises means of direct sourcing of financing from creditors so as to bring down the cost of borrowing.

Observation No.4 is the need to protect the sovereignty of the country. The committee noted that one of the clauses in the draft financing agreement is the waiver of immunity whereby Government consents generally, in respect of any legal action or proceedings arising out of or in connection with any financial document of any given relief or issue of any process in connection with such action or proceeding, including with the limitation the making, enforcement and execution against any property whatsoever in respect of its use or intended use of any or judgment which may be made or given in such action or proceedings.

The clause further stipulates that Government irrevocably agrees not to claim or irrevocably waives such immunity to the extent permitted by the laws of such jurisdiction and in accordance with the State Immunity Act, 1978. Without limitation, Government waives generally all immunity on its assets or revenue it may otherwise have in any jurisdiction over all the properties except for a few like defence, security and natural resources. It is from the enforcement of any form of judgment to enforce the agreement and requiring Government to pay all legal fees and insurance premium on behalf of the creditor.

The committee recommends that the Ministry of Finance, Planning and Economic Development should renegotiate the provisions relating to waiver of sovereign immunity to avoid exposing critical Government assets to creditors in the event of default.

In conclusion, Government is seeking to borrow € 455 million to finance the budget for the Financial Year 2022/2023. With the proposed borrowing, debt will remain sustainable over the medium to long term to the extent to which the debt sustainability analysis assumptions are realised.

Since the loan is in foreign currency, Government needs to boost exports to ensure that there is sufficient foreign currency to service the foreign debt in the short to medium term while improving the current account balance.

Government should, in addition, enhance domestic revenue mobilisation as a sure means to reduce the fiscal deficit and ensure that the debt service obligation is met. It is clear that with increased budget financing realisation, Government will finance the approved budget for Financial Year 2022/2023 and thus increase its potential to boost economic growth through increased aggregate demand in the economy, especially when most funds are spent in the country to provide the much needed counter fiscal policy support at a time when the economy is recovering. Failure to approve the request implies that approved development budget for the Financial Year 2022/2023 will not be financed.

The committee, therefore, recommends that subject to the observations and recommendations therein, the House approves a request by Government to borrow up to € 455 million from the Standard Chartered Bank and other financing institutions to finance the development and infrastructure budget for Financial Year 2022/2023. I beg to report.

THE SPEAKER: Thank you, chairperson.

5.28

MR HASSAN KIRUMIRA (NUP, Katikamu County South, Luwero): Thank you, Madam Speaker. I rise to present a minority report on the proposal to borrow €455.03 million to finance the development and infrastructure budget for the Financial Year 2022/2023.

Pursuant to Rule 205 of the Rules of Procedure, we hereby present a dissenting opinion from that of the majority of the committee. We dissented on the fundamental issues below:

1. Financing terms.
2. The purpose of the loan and most importantly, the non-compliance with

the procedure. The Ministry of Finance, Planning and Economic Development negotiated this loan in March 2022. That is according to the documents that were submitted before the committee.

The same ministry, without revealing the massively unfair terms of this loan facility, allowed this House to pass the budget on the 20th of May. Of course, we all know that we budgeted to borrow Shs 2.5 trillion with respect to budget support, but the fundamental error was hiding the terms and conditions of this particular loan. *(Applause)*

The terms of this loan are closer to a typical moneylender to the Government. Approving these terms without strict scrutiny and recommendation by this House –

THE SPEAKER: I expect you to be honourable enough and listen to what the honourable member is reading and not shout like market vendors. Hon. Kirumira, go ahead.

MR KIRUMIRA: Thank you, Madam Speaker. Approving these terms without proper scrutiny will definitely amount to an error and it will be against our representative role, as leaders in the august House.

We have a loan amount totalling €455 million that is supposed to be paid over a period of 10 years; that is the loan tenure. The upfront fee is 1.5 per cent, the interest rate is 4.25 per cent and a guarantee fee of 10 per cent. This is a lump sum that is supposed to be paid upfront. If you work out only the 10 per cent of this loan, it amounts to €45 million. This is a total plunder to Ugandan taxpayers because it seems to be a “cut” and we do not know where it is going.

According to the loan agreement, it is Standard Chartered Bank UK that is the lead arranger of this loan. The other inconsistency with this particular broker of this loan is that they are not willing to pay any cent in form of taxes to our country.

Looking at the terms of this agreement, it is purely a commercial loan. We believe that Standard Chartered Bank UK is doing business with the Government of Uganda and because they are doing business, they have an obligation to pay taxes to our Government, especially, when they are running away with €45 million.

The effective rate and cost associated with the loan are considered to be very high for Uganda. In effect, the value of the total loan, €455 million is what we are talking about. However, the actual amount that we are getting as a country is €409.5 million. Remember, we are supposed to pay €45 million upfront to Standard Chartered Bank UK. That difference between what we are supposed to get and the actual amount that is coming to us in the form of a loan is totally unacceptable.

The loan agreement between the Government of Uganda represented by the Minister of Finance, Planning and Economic Development with the leading broker, Standard Chartered Bank, representing those different companies or institutions that have been mentioned by the chairperson is totally unacceptable with very high and ambiguous costs.

In a letter from the Attorney-General to the Standard Chartered Bank dated 25 October 2022, which was given to us during the committee meetings, the Attorney-General is not comfortable with some of the clauses of the loan, the terms and the waivers in this loan agreement.

It is interesting that part of the agreement was from an Islamic banking institution ICIEC with a specific product called, “*Murahaba*” which does not attract interest. Islamic banking is basically interest-free because interests are against Sharia laws. Now, we are being presented with a loan from an Islamic institution that is attracting interest. We do not understand who is taking the interest that is accruing to this particular loan.

Purpose of this loan

At the heart of this loan request is a trap for our Parliament to blindly fall in; a trap to borrow for the development budget (specific projects including roads, water, energy, education and health) without separating the loan money from the URA revenue that most times we know gets misplaced. This is a very expensive loan with a specific purpose and, therefore, cannot be mixed with attractive domestic resources.

Till today, we have been asking the minister to present a list –

THE SPEAKER: Hon. Alioni, are you praying? (*Laughter*) I do not want you to think that the Speaker is a bad person, but I am giving you a last warning. Behave honourably. We talk about decorum, yet, we do not practise it ourselves. Why should you behave like that? Is anyone borrowing the loan for him or herself? Let us be responsible enough. Let us have respect for each other. You may disagree on principles but you do not have to act like that.

MR KIRUMIRA: Thank you, Madam Speaker. I was mentioning that at the heart of this loan request, is a trap for this Parliament to blindly fall in; a trap to borrow the development budget, specifically to finance roads, water, energy, education and health. Without separating this loan from our revenues may be problematic in terms of what is supposed to be done.

We were very clear with the minister during the committee meetings. We requested the minister to present a list of development projects that are going to be funded using this particular loan of €455 million. The idea was that if we are borrowing for development projects, then, we need to ring-fence this particular loan to specifically go for those respective projects. However, up to now, we have not got any list to that effect.

Rule 155(5) of the Rules of Procedure goes further to guide specific requirements for documents to be laid. These include the letter from the National Planning Authority (NPA) clearing the loan as being consistent with

macroeconomic variables as well as the effect of debt repayment on liquidity in the coming budget.

The letter from the NPA has not been laid in this House to support the Members in assessing this loan request. This letter by NPA goes to the core of planning and our national debt management and, therefore, cannot be taken as a mere formality by this House.

What the Minister of Finance, Planning and Economic Development laid before the committee was a certificate of compliance of the annual budget for Financial Year 2021/2022. How do we approve a loan to affect future loan repayments without an opinion of the Government's chief planner?

In summary, we expect Standard Chartered Bank to meet the tax obligations if they are brokering this loan because they are going away with our money.

In conclusion – given the poor terms of this agreement and the failure of Government to provide a schedule and at least specify the development projects to be funded by this loan – we recommend that this august House supports the minority report and rejects this loan request. (*Applause*) Of course, we encourage Government to look for better loan facilities that are concessional and with better terms to help protect the sovereignty of our country.

We owe our country a constitutional mandate of approving loans to actualise our budget but this type of loans that are commercial have a negative effect on the future budgets of our country and they have a toll on the taxpayers that we represent in this august House – can I take information?

THE SPEAKER: You cannot have information on a report. Learn the rules.

MR KIRUMIRA: Thank you, Madam Speaker. I beg to submit. (*Applause*)

THE SPEAKER: Thank you, Hon. Kirumira. Can I have a response from the finance minister to issues of dissent? However, before you respond – I am looking at the issue of compliance with the relevant laws and rules. As I said before, the reason I administratively referred the loan request to the committee prior to the House sitting was due to the urgency. Any delay would impede Government’s intention in financing the budget priorities.

I am not responding to the priorities but I am responding to my administrative action, which is my responsibility as the head of the institution. Where I feel this must be done, it has to be done. I did it without any regret; I used the Rules of Procedure that are made by this House.

At that point, when the loan came, we had the Business Committee, which even gave me the powers to refer the loan and the Bills to the relevant committees, which I did, pursuant to Rule 155(2) of the Rules of Procedure.

I suspended rule 155(1) because it is not an entrenched rule and I did that with the powers invested in me, under rules 7 and 8. So, on review of that, I did it within the laws. The rest can be answered by the minister.

If I could ask: how come this document was brought to my attention and not taken to the committee? Why wasn’t the letter from NPA laid before the committee?

MR IKOJO: Madam Speaker, I do not know why the Member is questioning that the letter from NPA was not laid before the committee. The minister brought the letter and laid it before the committee. Probably, the Member did not see the letter, but the letter was circulated to all Members.

THE SPEAKER: Why was the list of projects not laid before the committee? I have a list, which was given to me.

MRIKOJO: Madam Speaker, all the documents that we had questioned in the first meeting we had with the minister were brought and they

were laid before the committee. The problem is that they were single papers that Members, probably, had not seen – *(Interjections)* - That is the truth. *(Mr Muwanga Kivumbi rose_)*

THE SPEAKER: Hon. Kivumbi, can we first hear from the minister and then you, as the shadow minister, can give a rebuttal?

MR MUWANGA KIVUMBI: Committee Chairperson, being honest to this Parliament is critical. I appeared before this committee and the honourable minister, Musasizi, as well as the Chief Whip were present. In that meeting, Members requested for that list and the Vice-Chairperson was the one presiding over the meeting. That list, until we left that meeting, was not provided.

MR IDDI ISABIRYE: Madam Speaker, I am a member of this committee. I attended the Monday meeting and yesterday’s meeting. The concern of members was that the minister had not provided enough documents for them to process the loan.

I personally said: “Members, we have a volume of documents. If our weakness is that we cannot read now, we can maybe talk about the time but the documents are here.” All the documents were served with us. Thank you.

MR BAKA: Madam Speaker, I am also a member of the committee. I wish to inform the House that, indeed, the documents were availed and we read them.

THE SPEAKER: *(Member rose_)* Honourable members, let him first respond and then, you give information.

MR MUSASIZI: Thank you, Madam Speaker. I would like to appreciate Hon. Kirumira for the minority report. I wish to respond to his issues as follows.

Number one, in regard to the loan tenure being 10 years -

THE SPEAKER: Honourable members, listen. I would like to refer you to rule 83(c).

I want you to attentively listen to the response to the minority report. Most of the issues that are being raised in the minority report are very important and help us in improving what we do. So, let us listen to the responses.

MR MUSASIZI: Thank you, Madam Speaker. I wish to respond to the issues raised in the minority report as follows:

First, in regard to the loan tenure being short, that is 10 years; given the effective interest rates of the loan, increasing the loan tenure beyond 10 years would increase the cost of debt servicing by increasing the interest the country would have to pay. In other words, I am saying the longer the period, the more the interest cost and this increases the obligation to Government.

Secondly, in regard to the loan guarantee fee of 10 per cent, the ministry received expressions of interest from 12 financial institutions and in consideration of the different financing offers, the cheapest option was selected. I would like to invite Parliament to note that insured loans with guarantee fees have cheaper interest rates than those that are uninsured.

For instance, while the proposal by Standard Chartered Bank bore a guarantee fee of one per cent per annum or a flat fee of 10 per cent, it also bore a low interest margin of 1.9 per cent, whereas other financing institutions such as the Syndicated Tranche from Trade Development Bank and Citibank bore an annual interest margin of 6.3 per cent per annum, which even, without a guarantee fee, was way expensive.

In regard to the effective rate and the cost of borrowing, the committee scrutinised the loan proposal and has clearly stated in its report that this was the cheapest financing option available to Government.

In regard to the Attorney-General not being comfortable with some of the clauses; rule 155(5)(a) provides that Parliament, in consideration of the loan proposal, considers the draft financing agreement, which, indeed, the committee has considered. This implies that

the final financing agreement will incorporate the recommendations made by Parliament and the Attorney-General.

The Attorney-General has, indeed, written back to Standard Chartered Bank to renegotiate some of these clauses. In addition, the Committee on National Economy has also made recommendations in this regard, which will be incorporated in the final agreement.

In regard to the interest payments under Sharia law; the Government of Uganda is dealing with Standard Chartered Bank as a lead arranger of this credit facility. Therefore, all loan disbursements will be from Standard Chartered Bank, in effect – (*Hon. Oguzu rose*)

THE SPEAKER: Honourable member, are you a member of the committee? Okay.

MR MUSASIZI: In effect, Madam Speaker, the debt service payments will also be made to Standard Chartered Bank. The Islamic Cooperation for the Insurance of Investment and Export Credit did not express direct interest to the Ministry of Finance following the call for proposals. (*Hon. Oguzu rose*)

THE SPEAKER: Is it a point of procedure on the report? Let him finish, then, you will say what you want to say. What is your procedural issue?

MR OGUZU: Madam Speaker, there is something fundamentally wrong with this law.

THE SPEAKER: Which law?

MR OGUZU: Article 159 of the Constitution dictates that the loan terms and conditions must come to this Parliament, which must approve them as part of the loan request.

THE SPEAKER: But you are part of the committee. You have not signed on the main report. You have not signed on the minority report and yet, you attended the committee meetings. So, if you could not express your views in the committee, then sit down.

MR OGUZU: Madam Speaker, allow me to finish –

THE SPEAKER: Sit down. You cannot. You are a member of the committee. Honourable minister, can you continue?

MR MUSASIZI: Madam Speaker, in regard to the issue of the National Planning Authority; it has already been responded to by the committee Chairperson and also, Madam Speaker, in your possession, you have a letter of clearance from the National Planning Authority.

In regard to the tax on interest income, the payment of taxes would lead to increase in the cost of the loan to Government of Uganda. I wish to inform the House that even in project financing, where we get financing to directly finance projects, we have a provision called “deeming of taxes” - where we provide that the due taxes are deemed to have been paid.

If we were to make these projects pay taxes, it would lead to increased cost of borrowing and this is why we are including a clause that the interest on the income will not attract tax. I beg to move, Madam Speaker.

THE SPEAKER: Honourable minister, when you scouted around, was this the best loan that you could get with the best interest rate?

MR MUSASIZI: Madam Speaker, out of the 12 proposals we received, this is the best proposal. The objective here is to look - the most important issue here is what the effective interest rate that will be paid is and in this arrangement, the effective interest rate will be 5.24 per cent. Even if you look at the global markets - not only here - this is the best competitive rate you can get in the market right now.

5.57

MR KIVUMBI MUWANGA (NUP, Butambala County, Butambala): Madam Speaker, I thank you for this opportunity. Let us deal with first things first.

“Article 159: Power of Government to borrow or lend

(1) Subject to the provisions of this Constitution, Government may borrow from any source.

(2) Government shall not borrow or guarantee or raise a loan on behalf of itself or any other public institution, authority or person, except as authorised by or under the Act of Parliament.”

I am interested in clause (3):

“(3) An Act of Parliament made under clause (2) of this Article shall provide:

(a) That the terms and conditions of the loan shall be laid before Parliament and shall not come into operation unless they have been approved by a resolution of Parliament.”
(Applause)

Madam Speaker, the minister has just stated that the terms are yet to be revised, as per the advice of the Attorney-General and he is in agreement with the majority report, which recommended and even questioned its sovereignty.

Now, we cannot approve this loan because the purpose, as you stated, is clear. When we were passing the revenue side, we approved a Shs 2.5 trillion expenditure of budget support. Therefore, what is required of this House largely is to approve terms. We cannot approve a process of renegotiation.

Therefore, as it stands now, the hands of this Parliament are tied because we cannot approve terms that are still being renegotiated –*(Applause)*– before we even go very far. So, we need to come here with finality and look at these terms and say they are okay.

Now from a minority report and the majority report, there is an agreement on some provisions of the terms, including the one that puts our sovereignty at hazard. And for me, that is very critical. I would like the minister to concede that as we stand now, this loan cannot be approved because you cannot approve the terms that are still being negotiated. *(Applause)*

That is the constitutional mandate; I have read the Constitution, as is.

Madam Speaker, the other argument flying around is that Government is stuck - that there is no money to do work. I believe this is blackmailing this Parliament. They have just spent under 3 per cent, Shs 1.4 trillion in supplementary expenditure. And the minister, where this is honest, where have they spent the Shs 89 billion given to Sudhir to build a Marina? They have just given Shs 127 billion to Atiak. They have just spent Shs 800 billion of our money on defense expenditures. They have just spent part of that money, Shs 135 billion on classified expenditures under State House. Therefore, there is no scarcity of resources; there is wrong appropriation of the needs of this country. *(Applause)*

Therefore, Madam Speaker, that argument, which they are telling you that there is a crisis of liquidity in the country - they have just told us that URA outperformed its target by Shs 200 billion in this quarter. Therefore, that is not the right argument that they can fly around and create an artificial crisis. They first wrongly spend money on wrong things, then, they leave the fundamentals and come to Parliament and blackmail us and stampede this Parliament. It is high time we stopped this blackmail by making a very solid resolution to reject it.

Madam Speaker, the other issue at hand that is very critical is that this loan, as it is - there is no loan in the world today, where 10 per cent of the loan goes to insurance. We all borrow money and pay insurance on our small loans. The loan fee for insurance is normally around one to two per cent, it cannot be 10 per cent of the loan.

Madam Speaker, from my perspective, this is a poor deal that is wrongly negotiated. The firewall to stop this lies with this Parliament; we must raise the courage and strength of character, to speak the truth to the powers, including the Executive and tell them enough is enough. *(Applause)*

THE SPEAKER: Honourable minister. Information on what? You are a Member of the committee. You doctored the minority report.

MR KATABAAZI: Yes. I signed on the minority report.

THE SPEAKER: Can you sit?

MR KATABAAZI: I wanted to give information.

THE SPEAKER: Honourable members, my work is simple; it is to listen to both of you and put a question. Therefore, if you do not want to listen to each other, that is not my business. You get it. So, I am saying, let the minister respond to what has been raised by Hon. Kivumbi.

MR MUSASIZI: Madam Speaker, what Hon. Kivumbi has said needs to be qualified as follows and I wish to invite him to listen; What we are considering - what he is talking about refers to the general legal clauses like the waiver of immunity and others. For those, the Attorney-General will go ahead and conclude them after this process.

What we are looking at now are the terms he is referring to - the financing terms and conditions have been presented to Parliament. When you talk about the financing terms, you are looking at the interest rate, the tenure and all those things and we have provided all that and there is nothing we are going to change.

6.05

MR JAMES NIRINGIYIMANA (NRM, Kinkizi County West, Kanungu): Thank you, Madam Speaker. I would like to invite colleagues, especially on the Committee on National Economy, to be prudent enough because when I hear a minority report referring to terms and you say terms were not referred to, it is something very tricky. The terms have been referred to but according to the honourable minister, he is saying that the incorporation of the amendments will inform the final legal agreement after the approval, because they will incorporate the approved terms by this House.

Madam Speaker, another object is even when we argue and fight here, tomorrow, we are going to be raising matters of public importance that roads have not been worked on. How do you want the roads to be financed? I would like to say that as we move ahead, to galvanise our efforts, we are looking at issues that are very salient in managing our budget allocation.

Madam Speaker, while I have issues - I will support this loan although I have issues, which are very critical. The Minister of Finance should stop - we sat here for almost 16 hours assessing the Appropriation Bill, and we left out some issues because of some reasons. They, however, went immediately, and financed them, as Hon. Kivumbi has said. This is creating a big gap where you omit the critical issues passed by Ugandans through this Parliament and you finance other issues, which are a priority to people in the Ministry of Finance.

Madam Speaker, with that, honourable colleagues, I want to invite you—*(Interjections)*—let us pass this loan and we move on to assess the performance of our budget Thank you.

THE SPEAKER: There is a motion from Hon. Fox.

6.08

MR FOX ODOI (NRM, West Budama North East County, Tororo): Madam Speaker, thank you very much for the opportunity. I rise to move a motion that you put the question that the loan be approved. I beg to move.

THE SPEAKER: Is the motion seconded? It is seconded by Hon. Obua, Hon. Musasizi, Hon. Frank Tumwebaze. *(Member rose_)* why don't you sit? There is a motion, Honourable members, I told you my work is simple - you are the owners of the House. Honourable members, I now put the question – listen - I do not want to hear anybody shouting. Please, listen so that if you are going to say “no”, you say “no.”

Honourable members, I now put the question that the motion for a resolution of Parliament to authorise the Government to borrow up

to €455.03 million equivalent to \$464.13 million from Standard Chartered Bank and other financial institutions as budget support to finance the development and infrastructure budget for the Financial Year 2022/2023, be approved by this House.

(Question put and agreed to.)

Motion adopted.

THE SPEAKER: Honourable members, House is adjourned to Tuesday.

(The House rose at 6.11 p.m. and adjourned until Tuesday, 8 November 2022 at 2.00 p.m.)