

BRIEF ON CONSULTATIVE MEETING BETWEEN THE MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT AND SOME MEMBERS OF PARLIAMENT HELD IN THE SOUTH COMMITTEE ROOM

The Rt. Hon. Speaker,

As you may recall, I requested that Clause 18 of the PPP Bill as amended by the Committee on Finance be recommitted and I, be given time to consult on this important matter.

As part of the Consultation, I held a meeting with some Members of Parliament to harmonize our positions and reach agreement in order to expedite the passing of this Bill.

During this meeting, the following was agreed:

1. On Clause 18, the following was agreed:

- a) Clause 18(1), (2), (3)(a), (b), (c), (4), (5) was retained as provided for in the PPP Bill;
- b) Clause 18(6) amended to read as follows, 'an agreement shall among others provide for the following...'
- c) Clause 18(6) (j) remains as recommended by the Committee and as adopted by Parliament;
- d) Clause 18(6) (n)- remains as provided in the PPP Bill;
- e) The Insertion of new paragraphs (x), (y) and (z) is adopted as recommended by the Finance Committee.
- f) The Committee recommendation for addition of new sub clause (7) was not agreed to by the meeting.

Justification.

The sub-clause (7) was not necessary as Clause 40 of the Bill adequately empowered the Minister of Finance to issue any regulations for the format of the agreements.

- g) The Committee recommendation for addition of new subclause (8) was rejected as all contracts are governed by the Laws of Uganda and therefore the addition was redundant.
- h) The Committee recommendation for addition of new sub clauses (9) and (10) were also rejected.

Justification:

Clause 6(2) of the PPP Bill adequately covered the Parliamentary concerns and also the negotiation of agreements is the preserve of the Executive.

- 2 In order to make the above proposals meaningful, we request to recommit **Clause 6(2)** of the Bill and amend it as follows:-

Clause 6(2) be amended as follows:

By deleting the words '**in the budget of the contracting authority**' at the end of clause 6(2).

Justification:

This is done in order to enable any Accounting officer who is entering into any PPP agreement or amending any PPP agreement to report to the Parliament at any stage of the process instead of limiting the reporting only to the budget or appropriation process.

Clause 6(4) be amended as follows:

By increasing the penalty from the two years imprisonment to seven years.

“(4) An accounting officer who signs an agreement contrary to this Act commits an offence and is, on conviction liable to a fine not exceeding five hundred currency points or **imprisonment not exceeding seven years.**”

Justification:

The meeting agreed that two years imprisonment was not punitive enough. However the fine of 500 currency points is adequate since seven years of imprisonment is equivalent to 168 currency points.

3 We also propose a new clause 21 immediately after clause 20 as follows:

(1) The Minister shall, submit to Parliament, Progress Reports on all Public-Private Partnerships Agreements at least every six months.

(2) Parliament may instruct the Minister to give a Progress Report on a Specific Public-Private Partnership.

Justification:

This is intended to provide Parliament with information on the progress of PPPs so as to enable them effectively exercise their oversight role.