



PARLIAMENT OF UGANDA

# PARLIAMENTARY DEBATES

(HANSARD)

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OFFICIAL REPORT

SECOND SESSION - THIRD MEETING

TUESDAY, 28 FEBRUARY 2023





PARLIAMENT OF UGANDA

## IN THE PARLIAMENT OF UGANDA

### Official Report of the Proceedings of Parliament

#### SECOND SESSION - 11TH SITTING - THIRD MEETING

**Tuesday, 28 February 2023**

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

on Budget and the Committee on Physical Infrastructure.

#### PRAYERS

#### COMMUNICATION FROM THE CHAIR

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

**THE SPEAKER:** Honourable members, with humility, I would like to welcome you back from your recess. I hope you came back with results. We sent you on a Parish Development Model monitoring assignment. We wanted you to do your role, as legislators, to find out how much money was given to your parishes and how the money is being utilised so that you report back to this House, as per the 18 subregions. We expect to get reports from the 18 subregions. The terms of reference were given to you before you left and we expect your reports.

*The House was called to order.*

#### ADMINISTRATION OF OATHS

*The oaths were administered to:*

1. Mr Emmanuel Omoding

**THE SPEAKER:** Hon. Omoding, you are most welcome to the 11<sup>th</sup> Parliament. *(Applause)* We know that you are joining it midway after the demise of your late father, who was our colleague. I congratulate you. Hon. Okabe, may his soul rest in peace, was a friend to all of us in this House.

In doing that oversight role, it is going to help us determine whether what we appropriate, as a House, goes to the constituencies. We are doing our role and we should be able to come to a conclusion.

We wish you well and while in this House, I am giving you these tools to use; the Constitution of the Republic of Uganda, which will guide you in your day-to-day running, and the Rules of Procedure to guide your operations in the House. Good luck. *(Applause)*

Honourable members, on 15 February 2023, I received a petition from Members of the Karamoja Parliamentary Group on the alleged mismanagement of relief items that were meant for the vulnerable communities of Karamoja. I administratively referred the matter to the sectoral Committee on Presidential Affairs. I gave them two weeks to report back to the House and I would like to request Members not to resort to diversionary tactics.

As an Independent Member of Parliament, you are supposed to sit either in the middle of the House or to my left. Honourable members, can we have order? In reference to rules 157(3) and 158(2) of the Rules of Procedure, you are accordingly designated to the Committee

The minister responsible for Karamoja is there. If there was any diversion, it is not anybody else's fault. I saw iron sheets in Bukedea, but I did not ask for them. I innocently ordered that they should be given to schools. I did not open a shop or sell them, but they were given to Government schools.

Therefore, I do not want other ministers to be pulled into what they are not concerned about. Let everybody carry their own cross. *(Applause)*

Let us wait for the report of the committee and this House shall take a decision. Honourable members, let us refrain from making those utterances that are not going to help; we must solve the problem in this House.

Honourable members, pursuant to Section 13(13) of the Public Finance Management Act, we are meant to receive the ministerial policy statements by the 15<sup>th</sup> of March. However, because we cannot wait up to March, I request that we receive the statements by the 14<sup>th</sup> so that we have a day to look at what is left and what is being processed. The timely processing and submission of these reports is very important for us.

Honourable members, during the recess, our two colleagues, Hon. Muhammad Ssegirinya and Hon. Ssewanyana, who had been on remand for over one year, were finally given bail. We thank God for that. At an ample time, I think they will come to the House. They are still Members of this House.

Honourable members, on Saturday, the 18<sup>th</sup> of February, Ugandan long-distance runners, Jacob Kiplimo and Joshua Cheptegei, came first and third, respectively, in the Senior Men 10-kilometre race during the 44<sup>th</sup> World Cross Country Championship. We congratulate them. We also congratulate the minister for sports. *(Applause)*

That takes us back to sports: we should be able to increase the money given to sports for us to be able to facilitate these athletes. *(Applause)*

Honourable members, you are aware that Article 91(3) of the Constitution provides for Presidential assent to the Bills passed by Parliament. I am now notifying you that The Fisheries and Aquaculture Bill, 2022 was assented to. *(Applause)* Therefore, Hon. Tebandeke, your prayers were answered. The Parliamentary Pensions (Amendment) Bill was also assented to - that is your Bill, honourable members.

Based on that, I request all of you to go and update your records in the pension office so that in case of anything, we will be able to trace the beneficiaries - not that I am praying for anything, but it is a good thing. *(Laughter)*

Honourable members, as you may be aware, our society remains under threat over the vice of homosexuality. The media has been awash with these stories, signifying the need for us to stand up and be counted, as legislators. The only people who can make laws in this country are you and I. However, if we go quiet and do not stand up and be counted, then, we are not doing anything for this country.

This matter was exhaustively discussed on 24 and 25 January 2023 in this House. However, we are also just lamenting like other people. The report that is supposed to be brought here is not going to solve the problem because we do not have a law in place. We need to have a law in place in regard to anti-homosexuality. *(Applause)*

You will recall that in 2014, this Parliament enacted a law on homosexuality, which was later nullified by the Constitutional Court due to quorum - only quorum.

Today, the vice has persisted. The people who are suffering are our children. The people who are suffering are you and I. If we cannot stand up and be counted - for this kind of vice -

The Western world says they are assisting us - we do not want their assistance if they are going to destroy our morals and cultures. *(Applause)*

Let this Parliament stand up and be counted. For that reason, I am going to vary the Order Paper to accommodate a motion seeking leave to introduce the Anti-Homosexuality Bill.

Honourable members, as leaders, you know you are supposed to declare your assets and liabilities - even if you have only liabilities – (*Laughter*)– it is still your responsibility to declare them and you are supposed to start declaring them by tomorrow. So, kindly, have them declared to avoid further problems.

Once more, I thank you very much. I am not going to waste a lot of my time.

2.16

**MR ISAIAS SSASAGA (FDC, Budadiri County East, Sironko):** Thank you, Madam Speaker. In response to your communication, during the Old Testament times – and the times of Ezekiel – when the father or mother sinned, the children would suffer. So, corporate sin and guilt would take place.

However, with the coming of Christ, each person who sins carries his or her own cross and burden. If a minister sins or an administrative person sins – in administrative law, delegated powers are not delegable. Once you delegate them, should anything happen, you are the one in charge because they happened because you delegated.

**THE SPEAKER:** Hon. Isaiah Ssasaga, are you talking about the iron sheets?

**MR SSASAGA:** Exactly.

**THE SPEAKER:** It is before the committee. Can we wait for the report from the committee?

**MR SSASAGA:** Most obliged.

**THE SPEAKER:** I do not want to be distracted. I want the motion for a resolution of Parliament to grant leave on the homosexuality Bill first. Let us first sort one thing: homosexuality.

**DR NSABA BUTURO:** Madam Speaker, thank you for allowing me to say something that is very dear to this House.

Rule 82 of the Rules of Procedure talks about behaviour of Members of Parliament during debate. Rule 83 of the Rules of Procedure talks about behaviour of Members of Parliament in the House. Rule 85 talks about general behaviour of Members of Parliament in the House.

In the recent past, Madam Speaker, there have been occasions where some of us or our actions or utterances or behaviours have bordered on violation of these rules. That has led to the damage of our reputation, particularly the institution of Parliament, as a serious body. It has also dented the integrity of some of us, which is costing this institution very dearly.

Madam Speaker, now that we are starting a new session, would it not be proper that you give guidance on this very crucial matter, whose ramifications – if we do not do something about it – will lead to the integrity of this House being damaged further and, indeed, our ability to serve this nation will be dented?

**THE SPEAKER:** Honourable members, you all have the Rules of Procedure and I believe you read them; so, you must respect them. I cannot give any guidance because I have not seen anyone misbehave. (*Applause*) Now, whoever misbehaves in the House knows the outcome of what he or she does.

2.20

**MR IBRAHIM SSEMUJJU (FDC, Kira Municipality, Wakiso):** Thank you very much, Madam Speaker. When Government is involved in a crime of industrial scale, its ability to deliver any service is curtailed. It is the reason the ministers mentioned in the *mabaati* are hiding.

We will abide by the two weeks' time you have spoken about in your communication, Madam Speaker, but we need to find interim measures. If the entire Cabinet - from the Prime Minister - is involved in that crime of disappearance of iron sheets for Karamoja, then that Government cannot come here and speak.

My suggestion, Madam Speaker, is that you suspend Parliament for two weeks so that

the report comes and then we deal with that industrial scale problem. I am imagining – will the Prime Minister or her deputies stand here and address Parliament? I want to implore you, Madam Speaker, that we will not die if you suspend Parliament for two weeks. And the first business of Parliament will be to discuss the safety and disappearance of the iron sheets and goats for Karamoja.

Madam Speaker, I plead with you.

**THE SPEAKER:** Hon. Ssemujju, the principle of presumption of innocence still stands. You cannot say somebody was given iron sheets - and I have just shared with you my scenario. They sent iron sheets to Bukedea, but they were given to students. How would I know?

Let people take responsibility for their actions. I am not going to suspend the House. If you want to go for another two weeks on your own, please do so. Honourable members, let us handle serious issues.

MOTION FOR A RESOLUTION OF  
PARLIAMENT TO GRANT LEAVE FOR  
THE INTRODUCTION OF A PRIVATE  
MEMBER'S BILL ENTITLED, "THE ANTI-  
HOMOSEXUALITY BILL, 2023"

**THE SPEAKER:** Hon. Basalirwa, move your motion.

2.23

**MR ASUMAN BASALIRWA (JEEMA, Bugiri Municipality, Bugiri):** Thank you very much, Madam Speaker.

**THE SPEAKER:** Hon. Basalirwa, sit.

**MR SSEMUJJU:** Madam Speaker, the procedural issue I am raising –

**THE SPEAKER:** Under what rule?

**MR SSEMUJJU:** I am going to cite the rule after the matter. Now that you have ruled this matter will be dealt with after two weeks and we have –

**THE SPEAKER:** Which matter?

**MR SSEMUJJU:** The one on iron sheets. *(Laughter)*

**THE SPEAKER:** I thought we do not discuss something the Speaker has ruled on.

**MR SSEMUJJU:** I am not discussing; I am just raising a matter of procedure. With the Prime Minister's name involved in over 3,000 iron sheets – Now, if I have questions to ask, who do I ask since she has gone into hiding? *(Laughter)*

**THE SPEAKER:** Order! We have a sectoral Committee on Presidential Affairs and that committee is going to examine the issue exhaustively. If they need the Prime Minister or any other minister, they will call them and the report will be brought to this House. We will discuss that report and whoever is found culpable will be dealt with. Let us not start anticipating what is going to happen.

**MR ODUR:** Thank you very much, Madam Speaker. I am raising this matter of procedure under rules 30 and 199. Under rule 30, there are provisions on how petitions that come to this House are presented.

I want to underscore the fact that every petition that comes to this House must, in one way or the other, find itself laid on the Table so Members of Parliament can understand the substantive issues in it. That is the reason my colleague, Hon. Ssemujju and the rest, are raising issues of iron sheets and saying, "I am not aware of..."

What substantive issues have Members of Parliament from Karamoja raised that you have referred to the Committee on Presidential Affairs?

Madam Speaker, even when the rules give you the latitude to refer to it, that petition must be presented here. Otherwise, under rule 199, the House means the House of Parliament sitting in the Chambers. Therefore, I beg that you give guidance so that this petition is laid here and

the presenters give us the issues that Karamoja wants this House to address.

**THE SPEAKER:** Thank you. That issue of Karamoja came when we were in recess. That is why we administratively first referred it there. The petition will be laid on the Table.

2.26

**THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga):** Thank you, Madam Speaker -

**THE SPEAKER:** I hope you are not delaying this motion because you do not want the discussion on homosexuality. *(Laughter)* I want to tell the country that voting will be by show of hands. We will not allow this business of people running away. You are either with us or the Western world.

**MR MPUUGA:** Thank you, Madam Speaker. I agree with your guidance. I am sure the homosexuals will run away, but the thieves are very difficult to chase; they are even harder, as you know.

Hon. Odur ably represented my sentiments. I would like to pray that the petition is officially tabled. Should we believe that given the information available, there is need for amendment of the prayers or to even occasion another petition to rhyme with the original petition, it would be done to rhyme with the timeframe given by the House. I hope it is done before the end of tomorrow so we are able to pick it up and augment the matters that are arising, and visit the same problem.

**THE SPEAKER:** Thank you. I have never seen my Leader of the Opposition giving the Speaker timelines. I am surprised today he can say, "At least by the end of tomorrow." The Prime Minister is here. *(Laughter)*

Rt Hon. Prime Minister, you are welcome. While you were away, we had some issues here. I do not know whether you will have a statement to present in regard to the iron sheets. If you do not have one, I do not want you to be ambushed. You can bring a formal statement.

Honourable members, I am the chairperson of the House.

**MR BASALIRWA:** Thank you very much, Madam Speaker. I did write to you about my intention to introduce a Private Member's Bill entitled, "The Anti-Homosexuality Bill."

Madam Speaker, I am also aware that there are some colleagues who had similar minds over this matter and I am glad that you have given us the opportunity to move, under Article 79 and Article 94 of the Constitution of the Republic of Uganda, a motion seeking leave to introduce a Private Member's Bill.

*"COGNISANT of the fact that Article 79 of the Constitution empowers Parliament to make laws on any matter for the peace, order, development and good governance of Uganda;*

*AND WHEREAS Article 94(4)(b) and Rule 121 of the Rules of Procedure of Parliament provide that a Member of Parliament has the right to move a Private Member's Bill;*

*REMEMBERING that the Anti-Homosexuality Act, 2014 was, on the 20<sup>th</sup> of December, passed by this Parliament to enhance our cherished values and beliefs in God and the sanctity of culture;*

*CONCERNED that on 1 August 2014, the aforementioned important piece of legislation was declared unconstitutional albeit on procedural irregularities and not on merit of the same;*

*CONVINCED that homosexuality is a human wrong that offends the laws of Uganda, threatens the sanctity of family, the safety of our children and the continuation of humanity through reproduction;*

*NOTING that the existing law, as enacted by the colonisers, needs improvement, which is lacking in the current Penal Code Act;*

*NOW, THEREFORE, be it collectively and resoundingly resolved that this House grants me leave to introduce a Private Member's Bill*

for an Act entitled, "The Anti-Homosexuality Bill", a draft of which is hereto attached, and do order the publication of the said Bill in preparation for the First Reading."

I beg to move, Madam Speaker.

**THE SPEAKER:** Thank you. Is the motion seconded? It is seconded by Hon. Nambeshe, Hon. Jonathan Odur, Hon. Nsaba Buturo, the Rt Hon. Prime Minister, Hon. Itungo, Hon. Opendi, Hon. Fr Onen, Hon. Omara, Hon. Ssenyonyi, by the whole House. As I said before, we should stand to be counted and we are going to vote by show of hands on this matter. Would you love to speak to your motion? Briefly.

**MR BASALIRWA:** Madam Speaker, it is common knowledge that homosexuality has become like a cancer in this country or this world; we talk about human rights, but it is also true that there are human wrongs.

I want to submit that homosexuality is a human wrong that needs to be tackled through a piece of legislation. This House had the opportunity to correct the anomaly then. That opportunity was lost and the Constitutional Court nullified the law. We now have another opportunity to follow all the procedures to have a law regulating homosexuality.

Madam Speaker, what we need to do is that –

**THE SPEAKER:** Did you say you want us to regulate homosexuality? We do not want homosexuality. *(Laughter)*

**MR BASALIRWA:** Madam Speaker, a law to prohibit homosexuality.

**THE SPEAKER:** To prohibit, yes. *(Applause)*

**MR BASALIRWA:** A law to prohibit homosexuality - by way of regulation, obviously.

Madam Speaker, the law we are talking about is not new. When this country was colonised by the British, they actually left a law with

us on homosexuality. In fact, the Penal Code Act that the colonisers left in this country banned homosexuality and criminalised homosexuality.

What we are trying to do is to look at the present circumstances and situations where there is now recruitment, promotion and funding. So, we want to look at this colonial law and have it in tandem with the current circumstances and situations.

It is upon that background, Madam Speaker, that I beseech colleagues to join me in ensuring that we have a new law that addresses that cancer. I beg to submit.

**THE SPEAKER:** Thank you very much. Let us have Hon. Jonathan, as a seconder. Fr Onen, you will speak briefly.

2.35

**MR JONATHAN ODUR (UPC, Erute County South, Lira):** Thank you very much, Madam Speaker. In law they say that the facts speak for themselves. Honourable colleagues are aware that we have been seeing, on social media - we have seen victims - young children - and we have seen schools that are being threatened. So, I think the opportunity - the best time to deal with this matter decisively has now come. So, I second and urge you to support the Member who is prohibiting the homosexuality business in the country.

**THE SPEAKER:** He withdrew it. Eh, he prohibited.

**MR ODUR:** Yes, to prohibit. I kindly ask honourable members to support this motion.

**THE SPEAKER:** Thank you. Fr Onen? Members, he is seeking leave. You have half a minute.

2.37

**FR CHARLES ONEN (Independent, Laroo-Pece Division, Gulu City):** Thank you, Madam Speaker. I first stood on a procedural point because this issue at hand is a very contentious issue yet uploaded there on the

computer, it shows that I am the mover of this motion. But my fear -

**THE SPEAKER:** It does not matter. It is not a computer that is chairing the House. Are you seconding or are you -?

**FR ONEN:** Yes, I am here to second.

**THE SPEAKER:** If you want to speak about moving the motion, then first sit down.

**FR ONEN:** I am seconding, but –

**THE SPEAKER:** Speak to your secondment.

**FR ONEN:** Madam Speaker, the issue at hand is a public secret already. We need to treat this as an act of terror on our children.

During my second degree course at the Pontifical Urban University in Rome, I studied comparative studies of religions and I learnt that homosexuality is completely incompatible with the sacred scriptures - the Bible and the Quran. Quran Surah Al-A'raf 7:80-81 says that homosexuality is an act of *haram* - totally forbidden. And also in the Bible, the cities of Sodom and Gomorrah were destroyed because of the political and religious negligence of the people at the time.

Madam Speaker, Uganda belongs to God and our motto is very clear: “For God and my Country.” (*Applause*) We need to be true and honest to our motto and our profession.

Uganda’s Vision 2040 states that by 2040, Uganda must have a healthy and productive population. This is one of the goals of Uganda’s Vision 2040 and my fear is that by 2040, because of the increase in homosexuality, we shall have a population of men and women who are –

**THE SPEAKER:** You are not speaking to the microphone. Can you conclude?

**FR ONEN:** Men and women will be wearing pampers. (*Laughter*) Honourable colleagues,

the essence of morality and the essence of humanity is preservation of life, which is only guaranteed through procreation.

Madam Speaker, there is no essence in Homosexuality or LGBTQ because by definition, homosexuality is a mere romantic sexual attraction by people of the same sex. There is no essence; it cannot guarantee continuity of families.

It cannot guarantee -

**THE SPEAKER:** Thank you, honourable member. You will have more time to speak about homosexuality. As Hon. Jonathan said, facts speak for themselves. There are some things you do not even need to speak about because they are ugly – they are so dirty. We know about homosexuality. Let us leave it as it is. Let us go to the committee and pass the Bill.

2.40

**MS SARAH OPENDI (NRM, Woman Representative, Tororo):** Thank you, Madam Speaker. Allow me to thank you very much for finally having this matter -

**THE SPEAKER:** There is a procedural matter.

**MR SSEMUJJU:** Madam Speaker, we passed a law here – we are not going to be doing something new. That NRM Government there, connived with some people, went to court and nullified it. All of them are now quiet -

**THE SPEAKER:** Do you have evidence to that effect?

**MR SSEMUJJU:** I have evidence.

**THE SPEAKER:** Hon. Ssemujju, let us not start making presumptions.

**MR SSEMUJJU:** All I am asking, Madam Speaker, is that since the whole Government is here, from Prime Minister to Attorney-General, can they tell us why they are not supporting this Bill?

**THE SPEAKER:** The Prime Minister stood up. *(Laughter)* She supported the motion.

2.41

**THE PRIME MINISTER AND LEADER OF GOVERNMENT BUSINESS (Ms Robinah Nabbanja):** Madam Speaker, I know my brother. He has to talk about the Prime Minister because that is how he is seen. He is clamoring for recognition. *(Laughter)*

**MS OPENDI:** Thank you, Madam Speaker. I do stand to support the motion and to say that God created man and woman for a purpose. He created the animals all paired. He asked man, together with Eve, to be in charge and take care of this universe. It is very unfortunate that the people who brought religion to this country and told us about Jesus Christ and how we should live – and even left in our penal code a law criminalising homosexuality in this country – today, have turned around and are trying to tell our people that it is normal to live and get married to a fellow man or woman.

We need to rise, as Ugandans, and condemn this act. We are here to protect our children. The promotion of homosexuality is not in any legislation. Therefore, we must also make it an offence for those who are promoting this among our children in schools. *(Applause)*

I call upon Government to stand firm and not be tempted because of the money that may be thrown around. We can actually live within our means. Let us all rise and to protect the vulnerable children. I ask the police, the NGO Board and all those concerned – even with the existing law, those who are sodomising children are actually not being tried in the courts of law; they are actually being protected.

Therefore, Madam Speaker, I support the motion and we shall stand firm for our African and Ugandan cultures and family values. Thank you.

**THE SPEAKER:** Thank you. As much as we ask Government to stand firm and not to get the financial rewards, I also ask you,

Members of Parliament: stand firm and do not go for financial rewards. Do not allow to be bribed by these people in the name of selling your cultures. I have already communicated – I have Members here who go soliciting for money from accounting officers. I am going to discipline Members. I will name and shame.

We appropriate money in this Parliament and we have money for benchmarking. This business of going to accounting officers - and I am warning accounting officers: whoever is got doing that will be held accountable. Desist from money for homosexuality. They will come running to you, Members of Parliament, but remember you are the voice of the voiceless. You are speaking for the people who cannot speak on this.

I now put the question that Hon. Asuman Basalirwa be granted leave to introduce a Private Member's Bill entitled, "The Anti-Homosexuality Bill, 2023".

*(Question put and agreed to.)*

**THE SPEAKER:** Thank you. You can now go and prepare for your Bill.

#### MINISTERIAL STATEMENT ON THE STATUS OF NATIONAL ROADS

**THE SPEAKER:** Honourable members, you recall that a concern was raised in this House – and has been raised on several occasions – in regard to the roads in this country. You know how many people have got accidents on those roads. Today, we will get a status report from the minister.

2.46

**THE MINISTER OF WORKS AND TRANSPORT (Gen. Edward Katumba Wamala):** Thank you, Madam Speaker. There have been a number of questions on this Floor about roads and we did agree that I bring a very detailed report in regard to roads in this country. I hope that my report has been uploaded on the iPads because we sent it long ago. I will proceed.

## Introduction

Following the midterm review of the NDP III by the National Planning Authority - that does not seem to be the report I am reading.

**THE SPEAKER:** Do we have the same report?

**GEN. KATUMBA WAMALA:** Madam Speaker, I sent this report to be uploaded on the 30<sup>th</sup> of January.

That is the report I sent – that one is an old report on the road network because of the rains. However, this is a detailed report, which I was instructed to bring. I submitted it for uploading on 30 January 2023.

**THE SPEAKER:** We actually have a different report.

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

**THE SPEAKER:** Honourable minister, you could first have a seat.

**MR NSAMBA:** I had special interest in the road sector because of the state of the roads in Kassanda. I tried at 1.45 p.m., to look for the report from the minister, but it was not uploaded. I am surprised to hear that he uploaded it on the 30<sup>th</sup> - on the 10<sup>th</sup>? By 1.45 p.m., the report was not there. Please, confirm -

**THE SPEAKER:** Honourable members, reconcile with the Clerk's office as we proceed. Follow up with the Clerk's office which report is more current. Honourable minister, reconcile with the Clerk's office. As we proceed, it will come.

In the VIP gallery this afternoon, we have a delegation from the Uganda Cooperative Savings and Credit Union. They include Hon. Bintu Jalia, Hon. Bagonza Stephen, who is the Vice Chairperson and Mr Sylvester, the Chief Executive Officer (CEO). You are most welcome.

Still, in the public gallery this afternoon, we have family members, friends and constituents of Serere County Member of Parliament. Please stand up and wave to us. You are most welcome. You have come in big numbers; that is very good. We wish you a safe journey when you go back. This is your Parliament and we will always be here for you.

Again, in the public gallery, we have Hon. Juma Emong Showan, the "*Speaker of Parliament*" of Bukedea and the "*Clerk to Parliament*". You are most welcome.

Also, in the public gallery this afternoon, we have the Guild Council of Soroti University on a tour visit to Parliament. They are represented by Hon. Ebwalu Jonathan, Hon. Alobo and Hon. Ariko. You are most welcome, and thank you for coming.

**MR BASALIRWA:** Madam Speaker, I inadvertently omitted to lay on the Table my motion and the Bill attached. I seek your indulgence to lay them.

**THE SPEAKER:** Lay them, but you were talking about regulating; that is why you forgot.

**MR BASALIRWA:** Madam Speaker, I beg to lay on the Table the motion.

**MR LUBEGA-SSEGGONA:** Thank you. Madam Speaker, I have known your Prime Minister to be a very obedient servant of this country in that whenever you have given instructions, she has responded.

In today's sitting, you did ask her whether or not she intends to make a statement about iron sheets. She omitted, and I thought we would correct the record, by putting the Prime Minister on record to answer whether she will make that statement or not. *(Laughter)*

**THE SPEAKER:** I thought you had stopped your stubbornness. He used to be very stubborn when he was my lecturer. It is also good you came very early. That issue was discussed before you came in.

The Rt Hon. Prime Minister is coming up with a written statement on the issue of iron sheets. I do not want her to be gotten off hand. She is the one in the kitchen; she is the one who distributes and she will come with a statement.

Honourable members, now that we are trying to reconcile with Gen. Katumba, can we go to the next item?

#### LAYING OF PAPERS

##### THE ANNUAL REPORT OF THE PETROLEUM AUTHORITY OF UGANDA FOR THE FINANCIAL YEAR 2021/2022

**THE SPEAKER:** Honourable Minister of Energy and Mineral Development? Rt Hon. Prime Minister, how many ministers do you have in the energy sector? Can't they just come to lay a paper? Government Chief Whip, apologise on behalf of your ministers because we cannot tolerate this.

2.54

**THE GOVERNMENT CHIEF WHIP: (Mr Denis Obua):** Madam Speaker, I do offer an apology on behalf of the Ministry of Energy and Mineral Development. However, as you may be aware, His Excellency the President is in South Africa and the energy ministry is a key ministry, and one of the ministers is with His Excellency the President.

That said, I beg to lay on the Table the Annual Report of the Petroleum Authority of Uganda for the period 1 July 2021 to 30 June 2022.

**THE SPEAKER:** Thank you. The report stands referred to the Committee on Environment and Natural Resources.

Honourable members, I have seen how long reports take in the committees. Kindly oblige to the Rules of Procedure. Process these reports very fast and bring them back to the House.

##### REPORTS OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

###### (I) NATIONAL WATER AND SEWERAGE CORPORATION

2.55

**MR SOLOMON SILWANY (NRM, Bukooli County Central, Bugiri):** Madam Speaker, I beg to lay the Report of the Auditor-General on Financial Statements of the National Water and Sewerage Corporation for the year ended 30 June 2022. I beg to lay.

**THE SPEAKER:** Thank you. The report is referred to the Committee on Public Accounts (Commissions, Statutory Authorities and State Enterprises).

##### REPORTS OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

###### (II) UGANDA PRINTING AND PUBLISHING CORPORATION

**MR SILWANY:** Madam Speaker, I also beg to lay the report of the Auditor-General on the audit of the financial statements of the Uganda Printing and Publishing Corporation for the year ended 30 June 2022. I beg to lay.

**THE SPEAKER:** Thank you. It is referred to the Committee on Public Accounts (Commissions, Statutory Authorities and State Enterprises).

##### ADDENDUM TO SUPPLEMENTARY EXPENDITURE SCHEDULE

**THE SPEAKER:** Honourable Minister of Finance, Planning and Economic Development?

2.56

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg lay on the Table Addendum to Supplementary

Expenditure Schedule No.1 for Financial Year 2022/2023. This is addendum schedule No.1 and No.2 of the same financial year.

**THE SPEAKER:** The supplementary schedule No.1 and No.2 for the Financial Year 2022/2023 stands referred to the Committee on Budget.

MOTION FOR ADOPTION OF THE  
REPORT OF THE AD HOC COMMITTEE  
ON THE BUJAGALI TAX WAIVER

**THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga):** Thank you, Madam Speaker. My curiosity is aroused by the presence of the finance minister laying addendum to supplementary schedule No.1 and aware that today is the 28<sup>th</sup> day-

**THE SPEAKER:** Addendum No.1 and No.2.

**MR MPUUGA:** Thank you for your correction. Aware that today is the 28<sup>th</sup> day of February and that the minister is by law required to provide to Parliament the budget performance report delving into evaluation of the ministerial policy statements - the last time we had that debate, the same minister said that he has time and by lapse of time - if they are not laid today - the minister will be late as per the PFMA.

Can we be advised whether the minister is still within the law or was the law amended when we were in recess, Madam Speaker?

**THE SPEAKER:** Honourable minister, Budget performance -

**MR MPUUGA:** The command of section 35 of the PFMA requiring it to report on the performance of the Budget.

**MR MUSASIZI:** Madam Speaker, let me cross-check and report back to the House tomorrow.

**THE SPEAKER:** What are you going to cross-check? Let us first know what he is going to cross-check, because it was his word that he is going to bring a report on budget performance.

**MR MUSASIZI:** Madam Speaker, yes, the law requires us to report on the budget performance every six months or so. I need to check whether we have already submitted or not. *(Laughter)*

**THE SPEAKER:** Hon. Jonathan, you had something to say.

**MR ODUR:** Thank you, Madam Speaker. The issue I had was on how this very supplementary addendum laid here already found itself before the Committee on Budget. I watched the minister present and I think it is a very serious issue that this House must always stay concerned. How did the minister proceed to the Committee on Budget before laying the document here?

**THE SPEAKER:** Yes, honourable minister?

**MR MUSASIZI:** Madam Speaker, we started processing the supplementary budget last week and this Parliament was in recess. But we wrote to you and you administratively gave us a go-ahead to present before the Committee on Budget.

**THE SPEAKER:** What did I do? *(Laughter)*- Honourable members, you know in any criminality, the demeanour of the suspect is very significant. My brother is not even sure of what he is saying. Anyway, let us cross-check then you can come back tomorrow. Report back tomorrow. - On the same issue? Okay. What is it?

**MR NIRINGIYIMANA:** Thank you, Madam Speaker, for this chance -

**THE SPEAKER:** Honourable members, do not leave the House. The issues that are going to be discussed are very important for your constituencies. This business of - and this is what Hon. Nsaba Buturo said - this business of peeping in the House and going away; this is not a peeping centre. If you come into the House, sit down and finish the business of the House so that we all leave at ago.

**MR NIRINGIYIMANA:** Thank you, Madam Speaker. I am rising on a procedural

matter, bearing in mind that sometime back, you ordered the Minister of Tourism to liaise with the Attorney-General and the people of Mpungu County in Kanungu District, Kinkizi West Constituency -

**THE SPEAKER:** Aren't you smuggling in something?

**MR NIRINGIYIMANA:** No. Madam Speaker -

**THE SPEAKER:** Under what rule?

**MR NIRINGIYIMANA:** Madam Speaker, it is something that I would request your indulgence.

**THE SPEAKER:** Can we do it tomorrow when we have somebody from tourism here.

**MR NIRINGIYIMANA:** But the Attorney-General is here, Madam Speaker.

**THE SPEAKER:** Honourable minister, can we have the tourism minister here tomorrow and the Attorney-General, and then he will raise his issue.

**MR NIRINGIYIMANA:** Okay, thank you.

MOTION FOR ADOPTION OF THE  
REPORT OF THE AD HOC COMMITTEE  
ON THE BUJAGALI TAX WAIVER

**THE SPEAKER:** Honourable members, for proper context, you recall on 18 May 2022 during the consideration of the Income Tax (Amendment) Bill, 2022, this House stayed the extension of a five-year waiver of corporate income tax to Bujagali Energy Limited. The House instead granted one year pending the parliamentary inquiry into terms and conditions of the agreement between the Government of Uganda and Bujagali Energy Limited, and the effect of the agreement on the power tariffs in Uganda.

The consideration of this report has been timed to coincide with the on-going budgeting process so that we will be able to consider the

extension. The process that we are doing now, the report that we are looking at is very crucial in our budgeting process. And the decisions that we take in this Parliament are crucial too. Now I invite the chairman of the ad hoc committee, Hon. Kateshumbwa Dickson. Yes -

**MR OKUPA:** Thank you, Madam Speaker. Isn't it procedurally right for the Minister of Finance to withdraw the statement, which he alluded to, that you administratively allowed him to present yet from your response, this was not true? I think it is better for him to withdraw -

**THE SPEAKER:** Did I say that I didn't allow it?

**MR OKUPA:** We didn't hear, Madam Speaker. So, I think it would have been-

**THE SPEAKER:** Now, you are putting words in my mouth. I did not say that I did not allow it. The report was brought when the presiding officer was here, it was handled by the Rt Hon. Thomas Tayebwa (TT) and it was forwarded to the Committee on Budget. That is when the supplementary was brought; not so? Yes, Hon. Kateshumbwa.

3.07

**THE CHAIRPERSON, AD HOC COMMITTEE ON THE BUJAGALI TAX WAIVER (Mr Dickson Kateshumbwa):** Madam Speaker and colleagues, before I present the committee's report, I beg to lay on the Table the following documents -

**THE SPEAKER:** There is a procedural matter from the Prime Minister.

**MS NABBANJA:** Madam Speaker and colleagues, like the Government Chief Whip told you, the President is in South Africa and I allowed a number of ministers to move with him. And one of them is the minister in charge of the docket we are going to discuss. And some of his colleagues are out in the field. Is it procedurally right for us to continue without those ministers who are the docket managers?

**THE SPEAKER:** Honourable Members, that issue is not a matter of procedure. The Prime Minister can only ask for an extension; basically that, for the ministers to be here.

**MS NABBANJA:** Madam Speaker, I seek your indulgence to allow me mobilise the ministers in charge of that docket to come tomorrow.

**THE SPEAKER:** So, can we have the report tomorrow?

**MS NABBANJA:** Yes.

**THE SPEAKER:** Okay. Honourable members, we cannot discuss a matter when the line minister is not in the House. It is like cracking water out of a stone. The Leader of Government Business has said that we should have it tomorrow. There is no problem with having it tomorrow – the Chairperson has ruled.

**MR MPUUGA:** Thank you, Madam Speaker. I have no qualms with the Rt Hon. Prime Minister asking for an extension of time. However, the Order Paper is a very precious document. There are a lot of Members of Parliament who want to have their business on the Order Paper, but cannot get space because of congestion.

We would like to implore you - because a lot of business on the Order Paper is Government business. The Prime Minister said that some of the ministers are in the field. Did they go to the field after seeing the Order Paper? Did they sleep in the field? The Order Paper has been available for more than 24 hours.

I think we need to be very clear: I had wanted business on the Order Paper, but I saw that it was congested. We ask the Prime Minister to be fair to Parliament. Next time, we are going to oppose her asking for time when she sends people to the field, while we have business on the Order Paper. There are Members whose business is pending. We get disorganised. We

prepare for Parliament. So, when people come here and the Order Paper is altered because some Members chose not to be in Parliament, we hesitate, Madam Speaker, with due respect. Thank you.

**THE SPEAKER:** The guidance is taken, with humility.

**MR NANDALA-MAFABI:** Thank you very much, Madam Speaker, for the opportunity. I checked my email last week and that is when I saw the Order Paper for this week. The reason I seek your indulgence is that if we start the procedure that when a minister is not around a report is not presented, you are going to make these ministers –

**THE SPEAKER:** No, today will be the last time.

**MR NANDALA-MAFABI:** Okay. What I am trying to tell the Prime Minister, through you, is that this Order Paper came out last week. I am sure the Prime Minister discussed business with you – it is allowed. You, the Prime Minister, the Leader of the Opposition and the Government Chief Whip discussed this. Having discussed it, why didn't the Prime Minister tell you that the minister for that docket would not be around?

Madam Speaker, if you are not careful – okay, you have said this is the last time - but if you are not careful, they will play under that and I know the Prime Minister is good at that. *(Laughter)*

**THE SPEAKER:** Hon. Nandala-Mafabi, it is the first time I am seeing a Member warning the Speaker –*(Laughter)*– but I take your warning positively. I am a humble servant.

Honourable members, we are actually wasting time. Can we move on to the next item?

BILLS  
SECOND READING

THE MICRO FINANCE DEPOSIT-TAKING  
INSTITUTIONS (AMENDMENT) BILL,  
2022

3.12

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

**(Mr Henry Musasizi):** Madam Speaker, I beg to move that the Bill entitled, “The Micro Finance Deposit-Taking Institutions (Amendment) Bill, 2022” be read for the second time. I beg to move.

**THE SPEAKER:** Is the Bill seconded? *(Members rose)* The Bill is seconded by Hon. Huda Oleru, Hon. Ogwang, Hon. Silwany, Hon. Namuyangu, my OB, Hon. David, Hon. Roland, Hon. Muwuma, Hon. Jane and Hon. Agnes Acibu. Thank you.

Honourable minister, would you like to speak to your motion?

**MR MUSASIZI:** Madam Speaker, the object of the Micro Finance Deposit-Taking Institutions (Amendment) Bill, 2022 is:

1. To amend the Micro Finance Deposit-Taking Institutions Act, 2003 to provide for the use of the word “microfinance bank” for micro finance deposit-taking institutions;
2. To provide for Islamic banking;
3. To provide for bancassurance;
4. To provide for agent banking;
5. To provide for special access to the Credit Reference Bureau by other accredited credit providers and service providers; and
6. To provide for other related matters.

Madam Speaker, I wish to inform the House that this Bill has been processed by the committee and the committee is ready to report back to the House.

**THE SPEAKER:** Thank you. The Bill before us is the Micro Finance Deposit-Taking Institutions (Amendment) Bill, 2022. Rt Hon. Prime Minister, I suggest that next time, when we have serious Bills, Members should be taken for training to know what the Bill is about. We may need to do this together. This is because you are talking about the micro finance deposit-taking amendment, but Members do not know what it is. We need to understand what it is. When giving us your objectives and talking about Islamic banking, briefly tell us about Islamic banking.

3.16

**THE CHAIRPERSON, COMMITTEE ON  
FINANCE, PLANNING AND ECONOMIC  
DEVELOPMENT (Dr Keefa Kiwanuka):**

Thank you very much, Madam Speaker. On behalf of the committee, I beg to present the report.

However, before I present the report, allow me to lay on the Table the minutes of the meeting that the committee had in processing the Bill, which included meetings with the Ministry of Finance, Planning and Economic Development, Bank of Uganda, the Uganda Bankers Association and the Association of Micro Finance Deposit-Taking Institutions.

I have also attached a number of presentations that were received in the process of scrutinising the Bill. I beg to lay.

**THE SPEAKER:** Please, lay them.

**DR KEEFA KIWANUKA:** Madam Speaker, the Bill focuses mainly on what is referred to as Tier 3 Microfinance Institutions – there are four, in the main. It focuses on UGAFODE Microfinance Limited, Pride Microfinance Limited, FINCA Uganda Limited and EFC Uganda Limited.

The honourable minister has outlined the object of the Bill. In the main, it is:

1. To allow the use of the word “bank” by the four micro finance deposit-taking institutions;

2. To provide for Islamic banking;
3. To provide for these agencies to be able to offer the services of insurance referred to as bank insurance;
4. To provide for agent banking;
5. To provide for special access to the Credit Reference Bureau by other accredited providers and service providers and it allows for any other related matters.

It is justified in a way that the provision of the existing Act, which is being amended - At the moment, there are barriers to new financial products and development of innovative offerings, which may be less costly and are consumer driven. One of them is what is mentioned as Islamic banking and something about financial inclusion –(Interruption)

**MR SSEWUNGU:** Thank you, Madam Speaker. The chairperson of the committee knows we have the report on our iPads. I thought he was going to read the report, but it is as if he is moving a Bill. He is reading his own notes; so, where is he getting them?

Madam Speaker, you have differed a number of reports because of not being uploaded on our iPads. It is also common practice of my good friend, Dr Kiwanuka from Kiboga -

**THE SPEAKER:** Isn't the report on the iPads?

**MR SSEWUNGU:** It is, but he should refer to his report page by page. Otherwise, it is as if he is educating this House. Therefore, wouldn't it be procedurally correct that he goes to the report and reads the background of the study as we follow, other than using his own notes, which are not part of what is uploaded on the iPads?

**THE SPEAKER:** He is making a summary of the report.

**DR KEEFA KIWANUKA:** Madam Speaker, I thought I would summarise the stakeholders' views and then concentrate -

**THE SPEAKER:** ...on the observations and recommendations.

**DR KEEFA KIWANUKA:** Yes, but first summarise the stakeholders-

**THE SPEAKER:** There are some trivial things you do not need - stop disturbing me; sit. Hon. Kiwanuka, read the report as it is.

**DR KEEFA KIWANUKA:** Report of the Committee on Finance, Planning and Economic Development on the Microfinance Deposit-Taking Institutions (Amendment) Bill, 2022.

The Microfinance Deposit-Taking Institutions (Amendment) Bill, 2023 was read for the first time by the Minister of Finance, Planning and Economic Development on 22 November 2022. It was then referred to the Committee on Finance, Planning and Economic Development for consideration in accordance with Rule 128 of the Rules of Procedure of Parliament.

There are currently only four entities regulated under the Microfinance Deposit-Taking Institutions Act 2003, namely; UGAFODE Microfinance Limited, Pride Microfinance, FINCA and EFC Uganda.

#### Methodology

The committee held meetings and received submissions from:

1. The Ministry of Finance, Planning and Economic Development;
2. Bank of Uganda (Central Bank);
3. The Uganda Bankers' Association;
4. FINCA Uganda;
5. UGAFODE;
6. Pride Micro Finance;
7. Deposit Protection Fund;
8. Association of Microfinance Deposit-Taking Institutions of Uganda;
9. Uganda Microfinance Regulatory Authority; and
10. Uganda Cooperative Savings and Credit Union Limited.

**DR KEEFA KIWANUKA:** The Committee further made reference to the following literature:

1. The Microfinance Deposit-Taking Institution Act, 2003;
2. The Tier 4 Microfinance Institutions Act and Moneylenders' Act of 2016;
3. The Financial Institutions Act (Amended) 2004;
4. The Cooperative Societies' (Amendment) Act, Cap. 112; The Financial Institutions (Revision of Minimum Capital Requirements) Instrument, S.I No.30 of 2022;
5. The core principles for effective Banking Supervision (The Basel Principles);
6. The International Financial Reporting Standards;
7. The International Accounting Standards; and
8. Bank of Uganda Consolidated Corporate Governance Guidelines.

#### Background to the Bill

The object of the Bill - I think we have dealt with the object. I do not have to go through it again.

#### Justification for the Microfinance Deposit-Taking Institutions (Amendment) Bill

The objective of the Microfinance Deposit-Taking Institutions (Amendment) Act 2003 is to provide for the licensing, legislation and supervision of microfinance businesses in Uganda and related matters. At the time of the enactment of the Microfinance Deposit-Taking Institutions Act 2003, it was considered adequate in ensuring that the microfinance business is better regulated than was the case prior to its enactment.

However, following the review of the Microfinance Deposit-Taking Institutions Act, 2003, some provisions in the current legislation were found to be barriers to the development of new financial products development and innovations, which are less costly and consumer driven. For instance, the Act does not permit for the conduct of Islamic banking, which has become a popular form of microfinance business, especially because of its less reliance on interest. This is particularly significant for the Government, which would benefit in terms of programme funding without having to incur huge fees or interest rates.

Further, the Microfinance Deposit-Taking Institutions Act, 2003 is lacking in terms of financial inclusion. The amendments contained in the Bill are intended to bring financial services closer to the people. For instance, the proposal to use microfinance institutions to sell insurance is a way of achieving financial inclusion for a large proportion of the population with less cost.

Further, the Bill seeks to enable microfinance institutions to bring services closer to the people by use of agents who are not necessarily within the banking system.

#### Stakeholders' views

Amendment of section 3 of the principal Act extending the application of the MDI Act to the registered societies

Section 3 of the principal Act states that the law applies to microfinance deposit-taking institutions. The finance ministry seeks to extend the application of the MDI Act to the registered cooperative societies. The ministry seeks to bring SACCOs with institutional capacity above Shs 500 million and voluntary savings in excess of Shs 1 billion under the supervision of the central bank.

The finance ministry states that while SACCOs with a threshold of Shs 1 Billion in savings and over Shs 500 million in institutional capital are practically under the supervision of the central bank, there is need to bring them under

the ambit of the central bank through clear regulation.

The Ministry of Finance, Planning and Economic Development together with the central bank are cognisant of the fact that the structures, modalities, operations and principles of SACCOs are different from those of the Microfinance Deposit-taking Institutions Act (MDIs). However, they seek to bring the cooperative societies under the supervision of the central bank by including them in the MDI Act.

UCSCU presented the following arguments in their opposition:

UCSCU strenuously objected to this, and this is what they had to say about it:

1. That if the SACCOs are brought under the supervision of the central bank through the MDI (Amendment) Bill, the provisions of the MDI Act would apply despite the fact that the two are set out as fundamentally different in principles; that they seek to attain different goals and that their operation, structures, regulations and goals are not in tandem with MDIs' way of working.
2. That the SACCOs were averse to being brought under the ambit of the central bank through the MDI Act because this is exacerbating the already existing challenges of having various legal regimes regulating, overseeing and supervising SACCOs. This only serves to create a retrogressive environment, not just for the SACCOs, but for all the players generally. The net effect of having multiple regulators with the Ministry of Trade, Industry and Cooperatives, UMRA and now the central bank is leaving a disintegrated subsector with no clear line of allegiance to a single regulator, while at the same time, creating a multiplicity of roles and reporting lines, which will inevitably increase the cost of managing the SACCOs.
3. Bundling up SACCOs with the MDIs will alter the SACCOs' identity and values, and at the worst, increase the cost of doing business, which will essentially defeat the very fundamentals of SACCOs (what they stand for and who they serve). The representatives from the SACCOs' union argued that the SACCOs are concerned with members' welfare and cooperation while the MDIs are more profit-driven and speculative in nature.
4. UCSCU noted the concerns raised by members of the committee with regard to the oversight of the SACCOs, especially safety of member's funds and the risks that the large SACCOs may present, especially in the event of loss of members' funds. They argued that similar concerns were raised in Kenya, but all these were addressed and the SACCOs were left under the regulation of a single regulator i.e. the SACCO Societies Regulatory Authority (SASRA).
5. Lastly, the SACCOs argued that pooling them under the MDIs Act will not only detract them from their course, but it will also create a gap between the large SACCOs and the small ones. The small ones may lose out on opportunities of mentorship and training from the large SACCOs since they will be bogged down with meeting the rigorous requirements of the central bank and will not have time to attend to the small SACCOs.

That is the first issue on which the Ministry of Finance, Planning and Economic Development is seeking amendment.

Amendment of Section 5 of the principal Act to permit MDIs to use the word "Micro Finance Bank" after its name

Section 5 of the MDIs Act, 2003 and section 7 of the Financial Institutions Act, 2004 restrict the use of the word "bank" to a bank licensed by the central bank to conduct banking business in Uganda. So, a microfinance institution, like Pride Microfinance cannot refer to itself as "Pride Microfinance Bank".

The Financial Institutions Act defines a “bank” to mean any company licensed to carry on financial institution business as its principal business, as specified in the second schedule to the Act and includes all branches and offices of that company in Uganda. “Financial institutions” business is further defined in the Financial Institutions Act.

Clause 4 of the amendment Bill seeks to amend section 5 of the Microfinance Deposit Taking Institutions Act, 2003 and consequently section 7 of the Financial Institutions Act, to allow MDIs to use the word “bank” following their name. This will, therefore, allow MDIs to be referred to as “Microfinance Bank”.

The Ministry of Finance, Planning and Economic Development argued that the word “bank” is associated with safety and reliability. The MDIs stated that because they do not have the word “bank”, they have lost their prospective and some existing customers who opt to deposit their money with the commercial banks that they perceive to be safer. These same customers, however, run back to the MDIs when borrowing or looking to raise funds for a project/business to meet quick pressure needs and all. This makes it hard for MDIs to mobilise deposits to match the borrowing demand.

This has, in turn, forced MDIs to borrow at very high interest rates from the commercial banks, to be able to lend to the customers. This has pushed the interest rates for the MDIs higher since they too have to cater for their markup.

The MDIs argue that while they face rigorous regulation and have similar regulatory controls as the Tier 1 and Tier 2 financial institutions, their clients do not entrust them with the deposits, but instead take them to Tier 1 and Tier 2 banks.

They argue that allowing them to use the word “bank” will enable them to compete fairly with Tier 1 and Tier 2 banks since they will be in position to mobilise cheaper funds for onward lending at a more affordable price or rate.

They further stated that the public will be able to differentiate them from Tier 1 and Tier 2 banks since they will be referred to as “Microfinance Banks”. This will further differentiate them from the Tier 4 microfinance institutions regulated under UMRA.

Bank of Uganda (BOU), while agreeing with the Ministry of Finance, Planning and Economic Development noted that financial institutions in Tiers 1, 2 and 3 undergo similar regulatory controls under the central bank. The bank determines their licensing, capital, corporate governance and equity requirements. They argued that their degree of regulatory compliance not only with the regulatory framework, but with the international standards and Basel principles is similar to that of Tier 1 and Tier 2 banks.

The Association of Microfinance Institutions of Uganda (AMFIU) - the umbrella organisation for MDIs, Uganda Bankers Association (UBA) and the Deposit Protection Fund noted – *(Interruption)*

**THE SPEAKER:** The point of procedure is allowed.

**MR SSEMUJJU:** Madam Speaker, you said the Prime Minister will give a statement, but she is running away. *(Laughter)*

**THE SPEAKER:** The Prime Minister will give a written statement tomorrow – Which 3,000? I have never seen a House that loves the Prime Minister like this one. *(Laughter)* She will give a statement tomorrow.

Members, we have to finish this Bill; we have two Bills today.

**DR KEEFA KIWANUKA:** The Association of Microfinance Institutions of Uganda (AMFIU), an organisation of MDIs, the Uganda Bankers’ Association and the Deposit Protection Fund noted that MDIs are disadvantaged without the word “bank” because their customers are sceptical about depositing their funds with them. The MDIs are sometimes mistaken for

Tier 4 non-deposit-taking financial institutions such as SACCOs and money lenders, who are not under the stringent regulatory control of the Central Bank and which have higher interest rates.

The MDIs further argued that restricting the use of the word “bank” is a barrier to Uganda’s saving culture. They informed the committee that Uganda’s saving culture is one of the lowest in Sub-Saharan Africa, especially among low-income earners, which is a serious impediment to further economic growth –(*Interruption*)

**MR NSAMBA:** Madam Speaker, a while ago, the Minister of Works and Transport was asked to go and reconcile the documents and we were expecting him back in the House so that we can proceed on the same -

**THE SPEAKER:** Can we finish with what is being handled and then the minister comes?

**MR NSAMBA:** Madam Speaker, you have just communicated that we have two other Bills and I am worried that within them, roads could have been mentioned because the status -

**THE SPEAKER:** Is the status of roads a Bill? There is a difference between a Bill and a report. We have two Bills on top of what we have. *Hajjat*, educate your neighbour. (*Laughter*)

**MR NSAMBA:** Madam Speaker, I am now happy that you have mentioned the report – the minister might disappear.

**THE SPEAKER:** Honourable member, summarise the report; go to the recommendations. The person who said he wants you to read is bored already. So, can you summarise?

**DR KEEFA KIWANUKA:** Observations – page 13.

Allowing the MDIs to use the word “bank” so that, for example, “Pride Microfinance” becomes “Pride Microfinance Bank”.

Issue 1: Amendment of section 3 of the principal Act to extend application of the Micro Finance Deposit-Taking Institutions Act to registered societies (cooperative societies).

The committee observed that while the movers of the Bill sought to bring the registered societies, which have been defined as cooperative societies under this Act, they were cognisant of the fact that the registered societies and MDIs were fundamentally different right from their structures, operations, goals and general regulatory framework.

The committee agreed with the Ministry of Finance, Planning and Economic Development, the central bank and UCSCU that the principles, structures and mode of operation of SACCOs were fundamentally different from those of MDIs.

The committee further observed that, in fact, it was erroneous for the registered societies to be brought under this Act, given the cited fundamental differences.

While the committee was cognisant of the need to have rigorous supervision and oversight, especially for the large SACCOs, they observed that bringing them under the MDI Act was not an ideal situation.

The committee proposes that particular attention be paid to SACCOs, especially the large ones, given the risk they may face or pose.

The committee advised that either a more rigorous regulatory regime be set out for the SACCOs or the oversight role be shifted to the Central Bank, but under a different law, not in the MDIs Bill.

The committee noted that there is need for further – I will leave that out because it has been overtaken by events.

**THE SPEAKER:** Please, read it.

**DR KEEFA KIWANUKA:** The committee noted that there is need for further

benchmarking, especially with Kenya, to appreciate how SACCOs have been handled and to cover all the possible loopholes noted with their governance and supervision.

**THE SPEAKER:** Honourable members, laws are not static; they can be reviewed. So, you will benchmark later – but not soliciting money from accounting officers.

**DR KEEFA KIWANUKA:** Okay.

Recommendations

1. The committee recommends that clause 2 amending section 3 of the principal Act, is amended by deleting “registered societies”.
2. The committee recommends that the committee carries out – again that has been overtaken by events –(Interruption)

**MR SSEMUJJU:** Madam Speaker, this is a report of the committee of Parliament. The chairperson is behaving as if he is reading a draft. We have a report that we are following. After one paragraph, he says, “This has been overtaken...” (Laughter)

The procedural issue I am raising, Madam Speaker -

**THE SPEAKER:** We have told you to summarise the recommendations – and do not leave out what you think affects you.

**DR KEEFA KIWANUKA:** Recommendation No. 2 was that the committee carries out a study visit to countries with robust registered societies to appreciate the regulation of registered societies such as Kenya, Namibia and Canada. (Laughter)

**THE SPEAKER:** Honourable members, listen to the report; they want to go and do benchmarking on the word “bank” in Canada. (Laughter) Summarise.

**DR KEEFA KIWANUKA:** That was on the first proposed amendment of bringing the SACCOs under the MDIs Act.

Issue 2: Amendment of clause 5 of the principal Act permitting an MDI to use the word “Microfinance Bank” after its name

The following issues and proposals were raised by Members in regard to the use of the word “bank” by MDIs:

- a) Whether or not the MDIs apply the same degree of rigour as commercial banks in conforming with international banking standards, including Basel I, Basel II and Basel III and international accounting standards as to permit the use of the word “bank” in their names.

The committee observed that commercial banks have higher capital and equity requirements for licensing to justify the use of the word “bank” compared to MDIs. The Financial Institutions (Revision of Minimum Capital Requirements) Instrument, S.I No. 30 of 2022 sets the minimum capital requirement for financial institutions at Shs 150 billion and MDIs at Shs 10 billion.

The committee raised concern that the difference in capital requirements may imply more rigors in the requirements for establishing and operating a tier-one financial institution compared to an MDI and that referring to both as banks may be misleading on that front.

However, the Uganda Bankers’ Association, Bank of Uganda, MDIs, Uganda Microfinance Regulatory Authority (UMRA) and the Minister of Finance, Planning and Economic Development assured the committee that other than paid up capital requirement, MDIs face the same degree of rigor and scrutiny from Bank of Uganda and follow the same local and international standards of operation before they are licensed.

MDIs further differentiated “bank” as applied to Tier 1 institutions and “microfinance bank” as proposed in clause 4(b)(2) of the Bill. The MDIs stated that since the banks are tiered, they will be able to differentiate between Tiers 1, 2, and 3 since the microfinance deposit taking institution will be referred to as “microfinance bank”.

The other issue that was observed by the committee and which we had to debate was whether adding the word “bank” to MDIs will have an effect on the interest rate. The committee observed that MDIs were emphatic on using the word “bank” because this will enable them to mobilise deposits. With increase in deposits, MDIs will not have to borrow from commercial banks, which has been the practice, but rather mobilise the same deposits for onward lending.

With the mobilisation of deposits for onward lending, MDIs will be able to lend at lower interest rates. This will not only boost access to capital for the low income savers and earners, but also encourage financial inclusion and further spur economic growth.

Issue three: Whether using the word “bank” shall not be misleading to the average Ugandan.

The committee expressed concern that when MDIs use the word “bank”, they may mislead customers who will assume that interest rates and the stringent requirements that apply to banks will apply to MDIs too. However, this was rebutted by the Uganda Bankers’ Association and MDIs who argued that to the contrary, this will help customers to differentiate MDIs regulated by the Central Bank from those regulated under Tier 4 by the Uganda Microfinance Regulatory Authority.

MDIs felt strongly about differentiating them from the Tier 4 Microfinance Institution, while being called microfinance banks, will differentiate the Tiers 1 and 2 from Tier 3. It also helps differentiate them from Tier 4.

The MDIs claim that Tier 4 entities have exorbitant interest rates and that their regulation is not as rigorous as their Tier 3 microfinance institutions with a perception from the public that banks boost confidence of the public thus the need to be differentiated, but be allowed to use the word “bank”.

The other issue we considered was whether or not existing MDIs, as regulated by a central bank, cannot be upgraded to Tier 4 while

prohibiting new applicants for Tier 4 from using the word “bank”.

There was a proposal by the committee to upgrade existing MDIs to Tier 1 institutions as opposed to permitting all MDIs to use the word “microfinance bank” in their name. However, the finance ministry and Bank of Uganda pointed out that this would be more complex and it would require them to raise their paid up capital or reduce the paid up capital of all Tier 1 institutions. While they may be regulated with the same rigor, the MDIs do not have the capacity to upgrade and meet the minimum capital requirement of Tier 1 banks.

The other issue was whether products/financial services proposed to be availed to MDIs by the Bill including agency banking and bancassurance cannot be offered without the inclusion of the word “bank” in their name.

The product proposed by the Bill to be extended to MDIs, including agent banking, bancassurance and Islamic banking, can be offered without the use of the word “bank”. MDIs and the Uganda Bankers’ Association explained to the committee that the use of the word “bank” is not only to allow MDIs to offer the above mentioned financial products -

**THE SPEAKER:** I have heard Hon. Ssewungu asking, “What are MDIs?” MDIs stands for Microfinance Deposit Institutions. When you hear the Member talking about tiers in banking, there are four tiers: there is Tier 1, 2, 3 and 4. Tier 1 refers to the commercial banks and these include Centenary Bank, Stanbic Bank and the rest.

Honourable members, I am now speaking as a banker. Tier 2 -

**MR SSEWUNGU:** Madam Speaker, I agree with what you are saying, but this report has no page for acronyms. When you say MDIs Act, we get it, but when you say MDIs, which is abbreviated, it causes some confusion in our report and on the *Hansard*.

Madam Speaker, I agree with what you have said, but I think the chairperson should be very specific -

**THE SPEAKER:** If there is no acronym, mention the names.

**MR SSEWUNGU:** Madam Speaker, MDIs Act is different from the MDIs.

**THE SPEAKER:** The Microfinance Depository Institutions (MDIs).

**MR SSEWUNGU:** Is it the Act?

**THE SPEAKER:** No, it is the institutions.

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

3.55

**THE ATTORNEY-GENERAL (Mr Kiryowa Kiwanuka):** It is defined on page one. If you look at page one of your report, MDIs are defined.

**THE SPEAKER:** Did you read page one?

**MR SSEWUNGU:** Madam Speaker, I started from page three. *(Laughter)*

**THE SPEAKER:** Chairperson, can you conclude?

**DR KIWANUKA KEEFA:** Okay. The other -

**THE SPEAKER:** The issue in this report is basically defining what a bank is and whether the Microfinance Depository Institutions should be given the title “bank” and the central bank is saying, no.

A bank is a financial institution that takes deposits, fixed deposits and simultaneously gives loans. There is a difference between a bank vis-à-vis what is in the MDIs. Then there is the issue of admission of Islamic banking into the system.

**DR KIWANUKA KEEFA:** Thank you, Madam Speaker. The other issue we considered was whether the words “banking affiliated institutions” cannot be applied. We thought this would not be appropriate and will complicate things further. On the basis of that, the committee recommends that clause

4, amending section 5 of the principal Act, be maintained as proposed in the Bill.

**THE SPEAKER:** Have we gone to Committee Stage?

**DR KIWANUKA KEEFA:** We are dealing with the recommendations, Madam Speaker. I am on page 16.

**THE SPEAKER:** Summarise. We shall discuss those at Committee Stage.

**DR KIWANUKA KEEFA:** The other issue is amending the principal Act to authorise Microfinance Deposit Institutions to undertake agency banking -

**THE SPEAKER:** That is still for Committee Stage.

**DR KIWANUKA KEEFA:** Yes, Madam Speaker.

Madam Speaker, regarding agency banking, the committee recommends that the principal Act be amended to authorise the microfinance deposit taking institutions to undertake agent banking. We note that this will enable them reach deeper into the community and bring more financial inclusion, which is a problem at the moment.

Issue No.4 is about amending the principal Act to authorise microfinance deposit taking institutions to undertake bancassurance. The committee recommends that the principal Act to be amended to authorise microfinance deposit taking institutions –*(Interruption)*

**MS OPENDI:** Thank you, Madam Speaker. The chairperson has been presenting his report, but there have been a lot of interruptions partially because people are not following.

Since the report has been uploaded and we have the Bill, would it not be procedurally right that we move straight to the Bill, handle it clause by clause and have this matter concluded?

**THE SPEAKER:** Honourable members – What was your point of order?

**MR SSEMURUJU:** My colleague has made a very grave mistake to say that many of the Members are not following and she is now saying that those who were not following should go to Committee Stage. Is she in order?

**THE SPEAKER:** Honourable members, the Member is winding up with the report. Aren't you finishing?

**DR KEEFA KIWANUKA:** Madam Speaker, I only have two pages to go.

**THE SPEAKER:** Can you finish with the report?

**DR KEEFA KIWANUKA:** Okay. We agree with the Ministry of Finance that microfinance deposit taking institutions should be allowed to provide bancassurance.

Issue No.5: Amendment of the principal Act to authorise MDIs to undertake Islamic banking

We noted, in the committee, that this is a growing phenomenon. In Kenya, it has grown from about Shs 1.6 billion to over Shs 2 billion as a portfolio of Islamic banking. The assets in Kenya on this portfolio are over 10 per cent, which is a growing phenomenon.

In Uganda, it is allowed at the moment, but there are still some technicalities which are making it difficult to roll out. However, we are recommending it for the MDIs.

**THE SPEAKER:** So, after we pass this Bill, will the technicalities be removed and can MDIs start operating Islamic banking?

**DR KEEFA KIWANUKA:** Yes, Madam Speaker.

**THE SPEAKER:** Okay. In conclusion?

**DR KEEFA KIWANUKA:** In conclusion, the committee recommends that you approve the Bill with amendments.

**THE SPEAKER:** Thank you. Honourable members, we can have a debate. Are you debating the report or you have a procedural

matter? Debate the report; do not rise on points of procedure.

4.02

**MR GILBERT OLANYA (FDC, Kilak South County, Amuru):** Thank you, Madam Speaker. I would like to appreciate the chairperson. Looking at the recommendations of the report, most of them are geared towards discussing what is in the Bill.

I would like to propose that we go straight to the Committee Stage so that we discuss more exhaustively because according to the committee recommendations, they are either saying it should be – It would be good for us to go straight to the Committee Stage. This is what I am trying suggest. Thank you.

**THE SPEAKER:** Thank you.

4.03

**MR MILTON MUWUMA (NRM, Kigulu County South, Iganga):** Thank you. Madam Speaker, I have to thank the committee for the good report. I would like to agree with the position of the Uganda Cooperative Savings and Credit Union Limited (UCSCU) where they are saying we should not merge cooperatives and SACCOs under MDIs.

This is the way to go because our finance ministry has not done much to develop the SACCOs, but they will do much to stifle their operations. As such, it is better we manage them under a separate law. That is the first recommendation and I want to agree with the position of the committee and UCSCU members.

Secondly, about Islamic banking, we passed a law on how to run Islamic banking in this country, but because of some technicalities, it has not been felt in the countryside. By allowing MDIs that are established nationwide, I think this will help us have a feel of Islamic banking. Therefore, I want to agree with that proposition.

**THE SPEAKER:** Thank you. What matters in banking is the outreach. You can have your products, but how far can they go? Therefore,

having Islamic banking in microfinance deposit taking institutions is going to help us to solve a financial issue.

**MR OGUZU:** Thank you, Madam Speaker. I am addressing myself to rule 204(5)(b); that rule prohibits debate on a report of a committee on Bills. I would like to know if we are not breaching our Rules of Procedure by allowing a debate on this matter before three days expire from the time the report is presented and laid on the Table. I thank you.

**THE SPEAKER:** It is not an entrenched rule; I, therefore, suspend it.

4.06

**MR JONATHAN ODUR (UPC, Erute County South, Lira):** Thank you, Madam Speaker. I agree and support the committee's position in rejecting the attempt to bring in registered societies, including the Bible Society of Uganda and SACCOs because I looked through the Bill and there was no definition of a registered society – and I know many.

This is an attempt to bring any organisation that is mobilising resources within the ambit of the central bank and I think that we understand, as members of SACCOs, that SACCOs have been over-regulated. In some cases, there are multiple regulations conflicting each other. There is already a proposal coming from different stakeholders that we need to look into that so, we cannot add confusion to an already very difficult situation. I agree and invite Members to support the committee and delete that clause from the Bill.

Secondly, I have a very strong disagreement with the use of the word “bank” on MDIs. You are either a bank or you are not; it is as simple as that. Trying to find ways which are very deceptive under justifications that, “We are not mobilising resources” and “The public doubts us” - You are supposed to deal with your business in a way that the public can trust you. Therefore, you cannot circumvent by hiding under the word “bank” and then you say that you should be allowed to use it.

Madam Speaker, we should not accept this as we are going to bring confusion in the banking sector. We are going to fall under the international standards and this should not be accepted. In fact, I am surprised that after the committee asked five questions and only one was answered in the affirmative – four questions on the use of the word “bank” were answered in the negative – the committee still went ahead to reach a very wrong conclusion. I wonder whether they were actually paying attention to this matter. Thank you, Madam Speaker.

**THE SPEAKER:** Thank you. Leader of the Opposition?

4.08

**THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga):** Thank you, Madam Speaker. I would like to thank the chairperson for the report. I listened attentively and in particular, I was interested in the enlisted objects of the Bill. The Bill had eyes and ears – and he mentioned them because it was basically looking at the MDIs that had sought to use the word “bank” for the objectives they have listed such as encouraging their customers because the acronym “bank” is attractive. For me, that is where the cat is let out of the bag.

Madam Speaker, I would like to seek clarification from the learned Attorney-General because the use of the word “bank”, casually and locally, has far-reaching implications on an international scale especially when you are dealing with money transfers. In the Financial Institutions Act and the Bank of Uganda Act, the definition is imperative and purposive.

I do not know whether the chairperson prefers that when we make this amendment, there is cross-referencing to give the same meaning or this meaning is just for business purposes and, therefore, we draw serious repercussions, legally, when transactions are being done for this purpose.

Therefore, I would like the learned Attorney-General to clarify whether this is not going to cause us serious problems of interpretation

at transaction level. Somebody transacting from afar will want to understand what he is dealing with because it can easily cause a lot of challenges.

Secondly, this is operational because in objective (d) of the Bill, the implementation of the proposed amendment Bill will lead to increased tax base for the Government and this is the concern of Hon. Jonathan Odur; that even the Bible Society of Uganda is being brought under the ambit of this Act for purposes of taxation and expanding Government revenue.

This is not bad, but the long term effect is that these societies can easily collapse as a result of the weight of over-regulation. We would like to see further financial deepening and widening and bringing more people into the purview of financial transactions, but it must be progressive. I think this is really dipping them into the further end of the sea when they are just starting.

Sooner than later, the Minister of Finance, Planning and Economic Development will report on the progression of the PDM. One of the reasons why PDM is a pipe dream is because even small SACCOs have failed to be registered and cannot be brought into the purview of what the ministry would like to see to afford them access to public funds.

Therefore, I would like to seek the comfort of the learned Attorney-General and the Minister of Finance, Planning and Economic Development on whether we are not hurrying so much. Actually, we can cascade what we want to do and give more time to some of these societies to evolve organically and not drag them into the purview of the taxman. The taxman is very unforgiving; he does not give a damn about leaving you closed. They will say they are doing their job because the law has allowed them to do that. Are we not in a hurry?

When the committee observed some of these gaps, they did not advise on the alternative to be done yet they made very good observations in their introduction. However, they are short of alternatives. It is not because there is absence

of the law; the law on societies is there and the law on MDIs is also there. Probably, we can stick to the four or five that were envisaged by the Bill and say the other layers can be cascaded progressively.

Madam Speaker, I am trying to think aloud because I am not sure that even this report - those who read this report on the *Hansard* might fail to understand the objectives of this Bill. I find the report a bit hazy in being clear and unequivocal on what they intend to achieve. That is why it is back and forth and then back to where they began from.

We need to be very clear on whether we are going to achieve the objective for which we want to have this law amended because I do not think, eventually, that we are very clear and intentional about what we want to achieve. We seem to be on a wild goose chase and somehow, along the way, we are trying to hunt whatever - we shall take whatever we shall find on the way, pick and go with it.

If you are going for an antelope, go for an antelope. What are you going for? Is it for everything in the hunting ground? The Bill seems to be on a fishing expedition, Madam Speaker, and it scares me a little bit. Thank you.

**THE SPEAKER:** Thank you. Do you want to give information? Okay.

**MR OMARA:** Thank you very much, Madam Speaker. I just need to provide some information about the object of the Bill. One is basically to provide banking products to MDIs. The microfinance deposit institutions are actually in Tiers 1, 2, 3, and 4. Tiers 1-3 are regulated by the Central Bank. Tier 4, which is basically registered societies and SACCOs, is regulated by the Uganda Microfinance Regulatory Authority.

Therefore, what the minister was requesting us to do is to allow the MDIs; Tiers 1-4 to use the word "bank" and they have provided justifications. As a committee, we said it is okay for Tiers 1-3, but not for Tier 4, which includes registered societies and SACCOs.

The second issue is to allow them to use banking products like Islamic banking and also use a distribution network like the agency banking. As a committee, we agreed that Tiers 1-3 of MDIs can use the Islamic banking products and the agency network systems, but not Tier 4, which are basically SACCOs and registered societies. This is actually the element of Bill.

The only thing we requested for was benchmarking in Kenya -

**THE SPEAKER:** Honourable members, this gives you the core objective of the Bill.

**MR OMARA:** The gist of the matter is around these two items and they are not sophisticated. The only issue, which Hon. Jonathan has raised –(Interruption)

**MR SSEMUJJU:** The Member on the Floor is a member of the Committee on Finance, Planning and Economic Development that processed this Bill and the report. I do not know why he did not put that good information in the report. Is this a vote of no confidence in his chairman?

The procedural issue I am raising, Madam Speaker – because point of information is given to someone holding the Floor, but there is actually nobody because the Leader of the Opposition –

**THE SPEAKER:** He was giving information and clarity to the Leader of the Opposition who gladly accepted it.

**MR SSEMUJJU:** So, we still have the Leader of the Opposition on the Floor? Thank you, Madam Chairperson.

**THE SPEAKER:** Honourable members, I now put the question that the Microfinance Deposit-Taking Institutions (Amendment) Bill, 2022 be read for the second time.

*(Question put and agreed to.)*

**THE SPEAKER:** Honourable members, I want you to appreciate this Bill as it is going to

help you so much. One, the aspect of bringing a bank into Tier 4 is what the committee is talking about. They are saying we should not bring the word, “bank” into Tier 4. When you look at the definition of what a bank is, it is a financial institution that takes fixed deposits and simultaneously gives loans. However, Tiers 3 and 4 do not give fixed deposits.

In addition, look at the aspect of the capital that is also contributed. Who does the regulation?

There is also the issue of interest. We are saying that we have a very good product on the market, which is Islamic banking. How do we introduce Islamic banking into the microfinance sector? Islamic banking should be accommodated in Tiers 1, 2 and 3, but not Tier 4. [Ms Aisha Kabanda rose\_] Hajjat, what is happening?

4.19

**MS AISHA KABANDA (NUP, Woman Representative, Butambala):** Thank you very much, Madam Speaker. I find the justification given for microfinance deposit institutions becoming banks wrong. Their justification is that people run away from them because they are not banks and yet people run to them because they are not banks. Since they are called “microfinance”, the people with small monies are happy to go there. People actually fear banks.

Therefore, the justification they are giving is very wrong. For that, I think we should desist – It is like we are debating councillors saying that they want to be called Members of Parliament because they also sit in something like a Parliament.

MDIs do not hold the same capital as banks. Therefore, it is wrong for them to claim to be a bank. They should stay as microfinance deposit institutions because that is what they are and they are limited by their capital. If they want to rise to be called banks –

**THE SPEAKER:** They are limited by capital, outreach, capacity and governance.

**MS AISHA KABANDA:** Yes, there are several issues. Thank you. They should be what they are.

**MR SSEWUNGU:** Madam Speaker, the way you are labouring to explain to us this report – *(Interruption)*

**MR SSEMUJJU:** Madam Speaker, a while ago, you put a vote to go to Committee Stage.

**THE SPEAKER:** Pardon?

**MR SSEMUJJU:** You called for a vote to move to Committee Stage.

**THE SPEAKER:** Yes, the voting has been done and we are going to Committee Stage.

**MR SSEMUJJU:** Is Hon. Ssewungu in order to begin disturbing the Speaker who was taking us to Committee Stage?

**THE SPEAKER:** None of them is in order.

#### BILLS COMMITTEE STAGE

#### THE MICROFINANCE DEPOSIT-TAKING INSTITUTIONS (AMENDMENT) BILL, 2022

4.32

**THE CHAIRPERSON, COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (Dr Keefa Kiwanuka):** Clause 1 is amended in paragraph (j) by deleting the definition of the registered society.

**THE CHAIRPERSON:** What is the justification?

**DR KEEFA KIWANUKA:** It is a consequential amendment to the deletion of registered societies from the application of the Microfinance Deposit-Taking Institutions Act.

**THE MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Chairperson, I have no objection.

**THE CHAIRPERSON:** I put the question that clause 1 be amended as proposed.

*(Question put and agreed to.)*

*Clause 1, as amended, agreed to.*

**MR ODUR:** Clause 1 has a number of definitions that we may need to come back and revisit in light of the debate we have had. Now that we have passed –

**THE CHAIRPERSON:** Clause 1(j).

**MR ODUR:** Clause 1, as it is, entails a number of other definitions, unless I have a different - When we process the subsequent clauses, we might have to revisit those definitions in light of the -

**THE CHAIRPERSON:** Hon. Odur, we can come back once -

**DR KEEFA KIWANUKA:** Clause 2: Amendment of section 3 of the principal Act. Clause 2 is amended by deleting the words “and registered societies.”

The justification is to restrict the application of the Microfinance Deposit-Taking Institutions Act, 2003 to only Tier 3 MDIs.

**MR MUSASIZI:** Madam Chairperson, we have no objection. We agree with the committee.

**THE CHAIRPERSON:** I put the question that clause 2 be amended as proposed.

*(Question put and agreed to.)*

*Clause 2, as amended, agreed to.*

*Clause 3, agreed to.*

**MR ODUR:** Madam Chairperson, in light of the debate we have had and the objections that I and several Members have on the use of the word “bank”, I move that under clause 4, the word “bank” be deleted.

**MR KIRYOWA KIWANUKA:** Thank you very much, Madam Chairperson. I tend to agree with the honourable member. The effect of calling MDIs banks will be to move them from the Microfinance Deposit-Taking Institutions Act to the Financial Institutions Act. That will mean that they need to meet all the obligations under the Financial Institutions Act, which I do not think is what we are looking to achieve here. Therefore, I beg to agree that the word “bank” be removed from this.

**THE CHAIRPERSON:** I put the question that clause 4 be amended as proposed by Hon. Jonathan Odur.

*(Question put and agreed to.)*

*Clause 4, as amended, agreed to.*

*Clause 5, agreed to.*

Clause 6

**MR SSEMUJJU:** I need to be helped; I may not have heard you properly, but on voting on clause 4, it is as if I heard you saying, “The ‘Nays’ have it”. I need to be helped, Madam Chairperson.

**THE CHAIRPERSON:** Actually, Hon. Ssemujju has overstayed; first go for lunch. *(Laughter)*

**THE CHAIRPERSON:** I put the question that clause 6 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 7, agreed to.*

Clause 8

**MR KIRYOWA KIWANUKA:** This may be a consequential amendment to this issue of banking because if you have removed “bank” from the other one then they cannot do banking. Therefore, we will need to amend this one to have that dealt with.

**THE CHAIRPERSON:** Which one; clause 8?

**MR KIRYOWA KIWANUKA:** Clause 8 is dealing with the taking of deposits of funds.

**THE CHAIRPERSON:** *“Taking deposits of funds or other property into sharing investments accounts and lending in foreign-”*

**MR KIRYOWA KIWANUKA:** I withdraw.

**THE CHAIRPERSON:** Okay. I put the question that clause 8 stands part of the Bill.

*(Question put and agreed to.)*

**THE CHAIRPERSON:** I had not seen you; next time you should stand up.

**MR NANDALA-MAFABI:** Madam Chairperson, the issue we are raising is very important. I think if we have passed it, it is very dangerous. Even the Attorney-General never saw it. It said, “...lending in foreign exchange.” The moment you withdraw it from the banking sector, you cannot lend in foreign exchange. I would implore the Attorney-General to look at it again.

You see, in (g), the moment we agree that if you are a bank, you must deal under the Financial Institutions Act, then if it comes to you lending in foreign exchange - I think we are in problems because you cannot deal with it here.

**MR KIRYOWA KIWANUKA:** Thank you, colleague. This clause will need to be amended and not deleted - amended to remove certain parts like lending in foreign exchange and dealing in derivatives including - That is deleting (j) and deleting “foreign exchange” from (g). Just those two; the rest can remain.

**THE CHAIRPERSON:** So, we are recommitting?

**MR KIRYOWA KIWANUKA:** I beg that we recommit, Madam Chairperson.

**THE CHAIRPERSON:** Can you come up with the proper text?

**MR KIRYOWA KIWANUKA:** I am proposing that clause 8(b) -

**THE CHAIRPERSON:** No, you will bring it when we are going for recommittal. Clause 9 -

Clause 9

**MR KIRYOWA KIWANUKA:** Clause 9 is inconsequential. Delete it because Islamic banking is already governed by the FIA and they are licensed under the Financial Institutions Act. Therefore, I am moving that we delete Clause 9.

**THE CHAIRPERSON:** Does it injure you if we have the same clause in the MDIs because this is for MDIs and it is different from the Financial Institutions Act? They do not contradict; we are now talking about Tier 4 while the other one is Tiers 1-3.

**MR KIRYOWA KIWANUKA:** We could just amend by adding, “An institution carrying on microfinance business at Tiers 1, 2 and 3...” This is to clarify on the reference to “institutions that are governed by the Central Bank”.

The clause is saying, “An institution carrying on microfinance business at the commencement of this Act may apply to the Central Bank for a licence.” That is not correct. We need to amend which institutions are going to the Central Bank.

**THE CHAIRPERSON:** Tiers 1, 2 and 3.

**MR KIRYOWA KIWANUKA:** Yes.

**THE CHAIRPERSON:** So, what are we amending here? Let us first get this amendment then we come to you.

**MR NSAMBA:** Madam Chairperson, I think we need to change the title. Where we say licensing of MDIs, let us just add, “MDIs to conduct Islamic microfinance business.”

**THE CHAIRPERSON:** Remember what MDIs are.

**MR OSHABE:** Let us add that for the purposes of this law.

**MR ODUR:** Madam Chairperson, relatedly, part 3(A) the title is Islamic banking, which connotes what we had objected to.

I am saying that on page 15, under clause 9, part 3(A), the title is worded as “Islamic banking”, which in effect would mean that we are dealing with the banking aspect of that law. Maybe now the Attorney-General can remove the word “banking”; I do not know whether it can be Islamic -

**THE CHAIRPERSON:** There is a difference between “banking” and “bank”; those are two different words. Banking is the process and the practice, while the bank is an institution; so, those are two different things.

**MR AOGON:** Madam Chairperson, I believe that it is very important for us to observe that this Bill has an interpretation clause. Whatever we define under the interpretation is actually what we mean. Therefore, if we choose to use certain words the way we use them, we use them because we are aware that they are well defined.

Under the object of this Bill, I believe the spirit is very clear. We would love to hear from the chairperson of the committee; what are you saying about this? Because if you delete clause 9, it will automatically have an effect on the object of this Bill. In my opinion, you are the one who knows it better. What was the spirit of this?

**THE CHAIRPERSON:** Honourable members, maybe we should stand over this and come back later - Let them reconcile.

**MR NANDALA-MAFABI:** Thank you, Madam Chairperson. I want to first give the background to this law. The Microfinance Deposits Act then was supposed to address those institutions, which did not qualify to be under the Financial Institutions Act. Now when you see this one importing what is in the Financial Institutions Act then we are making a mistake.

The reason I am raising this is, the moment we agree that this is not a bank then the law should be far different from the Financial Institutions Act, 2004. If some of these items, which are in the Financial Institutions Act, are here then we are making an error to pass them here yet they are in another law.

Madam Chairperson, my proposal – which I would want the Government to take in good faith – is that this law, as it is now, cannot address what we want. What can be addressed is for us to look at the Financial Institutions Act and we import the objects which can assist those lower tiers, which we want to operate as commercial banks. If we do it this way, this law will not be implemented and it will be very dangerous. In fact, it can bring confusion in the banking sector.

Madam Chairperson, you recall the story we went through – how banks collapsed and how we came up with the Financial Institutions Act. We do not want to repeat it here. Many people might go under and make people lose their money because they are seemingly acting like banks. Therefore, I ask Government - if you do not mind – to stand over this law, go back and ask the Speaker and we reorganise. We can give you free advice to assist in what you want to do. Thank you.

**THE CHAIRPERSON:** Attorney-General, are we legislating using the right law?

**MR KIRYOWA KIWANUKA:** Thank you very much, Madam Chairperson. We are legislating the correct law because our hearts are in the right place. Probably, we put it in the wrong law, but the heart is in the right place. I take the guidance of my brother that, maybe, we need to go back and review the interface of this with the Financial Institutions Act and then reconcile the two. *(Applause)*

**THE CHAIRPERSON:** You also need to know that there are two laws: the Financial Institutions Act and the Microfinance Deposit-Taking Institutions Act. They are not the same; so, we will not go for the Financial Institutions Act and leave this one. We will stand over this. How much time do you need?

**MR KIRYOWA KIWANUKA:** Madam Chairperson, if you give us a week, we should be able to come back here –*(Interjection)*– Madam Speaker, we will come back here to report on whether we are proceeding with this Bill or not.

**THE CHAIRPERSON:** Honourable members, on Tuesday, we expect a report from the Attorney-General and the finance ministry on this Bill. So, we are standing over this Bill until next Tuesday.

#### MOTION FOR THE HOUSE TO RESUME

4.41

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

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

*(Question put and agreed to.)*

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

#### REPORT FROM THE COMMITTEE OF THE WHOLE HOUSE

4.41

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to report that the Committee of the whole House has considered the Bill entitled, “The Microfinance Deposit-Taking Institutions Bill, 2022” and passed clauses 1 to 8, and has stood over clause 9, pending harmonisation.

**THE SPEAKER:** Passed with amendments.

**MR NSAMBA:** Madam Speaker, thank you very much. If I heard the honourable member from Bugisu Cooperative Union Limited, Hon. Nathan Nandala-Mafabi, well, he advised that this entire law needs to be revisited.

**THE SPEAKER:** He advised, but did not decide.

**MR NSAMBA:** He advised, Madam Speaker and his advice was considered by the Speaker and the Attorney-General. Are we proceeding well?

**THE SPEAKER:** We said we are standing over it and they are reporting back on Tuesday, and then we will either continue or not.

**MR MUSASIZI:** Thank you, Madam Speaker, for the wise ruling. Maybe my friend, Hon. Oshabe, should also know that I am just reporting what happened.

Madam Speaker, I beg to report that the Committee of the whole House has considered the Bill entitled, “The Microfinance Deposit-Taking Institutions Bill, 2022” and passed clauses 1 to 8 with amendments.

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

4.44

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

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

*(Question put and agreed to.)*

*Report adopted.*

BILLS  
SECOND READING

THE PHYSICAL ACTIVITY AND SPORTS  
BILL, 2022

4.45

**THE MINISTER OF STATE FOR EDUCATION AND SPORTS (SPORTS) (Mr Peter Ogwang):** Thank you very much, Madam Speaker. In accordance with rule 130 of the Rules of Procedure of Parliament, I beg to move that the Bill entitled, “The Physical Activity and Sports Bill, 2022” be read for the second time.

**THE SPEAKER:** Is the Bill seconded? *(Members rose)* It is seconded by Hon. Silwany, Hon. Huda Oleru, the finance minister, the Government Chief Whip, Hon. Isabirye, Hon. Xavier, Hon. Brenda, two doctors, Hon. Aol, the chairman, Parliament sports team, Member for Aruu North County, Hon. Ssolo, Hon. Olanya, Hon. Anifa, Hon. Muwuma, Hon. Fred and Hon. Asamo.

Do you want to speak a little bit to your motion?

**MR OGWANG:** Thank you very much, Madam Speaker. On Tuesday, 6 December 2022, a Bill entitled, “The Physical Activity and Sports Bill, 2022” was, in accordance with rule 128 of the Rules of Procedure of the Parliament of Uganda, read for the first time and referred to the Committee on Education and Sports for scrutiny.

The object of the Bill is to provide for registration of national sports federations to continue in existence with the National Council of Sports, to provide for the administration and management of sports in Uganda, to designate  
*–(Interruption)*

**THE SPEAKER:** Yes, Hon. Jonathan Odur?

**MR ODUR:** Thank you, Madam Speaker. The procedural matter relates to item No.8 that has been called, which is the National Sports Bill, 2021, moved by a private Member. The honourable minister is speaking about another

Bill and we are aware of it. It is called, “The Physical Activity and Sports Bill.”

I am seeking clarification on whether the minister has become the mover or the Government has taken over this Bill. Is the minister speaking on a Bill that is non-existent before this House?

**THE SPEAKER:** Hon. Jonathan Odur, we had two Bills in the House, one moved by the private Member and another by the Government. Due to the financial implications, we asked the two to go and harmonise and come up with one report, like what we did with the Succession Bill. They will come with one report and that is the report that will be presented.

**MR NANDALA-MAFABI:** Madam Speaker, this private Member’s Bill was moved in 2021 and if it is the one being harmonised, then we should go back and bring a harmonised Bill to deal with this matter.

Madam Speaker, if we move like this, we are going to have a problem. Therefore, I am begging your indulgence -

**THE SPEAKER:** Why don’t we listen to the report? Let us get the report [Mr Aogon rose\_] Do you want to give information as a committee member? Okay, but let us listen to the report and then determine.

**MR AOGON:** The only issue is that in the background information, the minister did not say that this is a harmonised position between the private Member and Government.

**THE SPEAKER:** That is what the Chairperson is going to do.

**MR AOGON:** Yes, I am putting it clear as a point of information here that the minister is giving a position which is harmonised so the two Bills are now married into one.

**THE SPEAKER:** Honourable members, let us listen to the report.

4.49

**MR PATRICK NSAMBA (NUP, Kassanda County North, Kassanda):** Madam Speaker, we wrote to your office about this Bill.

**THE SPEAKER:** When did you write?

**MR NSAMBA:** Today.

**THE SPEAKER:** Today, yet the report is in the House?

**MR NSAMBA:** As members of the committee, we disagree with this report being presented and the reason is that we wrote to you.

**THE SPEAKER:** Do you have a minority report?

**MR NSAMBA:** Madam Speaker, if we were given opportunity to read through the report, we would have had a minority report, but the chairperson denied us any opportunity of seeing the final report. That is why we wrote to you. We were in the same committee and this House told us to harmonise. We requested that we review, but he denied us the opportunity. That is why we wrote to your office, Madam Speaker.

**THE SPEAKER:** Chairperson?

4.51

**THE CHAIRPERSON, COMMITTEE ON EDUCATION AND SPORTS (Mr John Twesigye):** Madam Speaker, thank you very much. (*Interruption*) Can I be protected?

**THE SPEAKER:** Yes. Hon. Rose, give him time. I will give you and Hon. Brenda Nabukenya an opportunity to say something.

**MR TWESIGYE:** It is true that this afternoon, I got communication from the three members of the committee; Hon. Oshabe Nsamba Patrick, Hon. Ssewungu Joseph and Hon. Nabukenya Brenda that they were not given an opportunity to read through the final report. I am emphasising, Madam Speaker, the final report.

We went to Kigo for a retreat for six days; from 5 - 11 February. We had an exit meeting on 11 February, where we passed through the draft report. Hon. Ssewungu and Hon. Oshabe were not present on that day, but Hon. Nabukenya was in attendance.

When we came back, we continued with the discussion of the draft report. That was last week on Wednesday and Friday and we concluded with the proposed amendments. On the day we discussed the proposed amendments that are concluded in the draft report, Hon. Oshabe did not attend the meeting. He just came and left.

Madam Speaker –(*Interruption*)

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

**MR SSEMUJJU:** Madam Speaker, in the past, we have -

**THE SPEAKER:** Honourable members, where there are areas of contention, we agree to disagree. In most cases, Bills have been amended using minority reports. Let us go to the Committee Stage and have those amendments. What is important in a Bill are the clauses.

If you cannot allow a Bill - you are bringing technicalities and you want to suffocate the processing of the Bill. That is not correct. Are we going to continue behaving like this, in this House? Hon. Ssemujju, please speak.

**MR SSEMUJJU:** Madam Speaker, I beg your indulgence and I respect you for that. In the past, we harmonised disagreements by allowing parties that disagree to meet and sometimes, they have met under your guidance. It will be an ugly sin for the chairperson to be accused by a Member.

I want to plead with you, Madam Speaker, to allow a meeting for the members of the committee to harmonise such that we do not –In our rules, once a matter of authenticity is raised about a report, that report automatically goes for investigation. That is what the rules say. We do not want –

**THE SPEAKER:** Hon. Ssemujju, I look at the authenticity in terms of how many people have signed. This report has been signed by 27 Members of Parliament. What we can do is to receive the report and not proceed with debate. Let us sleep over it and continue tomorrow. Let us first listen to the report.

4.55

**THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga):** Thank you, Madam Speaker. First of all, I have never considered this Bill to be controversial. I actually thought this is one Bill that should attract bipartisan support. I am trying to understand if it is true the Chairperson sat with some wise men without his members and wrote a report. That would be very controversial because this is a very innocent Bill, which all of us have decided to see.

Madam Speaker, I desire to get to the bottom of their complaint. They should not get this House into disrepute. We have a bad record here of the so-called *Magyezi Report* and the troubles that it caused this House.

**THE SPEAKER:** Which report?

**MR MPUUGA:** The *Magyezi Report*. Madam Speaker, your guidance is very okay that we hold on and understand. You need to hear these Members together with their chairperson and understand the gist of the complaint. Otherwise, the same Members are going to process more Bills on our behalf so we should not pit the chairperson against his Members under any circumstances. If the chairperson has any issues, we are leaders in this House; we should understand what the issues are so that we can guide the House properly. We do not want to legislate under controversy. It is very -

**THE SPEAKER:** What we are going to do, to accommodate everybody, is, let us have that report presented. We will stand over it. Tomorrow, we will have a reconciliatory meeting and then come back. Where there is need for a minority report, we will accommodate it. (*Laughter*) Go ahead.

**MR SSEWUNGU:** Madam Speaker -

**THE SPEAKER:** Your boss has spoken and you also want to speak? For now, I have given you LOP. *(Laughter)*

**MR SSEWUNGU:** Madam Speaker -

**THE SPEAKER:** I have ruled; let the report be presented. Tomorrow at 10.00 a.m., we will have a reconciliation meeting and then we will come back to the House.

**MR SSEWUNGU:** Madam Speaker, if the chairperson can give evidence here and attest to it, he knows that I had a lot of disagreements with Hon. Nsamba during our interaction while looking at the other Bill.

**THE SPEAKER:** What will you say tomorrow? You are taking a lot of time.

**MR SSEWUNGU:** Once the report is read without you looking at the controversies in the report -

**THE SPEAKER:** Let the report be read.

**MR SSEWUNGU:** A report, which cannot be generated later on.

**THE SPEAKER:** Which disagreements do you have? What do the rules provide? They provide for a minority report. We are only doing this to harmonise. Why were you hiding? Why didn't you bring a minority report?

**MR SSEWUNGU:** Madam Speaker -

**THE SPEAKER:** Chairperson, go ahead.

**MR SSEWUNGU:** Madam Speaker, we are failing to get the facts as to why Members are complaining. It is a very simple issue that can be sorted out before this report is read.

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

**THE SPEAKER:** I thought we had agreed with the Leader of the Opposition?

**MR NSAMBA:** Madam Speaker, they said something that went on record about me; that I never attended the meeting.

**THE SPEAKER:** You attended, do not worry.

**MR NSAMBA:** Our disagreement came when the honourable chairperson refused to give us a draft to go through. He said the Speaker refused him from giving us the draft report. We want to hear whether the Speaker can stop a chairperson from giving his members a report. *(Interjection)* That is what you told us; that the Speaker refused you to give us the report. Thank you, Madam Speaker.

**THE SPEAKER:** Honourable members, how have I ruled?

**MR NSAMBA:** Madam Speaker, your chairperson refused to give us a draft that you refused -

**THE SPEAKER:** It is not my chairperson.

**MR NSAMBA:** I beg -

**THE SPEAKER:** Honourable members, because of your complaint, I am going to defer this report to tomorrow, first thing. If you cannot come with a minority report, the report -

Hon. Ssewungu, go and do that at home. Honourable members, the report is uploaded. If you want a copy, print it. If you want to write a minority report, please do so. We will have this report tomorrow at 2.00 p.m. Whoever has not signed the report and thinks his signature has been forged can also write a complaint. That is where we can take administrative action on the chairperson. For now, the rules provide for a minority report.

**MR ODUR:** Madam Speaker, thank you for that wise guidance. I think that is the best way forward. However, the positions that we hold in this Parliament are very serious. If the allegations made by Members against the chairperson are not addressed -

**THE SPEAKER:** We will take action on the chairperson.

**MR ODUR:** Yes, thank you.

**THE SPEAKER:** That is why I am saying, if there are Members whose signatures were forged, I want those Members. How many Members of the Committee on Education and Sports are here?

Hon. Aogon, did you sign? *Afande*, did you sign? Hon. Agnes, did you sign? All of you? You signed, Hon. Basil? Hon. James, did you sign? Hon. Itungo, did you sign? Honourable members, I want a complaint. You have not signed; I have seen it - because you did not sign, bring a minority report and tell us why did not sign on paper.

**MR AOGON:** Madam Speaker, I want to set the record clear. Let the House not go back home thinking the committee did not do a good job. This committee did a very wonderful piece of work. Yes, if you look at the size of the report, it is very huge.

We disagree in society, but yes, the picture painted must remain proper. My chairperson did his part and we did our part. Dissent is allowed, but I think the Speaker, through her wisdom, has done a great thing. Let us give opportunity - If anybody has a dissenting opinion, that is okay. Thank you.

**THE SPEAKER:** Honourable members, we have made a decision. We have made a ruling; let us sleep over the Bill and we will handle it tomorrow at 2.00 p.m. I, therefore, adjourn -

**MR MPUUGA:** Thank you for your guidance, Madam Speaker. I think this particular matter should give us an opportunity - The Speaker should probably call the Business Committee and do some sensitisation for the committee chairpersons that this is a bipartisan Parliament and in some cases, they need to understand that even when matters are dicey, the opposite side has a right to information.

See how much time we have lost here over a matter that could have been resolved with a committee chairperson sitting with his members and agreeing on the breadth of their disagreement. They can go either way, knowing that we have disagreed.

Madam Speaker, I think you need to coach chairpersons and warn them against abusing our rules and causing this kind of situation in the House, so that the next time we are here and the Speaker is told clearly that we have a minority report, the Speaker will know how much time they need for business of the House. Right now, it is causing us this unnecessary strain. Thank you.

**MR NANDALA-MAFABI:** Madam Speaker, thank you. First and foremost, I want to thank you for the wise ruling you have made; that these people should go back, look at the report and make a decision together. Decisions where minority is allowed is a decision. I want to plead with some colleagues that sometimes, even if the report is so big, it could have nothing - (*Laughter*) - So, you cannot talk about volume.

Madam Speaker, I want to ask you, kindly; you need to meet your chairpersons. Sometimes chairpersons have been given chairpersonship when they do not know what to do, yes. Sometimes you may think you want to please one side, but you may destroy yourself. Right now, Mr Chairman, if it is confirmed that you never did the right thing and the public knows, you will have destroyed yourself.

Madam Chairperson, we are here to give free knowledge. Organise your chairpersons. We can talk to them.

**THE SPEAKER:** They are not my chairpersons and secondly, I want to remind you about one thing - first sit. You used to be a chairperson and I was a member of your committee. We all come here to learn. There is no school where you go and learn to be a chairperson. If there is any mistake made by the chairperson - which I am not sure of - we need to investigate, find out then resolve the issue.

For the issue of the Business Committee, we are going to handle that. All the chairpersons belong to the Business Committee and I am happy you are also part of the Business Committee. The Government Chief Whip is also part of the Business Committee.

Do you have something, Attorney-General?

**MR KIRYOWA KIWANUKA:** Thank you, Madam Speaker. Mine is also a matter of procedure. First of all, there were two Bills: a Government Bill and a Private Member's Bill. Even before we come to debate that report, which I have had the opportunity to read, I must commend the committee for bringing us thus far.

We were very far apart and now, the things we are disagreeing on are commas and a few words. So, I do not think that this is going to separate us.

Thank you, Madam Speaker, for the ruling you have made. Let us go back; we shall not tire. If there is any matter that we need to address before we come to the House tomorrow at 2.00 p.m., we shall sit and address it and come with a harmonised position.

**THE SPEAKER:** So, we will have the meeting tomorrow at midday.

**MR KIRYOWA KIWANUKA:** Most obliged.

**THE SPEAKER:** I adjourn the House to 2.00 o'clock tomorrow.

*(The House rose at 5.09 p.m. and adjourned until Wednesday, 1 March 2023 at 2.00 p.m.)*