



PARLIAMENT OF UGANDA

# PARLIAMENTARY DEBATES

(HANSARD)

---

OFFICIAL REPORT

THIRD SESSION - FIRST MEETING

THURSDAY, 29 JUNE 2023





IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

THIRD SESSION - 6TH SITTING - FIRST MEETING

Thursday, 29 June 2023

*Parliament met at 2.00 p.m. in Parliament House, Kampala.*

*(Amendment) Bill, 2023. I have been advised that there are some clauses listed below that need to be reviewed:*

PRAYERS

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

*The House was called to order.*

*Income Tax (Amendment) Bill, 2023*

COMMUNICATION FROM THE CHAIR

**THE SPEAKER:** Honourable members, I know it is a chilly afternoon. However, I welcome you to this afternoon sitting and welcome you back from *Eid*. It is unfortunate that nobody invited us but I welcome you back. *(Laughter)*

I received a communication from His Excellency, the President in regard to the Income Tax (Amendment) Bill, 2023 and the Tax Procedure Code (Amendment) Bill, 2023. The communication is dated 26 June 2023 and addressed to the Speaker of Parliament.

These Bills were returned in accordance with Article 91(3) of the Constitution of the Republic of Uganda and Rule 143(1) of the Rules of Procedure. Let me read the letter as it is.

*“Ref: Income Tax (Amendment) Bill, 2023 and the Tax Procedures Code (Amendment) Bill, 2023*

*I have received the Income Tax (Amendment) Bill, 2023 and the Tax Procedures Code*

1. *Clause 12, which sought to amend section 38 of the Income Tax (Amendment) Act to allow tax losses to be carried forward after five consecutive years of reporting losses up to 50 per cent only in each of the subsequent years, was rejected by Parliament.*

*The justification for the clause was to introduce a tax measure that would limit the practice of indefinite deferral of payment of corporate tax, which businesses have been using through the provision of unlimited carrying forward of tax losses.*

*In addition, allowing taxpayers to carry forward losses indefinitely creates an incentive to them to over claim losses, hence, enabling them to remain in artificial loss-making positions. The measure is, thus, intended to limit the practice of indefinite deferral of payment of Corporate Tax. It should, therefore, be reinstated.*

2. *Clause 16 of the Bill, which proposes the introduction of the tax on income derived by nonresident persons from provision of digital services in Uganda, was rejected by Parliament.*

*The measure was meant to cater for taxation of digital economy such as Twitter, Amazon,*

*Netflix, etcetera. The clause is related to nonresidents in Uganda since it does not relate to residents in Uganda as was mistakenly stated in the minority report. It should be reinstated.*

3. *Section 2 was amended to redefine a company by excluding the unit trust from the definition of a company. The deletion of the unit trust from the definition of a company makes it nontaxable. This will create ambiguity in the law.*

4. *A clause should be incorporated to provide for an extension of a one-year Corporate Income Tax waiver for Bujagali Hydroelectric Plant.*

*Whereas I am aware of an ad hoc Committee, which Parliament put in place to investigate the Bujagali tax waiver, the waiver of the Corporate Income Tax was one of the provisions that the Government put in place to reduce the generation of tariffs payable by Bujagali, hence, leading to a reduction of electricity end user tariff. For example, during the period of 2018/2022, the Corporate Income Tax waiver on Bujagali reduced their tariffs from \$13.83c per cent per kilowatt to \$10.6c per kilowatt. The reduction in power tariffs has led to industrialisation although they still need to have it lowered further.*

*Therefore, the Corporate Income Tax waiver for Bujagali Hydroelectric Plant should be reinstated for one year as the ad hoc committee and the audit committee do their work.*

*The Tax Procedures Code (Amendment) Bill, 2023*

*An amendment to section 38, which was not in the Bill, was introduced by Parliament. The amendment provides for order of payment and has the following implications;*

a. *Introduction of fees outstanding at the date of payment in section 38(1)(a) implies that any payment made by the taxpayer will be applied to outstanding principal tax and removes payment allocation to tax periods*

*by referring it to the principal outstanding at the date of payment.*

b. *The insertion of subsection (3) introduces the concept that any payment made shall be applied to the principal tax first until fully paid.*

*The above provisions are not only unnecessary but will also create difficulties in the tax administration. The emphasis of the payment of the principal tax first at the date the taxpayer makes payment creates a challenge for tax administration in situations where the taxpayer has multiple tax liabilities.*

*In addition, once all the principal tax has been paid, penalty and interest should stop accruing and the intended enforcement effect of penalty and interest will be equally removed. Payment of penalty and interest will become an option to the taxpayer other than a priority.*

*Therefore, section 38 should not be amended, as proposed by Parliament.*

*In accordance with Article 91(3)(b) of the Constitution of the Republic of Uganda, 1995, I am, therefore, returning the Bills to Parliament for reconsideration of the clauses mentioned above.*

*Signed:*

*Yoweri Kaguta Museveni,  
President"*

*Thank you.*

*So, have you heard about Bujagali?*

*Honourable members, pursuant to Rule 143(2) of the Rules of Procedure, I hereby refer the Bills to the sectoral Committee on Finance, Planning and Economic Development for reconsideration. I need this reconsidered and concluded faster.*

*On Tuesday, 27 June 2023, we stood over the Income Tax (Amendment) (No. 2) Bill 2023, pending harmonisation by the Ministry of*

Finance, Planning and Economic Development. Today, we are ready to handle the Income Tax (Amendment) Bill No.2.

I do not want anybody to say that we first handle the other one. This is No. 2 that we are handling, which is basically for the operationalisation of Islamic Banking. That is the clause we are looking at. The rest on Bujagali and whichever are not included; this is about the Islamic Banking.

Of course, you know it very well that we owe it to our people out there. I have seen a lot of excitement among the population that Parliament has finally passed a law on Islamic Banking. Congratulations! (*Applause*)

Honourable minister, I hope you will give a report to the President to make him assent to the Bill because he said, “I was advised”.

2.13

**MR CHARLES BAKKABULINDI (NRM, Workers Representative):** Thank you very much, Madam Speaker. I have listened to the communication from His Excellency and appreciated his concern. My question is: before we pass the Bill here, we do it in the presence of the minister concerned; that is the Minister of Finance, Planning and Economic Development; and the Attorney-General.

When the President says, “I have been advised”, I expect the same two people to be the ones to advise him. What does it say about the entire Parliament; that we sit with our colleagues and agree to pass the Bill, and after that, they go behind our backs and advise differently? We need that clarification, Madam Speaker.

**THE SPEAKER:** Thank you. Hon. Musasizi, take note of this concern and respond later. [*Hon. Silwany rose*] Is it on the same?

**MR SILWANY:** Thank you, Madam Speaker. The information I would like to add is that whenever we are passing a Bill, you ask the Attorney-General and the minister concerned whether they are comfortable or not. You always ask this! If it is a private Member, you refer to

the private Member; if it is the Government, you refer to the ministry concerned. They then concede and say, “Let us go ahead; we concede”.

Where does it arise that this minister, the Attorney-General or any other person - because the names are not mentioned - goes aside and advises the President otherwise, when we passed the Bills here during the day? I do not know whether they go at night because we passed Bills here during the day, when everybody was here and in good faith.

We are working for the good of this country and our Government. So, I do not know who goes behind our backs and advises otherwise. We should task the ministers concerned to come to the Floor and tell us what happens whenever we pass a Bill because it has become a common scenario, Madam Speaker.

2.15

**MR ASUMAN BASALIRWA (JEEMA, Bugiri Municipality, Bugiri):** Thank you very much, Madam Speaker. The process of making Bills is very consultative. These ministers are invited to the committees. They appear with technical people in those committees and there is always a lot of interaction at that level. I am sensing a lot of dishonesty on the side of the Executive, when it comes to issues related to Bills. Information is now coming up that they sometimes withhold information.

You recall when we were discussing the Anti-Homosexuality law here; the Attorney-General went and wrote something different yet when they had an opportunity to appear in the committee, they did not say what they wanted to say. So, this is the kind of dishonesty being exhibited by our colleagues, where the President says, “I am advised.”

I think, Madam Speaker, like my colleagues have said, it is important to understand who is advising the President. These are people we interact with; the technical people. They even come with them here; they are always seated behind there. Occasionally, ministers move to that desk to consult them. Why do they want to blackmail Parliament? Why? (*Interruption*)

**MR TEBANDEKE:** Thank you, honourable member, for giving way. Madam Speaker, the process of Bills comes from policy resolutions and decisions of the Cabinet. It is the same Cabinet that originates these Bills and formulates them. That is why even the presenters of the Bills are certified with a Certificate of Financial Implication and memorandum.

If they are the same ministers who are misleading us with information that they get from the Cabinet, bring it before Parliament, we process through committees and later on they defy their own policy decisions and resolutions. Are we proceeding well? Are we being well guided by these ministers?

**MR BASALIRWA:** Thank you for the information.

Finally, Madam Speaker, we do not want to take away the President's constitutional right of returning Bills; we should not take it away. However, it would make sense where the President says, "...In my opinion" because as a stakeholder in the legislative process, he has an opinion and he has a right to it.

However, to say, "I am advised" by the very same people we sit with, our colleagues are being dishonest. You are not being fair to this institution. What you are doing amounts to blackmail and I think you owe us an apology. Thank you, Madam Speaker.

**THE SPEAKER:** Actually, on this, it is only a clause on Bujagali that is in the President's opinion, which is okay.

2.19

**MR FRANCIS MWIJUKYE (FDC, Buhweju County, Buhweju):** Madam Speaker, I thank you. I think there is an attempt by the Executive to take away our powers and this must not be left unchallenged. There is no way the Executive can continue backstabbing and blackmailing us, as if they do not sit in this House.

My view is that if they cannot apologise to this House and justify their advice to the President, then we should stamp our feet, proceed with the way it is and take it back to the President, and it becomes law, as per our rules because they must convince us that then they were not in their senses.

**THE SPEAKER:** To the best of my knowledge, my ministers are always in their senses.

**MR MWIJUKYE:** What happens?

**THE SPEAKER:** Please, withdraw that. We are handling a very sensitive matter and we should come to a solution.

**MR MWIJUKYE:** Thank you and I withdraw as advised. The point I am making is, what happens when they have left here?

I conclude, Madam Speaker, by requesting that these ministers do not just apologise but justify why they are acting that way, yet they can act better.

**THE SPEAKER:** Honourable members, I want us to note that the President is silent on who advised him. I do not know who you want to apologise because he is silent and the letter is between the minister and the President. We should not stop the constitutional obligation that the President has if he is not satisfied with whatever we have passed. It is a consultative issue; a Bill is only completed when it is accented to. For now, we are in consultation, back and forth. As Parliament, let us reconsider the Bill.

2.22

**MS NANCY ACORA (Independent, Woman Representative, Lamwo):** Thank you, Madam Speaker for your communication. We are not amused as Members of Parliament because every time the line ministers come here with Bills, whether it is from the Government side or a Private Member's Bill, we want to assume they have studied the Bill very well. We are not amused when they go behind our backs whether they are the ones advising the President or the Attorney-General here and they keep sending

back and forth, it makes us lag behind and we do not move forward as Ugandans.

My humble appeal is to the ministers of different entities or line ministries - before you come to the Floor of Parliament: analyse and articulate the particular Bill so that by the time you go before the Committee, you know in and out of the Bill. Otherwise, you make the work very difficult and we look lazy and lax as a Parliament. I beg to submit, Madam Speaker.

**THE SPEAKER:** We must agree that the Bill is brought in the House when the minister and Attorney-General have their position, which they think is from the Executive and we reject it in the House. It should be put on record.

**MR ATUGONZA:** Thank you, Madam Speaker-

**PROF. MUSHEMEZA:** Madam Speaker, I am rising on a procedural matter. You have ruled twice; first, that the Bills are referred to the sectoral committee in accordance with our rules. You again ruled that the President is right to exercise his constitutional mandate. Are we proceeding well to continue with this debate when you have made two important rulings on the matter?

**THE SPEAKER:** Honourable members, in the public gallery this afternoon, we have leaders of the people with disability from Fort Portal City under Action for Community Development represented by Hon. Laura Kanushu. Thank you for voting a good person and Hon. Alex Ndeezi, they are good Members of Parliament. Please, vote for them again. Thank you, join me in welcoming them. *(Applause)*

2.25

**MR JOSEPH SSEWUNGU (NUP, Kalungu West, Kalungu):** Madam Speaker, I am raising a procedural matter and lucky enough the Minister of State for Education is here. We had a long debate on the new curriculum and at one point, we had stated that it should be halted until we fund it adequately.

Madam Speaker, as we speak, a number of secondary schools are running the new curriculum but they teach using the old books of the old curriculum. In public, there are people selling the same books at their own expensive prices. Government has not provided books for the new curriculum. The procedural matter I am raising is whether we are still moving well and can the Ministry of Education come out directly and tell us how a new curriculum is being taught using the old curriculum from senior three and four up to A- level.

Could we know why the ministry has refused to buy these books and is the Government proceeding well by failing to provide schools with necessary books that help the children perform well? At the end of the day, private dealers continue to sell books on the market that the Government would be providing which is quite expensive for these USE schools and other schools.

2.26

**THE MINISTER OF STATE FOR EDUCATION AND SPORTS (SPORTS) (Mr Peter Ogwang):** Thank you, Madam Speaker, I thank the acting Leader of the Opposition who is a member of the Committee on Education and Sports.

Madam Speaker, I want to plead with you to allow me on Tuesday or Wednesday to bring a statement specifically to answer the questions Hon. Ssewungu the Acting Leader of the Opposition has asked.

Nevertheless, the main issue here is that we asked for money specifically to support us to purchase books for institutional materials. I want to confirm that we did not get that money. So, these are the challenges we have. We have the entire curriculum ready, but our challenge is resources.

However, Madam Speaker, permit me to formally bring a statement that Honourable members can be able to debate on Tuesday or Wednesday, I thank you.

**THE SPEAKER:** You introduced a new curriculum without a plan for it?

**MR SSEWUNGU:** I thank the minister, Madam Speaker. However, you cannot have two positions at the same time; you want money and you are to bring a statement. You must accept the challenge. What you are saying is a matter of life and death; it is about our children. This Parliament cannot refuse to provide money to the Ministry of Education to run its work. You have asked for many supplementaries and they were granted. Where children are using the old curriculum, accept that there is a challenge; do not say, I am on the Committee of Education, I am the LOP now. So, we shall talk about education when I am out of here. Thank you.

**THE SPEAKER:** LOP, are the exams set according to the old curriculum or the new one?

**MR SSEWUNGU:** Madam Speaker, National Curriculum Development Centre (NCDC) or the Examination Board will always depend on the curriculum you have given them, whether you teach the subjects or not; they always stick to the syllabus. That is why in Uganda, you find UPE students failing miserably and those in the city passing because in Kampala and municipalities, they can afford to buy these books from any market. Therefore, UNEB cannot be questioned and the NCDC cannot be faulted because for them, they have put up the curriculum and set the examinations in that form.

However, the people in the Ministry of Education are the ones supposed to come out and fight for it because it is their ministry. There are things we cannot talk about here; but honourable minister, your promise is legitimate as long as the Speaker accepts it.

**THE SPEAKER:** Honourable minister, give us a report on the issue of the new curriculum and tell us how many schools you have given books to. I do not believe that you can start a curriculum without a plan for it. They may not be many but how many have you given? We need the names of the schools.

**MR OGWANG:** Thank you, Madam Speaker. I will be able to bring that statement on Tuesday.

**THE SPEAKER:** Thank you.

2.30

**MS LAURA KANUSHU (NRM, PWD Representative):** Thank you, Madam Speaker. I just wanted to add that as the minister brings the report on Tuesday, he needs to take note that a few months ago, the Rt Hon. Tayebwa asked the Minister of Education to come and report to this Parliament as to why schools for children and learners with disabilities failed across the board; PLE, O' level and high school. However, to this day, we have not seen the report.

Secondly, Hon. Alex Ndeezi raised an issue concerning the school for the Deaf in Mbale where deaf students have been pushed away and the school taken over by people who are not deaf. We are still waiting for that report from the Minister of Education; it is about four months down the road.

Madam Speaker, I want to request that as the minister brings the report on Tuesday, he considers giving us some feedback regarding those schools. Perhaps that is why my members are in the gallery today. I want to thank you, Madam Speaker.

**THE SPEAKER:** While you are looking at that, how many schools have a ramp for people with disabilities to use to enter classes? I can accept that even Parliament did not have one but now we do.

**MR OGWANG:** Madam Speaker, first of all, I would like to thank the honourable colleague for raising those pertinent issues. The report as far as Mbale School of the Deaf is concerned is ready and I can give a copy to the Clerk for purposes of us presenting on Tuesday.

Regarding the other issues, which she has raised, by Tuesday, we will make sure that those reports are ready for presentation here. I request that you give me time on the Order Paper to make the presentations.



**THE SPEAKER:** We will do that, honourable minister. Also include the aspect of taking our children very early in the morning to school; at 5.00 a.m. actually, the minister has complained to me that these children are taken too early. Honourable members, we have very serious matters and need to move.

2.32

**MR ALLAN MAYANJA (NUP, Nakaseke Central County, Nakaseke):** Thank you, Madam Speaker. In your communication, you welcomed us from *Eid* celebrations but most Ugandans did not celebrate because of electricity load-shedding -

**THE SPEAKER:** Repeat what you said; Hon. Sarah was disorganising me.

**MR ALLAN MAYANJA:** Madam Speaker, you welcomed us from *Eid* celebrations, but most Ugandans did not celebrate this day because of electricity load-shedding and limited electricity supply in parts of Nakaseke, Wakiso, Butambala and even Bukedea. However -

**THE SPEAKER:** Honourable members, listen to the Member.

**MR ALLAN MAYANJA:** Madam Speaker, on Tuesday 27 June, Hon. Ruth Nankabirwa went to South Sudan and signed an agreement to sell power to South Sudan and -

**THE SPEAKER:** Let us sort issue by issue. Nakaseke did not celebrate *Eid* because there was no power. To the best of my knowledge, *Eid* - you should know that I am also a Muslim - (*Laughter*) - is celebrated during daytime and not in the night. It is not electricity that slaughters cows. (*Laughter*)

**MR ALLAN MAYANJA:** Madam Speaker, the point I want to make is that the Minister for Energy and Mineral Development went to South Sudan and signed an agreement to sell power to South Sudan and yet, Ugandans are suffering with darkness because electricity is not enough. The minister should table that agreement and elaborate its details and should explain whether Ugandans have enough

electricity. Why should Uganda supply electricity to other countries when we do not -

**THE SPEAKER:** Is it supplied for free or it is being sold?

**MR ALLAN MAYANJA:** Madam Speaker, it is not for free -

**THE SPEAKER:** What does the agreement say? Is it a sale or just giving as Rotarians?

**MR ALLAN MAYANJA:** Madam Speaker, it is for sale but for more details, I request the Minister for Energy and Mineral Development, under Rule 40, to table the agreement.

**THE SPEAKER:** Attorney-General, do you understand what he is saying? Why do we sell power when we do not have enough? The House needs the agreement to be tabled on the Floor.

2.36

**MR MARTIN MUZAALE (NRM, Buzaaya County, Kamuli):** Thank you, Madam Speaker. The point I want to raise is in connection to what my colleague has just raised.

**THE SPEAKER:** You see, when you talk about power blackouts - that is why there is a clause here on Bujagali.

**MR MUZAALE:** Madam Speaker, the challenge in this country is not that we do not have enough power. The challenge is that we are unable to distribute what is being produced in this country. We have so many private entities producing energy that we are not using and as a country, we are spending over Shs 400 billion on power that we are not using.

It is important that the Minister of Energy and Mineral Development comes up with a budget so that we are able to transfer this power from where it is generated to points of consumption other than paying for what we are not actually consuming.

**THE SPEAKER:** It is an issue of generation, distribution and transmission.

2.37

**MR DENIS ONEKA (FDC, Kitgum Municipality, Kitgum):** Thank you, Madam Speaker. On 14 February, we processed a loan here -

**THE SPEAKER:** Of which year?

**MR ONEKA:** Of this year - for distribution of power to almost 56 new districts. I personally supported the loan because my area is 40 miles away from Kampala but in the Luwero Town Council, we do not have power. Actually, when I learnt that our minister represented us to sign an agreement to sell power to South Sudan, I felt offended because I put in my energy to process the loan and make sure that the power is here -

**THE SPEAKER:** Let us give all those comments when the minister brings the report because we cannot speak about it when she is not here. We will ask the minister to come and report to the House and lay on the Table the agreement that she signed.

**MR ONEKA:** Since I am here on the people's mandate, I would want an assurance on the status of the loan that we processed. Did we process it to generate power to sell?

**THE SPEAKER:** I am saying - next item. When I give you the liberty and you misuse it, that is a problem. I give you the liberty to speak and you want to misuse it?

#### LAYING OF PAPERS

#### 3(A) THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY ANNUAL PERFORMANCE REPORT FOR THE YEAR 2021/2022

**THE SPEAKER:** Before that, Hon. Atkins has a procedural matter but make it short. Good enough, Hon. Sarah is here to translate. *(Laughter)*

**MR KATUSABE:** Thank you, Madam Speaker. The last time I was here, in the last sitting, you assigned me to go to Kasese -

**THE SPEAKER:** And to the hospital.

**MR KATUSABE:** And to the hospital - first, Kasese as a community, is grateful for your quick and motherly response. However, the community is still bleeding psychologically. It continues to be crippled emotionally.

Madam Speaker, 17 bodies had been sent to Buhinga Hospital for DNA testing, especially the bodies that were burnt beyond recognition. Eleven of those bodies are back and they were received yesterday by the grieving families. For the six remaining bodies, I think the DNA technologists are still trying to figure out how they can match their DNA because the bodies are basically ash and rubble.

Madam Speaker, the point I want to bring to your attention is that the Government, out of its generosity, donated Shs 5 million to every family. However, when the honourable minister, Muyingo, went to the community, he did not leave donations for families of the 11 bodies because he had to wait until their identities could be ascertained.

When I was in the community yesterday, the families of the 11 bodies, whose DNA had been matched, were waiting for the Government and the minister to, probably, assign somebody to take the Shs 5 million contribution. Madam Speaker, my Woman Member of Parliament asked a lot of questions – and valid questions – but we are yet to get answers to the questions.

Madam Speaker, before the tragedy happened, we had a lot of checkpoints everywhere. It is amazing and shocking that now, you drive all the way from Rwimi to Kiraro - the last mountainous area – without a checkpoint. How can you have checkpoints in every junction of the district before the tragedy and, sadly, after the tragedy that disappears? Our people that are living in extreme fear.

My request this afternoon is that the security leadership should put checkpoints so that communities can be in their homes and in schools with a restful heart.

Lastly, Madam Speaker, there is a lot of miscommunication. The Government pronounced itself and said: “We shall provide security in our school communities.” Unfortunately, the school communities do not have security.

Madam Speaker, I am asking you, on behalf of the people of Kasese, to direct the ministers to ensure an adequate manpower is deployed around the schools so that we do not have our sons and daughters breaking off and missing their education.

To those in hospitals, Madam Speaker, I think we should continue to offer them prayers. They are responding very well. Doctors are following them up and, by the grace of God, we may have their lives back.

I really appreciate you, Madam Speaker.

**THE SPEAKER:** Thank you, Hon. Atkins. Hon. Ogwang, we would want you to follow up with Hon. Muyingo on the money that was not given to those other families and the issue of security in the schools.

On the issue of the checkpoints, I remember one time, you were the same person who raised the issue of checkpoints everywhere – that before you reach Kasese, you would have to go through 20 checkpoints. They were removed because of you. Now, you are the same person who has come complaining that there are no checkpoints. So, what do we do as the Government?

2.45

**THE MINISTER OF STATE FOR EDUCATION AND SPORTS (SPORTS) (Mr Peter Ogwang):** Thank you, Madam Speaker. On the issue of the identities of the children, we pledge that we will follow up with the ministry to ensure that the Shs 5

million to every family is availed to the rightful persons. I will work with Hon. Atkins to follow up on that matter. I thank you.

**THE SPEAKER:** Thank you. Yes, LOP?

2.46

**MR JOSEPH SSEWUNGU (NUP, Kalungu West County, Kalungu):** Madam Speaker, I thank Hon. Atkins and the minister – *(Interruption)*

**MR PETER OGWANG:** There was an issue that Hon. Atkins had raised - the issue of security at schools.

We have picked up this matter seriously. Specifically, we must look at the areas where we know we might have borders with our neighbours, which are not good. Those are areas on which we will be able to work with the ministries of defence and internal affairs. As you know, our role as the Ministry of Education and Sports, is to deal with matters of education. Issues of security are for the ministries of internal Affairs and Defence. I thank you.

**THE SPEAKER:** Thank you. LOP, what is it?

**MR SSEWUNGU:** Madam Speaker, briefly, I would like to thank Hon. Atkins and the minister. We are all happy when you give Shs 5 million. However, to the Attorney-General, we pray that this money does not become the solution. What is happening in all the rampant deaths that take place is that the Government gives Shs 5 million and investigations end there.

Our prayer is, yes, you have given that support, but let us have a logical conclusion on the cause of death of those people. Many families got this money but do not have tangible results in terms of reports on where the death came from. Thank you.

**THE SPEAKER:** Thank you. Hon. Sarah, did you have something on the same?

2.48

**MS SARAH OPENDI (NRM, Woman Representative, Tororo):** Thank you, Madam Speaker. You did ask us to get to our constituencies. We do not fly, but move by road. This House, severally, in the last session, discussed the motion on the Uganda Road Fund – funding for our roads – because of the challenges that we were all facing in our constituencies.

Madam Speaker, I appreciate you, this Parliament and the Executive for allocating Shs 1 billion to every district. However, we had a District Road Committee meeting in Tororo. To our shock, while the guidelines were sent to the districts, we asked for this money and how the district was planning to utilise it.

It was not an issue of Uganda Road Fund. A few people within the district now decided to sit and plan for this money. When we visited the roads where this money was supposed to be utilised – Madam Speaker, you will be shocked: a passable motorable road is where this money had been allocated. For roads that are completely cut off and those that are completely impassable – and looking like potato gardens – no money was allocated.

The issue I am raising here is that it is under the District Road Funds, where Members of Parliament sit with the secretary for works and the district chairperson and discuss how this money is actually spent. However, the way it is now, this money is going to get lost in the hands of a few people in the district, if we are not careful.

Therefore, the procedural issue I am raising is that rather than this money going directly to the districts - and it is now the Executive and a few decision makers – let this Shs 1 billion be routed through the Road Fund, where there is accountability and where Members of Parliament sit. This is the issue; a case in point is Tororo and I am sure it is also happening in other districts.

I would like to bring this to your attention, Madam Speaker. I do not see why the Shs 1

billion cannot go through the Road Fund, where we sit and can clearly monitor how it is spent. Thank you very much for this opportunity, Madam Speaker.

**THE SPEAKER:** Honourable members, we passed a resolution in this House to give each district local government that money. We agreed that the Members of Parliament will have to oversee the usage of that money. The money was appropriated to each local government. I do not know how you are going to move a mischarge; how you are going to move money from one Vote to the other. For the few of us who know some little accounting, it is not something that you can do.

You need to do your oversight role. Go on the ground; you are the leader. You are the ones who advocated for this money. I remember I was chairing the House when we passed that resolution; you advocated for that money. When you see that the Chief Administrative Officer is overriding, you have the powers to get that Chief Administrative Officer out. We will take action. Let the money be there because the guidelines are there. We will make sure that money will do the best to work.

When you start saying that this money should go to the Road Fund, it is different. Now that Shs 1 billion that you are going to be getting here for your constituency and you know that you have a contract - it can bring you back. Let us go to the next item.

I am personally going to monitor that money for all the districts. If it means calling all the Chief Administrative Officers to our boardroom here and we read for them the guidelines, we will do it. However, Members, you abscond your constituencies and leave the money to be used by those people, then, at the end of the day, you come and raise it on the Floor; it does not help.

*Hajjati Aisha Kabanda*, you will discuss the next one. We have made a ruling on this.

**MS AISHA KABANDA:** I have good information on that money. I have been to my district; we went to monitor the usage of money

for roads. The technical officers informed us that they have been directed to work with Members of Parliament over the Shs 1 billion. That means good information has been given to the districts and it is upon us now to liaise with them and follow up the money. At least my district has been reliably informed.

**THE SPEAKER:** That is a very far district in Butambala. What about a nearby one in Tororo? *(Laughter)* Let us go to the next item. Honourable members, that Shs 1 billion is yours.

#### LAYING OF PAPERS

##### THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS AUTHORITY ANNUAL PERFORMANCE REPORT FOR FINANCIAL YEAR 2021/2022

2.53

**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 Public Procurement and Disposal of Public Assets Authority Annual Performance Report for the Financial Year 2021/2022. I beg to lay.

**THE SPEAKER:** Please, lay it. I refer the report to the Committee of Finance, Planning and Economic Development. In the same vein, I urge the committee to consider all the pending reports, which are before it and bring them to the Floor. We have the most urgent one on operationalisation of the regulations for Islamic Banking in MDAs.

##### THE NATIONAL WATER AND SEWERAGE CORPORATION INTEGRATED ANNUAL REPORT FOR THE FINANCIAL YEAR 2021/2022

2.54

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

Speaker, on behalf of the Ministry of Water and Environment, I beg to lay the National Water and Sewerage Corporation Integrated Annual Report for the Financial Year 2021/2022.

**THE SPEAKER:** Thank you very much. It is referred to the Committee on Environment and Natural Resources.

##### THE NATIONAL PHYSICAL PLANNING BOARD ANNUAL PERFORMANCE REPORT FOR THE FINANCIAL YEAR 2021/2022

2.55

**THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (INDUSTRY) (Mr David Bahati):** Madam Speaker, on behalf of the Government, we would like to lay the Annual Report of the Ministry of Lands, Housing and Urban Development for the Financial Year 2021/2022.

**THE SPEAKER:** Thank you. I refer it to the Committee on Physical Infrastructure.

##### REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS OF THE NATIONAL PHYSICAL PLANNING BOARD FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

2.55

**MR SOLOMON SILWANY (NRM, Bukooli County Central, Bugiri):** Madam Speaker, I beg to lay the report of the Auditor-General on the Financial Statements of the National – *(Interruption)*

**MS AISHA KABANDA:** Thank you, Madam Speaker. My point of order is not addressed to Hon. Silwany –

**THE SPEAKER:** You only raise a point of order to the person -

**MS AISHA KABANDA:** Yes, there is a point of order I would like to raise, Madam Speaker –

**THE SPEAKER:** Is somebody not dressed well?

**MS AISHA KABANDA:** Yes. May I know whether the honourable member dressed in a casual green shirt is actually appropriately dressed for this Parliamentary sitting?

**THE SPEAKER:** Hon. Goli is dressed in traditional African attire and he is very smart.

**MR SILWANY:** Thank you, Madam Speaker. Honorable members, I beg to lay the report of the Auditor-General on the Financial Statements of the National Physical Planning Board for the Financial Year ended 30 June 2022. I beg to lay.

**THE SPEAKER:** Thank you. I refer that report to the Public Accounts Committee – Central Government. It should be reported back within six months pursuant to Article 163(5) of the Constitution and Rule 174(6) of the Rules of Procedure. I remind the Leader of the Opposition that your committees should present their reports. The six months have passed and I have only got reports from PAC - Local Government. We are giving the Committee on Government Assurances time next week.

**MR SSEWUNGU:** Madam Speaker, we will do as directed.

**THE SPEAKER:** Thank you.

## BILLS SECOND READING

### THE INCOME TAX (AMENDMENT) (NO. 2) BILL, 2023

**THE SPEAKER:** Honourable members, we stood over this Bill. I asked the Minister of Finance, the Attorney-General and the committee to harmonise. Can we get a report of harmonisation? However, as we get the report of harmonisation, our clock-in machines are working. We are going to have a printout for the last session in the print media. Can I have the report on harmonisation?

Can I first hear from Hon. Kivumbi?

2.59

**MR MUWANGA KIVUMBI (NUP, Butambala County, Butambala):** Madam Speaker, thank you for this opportunity. In my humble view, the chairperson has a position –

**THE SPEAKER:** Did you harmonise? That is what I want to find out.

**MR KIVUMBI:** No, we did not.

**THE SPEAKER:** You did not?

**MR KIVUMBI:** At the committee level, we did not agree. The Government met us. However, the committee went into its own meeting after the Government had left and there remained one issue, which is on the definition of “interest”, which is very simple and we can flush out and pass this Bill.

Madam Speaker, if you permit me to speak on why we still hold a very strong opinion on the definition of “interest”, it is that essentially, interest under Islamic Banking is *riba*. The core principle of Islamic Banking is on a basis that is charitable and it goes to help the disadvantaged to leverage their position. In the whole transaction, there is nothing like profit and there is no interest or income to tax under Islamic Banking and Finance.

The framers of this Bill simply did not interrogate. Even if any of us who have iPads google and I can ask all Members who want to contribute to google the meaning of “*riba*” and Google will give you the definition of “*riba*”. It goes ahead to define what “*riba*” is in the Google definition.

First of all, Islamic Banking is not speculative, it has a *quid pro quo*. If the bank is going to give me money to buy a car, the bank will buy a car in its name. That is why in the Stamp Duty (Amendment) Bill, 2023, we never put a tax when the bank is registering that car because the actual ownership is in trust.

When I am paying back, for example, Shs 100 million, I am supposed to pay back Shs 100 million. The only difference can be in the transaction fees that are involved, which we call mark ups. It is against the Quranic teaching to assume there will be excess money above the mark-up costs, and there is no income in that transaction.

So, it is just minimal pay to transact and complete that transaction. Now, the framers of the Income Act look for income and therefore, they assume that there is a profit and it will attract a tax. That is why in the position of the committee, which I strongly believe is the right interpretation of the Sharia Law, is that where there is interest, we replace it with mark-up because a very good intention will be de-campaigned on the basis that it is against the teachings of Islam or the Sharia Law.

Attorney-General, all the witnesses that came before our Parliament; Uganda Muslim Supreme Council and Uganda Muslim Lawyers Association were almost agreeable to other things but they voiced concern with that issue and it is at the core of what is called Islamic Banking. We request the Government this time, this is a very noble cause long overdue to agree with our position. Where there is interest, we put mark-up and that will simply address that issue.

In our humble view, that is a contentious matter. I have been speaking to many of my Muslim colleagues who are in this Parliament, to sell your position but it seems it is unsellable because it will offend the Quran. It is that serious.

**THE SPEAKER:** Can I have the Attorney-General?

3.04

**THE ATTORNEY-GENERAL (Mr Kiryowa Kiwanuka):** Thank you very much, Madam Speaker. We are not writing a religious law. [Mr Basalirwa: "Order."] No, listen, it is a submission.

**THE SPEAKER:** Hon. Asuman, if you are used to quarrelling with voters, this is not Bugiri. *(Laughter)*

**MR KIRYOWA KIWANUKA:** Thank you very much, Madam Speaker. We have tried to harmonise this matter; this law we are writing here is not being written in Uganda only, it has been written in other places. For purposes of guiding the House today, I came with a copy of the Kenyan Tax Law, which is very close to us here and it has the definition of "interest" for Islamic law and it has worked very well in Kenya for a couple of years.

This tax law uses the word "interest" 126 times. So, the moment you change the word "interest" in this tax law, you must allow us to go back and redo all the 126 items that appear in the Income Tax Act, which deal with interest. We are defining the word "interest" for purposes of Islamic law with the exemption that under Islamic law, there is no mark-up. And if there is no mark-up, then it will be zero and there will be no interest.

**THE SPEAKER:** Is that what you have included that there is no mark-up under the Islamic law?

**MR KIRYOWA KIWANUKA:** That is the definition that is being created here that for purposes of Islamic law, it has to only be that amount, which is higher than what they agreed to pay back.

So, the issue here is that this definition is not only in Uganda, it is here and I would like to lay a copy of the Kenyan Tax Law and it defines interest similar to ours. The problem is -

**THE SPEAKER:** Attorney-General, if there is an aspect of no mark-up, I do not see why we are wasting our time. Can we go to the committee stage? [Mr Basalirwa: "Motion."] Move the motion.

3.06

**MR ASUMAN BASALIRWA (JEEMA, Bugiri Municipality, Bugiri):** Madam Speaker, I beg to move that the House

constitutes itself into a Committee Stage to discuss the Bill.

**THE SPEAKER:** Is it seconded? It is seconded by the Attorney-General, Minister of Finance, planning and Economic Development and everyone in the House.

**BILLS  
COMMITTEE STAGE**

THE INCOME TAX (AMENDMENT) (NO.  
2) BILL, 2023

**THE CHAIRPERSON:** Honourable members, I did not put the question because I did so last time. We are supposed to be at Committee Stage and that is why I have not put the question. The quorum was determined.

3.07

Clause 1

**MR KANKUNDA:** Madam Chairperson, clause 1 has no amendments.

**MR BASALIRWA:** Clause 1 is where we are seeking the indulgence of the committee to replace the words, “return on investment” with “mark-up”. That is where we are seeking indulgence so that the other aspects remain consequential.

**THE CHAIRPERSON:** Attorney-General?

**MR KIRYOWA KIWANUKA:** Madam Chairperson, if you are going to replace “return on investment” with “mark-up”, those are two different things. A mark-up is a build-up on an amount. Return on investment is a return that you get for your investment. It is totally different. It is more inclusive.

The different kinds of Islamic Banking that exist use different models. He gave the example of a car; that is one model. There are other models, which are used where you buy the entity in another person’s name; you handle them in another person’s name. The different models do not necessarily all use the model of markup but they use the return on investment.

Honourable colleagues, what we need to agree on and appreciate is, even with Islamic Banking, I will give you Shs 100 million and I expect back Shs 110 million at the end of the day, which is supposed to take care of the management fees and all the other costs to manage that portfolio. It does not necessarily mean that it is a profit or interest but it is a cost that is built up on it. Therefore, if you say mark-up, it is not necessarily a return on that investment.

I beg my colleagues that we are not creating these provisions that we are dealing with here for the first time. We have benchmarked and borrowed from other jurisdictions, which have actually done Islamic Banking. I beg that –

**THE CHAIRPERSON:** Attorney-General, as you continue the negotiation, can we go to clause 2? We will stand over this and come back.

Clause 2

**THE CHAIRPERSON:** There is no amendment. I put the question that clause 2 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 2, agreed to.*

New Clause

**THE CHAIRPERSON:** Don’t you have a new clause?

Clause 3

**THE CHAIRPERSON:** Do you have an amendment?

**MR KANKUNDA:** Madam Chairperson, there are no amendments on the next clause.

**THE CHAIRPERSON:** I put the question that clause 3 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 3, agreed to.*



## Clause 4

**MR KANKUNDA:** Madam Chairperson, for purposes of clarity, it was only the first clause that had issues. For the rest of the clauses, there were no amendments.

**THE CHAIRPERSON:** Okay. I put the question that clause 4 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 4, agreed to.*

*Clause 5, agreed to.*

*Clause 6, agreed to.*

*Clause 7, agreed to.*

*Clause 8, agreed to.*

*Clause 9, agreed to.*

*Clause 10, agreed to.*

*Clause 11, agreed to.*

## Clause 12

**MR KANKUNDA:** Madam Chairperson, in clause 12, there is an element of re-characterisation of arrangement under Islamic financing.

The committee observed the following:

- i. It was proposed that the Commissioner-General's powers be fettered by amending the provision to include the need for the Commissioner-General to consult with experts on Sharia law, including the Uganda Muslim Supreme Council and the Accounting and Auditing Organisation of Islamic Financial Institutions (AAOIFI). The AAOIFI is an Islamic international autonomous, non-profit making corporate body that prepares accounting, auditing, governance, ethics and Sharia standards for Islamic financial institutions and the industry.

- ii. The committee, however, noted that the provision under clause 12 already fetters the powers of the Commissioner-General, for purposes of re-characterising Islamic financial business. Clause 2 of the proposed section 163A specifically states that, "The Commissioner-General shall – emphasis added - comply with Sharia principles in re-characterising an arrangement under Islamic financial business not provided for under this Act."

- iii. The committee observed that the issue of the word "shall" restricts the exercise of re-characterising any arrangement under Islamic financial business by the Commissioner-General to only that, that is or which is acceptable under the principles of Sharia. Any further specification of the law may limit the Commissioner-General to only one entity mentioned, which may limit the implementation of the law itself.

Therefore, the committee recommends that clause 12 be maintained in the Bill.

**THE CHAIRPERSON:** Honourable Chairperson, when there is no amendment, you say, as you said before, that there is no amendment.

I put the question that clause 12 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 12, agreed to.*

**THE CHAIRPERSON:** (*Hon. Ssewungu rose*) There is no amendment.

**MR SSEWUNGU:** He talked about consultation of Uganda Muslim Supreme Council alone but he should accept that there should be an amendment to cover "any other leadership of the Islamic faith in Uganda". You know that we have two *mufitis* in this country.

**THE CHAIRPERSON:** He just made an observation.

**MR SSEWUNGU:** Okay. However, it is very important.

Clause 13

**THE CHAIRPERSON:** I put the question that clause 13 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 13, agreed to.*

Clause 1

**THE CHAIRPERSON:** The agreed position?

**MR BASALIRWA:** Madam Chairperson, Clause 1 –

**THE CHAIRPERSON:** *Hajati*, in the Sharia law, when the Haji is talking, the *Hajati* sits. *(Laughter)*

**MR BASALIRWA:** That is the correct position of Sharia law and I thank you for appreciating that. *(Laughter)*

Madam Chairperson, I seek the indulgence of the committee and the learned Attorney-General that we consider - learned Attorney-General, you are giving examples across the region and other parts. There are two things we need to appreciate.

Hon. Muwanga Kivumbi was explaining that when you are talking about Islamic Banking and looking at collecting taxes, the two are completely incompatible. Even in Saudi Arabia and everywhere – the examples that you cited – they are taxing Islamic Banking.

The challenge we have is that we want to look at Islamic Banking as a source of taxes. We, kindly, beg you - we must be very careful not to use such clauses in this piece of legislation, where you are giving with one hand and taking away with another. If you really want to help the community – and for information purposes, Islamic Banking is not about Muslims.

When this service is eventually rolled out, the banks that are going to be providing this service are not going to ask for your faith for you to access it. It is also important to state

that and put it in context. We are looking at a service available to everybody. Just like when this country goes to borrow from the Islamic world, they do not do so because it is an Islamic country. We may be a member of OIC, but we are not necessarily an Islamic country.

Therefore, I beseech the minister and learned Attorney-General that wherever the word “interest” appears in this Bill, we replace it with mark-up. It is as simple as that.

**MSAISHAKABANDA:** Madam Chairperson, I would like to justify the use of “mark-up” against “return on investment”. Return on investment is profit. Islamic Banking is looking at other costs, not necessarily profit. The word mark-up includes both. The word mark-up will include other costs that could be added, such as operational costs. It would also include profit – if there is any profit anyway – which is not meant to be there. When you use “return on investment”, you are speaking to profit, which is not meant to be there.

Islamic Banking presupposes that you are loaning the person the money to help him get out of a situation. Therefore, you do not look at making a profit. The words “return on investment” defeat the whole principle of Islamic Banking. I join colleagues to plead with the Attorney-General to accept the use of “mark-up” other than “return on investment”.

**MR SSEWUNGU:** Madam Chairperson, the phrase “return on investment” is not necessarily profit. Profit measures the performance of the business. Return on investment is not necessarily profit in legal terms. You have to clarify this.

**THE CHAIRPERSON:** Honourable members, we need harmony in the House. We will not pass something when other people are disgruntled and where you will find a minister writing to say, that was not the position of the Executive. So, let us agree and let the other side agree with the Attorney-General so that we come with a harmonised position. *(Applause)* That is basically what we are doing- Yes? Sleep over what? If you want to sleep, you go and sleep. *[Members rose-]*

**THE CHAIRPERSON:** I am not giving all of you because I am at the Committee Stage. I am waiting for a harmonised position.

Attorney-General, we are waiting for you. Honourable members, the clause that we are looking at- when you look at the amendment under clause 1, and Hon. Aisha, I want you to listen to this, “The payment of excess return-on-investment in the bond to the bond holder under Islamic financial business for each payment period over interest as defined under paragraph K(k)(6)”. When you go to paragraph K(k)(6), “Any payment of excess of total amount paid by a bond issuer over the amount received from the bond holder under Islamic financial services for each payment period, calculated at a rate not exceeding a rate determined by the Central Bank, does not include dividends; or a partner’s share or partnership income derived from partnership arrangement under Islamic financial businesses”. It goes further and says, “By inserting immediately after the definition of interest the following”, now that is where it brings in Islamic Banking.

Immediately after the word “interest”, it says, “Islamic financial business” means financial business undertaken by a person that shall conform to Sharia principles and includes a business of receiving property into profit sharing, sharing investment accounts, or for managing such accounts”. Now, you are replacing “interest” with “Sharia law.”

“Any other business of a person, which involves or is intended to involve the entry into one or more contracts under the Sharia, and otherwise carried out or purported to be carried out in accordance with the Sharia principles, including equity or partnership financing, lease-based financing, sell-based financing, currency exchange contract, or fee-based activity”.

This is what we have been arguing about. The law should be read interchangeably. You do not read only one section and say that is enough. They have defined what interest is and have defined what Islamic Banking is. Are we together, *Hajjati*?

**MS AISHA KABANDA:** Yes, Madam Chairperson, we are together but the problem stems from the very first one which you read the very first clause-

**THE CHAIRPERSON:** On the return on investment?

**MS AISHA KABANDA:** On the return on investment but the rest of the clauses flow very well.

**THE CHAIRPERSON:** So, do you want the return on investment to be replaced with a mark-up?

**MS AISHA KABANDA:** Yes, Madam Chairperson.

**THE CHAIRPERSON:** What is the difference between Mark-up and-

**MSAISHAKABANDA:** Madam Chairperson, return on investment is a profit.

**THE CHAIRPERSON:** No. It includes the profit.

**MS AISHA KABANDA:** There is interest in using the two words interchangeably but they are different. Mark-up includes operational costs and return on investment; that is mark-up. Return on investment is express profit. So, when you use mark-up, Madam Chairperson, what colleagues-

**THE CHAIRPERSON:** Mark-up shows how much more a company’s selling price is, not the amount the item costs in a company. In general, the higher the mark-up, the more revenue the company makes. That is a mark-up.

**MS AISHA KABANDA:** Thank you, Madam Chairperson.

**THE CHAIRPERSON:** Wait, I am still giving you return on investment-

**MS AISHA KABANDA:** If you could allow me to interpret that. Mark-up includes selling cost in total after adding operational costs

and what you want to gain as a company, your return. So, it is a selling price in total, inclusive of operational costs, and the return on investment. That is a mark-up. And that is how I understand it and that is how we have interpreted it. Then you can help us get the return on investment, which I understand to be a profit.

Colleagues, I want to bring to your attention the words that Hon. Muwanga Kivumbi brought to our notice initially, that the whole essence of Islamic Banking, is to be able to help someone to get out of a situation-

**THE CHAIRPERSON:** First of all, the return on investment is calculated by dividing the profit earned on the investment by the costs of that investment. For instance, an investment with a profit of say \$100 and its cost of \$100 would have a return on investment of 100 percent. If your cost of operation was \$100 and you make a profit equivalent to what you invested, that is what they call a return on investment.

**MS AISHA KABANDA:** Thank you, Madam Chairperson. You just emphasised what I said that a return on investment is getting a summation of every money that you have invested in the business and being able to calculate what you want to get out of it. That is a return on investment. Islamic Banking does not envisage a situation where you will invest money to make a gain, for the organisation to make a gain. It envisages a situation that you will invest money to make someone salvage a situation.

Therefore, the money that is expected to be added over and above is operational cost. The moment you add return on investment, you are saying that the one who is investing will make a personal gain, which is assumed to be exploitative of a person that is actually coming for assistance.

**THE CHAIRPERSON:** Honourable members, the principle is agreed that all that is provided for in the law, should be read

interchangeably. Now, the issue that is here is on a makeup versus return on investment. I am going to put the question- I thought you were speaking for and on behalf of the Sharia.

**MSAISHAKABANDA:** Madam Chairperson, I heard the Attorney-General say, here that it is assumed that return on investment in Islamic Banking is zero- and he said that. If he assumes the return on investment is zero, what is the problem? I really do not understand the problem here. Except, like one of our colleagues said that we are giving with one hand and one takes away with the other hand. Let us wait for them to return and then we make a conclusion.

**THE CHAIRPERSON:** Honourable members, we still have another Bill we need to finalise.

**MS SANTA ALUM:** Thank you, Madam Chairperson. You have well said that we still have another Bill. However, this very particular Bill is very important and we have been waiting for it.

Last time, we gave the Attorney-General and the team time to go and reconcile. I see them coming back hoping that they will help this Parliament with the agreed position that must make us move forward.

**THE CHAIRPERSON:** Honourable members, I do not even see any problem with that clause. It is just for trying to practise democracy. Hon. Asuman, can you report?

**MR BASALIRWA:** Thank you, Madam Chairperson. We have had a very fruitful discussion. Our view was to have the committee report position maintained. The learned Attorney-General and his side are of the opinion that the wording of the Bill, where business is conducted under Islamic Banking, the provision of interest and taxes will not apply and that is the input of KK *-(Interjection)-* not KK the Attorney-General.

**THE CHAIRPERSON:** It is the provision of KKA?

**MR BASALIRWA:** Madam Chairperson, we were trying to look at what the Bill says in relation to clauses 5, 6 and 7 in relation to the discussion we have been having.

The interpretation of the learned Attorney-General is that our concerns are well catered for under KKA which deals with Islamic financial businesses that have been defined.

**THE CHAIRPERSON:** Thank you. You mean you have just seen it. That is what I was saying. I put the question that clause 1 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 1, agreed to.*

*Title, agreed to.*

MOTION FOR RESUMPTION OF THE  
HOUSE

3.42

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Chairperson, I beg to move that the House do resume and the Committee of the whole House reports thereto.

**THE CHAIRPERSON:** I put the question that the House resumes and the Committee of the whole House reports thereto.

*(Question put and agreed to.)*

*(House resumed, the Speaker presiding\_)*

REPORT FROM THE COMMITTEE OF  
THE WHOLE HOUSE

**THE SPEAKER:** Honourable minister.

3.43

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to report that the Committee of the whole

House has considered a Bill entitled, "The Income Tax (Amendment) Bill No.2, 2023 and passed it with no amendments.

MOTION FOR ADOPTION OF THE  
REPORT OF THE COMMITTEE OF THE  
WHOLE HOUSE

**THE SPEAKER:** Minister?

3.44

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to move that the report from the Committee of the whole House be adopted.

**THE SPEAKER:** I put the question that the House adopts the report of the Committee of the whole House.

*(Question put and agreed to.)*

*Report adopted.*

BILLS  
THIRD READING

THE INCOME TAX (AMENDMENT)  
(NO.2) BILL, 2023

**THE SPEAKER:** Honourable minister -

3.44

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to move that The Income Tax (Amendment) (No.2) Bill, 2023 be read for the third time and do pass.

**THE SPEAKER:** I put the question that The Income Tax (Amendment) (No.2) Bill, 2023, be read the third time and do pass.

*(Question put and agreed to.)*

A BILL FOR AN ACT TITLED, “THE  
INCOME TAX (AMENDMENT) (NO.2)  
ACT, 2023

**THE SPEAKER:** Bill passed and title settled.  
Can we have the next Bill?

BILLS  
SECOND READING

THE FOREIGN EXCHANGE  
(AMENDMENT) BILL, 2023

**THE SPEAKER:** *Imam*, I will give you time to say a word after, do not worry; this is still your Bill.

3.45

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to move a motion that The Foreign Exchange (Amendment) Bill, 2023 be read for the second time.

**THE SPEAKER:** Is it seconded? (*Members rose*) Seconded by Hon. Tebandeke - Hon. Tebandeke, first, come back (*Laughter*), Hon. Muwuma, Hon. Ojara, Hon. Linda, Gweri, Soroti, Chairman and Koboko and by the whole House. Can you speak to your Bill?

**MR MUSASIZI:** Thank you, Madam Speaker. The Bill seeks to amend the Foreign Exchange Act, 2004 to provide for the enhancement of the minimum capital requirements to carry on foreign exchange business.

The use of technology in operations and charging the administrative penalties, the strengthening of the vetting requirements and the harmonisation of the regulatory regime pertaining to the foreign exchange bureaus and the money remittance companies with the East African Community Region. Madam Speaker, I submit.

**THE SPEAKER:** Thank you. Hon. Kivumbi, do you have any-

3.47

**MR MUHAMMAD MUWANGA KIVUMBI (NUP, Butambala County, Butambala):** Madam Speaker, the time limit for this Bill and the urgency was very- but there are three takeaways, which in your indulgence, you will address.

One of them is because of time; I cannot fault the committee for elaborate consultation. However, the second issue is in regard to the transfer fees.

You know, when we were making this Bill, forex bureaus are one of the low-hanging fruits for which many of our local people pay. The minimum capital now required will be Shs 50 million to operate a forex bureau. However, if you are going to transfer both local and foreign investors-

However, when it comes to participating in transfers, the cost will be Shs 200 million, both local and foreign. We have to be very careful as we make this law so that the foreign people do not completely wipe away our local people. It is so critical when you even them – There is a possibility that our local participants in there will get squeezed under this, especially where now the requirement is Shs 200 million so we have to be very careful.

The second issue of contention is on excessive powers being given to the Governor in coming up with fees. Like we did on all the tax laws, it is critical that we cure this, at some stage, because there is no minority report. Those instruments should be approved by Parliament.

You are talking about fees and if not well handled, they will threaten the very participation of our local people –

**THE SPEAKER:** The Governor can also abuse his powers.

**MR MUWANGA KIVUMBI:** Yes, these powers can be excessive under those circumstances. Those are the two issues that we need to carefully address, as Parliament; whether the law we enact does not eliminate the

local participant in this trade. It is 10 per cent of our GDP and 10 per cent of the transactions are in that sector. Do our people continue to have a niche in it or by amending it and raising this bar so high, we are eliminating them? With those concerns –

**THE SPEAKER:** For now, you do not have amendments until we come up with those amendments, both in the Bank of Uganda and then -

**MR MUWANGA KIVUMBI:** If Parliament deems fit, under your guidance, we can cure those things without much controversy. I beg for your indulgence.

**THE SPEAKER:** So, we do not have any amendments for this case. Thank you. Can you move the motion?

**MR MUWANGA KIVUMBI:** Madam Chairperson, Hon. Aisha indicted me that I did not do my work. I did my work but we had one day –

**THE SPEAKER:** Hon. Aisha, stop blackmailing my very able minister.

**MR MUWANGA KIVUMBI:** And you know she is my voter so I am careful. When I lose the confidence of my voter –

**THE SPEAKER:** Voter, can you move the motion that we go to the Committee Stage?

3.50

**MS AISHA KABANDA (NUP, Woman Representative, Butambala):** Thank you, Madam Speaker. I was about to raise a point of order. I thought Hon. Muwanga Kivumbi was not in order to come here and simply talk and yet he had the right to propose an amendment. He did not utilise that opportunity to make proposals to us. That said, Madam Speaker, I hereby move a motion that we move to the Committee Stage to consider this Bill.

**THE SPEAKER:** Thank you. Hon. Aisha, you have moved a motion. Is it seconded? (*Members rose*) It is seconded by Hon. Ethel,

Hon. Margaret, Hon. Moses, Hon. Max, the Member from Gweri and Hon. Anifa. Thank you.

Honourable members, we have the quorum. I put the question that the Foreign Exchange (Amendment) Bill, 2023 be read for the second time.

*(Question put and agreed to.)*

## BILLS COMMITTEE STAGE

### THE FOREIGN EXCHANGE (AMENDMENT) BILL, 2023

3.51

Clause 1

**THE CHAIRPERSON:** Clerk, I want you to upload the report and in line with what Hon. Muwanga Kivumbi also presented, the report should be uploaded on our *Hansard*.

I put the question that clause 1 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 1, agreed to.*

Clause 2

**THE CHAIRPERSON:** Hon. Muwanga Kivumbi, I thought you said that there were no amendments.

**MR MUWANGA KIVUMBI:** When I made my comments, I thought you would accommodate them in the interest of the country. I said I work under very constrained human resource – I constrained my small workforce to work on that.

Therefore, Madam Chair, under this clause, I move that you transfer for our local investors - On the minimum Shs 50 million, I agree. People who do not have Shs 50 million, whether local or foreign, cannot engage in this business as it requires a lot of cash.

However, to give our local people some small advantage, we should put it at Shs 150 million share capital and the foreigners at Shs 200 million.

**THE CHAIRPERSON:** Minister?

**MR MUSASIZI:** Madam Chairperson, I do not see how the law we are debating comes in under the proposal he is trying to bring. The law defines a forex bureau, the minimum capital requirements for forex bureaus and money remittances. We cannot now begin bringing in a forex bureau, which is owned locally and a forex bureau owned internationally. These are companies.

**THE CHAIRPERSON:** Honourable members, is that part of the object? How will you know that when you go to a forex bureau, it is operated by a local person or a foreigner? Can we hear from the chairperson?

**MR KANKUNDA:** Madam Chairperson, during our interface with the stakeholders, we got information that when this attempt was made to regularise sports betting and the law around that, we had issues and it did not take off. That is why we said, particularly when we are addressing this, that it is double edged in the sense that, we are also trying to address issues of money laundering. We should not try to bring it too low, yet our locals - even if they were operating - can have their businesses used for money laundering.

In our opinion as a committee, we think that Shs 200 million is not so big, given the amounts they use. The difference here is that we are talking about forex bureaus and remittance of money or money transfers to other countries. We think that by the time you are that level, you should be having that capacity.

**PROF. MUSHEMEZA:** Thank you for giving way. Madam Chairperson, if we now say, "local" in a liberalised economy, we are going against the principles of the East African Community. I suggest that we do not go that way - *(Interjections)* - I am giving information,

Madam Chairperson. We should not go that way because we are going to contradict the principles of the integration of the East African Community and the principles of running a liberalised economy.

**MR MUSASIZI:** Additionally, Madam Chairperson -

**THE CHAIRPERSON:** Honourable members, let us not create a scenario where we have people hiding behind being locals when they are foreigners. Let us make a law for everybody who is here.

**MR MUSASIZI:** Madam Chairperson, I would like to make this point; these are players in the financial sector space. We have banks; some are domestically owned and others are foreign owned. Capital is capital to these banks. We have insurance players in the same industry and their capital is capital, whether foreign or domestically owned.

Also, to the point you have just made, Madam Chairperson, we risk creating a window where people are going to start hiding under "domestic" when they are foreign. Furthermore, when we talk about "local", in the current laws, we define "local" to mean "East African". There is a risk that we may tamper with the harmonisation of the East African Community.

Madam Chairperson, I invite honourable colleagues to -

**THE CHAIRPERSON:** Honourable members, I wanted to find out from the minister about the minimum capital that is charged on the commercial banks. Does it differentiate between the local and foreign? For instance, if you are looking at Centenary Bank, which is locally owned, and Standard Chartered Bank, do they charge differently?

**MR MUSASIZI:** Madam Chairperson, the capital requirements in commercial banks are defined by tiers. If you are tier one, you are charged a certain minimum capital requirement, regardless of where you come from.



**THE CHAIRPERSON:** Honourable members, I put the question that clause 2 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 2, agreed to.*

*Clause 3, agreed to.*

*Clause 4, agreed to.*

*Clause 5, agreed to.*

*Clause 6, agreed to.*

*Clause 7, agreed to.*

*Clause 8, agreed to.*

*Clause 9, agreed to.*

*Clause 10, agreed to.*

*Clause 11, agreed to.*

*The Title, agreed to.*

MOTION FOR RESUMPTION OF THE  
HOUSE

**THE CHAIRPERSON:** Honourable minister?

4.01

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Chairperson, I beg to move a motion that the House do resume and the Committee of the whole House reports thereto.

**THE CHAIRPERSON:** I put the question that the House resumes and the Committee of the whole House reports thereto.

*(Question put and agreed to.)*

*(The House resumed, the Speaker presiding.)*

REPORT OF THE COMMITTEE OF THE  
WHOLE HOUSE

**THE SPEAKER:** Honourable minister?

4.01

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to report that the Committee of the whole House has considered the Bill entitled, "The Foreign Exchange (Amendment) Bill, 2023" and passed it with no amendments.

**THE SPEAKER:** Thank you.

MOTION FOR ADOPTION OF THE  
REPORT OF THE COMMITTEE OF THE  
WHOLE HOUSE

**THE SPEAKER:** Honourable minister?

4.02

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to move a motion that the report from the Committee of the whole House be adopted.

**THE SPEAKER:** I put the question that the House adopts the report of the Committee of the whole House.

*(Question put and agreed to.)*

*Report adopted.*

BILLS  
THIRD READING

THE FOREIGN EXCHANGE  
(AMENDMENT) BILL, 2023

**THE SPEAKER:** Honourable minister?

4.03

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to move that the Foreign Exchange (Amendment) Bill, 2023 be read for the third time and do pass.

**THE SPEAKER:** I put the question that the Foreign Exchange (Amendment) Bill, 2023 be read for the third time and do pass.

*(Question put and agreed to.)*

A BILL FOR AN ACT ENTITLED, “THE FOREIGN EXCHANGE (AMENDMENT) ACT, 2023”

**THE SPEAKER:** Bill passed and title settled. *(Applause)* Hajji, come and speak.

4.03

**MR MUHAMMAD MUWANGA KIVUMBI (NUP, Butambala County, Butambala):** Madam Speaker, I thank you for this opportunity. I just have a small issue.

First of all, I represent a constituency, which is called the “Mecca of Islam in Uganda”. Butambala is the Mecca of Muslims in Uganda – and Kibuli is the headquarters; it is the Medina or something –

**THE SPEAKER:** Why are you removing Old Kampala?

**MR KIVUMBI:** No, Old Kampala is the headquarters. Let me not go through those issues. *(Laughter)*

We would like, first, to thank the Government for considering this product. In our humble way, it has been long overdue. *(Applause)*

Secondly, our humble appeal to allay the fears of the broader society in Uganda. We know the back-and-forth of many centres of power that may feel a level of discomfort with Islamic Banking. Islamic Banking is not for Muslims; it will go to the poorest of the poor in our community and it will help people irrespective of their religious background.

Therefore, we appeal to those powerful centres to give it an opportunity to thrive because it will address a key gap in access to affordable and cheap sources of financing business in this country. Even when you go to microfinance institutions or *Emyooga*, the interest is at 11 per cent, which is still very expensive. World over, capital is around two per cent, three per cent or four per cent. Our people cannot compete globally if we are still charging interest of 19 per cent or 20 per cent plus.

We are speaking to the powers that I know – and I am making a humble appeal: give this product a chance to thrive in this market. It will help the poorest of the poor and our country to grow. I thank you, Madam Speaker.

**THE SPEAKER:** Thank you very much. Of course, competition is healthy.

4.06

**MR ASUMAN BASALIRWA (JEEMA, Bugiri Municipality, Bugiri):** Madam Speaker, I thank you. On behalf of the Muslim Parliamentary Caucus, where you are an associate member, we thank you very much for guiding this House to this historical piece of legislation.

In a special way, I would like to thank the committee, the Minister of Finance, Planning and Economic Development and my brother, the learned Attorney-General. We have had a very fruitful discussion and, as I said, it is all for the good of the country.

Just to emphasise, Islamic Banking is not intended to islamise this country. In any case, our Constitution is very clear: we are a secular country. I say so because of the fears and worries we have, including from you, Madam

Speaker. I have made this point before: Islamic banking is for everybody –

**THE SPEAKER:** Hon. Naome Kabasharira is seeking clarification.

**MR BASALIRWA:** Okay.

**MS KABASHARIRA:** Thank you very much, Madam Speaker. I would also like to appreciate our brothers, the one from the Mecca of Muslims in Uganda and our leader here. I just want to clear my mind about Sharia law because it is always connected to this and I think even the people who feared to bring this were scared of Sharia law. Can you shed some light on this Sharia law?

**THE SPEAKER:** Honourable members, we will have a session. I am going to organise a session for people to understand its operation such that when you go to the constituencies, you are able to explain. So, let us have a session; finance, arrange a session.

**MR BASALIRWA:** Madam Speaker, when I was thanking you, as an associate member of the Muslim Parliamentary Caucus, you were busy somewhere. However, let it go on record that you presided over a Parliament that passed a law that introduced Islamic banking and financing.

**THE SPEAKER:** Yes, I am an associate member; my husband is a Muslim and I am a Catholic.

**MR BASALIRWA:** Yes. You are an associate member and a proud one, by the way. *(Laughter)*

Madam Speaker, finally, I will give you information. When the world was facing economic depression, some of the countries that survived this like Malaysia, Indonesia and others, are countries that have inculcated aspects of Islamic Banking in their economies. So, it is important that we are comforted.

Finally, as other countries are threatening to cut aid, with this kind of system, we are able to accommodate the shocks that may easily be

caused by aid cuts by these people who want us to use wrong addresses in our country. Thank you.

**THE SPEAKER:** Thank you. Let me hear from LOP, then the chairperson and the Minister of Finance. Hon. Mathias Mpuuga, you are most welcome; we missed you.

4.10

**MR JOSEPH SSEWUNGU (NUP, Kalungu West County, Kalungu):** Thank you, Madam Speaker. I was here and - Muslims, when you get out of here, try to call Hon. Latif Ssebagala. If you remember, he used to sit in that corner; he used to fight hard for Islamic Banking. I am simply making a comment; I am about to conclude. *(Laughter)* We want to thank you.

The only prayer we make is the usual one I made before. After, kindly, do not bring it back. We have made enough consultations. Madam Speaker has sat here. You went behind and everything has gone well. Our prayer is to see the President assent and this law becomes effective, as the honourable member stated.

**THE SPEAKER:** Thank you. My special thanks really goes to the Government for bringing this law timely.

4.11

**THE CHAIRPERSON, COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (Mr Amos Kankunda):** Madam Speaker, thank you very much. I would like to take this opportunity to thank you and honourable colleagues, and my Minister of Finance, but most especially the members of the finance committee.

As the leader of this team; as the chairperson, these were our maiden reports and in record time. So, I would not fail to underscore the performance of the team of the finance committee having reported as required by you, Madam Speaker.

Thank you very much, members of the committee.

**THE SPEAKER:** Thank you very much. You have shown that you can perform very well. So, I want the Income Tax (Amendment) Bill in the House on Thursday. The Tax Procedures Bill should be brought to the House and all the regulations that are with you next Thursday. Thank you.

4.12

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

**(Mr Henry Musasizi):** Thank you, Madam Speaker, for the opportunity. Let me start by thanking you for having processed these Bills in record time of less than two weeks.

I want to take this opportunity to congratulate the chairperson of the Finance Committee for his maiden assignment. *(Applause)* I have been telling him that in the Finance Committee, you come there to work and whenever you are called upon, you must work. He has proved that he is up to the task and I want to really congratulate him and colleagues for this. *(Applause)*

Madam Speaker, I want to thank the Attorney-General. His participation in these Bills makes our life easy at the Ministry of Finance. You can see how he really stepped in to help us.

I thank the Government, led by His Excellency Yoweri Kaguta Museveni. He is the man behind all of this that we do *–(Applause)–* and he is the one who has been pushing us to regularise Islamic Banking. I thank him and the Prime Minister, of course *– Majegere –* for her able leadership and all our Cabinet colleagues who are here, particularly my colleague from the ministry, Hon. Anite, whom we sit with in the top management meetings to discuss these things.

Madam Speaker, I cannot fail to thank my counterpart, the shadow Minister of Finance and the Leader of the Opposition *–(Applause)–* for their support, always. I know we normally start with a lot of back and forth, but we eventually harmonise, for the good of this country. I thank you very much.

**THE SPEAKER:** Thank you very much, honourable members. Thank you for these many Bills. I want to thank the Government for bringing the Islamic Banking law; it is timely. Since we passed for MDAs, it was necessary to have the Financial Institutions Act or Bill in place.

I must apologise. I must have over-harassed you, chairperson, but that was a baptism of fire. That committee is not an easy one and as I have said, I want the remaining Bills on the Floor on Thursday. Attorney-General, you will always remain my best; nobody will change it.

Hon. Kivumbi, thank you for putting up a very spirited fight with Imam. You have done a good job, Imam. I am always humbled. Members of Parliament, thank you for being in the House. You know very well the issue is on quorum. *Majegere*, it is quorum. Thank you for coming. Next item? [*Hon. Mushemeza rose*] Professor?

**PROF. MUSHEMEZA:** Madam Speaker, I am rising under Rule 78(7) - point of privilege. Madam Speaker, as we embrace Islamic Banking, which takes care of issues of interest and exploitation, many consumers in this country are complaining about how telecom companies are cheating them on issues of expired bundles and callback tune payments to artists. They are even raising a question; who is benefitting from mobile money for the deceased?

Madam Speaker, it would be of interest to the country –

**THE SPEAKER:** Honourable member, that is a very urgent matter of public concern; it is not of privilege. So, bring it as a substantial matter. It is a very serious issue. Bring it and then, we refer it to the Committee on ICT and we handle it very well.

STATEMENT BY THE RT HON. PRIME  
MINISTER ON GOVERNMENT BUSINESS  
FOR THE SUCCEEDING WEEK,  
PURSUANT TO RULE 28 OF THE RULES  
OF PROCEDURE

**THE SPEAKER:** Thank you very much. Yes, Rt Hon. Prime Minister.

4.20

**THE PRIME MINISTER AND LEADER OF GOVERNMENT BUSINESS (Ms Robinah Nabbanja):** Rt Hon. Speaker and Colleagues, I move under Rule 28 of our Rules of Procedure that requires me to make a statement in the House regarding Business for the succeeding week.

I, therefore, submit the following Business for the week of 4<sup>th</sup> to 6<sup>th</sup> July 2023: The Animal Feed Bill 2022; then we shall have a Motion to thank H.E. the President of Uganda for the clear exposition of the Government policy contained in the State of the Nation Address to the Parliament of Uganda on Wednesday 7 June 2023. Madam Speaker, I beg to submit.

**THE SPEAKER:** Thank you, we will have one item and so, I am adding another item: The Income Tax (Amendment Bill), The Tax Procedures Code and The Narcotics Bill; we need them in the House next week.

**THE SPEAKER:** Prime Minister under Rule 41.

**MS NABBANJA:** Madam Speaker, there are a number of questions that came from Members and allow me to go straight to the questions and responses.

Hon. Mbwaterkamwa Gaffa, Member of Parliament Igara West, says there are allegations of substitution of some rural schools that were earmarked for Government funding in the budget of the Financial Year 2022/2023 with other more privileged schools. His prayer is; can the Prime Minister clarify this matter?

Madam Speaker, my response is that we appreciate the concern raised about the

placement of rural schools that were earmarked for funding with more privileged ones. The Ministry has a clear criterion against which requests for granting a school are measured including:

- 1) The school should be licensed or registered by the Ministry of Education and Sports.
- 2) There should be a council resolution approving the takeover of that school by the Government.
- 3) The school should be in a parish - if it is a primary school or in a sub county if it is a secondary school. That sub county should be one without any existing schools.
- 4) The school should be able to meet the basic requirements and minimum standards including holding a land title and having existing infrastructure, qualified teachers and so on.
- 5) Enrolment and the distance from the existing schools are also taken into account.

Madam Speaker, an inquiry into this matter led us to the conclusion that this allegation was not true.

- 6) The Hon. Okot Boniface Henry, Youth Representative, Northern Region. He raised a matter on the skewed allocation of opportunities and delayed disbursement of funds to the Higher Education Students Financing Scheme and the adverse effect it was having on the affected beneficiary students. His prayer is, can government update the House on this matter?

Madam Speaker, this is my response: It is perceived that the opportunities in the Students Financing Scheme are skewed in terms of regions and gender, this is not true since the allocations

Some underrepresented regions or districts also have very small numbers of applicants while others have no applicants at all as a whole.

The outcome remains small. The most affected places include the west Nile region, the greater North and Karamoja regions together with the Islands of Kalangala and Buvuma.

Madam Speaker and Colleagues, affirmative action has been put in place to carry out further and intensive sensitisation on the Student's Financing Scheme Opportunities in order to attract more applicants for all regions in the Country.

On Gender, the scheme has a strong affirmative policy practice that ensures that girls get additional points to qualify for funding much as the scheme attracts fewer girls in the field of science where the scheme is mostly funding the applicants.

Madam Speaker, the delayed disbursement of funds to the Higher Education Students Financing Scheme was occasioned by the budget cuts in the Financial Year 2021/2022 because of COVID-19 whereby out of a total budget of Shs 29.752 billion, only Shs 15.2 billion was realised creating a shortfall of Shs 14.5 billion. However, this issue of delays in releases is being addressed together with the Ministry of Finance.

3) Hon. Komakech Christopher, Member of Parliament, Aruu County raised a matter concerning the proposal for redesigning the National Identity cards to have the feature of an individual's contact or email and the Ministry's plan to improve the identity card accessibility. His question is: what is the ministry's plan to improve the accessibility of the National Identity card and position on the proposal.

Madam Speaker, my response is that a proposal that seeks to improve the functionality and accessibility of the National identity cards is commendable. National identity cards play a crucial role in establishing and verifying the identity of individuals and enhancing their features can help to make them more effective in achieving these goals.

Regarding the inclusion of an individual's contact or email on the National identification

card, there could be potential benefits of this feature such as the individual could easily be traceable in case of lost cards.

However, it is also important to consider the flip side of it, for example, the potential security risks, personal data privacy, and the legal concerns that could arise from including such sensitive personal information on the cards without the individual's consent. There is also the risk of enabling wrong elements to have instant access to an individual or masquerading as an individual upon the loss of a card.

Madam Speaker, telephone numbers are now used for bank authentication and email verification. This move will give easy access to an individual's finances and aid fraudulent financial transactions due to these risks as well as the ever-changing telephone and electronic addresses of individuals coupled with a legal requirement for consent regarding the availability of privacy personal data. These futures went omitted in the designing of the new National ID.

Madam Speaker, regarding the issue of access, National Identification Regulatory Authority has come up with the following plans to improve identity card accessibility:

1. The mass enrolment and mass renewal exercise targeting about 17.2 million citizens is due to start in the Financial Year 2023/2024 at parish level throughout the country. Ugandans are advised to take advantage.
2. Simplification of the registration process and improvement of the online portal. The current process is complex and time-consuming due to the use of obsolete technology and equipment. The system overhaul will make the system user-friendly by simplifying the process. It is anticipated that the traffic to registration centres will be greatly reduced.
3. The number of district offices around the country increased. The newly recreated districts where there was no physical NIRA presence will be created for.

4. The mobile registration outreaches will be able to cater for the vulnerable, incapacitated, elderly and people with disabilities in many remote zones to bring services to all the people of Uganda.

Madam Speaker, I hope that this adequately clarifies the matter to the honourable Member and the whole House.

Question number four from Hon. Ronald Akugizibwe, Member of Parliament, Buruli County, Masindi District on the dismal performance in the Primary Leaving Examination of learners with special needs stating that out of 263 that had sat the exams, none had passed in Division 1, in contravention of Article 35 of the Constitution. Not enough attention had been accorded to the learners with special needs to ensure that they realised their full mental and physical potential. His prayer is, can the Prime Minister update the House on the academic performance of learners with special needs?

Madam Speaker, my response is that the Government acknowledges the dismal performance exhibited by learners with special needs at the Primary Leaving Examination level. The challenges affecting the sub-sector relate to funding cuts, which continue to have an adverse effect on the delivery of education at all levels. Crucial activities including recruitment and supervision cannot be fully executed. Remember the cuts that came because of COVID-19.

On a positive note, Madam Speaker, the Inclusive Education Policy has reached adverse stages. Once approved by Cabinet, we are optimistic that a number of challenges in the sub-sector will be addressed.

Question number five is from Hon. Ronald Nsubuga Balimwezo, Member of Parliament, Nakawa East. He raised a matter of concern on the prolonged learning hours which our pupils are subjected to, including having to report to and from school long before dawn and late after it is dark, which is both dangerous and outside the official school hours of 8.30 a.m. to

4.00 p.m. His prayer is, can the Rt Hon. Prime Minister update the House on how this matter has been addressed.

My response, Madam Speaker, is that the Government of Uganda, through the Ministry of Education and Sports, issues the school timetable for all primary schools to follow. Accordingly, primary schools open at 8.30 a.m. and close at 5.00 p.m. It is therefore irregular for schools to offer lessons to learners before and after official working hours unless special permission is granted by the Permanent Secretary, Ministry of Education.

Government through the Directorate of Education Standards and Local Government Inspectorate who are mandated to ensure that standards are adhered to, will communicate to primary schools and also take disciplinary action against errant schools.

Question number six is from Hon. Alex Ndeezi, Member of Parliament representing persons with disability. He says, "Rt Hon. Prime Minister, there is a need for an update on the status of the Mbale School of Deaf." His prayer is, can the Rt Hon. Prime minister update the House on the status of management affairs at Mbale School of the Deaf?

My response, Madam Speaker, is that Uganda runs three types of schools supporting learners with special education needs and these include the special schools for learners with specific disabilities, for example:

1. Ntinda School for the Deaf;
2. Integrated schools (units attached to the mainstream);
3. Inclusive schools (this has learners with disabilities and those without share facilities under the same teacher).

Madam Speaker, Mbale School for the Deaf, which is experiencing a number of challenges, is among those designated schools. While the school was set up to provide access to quality secondary education for the deaf and other less

privileged individuals for improved literacy levels, employment opportunities, poverty eradication and self-reliance, the challenge it is facing has challenged the delivery of this noble agenda. In a bid to find a lasting solution to the various persistent concerns, the Ministry of Education and Sports has undertaken several stakeholder engagements, the latest being a meeting held on 12 April 2023.

The meeting was chaired by the Permanent Secretary, Ministry of Education and Sports and attended by;

1. The woman Member of Parliament, Mbale District
2. A Member of Parliament representing Persons with Disabilities
3. The Executive Director of Uganda National Association of the Disabled
4. The Executive Secretary of the National Council for People with Disabilities
5. Officials from Mbale District Local Government (Resident District Commissioner, the district chairman, the Chief Administrative Officer, the District Education Officer, the chairman Board of Governors, the District Inspector of Schools and the head teacher.)
6. The Commissioner for Disability and Elderly in the Ministry of Gender, Labour and Social Development.

Madam Speaker, arising out of the deliberations of the meeting, the following recommendations were adopted;

- i. The ministry should transfer the current head teacher and replace him with a suitable and experienced head teacher in both vocational and secondary education.
- ii. The ministry should consider a cross-transfer of deaf teachers who have overstayed in Mbale School for the Deaf to Wakiso School for the Deaf.

iii. The ministry is to work on a phase-out plan for ordinary learners. In the interim, the school management should not admit ordinary learners. Parents and learners shall be guided and advised to join other nearby secondary schools.

iv. The ministry should transfer the four UPDF engineering brigade personnel who were appointed by the Education Service Commission as instructors, to other technical institutions.

v. The ministry should expedite the recruitment of more sign language interpreters to support the teaching and learning process at the institution.

vi. The current board should be disbanded on grounds of lack of representation of people with disabilities. Special Needs Education Department should issue a circular to guide the special needs and inclusive schools on the constitution of their Board of Governors in order to have a representative of people with disabilities.

vii. The school administration should always report to the Government Secondary Education Department. Considering the distinct special services offered at Mbale School for the Deaf, the two departments of Special Needs Education and Technical Vocational Education Training Operations and Management should provide supportive services to the school.

viii. The ministry should review the current categorisation of the school and formulate an appropriate structure for the provision of both secondary education and vocational training whose enrollment is drastically increasing.

ix. The district and the ministry officials should refrain from fueling and involving themselves in trivial school conflicts.

Madam Speaker, this is the update on the concerns raised about the management of Mbale School of the Deaf.



We remain confident that once these resolutions are fully implemented, Mbale School for the Deaf will be in position to continue its important mandate of imparting knowledge to our special needs children. I beg to submit.

**THE SPEAKER:** Thank you, Rt Hon. Prime Minister, for the submission. LOP, you will speak last. If you want to make a reply, do it.

4.43

**MR JOSEPH SSEWUNGU (NUP, Kalungu West County, Kalungu):** Thank you, Madam Speaker. The Prime Minister should address herself to our rules.

However, I thank the Rt. Hon. Prime Minister. I do not know how it happened that my boss gave me this job when matters coming are to do with education, where I am very interested and attached.

Madam Speaker, issue number one is: is the Government still able to take up these schools? Rt. Hon. Prime Minister, are you willing to take up primary schools and secondary schools on Government aiding?

The challenges that we have – and the matter that was raised here – is that people want to give in the schools, but can you still take them on? If so, that is the best answer you should give this to House.

The line minister is disturbing the Prime Minister – and I know why he is sitting next to her: he thinks I am going to spit fire. However, I am just going to give friendly information.

What is interesting is that there are districts and areas in Uganda where there are no schools. Religious bodies – Catholics, Protestants and Islam – have these schools, but they have failed to manage them because of the economy. They wish the Government took them up.

Therefore, the answer we need, Madam Prime Minister, is: is the Government still having the capacity? If you have no money, come to Parliament and request for money that can allow you get these schools. When these

schools are taken, it means even teachers within those schools must be put on the Government payroll.

Secondly, Madam Speaker, the issue of the loan scheme is very painful. Before we made the law, we benchmarked in Kenya and Tanzania. The students who take these loans do so purposely to study because they have no money. However, after completing their courses, they are mandated to pay back. It is very painful to come before this august House and hear that there is a cutting of funds for the higher education loan scheme.

At one time we requested that all funds should be put in this pool, including those from Statehouse scholarships.

On the issue of students from different districts - actually, there are districts in Uganda where there are no A' level schools or students. How would you place them? Some districts are very smart: students are taken to those districts with poor performance or no A' level students and they register there and end up succeeding –

**THE SPEAKER:** Which district does not have an A' level school? I want you to be specific. Let us talk with facts.

**MR SSEWUNGU:** Madam Speaker, I am going to give them because I have been on the Committee on Education and Sports.

**THE SPEAKER:** Yes, Hon. Okot?

**MR AMOS OKOT:** Thank you. Gulu District had many A' level schools. However, currently, as they have subdivided the district and a city has been created, Gulu District does not have a Government-aided A' level school. There is only one private school that has A' level classes.

**THE SPEAKER:** You are talking of Gulu District before they created a city. Let us avoid those things of city or district. Let us first look at the principle: there are A' level schools. I just want to know a district that does not have any A' level school so that we work on it.

**MR SSEWUNGU:** Madam Speaker, if records are provided well, I will do it. The area I come from, Kalungu West - even my Committee on Education and Sports is aware that I normally do not fight to get schools there because I have good schools.

However, my battle always goes to areas like Amudat, Kween and others. At the right time, Madam Speaker, I will provide information on that. You know that normally, whenever I ask for that information, I bring it here, but -

**THE SPEAKER:** Can you bring for us that information to substantiate when you bring the -

**MR SSEWUNGU:** Madam Speaker -

**THE SPEAKER:** Listen, the Leader of the Opposition respects the Chair. I am saying that we need to substantiate whatever we say; evidence-based debate. These are very serious matters. If there is a school without A'level, then which kind of Government are we in? We need to solve this. We are a people-centered Parliament, and we need all this information. You are bringing very good information but it is half baked.

**MR SSEWUNGU:** Madam Speaker -

**THE SPEAKER:** No, minister, you will come and respond. What I am saying is that the issue that you are raising should not be there because you do not have the evidence. Bring us the evidence and tell us, for instance, "In Bukedea, the schools do not have A'level and school A B C D."

**MR SSEWUNGU:** Madam Speaker, as obliged, I will give that information. However, let me conclude as you have accepted me to respond. I will bring that information -

**THE SPEAKER:** I will be glad to receive your information.

**MR SSEWUNGU:** Thank you very much. Madam Speaker, I want to talk about National IDs. I thank the Prime Minister because her

response is very good. However, I think what we need, as Government, and we should copy it from Rwanda, is that when you make a National ID, we give you all the information.

What is required and what is giving us challenges now is that our IDs - wherever we go - whether you go to an Airtel company or ministry, there is nowhere for you to fix this card to read your bio-data. I think that is what the Member wanted. Let us get a system for this ID - even if I am going to the border or airport and they want to find out my information, it can be read and it will produce whatever you want against me.

Nonetheless, Madam Speaker, the Prime Minister is becoming very difficult. She is overthrowing your powers and yet she is a senior Member here. I pray that she gives me -

Lastly, Madam Speaker -

**THE SPEAKER:** Honourable members, decorum.

**MR SSEWUNGU:** Lastly, Madam Speaker, on the issue of PLE, yes, what is making special needs students perform poorly? We need to address that. If it deals with the brains, are they provided? Do they get the necessary equipment that requires them to do these exams?

In our rural districts still, there are many children who sit PLE. Due to limited funding, they are registered as normal children, but in actual sense, they are special needs children. The ministry should take a keen interest in giving attention to these special needs children that they register. When they are given PLE exams, they should be different or they should be given time to do their exams.

However, a special needs child sits exams for two hours like a normal child because there is no proper system put in place in the Ministry of Education and Sports that caters for these students. You only find it at secondary level -

**THE SPEAKER:** I thought there was a special needs department in Education.

**MR SSEWUNGU:** Yes, but Madam Speaker, what I am saying is -

**THE SPEAKER:** [*Member rose-*] I am not allowing - Prime Minister, do not make my seat look funny. I am not allowing you and that is why I am responding. Can I hear from the minister?

4.51

**THE MINISTER OF STATE FOR EDUCATION AND SPORTS (SPORTS) (Mr Peter Ogwang):** First of all, Madam Speaker, thank you so much for allowing me the opportunity. I really want to interest my brother and senior colleague, Hon. Ssewungu, who has been in Parliament at the same time as me. More so, he has been a Member of the Committee on Education and Sports, I think at the same time as me, to understand the following;

In the Ministry of Education and Sports, first of all, we have a special needs department and even a Commissioner in charge of Special Needs. As far as matters of special needs are concerned, we take it as a matter of priority as far as the learning of our children with disabilities is concerned.

We do acknowledge, like the Prime Minister said in her statement, that we have challenges with the budget cuts. These challenges are not exceptional for the Ministry of Education and Sports. Most times, when we are given little money, we try to plan within what is available to try to make our education system move forward.

The other thing, Madam Speaker, I want again to raise here, is that I really want to challenge my colleague - maybe for the record, let me bring a statement to show the country because he is alleging that there are districts in this country without A'level schools.

I want to say this; we have Government-aided and private-aided schools all over the country. So if there is a district - maybe, there is no government A'level school, there might be a government-aided private school. That still

qualifies it as an A'level school in that specific district.

Then, the other one is a policy of the Government. For instance, you have mentioned here that the policy of the Government is that we must have a primary school per parish. Where there is a Primary School of the Government in a parish, we do not expect the Government to take on another primary school.

Secondly, there is a policy of the Government for a secondary school per Sub County. Where there is a government secondary school per Sub County, friends, we do not expect the Government to take on another secondary school in that specific area because there are areas where they are not there. So, as of now, our plan is to ensure that those parishes and sub counties without primary and secondary schools get them, before we begin thinking of taking on others when the other ones do not have.

Therefore, we would like to call upon you, colleagues, to support the Government's initiative to have a primary school per parish, to have a secondary school per Sub County, and to at least have a technical school per district. That is the plan of the Ministry of Education and Sports and the Government. Thank you.

**THE SPEAKER:** You know, you cannot have two secondary schools government-aided schools in one Sub County. The problem is some of us are conflicted. We have schools and we want the Government to take over our schools, and yet there is already a government school there. Let us go by the government policy on that.

Hon. Bakkabulindi? [*Hon. Sewungu rose-*] I have given you too much time.

**MR SSEWUNGU:** Thank you, Madam Speaker, and thank you for accepting the Leader of the Opposition to make his submission. I thank Hon. Peter Ogwang. He has actually helped us to answer some of the issues you were asking me and he is doing very well.

I am still insisting that we talk about limited funds –

**THE SPEAKER:** No, Hon. Ogwang is going to bring a report. I also want your report to show which district does not have A'level schools.

**MR SSEWUNGU:** Yes, and I am serious.

Madam Speaker, lastly, I am talking about Mbale School of the Deaf. I want to sum up everything with one statement; the challenges you are facing. Whether you are taking these head teachers somewhere and bringing another one, you are taking problems and transferring problems to another school.

However, the issue is inspection of schools. Without funding for the inspection of schools, we shall get more problems and see a lot of challenges. Even what he is talking about, on special needs, is the same, but he is complaining about money. This Parliament allocates money. So, if money is given to you, and you do not fund the inspection of schools, we shall have problems.

I am very happy. Rt Hon. Prime Minister, thank you for all these responses that you have given. What I am giving is in good faith; it is not in bad faith. We are looking at the improvement of education. If it is about money, we should address this matter, as Parliament, the Committee on Budget and the Speaker will give us room to get this money. Otherwise, we will not solve problems of schools with teachers misbehaving by transferring them. You will be transferring problems to other schools. Thank you, Madam Speaker.

**THE SPEAKER:** What you are saying on the issue of transferring – we are recycling problems.

**MR SSEWUNGU:** Yes, Madam Speaker.

**THE SPEAKER:** If the head teacher is bad, he is bad. Let him go. Why are we recycling problems? For example, you bring one from Mbale to Wakiso and while in Wakiso, he is going to make a mistake tomorrow. L these

people go, you will recruit more people who have the same qualification.

**MR SSEWUNGU:** Madam Speaker, the Minister of Education and Sports has that department of indiscipline and they know those rules as they move. That is why Hon. Bakkabulindi was happy while looking at me because we worked together. Thank you very much, Madam Speaker.

4.57

**MR CHARLES BAKKABULINDI (NRM, Workers representative):** Thank you very much, Madam Speaker. I thank the Rt Hon. Prime Minister for the response she has made. I have looked at rule 41(8)(b) and with your permission Madam Speaker, I would like to also air out some oral questions to the Rt Hon. Prime Minister, which I think are of great importance.

**THE SPEAKER:** Please do.

**MR BAKKABULINDI:** Thank you. Madam Speaker, I do not know if the Leader of the Government Business is aware that our farmers, particularly in the dairy industry, are getting frustrated. Some are almost giving up because of that Brookside Company, which is soon closing because our farmers have been denied an export license to take milk in Kenya and yet we export 75 per cent of our milk in Kenya.

As we speak, our workers have been warned that they will be laid off by the beginning of July because the company has nothing to give them and it is complaining due to the losses it has made in milk going bad because it cannot be exported to Kenya, yet we talk about food security in East Africa and we are supposed to work as one in East Africa.

Rt Hon. Prime Minister, if you are aware, can you tell us what the Government is bringing up as mitigation to save these workers who are going to be on the streets and the Brookside Company that is about to close, and also to save the farmers that have invested a lot in their cows?

**THE SPEAKER:** Thank you.

**MS NABBANJA:** Madam Speaker, the reason we are expanding the East African Community is to market our products. We are also talking in terms of the Pan-African Free Trade Area. Recently, the President was in Algeria, looking for the milk market.

Therefore, this is short-term; if we have issues with our neighbours in Kenya, our milk will go to other countries like DRC, South Africa and many others. I have the Minister of Trade, Industry and Cooperatives here. I do not know whether she has a concrete answer to this.

5.00

**THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (TRADE) (Ms Harriet Ntabazi):** Thank you very much, Madam Speaker and Rt Hon. Prime Minister, for the opportunity. I would like to thank the Member for raising this question and it has been raised by very many people.

The issue of Brookside Dairy Limited and Pearl Dairy Farm together with other companies has been very critical. However, since the involvement of the Government of Kenya, we have gone into negotiations to settle the milk industry. As we speak now, Pearl Dairy Farm has been settled already.

Now, Brookside Dairy Limited has got a small challenge and we are not only looking at one market; the Ministry of Trade, Industry and Cooperatives was in Kenya last week discussing with the Ministry of Trade, Industry and Cooperatives of Kenya together with the two heads of State. A conclusion is going to be reached. However, this is temporary; we have opened up markets widely under the Pan-African Continental Free Trade Area, where we have moved together with our team from the Ministry of Agriculture, Animal Industry and Fisheries under the Dairy Development Authority to solicit for markets for our milk and other dairy products.

Countries like Algeria, and Serbia, among others, if you would allow me, I would bring

the list of countries which are interested in our milk, because they have tasted and accepted the quality of milk that we have. I would like to inform you that the quantities that we have been asked to supply, we may not even have them because they want as many tons as possible. So, this is temporary, time will come and we shall give you a concrete report.

**THE SPEAKER:** Maybe you could also interest yourself in the staff that are being laid off. I equally have a petition to that effect from Brookside Dairy Limited.

5.03

**MS MARGARET RWEBYAMBU (NRM, Woman Representative, Mbarara):** Thank you, Madam Speaker. I wanted the Minister of Trade, Industry and Cooperatives to clarify more about the market of milk. When we are talking about milk, honourable colleagues, we are not talking about something that you can keep in a store; this is not beans or maize, that we can keep for six months or a year. We have been hearing about this market in Algeria since the year began and milk goes bad every day.

I represent a district that produces milk and our farmers are suffering with the milk. I want the honourable minister to tell us when this milk is going to be exported other than telling us that the market is being negotiated, every time we ask about the market of the milk. I thank you.

**MS NTABAAZI:** Thank you, my sister, from Mbarara. It is good we have been together in many forums which are discussing milk matters. You know very well that it is recently that we went with the President to Algeria and the Government of Algeria is not like the Government of Uganda, for them, they do not work with the private sector; they work Government-to-Government and they are working in collaboration with the Uganda National Chamber of Commerce and Industry, which has been given a chance to identify companies that can serve milk. We have about three or four companies, including Amos Dairies Uganda Limited, Pearl Dairy Farms Limited and other dairies, which have already written expressions of interest and they have

already sent the amount of milk that they can supply. This is not only in liquid form; we are encouraging people to add value to everything.

Madam Speaker, the challenge that we have with perishables is that we do not have cold facilities to keep our milk fresh, our vegetables fresh and our fruits fresh. We still have that gap of storage but we are doing our best to make sure that as the Ministry of Trade, Industry and Cooperatives, we industrialise and dry this milk because we cannot export it in its raw form and it reaches fresh.

I thank the President because he has put in the effort to make sure that at least, in every parish or district that has milk, they have milk coolers and these milk coolers are doing a good job; it was his initiative and he has supplied them up to the parish level.

So, as we think about bringing the whole milk to the factory, at least there is a starting point. We are good to go and let us join hands. This is not one ministry's work; it includes the Ministry of Agriculture, Animal Industry and Fisheries, Ministry of Science, Technology and Innovation and everybody. Members, bring ideas and we shall consolidate them. Thank you.

**THE SPEAKER:** Thank you. Hon. Naluyima?

5.06

**MS BETTY NALUYIMA (NUP, Woman Representative, Wakiso):** Thank you very much, Madam Speaker. Over the weekend, I was meeting my people in Kiteezi, particularly in Lusajja.

As you may be aware, Kiteezi is where we have the garbage point of Kampala Capital City Authority (KCCA) and the surrounding areas. Of recent, this area is becoming so exposed. Our people's health is in a very bad condition as far as the environment is concerned.

In the last few months, there has been improper waste management by Kampala Capital City Authority and each time KCCA dumps waste there, it is mandated to cover it.

We also see the area currently infested with stray dogs together with several Marabou storks, commonly known as *Kalooli*. Given the stench, the people of Kiteezi are affected.

My question to the Rt Hon. Prime Minister is, when are we going to have this place decommissioned such that our people live in a better state? We also wish to know what the plan is to have the stench from the landfill disappear in order to ensure the good health of our people around there as far as public health is concerned.

Finally, when is Kampala Capital City Authority planning to have a comprehensive plan so that we have technology in place, like in other countries, to produce biogas which is got from garbage and also ensure that charcoal briquettes are made out of it? Can we know this? Thank you.

**MS NABBANJA:** Madam Speaker, her question is very important so, I request that you give me time. We will write down that question so that we come back with a comprehensive answer for the people of Kiteezi. *(Applause)* Thank you very much.

**THE SPEAKER:** Actually, they will come with action that has been taken. Hon. Naluyima, give her the question now, in writing.

5.09

**MR MOSES ALEPER (NRM, Chekwii County (Kadam), Nakapiripirit):** Thank you, Madam Speaker. I rise on a matter of urgent importance. Yesterday, Wednesday, while many Ugandans were celebrating Eid, a stray elephant killed one person in my constituency, a one Phillip Lowoto in Nakamistae Village, Loasam Parish, Loreng Sub-county, Nakapiripirit District.

It is believed that this particular elephant strayed from Kidepo and stormed the village early in the morning. After we contacted the Uganda Wildlife Authority personnel to come and put this animal out of action or restrain it from destroying property, it went amok.

By yesterday evening, it had destroyed over 1,000 acres of sorghum crops. All the three sub-counties in the neighbourhood are in panic. In fact, I wanted to go to the constituency but I was informed that it is difficult to know how this particular animal roams. The Uganda Wildlife Authority has failed to restrain it.

This particular damage is in addition to the damage previously done in that very parish, sometime back in 2022, where 40 heads of cattle were devoured by hyenas. This damage is definitely going to affect the livelihoods of the people in that particular area.

My prayer is to request the Uganda Wildlife Authority to immediately evacuate that animal or put it out of action to avoid more damage to human life and property -

**THE SPEAKER:** Of course, they cannot put it out of action.

**MR MOSES ALEPER:** They should establish a short term strategy on the human-animal conflict in the area.

I also request UWA to immediately interface with affected family and work out their contribution to the burial arrangements and any other costs associated with that particular damage that has been caused –

**THE SPEAKER:** Hon. Moses Aleper, did you say 1,000 acres by one elephant?

**MR MOSES ALEPER:** Yes, by one elephant.

**THE SPEAKER:** That is one and a half square miles.

**MR MOSES ALEPER:** I do not know it in square miles but it is something like –

**THE SPEAKER:** A square mile is 640 acres.

**MR MOSES ALEPER:** Yes, we are talking about a sub-county, which has a radius as wide as from here to Mukono –(Interjections)- Yes, Karamoja is a very vast place.

**THE SPEAKER:** How far is Kidepo from where the incident took place?

**MR MOSES ALEPER:** Kidepo is over 500 kilometres from where the incident took place.

**THE SPEAKER:** So, the animal moved over 500 kilometres and came to that area.

**MR MOSES ALEPER:** Yes. There is actually a corridor coming from Kidepo all the way to Amudat where they normally move.

**THE SPEAKER:** Of course, that takes us back to the issue of fencing. It requires that.

**MR MOSES ALEPER:** As we speak, the whole place is in a state of confusion. People have decided to relocate from the lowlands to the mountains to keep themselves safe.

My last prayer is that the institution mandated with this carries out an immediate assessment of the damage so that the affected persons can be compensated. Thank you.

**THE SPEAKER:** I think what is more urgent now is to have the animal away from the population.

**MS NABBANJA:** Madam Speaker, I am going to liaise with the Ministry of Tourism, Wildlife and Antiquities to make sure that, that animal is removed from the communities.

Two, I am also going to make sure that the ministry goes on the ground. I believe they have agricultural officers in the district. They will go and do the assessment.

I want to condole with the bereaved family for the loss of our Ugandan. May his soul rest in eternal peace.

5.14

**MR ROBERT MIGADDE (NRM, Buvuma Islands County, Buvuma):** Thank you very much, Madam Speaker. My issue is not about fishing, as the Prime Minister is indicating.

Rt Hon. Prime Minister, years ago, Buvuma welcomed a Government project of growing palm, which was intended to improve the livelihood of the ordinary residents. Many people offered land - landlords and tenants. Palm was planted in a number of areas before compensating the people.

Different complaints have been made right from when Hon. Amama Mbabazi was still the Prime Minister and he visited the area. Rt Hon. Prime Minister, you also visited Buvuma, in addition to 16 other ministers who have visited over delayed compensation.

My question is, aware that people have already volunteered and surrendered this land, when is the Government planning to effectively compensate these people so that they can have alternative livelihood somewhere else? Thank you very much.

**MS NABBANJA:** Madam Speaker, I am aware of the issue he is talking about. Government has already verified those people who are affected by the project and they will definitely be paid next financial year.

5.16

**MR PATRICK BINGI (NRM, Butemba County, Kyankwanzi):** Thank you, Madam Speaker. Rt Hon. Prime Minister, Kyankwanzi has been a hotspot for several disasters since August 2022 and all these issues have been duly presented to your wonderful office. The Chief Administrative Officer has written to the Permanent Secretary with all the substantive disaster reports.

We have also written about six disaster reports, but to date, we have not received relief items. Should the people of Kyankwanzi have hope, Madam Prime Minister?

**MS NABBANJA:** Madam Speaker, some time back, we came up with a strategy. There are some areas such, as Karamoja, which are adversely affected. So, we agreed here that we should make sure that those people survive. The people of Kyankwanzi have food. We concentrated on those areas which have

adverse effects of drought and we agreed to start with Karamoja so that those people do not die. Nobody can die of hunger in Kyankwanzi.

**THE SPEAKER:** Honourable members, it is a rainy season. I implore you to go and talk to your constituents to do the planting.

5.18

**MR AMOS OKOT (NRM, Agago North County, Agago):** Thank you, Madam Speaker. On 15 May 2023, H.E. the President invited the leadership of Acholi to Baralegi State Lodge. In that meeting, the discussions were geared towards the insecurity in the area and it was aired out on almost all the radio stations in the region as well as on the national television station.

One of the issues that were presented to him was about people who were failing to feed themselves because of insecurity. There was also the issue of education, where many children were being affected by insecurity. His Excellency said all the pupils and students hailing from the affected areas, Agago inclusive, should go and study in Government-aided schools without paying any fees.

My question is: how do you implement such a statement, Rt. Hon. Prime Minister? Secondly, when will you start implementing an order of that nature?

People are now anxious and they are calling us. Even many of those who were paying some small amount of money for PTA are now not doing it. Teachers who were being paid through PTA contributions cannot go and teach. Thank you.

**MS NABBANJA:** When the President was in Baralegi, he gave a number of orders and one of them was that we should provide food for those who were affected by the rustling. Madam Speaker, I expected him to say, "thank you" because we have provided that food.

He also ordered that we provide *mabaati* – (*Laughter*)- yes, for those whose houses were burnt. We have a list and, next week, we are sending the *mabaati* to those affected people.



Madam Speaker, the minister for education is here and I believe he was present when the President was making those orders for our children go to school freely. Honourable Minister, please, come and update the House.

5.21

**THE MINISTER OF STATE FOR EDUCATION AND SPORTS (SPORTS)**

**(Mr Peter Ogwang):** Madam Speaker, allow me to thank the Prime Minister and Hon. Amos. I want to state it clearly that the President's communications are always followed by written letters because those are big commitments by the Government of the Republic of Uganda.

I implore the House to allow me to cross-check with my senior minister and find out whether there is a formal communication to that effect. If it is there, Madam Speaker, I will bring the statement in line with the implementation of that presidential directive. Thank you.

**THE SPEAKER:** Thank you. We expect that communication. An Executive order is an Executive order.

5.22

**MR PETER OKEYOH (NRM, Bukooli Island County, Namayingo):** Thank you, Madam Speaker, for this opportunity. Rt. Hon. Prime Minister, the Government gave the fishing community six months to prepare to pay for boat licences.

As we speak now, there are few or no fish in the waters and most of our boats are not being used for fishing. However, the enforcement officers are arresting our people and harassing them for not paying the taxes. Rt. Hon. Prime Minister, why can't the Government give us three or six months, again, to prepare and pay these taxes?

Secondly, when you have a motor vehicle and it is not functioning, you remove the number plate and hand it over. Why can't Government give the same leeway to the fishing community to remove the number plates until that time when they will go fishing?

Our people are in dire trouble and, actually, do not even have what to eat, yet the Government is telling them that they must pay the taxes. What can the Government do to help these disadvantaged fishing communities?

**THE SPEAKER:** You are the same people who are going to come tomorrow and claim there are no ambulances in that place and you know we only get money from taxes. I am not answering your question.

**MS NABBANJA:** Thank you, Madam Speaker. Hon. Okeyoh is aware that the expiry date was in March. The Government gave a grace period of three months, up to June. I believe the time is now up. Let your people pay and they operate. That is all I can tell him.

5.24

**MR MILTON MUWUMA (NRM, Kigulu County South, Iganga):** Thank you, Madam Speaker. Yesterday, H.E. the President, through the Prime Minister, slapped a ban on tree cutting in the entire country. Ninety per cent of the Ugandans, especially in the urban centres, use charcoal as a source of fuel. People in the rural areas bank on firewood. Even private trees cannot be harvested or cut right now.

People have been investing in tree planting as a source of income and livelihood. Now that the ban took effect yesterday, what alternative sources of energy has the Government provided to Ugandans? What will these people who have been surviving on tree farming survive on? Thank you, Madam Speaker.

**THE SPEAKER:** Hon. Milton, how many trees have you planted?

**MR MUWUMA:** Madam Speaker, I am a tree farmer in Iganga. I, kindly, request you to pass by one weekend. I have a plantation -

**THE SPEAKER:** How many trees have you planted? When you do deforestation, you must do afforestation. That is what is affecting our environment. I am actually happy that the President has come out boldly to do that.

**MS NABBANJA:** Madam Speaker, I want Members to appreciate this ban. Recently, there have been a number of small Chinese-owned factories and they are cutting trees indiscriminately and our people are paid peanuts and they are exporting this timber raw. They are not adding value and yet they were given licenses to add value so that they can come up with plywood and furniture to export, but they are taking our products raw and exporting them out of the country.

Those factories are the ones we stopped yesterday. We are saying enough is enough. We were given statistics that every day, each company can cut over 1000 trees and they are more centered in the districts of Mubende, Kibale and Kakumiro.

Recently, as I was flying to Mayuge, I saw another one in one of the forests. They are going to finish our forest cover. So, the President directed me to stop that practice. I want to request the Members to support this initiative *-(Applause)-*

**THE SPEAKER:** Thank you. Hon. Gilbert, you are doing very well by stopping those people who go and cut trees in Acholi as if they do not have trees in *-(Laughter)*

5.28

**DR MICHAEL BAYIGGA (DP, Buikwe County South, Buikwe):** Thank you, Madam Speaker. First and foremost, let me thank the Prime Minister for the statement on stopping tree cutting and doing away with the licenses and permits on forests. Just this morning, I had an engagement with my electorate when 50 men had come to descend on yet another forest to cut it down. They were speaking Acholi language *-(Laughter)-* We had to manually stop it-

**THE SPEAKER:** Now let us not tribalise.

**DR MICHAEL BAYIGGA:** I speak Acholi myself-

**THE SPEAKER:** No. Let us not tribalise. There are men who came to cut the trees.

**DR MICHAEL BAYIGGA:** Accepted, Madam Speaker.

**THE SPEAKER:** You withdraw that. You do not know what they were saying. How do you know that it is Acholi?

**DR MICHAEL BAYIGGA:** I withdraw that. But of course I speak Acholi. Madam Speaker, we had to manually mobilise in order to stop them but they were being allowed to go down in the forest to cut it down by Hope. Hope is the regional forest officer in Ssi Sub County. I thought that maybe they were disobeying the Prime Minister.

My question is, how do we ensure that the statement of the Prime Minister is obeyed, given the fact that even when I asked the Prime Minister to intervene in ensuring that the Ministry of Education and Sports completes the multipurpose laboratory in Lweru Senior Secondary School, they disobeyed and she did nothing? How can we be sure that your directives can be obeyed? Thank you.

**MS NABBANJA:** Madam Speaker and honourable colleagues, the directive came from the President who is the Head of State and the Commander in Chief of the armed forces, mine is to implement that directive. I am telling you if they have been joking, this time around, it is not going to be easy for them. *(Applause)*

Honorable colleagues, we are struggling to make sure that our environment is protected. Recently we used to have two rainy seasons in our area but since the Chinese came and cut down our forest, we now struggle- This season alone, they have not been able to harvest maize because it started raining in March and in May there was no rain.

Therefore, I think enough is enough. We have to protect our people, we have to protect our lives. Let these people come and they add value and once they add value, they should also plant trees, like these are the companies. We have two companies that I want to commend here, Nileply, who have forests now. Let them come and they also plant trees and then they start harvesting their own forests.

**THE SPEAKER:** I think what you need to do Dr -

**MS NABBANJA:** The ministry did not disobey me. Let me answer this. It is only that, that time the money had been taken back to the consolidated fund. They are going to recommit that money and they complete that laboratory.

**THE SPEAKER:** What I think you need to do is to get the particulars of the person and the Prime Minister will make a follow-up for disobedience of the Executive order. That one provided it to the Prime Minister.

5.32

**MS LUCY AKELLO (FDC, Woman Representative, Amuru):** Thank you, Madam Speaker. Rt Hon. Prime Minister, are you aware that the stretch between Migyera and Kafu, a total of about 18 kilometers, was cheated by not adding the adequate layer of tarmac and as a result, that stretch of the road is about to cause or is already causing lots of accidents. For years, that road has been commissioned, we have not got any plan from the Government of what it intends to do and make sure that that road and the component which was not done well, is done well. So, what is the government's plan to ensure that that stretch is actually worked on?

**THE SPEAKER:** Hon. Akello Lucy, you are a Vice Chairperson of COSASE - the mighty COSASE and UNRA is under COSASE. Can you handle that under COSASE? Actually, we are supposed to ask you, of what you have done as a committee. The Prime Minister will not answer that. Can you report back to this House on what COSASE has done? Can you get information from UNRA and report back to this House? Actually, I need your report on Wednesday.

**MS LUCY AKELLO:** The UNRA report was given to this House and part of that was also -

**THE SPEAKER:** Was that part of the issue?

**MS LUCY AKELLO:** Yes.

**THE SPEAKER:** Okay. We shall have action taken reports. Let us get action taken reports. We cannot ambush the Prime Minister at this time when she does not even know- that is your work as COSASE.

5.24

**MR STEPHEN SSERUBULA (NUP, Lugazi Municipality, Buikwe):** I would like to bring to the attention of the Prime Minister that Lugazi Central Division has no Government Secondary School, because the condition-

**THE SPEAKER:** Lugazi District Central or what?

**MR SSERUBULA:** We are supposed to be having a secondary school per division or sub-county but in Lugazi we do not have one because of the condition of having five acres provided by local governments- they cannot afford because the land is very expensive. So, we do not have a secondary school in the Lugazi Central Division.

The other thing is -

**THE SPEAKER:** Just a minute. Let us go slowly. Do you want the Prime Minister to give you the five acres? Have you written to the Ministry of Education to get a solution to that and has the Ministry of Education failed to respond to you?

**MR SSERUBULA:** Madam Speaker, I was explaining- the other condition of saying that a secondary school is supposed to be per sub county. There are sub counties, for example, that are bigger than districts in some areas. For example -

**THE SPEAKER:** It still remains a sub county.

**MR SSERUBULA:** The other thing that I would like to bring to the attention of the Minister of Education and Sports. We talked about the special needs children- it is very unfortunate that our children in the so called special needs schools, are taught in sign languages and the questions are set in English. Those are two different things.

Secondly, the other, Madam Speaker, in such schools -

**THE SPEAKER:** They are not “so-called” schools.

**MR SSERUBULA:** Madam Speaker, I would like to conclude.

**THE SPEAKER:** No, what I am saying is, the schools are not “so-called” they are- it is a matter of English.

**MR SSERUBULA:** Yes. Madam Speaker, my question is - for example, we normally have the *hard-to-teach* children, but our teachers who teach these *hard-to-teach* children do not have that facilitation.

I would like to call upon the Rt Hon. Prime Minister to address that. Otherwise, we are going to be talking about the poor performance of these children everywhere, and many of them have been abandoned by their parents in those schools.

When you reach the schools where these children are managed, the conditions are hard. I call upon the Rt Hon. Prime Minister to address the issue. Thank you.

**THE SPEAKER:** But you know one thing that we need to appreciate, managing those children is not easy; it is a process that even the parents have to be patient enough. Therefore, I do not think we should put too much blame on the Government for that. However, I think the Government tries- it tries.

5.38

**MS AISHA KABANDA (NUP, Woman Representative, Butambala):** Thank you, Madam Speaker.

**THE SPEAKER:** You cannot say the Government does not care - no, you cannot say the Government does not care. Why would the Government have a school in the first place? You do not have to respond to me. Why would it have a school first of all? Why would it train people to take care of those children? The

Government would have left those children to be in your homes. *(Applause)*

I mean let us appreciate once in a while, give credit where it is due. Let us avoid being negative all the time. It is not Government’s wish that these children are the way they are, but God’s wish. Now when you do that, it is very bad.

First of all, it is already 5 O’clock. I am adjourning the House until 2 O’clock on Tuesday.

*(The House rose at 5.39 p.m. and adjourned until Tuesday, 4 July 2023, at 2.00 p.m.)*