



PARLIAMENT OF UGANDA

# PARLIAMENTARY DEBATES

(HANSARD)

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OFFICIAL REPORT

SECOND SESSION - THIRD MEETING

THURSDAY, 19 JANUARY 2023



PARLIAMENT OF UGANDA

## IN THE PARLIAMENT OF UGANDA

### Official Report of the Proceedings of Parliament

#### SECOND SESSION - 4TH SITTING - THIRD MEETING

**Thursday, 19 January 2023**

*Parliament met at 1.59 p.m., at Parliament House, Kampala.*

#### PRAYERS

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

*The House was called to order.*

#### COMMUNICATION FROM THE CHAIR

**THE SPEAKER:** Honourable members, I take this opportunity to welcome you to this afternoon's sitting. It is a very important sitting for us because we are going to discuss matters regarding our workers, the National Social Security Fund (NSSF) report.

You know, the money that goes to NSSF belongs to our workers. Any diversion of such monies is criminal. We are here to legislate for our people - for our constituents and for humanity; and it is one more reason why we must look at issues that affect the workers of this country. You have been a worker in one way or another and those savings are very dear to our people. So, we will be waiting to hear the report from both the Ministry of Finance, Planning and Economic Development, and the Ministry of Gender, Labour and Social Development.

We will also complete the accountability cycle on Committee on Public Accounts (Central Government) today and once we are done with that, we will be good to go. We will not have any backlog. It has been the use of stick and

carrot, but we are achieving what we want as Parliament. I thank you.

2.03

**MR TOM ALERO (NRM, West Moyo County, Moyo):** Thank you, Madam Speaker. I rise on a matter of national importance and the issue is about challenges of transport and communication across River Nile at Laropi Town Council, causing delays, suffering and loss of lives to our people.

A section of leaders and residents of West Nile in general - Obongi, Moyo and Adjumani districts in particular - have requested Government to expedite and fast-track plans to construct a bridge across the Nile at Laropi that will connect Moyo and Adjumani districts. Of late, travellers get stranded for hours - and others for days - as they wait for the ferry at Laropi, due to the increase in population and traffic flow.

Madam Speaker, travellers who normally opt to travel via Arua take more than 14 hours instead of the usual eight hours. The ferry also frequently breaks down and routine maintenance usually takes half a day.

The Laropi ferry starts operation at 7 a.m. and ends at 7 p.m. It has a vessel capacity of 120 tonnes and it carries on average 1,500 to 1,800 people per day with a minimum of 12 trips and a maximum of 22 trips. It takes 30 minutes loading and offloading while the time to cross is between 10 to 15 minutes. The ferry has a capacity of 180 passengers and cargo of 90 tonnes.

This ferry is used by the entire nation for access to regional markets like the Central African Republic, South Sudan, the Democratic Republic of Congo and for internal connectivity within the East African Community Member States.

**THE SPEAKER:** Hon. Aza, now you are reading.

**MR AZA:** I am coming to prayers.

**THE SPEAKER:** Give us the prayers.

**MR AZA:** Not only that, Madam Speaker. Most importantly, the ferry normally is used for referrals - for taking those who are very sick to the hospitals in Kampala and Gulu.

Our prayers: We, the Members of Parliament from Madi Subregion, therefore, jointly urge Government to provide assurance to the leaders and citizens about the following:

1. The current status of Laropi Bridge and connecting road networks - that is Laropi-Moyo-Afoji road - feasibility studies and design of the two projects since the money was borrowed by Parliament from the African Development Bank by the 10<sup>th</sup> Parliament in June 2020 amounting to \$235.
2. Secondly, inclusion of Laropi Bridge and Laropi-Moyo-Afoji Road Project in the Financial Year 2023 -(*Member rose*)

**THE SPEAKER:** Hon. Aza, just hold on. What is the order about?

**MR SSEWUNGU:** Madam Speaker, the Member on the Floor is a senior member here and knows the rules clearly that we are not supposed to raise matters while reading. But I am seeing him seriously reading as if he is reading a text book.

Is he really in order, having spent all the terms here from Moyo, not to display a good example for the new Members - by reading a matter that he knows in his head from his

constituency; is he really in order?

**THE SPEAKER:** Hon. Aza is making a maiden speech for this year. (*Laughter*) So, since it is a maiden speech, he can read.

**MR AZA:** Thank you very much, Madam Speaker, for your protection. I was trying to make references to my submission. Thank you very much for the protection.

We also request the inclusion of Laropi Bridge and Laropi-Moyo-Afoji Road Project in the Financial Year 2023/2024 Sector Budget Framework Paper.

3. Thirdly, we wanted to know about the progress with the environment and social impact assessment and plan for resettlement and compensation of the Project-Affected Persons.

We wanted to know about the expected time for commencement as well as to when this project will end. Then the contingency plans to address unforeseen circumstances.

Lastly, Madam Speaker, we request Government to operationalise the ferry services between Obongi in Adjumani District at Senja landing site.

Secondly, to operationalise the ferry services in Madi-Okollo and Amuria District. I thank you very much for having given me the time.

**THE SPEAKER:** Thank you, Hon. Tom. Government?

2.08

**THE GOVERNMENT CHIEF WHIP (Mr Denis Obua):** Madam Speaker, first of all, I thank Hon. Tom Alero Aza who spoke on behalf of all MPs from Madi.

Madam Speaker, from his submission, one realises that he is abreast with where Government is and since he is requesting for a progress statement on the feasibility studies, the design and the environmental social impact assessment, I undertake to move the

Ministry of Works and Transport, through your guidance, Madam Speaker, to come on the Floor and give a progress report on what the honourable member has requested on behalf of Madi Subregion. Thank you.

**THE SPEAKER:** Thank you. Hon. Aza, please, give the Government Chief Whip your written petition. It is good you were reading and so, he can refer to it. Thank you. Let the minister come and report to this House by Wednesday.

2.10

**MR WILLIAM MUSEVENI (Independent, Buwekula South County, Mubende):** Thank you, Madam Speaker. I rise on a matter of national importance regarding land wrangles in Mubende District. In Buwekula South Constituency, about 75 per cent of the people are on the verge of eviction. We have mailo land, which was allocated to the owners as early as the 1930s.

**THE SPEAKER:** Are you saying 75 per cent of your constituents?

**MR MUSEVENI:** Yes.

**THE SPEAKER:** You will need to give us the figures of your constituents.

**MR MUSEVENI:** If given time, I can collect all the statistics. It is not only in my constituency but the entire Mubende region.

**THE SPEAKER:** Hon. Museveni, I want you to make a statement that your people are being evicted or are on the verge of being evicted. Do not quantify because you do not have the statistics.

**MR MUSEVENI:** Much obliged, Madam Speaker. We have an issue with a one Mafumo -

**THE SPEAKER:** You withdraw the 75 per cent because that is a very big number.

**MR MUSEVENI:** I withdraw the 75 per cent because I cannot confirm, but maybe, with time, we can get the statistics. However, a

very big number is on the verge of eviction. A one Paul Mafumo recently sprayed all the gardens of the people. He attempted to evict them, but we refused and then, he sprayed their gardens and all the crops were destroyed. We have other people such as Grace Kabayo, who wants two square miles. Even today, she is on the ground. She came with officials from the Ministry of Lands, Housing and Urban Development, the police and chairman LCV. She is threatening to get the two square miles forcefully, yet the land is occupied.

My prayer is that this House interests itself in the land matters in Mubende so that we can get the real figure and solve the problem.

Here, in Buganda, we pray that we also benefit from the Land Fund. We have a number of land wrangles but we have not benefited. I normally see the Government buying land for people in different parts of the country where we have no history of land wrangles.

However, here, in Buganda - I can assure you that that is even why the NRM party performed poorly in the 2021 elections. I beg this House to take interest so that - I can allow information from Members. Madam Speaker, with your authority, I pray that I allow some Members to beef up -

**THE SPEAKER:** Honourable member, let us not bring parties into this issue. Let us protect the land that belongs to the people. When the Speaker is speaking, you sit down.

Government, can we have the Minister of Lands, Housing and Urban Development go and find out what is happening in Mubende? I will give the Leader of Opposition a chance to say a word. However, can we have Hon. Judith Nabakooba go on ground and report to this House on the status of the land that is being talked about - and the greater Mubende as it is being said?

2.14

**MR PATRICK NSAMBA (NUP, Kassanda County North, Kassanda):** Thank you, Madam Speaker. The matter in Mubende is that a majority of the land is public land.

Unfortunately, people who are seated on that land have not gone ahead to process leasehold or freehold titles.

The people who come to Mubende see – within the ministry of lands– free public land, which is fully occupied by people. So, these people process freehold titles and the next day, they want the land they have processed the titles on.

Honourable minister, for the entirety of greater Mubende, the Speaker has instructed very well. This matter should come out: how many people are seated on public land without freehold titles?

**THE SPEAKER:** We should also look at the encroachers. If you are encroaching on Government land, the land belongs to Government. So, we expect a report from lands ministry.

2.16

**THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua):** Madam Speaker, I believe the information provided by the acting Leader of the Opposition is very valid. I undertake to convey the directive of this House to the minister of lands to, first of all, move on the ground and, secondly, brief this House on the status of land in the greater Mubende. Thank you.

**THE SPEAKER:** We will try our best to gazette Thursdays to get such responses from these ministers before Prime Minister's Time. Members should bring all their issues on Thursdays. (*Hon. Ssewungu rose*) –

**THE SPEAKER:** I thought I have ruled. Let us go to the next item.

2.16

**MR WILIAM CHEMONGES (NRM, Kween County, Kween):** Thank you, Madam Speaker. I rise on an issue of national importance. On 29 December 2022, I managed to be with all the health workers of Kapchorwa Hospital. I got shocked that the entire hospital, which is currently acting as our regional referral hospital and serving over

500,000 people in the entire Sebei region, has no ambulance.

I looked at the correspondences that the doctors and District Health Officer have been writing to the Ministry of Health. It is almost a whole file but for the last five years, they have never received the ambulance, even when they have kept on following up with the ministry.

After doing my research, I found out that the Government has been buying ambulances nearly every six months. However, for Kapchorwa Hospital, people are confused. This is what the health workers told me: they appreciate the salaries, which have been increased and they are willing and very ready to work. However, they cannot receive patients, especially from the villages.

Within three to four months, we have lost five mothers in labour because of lack of an ambulance in that district. (*Hon. Macho rose*)-

**THE SPEAKER:** Hon. Macho, you have a slot to speak. Honourable Government Chief Whip, can we hear from you on the issue of the ambulance?

2.18

**THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua):** Madam Speaker, first of all, I would like to thank the whip of Sebei for raising the matter of no ambulance at Kapchorwa Hospital. I request that since he has indicated that the district has been writing, he should share the write-ups of the district with my office.

I equally undertake to move the Ministry of Health to come and explain to this Parliament why Kapchorwa Hospital and any other district hospital in Uganda does not have an ambulance bought or procured by the Government. Thank you.

**THE SPEAKER:** Thank you. Whips from different areas, you need to take keen interest in your areas of jurisdiction. Hon. Chemonges spoke about this but he is from

Kween, not Kapchorwa. Therefore, look at what is happening in your area and you bring a document so that we can be able to discuss this differently from region to region.

2.20

**MR ALLAN MAYANJA (NUP, Nakaseke Central County, Nakaseke):** Thank you, Madam Speaker for the opportunity. I raised the issue about NSSF yesterday.

**THE SPEAKER:** Okay, can you bring it up later after the presentation?

**MR MAYANJA:** Okay. Thank you, Madam Speaker.

2.20

**MR GEOFFREY MACHO (Independent, Busia Municipality, Busia):** Thank you, Madam Speaker, for this opportunity. I rise on a matter of national importance that has been burning and I have talked about it in this Parliament more than 10 times. Busia Municipality is flooded with trailers. Tororo road has more than 300 trailers, Majanji road has more than 80 and Kampala-Jinja Road has more than 500 trailers and the whole Customs is jammed.

Madam Speaker, as I say this, the traders on Customs road cannot work because the trailers have parked in front of their shops. Whenever you pass under those trailers, there are things I cannot mention because these drivers have turned the trailers into bedrooms. These trailers have caused sanitation problems in Busia to be very bad.

Madam Speaker, before I pray, these trailers have packed in Busia to an extent that in the history of this world, we have had a traffic jam of bicycles in Busia because we use *boda-bodas* on the border.

Madam Speaker, additionally, as these trailers have been parked in Busia, we get electricity only two days and for six days, we are in total darkness. We keep asking Umeme what the problem is, especially given that we have fuel tanks at the border.

It is my prayer, Madam Speaker, that the ministry or the Government - it is good that I am talking when the minister of trade is looking at me. We are saying that the journeys you made to Busia have not worked. I request the Speaker and the Government to allow my people of Busia to work by getting us a dry port, where goods can be offloaded and trailers go where they belong; and to sort out the issue of over-packing trailers because in case a trailer catches fire, we do not have a fire brigade in Busia at all. We do not have enough jerry cans, buckets and saucepans to get water to pour on a burning trailer. Therefore, please, assist us to make sure that trailers do not park in town. Thank you very much.

**THE SPEAKER:** Thank you very much. This is a very serious matter. Those trailers' scenarios are not only in Busia when you go to my own district in town but accidents are also there all the time because the trailers park along the roadside on both sides. Honourable minister or the Government-

2.23

**MR MEDARD LUBEGA-SSEGGONA (NUP, Busiro County East, Wakiso):** Madam Speaker, Hon. Macho, the Bishop has informed Parliament before that they usually do cross-border trade. I do not want to join those that call it smuggling but I wanted to find out whether the kind of trade at this border, which is a cross-border trade by whatever description they put, generates sufficient revenue for the Government to do what Hon. Macho wants to do for his people. I thought that would also come in so that we would know the source of funding considering that this kind of cross-border trade generates less revenue.

**THE SPEAKER:** That was actually a light moment. *(Laughter)* Former commissioner, URA -

**MR KATESHUMBWA:** Madam Speaker, the information I would like to give my colleague is that Busia is a one-stop border post that largely clears fuel, which comes into this country. I am just wondering why you have trucks stopping there. What is the

incentive that is making them stop in Busia? They are supposed to cross and the fuel that comes through Busia has already paid tax. Therefore, they are supposed to be crossing and going to the pump station. Why are they stopping in Busia?

**THE SPEAKER:** Hon. Kateshembwa, you have heard him saying they turn those trailers into their bedrooms. *(Laughter)* May be, that is the motivation and incentive. So, Busia must be very rich with-

**MR KATESHUMBWA:** I think the honourable colleague is not telling us the whole truth. However, Madam Speaker, what I would like to advise is that the rightful agency that should be looking at this matter is Customs because those trailers have a tracking system that alerts them when they overstay in one place. So, I think there must be a problem that needs to be interrogated. Stopping in Busia may have turned it into another market that needs to be looked at.

**THE SPEAKER:** Maybe, as you have said, already Customs is the right-

**MR MACHO:** You used to arrest us and you are now talking here.

**THE SPEAKER:** I thought hon. Kateshumbwa is helping you. Are you okay? *(Laughter)* Hon. Kateshumbwa is saying that Customs should be able to monitor how long these trailers stay there. That is what we want the minister to commit to that she is going to talk to URA Customs to ensure that those trailers do not stay there. Honourable Minister-

2.27

**THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (TRADE) (Ms Harriet Ntabazi):** Thank you very much, Madam Speaker. Happy New Year to you and to my colleagues. I want to thank my colleague, Hon. Macho, for raising this issue. It is very pertinent for businesses, especially those at the borders. It is not only the Busia border but there is Malaba, Mpondwe and Elegu, which have these conditions.

It was a hot matter in the Cabinet and an inter-ministerial committee is already put in place, including the Ministry of Works and Transport because it directly handles matters to do with vehicles and those huge trucks. Also, the weigh bridges, the distance between the parking and the weigh bridges and then, issues to do with the fires because in case of anything, if fires broke near the border, it would be a big disaster.

Then, of course, the ministry of finance is also handling matters to do with taxation, more especially now on those- because other countries are trying to lure us and take us to their countries to put dry ports when they have ports near the waters. For us, we are landlocked; we thought the idea of a dry port could be put in Malaba. Of course, Busia, Malaba and those areas where we are getting iron ore down in Kabale, we are thinking about many areas to establish a dry port.

A dry port is a good idea, Madam Speaker, because it generates revenue for the country. For those parking along the road, tentatively, maybe the minister of finance can look into the idea of putting a tax so that they do not use those facilities as bedrooms. We can tax them. If you put your truck there and you want to use it for your own benefit, you pay. That would be a good idea if the minister of finance can really tax those trucks, which are misusing -

**THE SPEAKER:** Honourable minister, we do not want them to pay because we know they can afford to pay. We do not want the trucks there.

**MS NTABAZI:** Most obliged, Madam Speaker. That is one of the ideas that is on the table to make sure that we decongest the area and totally remove those trucks. When they come, they should go to their rightful place. Thank you.

**THE SPEAKER:** So, when do we get a response from you that the place has been decongested?

**MS NTABAZI:** Madam Speaker, I ask for some two weeks to contact my colleagues for us to come with a concrete report.

**THE SPEAKER:** We do not want a report, but an action being taken. Elder, would you like to say something?

2.29

**THE MINISTER OF AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (ANIMAL INDURTY) (Lt Col (Rtd) Bright Rwamirama):** Thank you, Madam Speaker. First of all, I thank Hon. Macho for bringing up this matter. However, the local councils have a right to introduce a tax for prolonged parking. I think those bedrooms can be inhibited by local tax.

**THE SPEAKER:** Hon. Rwamirama, we know the local governments have that authority but we are trying to avoid it because this is where we have “team no sleep” – the prostitutes, if you want us to talk about the real thing that is happening, which Hon. Macho was fearing to say. This is where our girls are getting spoilt from.

Let these people do their work and go somewhere else. The tax may be only Shs 5000 and they can afford it. Let us limit the number of vehicles in the area. We do not refuse the tax but we do not want it because of the damage in that area. Let us protect our girls and boys.

**MS NTABAZI:** Madam Speaker, I promise to Parliament that we are going to take action and make sure that the trucks leave those areas. I will work together with my colleagues.

**THE SPEAKER:** Please, work with URA.

**MS NTABAZI:** Yes, we are working with URA and the ministry of works. Thank you.

2.31

**MR ALEX RUHUNDA (NRM, Fort Portal Central Division, Fort Portal City):** Thank you, Madam Speaker. I am really surprised that such a matter cannot be resolved. This is something where there are serious leaders at the local level who must team up and find a

gazetted place where these trucks can park. We do not want to look at the trucks as a liability when, actually, they are bringing money to the local economy and the country.

What we need is to take advantage of these trucks. You have seen the problem, please, find an open space either a playground or any other place for temporary purposes and have these trucks there.

**THE SPEAKER:** Which temporary purposes are you talking about?

**MR RUHUNDA:** I am talking of temporary parking because the problem now is parking on - I know the other one -

**THE SPEAKER:** Not lodging, not resting.

**MR RUHUNDA:** No, Madam Speaker.

**THE SPEAKER:** As Hon. Kateshumbwa said, these vehicles bring in fuel. And, basically, they are supposed to transport fuel. Why would you want that temporary parking? The problem is that you do not come from the border and so, you do not know the impact it has.

**MR RUHUNDA:** No, I am looking at the business aspect, Madam Speaker.

**THE SPEAKER:** No. You do not know what is happening at the border.

**MR RUHUNDA:** Okay, Madam Speaker.

2.33

**MS PHYILLIS CHEMUTAI (NRM, Woman Representative, Kapchorwa):** Thank you, Madam Speaker. I rise on a matter of national concern –

**THE SPEAKER:** Hon. Chemutai, we are still on the issue of the border trucks.

2.33

**MR ENOSI ASIIMWE (NRM, Kabula County, Lyantonde):** Thank you, Madam Speaker. To me, the issue is not only about the border. I will give you an example. Even in



Lyantonde where I come from, trucks park in the town centre for several reasons. First of all, these towns are used as sleepover points when they are tired or when they have delivered their oil and are driving back. They usually rest there.

However, there is a challenge. When we tried to get these trucks out of town, the locals themselves fought us. They say they earn from these trucks. They are the ones who use their lodges and take services from small supermarkets that work at night.

The policy that we need from the ministry, Cabinet or Government is to provide those temporary parking sites and make it a point that they do not park in the middle of the towns. Alternatively, they provide emergency services in all these trading centres. Let us have fire trucks and ambulances to take care of the risks that come with these trucks parking in the middle of towns.

Otherwise, trying to get them out of town is another political risk for the local leaders. That is why they will never allow them to leave the towns. They allow them to park because they stimulate the businesses that come with their parking. Thank you.

**THE SPEAKER:** When you look at the political versus the social risks, you should know which one to go for.

2.35

**MR MEDARD LUBEGA-SSEGGONA (NUP, Busiro County East, Wakiso):** Thank you, Madam Speaker. I think the two issues are different. The issue at the border that the Hon. Macho raised relates, mainly, to the risk of accidents, fire and the social impact that you are talking about.

What Hon. Asiimwe is talking about is if, for example, a truck driver is tired and can no longer continue to drive. You know the risks associated with a tired driver on the road. It is just a question of organisation.

I used to think that - and I still want to be tempted to think - we have an organised Government, which organised Government would find a specific gazetted place for parking. In Lukaya, for example, they have a designated parking place. Those that are tired do not use the trucks as hotels. I want to modify the language a bit. They go to those hotels or lodges around and sleep in an organised way.

It would actually help us to stop some of these trucks from driving in the night because they account for half of the road carnages in this country.

Therefore, I would agree with the honourable minister to come up with this a statement and a detailed policy on how they want to handle this issue. First, we want revenue from the trucks; Two, we want to minimise social risks; and three, accidents on the road. I think that is the concern of the honourable member.

I confirm, Madam Speaker, that today Hon. Macho is okay since you are asking. Thank you. *(Laughter)*

**THE SPEAKER:** Honourable members, let us wait for a report from the minister in regard to that. You need to balance between revenue collection, the political and social aspects. Also, look at the suggestion of gazetting a particular area without congesting the border.

2.38

**MS FLORENCE KABUGHO (FDC, Woman Representative, Kasese):** Thank you, Madam Speaker, for this opportunity. I rise on a matter of national importance in regard to the fraudulent payment for land meant to resettle people in Muhokya IDP Camp.

Madam Speaker, last November, I presented the same matter and you directed the minister of lands to go to the locus and find out why she recommended the payment of land without assessing. You also directed the office of the Prime Minister to go to Kasese and make the same assessment. Further, you directed the

Minister for the Presidency to investigate the RDC who is accused of aiding the fraudsters. However, no one has stepped foot in the district. On 16 January, the chairperson LCI who has been giving information was arrested for four hours for giving the right information.

My prayer is that the ministers you directed to go to the locus go and make an assessment. The moment they do not go by your directives, we are not going to see any importance of raising issues here. They need to respect your directives.

I also request the Government to look for land that has no conflict so that people who are about to be resettled are taken to free land. Otherwise, they may not live on that land freely when the owners are vowing not to give them peace there. Thank you, Madam Speaker.

**THE SPEAKER:** Thank you. Government Chief Whip, we issued directives here and none of them was implemented. Is that contempt of Parliament?

2.40

**THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua):** Madam Speaker, let me take responsibility, on behalf of the ministers mentioned, and apologise to this Parliament, if the directive of this House was not followed. However, I believe that the biggest room we have is room for improvement. These ministers could have been handling other matters.

Madam Speaker, I undertake, with this second chance, to remind the concerned ministers to respect the directive of this Parliament and to move to the locus, as directed. We will also look at the date mentioned by the honourable member; 16 January, to ensure that we extract the resolution of Parliament and accordingly inform the respective ministers. I beg to submit.

**THE SPEAKER:** Thank you, Government Chief Whip. I wish all the ministers were apologetic like you when they know that there is a mistake. (*Applause*) Thank you for leading by example.

2.42

**MS CHRISTINE KAAYA (NUP, Woman Representative, Kiboga):** Thank you, Madam Speaker. Last week, I raised a matter that directs our procedures for submitting the National Budget Framework Paper; that it needed to be accompanied by the climate change certificate -

**THE SPEAKER:** Are we looking at the National Budget Framework Paper now?

**MS KAAYA:** I am just trying to find out if we are moving well procedurally in case we have to end the process tomorrow and we have not been given the document.

**THE SPEAKER:** How are we ending the process tomorrow? We are ending the budgeting process in May. We have just started it; so, do not worry. This time, we will follow the law to the letter. Even when they are bringing the documents for borrowing, as one of the sources of funding, the conditions must be debated before supply.

2.43

**MR ANTHONY AKOL (FDC, Kilak North County, Amuru):** Madam Speaker, I rise on a matter of national importance. In the year 2021, we had a big problem in the areas of North and eastern Uganda with the invasion of a group of people who moved around with their animals. They are commonly known as the *Balaalo*. At that time, the leaders of North and eastern Uganda raised a concern to the President of the Republic of Uganda -

**THE SPEAKER:** Honourable members, listen to the Member. We will react to it. It is not a crime to be a *Mulaalo*; we should be proud of our tribes. Please, continue with your submission.

**MR AKOL:** Madam Speaker, this matter was raised to the President of the Republic of Uganda. On 2 November 2021, the President of the Republic of Uganda wrote to the Prime Minister's office directing action to be implemented by the Office of the Prime Minister.

Among the directives were that:

1. The *Balaalo* should leave the affected areas within two months;
2. They should make sure that those who acquired land in a legal way must fence it and ensure that there is water for their animals in the areas where they are operating;
3. The necessary law should be amended to provide for imprisonment of five years and the auctioning of cattle involved in this endemic indiscipline –(Interruption)

**MS CECILIA OGWAL:** Madam Speaker, the Member holding the Floor is consistently and continuously using the word *Balaalo* without defining what that word means. Who are we talking about? This is such that when you make a statement, we know who we are actually talking about. Can you clarify to us who the *Balaalo* are? Thank you.

**MR AKOL:** Madam Speaker, let me thank *Imat* for the clarification she sought. I actually did not know the definition, but I want to use the President's definition. He said, "These are people who have been roaming around with their animals without settling in a particular place." In fact, some of these people's origin is Rwanda, Tanzania and also western Uganda. That is the definition by the President of the Republic of Uganda.

A four-person committee composed of Hon. David Muhoozi, Hon. Charles Okello-Engola and Hon. Bright Rwamirama was formed to implement the directive of the President.

To our surprise, the numbers of this particular group of people have continued to increase in north and eastern Uganda. Recently, it has brought a lot of insecurity in the areas of North and eastern Uganda to the extent that the local people have decided to take local methods to send them away.

My prayers are that:

1. The Prime Minister should immediately update the House whether there is an alternative directive allowing the *Balaalo* to occupy north and eastern Uganda.
2. The Prime Minister should evacuate the *Balaalo* from north and eastern Uganda within two weeks to avoid insecurity.
3. The Prime Minister should bring the amendments, as directed by the President, to make sure that there is a law amended to cater for five-years' imprisonment and confiscation and auctioning of the cattle.

If this step is not taken, we risk having insecurity in these parts of the country. Thank you very much.

**THE SPEAKER:** Maybe we could amend prayer no. 1 to say, "The Prime Minister should immediately update the House on whether there is an alternative directive to allow the *Balaalo* to occupy north and eastern Uganda for those who do not have land there." My area has a whole subcounty full of *Balaalo* and they own land there. We should be looking at people who do not have land and are not *bona fide* occupants of that area.

For purposes of clarification, I think Hon. Akol is referring to a letter, which was written by the President on 2 November 2021. Hon. Rwamirama is here.

**MR AKOL:** Madam Speaker, I beg to lay on the Table the letter written by the President on 2 November 2021, which gave a directive to the Prime Minister of Uganda on the issue of the *Balaalo*.

**THE SPEAKER:** Please lay it. Can we hear from a member of the committee?

2.48

**THE MINISTER OF STATE FOR AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (ANIMAL INDUSTRY) (Lt Col (Rtd) Bright Rwamirama):** Thank you, Madam Speaker. Honourable colleagues, there is no directive from anywhere for the *Balaalo* to occupy parts of northern Uganda. What happened is that these people illegally went to some of these areas with animals and they ended up in other people's gardens. So, people raised concern and the President wrote those directives.

I am on the committee; many people were chased and forced to leave. A total of about 9,000 head of cattle crossed Karuma to the south. We put measures in place and guidelines to follow and only permits that are given for animals going to northern Uganda.

Some of the MPs have been to my office and to the office of the Commissioner, Animal Health seeking for permits but permits are only given to people who have land; those who have a certificate from their local leaders that confirms that there is land to take these animals to.

You also have to have a veterinary certificate from the point of origin to the point of reception - that there is no threat of disease.

However, recently, we arrested a group on the waters of Lake Kyoga ferrying cows on the water and they were held for some time and we have forced them to go back to where they came from.

Madam Speaker, I pledge to convey this message to the committee and the Prime Minister. We shall bring an updated report on this matter. Otherwise, I want to –

**THE SPEAKER:** Prime Minister, we will require a status report after two weeks. Hon. Rwamirama, we will expect a report in two weeks' time.

2.52

**MR DAN ATWIJUKIRE (NRM, Kazo County, Kazo):** Madam Speaker, you have already ruled on this matter but I am requesting that in their report, they should indicate whether these are Ugandans or non-Ugandans.

I am raising this, Madam Speaker because by some of these actions, we are perpetrating tribalism for the sake of politics because these are Ugandans. Who are these *Balaalo*?

**THE SPEAKER:** In one of the letters written by the President, he says, *"Therefore, the Balaalo are either non-Ugandans coming from neighbouring countries or indisciplined Ugandans that sold the land we gave them and are now disturbing other Ugandans in their areas. They should, therefore, not be tolerated."*

**MR ATWIJUKIRE:** Thank you, Madam Speaker.

**THE SPEAKER:** I had made a ruling to this effect – Members, please, resume your seats. I had made a ruling to this effect. Maybe, I could give you a copy of the President's letter but as I said before, if these people own land in those areas, we need to co-exist. Since you have these people who are moving from this place to the other, taking cows to eat other people's food, especially in this situation, then the committee should make investigations. Hon. Ibanda? Members, let us be brief.

2.53

**MR IBANDA RWEMULIKYA (Independent, Ntoroko County, Ntoroko):** Thank you, Madam Speaker, for the opportunity. I rise on a matter of national importance over the status of my health centres IV; Rwemis-engo Health Centre IV and Karugutu Health Centre IV.

In the year 2019, Karugutu Health Centre IV and Rwebisengo Health Centre IV were upgraded from health centres III to health centres IV respectively. Unfortunately, the Ministry of Health did not consider infrastructure development.

First of all, the health centre of Rwebisengo was a health centre II, upgraded to health centre III without consideration of infrastructure development. Then, they again upgraded it from health centre III to health centre IV with no consideration of any infrastructure development.

Madam Speaker, people are being treated - especially outpatients - in isolation tents that were meant to treat Ebola patients. These are very hot and a health threat to the patients who are being treated there.

I have been communicating to the ministry for a very long time. I have all correspondences here but with no action taken.

My prayers are:

1. The ministry should send a technical team to Ntoroko to assess the situation with a view to finding a remedy.
2. In this coming financial year, the outpatient block should be factored in the budget so that it brings relief because patients are not getting the services they need.

I beg to submit, Madam Speaker.

**THE SPEAKER:** Thank you. Minister of Health?

2.56

**THE MINISTER OF STATE FOR HEALTH (GENERAL DUTIES) (Ms Anifa Bangirana):** Thank you, Madam Speaker. I wish to apologise to the Member for the concern he has raised; that he has been in touch with the ministry, especially on the issues of upgrading health facilities without infrastructure development in his area. I take concern of the prayers, Madam Speaker, I want to assure-

**THE SPEAKER:** Hon. Ibanda, they are responding to your issue and you are busy talking.

**MS BANGIRANA:** I want to assure the honourable member that as part of the team, now that the issue has come in, I want to state that I personally will get in touch with Hon. Ibanda and I shall move to Ntoroko with a technical team. I thank you.

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

2.57

**MS BRENDA NAMUKUTA (NRM, Woman Representative, Kaliro):** Thank you, Madam Speaker, for the opportunity. I would like to bring it to the attention of this House that I have a bridge called Saaka Bridge that is being worked on and the project is going to take 30 months.

My prayer is that as they work on the bridge – they are going to tarmac the bridge but Kaliro has no single tarmac in the whole district. My prayer is to request the minister to tarmac – at least to connect from the bridge to Pallisa, then to connect from the bridge to Kaliro town. It is my humble prayer. Thank you, Madam Speaker.

**THE SPEAKER:** Hon. Brenda is being sincere. Much as you are going to tarmac the bridge, the whole town has never seen any tarmac. Just tarmac for her – there is a road where there was Kamuli, Buyende, Kaliro – at least, tarmac that one. And do some tarmacking within town. Honourable minister?

2.58

**THE MINISTER OF WORKS AND TRANSPORT (Gen. Edward Katumba Wamala):** Madam Speaker, I have heard the prayer from the honourable Member of Parliament. I am laughing because I wish the honourable member knew the kind of challenge I am facing. Just this morning, I had five Members of Parliament and everybody is giving updates for a washed-away bridge, which needs to be reconstructed. For her, she has one which is being constructed but she wants tarmac.

It is quite interesting. That road was to be tarmacked, but as we all know, we have a

challenge, which I already communicated on the Floor here. We may not be able to take on new projects until we complete the ones, which we have started. That project will be finished, but we shall also try to address the most critical crossing points and bridges, which are connecting communities. That is our priority. Thank you.

**THE SPEAKER:** General, we also have a road, which was approved; it is not a new project per se. There is the Kamuli-Buyende-Kaliro Road. Maybe, that would help the Member of Parliament. It was budgeted for and is supposed to be at design level. The letter has not come from the minister for finance. Minister, how far have you gone with the letter for us to help the Member?

Honourable Minister of Finance, Planning and Economic Development, we welcome you back to the House. We missed you.

3.00

**THE MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (Mr Matia Kasaija):** Thank you, Madam Speaker. Happy New Year. I have just been having some little lunch up there and one Member of Parliament, whom I will not mention, talked about this very road. You can see I have even got the exact road: Buwenge-Luzinga-Kaliro-Namutumba-Gadumire. Is that not the road we are talking about?

**THE SPEAKER:** I am talking about Kamuli-Buyende-Kaliro Road. The other one is a connection.

**MR KASAIJA:** This road -

**THE SPEAKER:** Those are two roads. I am asking you about a road that you know very well.

**MR KASAIJA:** Yes, I know it very well. It is in the process. The study has already been done.

**THE SPEAKER:** Honourable minister, the study has not been done. We are supposed

to get a letter from you for the study but the signing of that letter has taken one year.

**MR KASAIJA:** Would you mind that I go and check the facts and then, come back and report?

**THE SPEAKER:** Thank you.

3.02

**MS PHYLLIS CHEMUTAI (NRM, Woman Representative, Kapchorwa):** Thank you, Madam Speaker, for giving me this opportunity. I rise on a matter of national concern concerning lack of water in Kapchorwa District.

Kapchorwa is a mountainous district and blessed with rivers flowing through it, going down to the plains of Bukedea, Teso and Karamoja. However, these rivers are spread far apart. The distance between each is about an average of 10 kilometres. When -

**THE SPEAKER:** Honourable members, listen to Hon. Chemutai.

**MS PHYLLIS CHEMUTAI:** During the dry season, our women walk very long distances to get water.

**THE SPEAKER:** Can we ask the old woman to go and switch off her iPad from outside?

**MS PHYLLIS CHEMUTAI:** We are blessed with rivers in Kapchorwa but these rivers are far apart. During the dry seasons, our women suffer a lot as they walk very long distances to fetch water, yet gravity flow scheme is very possible in Kapchorwa.

It has worked in other areas. More than five years ago, His Excellency the President came to Kapchorwa and our people pleaded for water. [Mr Macho: "Order."]

**THE SPEAKER:** Whom are you putting on order? What is wrong with you? Resume your seat.

**MS PHYLLIS CHEMUTAI:** More than 10 years ago, His Excellency the President -

**THE SPEAKER:** If you want to meet Hon. Phyllis Chemutai, secretly, wait after the House and follow her. *(Laughter)*

**MS PHYLIS CHEMUTAI:** Thank you, Madam Speaker. His Excellency, the President visited Kapchorwa more than 10 years ago and promised to provide tap stand water per village through the gravity flow scheme. However, up to now, we do not have water. There is a very big pipeline from River Sipi going to Bukedea, yet the people along that line have no water. My request, kindly -

**THE SPEAKER:** Honourable members, stop making noise. The girl knows how to get water. *(Laughter)*

**MS PHYLIS CHEMUTAI:** My prayer, therefore, is that the Government should fulfil the pledge, which was made by the President more than 10 years ago.

**THE SPEAKER:** Honourable minister, are you listening?

**MS PHYLIS CHEMUTAI:** We need one tap stand per village.

**THE SPEAKER:** That water comes up to Bukedea and I can proudly tell you that we have tap water in almost every household. So, what happened to the source? This water comes from Kapchorwa.

30.5

**MR ELIJAH OKUPA (Independent, Kasilo County, Serere):** Just before the honourable minister comes, Madam Speaker, I spent the last two weekends in Kapchorwa and I want to confirm that it is a big problem.

**THE SPEAKER:** What were you doing in Kapchorwa? *(Laughter)*

**MR OKUPA:** The last two or so weekends have been public holiday weekends and Kapchorwa is now a tourist destination in eastern Uganda. I also found out that Hon. Obua is an investor near Teryet. Hon. Dr Nekesa here is one of those putting up tourist

facilities in that place but water is a challenge.

What the people asked us when they got to know that I am a Member of Parliament is: "Please, pass this message to Hon. Cheptoris. He is the minister responsible for water but he has failed."

**THE SPEAKER:** ... and he comes from Kapchorwa. *(Laughter)*

**MR OKUPA:** He comes from Kapchorwa. Madam Speaker, that is the information I wanted to put across. It is high time the minister responsible for water went back home and fulfilled the President's pledge to ensure that there is water and for promotion of tourism because the people who are putting up hotel facilities there are suffering. Even the ones who are constructing the stadium get water from the rivers.

3.07

**THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua):** Madam Speaker, first of all, on a personal note, Hon. Okupa stated that I have investments in Kapchorwa. I want to thank him for wishing me well. If I had the capacity – but I want to state on record that I do not whatsoever have any investments in Kapchorwa.

On the issue of water, I am the immediate past minister of state for sports and Kapchorwa used to be the second district that I visited regularly, after Alebtong.

The Minister of Water and Environment is the MP for Kapchorwa Municipality. I will, therefore, to remind him of the challenges raised by the District Woman Representative and request him to ensure that it is worked on.

I know that anytime, even before the end of this year, we will be commissioning the first phase of the Teryet High Altitude Training facility that will be attracting international athletes from other countries.

I undertake to convey the position of Parliament to the Minister of Water and Environment, who

is the area MP for Kapchorwa Municipality. Thank you.

## MINISTERIAL STATEMENTS

### I) ON THE STATE OF AFFAIRS AT THE NATIONAL SOCIAL SECURITY FUND

**THE SPEAKER:** Honourable members, as I stated earlier on in my communication, this statement is pursuant to Rule 52 of the Rules of Procedure. This matter arose in yesterday's sitting. As a Fund that bears workers' money, certainty is required and it is very important. The workers out there need certainty and safety of their money and need to know the governance issues in regard to their monies. The Workers' MPs are eagerly here, waiting to hear and all of you, the people's representatives.

We would, therefore, receive a report from the Minister of Gender, Labour and Social Development on what we hear and what is happening with NSSF. The House oughts to know what is happening because we are the voice of the voiceless. We need to be able to respond to what is happening in terms of governance issues and finances in the NSSF. Can we now hear from the minister, Hon. Betty Amongi Akena Ongom?

3.10

**THE MINISTER OF GENDER, LABOUR AND SOCIAL DEVELOPMENT (Ms Betty Amongi):** Thank you, Madam Speaker. I wish all the Members a happy New Year. It is my first time to come here since the beginning of the year.

Madam Speaker, this is my statement in respect to the emerging issues that have been going on in the press. I thank you for giving me this opportunity to make a statement on this matter so as to enable me to clarify several misrepresentations on social media.

I will provide an update to you on the operations of the National Social Security Fund and the implementation of its new mandate, as provided for in the NSSF Act, as amended.

As you might be aware, the President of the Republic of Uganda His Excellency Yoweri Kaguta Museveni assented to The National Social Security Fund (Amendment) Act, 2022 on 2 January 2022.

The NSSF (Amendment) Act commenced upon publication in the Uganda Gazette on Friday, 7 January 2022, save for section 20(a) (1) and (2) which commenced on 3 March 2022 by virtue of Statutory Instrument No.18 of 2022, NSSF Midterm Access to Benefits Regulations.

The NSSF (Amendment) Act provides for a stakeholder board, contributions by all workers, irrespective of the size of the employer or number of employees, voluntary contributions, midterm access to benefits, use of in-house investment, expertise, the introduction of additional benefits and appointment of statutory officers, offences and penalties. Among other objectives, the amendments are intended to expand social security coverage. I want you to mark that because it is my mandate in the new law, "expand social security coverage."

Whereas section 4(13)(a) introduced mandatory contributions by all workers, regardless of the size of the enterprise or the number of employees. In addition, the Act also introduced voluntary contributions to the Fund where a member can contribute over and above his or her standard contributions. It also provides for where a self-employed person can apply and open a member savings' account to make voluntary contributions to the Fund.

The second other objective is to ensure compliance with the Act, which is my responsibility under this new amendment. With the coming into force of these new amendments, it is imperative to drive compliance. The NSSF (Amendment) Act removed the requirement for a contributing employer to have five or more employees. The law provides that every employer irrespective of the number of employees shall register and make a contribution to the Fund. So, even if you have a company and you have one worker,



it is now mandatory that you must contribute, and that is under Section 13 (a) as amended.

#### NSSF obligation

The NSSF is under an obligation to implement this and other provisions of the NSSF Act, as amended without exception. Madam Speaker, you may wish to note that the new law came into effect with a mandate for overall supervision of the Fund placed under my ministry being the minister in charge of NSSF.

Oversight of the investment function of the Fund was left under the minister for finance. Therefore, in order to attain the strategic objectives of the new law, as the supervising minister, I directed the board to propose key initiatives that would be implemented to expand coverage of social protection and enforce compliance.

Our target, which I gave the board is to increase coverage from the current 1.3 million members with balances in NSSF to 15 million members by 2035. This is achievable because the current employer base in Uganda stands at 27,628 with an annual growth rate of 2,685 employers.

With the new amendments, I directed the board to examine some of the key questions are posed to them; including how the Fund can leverage Ministries, Departments and other Government Agencies to ensure compliance with the NSSF Act as amended because for compliance, we cannot go alone. You will need police and other people; and the ministry of investment.

I again posed how the Fund can leverage the labour inspectors under the Minister of Gender, Labour and Social Development to expand its membership recruitment and ensure employer compliance, especially at local governments. This is crucial because the Employment Act gives only labour officers the power to go into any workplace and enforce the law.

The other issue I raised with the board to consider was how the Fund can leverage the

rich and services of the Ministry of Foreign Affairs to ensure that Ugandans in the diaspora are part of the social security network. After receiving a proposal from the organisers of the Uganda-UK convention – the person who organises the Uganda-UK convention has given a proposal on how he is able to mobilise Ugandans to save with NSSF.

And, indeed, when I interacted with Uganda migrant workers during my visit to the United Arab Emirates in December 2021 and the Kingdom of Saudi Arabia in January 2022, a number of them also requested that they wanted to open an account under voluntary NSSF, because most of the money they send home ends up being misused by either the relatives or the people they trust.

I also asked the board to examine how the Fund leverages existing groups or associations in the informal sector, such as the market, farmers, transport sector and other communities to begin saving with the Fund. It is important to note that what informed my examination above is based on these current statistics.

The working population of the labour force as of now stands at 17 million but I told you that in our data, we have 1.3 million only contributing. The statistics show that we have 17 million workforce with 58 per cent, which is 10.2 million of them employed. 42 percent are employed in Agriculture constituting 7.3 million; 25 in the formal sector constituting 2.6 million; and 75 in the informal sector constituting 7.6 million. That is as per the report of the Uganda Bureau of Statistics, 2021.

It is also data statistics that the compliance rate by employers in the formal sector stands at only 51 percent. When I examined the data in NSSF, that is the information they gave me, of those who are contributing. This means that 49 percent of employers are not remitting their employees' contributions.

That is why I directed that a budget allocation be made from within the Fund's operating expenses of Shs 220 billion. I asked that Shs 6

billion be looked for to handle compliance, in accordance with section 14 of the NSSF Act.

Again, an examination, which I was given by NSSF showed that by 31 December 2021, 420 cases were reported by whistleblowers indicating that employers were non-compliant and not remitting their employees' contributions.

By 17 January 2022, 213 cases were registered at Magistrates Courts across the country; 65 percent were in central region, 15 in the north and 20 in the east and western regions. I thank the east and western regions because the rate at which people go to court is small, meaning that maybe, you are complying.

With that, the statistics I was given from NSSF was that Shs 200 billion of those who had gone to court, were unremitted contributions by defaulting employers. Therefore, if I am asking that we put Shs 6 billion to get Shs 200 billion, you can make your assessment.

That over 20 cases –

**THE SPEAKER:** Are saying that you are asking for Shs 6 billion from NSSF?

**MS AMONGI:** My statement will come. I will tell you the power I have to make the budget. The over 20 cases by employees are in court against NSSF to seek recovery from it, their money not remitted by their employers. NSSF gave me a brief that there are people who go to court and say, "It is your mandate to enforce collection of my money. Since you have not collected it, I am taking you to court. You're the one to pay because you failed to collect it on my behalf." Therefore, there are also those cases in court against NSSF.

The other brief I got was that -

**THE SPEAKER:** Honourable members, it is free sitting. If you have nowhere to sit, cross over to this side. Hon. Ssegona is waiting for you. *(Laughter)*

**MS AMONGI:** Madam Speaker, the other brief was that when the new Act came into force, we made an analysis of what target it was envisaging. We realised that only 48 percent of employers in the Fund have five or more employees.

Under the new law, 52 percent needed to be brought on board in the formal sector, far higher than what was covered under the previous law. The previous law was looking at 48 percent. This new law now has to target 52 percent.

In the informal sector, which accounts for 75 percent of the total workplaces, the new law now permits that we go into that sector.

Strategic initiatives that I directed the board to examine and come up with the proposition

Given the background above and with my mandate, as a political supervisor, I directed the board to examine the following options in a bid to achieve the strategic objectives outlined above:

1. I asked them to establish an online system for whistle-blowers to report non-compliance by employers who deduct money - and I told you the statistics before; the Shs 200 billion non-remitting - where employers deduct and do not remit contributions. People can call and report these companies.

This intervention is important because compliance at the moment stands only at 51 percent in the informal sector, yet, we have added 52 percent as a contributing environment.

2. I directed them to come up with the initiative to drive mass registration of both eligible employers and employees considering that the law is targeting 75 percent of the employment categories in the informal sector that were originally not captured under the old law and an additional 52 percent that now has less

than five employees as not covered under the old law.

3. I also asked them to come up with an initiative to drive mandatory registration by undertaking onsite registration in all industrial parks. Madam Speaker, when I came to office, the first thing I did was to visit all the industrial parks. I visited plantations and road construction sites. I want the committee to go there and see how workers are going to cry before you in those industrial parks; men sitting and crying in front of me thus; “my contributions are not being remitted yet they have been deducted.”

I asked the board to come up with a strategy to drive that registration so that we are able to capture these other 48 percent that is not on our system.

4. Statistics from the Uganda Bureau of Statistics Report, 2021 indicate that the total labour force in Uganda now stands at between 15 to 19 million workers. We need to tap into this constituency so that in the new benefit under the NSSF, they can be registered.
5. I asked the board to follow up with enforcement in case of defaulting entities as per section 14 of the Act.
6. I asked them to strengthen collaboration with other stakeholders to support us in driving and scaling up communication. Some of the partnerships that we have, which we want to scale up are with URA and Uganda Investment Authority because they license the investors and are in charge of industrial parks.

We also want to partner with other Government MDAs to enforce the non-registration of businesses without compliance certificates. The Act actually says that if you have a license, you are going to renew it. If you do not have a compliance certificate from NSSF, you should not be renewed.

We want to now partner with the police because they are the ones who do a lot of work with the security companies; Uganda Investment Authority issues investment licenses, URBS and UNBS.

We want to partner with the Federation of Uganda Employers, labour unions, Private Sector Foundation, Uganda Chamber of Commerce, Uganda Manufacturers Association; for coordinating, sensitising and creating awareness and consensus building on implementation, compliance and enforcement.

Madam Speaker, you will note that the new voluntary contribution scheme cannot just be thrown into the face of the private sector; you must engage them and build consensus on what products you are going to give a private person.

If I am going to ask you to voluntarily save with NSSF and it is not mandatory, I should give you a product and probably say, “You can save with NSSF but if you want to borrow from your savings, you can borrow up to 50 per cent. However, the rest remains for retirement.”

Therefore, we want a product that is acceptable. We do not want to force it because the law says it is a voluntary contribution. That is why we need all these people to work with us.

Honourable colleagues, these strategic initiatives were considered by the board. The chairman wrote to me on 10 June 2022 indicating how the activities have been budgeted for. I have given all the attachments on annex 1 and it shows the letter from the chairman of the board talking about the initiatives and the areas that we can start with in this financial year.

On 25 November 2022, the chairman called a board meeting at Serena Hotel and detailed corresponding activities for which an allocation of Shs 6 billion was presented - and I think this is where the contention is. The board, after I directed them, came with the initiative. The management was tasked

to come up with those activities and they presented them to the board and to me. This presentation was led by the then Managing Director, Mr Richard Byarugaba, his deputy and two other technical teams. They gave a detailed roadmap and work plan. I want to lay on the Table the detailed work plan that the then Managing Director and his team gave me that will constitute the activities under NSSF for the Shs 6 billion. I beg to lay.

Madam Speaker, I would also like to state that the Shs 6 billion budget I approved is appropriated under the NSSF operations budget for the Financial Year 2022/2023. The work plan was presented to me by the board and management, as already stated, on 25 November 2022.

The activities I have mentioned above are NSSF activities, not those of the Ministry of Gender, Labour and Social Development. As a minister, I do not have the mandate to approve the budget of the ministry of gender. I have the legal mandate to approve the budget of NSSF. These activities will be undertaken by the NSSF in partnership with relevant entities; be it Government agencies or private sector players. The ministry of gender will only provide oversight and support the Fund in the implementation of these activities, in line with its legal mandate, as the ministry responsible for the NSSF through our labour officers at the district. I am sure those who come from the districts know that you have labour officers and it is their mandate to propel contributions collection.

I acted within my mandate provided under section 29 of the NSSF Act, which gives me powers to approve the budget estimates of the income, capital, recurrent and other expenditure of the Fund. Specifically, section 29(3) states that: *“The minister shall, upon receipt of the annual budget or any supplementary budget, approve or disapprove the budget or may approve it subject to such amendments as he or she may deem fit.”*

Investigations

Should I continue? Madam Speaker -

**THE SPEAKER:** Section 29 on annual and supplementary budgets, it says, “The minister shall...” which minister is it talking about? There are two ministers that are responsible for the NSSF. There is the minister of finance and the minister of gender. Which minister is it?

**MS AMONGI:** It is the minister of gender. The law defines the minister as the minister in charge of the NSSF. Whereas minister of finance has a role, that specific provision states that the minister in charge of gender.

**THE SPEAKER:** I wanted the record clear.

**MS AMONGI:** Okay, thank you.

Investigations

Madam Speaker, a number of petitions had been presented to several authorities including H.E the President, the Rt Hon. Prime Minister, the coordinator of Operation Wealth Creation, the Inspector General of Government and I, as the minister of gender.

Consequently, several stakeholders’ meetings were conducted, including those that I referred to in my letter of 7 December 2022 addressed to the NSSF board chairperson, which ultimately resulted into the board referring the issues raised in all those petitions to the IGG for investigations. I want to put the letter from the chairman of the board on record because it is important.

*“27 December 2022, the Inspectorate of Government, Parliamentary Avenue, P. O. Box 1682, Kampala.*

*Investigation into alleged mismanagement of the National Social Security Fund*

*The Board of Directors of the National Social Security Fund recommended to the Honourable Minister of Gender, Labour and Social Development, the reappointment of Mr*

*Richard Byarugaba as Managing Director. However, before the final decision could be made on the appointment, the honourable minister received certain information containing allegations of mismanagement of the Fund.*

*On that basis and after consultation with His Excellency the President of Uganda, the decision to appoint the Managing Director was deferred, pending investigations into those allegations.*

*The purpose of this letter, therefore, is to request you to carry out an investigation into those allegations. The details of the petitions to the minister and the preliminary document...”*

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**THE SPEAKER:** Honourable minister, when was the consultation with the President in regard to the appointment?

**MS AMONGI:** It was on 22 December.

**THE SPEAKER:** When did the President write to you, asking you to consult?

**MS AMONGI:** I think it was around May or June. I do not have that letter; I did not carry it. However, what has led to this investigation is consultation. Based on the letter of the President, we met the President first with the team in that letter and certain other consultations were undertaken. Again, he called us back; the board and I, on 22 December.

**THE SPEAKER:** When did he give instructions to the Prime Minister to re-appoint Richard Byarugaba and his deputy?

**MS AMONGI:** I think that question is for the Rt Hon. Prime Minister because I am not privy to the discussion between His Excellency and the Rt Hon. Prime Minister.

**THE SPEAKER:** But the Prime Minister wrote to you, Madam Amongi, and she is your boss. She wrote to you telling you the directive she got from the President on the re-appointment of those two people.

**MS AMONGI:** Madam Speaker, like I stated, we met His Excellency together with the Rt Hon. Prime Minister. The discussion therein was for me to go back with the board because the issues that were raised needed the board.

Between that time and our meeting; the board, His Excellency and I on 22 December, I cannot account for the discussion because I did not get any other written letter from H.E the President directing me except for me waiting for a meeting that he had directed that I would have with him and the board, which took place on the 22<sup>nd</sup>.

**THE SPEAKER:** Byarugaba clocked 60 years and that was the basis of his leaving office, not so? What was the basis of his leaving office?

**MS AMONGI:** One, both of them had reached 60 years, which is the mandatory retirement age. I consulted the Ministry of Public Service and they indicated to me that we can only give them contracts.

The board sat and gave them a contract of three years and recommended to me first. There was a verbal communication from the Attorney-General indicating that the opinion that came from the Ministry of Public Service and also from the Solicitor-General re-affirming that at the end of their term, they are only required to get a contract of two years as per the Human Resource Manual of NSSF. The two opinions were overturned by the Attorney-General.

The board sat again and recommended five years on the 28<sup>th</sup> of November.

**THE SPEAKER:** Recommended for who?

**MS AMONGI:** Richard Byarugaba and Patrick Ayota.

**THE SPEAKER:** So, the current Managing Director is Richard Byarugaba?

**MS AMONGI:** No. When you recommend, the minister then has to appoint. So, they recommended to me two names; one for Managing Director, and one for Deputy

Managing Director. I already articulated and started with talking about petitions to the President and others.

In all the strategic meetings we had, it was, “How do we handle the petition?” That is when the meeting of the 27<sup>th</sup> with His Excellency the President decided that since – and I want to state here that Richard Byarugaba was in State House on the 22<sup>nd</sup> when that decision was made – the decision that since there are petitions, let the petitions be referred for investigation and let him stay out of office as per the legal framework. When you are being investigated, you stay out of office. The position was not be advertised or filled until investigations are concluded.

**THE SPEAKER:** Was that in writing? Please, provide me with that letter.

**MS AMONGI:** Which one?

**THE SPEAKER:** That decision?

**MS AMONGI:** The decision of His Excellency the President, of the 22<sup>nd</sup>?

**THE SPEAKER:** Yes.

**MS AMONGI:** The decision was made in a meeting and that –

**THE SPEAKER:** That was the 22<sup>nd</sup> of what month?

**MS AMONGI:** December.

**THE SPEAKER:** There was a letter from the President, of 6<sup>th</sup> August. Honourable members, there was a letter of 6<sup>th</sup> August, written to Hon. Betty Amongi Ongom, Minister of Gender, Labour and Social Development, and this was appointment of Deputy Managing Director, National Social Security Fund (NSSF), on contract.

*“I have seen your letter dated 20 July 2022, appointing Mr Patrick Ayota as the Deputy Managing Director, NSSF. Because we need a new group since the current ones have both*

*attained the age of 60 years, it is better one consults quietly about these appointments before deciding.*

*In the case of NSSF, the present group seems to have done a good job, growing the Fund from Shs 1.7 trillion in 2010 to Shs 17.2 trillion where it is as of now. Good performance is not a common practice in parastatals where it occurs. The actors should be appreciated.*

*Therefore, let us discuss this in my top management team with the Vice-President; the Prime Minister; the Minister of Finance, Planning and Economic Development; the Attorney-General and yourself, around 20 August 2022.*

*I have been told Mr Byarugaba’s term ends in December 2022. By copy of this letter, our Principal Private Secretary is informed to arrange for the meeting.”*

That was in August. On the 7<sup>th</sup> of December, the Prime Minister of the Republic of Government of Uganda, who is none other than Rt Hon. Robinah Nabbanja, wrote to Hon. Amongi, Minister of Gender, Labour and Social Development: “*Appointment of Mr Richard Byarugaba as a Managing Director of the National Social Security Fund and Appointment of Patrick Ayota as a Deputy Managing Director.*”

I just wanted you to have that information. (Laughter)

**MS AMONGI:** Madam Speaker – (Hon. Atwijukire rose)

**THE SPEAKER:** Yes?

**MR ATWIJUKIRE:** Thank you, Madam Speaker. The procedural matter I would like to seek your guidance on is on the issue of tabling evidence when we are in this House. We have had previous incidents where ministers keep referring to meetings with the President, and of course, most of us are not privy to those meetings.

Isn't it procedurally right that when someone mentions a meeting and the decision in that meeting, they subsequently table that document for the Members to confirm that there was such a meeting?

**THE SPEAKER:** That is why I am asking if there is documentary evidence to that effect. For me, I have my evidence on the letters that were written - that is why I was writing. So, I want a subsequent letter where the President revoked the decision and then, the Prime Minister.

**MS AMONGI:** Madam Speaker, as you read that letter, that letter was replying to the letter I wrote. If you read it – the way you read it – *(Laughter)* – it is replying to my letter and the operational word there was that we should have a meeting.

I want to confirm that that meeting took place and the decision in the meeting where the Vice-President, the Prime Minister, the Attorney-General, Hon. Kasaija and I – Hon. Kasaija is here, – he was in that meeting. This is the meeting that letter was calling. We were there. Hon. Kasaija is here.

In that meeting, the President directed that a follow-up meeting be organised where the board – because NSSF is the board that takes charge of the recommendation and if there is an issue, the board has to own it. So, we could not make a decision there without the board's input. So, it is at that point –

**THE SPEAKER:** There is a point of order.

**MR KATUSABE:** Thank you very much, Madam Speaker. I am at pains, Madam Speaker, specifically for one reason. You have the documentation with you, and here is a minister telling the House or even the country, that "if you have read the letter". The letter is already with the Speaker and I think this House should not tolerate that kind of treatment.

She is the presiding officer. She has the letter that you are making reference to and you are saying "if she -

**THE SPEAKER:** He is on order.

**MR ATKINS KATUSABE:** The Minister is saying: "If you have read the letter..." I do not see the humility and honour given to the Presiding Officer. Is the minister in order to make that statement? You have the letter on your Table and I fully believe that before the Speaker or Presiding Officer comes to the House, she or he has internalised and processed the documentation.

**THE SPEAKER:** Honourable minister, we need all the correspondences in regard to the communication between you and the Prime Minister, you and the President and any other document that revokes the decisions that were made before.

Section 29, which you are referring to that gives you the power on finances – I also want to interest you to look at section 39 of the NSSF Act.

Section 39(1) says: "*There shall be a Managing Director of the Fund who shall be appointed by the minister for such a period and on such terms and conditions...*"

Section 39(2) says: "*The Managing Director shall be the Chief Executive Officer of the Fund and shall, subject to this Act and to the general control of the board on matters of policy, be responsible for the general management, administration and organisation of the Fund.*" It is "general management and administration of the Fund".

That is where the Shs 6 billion comes in. There is a chief executive officer who is accountable for this money. It is this chief executive who is supposed to do the general management. Much as you approve as the minister, are you the one who is supposed to be accountable for this money? Under Article 164 of the Constitution, the accounting officer is the person responsible for the accountability of the money that is given to an institution.

Honourable members, much as we have powers as ministers, we should not misuse

them. Let us allow the accounting officers to manage their Votes. *(Applause)*

**MS AMONGI:** I would like to thank you for that. When I made this statement – I have laid on the Table a document that the then NSSF Managing Director, Richard Byarugaba, presented to the board about the Shs 6 billion and the work plan. It is not me. I only gave them strategic guidance.

I will take your guidance that we continue to cooperate and work. However, in this circumstance, I did not and I cannot be the one to execute the mandate – like I have stated in the statement.

**THE SPEAKER:** Honourable minister, did you say previously that the board had recommended the appointment of the two persons: the Managing Director and the Deputy Managing Director?

**MS AMONGI:** Yes. The board first recommended for three years and then, later, for five years.

**THE SPEAKER:** Why did you go against the board's decision?

**MS AMONGI:** Madam Speaker, I indicated -

**THE SPEAKER:** When you look at section 18 of the Act, it says “there shall be a Managing Director of the Fund appointed by the minister on the recommendation of the board”. If the board made a recommendation, why didn't you appoint them?

**MS AMONGI:** Madam Speaker, as ministers, we are appointed by the President. When we are appointed and recommended to this Parliament, we come before the Appointments Committee. In the Appointments Committee, you have the power to examine. I have been in the Appointments Committee for 10 years. If you have any issue and a petition with you, I have seen how we have been scrutinised and at the end of it, if those petitions are cleared, you clear us.

So, when the board recommends to the minister and a petition comes, which is fundamental – I consulted and that consultation led to a decision that, “please, first hold on.” By the way, we were given 60 days to undertake that investigation.

That is the circumstance under which I only deferred and we are waiting for the conclusion of this investigation and then, I will conclude, based on whether what is investigated has got basis or not. If it has got basis, I will consult again, refer back to the board and we make a final decision.

**THE SPEAKER:** Hon. Betty Amongi, the clarifications I am seeking from you are not that we want anybody to be appointed. We want the House to know what is happening. We want the House to know what is in the law and why you did not do it.

Is it because of the investigation? If the investigation is there, how far has it gone? First finish the report.

**MS AMONGI:** Thank you.

**THE SPEAKER:** Honourable members, let us receive the final part of the report and then debate. I just needed a clarification for you to understand those specifics.

**MS AMONGI:** Thank you. Madam Speaker, a number of petitions had been presented to several authorities, including H.E the President, Rt Hon. Prime Minister, the Coordinator Operation Wealth Creation, the Inspector General of Government and myself as the minister of gender.

Consequently, several stakeholders' meetings were conducted, including those referred to in my letter of 7 December 2022, addressed to the NSSF board chairperson, which ultimately resulted in the board referring the issues raised to the IGG for investigation.

Allow me to lay on Table the letter from the board chairperson, Dr Peter Kimbowa, referring the matter for investigation.



Suffice it to clarify -

3.56

**MR PATRICK NSAMBA:** Thank you. The minister has just said that she authored the letter on the 7<sup>th</sup>. Before she gives us the response, she should lay on Table the letter she authored and then, also lay the response from the board.

**MS AMONGI:** Madam Speaker, in Administrative Law –(*Laughter*) I have seen Hon. Sseggona already. In Administrative Law, there are two forms of communication. There is communication, which is referred to as “internal communication”. Such internal communication between a minister and her staff or her board member is a matter, which is internal.

However, other communications – and in some circumstances they are facts – which are meant for the board only. (*Interjection*) Yes. It is like in my house; I have a sitting room and a bedroom. Therefore, I would request - I did not carry that letter, because it was internal. (*Interjections*) Should I proceed? (*Interruption*)

**MR PATRICK NSAMBA:** Madam Speaker, the minister herself in paragraph 4.0 has just told this House that “consequently, several stakeholders’ meetings were conducted, including those that are referred to in my letter of 7 December 2022, addressed to the NSSF board chairperson.”

If you have the ability to tell the House about this in this letter, kindly, lay it before the House, and the response that you are giving should also be laid here. If it is already out and you are documenting some of the documents, the House needs to know.

**THE SPEAKER:** There is a letter, which has been laid on the Table by Hon. Amongi, dated 27 December 2022. We will not interrogate you on this letter; we will need time to look at all the letters that are being laid on the Table. However, we also need the letter of 20 July 2022, which you wrote to the President

regarding the appointment of Mr Ayota because the President is referring to it: “I have seen your letter of 20 July 2022 appointing Patrick Ayota, Deputy Managing Director NSSF.”

**MS AMONGI:** Do you want the letter I wrote to the President?

**THE SPEAKER:** Yes.

**MS AMONGI:** Madam Speaker, the letter I wrote to the President was giving a general overview. It was not specific. So, should I bring that one?

**THE SPEAKER:** That is the one we want.

**MS AMONGI:** Okay. I will bring it.

**THE SPEAKER:** Because, according to the President, he is specific that you were appointing Mr Ayota, and then, there was also a letter to the board.

**MS AMONGI:** I will bring the letter I wrote to His Excellency, the President.

**THE SPEAKER:** Okay and even to the board.

**MS AMONGI:** Suffice to clarify that the meeting I refer to of the –(*Interruption*)

**MS NANTONGO:** Thank you. Madam Speaker, you made a directive that the minister should bring the letter dated 7 December 2022. She claims that it is a personal letter but if you copy a document to a person, it ceases to be an internal memo because you have already copied other entities.

The speaker has directed that you table this letter to this House. Now, I am even going to order - (*Laughter*)- are you in order not to accept the directive of the Speaker and you bypass it as if you have not heard it?

**THE SPEAKER:** Honourable members, I do not want you to dilute your powers as Members of Parliament. Under Article 90 of the Constitution and Rule 208(d)(ii) of

the Rules of Procedure, it gives powers to the Parliament of Uganda to compel the production of any document even if it is a private one between you and your husband. We want any document *-(Laughter)-* any way that was a joke. Hon. Betty, we want all the documentation in regard to NSSF.

Hon. Betty, we are acting under Article 90 of the Constitution and Rule 208(d)(ii) of the Rules of Procedure, compelling you to give us all the documentation in regard to your communication; be it internal or whichever - we are looking at the workers' Fund. I do not know at which law school you did your Administrative Law but anyway, these days there is a law school on Nasser Road. Yes, there is a point of procedure.

**DR BATUWA:** Madam Speaker, I have been observing my senior colleagues here on the front bench, the Shadow Cabinet Ministers, and the way they are reacting, is evident that the letter we want the minister to lay on the Table is actually here with us; she can look at it. If it is the real letter, then she lays this one on the Table other than - because the information is already with us. We are eagerly waiting for the debate. So, the letter is here with us. If it serves the purpose, allow us to give it to her so that she lays it.

**THE SPEAKER:** Honourable members, according to the documents I got from Hon. Amongi, that letter is inclusive, leave alone the one the shadow minister has but the letter is included in the documents you gave me. Could you, please, lay it on the Table? I am giving you my copy which you gave me.

**MS AMONGI:** Madam Speaker, I will bring the letters.

**THE SPEAKER:** You gave me that letter as part of your documents.

**MS AMONGI:** No.

**THE SPEAKER:** Yes.

**MS AMONGI:** I did not come - Madam Speaker, I did not come with the-

**THE SPEAKER:** Hon. Betty, you gave me the documents this afternoon. These are part of your documents. Look at them. Let us give the minister time to look at the documents. Honourable minister for finance, do you have something to say? Honourable members, listen to the minister.

4.05

**THE MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (Mr Matia Kasaija):** Thank you very much, Madam Speaker and colleagues. We are listening to a very interesting case. Unfortunately, I was not informed to come prepared to this House. *(Interjections)* No, I do not want to come and talk you when I am not prepared. I was taught that when you are talking to important people, you prepare yourself. *(Laughter)*

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

**MR MATIA KASAIJA:** Therefore, with humility, I would like to be released to go and check what I will present and whatever Parliament asks from me, I am ready to come tomorrow and present. So, I beg.

**THE SPEAKER:** Honourable members, you have heard from the minister and he is being sincere. No, I asked for a report from both of them; from the minister of finance and he is already making a disclaimer. Honourable minister, you can even go.

Honourable members, the document that we are referring to of 7 December 2022 defers the appointment of the Managing Director of NSSF, pending clarification on emerging issues. It is as simple as that. Just lay it on the Table. We are not going to interrogate it now.

**MS AMONGI:** Madam Speaker, I beg to lay on the Table the letter dated 7 December 2022, addressed to the Chairperson Board of Directors, NSSF on deferral of appointment of

MD NSSF pending clarifications on emerging issues.

**THE SPEAKER:** Thank you and it is signed by none other than Mrs Akena. *(Laughter)*

**MS AMONGI:** Can I proceed.

**THE SPEAKER:** Yes, please, proceed.

**MS AMONGI:** Madam Speaker, suffice to note is to clarify that the meeting I referred to of the board's visit to meet Gen. Salim Saleh, the Coordinator, Operation Wealth Creation in Kapeeka on 6 December 2022 had an intention of establishing how a private industrial park with a big number of workers can inform strategies for the Fund to enroll these as members and contributors of NSSF as well as on other strategic issues in line with the mandate of the Fund. I want to confirm that Kapeeka Industrial Park has already given us support to go and register to undertake that.

Safety of member savings

As I had earlier stated, the ministry of gender is in charge of the supervision and operational matters, while safety of savings and investments is the mandate of the ministry of finance.

In our various engagements with the management of the Fund and during our recent meeting with the Committee on Finance, Planning and Economic Development, it has been repeatedly stated that members' money is safe and invested as clarified hereunder:

1. The operations of the Fund are based on the following business model;
  - i) Funds are collected from the employees and the employers, and that is the mandate of ministry of gender;
  - ii) Funds are invested – this is the mandate of ministry of finance; and
  - iii) Funds are then paid back to beneficiaries - that is operational, which is the ministry of gender.

2. Supporting the business model are three rings of defence; legal management, risk management and internal audit, which is assurance management. These rings of defence are to ensure that the operations of the Fund are managed within an environment that minimises risk to workers' savings.

On an overall basis, all three defences are very functional at the Fund. I know that the various control oversight levels have continued to work normally. Management is being held accountable. The reports from the control functions still report to an independent oversight committee of the board and equally URBRA as a regulator is mandated to oversee the investment and other portfolios.

I want to comment on each aspect of the business model specifically as it pertains to the safety of the members' funds.

- a) Collection of contributions, which is my mandate.

I am glad to report that collections are going on normally. Amazingly, during the month of December, the Fund collected approximately Shs 148 billion. This has been the highest monthly collection for the Fund ever, in our records. This brought the total collections for the six months - that is July to December - ending 2022, to Shs 786 billion compared to the Shs 651 billion. That is 21 per cent higher than the same period in the previous year. This increased contribution is evidence that there is trust that savers have in continuing to contribute to the Fund.

- b) Investment

The Fund invests in three main classes of assets; fixed income, equity (stock) and real estate. The fixed income portfolio is invested in government bonds, which are the safest investment instruments for they are guaranteed by the sovereign Government. As of the end of December 2022, fixed income constituted 78 per cent of the investment portfolio. Equities constituted 15 per cent of the portfolio.

Equity portfolio consists of blue-chip companies like Safaricom and MTN. Real estate consists of only seven per cent of the investment portfolio. This is the same asset mix for the Fund over the last five years. Therefore, the investments of the Fund are as safe as they were five years ago.

c) Benefit payments

The payment of benefits is based on eligibility that is laid down in the law. The Fund has approved procedures to ensure the criteria laid down are followed and, indeed, they are for the six months ending December 2022. The Fund has paid a total of Shs 712 billion to 22,242 savers, compared to Shs 356 billion that was paid to 15,065 savers.

The increase in payment during the current six months' period was due to the payment of midterm benefits that was non-existent in the previous period. My office has not received any complaints that a genuine beneficiary applicant has been denied his or her benefits because there are people who were raising some issues about mid-term benefits. I can assure Members that benefits processing is continuing normally, as before.

d) Interest to members

There is concern that has been expressed as to whether members will receive a fair interest. First, it is important to note that interest earned from the incomes of the Fund is subject to macroeconomic conditions.

Notwithstanding that dependency, in the budget that I approved in June 2022, the Fund had made a provision to pay members a 10-year average inflation plus 200 basis points. As of December 2022, the Fund is on course to fulfil the commitment. That is a commitment they gave me on the basis of approving their operational budget. Therefore, the value of members' savings is protected from erosion caused by inflation.

Conclusion

In summary, members' funds are safe. I want to repeat that members' funds are safe and protected – and you have seen the statistics of the payment we have done in the last two months, while the board preferred to address the petition and allegations addressed to me and the authorities I outlined above to the relevant investigating authorities. Those that require a forensic audit were accordingly referred to the Auditor-General; those bordering on impropriety, abuse of office or corruption to the Inspectorate of Government with the request that their findings be shared within a period of 60 days.

Considering the fact that these issues are now a subject of investigations, at the end of which a final decision on the fate of the former MD, Mr Richard Byarugaba will be determined, I beg not to go into details of the grounds that are therein. I beg to submit. Thank you. *(Applause)*

**THE SPEAKER:** Thank you very much, minister of gender, for the elaborate report. Some of us have now known more about what we have been hearing on social media.

4.17

**MR PATRICK NSAMBA (NUP, Kassanda County North, Kassanda):** Thank you, Madam Speaker, first of all, for according this subject very ample time because there are very many Ugandans listening in to know the fate of their money.

Madam Speaker, the Member who tabled this matter yesterday raised critical -

**THE SPEAKER:** Honourable, I am the one who raised the matter in my communication. It came out of my communication. I know you were not in yesterday but Hon. Allan spoke to it. We are just correcting something small; it is not anything fundamental.

**MR OKUPA:** Madam Speaker, I think there is an unwritten rule in this House that the top leaders speak last; they sum up. Now that you

have asked the Leader of the Opposition to speak, it looks like we are closing the debate. I wish the Leader of the Opposition could be patient.

**THE SPEAKER:** We are not closing the debate.

**MR OKUPA:** I wish he could allow us the small guns to speak and then, he can come in.

**THE SPEAKER:** We are not closing the debate. He just needs to make some clarification to guide your debate.

**MR PATRICK NSAMBA:** Madam Speaker, thank you very much. I read the *Hansard* when I was informed that I will act as the Leader of the Opposition today. One of the critical matters that was raised was that the minister had been accused of forcing the NSSF Managing Director out of office because he denied her access to the Shs 6 billion.

When you read this document that we forced the minister to lay on the Table today, that statement comes out: that Richard Byarugaba defied the minister's approved budget. In there, the minister goes on to explain - this is her document - how Richard Byarugaba refused to approve the Shs 6 billion. There are also several other aspects that the minister accuses Richard Byarugaba and the team of in this document.

What is of concern –

**THE SPEAKER:** Honourable member, it is unfortunate that other Members have not looked at this document and it would be prudent enough to have copies given to all the other Members. You can raise those issues but we will interrogate this document further.

**MR PATRICK NSAMBA:** Yes, Madam Speaker. That is why I am not going to go into reading it but I wanted to highlight that this document raises very many serious issues that this Parliament and the savers with NSSF must pick interest in. This is because the minister herself is showing how the NSSF is being mismanaged.

Madam Speaker, I expected the minister to come before this House to defend some of these positions because she has said that these constituted part of her meeting with the President. She claims that out of the meeting with the President, they reconsidered the appointment. She has just said that.

The minister, instead of taking us through how the Fund is doing - the document is already in the public domain; the savers have the document because it is out there. Therefore, the minister would have spent this time trying to inform the public of the document that is already with them; that she authored herself and we see how to help our Fund. The more we keep beating around these things, honourable minister, the more we are causing trouble within the Fund.

I do not know how we are going to move but the issues raised in the document of 7 December to the board of directors are more important to this House and I pray that we find the time to discuss them in one way or another so that the public can gain confidence about the matters raised. Thank you very much, Madam Speaker.

4.22

**MS NAOME KABASHARIRA (NRM, Rushenya County, Ntungamo):** Thank you, Madam Speaker, for letting this matter come to the House. Some of us, at times, do not pay much attention to social media but when things like this come to the House, we get to know about them.

I would like to thank the minister for coming to tell us what happened. We have letters written by the Prime Minister and I would also like to request these honourable ministers to respect authority. We have another minister who has somehow refused to pay attention to the committees despite begging her to come and say sorry. Now, here we also have a minister who, I think, refused to take the authority's directive.

Hon. Nabbanja is a Prime Minister. She wrote a letter on 7<sup>th</sup> December talking about

what the President had requested them to do regarding that matter. Despite all that, even in the last paragraph, she said, "... according to the investigations..." She investigated but the minister is telling us that –

**THE SPEAKER:** Hon. Macho, come back and sit. Honourable members, the Member is talking about our able Prime Minister.

**MS KABASHARIRA:** Yes, the Prime Minister wrote about the same matter. The minister says she got petitions, which led to investigations. Who did better investigations? She has said that she is carrying out another investigation. Why don't we trust the Prime Minister?

Madam Speaker, we have a saying in our language - I will first say it in the language and then tell you what it means in English. It says, "*Obwentaama yangye efire nibwe empisi eneire ebyooya*" literally meaning, what a coincidence that after my sheep has disappeared, the hyena defecates the fur. When this Shs 6 billion matter came up, that is when Dr Byarugaba was told to step aside because there are petitions.

However, you again tell us that the Fund was doing very well because you showed, in your own report, that in 2021, in a few months, it raised Shs 165 billion. The Fund is moving because there are systems.

Madam Speaker, concerning the deputy, when I am deputising my chairperson, Hon. Ababiku, if anything happens in the Committee on Presidential Affairs, both of us are liable.

**THE SPEAKER:** Jointly.

**MS KABASHARIRA:** Yes, we are jointly liable. What is so special for you to retain the deputy and tell the Managing Director to step aside? Can they both be set aside as you investigate so that we see that there is some fairness and we do not have any suspicion?

Honourable minister, I would like to tell you that there is a lot of suspicion regarding

this matter. You better hold it sparingly and carefully so that it does not cause you problems. It involves a lot of money and this is people's money, not our money. It is money for those who contribute to the Fund. When they hear all this, they do not feel happy. I beg to submit, Madam Speaker.

4.27

**MR MARTIN MUGABI (NRM, Buzaaya County, Kamuli):** Thank you, Madam Speaker. I have heard the submission from the minister very well; it involves a lot of documentation. Most of us do not have those papers.

Madam Speaker, the matter is complex in nature and it requires detailed investigation. I suggest that if it is procedurally right, you constitute a committee to investigate this matter.

4.28

**MS JOANNE OKIA (NRM, Woman Representative, Madi-Okollo):** Thank you, Madam Speaker, for facilitating this debate. I would also like to thank the minister for the statement, which she has made because on a personal level, it has cleared up a little bit on the Shs 6 billion.

I would also like to suggest that the committee responsible for the ministry and NSSF could hear from different stakeholders, maybe call Mr Richard Byarugaba, the minister and all other stakeholders and hear from them. I do not know if we need a select committee because there is already a committee, which handles this docket.

One thing I want to ask the minister; in the strategic initiative to expand the contributions, have you put in consideration that we have just come out of COVID-19 and businesses are struggling? They are struggling to break even. So, even as they pay their staff, they may not even have the money; the 10 per cent that they are required to make as NSSF contributions. They are still declaring the money that they are supposed to pay but are unable to. What support can Government give to those

businesses that are struggling to make sure that their staff are paid to ensure that the workers have jobs? The alternative would be to send the workers home because many businesses are not breaking even in these times.

As much as we are trying to expand the contributions and get new businesses on board, what are we doing to support the businesses that are already struggling and limping to make ends meet and to keep their staff? Thank you.

**THE SPEAKER:** Thank you, Mrs Okia. The other question would be, what are we doing to protect the already existing funds in terms of corporate governance? That is the question. We already have a Fund of Shs 17 trillion; what are we doing as legislators to ensure that this money is not tampered with?

4.30

**MR ARINAITWE RWAKAJARA (NRM, Workers Representative):** Thank you, Madam Speaker. The NSSF is the only hope for the workers after retirement, apart from public servants. I remember in 2007, I was appointed a board member of NSSF and served for three years. That was after issues of NSSF with the then Managing Director, Chandi Jamwa.

We recruited a new team, including Richard Byarugaba. They have run the Fund up to today. However, many issues have been coming up and being silenced sometimes. It is good that today, we are debating these issues before, maybe, the Fund again goes back to that bad situation.

All these things that are coming up - there is no smoke without fire. Therefore, I do not know which better institution can investigate these cases. We may get excited and debate on these superficial issues but deep inside, there must be serious issues, which need thorough investigations. *(Applause)*

You see, recently, they were launching very beautiful houses in Lubowa but when I was asking, one house on 15 decimals costs about Shs 3 billion – they call it a mansion or a villa.

I do not know which Ugandan can buy a house on 15 decimals.

I am told there are issues on the Pension House. I am told there are cracks and yet, we have sunk a lot of money, Madam Speaker.

I want us to carefully handle this issue. There are mafias in town who are already testing this. There is a promise of building a “Ministers’ Village” in Bwebajja. They are all targeting that, and therefore, we need to be very careful. There will be lobbyists around; they will approach everybody because they want to be heard everywhere; they have been with bloggers on social media.

Kindly, Madam Speaker, offer leadership and see that these things are investigated by bodies and personalities that are serious, that can go deep and find facts and save workers’ money.

**THE SPEAKER:** Thank you very much, Workers’ representative. I am already offering leadership, just for your information. *(Laughter)* One thing I need to let Members know is that I do not want to say it is cursed money but that money of workers – I grew up knowing that whoever goes for workers’ money goes to prison. So many people are rotting in prison because of workers’ money and it is our responsibility as Parliament, to restore hope in the public. In the restoration of that hope, we must make sure that there is good governance, the workers’ money is safe and ensure that the board is doing its work.

Under rule 190, I am referring this to a select committee and we shall have very able people who can never be compromised to handle this matter. I will announce the names of the five Members of the select committee on Monday.

**MR LUBEGA SSEGGONA:** Madam Speaker, mine is not a procedural matter but I am seeking guidance. First, I am relieved that you are creating a select committee to handle this matter because the matters are very important. May I propose in the same line - pursuant to rule 16 and rule 190 as you pointed out - that you be pleased and fortified in your

decision to constitute the select committee as you envisaged. I thank you. (*Laughter*)

**THE SPEAKER:** Thank you. As said, we are suspending rule 45 and invoke rule 190 for us to have a select committee and we will give the names of the select committee on Monday. Thank you Counsel. (*Applause*)

II) GOVERNMENT BUSINESS FOR  
THE SUCCEEDING WEEK, 24<sup>TH</sup> TO 25<sup>TH</sup>  
JANUARY 2023

**THE SPEAKER:** I got an apology from the Leader of Government, who is not going to be here. We requested for her time because we have a report that is supposed to be presented. So, the Prime Minister gave us her time – I am not sure if she has delegated someone.

LAYING OF PAPERS

**THE SPEAKER:** Honourable commissioner emeritus - Honourable members, we have been receiving the public accounts committees' (PAC) reports – Committee on Public Accounts (COSASE), Committee on Public Accounts (Local Government) and Committee on Public Accounts (Central Government). We are completing the reports today, as per Article 163(5) of the Constitution. We are now receiving new reports. We want all these new reports to be presented back to the House before the State-of-the-Nation Address.

I) REPORTS OF THE AUDITOR-  
GENERAL ON VALUE FOR MONEY  
AUDIT REPORTS ON:

A) THE EFFECTIVENESS OF  
MECHANISMS ESTABLISHED FOR  
MANAGEMENT OF ROAD EQUIPMENT  
BY THE MINISTRY OF WORKS AND  
TRANSPORT

4.38

**MR ARINAITWE RWAKAJARA (NRM, Workers Representative):** Madam Speaker, I beg to lay the reports of the Auditor-General on value for money audit reports on Effectiveness of Mechanisms Established for Management

of Road Equipment by the Ministry of Works and Transport.

**THE SPEAKER:** Thank you. The report is referred to the Committee on Public Accounts (Central Government).

B) THE PROMOTION OF SAFE AND  
SUSTAINABLE MANAGEMENT OF  
ELECTRONIC WASTE IN UGANDA BY  
THE MINISTRY OF INFORMATION AND  
COMMUNICATIONS TECHNOLOGY  
AND NATIONAL GUIDANCE

**MR RWAKAJARA:** Madam Speaker, I beg to lay the report on safe -

**THE SPEAKER:** Honourable members, let us settle. We have a very important report from the Committee on Public Accounts (Central Government). You need to know how your ministries are performing.

**MR RWAKAJARA:** I beg to lay the report on the Promotion of Safe and Sustainable Management of Electronic Waste in Uganda by the Ministry of Information and Communications Technology and National Guidance.

**THE SPEAKER:** Thank you. It is referred to the Committee on Public Accounts (Central Government).

C) GOVERNMENT'S EFFORT TO  
ELIMINATE INTIMATE PARTNER  
VIOLENCE AGAINST WOMEN IN LINE  
WITH THE NATIONALLY-AGREED  
TARGET LINKED TO SDG 5.2

**MR RWAKAJARA:** I beg to lay a Report on the Government's Effort to Eliminate Intimate Partner Violence Against Women in line with the Nationally Agreed Target linked to SDGs 5.2.

**THE SPEAKER:** Thank you. It is referred to the Committee on Public Accounts (Central Government).

Honourable members, I am seeing some of you leave. We are going to adjourn the House,



later, to Monday at midday.

D) SMALL/MINI INDEPENDENT POWER PRODUCERS UNDER GETFIT SCHEME IN UGANDA BY UGANDA ELECTRICITY REGULATORY AUTHORITY

**MR RWAKAJARA:** Thank you, Madam Speaker. I beg to lay a Report on Small/mini Independent Power Producers under GETFIT scheme in Uganda by Uganda Electricity Regulatory Authority.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (COSASE).

II) REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS OF THE UGANDA PETROLEUM FUND FOR FINANCIAL YEAR ENDED 30 JUNE 2022

**MR RWAKAJARA:** I beg to lay the Report of the Auditor-General on the Financial Statement of Uganda Petroleum Fund for the Financial Year ended 30 June 2022. I beg to lay.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

III) REPORTS OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS FOR THE PERIOD 1<sup>ST</sup> JANUARY TO 31<sup>ST</sup> DECEMBER 2021 FOR THE FOLLOWING:

**MR RWAKAJARA:** Madam Speaker, I beg to lay the report of the Auditor-General on financial statements on financial statement for the period 1<sup>st</sup> January to 31<sup>st</sup> December 2021 for the following:

A) CLIMATE CHANGE AND INFECTIOUS DISEASE-ONE HEALTH APPROACH (CIDIMOH) PROJECT UNDER NORHED II PROGRAMME

**THE SPEAKER:** Thank you. It is referred to the Committee on Public Accounts (Central Government).

B) NORWEGIAN PROGRAMME FOR CAPACITY DEVELOPMENT IN HIGHER EDUCATION AND RESEARCH FOR DEVELOPMENT (NORHED II)

**MR RWAKAJARA:** I beg to lay the report on the Norwegian Programme for Capacity Development in Higher Education and Research for Development (NORHED II).

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

C) CAPACITY BUILDING FOR SOCIALLY JUST AND SUSTAINABLE ENERGY TRANSITION IN EAST AFRICA – CASJET PROJECT

**MR RWAKAJARA:** I beg to lay the report on Capacity for Socially Just and Sustainable Energy Transition in East Africa – CASJET Project.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

D) ENHANCED CAPACITY FOR AQUATIC RESOURCES IN EAST AND SOUTH AFRICA (ECARESA) PROJECT UNDER NORHED II

**MR RWAKAJARA:** I beg to lay the report on Enhanced Capacity for Aquatic Resources in East Africa (ECARESA) and South Africa Project under NORHED II.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

E) CLIMATE SMART AGRICULTURE IN SUB-SAHARAN AFRICA (CSA) PROJECT UNDER NORHED II PROGRAMME

**MR RWAKAJARA:** I beg to the report on Climate Smart Agriculture in Sub-Saharan Africa under NORHED II Programme.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

F) REFUGEES ON THE MOVE (ROM):  
SOUTH SUDANESE IN ETHIOPIA,  
SUDAN AND UGANDA PROJECT

**MR RWAKAJARA:** I beg to lay the report on Refugee on the Move (ROM): South Sudanese in South in Ethiopia, Sudan and Uganda Project.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

G) CO-CREATING KNOWLEDGE FOR  
LOCAL ADAPTATION TO CLIMATE  
CHANGE IN LDCS (COLOCAL) PROJECT  
UNDER NORHET II PROGRAMME

**MR RWAKAJARA:** I beg to lay the report on Co-creating Knowledge for Local Adaptation to Climate Change in LDCs Project under NORHED II programme.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

H) TRANSFORMATIVE EDUCATION  
AND LIFELONG LEARNING FOR  
SUSTAINABLE GROWTH (TELLS)  
PROJECT UNDER NORHED II  
PROGRAMME

**MR RWAKAJARA:** I beg to lay the Report on Transformative Education and Lifelong Learning for Sustainable Growth (TELLS) Project under the NORHED II programme.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

I) MATHEMATICS FOR SUSTAINABLE  
DEVELOPMENT (MATHSD) PROJECT

**MR RWAKAJARA:** I beg to lay the Report on Mathematics for Sustainable Development Project.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

J) GENDER AND DIGITALISATION  
ACROSS CONTEXT (GENDIG) PROJECT

**MR RWAKAJARA:** I beg to lay the report on Gender and Digitisation Across Context Project.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

IV) AUDITOR'S REPORT AND AUDITED  
FINANCIAL STATEMENTS FOR THE  
OFFICE OF THE AUDITOR-GENERAL  
(VOTE 131) FOR THE YEAR 2021/2022

**MR RWAKAJARA:** I beg to lay the Auditor's Report and Audited Financial Statement for Office of the Auditor-General (Vote 131) for the year 2021/2022.

I beg to lay the Annual Report for the Auditor-General to Parliament for the Financial Year ended 30 June 2022 – Consolidated Audit Findings.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

**MR RWAKAJARA:** I beg to lay the Annual Report of the Auditor-General to Parliament for the Financial Year ended 30 June 2022 – Consolidated Audit Findings.

**THE SPEAKER:** They are referred to the respective public accounts committees.

THE THEMATIC REPORTS OF THE  
AUDITOR-GENERAL ON COMPLIANCE  
AUDIT OF THE MANAGEMENT OF  
INFORMATION AND TECHNOLOGY  
INVESTMENT IN GOVERNMENT

**MR RWAKAJARA:** Madam Speaker, I beg to lay the Thematic Reports of the Auditor-General on Compliance Audit of the

Management of Information and Technology Investment in Government.

**THE SPEAKER:** It is referred to the Committee on Public Accounts (Central Government).

THE REPORT ON MANAGEMENT OF PUBLIC LAND IN SELECTED MDAS AND LOCAL GOVERNMENTS

**MR RWAKAJARA:** I beg to lay the Report on Management of Public Land in Selected MDAs and Local Governments. I beg to lay.

**THE SPEAKER:** They are referred to the respective public accounts committees.

THE REPORT ON THE PAYROLL MANAGEMENT

**MR RWAKAJARA:** I beg to lay the Report on the Payroll Management.

THE REPORT ON THE GOVERNMENT'S PREPAREDNESS TO IMPLEMENT THE PARISH DEVELOPMENT MODEL

**MR RWAKAJARA:** I beg to lay the Report on the Government's Preparedness to Implement the Parish Development Model.

**THE SPEAKER:** Thank you. They are referred to the different public accounts committees.

THE REPORT ON BUDGET PERFORMANCE

**MR RWAKAJARA:** I beg to lay the Report on Budget Performance.

**THE SPEAKER:** Thank you. They are referred to the different public accounts committees.

Thank you. The next item we are going to is the PAC report. Hon. Ssegona?

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE ON PUBLIC ACCOUNTS (CENTRAL GOVERNMENT) ON THE REPORT OF THE AUDITOR-GENERAL ON ENTITIES UNDER THE HEALTH SECTOR FOR THE FINANCIAL YEAR 2020/2021

**THE SPEAKER:** Honourable members, over the last two sittings, we have been talking about Article 163(5) of the Constitution. And today, we are going to consider the PAC (Central Government) report. They have done a good job. I have seen the reports that they have presented. PAC (Central Government) committee chairperson, please, come and give us an executive summary of the cross-cutting issues in health. Thereafter, we will adopt all the reports, including those that have not been considered by the committee.

4.48

**THE CHAIRPERSON, COMMITTEE ON PUBLIC ACCOUNTS (CENTRAL GOVERNMENT) (Mr Medard Lubega Ssegona):** Madam Speaker, I would like to thank you very much for the opportunity extended to the Public Accounts Committee (Central Government). As I requested you earlier in the week, the committee has been engaged in a series of activities scrutinising the reports of the Auditor-General in relation to the MDAs that fall under our jurisdiction.

I thank you, first of all, for whipping us and forcing us to learn the hard way. I can confirm with certainty that yes, you caused us to expedite our work. *(Applause)*

May I seek your indulgence, first of all, that a correction be made in the record; that what we are presenting is not in relation to the Health sector because we did present on the entire Health sector earlier in the session. What we have today is MDAs following the Education sector, the Justice sector, Law and Order sector and a few other ministries.

Before I proceed, permit me in accordance with the rules to lay the minutes in relation to all the meetings that we have conducted during the

interactions we have had with the respective MDAs. I beg to lay, Madam Speaker.

The summary that guided and directed me to present, relates to the following MDAs, whose reports are ready; the Ministry of Finance, Planning and Economic Development; the Ministry of Education and Sports; the Ministry of Energy and Mineral Development (mainstream) - save for the projects.

For the following MDAs, we have adopted the report of the Auditor-General;

- The Ministry of Justice and Constitutional Affairs;
- The Directorate of Public Prosecutions;
- The Office of the President;
- The Ministry of Public Service;
- The Courts of Judicature and Judiciary;
- The Uganda Prisons Service;
- The Police Force;
- The Directorate of Government Analytical Laboratory;
- The Ministry of Agriculture, Animal Husbandry and Fisheries;
- The Ministry of Defence and Veteran Affairs;
- The Ministry of Local Government;
- The Ministry of Lands, Housing and Urban Development;
- The Ministry of Foreign Affairs;
- The Ministry of Works and Transport;
- The Ministry of Tourism, Wildlife and Antiquities;
- The Directorate of Citizenship and Immigration Control; The Ministry of Water and Environment;
- The Ministry of Internal Affairs;
- The Ministry of East African Affairs;
- The Ministry of Trade, Industry and Cooperatives;
- The Office of the Prime Minister;
- The Directorate of Ethics and Integrity; and State House.

Madam Speaker, I now proceed to take Parliament through the summary as you guided me. With your permission, I would like to submit a copy of the same executive summary for the record.

**THE SPEAKER:** Please, do.

**MR LUBEGA SSEGGONA:** Madam Speaker, it gives me great pleasure to present to you with the findings and recommendations of the Committee on Public Accounts (Central Government) on the report of the Auditor-General, on entities under the Education sector, JLOs and the selected ministries as I have read them out.

Because of the time constraints, Madam Speaker, allow me to speak only on the general findings and recommendations of the committee on the sectors and the details of the specific Votes, I request that colleagues will be pleased, at their convenience, to refer to the reports.

Under Article 163(4) of the Constitution, the mandate is given to the Auditor-General to submit to Parliament, an annual report of the accounts audited by himself for the financial year under review, and particularly the immediately preceding. In this particular case, we are concerned with the Financial Year 2020/2021.

The Constitution further under Article 163(5) requires Parliament to debate and consider the report and take appropriate action within six months after the submission by the Auditor-General. The report of the Auditor-General for the Financial Year 2020/2021 was presented on the Floor on 3 February 2022 and referred to the committee for consideration.

The Public Accounts Committee (Central Government) considered the Auditor-General's report for the financial year and the question in respect of the sectors and ministries that have been mentioned. Pursuant to Rule 174 of our Rules of Procedure, we have done the same the scope covers or audit queries that have been raised in respect of the institutions mentioned.

The methodology adopted is conventional analysis of the documents and meeting the respective stakeholders and requiring others to make written memoranda, which have largely been complied with by the respective MDAs.

In the interest of understanding the working environment and conditions of these entities, the committee conducted desk research to understand the legal and policy provisions relating to appropriation, disbursement, expenditure and accountability of public funds. The committee examined the report of the Auditor-General in respect of those entities, the accounts for the year and the review and the memoranda or responses, and other documents submitted by the respective witnesses.

Madam Speaker, the general observations and recommendations include the following:

There are low staffing levels, almost in all MDAs that have been placed under consideration. We have made reviews of all of them, observed and made respective conclusions. Generally speaking, we can say that there is a need to fill the gaps or the vacancies that remain stretching the MDAs in question.

The quantification of outputs and implementation of quantified outputs remains a significant concern raised by the Auditor-General year in, year out. It remains a matter that has got to be addressed in terms of capacity building and enhancing the ability of the MDAs to fully quantify and implement the outputs.

The Committee recommends that:

1. All entities should hire qualified personnel dedicated to the function of quantification and should receive regular and adequate training;
2. The entities that failed to comply with section 13(15) of the Public Finance Management Act, or that delay to submit their quantified outputs should be sanctioned and have their budgets rejected;
3. All entities without exception should mandatorily submit their quantified outputs for effective assessment of their performance in relation to the budget.

Madam Speaker, as I mentioned, the implementation of quantified outputs remains a challenge. Firstly, because the entities rarely adequately quantify the outputs and therefore, implementation becomes a challenge.

The other challenge that faces quantification and implementation is the low funding of budgetary allocations, which we have highlighted, year in, year out.

The submission of accurate quarterly performance reports remains an outstanding challenge to the MDAs as a significant number of MDAs under our consideration have failed in this respect.

The committee recommends that accounting officers should prepare budget-monitoring plans and reports to facilitate performance tracking within the stipulated timelines. Accounting officers should ensure that the planners are up-to-date with all statutory submissions in terms of timelines and strictly adhere to them at all times, without exception.

The Ministry of Finance, Planning, and Economic Development should always organise trainings for accounting officers to appreciate the nature and value of quarterly reports and ensure strict compliance with the law for proper planning.

Absorption of funds

We have noted, Madam Speaker, with concern, that there is a significant number of entities that continue to under absorb funds, yet, the same funds are needed by other entities, which would probably utilise them.

We have highlighted the concerns and recommend that proper planning and budgeting be employed as a tool to ensure that the funds allocated are utilised to the fullest.

The committee, therefore, recommends as follows:

1. The Accountant-General strictly enforces section 15(2) of the Public Finance

Management Act, 2015, which requires that annual cash flow plans issued under subsection 1 be the basis for the release of funds to the entities.

2. Accounting officers should strictly adhere to the annual budget performance contract signed with the PS/ST pursuant to section 45 of the Public Finance Management Act, 2015. This contract binds accounting officers to deliver to the activities in the work plan of the Vote for the financial year submitted under section 13(15) of the Public Finance Management Act.

The performance of NTR remains a challenge. The situation was not made better by the COVID-19 pandemic and lockdown. Quite a significant number of entities under the sectors under review did not fare well with NTR.

The committee recommends that the entities should strictly plan for NTR in their budgeting process to avoid distortions in economic planning. A significant number of entities would tell the committee that they never planned or budgeted for NTR, yet, they are NTR-collecting entities.

Others would inform the committee that the NTR was un-enforced budget plan by the Ministry of Finance, Planning and Economic Development.

To this extent, the committee recommends that:

- 1) The entities in issue should liaise always with the Ministry of Finance, Planning and Economic Development to budget together to avoid distortions and inadequacies in that budgeting function.
- 2) The country should put in place a rapid response mechanism in cases of emergencies to avoid drastic and catastrophic consequences to the economy.
- 3) The Ministry of Finance, Planning and Economic Development should provide

technical assistance to entities in areas of economic planning and budgeting.

- 4) Entities should further look for ways of diversifying their revenue sources to ensure that they meet their targeted NTR thresholds in addition to technological measures as a response to unforeseen disasters.

The other area of significance are off-budget receipts. The committee has consistently observed with dismay that a significant number of entities receive off-budget financing but fail to declare the same to the Ministry of Finance, Planning and Economic Development and as a result, cause distortion of the budget.

The Auditor-General reported that some entities received off-budget financing, which was not declared and accordingly not appropriated by Parliament as required under section 43(1) of the Public Finance Management Act, 2015.

There was no evidence that the entities obtained clearance from the Accountant-General, as required under section 43(5) of the Public Finance Management Act, 2015. Such omission goes against the requirement, running an unintegrated budget and poses a risk of double financing and possible abuse. For example, Kyambogo University received donor funding of up to Shs 3,110,000,000 out of which only Shs 2,677,000,000 had been included in the budget resulting in an off-budget receipt of Shs 44,033,000,000 that was not declared.

Uganda Management Institute received another significant amount of Shs 185 billion from the African Development Bank to finance staff capacity development, which was equally not declared to the Treasury and therefore, not appropriated by Parliament for the entity.

There are very many examples, which include, but are not limited to, Soroti University and a number of others like Busitema and Gulu, Muni universities. All received funding that was not declared and neither transferred to the Consolidated Fund account.

The committee notes that the non-disclosure of off-budget contravenes sections 36(6), 43 and 44(2) of the Public Finance Management Act, 2015, which require all resources including external funding to be paid into the Consolidated Fund and availed through the Appropriation Act.

Madam Speaker, the committee observed a dichotomy of regimes. On the one hand is the Public Finance Management Act, which requires the transfer of the funds to the Consolidated Fund; on the other hand, is the donor contract regime, which stipulates, "We are not allowing you to transfer this money to the Consolidated Fund?"

An abridged version would be to declare the amount and whatever remains because some money is not appropriated by the donor entities according to our budgeting cycle.

The view of the committee is that such balances should constitute part of the opening balances for the subsequent financial year.

There has been poor performance on Government receipts as we have clearly indicated. The committee recommends that the Ministry of Finance, Planning and Economic Development should endeavour to adequately fund the entities as appropriated by Parliament to enable the implementation of planned activities.

The final point relates to domestic arrears. Domestic arrears remain or continue to be the monster that we have got to find a solution for. Almost 80 percent of the entities we dealt with are faced with huge unfunded domestic arrears, which keep accumulating in form of damages, interest, as well as accumulation of principal, court awards especially and compensation orders. Parliament and the country must find an everlasting solution if we are to get out of this existing quagmire.

May I conclude, Madam Speaker by:

- 1) Thanking you once again for your guidance, which this time was an iron fist on us. We appreciate it;

- 2) Thanking members of this committee, some of whom have spent sleepless nights in order to comply with the timelines issued;
- 3) Thanking our support staff beginning with the Clerk to Parliament, who has given us support and our very own clerk - Mr Komakech Max, who heads our technical team;
- 4) Thanking my young brother, the Vice-Chairperson, Hon. Al Hajji Asuman Basalirwa.

Madam Speaker, I am not saying he is my young brother because he is shorter than me but because he was born later than me. I thank you very much.

I beg to move that you find pleasure, honourable colleagues, in adopting the recommendations and observations that we have come up with on your behalf. I thank you in advance.

**THE SPEAKER:** Thank you very much. Honourable members, it is a direct report. We gave them work on our behalf and they have reported back on their findings and recommendations. We may not need to debate a lot because it is direct. Most of the PACs have cross-cutting issues. To avoid wasting a lot of time - I know you have to go to the constituencies - somebody should move that we adopt that report.

5.08

**MR GILBERT OLANYA (FDC, Kilak South County, Amuru):** Thank you, Madam Speaker. I would like to appreciate the Chairperson, PAC (Central Government) and the committee. The report is very clear, only that we need to urge the Auditor-Generals to keep submitting their reports in time. Our Auditor-General sometimes releases reports quite late and this makes the activities of the committee difficult.

On that note, I would like to move a motion that the report be adopted with all the resolutions and recommendations that were put forward by the committee. I beg to move.

**THE SPEAKER:** Thank you very much. I want to put the record clear that the Auditor-General is a staff of Parliament and he presents reports in time. The problem is with us in Parliament. I am happy that Hon. Lubega Sseggonna appreciates that at times, we need to use the stick and carrot method. This time, using the stick has made us achieve a lot. I am happy you appreciate it.

We have a new report and we expect it before the State-of-the-Nation Address. We expect all of them to be presented to this House; we need to finish the accountability cycle. Is the motion seconded? (*Members rose*) It is seconded by the minister together with the Government Chief Whip, Minister of Tourism, Hon. Paul Omara, Honourable Member for Ibanda and the whole House.

5.10

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Thank you, Madam Speaker. I rise to second the motion and to also appreciate Hon. Lubega-Sseggonna for the well summarised report. (*Applause*)

**THE SPEAKER:** Hon. Lubega Sseggonna and PAC (Central Government).

**MR MUSASIZI:** Yes, and PAC (Central Government). Madam Speaker, it is fair to put on record that for the first time, we are adopting the accountability committees' reports in time. (*Applause*)

**THE SPEAKER:** Thank you.

**MR MUSASIZI:** We must appreciate you for your leadership. (*Applause*) I say so because I served in PAC (Central Government) for seven and a half years. The whole of the Ninth Parliament and the first half of the 10<sup>th</sup> Parliament; I was with Mukaaga, who was our clerk. Okema was also our clerk. There are several Members I see here and they can all bear me witness that we never concluded our reports in time. We must appreciate you, Madam Speaker. I felt I should say this.

The recommendations made to the ministry of finance are all complementary. I was smiling when you were making the recommendations and I want to assure the House that we shall implement them. Thank you very much. (*Applause*)

**THE SPEAKER:** Thank you very much, honourable minister.

5.12

**MR JOSEPH SSEWUNGU (NUP, Kalungu West County, Kalungu):** Madam Speaker, I would also like to thank my boss, Hon. Lubega-Sseggonna, the chairperson of the committee where I served for 10 years. He has feared to mention my name because we were together with the honourable minister.

These recommendations have been coming over and over again. The implementing authority and powers lie with the minister. That is why we always want to vet the names of these former secretaries before they are passed.

My prayer is, as we make recommendations, like we have always made them - Madam Speaker, you have also been in that committee. Let us ask the ministry and those people required to implement those recommendations to take them seriously. Non-remittance of deductions should not appear anymore in this 11<sup>th</sup> Parliament - you can see that it is still appearing in the report.

Therefore, as we adopt the report, honourable minister, since you were there and you have praised the Speaker - you have also named the accounting officers - please, do the needful so that when you go for other areas, we do not get the same occurrences of reports in the same manner. That is my only prayer. I thank you very much.

**THE SPEAKER:** Thank you. We are going to make sure that we get the Treasury Memoranda from the ministry of finance on the actions that have been taken on the issues raised.

However, on what Hon. *Musomesa* has said, there are some recurring things that should



not exist, as of now. If we were very serious, they should not exist. Therefore, you need to become strict and ensure that these issues are resolved once and for all. For instance, the issues of the payroll should be resolved. There are issues of mischarge, payables, receivables and the NTR. All those things should be resolved. You know the Member does not know accounts. He is just learning the accounting language.

Honourable members, I now put the question that the Report of the Public Accounts Committee (Central Government) on the Report of Auditor-General for the Financial Year ended 2021 on Entities mentioned by Hon. Lubega-Sseggona together with entities that were not considered be adopted by this honourable House.

*(Question put and agreed to.)*

*Report adopted.*

**THE SPEAKER:** Congratulations, PAC (Central Government). I used to be a Member of PAC and I still want to re-echo that there is a difference between the Auditor-General's reports - the Auditor General's reports are guided by Article 163 (5) of the Constitution.

Then, there are those investigation reports, like the one done by Hon. Lubega Sseggona, Hon. Katuntu and I. We did an investigation into the Bank of Uganda. You can even investigate for a whole year and these are not guided by Article 163. With investigation reports, you go in depth, like what happened with the Bank of Uganda. You bring reforms of what is supposed to be done.

Therefore, for the people that are just learning, the new people in the system should understand that there is a difference between Auditor-General's reports and investigative reports. People should accept to learn. *(Applause)*

When Hon. Musasizi and Hon. Obua talk, I accept because they are seniors. He was my lecturer at campus. Therefore, I accept to

learn from seniors. When you are a junior, you should be open to learning.

Honourable members, on that note, I would like to wish you a blessed weekend. I adjourn the House to Monday at midday. Thank you.

*(The House rose at 5.16 p.m. and adjourned until Monday, 23 January 2023 at 12.00 p.m.)*