



PARLIAMENT OF UGANDA  
IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

FOURTH SESSION - 23RD SITTING - THIRD MEETING

Thursday, 20 March 2025

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

PRAYERS

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

*The House was called to order.*

COMMUNICATION FROM THE CHAIR

**THE SPEAKER:** Honourable members, I welcome you to this afternoon sitting. You all recall that on 12 March 2025, I adjourned the House *sine die*. However, due to the urgency of some governance matters that require legislative action, we had to convene the House today. After that, I will ask you to go back to your committees.

I commend you for your responsiveness and for making the decision to come and attend the sitting with such flexibility. Thank you very much. I have finished the communication. Yes, LOP?

2.02

**THE LEADER OF THE OPPOSITION (Mr Joel Ssenyonyi):** Thank you, Madam Speaker. We are used to much lengthier communication from you, especially when we have been away for some time. I was surprised you finished quickly. We were hoping for more.

Nonetheless, I join you in welcoming colleagues to take care of critical matters as we ought. The last time we were sitting, in three

quick minutes, we kept bringing critical matters to this House, and you gave us an audience.

We kept raising the matter of the brutality that was occasioned in the Kawempe North by-election. The Government kept giving us commitments. I remember Gen. David Muhoozi was here and gave a response expressing dismay about some of the happenings, including the beating up of people and journalists. He promised to investigate and get back to the House.

In the same vein, Hon. David Bahati rose and said that this was wrong, and on behalf of the Government, he was going to follow it up. He even said he would visit one journalist who had been brutalised, Miracle Ibra. He said the Government would even take care of the medical bill, and he promised to get back to us.

You, Madam Speaker, tasked the Government with following up and getting back to the House, but the situation only got worse. It is as if the matters that we raised here and the task you gave them were taken for granted. The situation became a lot more precarious.

After our candidate in that race, a one, Luyimbazi Nalukoola, was assaulted, our supporters were brutalised, and several leaders were brutalised, including on election day.

In fact, some of your Members here were badly brutalised and are still nursing injuries. Journalists were not spared either. They were badly beaten, others were abducted and taken

in drones, only to be dumped later with injuries.

Madam Speaker, can the Government explain to this House who was responsible for this brutality? We want to know because we raised these matters here, and the Government officials who spoke expressed concern and dismay over these particular matters.

Can we know who commandeered the brutalising of leaders, citizens, the candidate in the race and journalists, who were simply doing their job? Who is responsible for this?

I saw the Prime Minister, Rt Hon. Robinah Nabbanja, Hon. Minsa Kabanda and Hon. Balaam make some remarks out there and saying that we, as the Opposition, were responsible.

They even made remarks to the effect that we did these things to ourselves; we hurt ourselves, we hurt the journalists and beat them up and so on. Some ridiculous statements.

However, it would be important that the Government - I do not know if that is the position of the Government - maybe, they need to tell us that the statements we heard, made by the Prime Minister, Hon. Minsa Kabanda and Hon. Balaam, are the position of the Government; that we are the ones who did these things. Can we know, Madam Speaker?

**THE SPEAKER:** Thank you.

**MR SSENYONYI:** Finally, Madam Speaker, even though those who were abducted, beaten up and later returned, the abductions are still on.

I would like to report that one of our coordinators, as a political party, a one Bright Muhumuza from Western Uganda, was also abducted last night. We do not know why the Government continues to do these things.

What hurts me is - and I want to call it pretence, honestly - when some ministers here do rise and say this is bad and terrible, it is pretence because nobody is held responsible.

It appears that this is the position of the Government because if it were not, the Government would be holding accountable all those who are doing these things.

Somebody did say that those who are doing these things are doing them in favour of the Opposition so that we get sympathy. Why do you not take action? How many people have been held responsible for beating: leaders, supporters in an election and journalists, many of whom are still nursing injuries?

Madam Speaker, we want to know. It is not enough that you keep condemning the few of you who probably want to look good, or in my view, pretend and say that this is bad, and you are going to take action. Where is the action? We so demand.

**THE SPEAKER:** We have heard. Yes, Government.

2.07

**THE MINISTER OF STATE FOR TRADE (TRADE): Mr David Bahati:** Thank you, Madam Speaker –

2.07

**MR IBRAHIM SSEMURU (FDC, Kira Municipality, Wakiso):** Madam Speaker, the issue is related. First, the Leader of the Opposition has addressed the issue of brutality.

After a by-election, Hon. Micheal Mawanda was declared the winner like today, the following day, he was sworn in. Madam Speaker, as the head of this institution, can you let us know when Hon. Nalukoola will be sworn in? Hon. Mawanda was sworn in; in 24 hours, he was here.

**THE SPEAKER:** Honourable members -

**MR SSEMURU:** Secondly, if you allow, Madam Speaker, and you answer at once –

**THE SPEAKER:** Let me answer that first. When a Member wins an election, I wait for the gazette. When I get the Gazette, I swear in the Member. I am, therefore, waiting for

the gazette. I need to hear from the Electoral Commission before I do a gazette and -

**MR SSENKYONYI:** Mr Speaker, we are actually dismayed that up to now, the Electoral Commission has not gazetted the person that won the Kawempe North by-election.

We did follow up with the Electoral Commission and they told us that they are still sorting out internal issues. We do not know what that means because in the past, as we are saying, it has been done in record time because the Electoral Commission is now *functus officio*.

After they declare a candidate, legally, they are *functus officio*; they no longer have any responsibility. They cannot say they are still sorting this out, they are still investigating this or whatever the case might be. Maybe, the Government - because the Government supervises the Electoral Commission -

**THE SPEAKER:** We will follow this up with the Electoral Commission.

**MR SSENKYONYI:** Can they tell us what has caused the delay? In the past, it would be done very quickly.

**MR SSEMUJJU:** Thank you very much, Leader of the Opposition – (*Hon. Bahati rose*) Hon. Bahati, be patient. The reason I am raising this, Madam Speaker, is because Hon. Mawanda was sworn in, in 24 hours; on record time.

On the issues that the Leader of the Opposition has raised -

**THE SPEAKER:** Can we have some order?

**MR SSEMUJJU:** Madam Speaker, I am a journalist. Before I became a politician, I was even covering Parliament here. I do not know - and I intend to bring a motion inviting this Parliament to condemn, first, the brutality against the media.

Also, I do not know what we will do to make this Government understand that the media

goes to the field to give coverage to everybody, including the NRM. But I saw ministers walking into polling stations with *Mambas* - armoured vehicles. I last saw them when the Government was battling Kony.

I do not know what was in Kawempe North that made the Government do this, including the equipment for which they were arresting civilians. They said Dr Besigye had one pistol and got arrested. They now had *Mambas* to go there – because the Parliamentary Elections Act does not allow you to even carry a simple gun at a polling station. But I saw these vehicles with the President in Kawempe at the polling stations.

**THE SPEAKER:** Thank you. Yes, Government.

**MR BAHATI:** Thank you, Madam Speaker. On the issues raised by the Leader of the Opposition, you were not here last time, but we did report that the journalist was visited, and the Government, according to the CEO of Nsambya, has picked up the bill. That is particularly what I committed to in the House – (*Interjection*)- yes, the first person.

Regarding the situation in Kawempe, I was expecting a slightly different statement from the Leader of the Opposition. Now that he has not said it, on the issues that he has raised, His Excellency, the President issued a statement regarding the situation in Kawempe North, and I am not adding a word to that.

**THE SPEAKER:** Honourable members, in the public gallery this afternoon, we have teachers and students from Lukaya Seed Secondary School in Kalungu East County. Can I have order? Please stand up, and we see you. They are represented by Hon. Francis Katabaazi Katongole and Hon. Aisha Sekindi. Those are your Members of Parliament. Thank you for coming; you are very smart. (*Applause*) Thank you for coming to your Parliament. They are here to follow the proceedings.

Honourable members – yes, Hon. Ssekikubo.

**MR SSEKIKUBO:** Thank you very much, Madam Speaker. I heard the Leader of Government Business telling the House that nothing can be added or subtracted from the President's statement. But, Madam Speaker, the Constitution is very clear: the mandate of the Electoral Commission is very clear: to organise free and fair elections, to declare the winning candidate and all the processes.

Therefore, it is not fair to hide behind the President's statement as if the President has taken over the Constitution. The President should not have stopped the Electoral Commission from exercising its constitutional mandate by declaring and gazetting a successful candidate.

I, therefore, wish that this House puts it on record that we are increasingly getting dismayed by the conduct of the Electoral Commission in the affairs of the Kawempe North by-election. We are disturbed that, up to now - the results been declared; what is stopping the Electoral Commission from succeeding and doing its job? Then, whoever is aggrieved - there is legal redress in this country.

Madam Speaker, you have been vetting the Justices of this country. They know very well what course they have to take if anybody is aggrieved, but they should not hide behind the President's statement and deny the people of Kawempe North the right to representation.

Madam Speaker, as long as I am here, I feel that Parliament should take note and look, with dismay, at the very bad conduct exhibited by the Electoral Commission.

**THE SPEAKER:** Thank you. Honourable members, we will wait for a gazette. It is in my best interest that I have my Member in the House *-(Applause)-* because I want the constituency to be represented. When we receive the gazette, we will swear in the Member.

Attorney-General, you need to follow up on what is being raised. I saw Hon. David Bahati updating you. Next item?

**MR SSENKYONYI:** Madam Speaker, I think it would be a good thing that Hon. David Bahati clarifies something to this House. He said that the Head of State released a statement, which he cannot add to. This House does not operate based on rumours. What did the Head of State say? Could a statement be laid - because he is represented here by the Leader of Government Business.

Otherwise, as I think now, Hon. David Bahati might be a self-styled Leader of Government Business. But if he was appointed to sit in for the Leader of Government Business, can he then, on behalf of the Leader of Government Business, lay that statement here so that, as Parliament, we know that we were raising these issues here in Parliament?

It is important that the country knows what was said and what action is being taken. Please do not refer us to social media, or I do not know where; we are here as colleagues. Please lay on the Table.

**MR BAHATI:** Well, it was a public statement, and Madam Speaker, I can, in a few minutes, print it out and lay it.

**THE SPEAKER:** I will give you time to bring it. Next item?

## LAYING OF PAPERS

### 1) THE LOCAL GOVERNMENT FINANCE COMMISSION ANNUAL REPORT FOR THE FINANCIAL YEAR 2023/2024

**THE SPEAKER:** Honourable members – Hon. Ibrahim, I will give you space; let us first handle this - Section 24(1) of the Local Government Finance Commission Act, 2003 requires the Commission to submit to Parliament, at least once every year, a report of its performance and functions, making such recommendations as it considers necessary and containing such information as Parliament may require.

The chairperson brought the report to Parliament. I now invite the Parliamentary Commissioner to lay it on the Table.

2.17

**MS ESTHER AFOYOCHAN (NRM, Woman Representative, Zombo):** Madam Speaker, I beg to lay the Local Government Finance Commission Annual Report for the Financial Year 2023/2024.

**THE SPEAKER:** Thank you. Pursuant to Rule 189(a) of the Rules of Procedure, the Annual Report of the Local Government Finance Commission stands referred to the sectoral Committee on Public Service and Local Government.

Honourable members, when the Local Government Finance Commission brought the report, they had an issue with their salary payments and budget, which we need to look at. The law is very clear on who determines the salaries; for that Commission, it is Parliament. So, we may need to look at that. Committee on Local Government and Hon. Ethel Naluyima, you may need to look at that. Are you on this?

2.19

**MS BETTY NALUYIMA (NUP, Woman Representative, Wakiso):** Thank you, Madam Speaker. We are going to fully consider it in the Committee on Public Service and Local Government. When we bring our report, we pray that Parliament considers our recommendations.

**THE SPEAKER:** Thank you. Next item? (*Members rose*) Let me first get this report. I will give you space. Let me finish this item; even the Doctor is seated next to you.

## II) ALTERNATIVE POLICY STATEMENTS FOR THE FINANCIAL YEAR 2025/2026

**THE SPEAKER:** Honourable members, Rule 147 of the Rules of Procedure of Parliament requires the Shadow Cabinet led by the Leader of the Opposition to submit the policy statements by the 27th Day of March. However, the 29th falls on the weekend, which means he would lay it on the 27th.

However, the Leader of the Opposition (LOP) informed us that he is ready, meaning that he

is a punctual and a very hard-working boy - young man - (*Laughter*) - no, he is my son. LOP, thank you for being hard-working. I invite you to ask your shadow ministers to lay.

2.21

**THE LEADER OF THE OPPOSITION (Mr Joel Ssenyonyi):** Thank you, Madam Speaker. As you have clearly stated, Rule 147 requires the opposition to lay the alternative ministerial policy statements by the 29th day of every March. You had set a deadline of the 27th, but we said, "We are young and vibrant, and we have got what it takes. We shall hit that deadline," and we are ready.

**THE SPEAKER:** So, I am not wrong to say, "My young man."

**MR SSENYONYI:** Madam Speaker, rule 146 requires that Government ministers should lay ministerial policy statements by the 15th Day of March of every year. However, as I speak, some ministries have not provided their ministerial policy statements, and I do not know why.

The committees are stuck, and when people go to the library - because they laid some things here and you referred to the library, I do not know whether they were dummies, but when people go to the library, they cannot access them.

I would like to use this opportunity to call on the Government to please do their jobs and take Parliament seriously. When you come and lay yet there is nothing available for the committees, it means you, one, you lied to us, but number two, it means you have not followed the law, which says, "by the 15th of every March". Can we take our jobs seriously?

The Prime Minister is not here, but she has delegated Hon. David Bahati - please, can you whip your members the same way we are doing this side? Let us be serious about our work. Thank you.

**THE SPEAKER:** Honourable members, I do not know which committees did not receive



the ministerial policy statements. There are committees I asked to bring - the ones who came late, I referred the reports administratively to the committees.

Unless there is a committee that has not received a report. I see the chairpersons here. Who has not received the report? Ministry of Finance, Planning and Economic Development laid theirs.

2.23

**MR AMOS KANKUNDA (NRM, Rwampara County, Rwampara):** Madam Speaker, about two or three have shared, and they are within the Ministry of Finance, Planning, and Economic Development. I have discussed this with the minister, and they are going to be brought this evening.

**THE SPEAKER:** Thank you. That does not mean that you do not meet the deadline; my deadline still stands for when you should report. Yes, Honourable LOP.

**MR SSENYONYI:** I am glad they have conceded because I saw some people looking at me as if I was making it up. Some are coming this evening; let me reiterate: let us take our work seriously as Parliament.

Now that you have called on us based on rule 147, I would like to request the different shadow ministers to come and lay our alternative ministerial policy statements. We have put in a lot of work in preparing these alternative ministerial policy statements. We have done good research. There are exquisite proposals therein.

Colleagues on the other side, let us not look at these alternatives as policies brought by the opposition but see the good thing therein and be able to adopt it even though it is coming from the opposition. Let me invite my colleagues to now lay the alternative respective policy statements.

**THE SPEAKER:** Thank you. Can I guide you this way? Can you lay all the statements, then

I will put the question and refer them at once? Hon. Peter Ogwang, do you have something?

**MR OGWANG:** There is a statement that I think the Leader of the Opposition needs to expunge because I am ready to prove him wrong if you permit. I am ready to lay the second ministerial policy statement on the Floor. I have asked them to bring it to me because he said that we laid dummies. How do you say that the Government laid dummies?

**THE SPEAKER:** LOP?

**MR SSENYONYI:** Madam Speaker, allow me to call my honourable colleague to order. I thought he would lie low like an envelope. A committee chairperson who belongs –

**THE SPEAKER:** Honourable LOP, he has left the Floor.

**MR SSENYONYI:** A colleague from the NRM has said that he is waiting for ministerial policy statements since evening. The deadline was the 15th. You should have come to apologise not to complain that I said, you people did not do your job, because your colleague has conceded. What is the matter?

**THE SPEAKER:** Honourable members, one thing I am sure of is that the ministerial policy statements were laid on the Table. Those that were missing, like the one for Uganda Retirement Benefits Regulatory Authority (URBRA) and National Planning Authority (NPA), the Uganda Bureau of Standards (UBOS), are going to be laid today. Let us have the statements. Hon. Ogwang, Hon. Namugga is not around. *(Laughter)*

Yes, shadow minister for the environment.

2.26

**THE SHADOW MINISTER OF WATER AND ENVIRONMENT (Ms Christine Kaaya):** Madam Speaker, I beg to lay the alternative policy statement for the water and environment subsector for the Financial year 2025/2026. I beg to lay.

**THE SPEAKER:** Hon. Goreth Namugga, you are welcome. *(Applause)*

2.27

**THE SHADOW MINISTER OF DEFENCE AND VETERANS' AFFAIRS (Mr Derrick Nyeko):** Madam Speaker, I beg to lay the alternative ministerial statement for the Defence and Veterans' Affairs sector for the Financial Year 2025/2026.

**THE SPEAKER:** Thank you, Hon. Derrick. Please lay.

2.27

**THE SHADOW MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (Mr Ibrahim Ssemujju):** Madam Speaker, I beg to lay the alternative policy statement for the Ministry of Finance, Planning and Economic Development.

**THE SPEAKER:** Please lay. Thank you, Hon. Ibrahim.

2.27

**THE SHADOW MINISTER OF LANDS, HOUSING AND URBAN DEVELOPMENT (Mr Paulson Luttaguzi):** Madam Speaker, I beg to lay the alternative policy statement for the lands, housing and urban development sector for the Financial Year 2025/2026.

**THE SPEAKER:** Thank you, please lay.

2.28

**THE MINISTER OF EDUCATION AND SPORTS (Mr Geoffrey Kayemba):** Madam Speaker, I beg to lay the alternative policy statement for the Ministry of Education and Sports.

**THE SPEAKER:** Thank you, Hon. Ssolo. Please lay.

2.28

**THE SHADOW MINISTER OF WORKS AND TRANSPORT (Mr Francis Mwijukye):** Thank you, Madam Speaker, I beg to lay the alternative policy statement for the Works and Transport sector.

**THE SPEAKER:** Thank you, Hon. Francis. Please lay.

2.28

**THE SHADOW MINISTER OF HEALTH (Dr Timothy Batuwa):** Madam Speaker, in accordance with the rules of this House, I beg to lay the alternative policy statement for the health sector for the Financial Year 2025/2026.

**THE SPEAKER:** Thank you, Doctor. Please lay.

2.28

**THE SHADOW MINISTER OF ENERGY AND MINERAL DEVELOPMENT (Mr Evans Kanyike):** Thank you, Madam Speaker. I beg to lay the alternative policy statement for the Ministry of Energy and Mineral Development for the Financial Year 2025/2026. I beg to lay.

**THE SPEAKER:** Thank you, Hon. Evans. Yes, Hon. Ethel Naluyima.

2.29

**MS BETTY NALUYIMA: (NUP, Woman Representative, Wakiso):** Madam Speaker, I beg to lay the alternative policy statement for the Ministry of Local Government for the Financial Year 2025/2026. I beg to lay.

**THE SPEAKER:** Thank you. Please, lay.

2.30

**THE SHADOW MINISTER OF AGRICULTURE (Ms Asinansi Nyakato):** Thank you very much, Madam Speaker. As the shadow minister for agriculture, I beg to lay the Alternative Policy Statement for the Ministry of Agriculture, Animal Industry and Fisheries for the Financial Year 2025/2026.

**THE SPEAKER:** Thank you, Hon. Asinansi. *(Applause)* Maybe Hon. Asinansi should lay the rest. *(Laughter)* Continue, Hon. Helen.

2.30

**THE SHADOW MINISTER OF INFORMATION AND ANTI-CORRUPTION (Ms Helen Nakimuli):** Thank you, Madam Speaker. Pursuant to Rule 147 of the Rules of Proce-

dure of Parliament of Uganda, I beg to lay the Alternative Ministerial Policy Statement for Information, Communication Technology and Anti-Corruption.

**THE SPEAKER:** Thank you, Hon. Helen. Please, lay it.

2.30

**THE SHADOW MINISTER OF TRADE AND INDUSTRY (Ms Manjeri Kyebakutika):** Madam Speaker, I beg to lay the alternative ministerial policy statement for trade, industry, cooperatives and microfinance affairs sector for the Financial Year 2025/2026.

**THE SPEAKER:** Thank you. Please, lay it.

2.31

**THE SHADOW MINISTER OF STATE FOR SPORTS (Mr Geoffrey Kayemba-Ssolo):** Madam Speaker, on behalf of the shadow ministers, I beg to lay the alternative ministerial policy statement for the gender, labour and social development Sector.

On behalf of the Shadow Minister of Tourism and Wildlife, Hon. Karim Masaba, I beg to lay the Alternative Ministerial Policy Statement for the Ministry of Tourism, Wildlife and Antiquities.

On behalf of the Shadow Minister of Science, Technology and Innovation (Office of the President), I beg to lay – *(Interjections)* – that is the ministry.

On behalf of the Shadow Minister for Kampala Capital City Authority (KCCA) and Metropolitan Affairs, I beg to lay the alternative policy statement for the sector.

This is an alternative policy statement, but it is big and will be the main one. Madam Speaker, on behalf of the Shadow Minister of the Presidency and Security, Hon. Francis Zaake, I beg to lay the Alternative Ministerial Policy Statement for the above sector.

2.33

**THE SHADOW MINISTER OF DEFENCE AND VETERANS AFFAIRS (Mr Derrick Nyeko):** Madam Speaker, on behalf of the Shadow Minister of Foreign Affairs, Hon. Muwada Nkuningi, I beg to lay the Alternative Ministerial Policy Statement for the Ministry of Foreign Affairs for the Financial Year 2025/2026. Thank you.

2.33

**THE SHADOW MINISTER OF LOCAL GOVERNMENT (Ms Betty Naluyima):** Thank you, Madam Speaker. On behalf of the Shadow Minister of Public Service, Hon. Anna Adeke, I beg to lay the Alternative Ministerial Policy Statement for the Ministry of Public Service for the Financial Year 2025/2026.

2.33

**THE SHADOW MINISTER OF INFORMATION AND ANTI-CORRUPTION (Ms Helen Nakimuli):** Thank you, Madam Speaker. On behalf of Hon. Lucy Akello, I beg to lay the Alternative Ministerial Policy Statement for the Ministry of the East African Community Affairs.

2.34

**THE SHADOW MINISTER OF WORKS AND TRANSPORT (Mr Francis Mwijukye):** Madam Speaker, I beg to lay the Alternative Ministerial Policy Statement for the Ministry of Internal Affairs for the Financial Year 2025/2026.

**THE SPEAKER:** Thank you. Please, lay it. Are they finished, Leader of the Opposition?

Honourable members, in furtherance of Rule 149(1) of the Rules of Procedure of Parliament of Uganda, the alternative ministerial statements are, accordingly, referred to the respective sectoral committees. Thank you.

Honourable members, this afternoon, in the VIP Gallery, we have Ms Trisha Brenda Ahwera, Miss Environment International, representing Uganda in 2025. She is right there. *(Applause)* You are welcome. She has come to observe our proceedings.



Yes, Hon. Ibrahim\_

**MR SSEMUJJU:** Thank you, Madam Speaker. This Parliament is a House of record. I do not know whether he is acting, but Hon. Bahati, who was speaking as the Prime Minister, said that he cannot add a word to an unknown letter written by the President. If we take this to be the standard - we have a very active President. Today, he is in Bunyoro and the other day he was somewhere else. He keeps making statements.

Hon. Bahati now needs to tell Parliament that they will no longer answer any matter on which the President has spoken, either at a rally, in a letter or on social media.

My understanding is that once the Government has a position, it can only bring it to Parliament through those who sit here. However, if they begin referring to those who do not sit here, it means they will never answer any question. The President has spoken about everything.

The procedural issue I am raising is whether this is the new standard that you, Madam Speaker, have accepted.

**THE SPEAKER:** What did I accept?

**MR SSEMUJJU:** I said I rose to present a point of procedure, and I am now waiting for your ruling.

**THE SPEAKER:** Accepting what? Do not drag me into those things. *(Laughter)*

2.37

**THE CHIEF OPPOSITION WHIP (Mr John Baptist Nambeshe):** Thank you, Madam Speaker. There was an omission of one alternative ministerial policy statement. On behalf of the Shadow Minister of Justice and the Constitutional Affairs, Hon. Jonathan Odur, I beg to lay the alternative ministerial policy statement for the justice, constitutional affairs and the judicial sector for the Financial Year 2025/2026.

**THE SPEAKER:** Thank you. The statement stands referred to the Committee on Legal and Parliamentary Affairs. Next item.

THE FOURTH NATIONAL  
DEVELOPMENT PLAN (NDPIV)  
2025/2026 TO 2029/2030, TOGETHER  
WITH THE MANPOWER PLAN AND  
THE PROGRAMME IMPLEMENTATION  
ACTION PLAN

**THE SPEAKER:** Honourable members, you recall that in the last sitting of the House, I guided the Minister of Finance, Planning and Economic Development to table an approved copy of the National Development Plan IV (NDP IV) to inform the various decisions, including the ongoing budget process.

Also, remember that NDP IV was laid on the Table, we made adjustments and adopted it, subject to the addition of what was raised on the Floor. That has been done. I have looked at the plan, and I think what was discussed here was captured.

Yes, honourable minister.

2.38

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr Amos Lugoloobi):** Thank you, Madam Speaker. In accordance with what you have just said, we incorporated the issues as were discussed here. What I am laying on the Table today is a final document, incorporating the responses to all those issues.

I, therefore, beg to lay the final Fourth National Development Plan (NDPIV) for the Financial Year 2025/2026 to Financial Year 2029/2030. I beg to lay.

**THE SPEAKER:** Please lay. Thank you.

**MR LUGOLOOBI:** Madam Speaker, the implementation of the plan is facilitated by the Programme Implementation Action Plan and the results and reporting framework for the plan. This will be very useful in assessing the

consistency of the plan with the budget because it contains all the actions. Therefore, I beg to lay on the Table the Programme Implementation Action Plan (PIAP) for the NDPIV.

**THE SPEAKER:** Thank you.

**MR LUGOLOOBI:** Madam Speaker, allow me to also lay the NDP IV Human Resource Development Plan for the same period. I beg to lay.

**THE SPEAKER:** Thank you. Honourable members, the NDP IV will be deposited in the parliamentary library. I will instruct the Clerk to cause its circulation to all Members for easy reference.

In addition, I urge all the committees to ensure that the ministerial policy statements currently under consideration are informed by the NDPIV that has just been laid. Therefore, there should not be an excuse that we cannot start working because we do not have NDP IV.

Hon. Mwijukye, I am going to give you time after this item.

MOTION FOR A RESOLUTION OF  
PARLIAMENT TO AUTHORISE  
GOVERNMENT TO BORROW UP TO  
\$100 MILLION FROM THE ARAB BANK  
FOR ECONOMIC DEVELOPMENT IN  
AFRICA(BADEA) PRIVATE WINDOW,  
\$50 MILLION FROM THE ARAB BANK  
FOR ECONOMIC DEVELOPMENT IN  
AFRICA(BADEA) PUBLIC WINDOW, AND  
\$25 MILLION FROM THE OPEC FUND  
FOR INTERNATIONAL DEVELOPMENT  
(OFID), TO CAPITALISE UGANDA  
DEVELOPMENT BANK (UDB)

**THE SPEAKER:** Honourable members, as you may recall, on Wednesday 5 February 2025, the Minister of Finance, Planning and Economic Development tabled a proposal to authorise the Government to borrow \$100 from the Arab Bank for Economic Development in Africa (BADEA) Private Window, \$25 million from the Arab Bank for Economic

Development in Africa (BADEA) Public Window, \$25 million from the OPEC Fund for International Development to capitalise UDB.

On 25 February 2025, the House stood over the consideration of the motion pending further harmonisation between the committee and other relevant stakeholders.

I guided since then that the initial motion be separated into two motions; one was for borrowing and the other was for guaranteeing. The two items will be distinct from each other and we will consider them separately.

Pursuant to Article 159(2) of the Constitution of the Republic of Uganda and Rule 155 of the Rules of Procedure, I now invite the Minister of Finance, Planning and Economic Development to move a motion to that effect on the borrowing. The money that we are talking about is for the capitalisation of UDB. The UDB is where our people are going to borrow money at a better interest rate. Honourable minister?

**MR MWIJUKYE:** Madam Speaker, the minister for finance has laid documents but taken them away. He laid the National Development Plan (NDP IV), but he has taken it away. Before we allow him to –

**THE SPEAKER:** Can I have my documents back?

**MR MWIJUKYE:** He has just taken them away.

**THE SPEAKER:** Honourable minister, can we have the documents? Bring them here. Hon. Francis, thank you.

2.44

**THE MINISTER OF STATE FOR FINANCE, PLANNING, AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to move a motion -

**THE SPEAKER:** Where are the shadow reports?

**MR MUSASIZI:** Madam Speaker, I beg to move a Motion for a Resolution of Parliament to authorise the Government to borrow up to \$100 million from the Arab Bank for Economic Development in Africa (BADEA), Private Window, \$50 million from the Arab Bank for Economic Development in Africa (BADEA), Public Window, and \$25 million from the OPEC Fund for International Development to capitalise Uganda Development Bank Limited. I beg to move.

**THE SPEAKER:** Is the motion seconded? (*Members rose*) Okay, it is seconded by: Hon. Bahati, Hon. James Mamawi, Hon. Faith, Hon. Ogwang, Hon. Lokeris, Hon. Huda, Hon. Solomon, Hon. Afoyochan, Hon. Ibanda, Lt. Col Alanyo, Hon. Okumu, Member for Aruu, Hon. Susan Amero, Elders, Hon. Angura, Hon. Okot, Hon. David, Hon. Abdu, minister for finance, Hon. Margaret Ayebare and the majority on this side. Tell us if you made a harmonisation and why you are borrowing.

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

**THE SPEAKER:** Honourable members, remember these reports were already presented. We are doing this only for harmonisation. Minister, go ahead.

**MR MUSASIZI:** Madam Speaker, as you have just stated, this motion is not being moved for the first time. I moved a consolidated motion, which included a request to authorise the Government to borrow up to the figures I have just stated. In the same motion, I requested the Government to guarantee UDB an amount of \$100 million.

In the debate, two issues arose:

1. Why do we put together a guarantee and a borrowing at the same time? In the wisdom of the House, they asked us to go back and separate the two motions; and
2. The lender, who is BADEA, had not approved the \$150 million borrowing.

Now, I wish to inform the House that the Board of BADEA sat on the 6<sup>th</sup> of March and approved the borrowing of \$150 million, which evidence I have presented to the committee, Madam Speaker.

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

2.49

**MR GODFREY ONZIMA (NRM, Aringa North County, Yumbe):** Thank you, Madam Speaker. Among some of the issues that were raised, where the minister was supposed to report back with an answer to this House, was -

**THE SPEAKER:** Equity?

**MR ONZIMA:** Yes, equity - the list of people who have benefited. I think that is one of the issues you raised. But also, Madam Speaker, when we went into privatisation, we privatised all Government banks. We have spoken about Uganda Development Bank (UDB) and tried to capitalise it.

However, this seems to be the only bank, centralised in Kampala, where the loan is accessed by very few people. I would like to know from the Government when they will possibly decentralise it at regional levels, because we are talking about UDB but it does not portray any national traits.

Also, when one goes there to access money, they meet many hurdles until they give up. You cannot know which people are accessing money from UDB - (*Applause*) - because it seems to be a bank for some specific people who we are - I, would therefore, like to appeal to the Government. If we want to put a helpful bank in place -

**THE SPEAKER:** Chairperson, leave the minister to listen.

**MR ONZIMA:** If we a bank, which will be helpful to all Ugandans, we should at least put it at a sub-region or regional level. But, to have one bank centred in Kampala and think that it

will be helpful to all Ugandans - I think this must be changed. Thank you.

**THE SPEAKER:** Thank you. Honourable minister? Does this bank give people outside Kampala city some money?

**MR MUSASIZI:** Firstly, Madam Speaker, all the information the honourable colleague wants us to provide is available in our records. However, this bank with the private sector, and there is a client relationship that the bank has with its borrowers. One of the conditions is that the bank shall confidentially keep the information of its clients.

Madam Speaker, this question is not new; it has arisen before, and what we did when it arose was that we preferred to share information with you, Madam Speaker, but not the public.

2.52

**MR GEOFREY EKANYA (FDC, Tororo North County, Tororo):** Madam Speaker, I would like to thank the honourable minister. Colleagues, what the minister needs to do for us - UDB has branches countrywide. However, the resources that the Government is allocating to UDB are limited, small and cannot serve this country.

What we need to do is ensure you capitalise UDB with adequate funding so that it can serve the people of Tororo, Arua and so forth. But as of now, the resources in UDB are so limited that the investment that we need cannot be addressed.

**THE SPEAKER:** Honourable member, you do not have – my ears are getting – you do not have to shout for someone to hear you.

**MR EKANYA:** I am sorry, Madam Speaker. I request that the resource –

**THE SPEAKER:** Honourable members, what we need is equity in giving out this money. (*Applause*) That is number one. That will not stop us from first capitalising the institution because we need to capitalise the institution, and after that, the sectoral committee should make

sure that there is equity in the disbursement of these loans. It does not mean that other people do not qualify for this money. Yes?

2.54

**MR FREDRICK ANGURA (NRM, Tororo South County, Tororo):** Thank you, Madam Speaker. The equity that honourable members are asking about - we have investors across the country. UDB is serving our interests although the funding is not enough, but it is only visible within the people in the centre.

**THE SPEAKER:** But also the other thing is: have you applied and been rejected? Maybe you do not qualify. Now, let me speak from the banking perspective. You must be credible for you to be able to qualify for a loan.

**MR ANGURA:** Madam Speaker, investment has been spreading across the country. We have potential investors - Hon. Ekanya and I, in Tororo, have people who want to access this funding. But because it is not well saturated in terms of information, our people remain hanging around microfinance, *Emyooga*, etcetera.

Let us request this bank to open branches in the regional headquarters, spread them, and our people will go there. I assure you that they will be eligible and benefit from these resources. Thank you.

**THE SPEAKER:** Thank you. Hon. Ogwang? Honourable members, when you talk about that, increase the money so that the money is distributed and we have better outreach.

2.55

**THE MINISTER OF STATE FOR EDUCATION AND SPORTS (SPORTS) (Mr Peter Ogwang):** Thank you, Madam Speaker. Firstly, I would like to concur with you and request honourable colleagues to increase the money for UDB. Why do I say this?

Yesterday, I was in Hoima City checking on the progress of our stadium and one of the requests from the hotel business community in Hoima City was for the Government to help them get

cheap loans from UDB. So, friends, I humbly ask you to support this loan for the purposes of helping our people benefit from the financing for their bankable projects, which will support the economy. Thank you.

**THE SPEAKER:** Hon. Esther. You mean you want to debate what is obvious?

2.56

**MS ESTHER AFOYOCHAN (NRM, Woman Representative, Zombo):** Thank you, Madam Speaker. I would like confirm to you that during one of our oversight visits as Members of Parliament, I happened to attend one of the functions that UDB was undertaking after giving money to a seed company called TOTCO in Lira, Lango sub-region.

This company had been in operation for a long time, but needed a major funding source to uplift their services because they are a very big grain company, and it is at that point that I realised that UDB is doing a great job for those who are playing at the levels that they are supporting.

I also know that not all areas may have benefited from UDB because of the qualifications required. But I want to support UDB because I know that this time around, when they get this money, they will make the TOTCO of this country more financially stable and empower other seed companies in northern Uganda. Thank you.

**THE SPEAKER:** Honourable Members, in the public gallery this afternoon are teachers and students of Trust High School in Kyadondo County East, Wakiso. They are represented by Hon. Muwada Nkunyinji and Hon. Ethel Naluyima.

2.58

**MS BETTY NALUYIMA (NUP, Woman Representative, Wakiso):** Thank you, Madam Speaker. Allow me, on behalf of the people of Kyadondo East, Wakiso and also on behalf of Parliamentarians, to welcome our students and teachers; You are most welcome to Parliament. This is where we deliberate for you from, and

make sure that the children of Uganda are in a good state. Continue praying for us.

**THE SPEAKER:** Thank you. Honourable Members, join me in welcoming those students again. Honourable Members, this issue was deliberated upon the other time and we were only left with that clarification.

And because of that, the next one is the guarantee. So, I am going to put the question to this.

2.59

**MR YUSUF NSIBAMBI (FDC, Mawokota County South, Mpigi):** Thank you, Madam Speaker. From a technical point of view, I am wondering if borrowing from the Arab Bank for Economic Development in Africa (BADEA), presupposes that the country is not doing well and we have to recapitalise the bank.

At the same time, a guarantee presupposes that the guarantor is a surety who is doing well. Which is which? You cannot borrow and at the same time be a guarantor. There is a conflict; we have to harmonise that. If we are coming here as borrowers, the assumption is that we are badly off.

**THE SPEAKER:** They are not really badly off; they are short of money. They have more customers than the money they have to give out. Thank you.

Honourable members- no, the report was read here.

3.00

**MR IBRAHIM SSEMUJJU (FDC, Kira Municipality, Wakiso):** Madam Speaker, the minister has said that the documents and information that Parliament asked for – for which we delayed this loan – that he has supplied it to the committee. Could you allow the committee to just confirm that they received the information?

**THE SPEAKER:** Committee chairperson, have you received the report?

**MR ROBERT MIGADDE:** Thank you, Madam Speaker. With me here, is a loan



agreement from BADEA of \$100 million. I beg to lay.

**THE SPEAKER:** Honourable members, I put the question that the motion for a resolution of Parliament to authorise the Government to borrow up to \$100 million from the Arab Bank for Economic Development in Africa (BADEA) private window, \$50 million from Arab Bank for Economic Development in Africa (BADEA) public window, and \$25 million from OPEC Fund for International Development (OFID), to capitalise Uganda Development Bank (UDB), to be approved by this House.

*(Question put and agreed to.)*

MOTION FOR A RESOLUTION OF PARLIAMENT TO AUTHORISE GOVERNMENT TO GUARANTEE UGANDA DEVELOPMENT BANK (UDB) LIMITED TO DIRECTLY BORROW UP TO \$40 MILLION FROM THE ISLAMIC DEVELOPMENT BANK (IDB), \$30 MILLION FROM THE ISLAMIC CORPORATION FOR THE DEVELOPMENT OF THE PRIVATE SECTOR (ICD), AND \$30 MILLION FROM THE INTERNATIONAL ISLAMIC TRADE FINANCE CORPORATION (ITFC)

**THE SPEAKER:** Honourable members, as I guided earlier on, this motion was initially part of the previous one but we had to distinguish between the borrowing and the guarantee. That is where they have an inherent uniqueness.

Pursuant to Article 159(2) of the Constitution of the Republic of Uganda, and Rule 155 of the Rules of Procedure, I invite the Minister of Finance, Planning and Economic Development to move a motion. After which, we will receive a report from the committee on the proposal.

3.03

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, in line with Article 159 of the Constitution of the Republic of Uganda, Section 34 of the Public

Finance Management Act, 2015, Rules 56 and 155 of the Parliamentary Rules of Procedure, I beg to move a motion for a resolution of Parliament to approve the proposal for the Government to guarantee Uganda Development Bank Limited to borrow up to \$40 million from the Islamic Development Bank (IDB), \$30 million from the Islamic Corporation for Development of the Private Sector, and \$30 million from the International Islamic Trade Finance Corporation. I beg to move, Madam Speaker.

**THE SPEAKER:** Is it seconded? It is seconded by; Hon. Ogwang, Hon. Lokeris, Hon. Huda, Hon. Gabriel Okumu, Hon. Okwalinga, Hon. Alanyo, Hon. Esther, Hon. Ibanda, Col Nekesa, Hon. Mutembuli, MP for Aruu, Hon. Emmanuel, Hon. Songa, Hon. Lillian, Hon. Orone, Hon. Max, Hon. Noah, Hon. Annette, Hon. Margaret, Hon. John Faith Magolo, Hon. James Mamawi, Hon. Faith again, Hon. Wilson, MP for Ibanda, MP for Kaabong, Hon. David, Hon. Goli and the MP for Abim. Would you like to speak to your motion?

Honourable members, on that day, the guarantee did not have any problem. We are guaranteeing the UDB to have that money, and they will be paying it themselves.

**MR MUSASIZI:** Madam Speaker, I moved this motion some time back and it had no problem. Only to confirm that these loans guaranteed by the Government, will not directly impact on the Government debt.

They will only do so if UDB fails to repay the loans and the amount that UDB will not have paid is what will become a liability to the Government. Since there is nothing I am changing, I beg that the House considers this motion.

**THE SPEAKER:** Thank you. Chairperson?

3.07

**THE DEPUTY CHAIRPERSON, COMMITTEE ON NATIONAL ECONOMY (Mr Robert Migadde):** Thank you. Madam Speaker, this is a report of the Committee on National Economy to guarantee Uganda Development

Bank (UDB) Limited to directly borrow up to \$40 million from the Islamic Development Bank, \$30 million from the Islamic Corporation of Development of the private sector, and \$30 million from the International Islamic Trade Finance Corporation. That is a total of \$100 million.

We interacted with the Ministry of Finance, Planning and Economic Development, UDB and a number of other beneficiaries.

By the end of November 2024, UDB capitalisation stood at Shs 1.5 trillion, composed of Shs 1.2 trillion as Government contribution and retained earnings of Shs 211 billion.

However, this remains under-capitalised, thus limiting the bank's ability to carry out its core business and mandate. Uganda Development Bank's limited funding needs have grown over the last two years and the bank needs to disburse an average of Shs 1 trillion per year, in new disbursements. The exponential growth in funding needs is due to the growth of the economy, which is attributable to business expansion, coupled with Uganda Development Bank Limited's favourable terms and value proposition.

UDB lends at not more than 12 per cent per annum for up to 15 years, which makes it the only bank that can offer favourable and long-term tenor capital in the economy.

Madam Speaker, according to the UDB annual report, 2023, as of December 2023, its total assets stood at Shs 1.67 trillion with a gross loan portfolio of Shs 1.58 trillion.

The accumulative loan portfolio of the bank is Shs 2.5 trillion. Over a period of seven years, from 2017 to 2023, 70 per cent of the bank's financing is directed towards agriculture and industry, leading to a creation of 51,841 jobs.

Madam Speaker, as per performance of previous lines of credit, to date, UDBL has secured 15 lines of credit with a value of \$158.5

million from eight multilateral development partners. Ninety-two per cent of the lines of credit have been disbursed to various projects. Out of the \$158 million extended to UDB, UDB is servicing the interest payment on 10 credit lines, worth \$117 million. The table is attached therein.

Madam Speaker, on page 8, we have the terms for the first batch, which is \$40 million from Islamic Development Bank, with the gestation period of four years, maturity period of 10 years, repayment period of six years, and a margin of 2.8 per cent that is to be paid by UDB.

Madam Speaker, we also looked at the concessionality of the loan and –

**THE SPEAKER:** Hon. Solomon?

**MR MIGADDE:** Madam Speaker –

**THE SPEAKER:** *Ow'ekitiibwa*, where are you going? (*Laughter*)

**MR MIGADDE:** Madam Speaker, the committee having considered that – and aware that UDB needs funding – and aware that this is a guarantee, the committee recommends that this House approves a proposal by the Government to guarantee \$40 million from the Islamic Development Bank, \$30 million from the Islamic Corporation for Development of the Private Sector, and \$30 million from the International Islamic Trade Finance.

For the record, let me repeat this: The committee recommends the guaranteeing for Uganda Development Bank Limited to directly borrow up to \$40 million from the Islamic Development Bank, \$30 million from the Islamic Corporation for Development of the Private Sector, and \$30 million from the National Development Bank.

Madam Speaker, I beg to move.

**THE SPEAKER:** Thank you. Have you finished?

**MR MUSASIZI:** Madam Speaker, the chairperson is done. Thank you.

**THE SPEAKER:** Honourable members, you have heard the submission of the chairperson and the chairperson's issue is basically on guaranteeing the loan.

3.14

**DR TIMOTHY BATUWA (FDC, Jinja South Division West, Jinja City):** Thank you very much, Madam Speaker. I do support the idea of the Government guaranteeing loans because there is logic behind it – that it is going to work as a business model and UDB is expected to pay back that money.

However, I reiterate the point that was earlier brought forward by colleagues – that it looks as though we are recapitalising UDB for the benefit of one person or a handful of people. I have been in this House and I have seen companies such as Roko that should have got money from UDB. I have also seen Atiak and another one coming for money from our budget.

So, I do not know who, exactly, is getting money from UDB, and I do not know whether the extent to which we have recapitalised it this time will enable the minister not to contaminate the upcoming budget with requests of individual companies that should actually access money through UDBL, but prefer coming and getting it directly from the budget –

**THE SPEAKER:** Honourable members, let us not smuggle in other issues. We are seeking authorisation to borrow and are not discussing issues of Roko, Atiak or who else; but it is about authorisation to guarantee money for a financial institution.

Yes, Dr Apea -

3.15

**MS AGNES ATIM (NRM, Woman Representative, Amolatar):** Thank you, Madam Speaker. I would like to thank the committee chairperson and the minister for their submissions. I support the guaranteeing

and capitalising of UDB as one of those banks that should be positioned to help us in the socio-economic transformation of the country. However, as a guarantor and taxpayer, I did not hear the report coming out very clearly on what interests these loans are at and how that then translates into the cost of borrowing in this country.

As we go and borrow as much as we can – it is a good thing to borrow to capitalise, but at what cost? I thank you very much.

**THE SPEAKER:** Thank you. Honourable committee chairperson?

**MR MIGADDE:** Madam Speaker, I did highlight the interest rate. For purposes of the record, we indicated that this does not have an effect on our debt because it is a guarantee, which has to be paid by UDB. I also highlighted the different lines of credit. For example, for Islamic Development Bank, the interest margin is 2.8 per cent per annum and the repayment period is six years, with a gestation period of four years and the maturity period is 10 years.

3.17

**MS JESCA ABABIKU (NRM, Woman Representative, Adjumani):** Thank you, Madam Speaker, for the opportunity. I support the request for the Government to stand in as the guarantor and to capitalise UDBL. The concern of the country is: How can our people benefit? Therefore, we need a commitment, first of all, to make sure that the country gets to know that there is this cheap loan. This is going to help our people, even as a recovery mechanism from the COVID-19 pandemic.

Two, we have the experience that the procedure is very tedious. Can the Government look at the procedure; on how best people can access this money? Many people have lost their businesses because we do not have cheaper loans.

Can we talk about the effect of capitalisation in relation to a cheaper loan to a local business person? This is our hope, our saviour, but as long as it is limited to a few people, it is going to disadvantage us. Thank you very much. I support the request.

**THE SPEAKER:** Thank you. As I had already said, that should be followed up by the sectoral committee. Yes, Hon. Christine?

3.19

**MS CHRISTINE APOLOT (NRM, Woman Representative, Kumi):** Thank you, Madam Speaker. I support the motion that the Uganda Development Bank (UDB) needs to be supported, capitalised and guaranteed by the Government.

However, the minister made a statement about the loan, stating that it does not impact Uganda's economy, especially in relation to the debt burden.

The question I have for the minister and the committee chairperson – because the committee chairperson also made a statement related to that; assuming that UDB fails to pay back the loan, don't you think the Government will take that responsibility? Don't you think it is still a liability to the Government?

For the purposes of the *Hansard*, that statement needs to be put right. Thank you.

**MR HENRY MUSASIZI:** Madam Speaker, the honourable colleague is just emphasising what I said. I said that initially, the guarantee will not impact on the Government of Uganda debt, but should the bank fail to pay the guarantee, then the Government will take the responsibility for the debt. This is what I said.

**MR MAXIMUS OCHAI:** Thank you, Madam Speaker. May I find out from the honourable minister as to how risky the plausible default is on a scale of low to high? Is it low, moderate or high?

**THE SPEAKER:** The what?

**MR OCHAI:** The risk of default.

**THE SPEAKER:** Is he the managing Director of Uganda Development Bank (UDB)?

**MR OCHAI:** No, I thought –

**THE SPEAKER:** No. Hon. Okot-Ogong?

3.21

**MR FELIX OKOT-OGONG, (NRM, Dokolo South County, Dokolo):** Madam Speaker, I support this motion on the request by the Government to guarantee UDB resources to finance many projects in this country.

I am supporting this for three reasons: First, the management of UDB is working very well; they are performing. When you read their report, the rate of default is less than 5 per cent, and any bank that works within that rate is performing very well. We need to applaud them for what they are doing.

Secondly, I am supporting it because we have generated several jobs through UDB. Right now, they are financing over 500 projects and these projects are generating jobs. I am very sure about this. Over 50,000 job opportunities have already been created.

I appeal to the Government to — because now they have promised, through our National Resistance Movement Manifesto, that we shall be financing UDB with \$500 million every year — I would like to know from the minister whether, after giving this, they are not honouring their promise – (*Interjection*)- I am saying you promised \$500 million to UDB every financial year. Are you still going to do it?

I appeal to the Government that instead of coming here in piecemeal – when you look at the loan request from UDB, it is coming to Shs 4 trillion; the support that they should be giving to the private sector. Why are you coming in piecemeal? Why don't you come at once? Now you are only borrowing \$40 million, and when you translate it, it is only about Shs 400 billion, and yet what is required is beyond Shs 400 billion. Why don't you come at once and borrow \$500 million?

**THE SPEAKER:** For now, this is what has been asked for. This is what they are borrowing and their need. Abim, Hon. Ocherro?

3.24

**MR NOMAN OCHERO (NRM, Labwor County, Abim):** Madam Speaker, thank you for giving me this opportunity. I support the motion that UDB be guaranteed to acquire this loan for only two major reasons: The first one is that whether we guarantee this loan and they get it or not, Ugandans are borrowing money. The money on the market is very expensive. In my little work as a lawyer in the courts of law, I see people losing property day in and day out.

As we sit here, every minute, a Ugandan is losing property, including villagers who borrow from the Village Savings and Loan Association (VSLA); they are committing suicide. People are dying because of interest rates. *(Laughter)*

Comrades, I beg this country, ladies and gentlemen, that – in fact, we should have even guaranteed this money yesterday. We would have been in a hurry to guarantee this money. Let UDB get the money and then we follow it there. What we must now do is to mobilise our people to say there is a cheaper loan available in Kampala. *(Laughter)*

For me, after this, I am guaranteeing the money. I kindly request all of us to guarantee this money. Let them get it. From now on, I am going to mobilise my people and tell them that money is in Kampala, in UDB. *(Laughter)* I thank you.

**THE SPEAKER:** Thank you. Honourable members, I put the question on the motion for resolution of Parliament to authorise the Government to guarantee Uganda Development Bank Limited to directly borrow up to \$40 million from the Islamic Development Bank (IDB), \$30 million from the Islamic Corporation for the Development of the Private Sector (ICD), and \$30 million from the International Islamic Trade Finance Corporation, be approved by this House.

*(Question put and agreed to.)*

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

**MR KATUSABE:** Thank you, Madam Speaker. I am now back. I asked to raise this procedural issue. When you came into office, constitutionally, all of us, as a membership, are obligated to support you. We support you and we will continue to support you.

My procedural issue is the multiple directives that you have given to the ministers. I want to bring to the attention of this House, and by extension, the Executive, three fundamental things:

First, the state of our road network. It is extremely appalling. When you are going to Kasese, through the Mubende Road, it is impassable. You may try to use the Mbarara Road but it is also impassable.

I do not know whether we are waiting for a situation where your Members will come here and ask for helicopters to fly them to their communities. Is that what we are waiting for? I do not want to believe that because we are here as people's representatives. If you give me a helicopter —

**THE SPEAKER:** Hon. Atkins, that is a very pertinent issue but I would like to request that you bring it at the time when the Prime Minister is handling those issues. I know some of these ministers like the Minister of Works and the rest will also be here at that time. So, kindly hold on and bring it up during the Prime Minister's Time.

**MR KATUSABE:** Much appreciated, Madam Speaker, but the reason why I am bringing that up is because I have seen the Minister of Finance. Madam Speaker, you are familiar that on the 7<sup>th</sup> of December, the President of this nation was in Kasese, commissioning the Kikorongo —

**THE SPEAKER:** Let us bring it up at that time; I will give you space.

**MR KATUSABE:** Much appreciated. I would like to appreciate the Speaker for that opportunity. I have seen my honourable sister – the Minister of Energy. This country needs



power. Given the fact that the Minister of Water is not yet in the House, we can use this time to bring in the Minister of Water.

**THE SPEAKER:** Thank you, Hon. Atkins. Next item?

**MOTION FOR A RESOLUTION OF  
PARLIAMENT TO AUTHORISE THE  
GOVERNMENT TO BORROW UP TO  
EURO EQUIVALENT OF UNITED STATES  
\$190,988,556 FROM STANBIC BANK FOR  
THE UMEME LIMITED BUYOUT**

**THE SPEAKER:** Honourable members, you will recall that on 18 February 2025, the Minister of Finance, Planning and Economic Development tabled a proposal to borrow up to the Euro equivalent of US \$190,988,556 from Stanbic Bank for the Umeme Limited buyout.

The proposal was referred to the standing Committee on National Economy. Committee, are you ready to report?

3.30

**THE CHAIRPERSON, COMMITTEE ON NATIONAL ECONOMY (Mr John Bosco Ikojo):** Thank you very much, Madam Speaker. We have developed a report that is being signed by members, so I believe in the next few minutes, we shall be in a position to present the report.

**THE SPEAKER:** Attorney-General? Honourable members, I am in receipt of a letter from the Minister of Finance, which I will ask the minister to read at an appropriate time. But let me first hear from the AG.

3.32

**THE ATTORNEY-GENERAL (Mr Kiryowa Kiwanuka):** Thank you very much, Madam Speaker. As the Speaker has stated, this matter came to the House on 18 February 2025, and the Ministry of Finance and Government appeared before the committee on 25 February 2025.

Honourable colleagues, this matter of the Umeme buyout has been with us for a long

time. It is a very urgent matter and the deadline for which we are supposed to make this payment ends on the 31<sup>st</sup>. If we do not, there will be penalties and costs.

Madam Speaker, I request that we suspend the operation of Rule 155(3), in accordance with Rule 16 of the Rules of Procedure, so that the Committee of the whole House considers this request. I beg to submit.

**MR IKOJO:** Madam Speaker, I would like to report to you that the report of the Committee on National Economy is now ready. *(Laughter)*

**THE SPEAKER:** Now that the committee is ready, can the minister move a motion? Before the minister moves the motion, in the Public Gallery this afternoon, we have Mr Vincent Lubega Nsamba, the Guild President of Makerere University. *(Applause)* Where are you? You are most welcome. He is accompanied by Mr Joel Ezekiel Kakolwa, Guild Member on the Committee of ICT. They are represented by Hon. Muhammad Nsereko and Hon. Shamim. You are most welcome. LOP, those are your people.

Also in the Public Gallery this afternoon, we have students and teachers of Kawempe Secondary School from Nansana Municipality. They are represented by Hon. Wakayima Musoke, Hon. Malende and the incoming MP. You are most welcome. *(Applause)*

Honourable minister? *(Hon. Oguzu rose \_)* Yes, Hon. Oguzu Lee?

3.35

**MR DENIS OGUZU (FDC, Maracha County, Maracha):** Madam Speaker, a while ago, we were given the next item on the Order Paper, and it is related to a motion to borrow an equivalent of \$225 million from –

**THE SPEAKER:** Is that what was read?

**MR OGUZU:** Yes, that is what the clerk read.

**THE SPEAKER:** No, no, no! Mr Okema read \$190,998,556. Let us not misguide this country. Mr Okema, what did you read?

MOTION FOR A RESOLUTION OF  
PARLIAMENT TO AUTHORISE  
GOVERNMENT TO BORROW UP TO  
EURO EQUIVALENT OF UNITED STATES  
\$190,988,556 FROM STANBIC BANK FOR  
THE UMEME LIMITED BUYOUT

**THE SPEAKER:** Thank you. Honourable minister?

3.36

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, pursuant to Article 159 of the Constitution – *(Interruption)*

**MR OGUZU:** Madam Speaker, you gave me opportunity to raise a procedural issue –

**THE SPEAKER:** But you were raising the wrong issues.

**MR OGUZU:** No, you called Mr Okema to clarify.

**THE SPEAKER:** Okay, what is your issue?

**MR OGUZU:** The other procedural issue is that under our rules, as a Member, I am entitled to the support from the technical people. It has just occurred that the report of the majority on this matter, which is being presented, is available but my minority report which the Clerk's Office was processing has not been availed to me.

So, can I invite you to direct the Office of the Clerk to ensure whatever they have printed is supplied, so that the country is aware of what is taking place.

**THE SPEAKER:** Okay. Honourable minister? Have you finished?

**MR IKOJO:** Madam Speaker, Hon. Oguzu Lee is a member of my committee and as the chairperson, I am aware that there is a minority report that is written by Hon. Tebandeke. I do not know how many minority reports we

were supposed to receive as a committee; but I thought as the minority, they would sign one report.

**THE SPEAKER:** No, we can have more than one. Let us move on, as we wait for Hon. Oguzu Lee's report.

Honourable Member for Bugabula, why are you seated there?

3.38

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker,

pursuant to Article 159 of the Constitution, Section 34 of the Public Finance Management Act and Rule 155 of our Rules of Procedure, I beg to move a motion for a resolution of Parliament to authorise Government to borrow up to Euro equivalent \$190,988,556 from Stanbic Bank, for the Umeme Limited buyout. I beg to move.

**THE SPEAKER:** Seconded by Hon. Huda, Hon. Okumu, Lt Col Alanyo, Col Dr Nekesa, Hon. Ricky, Hon. Mutembuli, honourable member for Aruu, Hon. Joan, Hon. Isaac, Hon. Basil, Hon. Peter, Honourable member for Mitooma, Hon. Ogwang, Hon. Annet, Hon. Noah, Hon. Mourine, Hon. Max, Honourable member for Pallisa, Honourable member for Gogonyo, Honourable member for Kumi, Hon. John, Honourable member for Kyankwanzi, Hon. Acan, Honourable member for Ibanda, Honourable member for Dokolo, Honourable member for Sheema, Hon. Feta, Hon. Jessica, Honourable member for Ibanda, Dr Mushemeza, Hon. Acrobert Kiiza, Hon. Omoding and honourable member for Abim. Would you like to speak to your motion?

**MR MUSASIZI:** Thank you, Madam Speaker. The justification for this motion is as follows: The electricity distribution network currently managed by Umeme Limited and other small distribution operators has faced a significant challenge, including the need for continued investment to upgrade, refurbish, and improve system performance.

Despite considerable private sector investment over the past 20 years, issues of access, affordability, reliability, quality of supply and quality of service persist, necessitating a more sustainable, timely and competitive funding mechanism to support the distribution network's long-term availability.

This is critical to address the high cost of private capital and its impact on electricity affordability.

The Government's decision not to renew the concession for Umeme Limited is, therefore, driven by the need to eliminate expensive private capital and optimise low-cost concessional or public financing in the distribution network; while maintaining prudent utility-based practices and efficiency of service delivery in alignment with the national vision and the goals enshrined in the energy policy of 2023.

As the concession for Umeme Limited comes to an end, the Government is obligated to compensate Umeme Limited for the unrecoverable capital investments following the Auditor-General's evaluation and confirmation of the buyout amount claimed by Umeme Limited in accordance with the lease and assignment agreement.

Securing the buyout amount and capital investment to Uganda Electricity Distribution Company Limited (UEDCL) by the Government is expected to further enhance the electricity tariff affordability and therefore support the national industrialisation aspirations.

Madam Speaker, the proposal by the Ministry of Finance, Planning and Economic Development is that Government should immediately secure the funding required for the buyout amount due to Umeme Limited and UEDCL's capital investment requirements in the distribution network after the takeover; to ensure a smooth transition in the management of the electricity distribution sector after the expiry of the Umeme Limited Concession.

The terms and conditions of this loan are the following: The loan amount is \$ 190,988,556.

The tenor is five years with a grace period of six months, interest rate is 6 months Euribor plus margin and the interest period is semi-annually.

Commitment fees is nil for an unavailability period of 30 days and the margin is 4.7 per cent per annum and this includes insurance by ATD. Arrangement fees is 1.2 per cent of the total facility amount paid upfront and the default interest is 2 per cent.

I presented the detailed justification, background and all the necessary information to the committee and I want to believe that this has formed part of the committee report.

In the interest of time, I beg to submit and pray that the House considers and approves this borrowing.

**THE SPEAKER:** Thank you, honourable minister. You have also written a letter to me on the proposal to borrow. Could you read that letter? I have permitted you to it.

**MR MUSASIZI:** Thank you, Madam Speaker. The letter is dated 20 March 2025, addressed to the Rt Hon. Speaker, Parliament of Uganda, Kampala. "*Subject: The proposal for the Government to borrow up to euro equivalent to \$190,988,556 from Stanbic Bank for the Umeme buyout.*"

*I refer to the above-mentioned loan, which I laid on the Floor of Parliament on 18 February 2025 and presented to the Committee on National Economy on 25 February 2025.*

*The Government's request to borrow the amount of euro equivalent of \$190,988,556 was based on the guidance of the Auditor-General's draft special audit report for the end of the lease and assignment agreement between Umeme Limited and Uganda Electricity Distribution Company (UEDCL) of January 2025.*

*Once the loan is approved by Parliament, the Government will only pay out to Umeme the amount verified and approved or recommended by the Auditor-General as the payment due to Umeme before the end of 31 March 2025. If the*

*required payment is lower than the eventual amount verified and or recommended by the Auditor-General, then the balance of the loan will be cancelled and the cancelled portion will not form part of the Government debt.*

*After the Umeme buyout has been concluded, a report on the actual payment made will be provided to this House. The financing terms of the Umeme buyout remain as I presented.*

*Given the urgency of this matter, I seek your support to have the loan approved by Parliament to enable us to obtain the funds to pay Umeme before the concession expires on 31 March 2025.” Signed by myself.*

Madam Speaker, I beg to lay a letter, which attests to our commitment to pay the amount due to Umeme as certified and approved by the Auditor-General.

**THE SPEAKER:** Please, lay. Thank you. That forms part of the recommendations that will be acted upon. It is not that the \$190 million will be the pay-out, but what will be audited and presented by the Auditor-General.

Committee chairperson -

3.49

**THE CHAIRPERSON, COMMITTEE ON NATIONAL ECONOMY (Mr John Bosco Ikojo):** Thank you, Madam Speaker. I also thank the minister for moving the motion and giving the justification.

Before I read the committee report, allow me to lay it on the table, including the minority report by one of the committee members and the minutes of the committee’s meetings.

The minister has already given the House the title of the report. Allow me to re-echo that, Madam Speaker, you referred this loan request to the Committee on National Economy on February 18th. The Minister of Finance, Planning and Economic Development officially presented it to the committee on February 25th, and the committee, therefore, started scrutinising the loan.

Madam Speaker, while scrutinising the loan, the Committee on National Economy held meetings with the following entities:

- i) The Minister of Finance, Planning and Economic Development;
- ii) The Minister of Energy and Minerals Development;
- iii) Uganda Electricity Distribution Company Limited (UEDCL);
- iv) Uganda Electricity Regulatory Authority;
- v) Office of the Auditor-General; and
- vi) The leadership of the Committee on Environment and Natural Resources.

While working on the report, the Committee on National Economy also reviewed the following documents:

- i) A brief on the proposal to borrow;
- ii) The facility agreement between the Government of Uganda represented by the Ministry of Finance, Planning and Economic Development as a borrower and Standard Bank of South Africa Limited and Stanbic Bank (Uganda) Limited as a lead arranger and book runner; Standard Bank of South Africa Limited as a facility agent and a financial institution as the original lender;
- iii) The Lease and Assignment Agreement (LAA), 2024, relating to the distribution and supply of electricity in Uganda;
- iv) The Lease and Assignment Agreement (Amended), 2005, and
- v) The Umeme buyout draft mandate letter.

Madam Speaker, I am going to give the House a narrative on the buyout. In line with the Lease and Assignment Agreement, Umeme submitted a claim of \$235,978,667, which is above the \$225.75 million earlier estimated by the Ministry of Energy and Mineral Development. The Draft Special Audit Report for the end of the Lease and Assignment Agreement between Umeme and UEDCL has estimated the buyout amount as \$190,988,566.

The information from the regulator, that is, Electricity Regulatory Authority (ERA), indicated that in the initial estimate of Umeme

buyout amount, as in September 2023, communicated to the Ministry of Energy and Minerals Development was \$225.75 million. It has since reduced to \$127.66 million, as of March 2025. The amount keeps changing, based on the additional investments made by Umeme and recoveries from the end-user tariffs.

The total estimated investment by Umeme, as approved and verified by ERA, amounted, cumulatively, to \$746.798 million, inclusive of the \$10.84 million to be invested by end of March 2025. The total amount recovered, cumulatively by Umeme, according to ERA records, is \$625.22 million, leaving a balance of \$127.66 million unrecovered, as presented in the table above.

Madam Speaker, if this is uploaded, Members will see, cumulatively, how Umeme has been recovering over the last 20 years of the concession, leaving an unrecovered amount of about \$121.576 million, plus a mark-up of five per cent. That pushes it to \$127.655 million.

Madam Speaker, the minister has already given the terms of the loan. Allow me to go through the conditions of the loan.

This loan is accompanied by conditions that this Parliament is supposed to approve. The conditions precedent to the first drawdown of the loan are:

- a) Execution of the facilities document by the borrower in the form and substance mutually accepted to all parties;
- b) A statement confirming no event of default or potential event of default is continuing or would result from the drawdown and that all representations and warranties are true on the date of the drawdown request;
- c) The copies of the relevant parliamentary approvals and all other evidence of authority advised by the Government counsel to the lender, including authorising legislation of the borrower or the ministerial decision as appropriate;

- d) A specimen signature of authorised signatories who can commit the borrower in respect of the facility;
- e) The evidence of the appointment of the process agent being the High Commissioner or any officer of the Republic's High Commission in the United Kingdom;
- f) A satisfactory legal opinion from the English and Ugandan Legal Counsel to the MLS, the facility agent and the lenders;
- g) The legal and capacity opinion from the Attorney-General solely as a matter of Uganda law;
- h) The evidence of payment of all fees, costs and expenses then due and payable by the borrower under the facility document;
- i) A statement signed by the Minister of Finance, Planning and Economic Development confirming that after the drawdown of the full facility amount, the borrower is still within the cap set by Parliament pursuant to the Public Finance Management Act and all the relevant borrowing legislation and regulation, together with the certificate from the ministry for finance or the minister for finance as the borrowing cap;
- j) Certification of copy documents;
- k) Affirmation from the Attorney-General that all relevant governmental or regulatory approvals have been duly obtained.
- l) Satisfactory Know Your Customer (KYC) documentation being completed for the borrower by the MLAs and the lenders.
- m) A copy of any other document, authorisation, opinion, or assurance specified by the facility agent under the advice of the Lenders Council.

The concessionality of the loan

1. The nominal value of the loan is US\$ 190,988,566.



2. The present value of the loan is US\$ 213.37 million, equivalent to Shs 810.8 billion.
3. The total debt service of the loan is US\$ 235.41 million, equivalent to Shs 894.6 billion.
4. The grant element is -11.7 per cent.
5. At a discount rate of 5 percent.

The present value of the loan

The total future payment value of the loan is US\$ 235.4 million after the loan period of five years. This loan is commercial since its grant element is -11.7 per cent, which is significantly lower than the concessional value of the limit of 35 per cent.

Committee observations and recommendations

Observations

#### 9.1 End of the natural term of Umeme

The lease and assignment agreement between Umeme Limited and the Government of Uganda provided that at the end of 28 February 2025, the agreement comes to a natural expiry.

Section 3.13 of the Umeme lease and assignment agreement stipulates that:

- a) From the end of the natural term until the termination of this agreement, the company's obligation in respect to the operation and maintenance of the distribution system under the privatisation agreement shall be limited to using commercially responsible efforts to operate and distribute our distribution systems, in accordance with a prudent utility practice and to maintain the distribution system in its condition as of the end of the natural term.
- b) Notwithstanding anything to the contrary in this agreement, the company will have the right to stop performing all its obligations 30 days after the end of the natural term, except for those obligations that expressly survive termination, provided, however, that as of the date, the company ceases

performance of its obligation to operate and maintain the distribution system. (As such obligations may be modified in accordance with Section 3.4(d)), Uganda Electricity Distribution Company Limited (UEDCL) or its assignee will then have the immediate right to step in and take possession of the lease agreement, operate and maintain the lease assets, including collecting payments for electricity from retail consumers, and use the assigned interests and other rights, assets or other rights provided further.

Notwithstanding UEDCL's possession of the list assets, operations and maintenance of the list assets, and the use of the assigned interests and other rights, UEDCL shall not transfer any means, let, or assign the list assets, assigned interests, and other rights to any third party, until the buyout amount is paid in full by the Government of Uganda.

The committee observes as follows:

- a) Government is required to carry out the audit of the performance of the Lease and Assignment Agreement. The LAA provides steps of the audit process, including the dates of submission of the estimated buyout amount by UMEME Ltd. Accordingly, the Minister of Finance, Planning and Economic Development wrote to the Auditor-General requesting him/her to undertake that audit process. The Auditor-General appointed a consultant, that is M/S Thornton, CPA in April 2024, to undertake a special audit on his behalf based on specific terms and reference. The office has since received two draft reports from the consultant, and subsequently, held meetings with stakeholders.
- b) The authority to approve and verify investments on an annual basis are vested in the sector regulator; the Electricity Regulatory Authority (ERA). Cumulative investments return on investment and all other related costs are recovered through the tariff. ERA derives this authority in Sections 15 and 16 of the Electricity Act, 1999 Cap. 145. The Board of ERA

enjoys the exclusive statutory authority to determine all matters that have the effect of increasing or reducing the end-user tariff.

- c) Whereas the Government is requesting authorisation from Parliament to borrow US\$ 190,988,556 million to buy out Umeme, the regulator, ERA, estimates the resultant buyout amount at the end of the concession as at 31 March, 2025 plus the unrecovered investment adjusted by 5 per cent as provided for in the support agreement is US\$ 127.655 million while the Auditor-General who is supposed to give the final figure has not concluded with the audit. The Auditor-General informed the committee that he needs time to finalise the audit process and come up with a final figure by 28 March 2025, which the Government can base on the buyout of Umeme.

- c) There are the timelines required for the buyout and the conditions for the loan effectiveness even after parliamentary approval. Any delays in paying the buyout amount attract penalties and costs, pursuant to Section 12 of the Support Agreement, which among others, provides that:

*“In the case of the expiry of the natural term”, unless the transfer of the leased assets and payment of the buyout amount is delayed by the company, from and after the date, that is 30 days following the end of the natural term, the Government of Uganda shall pay the company interest on any outstanding portion of the buyout amount at a rate per annum, equal to 10 per cent for the period from 30 days, until 45 days after the end of the natural term, 15 per cent for the period 46 days until 90 days after the end of the natural term, and 20 per cent for the period from and after 91 days after the end of the natural term until the Government of Uganda pays the buyout amount in full.”*

- e) Following the end of the concession agreement, Umeme has to exit, and the Uganda Electricity Distribution Company

Limited (UEDCL) takes over immediately and starts providing all the necessary services that were formerly under Umeme’s provision and supervision, including taking over all the capital investments.

In order for UEDCL to maintain the efficient continuity of Umeme’s work, adequate financing is needed so that it can recruit and train human resources, maintain the already existing infrastructure, and clear all the outstanding liabilities that could have been inherited from Umeme.

UEDCL informed the committee that it requires capitalisation worth \$50 million for initial investment after Umeme has left since the tariff approval by the Electricity Regulatory Authority (ERA) should only enable them to fund operations and maintenance of inherited assets from Umeme.

However, this amount is not yet secured. Therefore, failing to allocate this money implies that UEDCL will not be able to make any additional investments in the distribution of electricity in this country.

The committee, therefore, recommends that given that the Auditor-General has not determined the final buyout amount, and considering the period remaining to come to the end of the Lease and Assignment Agreement (LAA), the Auditor-General expeditiously reconcile with ERA and UEDCL to determine the Umeme buyout cost and submit it to Parliament to guide the approval of the loan request.

Madam Speaker, the committee’s constraint was the cost of the buyout, and this tore us into two. Some Members—actually, the majority of the Members — said we should wait for the report that the Auditor-General had promised that by 28 March, they should be in a position to give.

When we interfaced with the Office of the Auditor-General a few days ago, they requested that they be given one week up to Tuesday next week to come up with a buyout figure.

This constrained me and the committee members. I tried to convince the members but they gave their position that given their observations and recommendations, the committee recommends that the Government proposal to borrow up to Euros equivalent to \$190,988,556 from Stanbic Bank for Umeme buyout be halted until the report of the Auditor-General is presented to Parliament. *(Applause)* I beg to move.

**THE SPEAKER:** Honourable chairperson, when is the deadline for Umeme to leave?

**MR IKOJO:** Madam Speaker, after the natural expiry of the concession agreement, 30 days are given. We are within the 30 days -

**THE SPEAKER:** The 30 days which are given -

**MR IKOJO:** This ends on 31 March 2025 - ideally about nine days from now.

**THE SPEAKER:** Do you want us to wait and approve it on 28<sup>th</sup> March? How long does it take for the Ministry of Finance, Planning and Economic Development to process a loan?

Honourable members, let us put all these into consideration. One, are we ready to buy out Umeme? The other issue is the time aspect; we should be able to look at all those other issues. Yes, Hon. Richard.

4.12

**MR RICHARD GAFABUSA (NRM, Bwamba County, Bundibugyo):** Thank you, Madam Speaker. The committee chairperson informed us that there is a minority report.

**THE SPEAKER:** No, we just want a clarification before we go to the minority report.

**MR GAFABUSA:** That is why I am seeking your guidance.

**THE SPEAKER:** No, I just want a clarification. Yes -

**MR MUSASIZI:** Madam Speaker, I beg to oppose the recommendation by the committee -

**THE SPEAKER:** No, we have not started the debate.

**MR MUSASIZI:** Then let me clarify as follows.

**THE SPEAKER:** Yes, he is going to - Hon. Ekanya, do you want to come and chair this House?

**MR MUSASIZI:** Madam Speaker, we need to -

**THE SPEAKER:** I am the one who has asked for clarification. Yes?

**MR MUSASIZI:** Madam Speaker, why do we want this process to continue? There are timelines. If we are to pass this resolution today, we need not less than a week to manage the next steps. By the fact that Parliament - If Parliament decides that we go up to next week, there is a high risk that we shall not conclude this process by the end of March and this will take us outside our commitments with Umeme.

**THE SPEAKER:** Thank you. Hon. Tebandeke -

4.14

**MR CHARLES TEBANDEKE (NUP, Bbale County, Kayunga):** Thank you, Madam Speaker.

**THE SPEAKER:** Let us get the minority report.

**MR TEBANDEKE:** The minority report on the report of the Committee on National Economy for a proposal to borrow up to \$190,988,556 from Stanbic Bank for Umeme Limited Buyout under Rule 205 of our Rules of Procedure.

Madam Speaker, I am aware that any delay of the buyout costs the taxpayer interest to Umeme on an outstanding rate of 10 per cent

per annum for the period of 30 to 40 days after the natural term, a 15 per cent for 46 to 90 days and 20 per cent for a period after 91 days until the Government buys out the amount in full.

However, my areas of dissent are two:

- i. non-compliance with the Constitutional provisions; and
- ii. non-compliance with the Rules of Procedure of Parliament.

Non-compliance to the Constitutional provisions

Article 119(3) and (4) of our Constitution explain the establishment and the roles of the Office of the Attorney-General.

This Article clearly states that the Attorney-General shall be the Government's principal legal advisor and draw and peruse agreements, contracts, treaties, conventions, and documents—whatever has been called to the Government.

In this very provision, the work of the Attorney-General has not been defined. Additionally, Article 163(3)(b) explains the establishment of the Office of the Auditor-General. In the Article, the Auditor-General is mandated - the Attorney-General is here - Where the law uses the terminology "shall", it is non-debatable. *"The Auditor-General shall conduct financial and value-for-money audits, in respect for any project involving public funds."*

Madam Speaker, the money we are approving as a loan is not mine, nor is it yours; it is for Ugandans. The Auditor-General, as a custodian mandated to give us authentic value so that we can approve the loan, has not acquainted us with the report. I wonder where we are getting the mandate to approve this loan.

When it appeared before the committee for this special request, the Auditor-General's Office requested to be given a week to have a report ready, clearly establishing what the Umeme buyout amounts to.

The Auditor-General may not even take a whole week from now to come up with a report. Where delays were accrued by his own making, why should this House carry the cross for reasons that are not so clear and known? Approving this loan request without the Auditor-General's Office clearance makes us proceed in an ugly way.

Whereas Parliament approved a request of \$190 million in the recent supplementary budget, the report of the Chief Executive Officer of Electricity Regulatory Authority (ERA) quoted US\$ 127 million for recoveries. There is no coordination between the Umeme, the Auditor-General and the Ministry for Finance, Planning and Economic Development, hence the contrasting amounts for the buyout.

Madam Speaker, there are two contrasting figures that are required for the buyout. There is \$190 million and US\$ 127 million, much as the committee agreed that it should only approve US\$ 127 million, pending the \$190 million.

The contrast is, what if the Auditor-General's report comes out tomorrow and the figure is below the \$127 million or above the US\$ 190 million *-(Interruption)*

**THE SPEAKER:** There is a point of order. Honourable members, I do not know whether we speak the same English in this House. There is a letter that was laid and it is part of the documents of this House. In the circumstance that the buyout is less than \$190 million, only the amount that has been approved by the Auditor-General will be disbursed. *(Applause)*

**MR KIBALYA:** Madam Speaker, I am at pain, as a committee member, because the colleague who is presenting the minority report spent the entire time, like us, in the committee meetings and we decided to stop everything until we get the Auditor-General's report. He said that the committee accepted to pass the US\$ 127 million, contrary to the US\$ 190 million, yet the committee did not pass any figure.

The committee was not privy to any other information, including that letter that says, "If

the Auditor-General comes up with a report saying that the figure is US\$ 150 million, they will only disburse that.” I wonder whether the colleague is –

**THE SPEAKER:** That is why I asked them to lay it on the Table. It is okay, let the Member finish his report.

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

**THE SPEAKER:** Yes, procedural matter -

**MR OBOTH:** Madam Speaker, this House would benefit from the Member who is submitting a minority report, if there were critical points of dissent.

This is the first time that we are receiving one report submitted twice. One is either for emphasis; he could have told us that. So far, whatever the honourable Member has said can only help in emphasising the main committee report.

Can the honourable Member from Bbale be clear to this House? Is he proceeding – *(Interjections)* - Madam Speaker, are we proceeding well when the same report is split into two?

**THE SPEAKER:** Hon. Tebandeke, are you just placing emphasis on what was in the other report?

**MR TEBANDEKE:** Madam Speaker, in the majority report of the committee, there is nothing like constitutionalism, and the law has not been quoted. I have a point of dissent –

**THE SPEAKER:** Honourable member, you cannot say that there is no matter of constitutionalism. You are just a law student who has – No, I do not want you to learn during very critical constitutional issues in the House. Let us learn from out there.

Anyway, honourable Member, you are raising matters that have been raised in the majority report. Can you conclude with your emphasis?

**MR TEBANDEKE:** Madam Speaker, I have a point on non-compliance with the Rules of Procedure of this Parliament.

**THE SPEAKER:** Which rule?

**MR TEBANDEKE:** Allow me to go through this since I am presenting, and then I will quote the rule. For your point of consumption, on Rule 155 - you can go through it as I present. *(Laughter)*

Madam Speaker, this House is –

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

**MR KIBALYA:** Thank you, Madam Speaker. A few days ago, when the Chairman of the Committee on Rules, Privileges and Discipline was here, he told us to always use parliamentary language and that when you are addressing the Speaker, you should be civil. When you asked hon. Tebandeke about the rule, he asked you to allow him to read, but for your consumption, he gave the rule.

I wonder whether hon. Tebandeke is in order to respond to the chairperson in that way, and to tell the custodian of the law, for consumption, to read as he is presenting.

**THE SPEAKER:** I have always said that not all of us are brought up. Some of us grew up. Go ahead.

**MR TEBANDEKE:** Thank you, Madam Speaker, for your guidance. There is a Member who promised to punch someone but I am not of such calibre.

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

**MR TEBANDEKE:** Madam Speaker, in approving this loan and other subsequent requests by the ministry responsible for finance, our hands, as Parliament, remain tied, in reference to Rule 155(5) and Rule 155 (5) (b) of the Rules of Procedure as well as Rule 155(5)(k) of the Rules of Procedure, which states that this House, before approving any loan, must have a thorough assessment of the loan performance -



**THE SPEAKER:** Let us move slowly. Rule 155(5) – Hon. Katuntu, please, I want you to guide the Member so that we quote the right rules.

4.28

**MR ABDU KATUNTU (Independent, Bugweri County, Bugweri):** Thank you very much, Madam Speaker. I wish we could benefit from Hon. Tebandeke on how rule 155 is being breached. Then, I could be of assistance.

**THE SPEAKER:** What we are doing now is lawyering – we are learning law on the Floor. Maybe I can understand you, Hon. Tebandeke - he is in his second year doing law. Please, go ahead and finish. *(Laughter)*

**MR TEBANDEKE:** Madam Speaker -

**THE SPEAKER:** You go to the report.

**MR TEBANDEKE:** I wanted to give a correction on what I have quoted. However, by your guidance, Madam Speaker, the committee has not carried out any oversight to establish whether the performance of Umeme is fit, on the previous loans that have always been approved by this House. There is no clarity on whether the status quo of Umeme – UEDCL wants to take over, but the assets which have been mentioned are not known and clear to the House and committee.

Therefore, I recommend as follows, Madam Speaker: that the House gives the committee ample time to scrutinise this loan request in its totality in reference to the Government, through the Office of the Attorney-General, reviewing and wiping off the interest accrued to Umeme in case the buyout has been delayed.

I request, further, that the Office of the Auditor-General be given enough time, as per his request, to comply with the majority report so that they can give us the actual figure required to buy out this loan.

Madam Speaker, the Committee on National Economy is required to visit all the projects under Umeme before passing out this buyout

loan to establish whether those projects do exist.

Madam Speaker, there are also other agencies that were contracted privately to work under Umeme, and those agencies have not been brought on board. The layout table from the majority report has not listed all the agencies that were contracted under Umeme. For instance, EMAT Technical Service – I even got a petition from them – wanted to access your office, but they have not yet. All those dilemmas need to be harmonised, and we get to know exactly what we are passing and what buyout we are going to do.

Lastly, Madam Speaker, Umeme is listed as a company where Ugandans who own shares should be briefed on the status of their shares. How are they going to access their shares? Are they considered for this loan, or shall we get some other time and pass another loan? I beg to submit. *(Applause)*

**THE SPEAKER:** Thank you. Honourable members, in the public gallery this afternoon, we have Mr Pascal Ogwal and Ambrose Otim, constituents from Aticber SACCO. You are welcome. They are from Kwania District and are represented by Hon. Tonny Ayoo and Hon. Kelly Auma. Hon. Tonny, greet my people. Where is Hon. Kelly? She is coming? Okay.

4.33

**MR TONNY AYO (NRM, Kwania County, Kwania):** Thank you, Madam Speaker. I welcome the team from Kwania to Parliament. They are SACCO leaders, and, as you are aware, our plan is to mobilise the majority of Ugandans under SACCOs, and they have come to register their cooperative. Thank you, Madam Speaker.

**THE SPEAKER:** Thank you for coming to your Parliament.

Honourable members, in the VIP gallery this afternoon, we have a delegation from the Kingdom of Eswatini. *(Applause)* We have the Rt Hon. Madala, the Deputy Speaker of Parliament of Eswatini. You are most welcome.

(*Applause*) We have Hon. Mamba, a Member of the Parliament of Eswatini. You are most welcome. (*Applause*) We have Mr Timothy Siphon, the Auditor-General of Eswatini. (*Applause*) Thank you.

They are accompanied by Mr Quillino Bamwine, the Honorary Consul. You are welcome to the Parliament of Uganda. (*Applause*)

We also have hon. Warren Mwambazi, Member of Parliament of Zambia and the Chairperson of Public Accounts Committee. You are most welcome. We also have Hon. Likando Mufalali, the Deputy Government Chief Whip of Zambia. You are most welcome. (*Applause*)

These honourable members had come to Uganda to attend the just concluded AFROPAC Conference, which was hosted by the Parliament of Uganda. I will introduce the remaining ones.

Hon. Medard Sseggoni is the Chairperson of AFROPAC and the Committee on Public Accounts (COSASE) in Uganda. You are all most welcome. (*Applause*) Thank you so much for coming to our Parliament and to Uganda.

The team from Eswatini, you are very smart. These Members want to see you again. Rt Honourable, do not get tired of –(*Laughter*)– we are preserving our tradition and culture. (*Applause*)

4.36

**MR DENIS OGUZU (FDC, Maracha County, Maracha):** Madam Speaker, I thank you for recognising that traditions and customs are things that Africans cannot trade for anything. People who bring proposals that undermine these values must reflect on them. I am here as a member of the national economy committee, to highlight some key issues on which I have departed from the majority's opinion.

Madam Speaker, you will agree with me – I just got this document here. It may not have reflected my true intention, but I want to

say that the majority has made a summary recommendation on why this loan should be given a little bit of time so that the underlying issues can be reflected.

For example, in the leasing and assignment agreement, there is an account called “the Escrow account,” on which Umeme has been paying rent and other incomes and withdrawing. To date, nobody in this country knows what that account is holding, yet this same agreement provides that if there are any obligations, they can be paid from that account. This is something the Auditor-General is supposed to cater for.

Secondly, Madam Speaker, there is what we call, “liquidity facility” in the leasing and license agreement. What that facility does is, if the Government is not able to meet any of our obligations to Umeme, the guarantee under that facility can actually be invoked. Up to now, we cannot understand why we have chosen to do borrowing when that option –

**THE SPEAKER:** Which page are we on now?

**MR OGUZU:** I am on page two, which talks about the compliance of this borrowing with our laws and the agreements we have executed. I did give a disclaimer that I may not go into the details, but I wanted to highlight things that the Attorney-General could respond to. This is because one of the opportunities we missed was to engage the Attorney-General.

Article 119 mandates the Attorney-General to be involved in every agreement the Government enters into. Before any loan is passed by this House, as a committee, we must be satisfied that the Attorney-General has reviewed those conditions and is in agreement.

Honourable members, one of the conditions in this agreement is that we must waive our immunity. The way I have read this agreement is that it erodes our sovereignty. Why? We have been subjected to the English laws. I have the draft agreement here - and I will lay it - that if we have disputes, we will resolve them in London. That undermines Article 129,

which sets up our courts. That undermines the supremacy of our laws.

Article 2(2) of our Constitution makes our laws supreme, and if we waive these obligations, we have waived our sovereignty.

Madam Speaker, one of the things I would expect the Minister of Energy and Mineral Development to respond to, which we do not have the opportunity for, is UEDCL's takeover readiness – *(Interjection)* - Can I make my submission? Up to now, we are going to inherit –

**THE SPEAKER:** Honourable minister, can you respect the Member?

**MR OGUZU:** We are going to inherit assets from Umeme but we have no asset register. We do not know what we are paying for. Who can answer that question affirmatively?

**THE SPEAKER:** They will answer it.

**MR OGUZU:** What is the Government of Uganda paying for, and where are these assets? What are the liabilities of Umeme? Are there people that have dealt with what we are supposed to pay? Do they have tax obligations? Environmental compliance issues should be reported on but they are nowhere to be found. Therefore, if these liabilities come to the Government, who shall we point to?

I have a submission from the Ministry of Finance, Planning and Economic Development and one of them is what we call the mandate letter. This mandate letter shows what the lenders are willing to offer us. If you read the figures here, it is talking about US\$ 225 million - that is what they committed to give us - and yet the minister is bringing a proposal of US\$ 190 million. Which figure is true? If we are borrowing US\$ 190 million, where is the offer letter of that figure from any bank? These are things we must be able to reconcile.

Madam Speaker, just allow me to conclude. Our laws say that anybody who earns income in this country must pay tax. The conditions in

this agreement, which I expect the Attorney-General to respond to, waive the tax obligations on the lenders. Why? What is the procedure for waiving tax obligations? This is what I invite the House to pay attention to before they approve any law.

It is not only that, if I could – *(Laughter)* Madam Speaker, I would like to lay these documents on record, but before I lay them, I have read the amended –

**THE SPEAKER:** What are you laying on the Table?

**MR OGUZU:** The documents which I will read.

**THE SPEAKER:** Which ones?

**MR OGUZU:** The documents that were submitted to the committee by the Ministry of Finance, Planning and Economic Development.

**THE SPEAKER:** No, the documents have been laid by the committee chairperson.

**MR OGUZU:** They have not laid any documents. If I am laying a contrary one, the record must be able to capture that.

Madam Speaker, most importantly, I have an amendment of the leasing and assignment agreement. In that agreement, there was an investment by the Government of Uganda, using a loan from the African Development Bank. That investment has been claimed by Umeme as unrecovered. We have been investing in substations through loans. We have been building lines. Why should someone come and claim this thing as an investment and you want this process to be rubber-stamped without the Auditor-General doing good work? *(Applause)*

Therefore, today, this country must watch whether they have elected MPs to come and represent their interests here or they are working in somebody's interest. Madam Speaker –

**THE SPEAKER:** Honourable members, let nobody intimidate you. Yes, hon. Ogwang? Hon. Okiror has a point of order?

**MR OKIROR:** Madam Speaker, I am rising on a point of order. Hon. Oguzu Lee, I am in pain to put you on a point of order. I have keenly listened to your presentation, and surely, we are alive to our mandate, as Members of Parliament, where we were elected. We took an oath, and by sitting here as MPs to listen to you, we are actually not abdicating our responsibility. That is why when you mentioned the last point, most of the Members were looking at you as having a point.

Therefore, is the Member in order to insinuate that Members seated here do not understand their responsibilities, and yet we have the interest of the people at heart?

**THE SPEAKER:** Hon. Oguzu Lee, the Constitution stipulates very clearly the roles of a Member of Parliament. For one to be seated here, that means he knows what his role is. Therefore, you are not in order to start intimidating Members; people know whether you have been elected - No, you are not. Everybody came here individually and you are going to come back individually.

**MR OGUZU:** Madam Speaker, I take that guidance. In fact, when we were reviewing the leasing and assignment agreements, we asked which people signed that agreement because the commitments they put the Government in are the kind of things which have been read here: the penalties.

Therefore, all I am trying to say is that we have an opportunity now to do things better – *(Interjection)* - I do not have enough time, so let me conclude.

**THE SPEAKER:** Honourable, I have given Hon. Oboth time, and the information is for me.

**MR OBOTH:** Thank you very much –

**MR OGUZU:** You are breaching the rule. *(Laughter)*

**MR OBOTH:** Madam Speaker, the honourable member has asked about the people who signed the agreement in his submission.

This same Parliament made an investigation –

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

**MR OBOTH:** This Parliament made an investigation which took two years and condemned those who signed that agreement. This very buyout was a recommendation of Parliament. *(Applause)* For the record, I was able to chair that committee. We had Hon. Sseggon, and Hon. Betty Among - we had several people –

**THE SPEAKER:** No; Amongi, not Among.

**MR OBOTH:** Betty Amongi.

**THE SPEAKER:** Can you conclude?

**MR OGUZU:** Whatever it is, I have information that the President, who chairs your Cabinet, actually directed the people he delegated to work on this issue three years ago - since 2022. Many people slept on the job. That is why we are now in a situation of emergency and everything is being done without -

You can imagine we received all these documents yesterday. So, how can a reasonable person be able to read through? I read through these documents the whole night, and that is why I am able to raise this issue – *(Interruption)*

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

**MS NANKABIRWA:** Madam Speaker, in 2022, I was the Minister of Energy and Mineral Development, and therefore, I have been attending Cabinet. The directive that I know of from the President, at least to the Minister of Energy, is not to renew the concession of Umeme. There was never a directive to review the concession for which the Member

is proposing to amend at the tail end of the concession.

Is the Member of Parliament in order to allege, without substantiating or laying on the Table the directives from the President?

**THE SPEAKER:** Honourable members, I am happy that some of you have been here longer than some of us. It was a resolution of this House that there should be a buyout of Umeme. That is one.

Two, what Hon. Oguzu Lee is saying is correct; that we slept on the job. We should have handled this thing a long time ago. *(Applause)*

**MR OGUZU:** I think I am correct—*(Laughter)*—because I have those minute extracts. Because there are people we charged with this responsibility, they should have done that work for us incrementally until now. We would have known these figures. This information is important because —

**THE SPEAKER:** Minister, it may not only be you; it can also be all of us, even in Parliament, the Auditor-General and everybody. It is not one single person sleeping on the job, but we knew very well that there was going to be a buyout of this institution. So, why didn't we do it?

**MR KIRYOWA KIWANUKA:** Information, Madam Speaker. It was not possible to come to this House earlier because the terms of the agreement, which Hon. Oguzu Lee says he read, told us exactly at what point Umeme was. There is a process to be followed in the buyout, so you could not come in earlier.

**THE SPEAKER:** Honourable members — Hon. Oguzu Lee, have you finished? Let him conclude.

**MR OGUZU:** I would like to inform the Attorney-General that by the grace of God, I have been here a little longer.

I have information that in 2011, this House actually resolved that this Umeme deal must

be terminated, and the Government then said it was very expensive. So, when the President says this must not be renewed, common sense would tell you that —*(Laughter)*— he does not want to go ahead with it and it does not work for the —

**THE SPEAKER:** Honourable member, you are not parliamentary. *(Laughter)*

**MR OGUZU:** Okay. I withdraw that statement; let it be expunged from the record of Parliament. Those who work for the people of Uganda would have sensed that if we are not moving ahead with this thing, it means it is going to end. How was the ending provided for? They would have now done the right thing, which they delayed to do.

Madam Speaker, I would like to lay the letter of the Auditor-General on the Floor of this Parliament, where he highlighted things he must do first before this approval is done. Whoever disregards it will pay attention to it later.

I have a letter here written by the Electricity Regulation Authority, the people who must approve every investment first, not the minister, the Attorney-General, or even the Minister of Defence. *(Laughter)* It has to be ERA because they are the regulators.

They have verified the assets and if you go to that place, the assets exist. That is why I was insisting that the minister give us an asset register. They said that what we can pay Umeme can only be US\$ 127 million and the letter is here. *(Applause)*

**THE SPEAKER:** Hon. Oguzu Lee, I want you to distinguish between a payout and a borrowing. What you are raising on the amount has been answered in a commitment letter which was given by the Ministry of Finance. Yes, Hon. Tonny?

4.54

**MR TONNYAYOO (NRM, Kwanja County, Kwanja):** Thank you, Madam Speaker. In 2011, I was in this Parliament and at that time,



we wanted the Government to terminate the contract of Umeme but then, the Government said it would be more expensive, like was presented here. We needed to wait for about seven years or so until their term came to an end.

Madam Speaker, Hon. Oguzu Lee is presenting the position of ERA on the amount they believe - US\$ 127 million – should be paid to Umeme to get them off. I think from that position, while the committee recommends – the document you have is saying, “Let us pass this and wait for the position of the Auditor-General which should not be beyond about US\$ 190 million”, then we proceed.

Madam Speaker, let us trust - and I believe that your office will ensure that no money is paid beyond what the Auditor-General is saying because we have issues of time.

So, I would like to tell honourable members that at that time, we wanted to terminate Umeme’s contract at any cost, but we had to listen to the Government. We have now reached there. We now have a problem over a difference of about US\$ 50 million to US\$ 60 million. I think this should not drag us on for long, Madam Speaker. Thank you.

**THE SPEAKER:** Honourable members – you are going to bring the procedural matter; do not worry, Hon. Ssekikubo. We agreed that before the payment of any money to Umeme, it will be subjected to an audit - that the figures from the Electricity Regulatory Authority (ERA) should be subjected to an audit, and only the amount that the Auditor-General approves would be paid to Umeme. There is a procedural matter -

**MR SSEKIKUBO:** Thank you, Madam Speaker. I have been listening, and I find that we are aberrating from the well-laid-down foundations of this House. When submission after submission breaches Rule 80(1), (2), and (3) of our Rules of Procedure, we are proceeding in a manner that is so strange that I have never witnessed in this House.

We are borrowing with open ends - legislating and determining in anticipation. This entire House should deliberate in anticipation of what will be and what will not be, committing the millions of Ugandans who sent us here.

I had other issues to raise then, particularly when the Attorney-General waived the tax obligations out of these \$190 when the taxpayers down there -

**THE SPEAKER:** You will have to answer that-

**MR SSEKIKUBO:** Why do we proceed by way of anticipation and commit Ugandans and say, “In the future, when this is realised, we shall pay this?” I find it extremely floppy -*(Interruption)*- I will take it Hon. Ssemujju.

**MR SSEMUJJU:** The information I would like to give you, Hon. Ssekikubo, is that we were here when the Government convinced us. However, some of us refused when they came to wave the deadlines for Magola’s factory.

We said, “Do not pay any money until you have acquired shares in that factory,” and that was the condition given by this Parliament. Immediately, the Parliament passed it, they went ahead and paid. He committed and we let him bring a share certificate from that factory.

**MR KIRYOWA-KIWANUKA:** Madam Speaker, I commit to bring here the documents showing that the Government has an interest in that factory. *(Hon. Ssekikubo rose)* The matter has been raised to me and I am committing to bring documents to prove that the Government has shares in that company.

**MR SSEMUJJU:** You start with the day of payment; tell us that, “I paid this day, and the certificate was acquired on that day.” That is where the contention is. You first paid and then started negotiating because you did not know the value of the company.

**MR KIRYOWA KIWANUKA:** Which part should I answer, Madam Speaker?

**THE SPEAKER:** No, he is just quarrelling. Hon. Ssekikubo-

**MR SEKIKUBO:** Madam Speaker –

**THE SPEAKER:** Honourable members, can we have some order?

**MR SSEKIKUBO:** Madam Speaker, the discrepancy between \$120 to \$190 million is too huge for us to handle in a floppy way. Can we respect our rules, and they tell us the exact amount when it is due and well audited? Then we will proceed. I will rise to support, but let us be fair to ourselves and the country.

**THE SPEAKER:** Honourable LOP-

5.01

**THE LEADER OF THE OPPOSITION (Mr Joel Ssenyonyi):** Madam Speaker, two things. One, we pressed and said the Government slept on the job, this was seen coming. The Attorney-General stood up and said that the Government could not have come earlier.

I disagree with that because why are you coming today, the 20<sup>th</sup>? Why are you not coming on the 30<sup>th</sup>? Which law says that you could not have come several months earlier? We knew that 31<sup>st</sup> March was coming. You did not get to know about it last week, so it is wrong for the Attorney-General to say, “The Government could not have come earlier.”

We should have begun to process all of these matters, especially because there are critical components. For example, the Auditor-General, on behalf of the Government and our behalf, because the Auditor-General is part of Parliament, was meant to do a thorough audit so that that informs us to know what is due to Umeme in exactness.

However, that has not happened. That is why we should have begun this whole process a lot earlier. When you read the law; and Attorney-General, I would like that we excogitate the law a little bit.

Section 36(5) of the Public Finance Management Act provides for how loans are processed by Parliament. There are two exceptions, among others: the first is Government securities. The other is where the Government is managing a monetary policy question. The Ministry of Finance, Planning, and Economic Development deals with that without having to come here.

However, for such a loan, Parliament has got to approve in exactness. I want to be helped to understand - I have seen that commitment letter, which has been tabled.

The Ministry of Finance, Planning, and Economic Development is saying: “Let us pass \$190.9 million”. Assuming it is discovered that what is due to Umeme is \$150 million, as an example, you will only give them \$150. I do not know what you will do with the balance.

Doesn't that mean that the Ministry of Finance has taken over our responsibility as Parliament to approve loans? We are meant to approve loans in exact terms. What happens if it is more than \$190? You cannot say that Parliament passed \$190. Then I will discover if it is less, and I will give them less. Then you will be the one appropriating, not Parliament, and that is why we should have begun these processes earlier so that we know in exact terms which is which.

Finally, honestly, I am hard-pressed to believe the Minister of Finance when he commits to us that you give me the 190. If I discover I am meant to give them less, I will only give them that part and examples that I have been given, which this same minister promised us and not fulfilled.

I went to Dei BioPharma with colleagues, for which you passed money. The Government promised they were going to make sure the Memorandum of Understanding (MOU) and share certificate were in place first; but you gave them money before they could avail the MOU and the share certificate.

When we went there after they had already received the money, they said they were still working on the MOU, so you told us a lie and did not fulfil your commitment when you said, “Give me the money; I will hold on to it until we make sure that the MOU is in place.”

Why should we believe you now when you say, “Give me the entire \$190? If I discover what is due to Umeme is less, I will only give them that bit?”. We do not trust you anymore.

**THE SPEAKER:** No, but we need to learn to trust ourselves. Hon. Okiror-

5.06

**MR DENIS OGUZU (FDC, Maracha County, Maracha):** Madam Speaker, I was interrupted and I had not finished. Having established that the committee did not do a cost-benefit analysis because everything that has been talked about has penalties, it is just speculation. Why? They have not told us the other side of the story –

**THE SPEAKER:** It is not speculation because it is in the agreement.

**MR OGUZU:** Okay, let us say it is in the agreement. When they do a cost-benefit analysis, they are supposed to give us the opportunity cost. If we do not pursue that line, what will be the cost to Uganda? If we ed the Attorney-General to go and talk to Umeme, you give us maybe a month or two within which we will resolve this because the amendment is provided for, and those are all issues I had invited the Attorney-General to respond to - including exploring why we cannot pursue the liquidity facility.

Lastly, I want to move a motion without notice that you reject this request until these matters are reconciled. The minister comes with something which is well packaged so that we do not look ugly as a House. I beg to –(Interjections)- you can amend because I am moving that we reject the request. Let this be disposed of so that we can move.

**THE SPEAKER:** That is not how they deal with reports. Reports are informative. Hon. Okiror?

5.07

**MR BOSCO OKIROR (NRM, Usuk County, Katakwi):** Madam Speaker, I want to put it on record that I am not standing up to second the motion by my colleague, Hon. Oguzu Lee.

All of us have agreed that the Umeme buyout is necessary. I have been fortunate enough to listen to the fact that this has been a journey. We cannot cast blame. It has now come to us as the Members sitting in the 11<sup>th</sup> Parliament today.

A communication was made through the Minister of Finance, Planning, and Economic Development in a letter written to the Rt Hon. Speaker of Parliament. The Auditor-General is supposed to do some work. However, there is a commitment that the sums to be paid out cannot exceed what has been presented by the Auditor-General.

Honourable colleagues, I want to appeal to all of you. Sometimes, it gets a bit sticky. As a nation, do we think that we can commit our citizens to what we think is more than little compared to moving beyond the 30<sup>th</sup>? We have a duty. This Parliament carries out checks and balances. The same ministry for finance will get back to this House, and we are duty-bound to watch over it.

I would like to appeal to all of us to agree to pass this amount so that we are not caught off guard in the buyout because these are contractual. As we talk, Umeme could be having a demobilisation, so, we are going to plunge the country into a crisis – beyond the 30<sup>th</sup>. We should be able to pass this, and whatever money is submitted beyond what is supposed to be is part of the loan, which can be cancelled. I beg to submit.

5.10

**MS FAITH NAKUT (NRM, Woman Representative, Napak):** Thank you, Madam Speaker. I am here to support what Hon. Bosco

Okiror has said. As Members have submitted, and from the benefit of the information that has come from Members of this House, they recommended a buyout. It was for the good of the country. An honourable colleague here was saying that he nearly lost his parliamentary seat over the Umeme discussion many years ago.

Madam Speaker, the Auditor-General has asked for time. I would beg that we do not pressure the Auditor-General. He gives the assurance to the Government. We need to give him what he needs to be able to get reliable evidence on which to get the value that Ugandans should be happy with.

The committee struggled between \$127 million and \$190 million. To be honest, if I were on that committee, I would propose that we go with the lower value straight away because of the spirit of prudence. It is common knowledge. However, because they were afraid to go for the lower value, the Auditor-General must do his work.

Madam Speaker, I am comforted by the letter that was written to you. Gladly, you allowed that letter to be read in this House - so it is no longer a letter to you, but to Parliament - where the ministry is committing not to pay. I want to read the paragraph that gives me some comfort. The third paragraph says:

*“Once the loan is approved by Parliament, the Government will only pay out to Umeme the amount verified and approved or recommended by the Auditor-General as the payment due to Umeme before the end of 31 March 2025. If the required...” (Interjections)*

Please, listen to this statement. *“... If the required payment is lower than the eventual amount verified and or recommended by the Auditor-General, then the balance of the loan will be cancelled, and the cancelled portion will not form part of the Government debt.”*

Madam Speaker, let me remind the House of the stakes because it appears that no one knows it –

**THE SPEAKER:** Hon. Tebandeke, leave Hon. Faith to speak. When you were speaking, she did not heckle you. When you were learning your law on the Floor, she did not say anything. *(Laughter)*

**MS NAKUT:** Thank you, Madam Speaker. Unfortunately, the stakes have not been adequately articulated here - what we are set to lose, as a country.

Of course, Madam Speaker, you have rightfully said that some people slept on the job. Now, we have this emergency. We have very few days to make a decision. The taxpayers of Uganda will pay interest on account of Parliament delaying a decision.

Are we going to carry that burden – that we will incur the 10 or 20 per cent for delaying to honour the agreement? We were not here when the agreement was signed. I am sure the people who sat in this House okayed it and did so for the country.

The stakes are many, including a blackout in the whole country. You will come here, honourable members, to ask, again, for an action and the Government will say: “We brought the document to Parliament and Parliament delayed.” In fact, if the Executive did not bring this, I would be comfortable. Now that they have brought it, let us return the risk to them. Parliament cannot carry the burden, on behalf of the Executive.

**THE SPEAKER:** Thank you. Hon. Katuntu and Hon. Mutembuli.

5.14

**MR ABDU KATUNTU (Independent, Bugweri County, Bugweri):** Thank you, Madam Speaker. Honourable colleagues, in circumstances like this, we need to listen to each other. I appreciate the anger —and any well-meaning Ugandan would. However, what is the cause of the anger? Let us diagnose the problem.

All of us know - and I am sure the learned Attorney-General also knows – that, that

concession was badly negotiated. It is basic. All these problems that you are seeing are because of a bad negotiation. The reasons can only be two: incompetence or bad manners or both –(Interjections)- bad manners is also about collision or corruption.

However, we are committed to an agreement. Once you get committed to an agreement – lawyers call it “Legal obligation”. We have a legal obligation. We need to examine the obligation that we have, under that very unfair agreement. If we breach those obligations, what happens? That is the opportunity cost, I think, that Hon. Oguzu Lee was talking about. What are the consequences of us breaching the legal obligations of that agreement?

The agreement is bad. Do not even bother yourself to - have debated this, and indeed, we debated it in detail when Hon. Oboth’s committee brought their report. Between now and the last day, how many days do we have? Nine days; less than 10 days, where we must sort out all this mess. Is it possible to sort out this mess in nine days?

Secondly, it is not a wish, but we are talking about professional sorting out the mess. Is it possible for the Auditor-General to bring a report here on the 28th - did he ask for up to the 28th? We will have two days within which the minister for finance -

**THE SPEAKER:** Hon. Katuntu, the 28<sup>th</sup> is a Friday, the 29<sup>th</sup> a Saturday, and the 30<sup>th</sup> a Sunday.

**MR KATUNTU:** We have no time. I implore you, honourable colleagues, to let us look at the consequences of the decision we are about to make.

The people of Uganda got a raw deal. Are we going to continue with that raw deal? Are we going to continue wasting good money? It is not reasonable on our part. We must cut our losses now. Let the committee chairperson tell us, in figures - If we do not perform our obligation, according to the contract, by the

30<sup>th</sup>, the first payment - what percentage did we talk about?

**THE SPEAKER:** It is 10 per cent.

**MR KATUNTU:** Ten per cent; the 10 per cent of the worst-case scenario is \$19 million. We are not joking with small money, and we cannot be emotional when we are talking about serious public issues – (Interjection) - I will take the information.

**MR KIRYOWA KIWANUKA:** Thank you, honourable member. The penalties we will pay if we fail to pay by the 31<sup>st</sup> will be 10 per cent for the first 30 to 45 days, 15 per cent for 46 to 90 days, and 20 per cent after 91 days -

**THE SPEAKER:** Hon. Kibalya sit; you are a member of the committee.

**MR KATUNTU:** The first is 10 per cent, and it is incremental. The worst-case scenario is \$19 million. Why are we paying \$19 million? We are blaming people who have sat on their jobs, and the taxpayer pays \$19 million, which is close to Shs 35 billion.

Honourable colleagues, I think -

**THE SPEAKER:** Honourable colleagues, please listen.

**MR KATUNTU:** Actually, it is more than Shs 35 billion. It is almost Shs 70 billion, and that is the money we are talking about.

Honourable colleagues, what can we do about people who did not do their jobs or did their jobs badly? We should be looking at that.

As far as the contract is concerned - (Hon. Otaala rose) I thought our rules were very clear when somebody is speaking. I am a little bit informed, Hon. Otaala, please, and I am sure you know I am informed.

Honourable colleagues, we should direct the anger to the correct people. We can follow it up on who did what and who sat on what and take any decision to have those people account.



However, as far as the contracts are concerned, let us not breach the contract deliberately, knowing the consequences. Thank you, Madam Speaker

**THE SPEAKER:** Hon. Mutembuli? There is a motion.

5.23

**MR ISAAC OTIMGIW (NRM, Padyere County, Nebbi):** Thank you, Madam Speaker. I stand to move a motion that we support the initial motion raised on the Floor by the minister for finance; for us to support and approve the loan and disregard the committee report, which has been brought to this House. Thank you.

**THE SPEAKER:** Is the motion seconded? (*Members rose*) It is seconded by Hon. Faith, Hon. Maximus, Hon. Ogwang, Hon. Okiror, Hon. Oboth, Hon. Okumu, Hon. Tonny Ayoo, Prof. Mushemeza, Hon. Ibanda and Member for Kilak.

**MR SSEMUJJU:** Madam Speaker, there is no motion. He has just said we support -

**THE SPEAKER:** He put a motion - That you did not finish your motion. Finish the motion; you are only being biased. Repeat it.

**MR OTIMGIW:** The motion is that we support the initial motion put on the Table by the minister for finance and we disregard the committee report, so that we process the loan and we pass it.

**THE SPEAKER:** Is it seconded? (*Members rose*) It is still seconded by Hon. Oboth, Hon. Persis, minister for internal affairs, Hon. Okumu, Hon. Alanyo, Hon. Ibanda, Hon. Apolot, Hon. Ochwa, Member for Sheema, Member for Apac, Hon. Maximus, Member for Arua, Hon. Orone, Hon. Joan, Hon. Mariam, Member for Kumi Municipality, Hon. Susan, Hon. Apea, Hon. Nekesa and Member for Nabilatuk.

Honourable members, I am still putting the question. (*Hon. Ssemujju rose*) Was there no motion, Attorney-General?

**MR KIRYOWA KIWANUKA:** I heard a motion by the minister to approve the loan and disregard the report. That is the motion.

**THE SPEAKER:** Are you on the motion? (*Hon. Oguzu rose*)

**MR OTIMGIW:** I move that the question be put on the motion by the minister regarding the loan amount that has been brought to the House: a motion to borrow up to the Euro equivalent of \$190,988,566 from Stanbic Bank for the Umeme Limited buyout.

**THE SPEAKER:** Is it seconded? The seconders will still be there. (*Members rose*) It is seconded by Hon. Orone, Hon. Maximus, Hon. Noah, Hon. Maureen, Hon. Peter, Hon. Namuganza, Hon. Okumu, and Hon. Ogwang.

Honourable members, I put the question that a motion for a resolution of Parliament to authorise the Government to borrow up to Euros equivalent of \$190,998,556 from Stanbic Bank for the Umeme Limited buy-out be approved by this House with the amendments.

*Question put and agreed to.*

**THE SPEAKER:** Next item.

MOTION FOR A RESOLUTION OF PARLIAMENT TO SUPPORT THE DEPLOYMENT OF THE UGANDA PEOPLE'S DEFENCE FORCES IN THE REPUBLIC OF SOUTH SUDAN UNDER THE MEMORANDUM OF UNDERSTANDING ON DEFENCE COOPERATION AND STATUS OF FORCES AGREEMENT EXECUTED BETWEEN THE REPUBLIC OF UGANDA AND THE REPUBLIC OF SOUTH SUDAN

**THE SPEAKER:** Honourable Members, as you may be aware, our neighbours in the Republic of South Sudan are currently faced with some civil unrest for which our troops, the Uganda People's Defence Forces (UPDF), have been invited to help with the stabilisation of the situation. I invite the minister to move the motion.

5.28

**THE MINISTER OF DEFENCE AND VETERAN AFFAIRS (Mr Jacob Oboth):**

Thank you, Madam Speaker. I rise to move a motion for a resolution of Parliament to support the deployment of the Uganda People's Defence Forces in the Republic of South Sudan under the Memorandum of Understanding on Defence Cooperation and the Status of Forces Agreement executed between the Republic of Uganda and the Republic of South Sudan.

**THE SPEAKER:** Hon. Ssekikubo, you are disturbing Hon. Esther.

**MR OBOTH:** Madam Speaker, I move under Section 39 of the Uganda People's Defence Forces Act, Cap. 330 and Rule 59(1)(k) of the Rules of Procedure of this Parliament:

*“WHEREAS Article 210(d) of the Constitution of the Republic of Uganda-*

**THE SPEAKER:** Let us listen to the motion and then-

**MR OBOTH:** *-mandates Parliament to make laws regulating the Uganda People's Defence Forces, including the deployment of troops outside Uganda;*

*AND WHEREAS Section 39 of the Uganda People's Defence Forces Act provides that where troops are to be deployed outside Uganda under multilateral or bilateral arrangements with other countries, the minister shall enter into a status of forces agreement with the host country or organization;*

*NOTING THAT on 10 January 2014, the Republic of Uganda, in accordance with Section 39 of the Uganda People's Defence Forces Act, entered into a Memorandum of Understanding on Defence Cooperation and the Status of Forces Agreement with the Republic of South Sudan relating to the deployment of the Uganda People's Defence Forces on the territory of South Sudan;*

*AWARE THAT there is a security-related development in the Republic of South Sudan,*

*which is likely to result in serious negative security implications for Uganda and has the potential to create a ripple effect on the economic, social and political stability of Uganda, the region and Africa at large;*

*FURTHER AWARE that on 10 March 2025, in accordance with the Memorandum of Understanding on Defence Cooperation and Status of Forces Agreement, His Excellency Salva Kiir Mayardit, the President of the Republic of South Sudan, requested His Excellency Yoweri Kaguta Museveni, the President of the Republic of Uganda, for urgent military support in order to avert a potential security catastrophe in South Sudan;*

*NOTING THAT following the request by His Excellency Salva Kiir Mayardit, His Excellency the President of Uganda has, in accordance with Article 98(1) of the Constitution and sections 38(1)(b) and 39 of the Uganda People's Defence Forces Act deployed the Uganda People's Defence Forces in the Republic of South Sudan in order to avert a security catastrophe in the region;*

*APPRECIATING THAT the deployment of the Uganda People's Defence Forces in South Sudan has previously enabled and will continue to enable the stabilisation of security, peace enforcement, protection of lives, and prevention of further escalation of conflict in the Republic of South Sudan, which is beneficial to Uganda, the region, and Africa at large;*

*NOW, THEREFORE, be it resolved that the Parliament of Uganda supports the deployment of the Uganda People's Defence Forces in the Republic of South Sudan under the Memorandum of Understanding on Defence Cooperation and the Status of Forces Agreement executed between the Republic of Uganda and the Republic of South Sudan.”*

I beg to move. (Applause)

**THE SPEAKER:** Is the motion seconded?

It is seconded by Hon. Gilbert Olanya, Hon. Gerald, Hon. Emmanuel, Hon. Nancy, Hon.

Lamwaka, Hon. Amero, Hon. Mariam, Hon. Joan, the Representative of Workers, Hon. Odero, Hon. Tusiime, Hon. Okot, the Member for Kumi Municipality, Hon. Mbwatekamwa, Hon. Yusuf, the Member for Butaleja, Member from Busia, Hon. Acrobat, Hon. Kasolo - I always fear mentioning your name- (*Laughter*).

Hon. Akamba, Hon. Muwuma, Hon. Tonny, the Member from Kaabong, the Member from Karenga, Hon. Ssekikubo, Hon. Mzee Kagabo, Hon. Ibanda, Hon. Esther, Col. Nekesa, Maj. Alanyo, Hon. Okwalinga, Hon. Okumu, Hon. Wilson, the Member for Abim, the Elders, the Generals and the whole of this side. Can you speak to your motion?

**MR OBOTH:** Madam Speaker, early March of this year, fighting started at the Ethiopian border of South Sudan in Nasir. H.E. Salva Kiir, the President of the Republic of South Sudan, made a formal request seeking for urgent support of our forces following that conflict.

Consequently, H.E. President Yoweri Kaguta Museveni, the President of the Republic of Uganda and the Commander in Chief deployed the Uganda People's Defence Forces for a peace enforcement mission. The President's decision was based on the mandate given to him by the Constitution of the Republic of Uganda, 1995, and the Uganda People's Defence Forces Act, as quoted in the motion.

The President's decision to deploy UPDF to South Sudan was also based on Uganda's commitment to patriotism, nationalism and Pan-Africanism. Uganda also has a longstanding role in safeguarding the lives and property of Ugandans and Africans at large through strategic military interventions in various countries across the continent of Africa.

Madam Speaker, the deployment of the UPDF in South Sudan was also done in a spirit of brotherhood, solidarity, security of Uganda and the economy as well as the shared historical and regional ties between Uganda and South Sudan.

Madam Speaker, I therefore request that this august House support this motion for a resolution of Parliament to support the deployment of our troops in the Republic of South Sudan. Thank you.

**THE SPEAKER:** Thank you, Hon. Oboth. Hon. Wilson, you will second; do not worry. Let me first hear from the neighbour to South Sudan.

5.36

**MR GILBERT OLANYA (FDC, Kilak South County, Amuru):** Thank you, Madam Speaker. You put it rightly, my district borders South Sudan. I am putting politics aside on this matter. Anyone who comes from the north, especially Acholi and West Nile, would highly support the deployment of the Uganda People's Defence Forces (UPDF) inside South Sudan. (*Applause*)

I would like to implore our colleagues from this side. The majority may not know what is going on. Our brothers from South Sudan are quite merciless. It seems they are not all that professional in handling guns. The way-

**THE SPEAKER:** Honourable, to avoid other diplomatic issues, let us be fair in whatever we say, for diplomacy. Members, I will not allow a lot of debate on this matter for the sake of the safety of our members out there and our relationship with that country. Yes -

**MR OLANYA:** Thank you, Madam Speaker. I welcome your guidance, but let us support the deployment for the sake of peace for the people of Uganda, especially those from northern Uganda and those running businesses in South Sudan. It is for the betterment of our country. Peace in South Sudan will mean peace in our country, Uganda. I beg to support.

**THE SPEAKER:** Thank you. Honourable members, I am very mindful of the issues of security, diplomacy and our relationship. I now put the question that the motion for a resolution of Parliament to support the deployment of the Uganda People's Defence Forces in the Republic of South Sudan,

under the Memorandum of Understanding on Defence Cooperation and the Status of Forces Agreement executed between the Republic of Uganda and the Republic of South Sudan, be adopted by this House.

*(Question put and agreed to.)*

**THE SPEAKER:** House adjourned sine die.

*(The House rose at 5.39 p.m. and adjourned sine die.)*