

**PARLIAMENT OF UGANDA**

**Wednesday, 20 April 2022**

*Parliament met at 11.01 a.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 want to thank you very much for coming this morning to fulfil your constitutional obligation. It is not an easy thing to come in the morning; you are most welcome. We are going to handle all the 10 entities that are left and we must finish them today. Can we go to the next item?

MOTION FOR ADOPTION OF REPORTS OF THE FOLLOWING SECTORAL COMMITTEES ON THE MINISTERIAL POLICY STATEMENT AND BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2022/2023

THE COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES

**The Speaker:** Honourable chairperson, we are giving you 20 minutes to make a presentation. I hope you have an executive summary. Present it.

11.14

**The chairperson, committee on environment and natural resources (Dr Emmanuel Otaala):** Thank you, Madam Speaker. In accordance with Article 155(4) of the Constitution of the Republic of Uganda, section 12 of the Public Finance Management Act, 2015 and rule 177 of the Rules of Procedure of Parliament of Uganda, the ministerial policy statements were presented to Parliament on 16 March 2022 and committed to this committee.

In light of the above, I now have the honour and pleasure to present, for your consideration and adoption, the report of the Committee on Environment and Natural Resources in respect of the policy statements and budgetary provisions for the Financial Year 2022/2023 covering the following votes:

1. Vote 017: Ministry of Energy and Mineral Development;
2. Vote 139: Petroleum Authority of Uganda;
3. Vote 019: Ministry of Water and Environment;
4. Vote 150: National Environment Management Authority (NEMA);
5. Vote 157: National Forestry Authority;
6. Vote 109: Uganda National Meteorological Authority; and
7. Subvention: National Water and Sewerage Corporation.

Madam Speaker, it should however be noted that the following votes, although not under the jurisdiction of this committee, are allocated funds for water projects under the programme on climate change, natural resources, environment and water management. These are:

1. Vote 801-999: Local Governments; and
2. Vote 122: Kampala Capital City Authority (KCCA).

These two votes will be presented by the relevant ministry.

The structure of our report is as set in such away that we have given the committee report highlights:

1. The national budget allocation by programme;
2. Compliance of ministerial policy statements to the PFMA requirements;
3. Functions and alignment of plans for votes with the NDPIII;
4. Half-year budget performance for the Financial Year 2021/2022;
5. Proposed budget allocations by votes for the Financial Year 2022/2023; and
6. Observations and recommendations.

I am presenting an abridged version so suffice it for me to dive directly into observations and recommendations under the Energy and Mineral Development sector.

1. Provision for deemed energy.

Non-existent or weak grid infrastructure and or, insufficient demand has consistently resulted into Government of Uganda incurring costs for deemed energy. For instance, the committee noted that failure to complete the 132KV Gulu-Agago transmission lines would result into deemed energy cost for unevacuated electricity from Achwa Hydro Power plant.

Although Government has provided an additional Shs 80 billion in the next financial year’s budget for contractual obligations, that is, payments arising out of delayed evacuation of power generated from Achwa Hydro-power plant, the committee notes that provision for deemed energy requires an additional Shs 113 billion.

The committee, therefore, recommends as follows:

1. Government allocates an additional Shs 113 billion to cater for deemed energy cost of previous financial years and those of the Financial Year 2022/2023.
2. Funding for Gulu-Agago transmission line should be prioritised so as to complete the line by March 2023.
3. Government of Uganda should work out a robust plan to ensure that all power generated is evacuated and utilised so as to eliminate expenditure on deemed energy in the subsequent years.
4. Restoration of electricity connection policy

Honourable members, all of you and indeed our citizens, have been crying about power lines just passing over and the people are not connected.

The committee was informed that a total of 359,987 connections, out of 900 connections, were done during the period 2018 to 2021 indicating a paltry 40 per cent performance. The target was not achieved due to shortfalls in funding because of the outstanding debt for the connections by the service providers.

The committee was informed that the ministry has projected to make 300,000 connections in the Financial Year 2020/2023 under the connections policy. However, the above target may not be achieved due to financial shortfalls.

The committee, therefore, recommends that the Government of Uganda provides Shs 48.5 billion for UMEME as the settlement of outstanding obligations under the electricity collection policy.

The committee further recommends that Government allocates an additional Shs 187 billion for the resumption of the electricity connection policy in the Financial Year 2022/2023. This touches on the people whom we represent directly and the complaints out there are enormous. That is why I want to call upon this House to strongly support this recommendation.

The committee also recommends that a provision of Shs 23.3 billion for payment of electricity connection policy for small power providers be made in the Financial Year 2022/2023.

Financial shortfalls and the rural electrification programme. This is another one that touches us directly, especially if we are to get back here and pursue the Parish Development Model to its logical conclusion.

The committee was informed that although rural electrification is intended to increase electricity access across the entire country, budget allocations for rural electrification projects remain low. Rural Electrification requires Shs 869.6 billion, of which Shs 280.3 billion has been provided in the MTF under the rural electrification projects, leaving a funding gap of Shs 617.4 billion.

For the Financial Year 2022/2023, the committee was informed that rural electrification has a funding shortfall of Shs 250 billion to address the following areas:

1. Electrification of all subcounties;
2. Payment of outstanding obligations due to budget cuts; and
3. Electrification of non-connected subcounties, key rural growth centres and the expansion of the rural network to upcoming rural growth centres.

Recommendations

1. The committee recommends that the funding for rural electrification be provided in a staggered manner over the next three years.
2. The committee further recommends that Government provides an additional Shs 250 billion in the Financial Year 2022/2023 under rural electrification projects to undertake new projects in various constituencies throughout the country.

Most of us campaign on, “We shall bring electricity closer to you.” Now, one year down the road, nothing is happening. Those that have already been constructed have not yet fired. Therefore, we need to ensure money is availed for these projects.

A comprehensive study for electrification of policies

The committee observed that Government is implementing the Parish Development Model across the country. To drive value addition in the country, there is a need to provide reliable power to all parishes.

Further, the committee notes that to be able to establish the electricity requirements for the Parish Development Model, there is a need to undertake a countrywide assessment, surveys and costing that will inform the required resources for proper planning and power extension. This assessment requires Shs 10 billion.

The committee recommends, therefore, that Government provides Shs 10 billion for the study on electrification up to the parishes.

Funding shortfalls for Orio Mini Hydro Power Plant

This project entails the development of the nine hydropower plants, a 288 Kilometre distribution network, 71,081 last mile connections in the project areas as single projects. It covers seven districts namely Hoima, Kabarole, Bundibugyo, Bunyangabu, Kasese, Mitooma and Bushenyi.

Madam Speaker, I want to highlight that these are specific areas that are hard-to-reach and they do not have a connection to the national grid. It would be costlier to connect them to the national grid. If we are to pursue holistic development throughout this country, no part of this country must be left behind, especially now that we are going into the Parish Development Model.

The Government is required to provide Shs 51.5 billion to meet counterpart funding obligations to unlock the grant. The committee observes that this project was extended for three years, but was never funded to support the planned activities.

My committee recommends –

**THE SPEAKER:** Honourable chairperson, is that the executive summary that you made?

**DR OTAALA:** Madam Speaker, this is the summary because I am reading recommendations only; unless I should just read all the recommendations without bringing the background then, I could do so in order to facilitate - However, I was seeking your indulgence because this is really –

**THE SPEAKER:** We do not have time.

**DR OTAALA:** Okay. I will just read the subheadings and then the recommendations.

**THE SPEAKER:** You know when he is given to read, he starts reading in Japadhola.

**DR OTAALA:** It is always the influence of Hon. Silwany.

**THE SPEAKER:** No, you summarise.

**DR OTAALA:** Thank you, Madam Speaker.

The committee, therefore, recommends that funding amounting to Shs 51.5 billion for the Orio Mini Hydro Power project should be provided as it has the potential to increase last mile connections for hard-to-reach areas.

Funding shortfalls under the Petroleum Authority of Uganda

The committee recommends that Government allocates an additional Shs 17.81 billion to enable the Petroleum Authority of Uganda to effectively execute its regulatory role in the oil and gas sector.

Underfunding of the mineral development programme in the Ministry of Energy and Mineral Development

The committee recommends that Shs 16.1 billion be provided for the construction of 10 weighbridges across mines countrywide. This will result in a non-tax revenue collection of approximately Shs 8 trillion in the next 10 years.

The committee recommends that Shs 15 billion be provided specifically for the construction of mineral beneficiation centres.

Attracting investment in the mineral subsector:

The committee recommends that the Ministry of Energy and Mineral Development conducts a comprehensive study on the investments required to boost the mineral subsector.

Other unfunded priorities under the Ministry of Energy

Madam Speaker, we recommend that the additional funding amounting to Shs 133.3 billion be provided for critical areas summarised in the table in the main report.

Regarding Eskom concession that ends in 2023, the committee recommends that:

1. The Auditor-General conducts an audit to establish the actual amount for the buyout of Eskom, taking into consideration, among other parameters, the contracts awarded to Eskom.
2. Shs 45.7 billion which had been allocated for this activity in the MTEF be reallocated as follows:
3. Shs 20 billion to Karuma and Isimba Community Development Action Plan.
4. Shs12 billion to Isimba staff houses.
5. Shs 3 billion for rehabilitation of Maziba Dam.
6. Shs 7 billion to Orio Mini-Hydro Project, and
7. Shs 3.7 billion to the Atomic Energy Council.

Subvention to Atomic Energy Council

The committee recommends that Shs 35 billion be provided to the Atomic Energy Council (AEC) in the Financial Year 2022/2023.

Refined products pipeline (Hoima to Mpigi)

The committee recommends that Shs 73.5 billion be provided to the refined products’ pipeline for Financial Year 2022/2023 subject to provision of the Resettlement Action Plan for the pipeline.

The Ministry of Energy and Mineral Development should furnish Parliament or the committee with copies of the Refinery Project Framework Agreement and its amendments and the Resettlement Action Plan for the refined products’ pipeline.

Inconsistencies in Sector Targets across Planning Cycles

The committee recommends that ministerial policy statements should reflect sector targets as provided for in NDP III. Consequently, budget allocations should be in line with the envisaged strategic direction provided in NDP III.

The Ministry of Finance, Planning and Economic Development or Ministry of Energy and Mineral Development should standardise and align the structure of the ministerial policy statements for the duration of NDP III to facilitate ease of follow-up and Parliament's oversight.

The sector strategic plans for the programmes under the Ministry of Energy and Mineral Development should be provided to the committee not later than June 2022 to facilitate the oversight role of the committee.

Delayed Commissioning of Karuma Hydro Power Plant

The committee recommends that completion of all pending works under the Karuma Dam should be expedited to enable project completion and commissioning without further delay.

Any further extension of commissioning dates and defects liability plans should result into penalties for the responsible parties.

Vandalism and Theft of Grid Assets

The committee recommends that the Ministry of Trade should put in place and enforce regulations on trading in scrap metals - I am happy my brother is here.

**THE SPEAKER:** Your minister is also there; she has come. Honourable members, I just want to remind you that the clock-in machine is now working; we are going to monitor attendance. So when you come check in and when going back checkout.

**DR OTAALA:** Thank you for that guidance. We further recommend that UETCL should invest in surveillance tools for the grid in addition to support from the security organs.

Massive sensitisation of communities should be rolled out to impress on the public the importance of the electricity assets and penalties to be imposed in case of breach.

Progress on the Refinery Project

The committee recommends that the signing of key refinery agreements should be expedited so that the refinery comes on board as soon as practically possible once oil production commences in 2025.

The Ministry of Energy and Mineral Development should furnish Parliament or the committee with copies of the refinery project framework agreement, and its amendments and the resettlement action plan for the refined products’ pipeline.

As future agreements are signed, Parliament should be adequately informed during the process so as to generate ownership and prevent it from being at the tail-end of key decisions in the sector, as was the case for the agreements on the East African Crude Oil Pipeline Project.

Fuel Stocks and skyrocketing prices

The committee recommends that the Petroleum Supply Act be amended to provide for minimum fuel stocks at Government storage facilities. This will ensure that Uganda’s economy is secured from risk of inflationary pressures arising from fuel shortages. A consideration should be made of a minimum fuel stock of 100 days.

Funding should be set aside for development of the Kampala Storage Terminal.

Delays in completion of Osukuru Phosphate and steel plant

The committee recommends that the ministry should assess the performance of this project as per terms of contract and re-strategize accordingly to ensure continuity of the project.

Understaffing of Directorate of Geological Surveys and Mines

The committee recommends that the Ministry of Energy and Mineral Development should liaise with the Ministry of Public Service to provide for additional recruitment of mines inspectors.

The Ministry of Energy and Mineral Development should sign a MoU with Uganda Police Force to provide staff to undertake surveillance operations together with the Directorate of Geological Survey and Mines (DGSM).

Madam Speaker, I now move on to the Ministry of Water and Environment and the agencies under it. I will directly go to the observations and recommendations.

We noted that there was underfunding of the sector in various critical activities. I now want to go to vote 019, Ministry of Water and Environment

Counterpart funding for Strategic Towns’ Water Supply and Sanitation Project under Ministry of Water and Environment.

The committee recommends that additional Shs 7.1 billion be provided as counterpart financing for the Strategic Towns’ Water Supply and Sanitation Project.

Repair and Maintenance of Boreholes in Rural Areas

I think this is where Members of Parliament have taken over the role of the ministry; we are just overwhelmed as if there is no Government.

The committee recommends that Government provides a total of Shs 15 billion specifically for the purpose of minor rehabilitation of broken-down boreholes to address the water-supply shortages and access in villages across the country.

Shs 9 billion should be provided for major rehabilitation of broken-down boreholes in the six deconcentrated regional centres countrywide.

Drilling of New Boreholes

The committee recommends that Government provides a total of Shs 30 billion specifically for drilling of boreholes to increase access to safe water supply in unserved areas.

Support to rural water project - Source per village

The committee also recommends that additional Shs 50 billion be provided for the rural water projects, especially in those areas where you cannot drill a borehole and get water.

Service Coverage Acceleration Project - (SCAP 100 - umbrellas)

The committee recommends that the Government provides additional Shs 25 billion for Project 1532, which has a real impact in provision of improved water supply services to the urban poor population countrywide.

Lake Victoria Water and Sanitation (LVWATSAN) Phase 3

The committee recommends that additional Shs 3 billion be provided for the Lake Victoria Water and Sanitation project Code 1530 Urban water and sanitation component.

Development of solar powered irrigation and water supply systems under nexus green project

The committee recommends additional Shs 11 billion be provided as counterpart financing requirements for Project Code 1666.

Water and Sanitation Development Facility (WSDF)

The committee recommends that the Government prioritises funding and budget allocations to the above projects for safe water coverage by providing an additional Shs 55 billion.

Inner Murchison Bay Project

The committee recommends that Shs 8.5 billion be provided for this project.

Environment and wetland management underfunded priorities

The committee recommends that Shs 29 billion be provided for environment and wetland management for the unfunded priorities.

Regarding the Climate Change Department, which is grossly underfunded, the committee recommends that an additional Shs 10 billion be provided to the climate change department.

Gender compliance of the Ministry of Water and Environment Ministerial Policy Statement

The committee recommends that prioritisation to address water shortage in water-stressed areas, environmental degradation, and access to sanitation be observed by the ministry.

Madam Speaker, I now move to National Water and Sewerage Corporation (NWSC), which receives a subvention from the ministry.

Critical budget requirements under NWSC for the Financial Year 2022/2023

The committee recommends that Government allocates additional Shs 102.88 billion to NWSC for the above underfunded projects to clear the current outstanding invoices/certificates and ensure that the implementation of on-going projects is not hampered with.

Lack of investment in sewerage network

1. The committee recommends that the requisite budgeting for evacuation of wastewater from residential and industrial premises should be expedited and implementation of sewerage line connections made.
2. A waste water management master plan should be developed in all NWSC serviced areas to guide sewerage connections.
3. Future funding for waste water treatment plants in cities should include a component for increasing the number of sewerage line connections.

The National Environment Management Authority

This is another agency that is grossly underfunded, especially now that we are advancing on oil exploration, construction of roads and other infrastructure that require their input. The importance of appropriately funding them cannot be overemphasised.

The committee therefore recommends that from the revenue collections made by NEMA, the Government allocates at least Shs 40 billion for the above critical activities.

Gender compliance of NEMA to ministerial policy statement

The committee recommends that NEMA incorporates gender and equity issues in the execution of their mandate with a view of improvement.

I now move to the National Forestry Authority.

Re-survey and marking forest reserve boundaries with concrete pillars

The committee recommends that:

1. An additional Shs 2.1 billion be allocated against forest encroachment by opening up the boundaries.
2. NFA puts in place a coordination mechanism for forestry management for effective monitoring and protection of biodiversity forests of both the central and local forest reserves in order to ensure increased forest cover.
3. An elaborate regulatory framework on commercial forest plantations should be put in place detailing the mode of issuance and cancellation of licences, transfer of interests between parties or entity, reverting interests to Government as well as co-existence.

Afforestation and re-afforestation

The committee recommends that:

1. Government allocates Shs 6 billion towards the national tree planting campaign.
2. Government should explore the option of carbon trading as a mechanism for encouraging conservation of forests.

Raise and supply commercial (exotic) tree seedlings

The committee recommends that the Government allocates Shs 3.11 billion towards raising and supplying commercial (exotic) tree seedlings.

Madam Speaker, finally, I move to Uganda National Meteorological Authority (UNMA). They have, over the years, also witnessed a lot of budget shortfalls. The committee recommends that the Government allocates Shs 11.7 billion to UNMA for the above underfunded priorities.

In conclusion, Madam Speaker, the committee appreciates the fact that the natural resources and environment sector is critical to the reduction of disaster losses, achievement of increased household incomes and improvement of quality of life of the population.

During the presentation of the ministerial policy statements, there was a shared concern that the sector continues to attract very limited funding annually under the various votes, which has made it extremely difficult to attain their respective mandates. The budget strategy for the Financial Year 2022/2023 will only be achieved, if the above institutions are supported in the execution of their mandates.

In light of the above, it is the prayer of this committee that this House adopts its report and approves the budget estimates that incorporate the committee’s recommendations for the respective votes for the Financial Year 2022/2023 as follows: I will summarise them, Madam Speaker.

Vote 017 - Ministry of Energy and Mineral Development

The committee prays that we approve –

Recurrent expenditure - Shs 38,834,191,000.

Development Expenditure - Shs 1,538,184,055,000.

Total - Shs 1,577,018,246,000.

Vote 139 – Petroleum Authority of Uganda

We request that this House approves:

Recurrent expenditure - Shs 57,396,953,000.

Development expenditure - Shs 6,340,237,000.

Total - Shs 63,727,790,000.

Vote 109 – Ministry of Water and Environment

The committee requested that we give them:

Recurrent expenditure - Shs 39,090,840,000

Development expenditure - Shs 1,341,407,619,000

Total – Shs 1,380,498,459,000.

Vote 019 – Uganda National Meteorological Authority

The committee recommends that we provide:

Recurrent expenditure - Shs 11,099,224,000

Development expenditure – Shs 6,556,819,000

Total of Shs 17,656,043,000.

Vote 150: National Environmental Management Authority (NEMA)

The committee requests that this House approves-

Recurrent expenditure Shs 15,693,153,000

Development expenditure, Shs 3,250,000,000

Total Shs 18,943,153,000.

Vote 157: National Forestry Authority

The committee requests that we provide –

Recurrent expenditure Shs 23,589,540,000 and

Development expenditure Shs 5,652,226,000

Total Shs 29,241,765,000.

Madam Speaker, I beg to submit this report and request that this House approves our requests and recommendations. I wish, also, to lay the report and minutes of the proceedings of the committee in respect to the examination of the ministerial policy statement for the Votes that I have already highlighted. I beg to lay.

**THE SPEAKER:** Thank you, honourable chairman. I want to thank you very much for your report.

You have heard the challenges that the institutions have and the recommendations that they have made. Of course, we cannot go so much into the financials because we do not know what the budget ceiling is. We do not know how much was given to them in the last financial year.

Let us look at the challenges and see how we forward this to the Budget Committee, under rule 149(2). This is so that it can be harmonised and brought back to this House.

Minister, do you have anything to say? Honourable chairperson, there was something on the tree planting campaign where you had Shs 6 billion towards the national tree planting campaign. Does that also include the tree seedlings that they always give to MPs to take to their constituencies?

**DR OTAALA:** Yes, Madam Speaker, that includes the tree seedlings that are supposed to be provided to the MPs and institutions such as schools and health facilities so that all areas of the country can get on board in respect to reforestation.

That also includes the fact that, currently, the ministry does not have any seedling. So, they are going to procure the seedlings from private nurseries so as to enable this process to get started. Meanwhile, in the subsequent months, they are going to start on their own nurseries to be able to generate seedlings for reforestation. Thank you.

**MR NAMBESHE:** Thank you, Madam Speaker. I am seeking clarification on whether areas which were earmarked for the massive planting of trees, like Bududa, could have also been captured among those that are to be beneficiaries.

11.44

**MR GILBERT OLANYA (FDC, Kilak South County, Amuru):** Thank you, Madam Speaker. I would like to appreciate the chairman and the team for the wonderful report. The clarification I would like to bring to your attention is that last year, we passed a loan for rural electrification programme. As I speak now, the programme is moving on well. Personally, I am very happy. In my district of Amuru, the programme is running smoothly.

However, from your budget, you budgeted for Shs 250 billion for rural electrification programme. How is it different? Is it different from the money we requested for the other time in terms of loan or this is another programme?

Secondly, I am also happy that you budgeted for Shs 7.1 billion for town water supply. Currently, we have many town councils that are receiving clean water. I am very happy about that. I pray that we move to all the trading centres. Let Ugandans enjoy clean water.

I am also happy for the money that you put for the repair of boreholes. Many of our people do not have clean sources of water, especially those who are deep in the villages. So, let the money be put to proper use. Otherwise, the committee’s report is convincing. I pray that the money is put to proper use. Thank you.

**THE SPEAKER:** Just to add on what he said about the boreholes, I wanted to know how much was given in the last financial year for repair of boreholes. Is it the reality on the ground that these people repair these boreholes? At the end of the day, it is these MPs who repair boreholes. Did they repair these boreholes? If they do not repair, where does that money go?

You are talking about the water in towns; what about in the villages? We also need clean water in the villages.

11.47

**MR PETER OKEYOH (NRM, Bukooli Island County, Namayingo):** Thank you, Madam Speaker. I would like to thank the committee chairperson for the report. However, the issue is about the islands. Whereas we are moving power to parishes, we have been singing about the islands of Sigulu and the island district of Buvuma. When are we going to have this power? At one time, they talked of marine cable system, thermal system and then solar.

I want the minister to come out clearly and tell us; where are the islands in the programme?

I also need the clarification on the Siavona Water Project. I am happy they are going to drill boreholes. However, it is very difficult to drill boreholes along Lake Victoria, especially in Namayingo South and part of Bukooli Islands.

We have had the Siavona Water Project that was supposed to supply water to Bugiri, Mayuge and Namayingo. Is there a plan for the Government to help these people have access to clean water despite the fact that they are near water but continue using dirty water? Thank you.

11.49

**MS CHRISTINE KAAYA (NUP, Woman Representative, Kiboga):** Thank you, Madam Speaker. We are just emphasising the need for afforestation and reforestation. There is need for us to venture into the possibility of using external finances. We have a tendency of leaving the financing for most of the climate-related activities to external organisations.

As the committee, we identified that we need to build the capacity of our staff in coming up with bankable proposals because there are a number of funding options that we would venture into. Otherwise, the current budget may not allow us to have all the seedlings that we need.

We are also requesting that when there are budget cuts let them not go across all the codes. When there are budget cuts, it is good that we sit afresh and decide on some of these priorities. For example, the connection and connectivity budget under electricity - everybody is demanding for that but if you cut 40 per cent from everything and yet these are priority areas it is a serious challenge.

Otherwise, my chairperson, thank you so much. We are just worried that the minister for environment and the whole ministry is not represented here.

We are happy with the minister for energy, she has always taken our recommendations and at least we are sure that they will always cling in her mind, thank you.

**THE SPEAKER**: I am happy that you can appreciate Dr Nankabirwa, she is always here. Dr Nankabira thank you so much. Thank you, Hon. Christine. The Government is represented here; she is now Minister of Water and Environment.

I would like to sound this warning: I am not going to entertain any report after today. I am going by the rules that this House made and let us not suspend any rule. Let committees present their reports.

As I said before, any mistake that we make in one process affects the others. We want the budget in this House; we do not want to start making budgets on the 31st May past midnight. If you do no present your report today, you will present it next year.

**MR KATESHUMBWA:** Thank you, Madam Speaker. I would like to give information to support my chairperson and also respond to a colleague. Hon. Gilbert Olanya raised the issue of the connectivity budget.

I would like to inform the House that last year Parliament appropriated Shs 128 billion to Rural Electrification Authority (REA) for rural electrification.

That amount was suppressed by Ministry of Finance, Planning and Economic Development for COVID-19 purposes and it came down to Shs 76 billion.

As at the last three quarters, out of the Shs 76 billion, only Shs 40 billion had been released. It is no longer enough to sit here and approve the budget if we are not able to control what happens after the budgeting processes. That explains why most of us in our constituencies have poles which have been standing for many years but have not been connected.

I would like to call upon the House that as we do appropriation, if we identify key priority sectors, we must make sure that once the budget has been approved the releases are done according to the approved budget. Otherwise, we shall continue to have this problem.

Finally, on the issue of water, the concern about boreholes - I think most of us here know what we have gone through but there is an aspect of rural water. That is why we recommended a multiple approach. For cities, towns which can be supported by national water, let them be supported but we have *-(Interruption)*

**MS LUMUMBA:** Madam Speaker, is the honourable member in order to debate a report from a committee in which he is a Member and, which report he did not sign?

**THE SPEAKER:** Honourable minister, he is making a clarification and improving on what the chairperson said.

**MR KATESHUMBWA:** Thank you, Madam Speaker. It is important that ministers listen when they come in the House. I am giving information to help them as the Executive follow-up our reports. Thank you and I beg to submit.

**THE SPEAKER:** Members, as we said before, we are not going to debate these reports.

**MR MUSILA:** Thank you, Madam Speaker. I take this opportunity to congratulate you because ever since you came in, I had not done so. I am seeking clarification from my colleague. It was a nice report however, my colleague the Opposition Chief Whip talked about Bududa. The issue of afforestation, for the last 13 years, affects the whole of Bugisu due to landslides.

I would like to hear clear information about it. The second issue of clarification is about the national water offensive tariff.

A person in the rural areas in my village pays over 6,000 VAT inclusive yet the President of Uganda at State House Entebbe also pays the same tariff.

I have seen my neighbours in another country paying segregated tariffs especially for the rural poor and possibly that is why most of the taps in rural areas under national water are dry. I submit.

11.57

**MR FOX ODOI-OYWELOWO (NRM, West Budama North East County, Tororo):** Thank you, Madam Speaker. I rise to make a very pedestrian presentation because there are matters that should ordinarily fall within the realm of common sense. If you supply electricity to the villages, you achieve a number of things: you contribute to modernisation; you will improve on the education possibilities of the kids; and you will protect the environment.

These ordinarily should be common sense - I am trying to find a suitable word and the only word I can come up with is “common sense”. And they reckon that common sense is quite prevalent in the minds of our planners.

I do not know why we cannot prioritise rural electrification to help our people and improve the nutrition of the people. If they can do refrigeration and they can keep their food fresh for a long time, their health is improved.

You can have vaccines kept in the health centres for long periods without undermining their efficacy.

Madam Speaker, I make a plea to this House that this year, we should stand our ground and vote funds for functions like rural electrification. I submit.

**THE SPEAKER:** Honourable minister, we need to find out what is happening with rural electrification. From the time Rural Electrification Authority moved away from where it was to the main ministry, there is a little bit of a problem. The poles are being planted but there is no power connection, including in my village. I have lobbied for power and I am about to start begging. Please connect power to my place and all the other places that need power because we have money for it.

Hon. Mugasa, you are welcome. Our condolences towards the loss of your son. As Parliament, we keep praying for you. Thank you for coming.

12.00

**Mr linos ngompek (NRM, Kibanda North County, Kiryandongo):** Thank you, Madam Speaker. For the last 13 years since 2013, we have the project at Karuma and the communities were promised - CDAP, that is, Community Development Action Plan. For all those years, nothing has taken place on the ground. Parliament has been appropriating these funds, but they do not reflect what is on the ground.

Therefore, I am requesting this time that we should put our foot firmly on the ground as Parliament so that if resources are appropriated for particular projects, the Ministry of Finance must release those funds so that these projects take shape.

On 27 September, our dear minister visited the plant and promised that this financial year, the CDAP project would take shape but to our dismay, up to today, nothing has happened. I am requesting the ministry to also speed up with this issue so that our communities are satisfied. Thank you.

**The Speaker:** Honourable members, as Hon. Kateshumbwa said, there is a problem between appropriation and release. We do appropriation here, but what is released does not reflect what we appropriate. If there are no funds, why don't you communicate to us that there are no funds? You just do not make a blanket ruling and say, “We are not giving this amount of money.” Honourable Prime Minister, can you help us with that.

12.02

**The minister, OFFICE of the prime minister (General Duties) (Ms Justine Kasule Lumumba):** Thank you, Madam Speaker. The issue you have raised is something that has really hit us. As a country, we must also appreciate it. Yes, we know what we have gone through - issues to do with the COVID-19 that caused big challenges between the amounts that had been appropriated by Parliament and the release, which is based on the availability of funds.

Also, there is another challenge of absorption. These are issues that the Ministry of Finance is grappling with in the different sectors. I would suggest that, after passing the budget, we have time for this discussion stretched to a farther level, to find solutions together as leaders in this country; find a solution between appropriation, release and absorption so that we bring in issues to do with oversight, but also monitoring and evaluation. Thank you.

**The Speaker:** Hon. Justine Lumumba, the problem we have is that the Ministry of Finance wants to take over the power of appropriation. They think that they are the ones to decide on what should be given to an institution, how much and also absorption. They want to take the role of appropriation, releases and then absorption. That is where we have a problem as Parliament.

On that, I want to assure you, we are not going to allow it. That is the only role we have as Parliament. *(Applause)*

**Ms Lumumba:** Madam Speaker, that is the work of the Prime Minister, not the Minister of Finance because before the Minister of Finance releases funds, he must do it in consultation with the Prime Minister as the Leader of Government Business in this House.

Therefore, the Prime Minister is going to do her work because that is part of it. That is why you see when funds are released to the different districts - the local governments and even the Members of Parliament are informed.

I think we should take a step further, that when funds are released, the Minister of Finance comes here and gives an update to Parliament and even explains why there were disparities to the different sectors so that we move together as a team. Thank you.

**The Speaker:** That is what should really happen, but it is the opposite of what is happening now.

**Ms Lumumba:** Madam Speaker, the suggestion I am making is that our part should improve; but also improve on communication so that everybody stays or works in his or her lane and everybody knows what is happening.

However, we do not have intentions to usurp the constitutional powers of the Parliament of Uganda. If we do that then we should do it after explaining so that the people who are responsible know why we have done that and under which circumstances. I thank you.

**The Speaker:** Thank you. Honourable members, we have talked a lot about this report. Honourable Chairperson, in the last financial year, we had – on tree planting. We are talking about climate change. We should be the ones to show an example.

In the last financial year, we had Shs 36 billion on climate change. Now, you have reduced it by seven. You may need to explain why you have reduced it; whether you have planted enough trees and if you – actually, I expected you to increase instead of reducing it.

12.07

**Mr silas aogon (Independent, Kumi Municipality, Kumi):** Madam Speaker, I rise to support the committee report. I do chair the Parliamentary Forum on Water, Sanitation and Hygiene (WASH) and therefore, I have specific interest in this area.

First, I want to support the committee’s recommendation on the issue of SCAP 100 because you realise that in the urban areas, we are doing badly in terms of clean and safe water. I want to invite the House to support the committee on this specific recommendation of giving Shs 25 billion towards the SCAP 100 project so that we realise an increase in water coverage in the urban centres.

Secondly, the issue of the 40 per cent budget cuts should now first start by biting the Ministry of Finance. Therefore, I want to move this House to cut the budget of the Ministry of Finance by 40 per cent for the Financial Year 2022/2023. We find those areas, which are doing badly and put that money there so that they feel the pinch.

This House is the one, which is mandated to appropriate money. It is not the Minister of Finance, but they are developing - I do not know what to say; my opinion is, let us cut 40 per cent of their budget and put it in the areas where we see there are priorities -

**The Speaker:** The 40 per cent cut was because of COVID-19, to take money to other institutions to help.

**Mr aogon:** That is Okay, Madam Speaker, but this one is because we also have gaps in form of unfunded priorities in many of the sectors. Therefore, we want to remove that 40 per cent from their budget; they should feel it. They have taken Parliament for granted. How can somebody say they have frozen the budget of travel for Parliament? How can Parliament operate without money for travel? It is our core responsibility to travel and do oversight. How can that happen in 2022?

Madam Speaker, I want to raise an issue to do with the water-stressed areas in the country. I would have loved to see in this policy statement that you are undertaking measures to bring a map that shows that these are the areas, which are most stressed in terms of water provision. I say so because we tend to give water to people who already have it, yet we should be concentrating on giving water to those who do not have anything at all. I thought that would be very important.

Likewise, on the issue of water quality and safety, I thought that it is very important that we test the quality of water. People are drinking water without knowing its quality these days. You do not know what happens.

Madam Speaker, the issue of power connections is a real challenge under the Ministry of Energy. In my constituency, Madam Minister, from the power connections you gave me in 2017 or 2016, the poles have been standing there. The termites are even eating the poles, trying to pull them down. There has been no connection; no power. It is idle and disorderly.

Therefore, we are totally losing value because we are not minding about utilising what is already there. Why would we first decide to put money in new investments and then divert and leave those that are already started on? That is my concern. I beg to move. Thank you, Madam Speaker.

12.10

**MR FRED KAYONDO (DP, Mukono County South, Mukono):** Thank you, Madam Speaker. Allow me take this opportunity to congratulate you for having gone through the blast furnace of transformation to the speakership seat. I also thank you, Madam Speaker, that much as the winds are strong, you are steering the boat in the right direction.

Madam Speaker, if there is any report to be accepted and taken as it is, without any deviation, it is this report. Therefore, let me thank Hon. Otaala for his able leadership.

We are all talking about COVID-19. The standard SOPs for COVID-19 prevention is washing of the hands. We do not wash hands with dust but with water. We call water a “universal solvent” - I wish I could be given a chance to carry on a chemistry lecture here. Water is the universal solvent that is standardly accepted as the SOP for COVID-19 prevention.

However, Madam Speaker, allow me to bring it to your attention that up to now, there is money that was budgeted in the last financial year just for water projects - which is a standard SOP for COVID-19 prevention - but it has not yet been released. The projects are going on and we are asking for water and the money has not yet been released from the Ministry of Finance. Therefore, Parliament cannot sit here; we budget, we appropriate and then the ministry does not put into action what this Parliament has recommended.

I beg to move, Madam Speaker, that this time round, let Hon. Otaala’s report, recommendations and appropriation be put into consideration, if we are to provide an efficacious solution to the current situation of Uganda. Thank you very much.

**THE SPEAKER:** Thank you. As I said yesterday, we will repeat the debate.

12.13

**MS SANTA ALUM (UPC, Woman Representative, Oyam):** Thank you, Madam Speaker. Allow me join my colleagues to congratulate you upon assuming that chair as our leader.

However, as you sit there, we have a problem that the whole House is faced with, as far as the Ministry of Finance is concerned. It is true that we have COVID-19 and it affected us. It is also true that there are supposed to be changes but by the time the Ministry of Finance begins making changes right over there, and very close to Parliament, without any consultation - and even taking away our power - I think our work should begin from there. Otherwise, the oversight role that we are supposed to play, the making of laws - if we do not put our foot down this ministry has taken us for granted!

Mention has been made of the lack of connections - where we have poles but no electricity connection - but I want to go further. The Rural Electrification Agency went ahead and surveyed very many parts of this country, including my district. In some areas, the poles were erected but up to now, the people are asking. Therefore, I would like to urge this House that it is high time we made sure that the areas which were surveyed - the areas where our poles were put - are connected.

We have the social institutions; the health centres, the schools, and other educational institutions, which do not have power. I think this is the right time again for us to make sure that the budget caters for all this.

On the issue of water; where we have boreholes, it is our work, as Members of Parliament, to really take care or repair these - even during the time of COVID-19, we were the ones left with this role, and yet we do our professional work here - the Ministry of Finance is there. I still remember when my district requested for this money - the Prime Minister talked about absorption - the Ministry of Finance delayed until the financial year was coming to an end. That was when the money was released in two weeks’ time. I think we have been taken for granted and it is not going to work. Thank you.

**THE SPEAKER:** Chairperson, before you approve money for repair of boreholes, you need to first assess what the other money did. Did it really repair the boreholes? This is because you find that in most districts, it is the Members of Parliament repairing boreholes. You find that money becomes a cash bonanza for other people.

12.16

**THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga):** Thank you, Madam Speaker. I appreciate the committee for the work done. I have two brief issues to bring to the attention of the chairperson and the honourable minister.

One, I raised issues with my team on what I regarded as inadequacy of the MPS. I thought on key policy issues, the MPS came short. I would like to invite the honourable minister to utilise the remaining space to see whether there is room for her to capture a few issues; one of them is electricity governance.

This House is aware that the Umeme and WENRECO concessions are soon expiring - WENRECO in September this year and Umeme in 2025. However, in the concession agreement, in the 17th year - which is actually this year - Government is supposed to undertake a technical and management study. There is no provision for finances for this study and any arrangement to migrate from this concession.

Madam Speaker, when you do not see what is expected, of course, you get the sense that probably something is amiss in the corridors and the headwinds around this sector are not really pleasant. I hope we do not get what we hear - that probably something akin to the coffee deal is in the making. We get to hear that there is some smart European company in the corridors wanting to be in succession to Umeme without the involvement of Parliament. Key to governance is the fact that the ministry did not indicate - yes, the concession says so. This is the 17th year and there is no mention of this migration. There is no mention of what to do after the migration of WENRECO in September this year, which is the financial year. That is a very huge gap.

Secondly, we are alive to the fact that we expect Karuma to be commissioned this year with an additional 500 megawatts being added to the grid. You expect that we would have had a comment on the loan repayment for Karuma and the attendant challenges, given the electricity sale that is expected to be a bit low because of the cost of electricity. There is no mention of Karuma and the attendant loan repayment and what the herald is for the sector. I thought this was something that should have been picked at this very stage; expecting Karuma to be coming on the grid sometime this year, unless the ministry expects another extension of Karuma yet we are three years late on this project.

Now that we passed the Electricity Bill this month, I thought the committee would pick some of the issues and demand that assent to it is urgent. When I saw lamentations relating to funding electricity, especially the Electricity Connections Policy (ECP) - We did commit in the law to form an Energy Development Fund and the sources are very clear and in those sources, money is there.

I thought the committee would pick this issue and make mention in the report of how ECP is going to be funded. For them to be appearing to be beseeching and begging the minister to make money available - the poles are hanging. A Member submitted that the poles are “idle and disorderly” yet the money is there. I thought they would pick it and that implementation begins immediately because this is not money to look around for. Under the Energy Development Fund we provided in the law, you would demand that the law be assented to very fast, as part of the migration to be able to handle these challenges.

Lastly, as part of the policy and governance issues, we are providing Shs 113 billion for deemed energy. For me, that money is very disturbing; it is money for energy available, and not consumed. It is actually money we throw somewhere in a pit. I thought the committee would systematically move and migrate, and see that this money reduces, by partly quoting the kind of policy discussion we had at the passing of the Bill to ensure that the money for the ministry is reduced, since I expect deemed energy to reduce going forward. Therefore, we would have this money channelled in ECP, instead of actually paying for unused energy. I beg to submit.

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

12.22

**THE MINISTER FOR ENERGY AND MINERAL DEVELOPMENT (Ms Ruth Nankabirwa):** Thank you very much, Madam Speaker. I beg that the record of Parliament captures my congratulations to you, Madam Speaker, for having ascended to that important position, through a very smooth and democratic process of the NRM, where we build consensus. *(Applause)* I want to thank both the Opposition and my side, for having accepted that you lead us.

I, sincerely thank you, Madam Speaker, and the entire team of Parliament for the way you have supported my sector. I am less than a year in the ministry; I will make one year in June, but you have been able to process relevant laws that we need to spur development in my sector in a very short period. *(Applause)* I want to pledge that I will pay back to this august House by doing what is expected of me, as Ruth Nankabirwa, the Minister of Energy and Mineral Development.

**THE SPEAKER**: Members, she is going to pay back by connecting power in all your constituencies. *(Laughter)*

**MS RUTH NANKABIRWA:** Thank you very much. In a special way, I want to thank the Committee on Environment and Natural Resources. They processed the policy statement, having gone to the field. I acknowledge that they have not moved out to benchmark for obvious reasons; budget suppression. At least, we made sure that we worked together with your Office, Madam Speaker, and all committee members were able to go and see what is happening around us; the mega projects we are carrying out like Karuma; those big substations. It helped them to appreciate what we put in the policy statement.

How I wish, we had the time to listen to all MPs who have pertinent issues in their constituencies, but because of time, we have not been able to avail that opportunity. Madam Speaker, I want to state that the one and a half hours I apportioned to Members of Parliament every day, save for Monday, is utilised by these Members of Parliament to interact with us at Amber House, Fourth Floor.

Whether you are on appointment or not, I have received many of you. I have also received written submissions, because I am concerned about the unfinished programmes in your constituencies, where we see poles erected, but with no wires or wires are connected but no energy; they are not energised. It will be a shame for me to entertain fresh requests and programmes, when we still have thorns in our feet. We are expected to conclude those programmes.

How did these programmes come up? It is again us who put pressure on the Rural Electrification Agency (REA). We go and bench at Kamwokya - at least drop or erect the poles there. Maybe those of you in the 11th Parliament have not done that. However, this pressure comes when we are moving towards elections. Therefore, my team remained with no alternative but to succumb to the pressure and drop some poles, when we have not worked out the programmes to actualise and do a complete implementation.

I agreed to own up and I will ensure that we conclude these projects. Just indicate where they are. I have a file. Just say in village X, there are poles standing, no wire or there are wires but without transformers. We are in the constituencies, including that of the Speaker. We are doing capacity enhancement by putting transformers in place.

I have worked out the credit connection facility with the African Development Bank (ADB), which I will be happy to present to this august House, after presenting to Cabinet. When we get the money, you will pay Shs 200,000, and then the other Shs 270,000 will be a credit, which you will repay for three to five years. We want to increase connection. The details of this arrangement can be given after authorisation from the Cabinet because I will be presenting it to Cabinet.

On vandalism, again, I want to thank the support. Through this Electricity (Amendment) Act, you put stringent measures. Some colleagues were complaining that the measures were too harsh. I want to thank you, Madam Speaker, for your guidance on that particular provision because you reminded us that the vandals must be punished.

The Minister of Trade has to regulate scrap dealers. We are also working out a system that will have sensors to detect that somebody is approaching a pylon to dismember it. That system is being worked out and when it is ready, I will always be pleased to submit to Members of Parliament because I know we are in this fight together. You have been reporting to me and I must appreciate you for the support you have given us.

On connectivity to the islands, our policy as the Government has always been to make all district headquarters connected, save for the new districts. It is only Buvuma and Terego districts which are not yet connected to the national grid. For Buvuma and Sigulu Islands, I beg to submit that by October 2023, I want to see Buvuma Island connected. The marine underground cable is being worked on. We are finalising the process of awarding the contract to somebody who is going to connect.

However, we also have mini-grid arrangements like the one we installed in Ndolwe, where we are even having ice being manufactured in Ndolwe for the fishermen because you know ice was being bought from Jinja to be taken to the islands. Now, it is being manufactured in the Ndolwe. So, we are having those mini-grid arrangements for far hard-to-reach islands. We are going to bring on board 10 more islands but the plan is for 45 such mini grids.

Therefore, my colleague from the island, tell our people that we know that electricity is the answer to total socio-economic transformation. I know we do not have time but I am just picking a few things.

Hon. Fox Odoi, on your “pedestrian submission” – common sense – yes, but have we failed to plan, really? We have planned. I appeared before the committee and I told them that the question I fear whenever we submit a supplementary is as to whether the issue was unforeseeable or unavoidable.

So, I told my committee that I have foreseen everything and I have put them on paper but I have a shortfall of almost Shs 700 billion. In future, I can stand up to say I need money for Eskom. This is because the money which was put in the budget for Eskom, in the wisdom of the committee, is being proposed for giving to CDAP to handle the project in Karuma. That is Parliament’s wisdom but it will not stop me from coming on the Floor to say Eskom’s concession is ending in March 2023 and, so, I need money to pay.

They will ask me whether it was not foreseeable and I will say it was and I planned for it but money was appropriated to handle another pressing item. Therefore, Hon. Fox Odoi, we have planned but economy is economy. If you have half of the money that you wanted in the kitty that we are all scrambling for, some will get, some will be promised while others will be suppressed.

However, I think the answer will be for us to make sure that we look at those areas which bring money into the economy very fast. Thank you for passing the minerals Bill. If that Bill is followed and implemented, where we will be seeing much more money coming from the mineral subsector, we will be bringing in more monies into the kitty.

Honourable Leader of the Opposition, thank you very much for the support towards socio-economic transformation. We take all your comments and we do not take your support for granted. You mentioned the need to mention Umeme’s concession, which is about to end. I know that the concession is ending in three years’ time. Electricity Regulatory Authority is the one regulating Umeme to see how much they have invested.

As for me, I had proposed that we begin putting in money so that we reduce on the buyout amount. However, in the wisdom of the committee, this was not entertained. I hope that in the next financial year we will see ourselves beginning to handle the preliminaries so that we are ready, come March 2025. I have a paper ready to be presented to Cabinet on Umeme.

On WENRECO and others, as we merge the distribution, transmission and generation companies, we are going to reorganise electricity supply industry.

We are guided by what to put in the ministerial policy statement but I have taken note that, probably, some of these things could be put somewhere for Members of Parliament to follow.

Regarding Electricity Infrastructure Fund, I fought for this fund and I sincerely thank you, honourable colleagues, for having accepted it. You know, to be there and not have money even to do feasibility study so that investors find you with your feasibility study and you just tell them what you want, is a shame.

I expect Electricity Infrastructure Fund to have money that we can use to do things like feasibility studies to reduce on the cost of generation of electricity, which will help us in reducing the end-user tariff because the key cost drivers in the tariff is the money you use in generation, transmission and distribution. So, if you have your own money to handle some of those, then the end-user tariff will be reduced. I do not know whether I have left something very pertinent but –

**THE SPEAKER**: There is something that somebody from Sebei was raising. He sent me a note, which I think –

12.36

**MR WILLIAM CHEMONGES (NRM, Kween County, Kween):** Thank you very much, Madam Speaker. I want to thank the chairperson for this very good report. I felt I should put my problem forward since we are with the Minister of Energy and Mineral Development.

I have listened to the report very well and I think it is a good one. However, from my area of Sebei region, particularly Kween, we have a very big problem with power. When I look at the report, considering the information from Hon. Olanya – when he talked about Rural Electrification Programme moving on very well in his constituency – I got shocked because we are just reading it on paper but we have nothing on ground in the entire region.

Sebei region, as per today, is generating about 16.5 megawatts of power from River Sipi, yet for us in a week we can get power maybe for 24 hours only. I have never got power in my house whenever I have gone home yet I go like two times a month.

So, the entire region has lost hope. We do not have power and we are doing very badly in terms of education because our children cannot study at night. That is the reason why Sebei is always the last in education. We are even the last in industrialisation. We have no factory or even a grinding mill.

Today, I want the Minister of Energy and Mineral Development to really tell me whether she is aware of this problem in Sebei. We are really very disappointed that we see power lines passing and we have no power.

**THE SPEAKER:** At least, you are always the best in athletics. *(Laughter)*

**MR CHEMONGES:** Yeah, but we were also the best in academics. We want to –

**THE SPEAKER:** Okay, let the minister answer but also did you say that you go two times in a month?

**MR CHEMONGES:** Yes.

**THE SPEAKER:** You are supposed to go four times in a month. We pay you to go four times in a month. *(Laughter)*

**MR CHEMONGES:** I will improve, Madam Speaker.

**THE SPEAKER:** Stop cheating your voters.

**MS NANKABIRWA:** Madam Speaker, maybe I did not conclude the policy of electrification. From the district every subcounty – because it’s our plan to have community information system at the subcounty level. That is why we even see graduates being recruited at subcounty level. So, every subcounty is supposed to have been connected. I know that we are remaining with a few of them. Now from the subcounty, I am being really stretched out. We want to see power almost in every village and in every home and at ago.

I want to beg that my sector is given a chance to plan how we are going to move from the subcounty downwards. Remember we are implementing the Parish Development Model. There are those parishes which will host the value addition centres, which are going to be a priority. But now, the way I found things is either first come first served or depending on the relationship with Nankabirwa, maybe you will go and ask for one *ka-*line, which is not sustainable.

I am working out a network that will see us get power to where it is critically needed first. I know that we need power in every home, but what about those value addition centres in your constituencies, which do not have power now? Those factories. After that arrangement *– (Interruption)*

**MS NAJJUMA:** Thank you, Madam Speaker –

**THE SPEAKER:** Honourable members, we have taken two hours on this.

**MS NAJJUMA:** Mine is going to be in a summary form. I want to give information to the honourable minister –

**THE SPEAKER:** Everything is important. There is nothing that is not important. We have spent two hours because it is important.

**MS NAJJUMA:** Thank you, Madam Speaker. I want to give information to the honourable minister to the point that the NRM Government has a policy of putting a secondary school per subcounty. Recently we got a secondary school called “Blessed High Seed School” well equipped with computers, but without power. Nakaseke Subcounty got Blessed High Seed School that is well equipped, worth Shs 2 billion, but without power. Honourable minister, that should be very urgent. Thank you very much.

**THE SPEAKER:** Honourable minister, I think that cuts across the whole country. You need to make sure that these Government schools, especially the seed schools, have power because they have computers that cannot work without power. This includes health centres.

12.42

**MR EDDIE KWIZERA (NRM, Bukimbiri County, Kisoro):** Madam Speaker, my concern is that whereas the committee is looking at deficit budgeting, the minister seems to be in a surplus budget. The committee has said that because of the 40 per cent cut, the budget came from Shs 43 trillion to about Shs 30 trillion. This means that Government did not undertake all these programmes.

But when the minister comes here to promise to undertake some of these, without looking at deficit budgeting, where even Government has done political budgeting from Shs 43 trillion to Shs 30 trillion - when you cut the 43 by 30 per cent, you get 30 trillion.

Therefore, what are we budgeting about when we failed to realise the Shs 43 trillion, where we cut 40 per cent? And now we are on Shs 47 trillion. And now our Committee on Natural Resources says, we are in a shortfall. If we have this, we shall have this. Now the minister brings in the element of politics to give hope to the Members. Can we really have a realistic budget for this House? Not to promise our voters things that will not come. Thank you.

**THE SPEAKER:** The realistic budget will come in when we are making the budgets. What the minister is telling you is what they intend to do. We must have hope in the life. *(Laughter)* She cannot tell you that she can't do it. She is going to dream. What you need to do, as Parliament, is appropriate money to her ministry.

Honourable members, we need to look at issues of rural electricity. We need to look at issues of reduced tariffs, the safety of our transformers as we passed in the Bill and electricity fund like the LOP had said. He said we should not continue begging; we should always have a fund somewhere that make sure everybody has power. We will have to make sure that there are funds for climate change – to reduce on global warming that is happening. Then we must ensure that we do forest restoration and rural water provision for all the areas.

Honourable chair and the committee, I want to thank you very much. I want to thank you very much, minister. How I wish that the hope that you are giving to the Members becomes reality. We are just waiting for a payback from you.

I now put a question that the Report of the Committee on Environment and Natural Resources be adopted by this House.

*(Question put and agreed to.)*

*Report adopted.*

**THE SPEAKER:** Honourable members and the committee, thank you very much. I now refer the report to the Committee on Budget as per rule 149(2) for consolidation, harmonisation and reconciliation and will be presented to this House by the 30th day of April. Thank you very much.

THE REPORT OF THE COMMITTEE ON GENDER, LABOUR AND SOCIAL DEVELOPMENT

**THE SPEAKER:** Honourable members, let us use 20 minutes. Remember we have an afternoon sitting too. Can we continue? When you finish presenting your report, do not go away. Wait for other people to present theirs too. Hon. Dr Otaala, I have promoted you. Today you are a minister. You sit there. *(Laughter)*

12.47

**THE CHAIRPERSON, COMMITTEE ON GENDER, LABOUR AND SOCIAL DEVELOPMENT (Ms Flavia Kabahenda):** Thank you very much, Madam Speaker. I would like to join the Members of Parliament and the women in Uganda to congratulate you upon being elected the Speaker of the Parliament of Uganda. Congratulations, Right Honourable Speaker!

I am here to present the Report from the Committee on Gender, Labour and Social Development on the Ministerial Policy Statement and the Budget Estimates for the Financial Year 2022/2023.

Allow me to lead the honourable members, without taking much time; I implore them to read the introduction and the methodology we used. Before I go straight to number three, the compliance with the legal provision, allow me to lay on Table, the documents that include a copy of the report and the minutes of the meetings through which we processed this report.

**THE SPEAKER:** Thank you.

**MS KABAHENDA:** We complied with the provisions of the Public Finance Management Act, 2015 and the gender and equity provisions under Section 13(15)(g)(i) and (ii) of the Public Finance Management Act. The ministerial policy statements are accompanied by a certificate issued by the minister responsible for finance in consultation with the Equal Opportunities Commission to certify that the budget is gender and equity responsive.

The Equal Opportunities Commission assessed all the ministerial policy statements for all the votes for Financial Year 2022/2023 and found that overall, there was a compliance rate of 65.2 per cent. However, the committee observes that the performance indicates a decline of 1.6 per cent points, which is a cause for concern.

Another cause for concern is the disparity among the best and worst performing votes. The best three complying votes, for example, are the Ministry of Gender, Labour and Social Development, with 92 per cent compliance; Ministry of Water and Environment with 82.16 per cent; and Equal Opportunities Commission at 81.16 per cent. While the least performing included Uganda’s missions in Belgium, Qatar and Malaysia which are performing at a minimum of 50 to 52 per cent.

Forty per cent of the proposed budget is distributed among the various programmes and I would like to take the honourable members to the committee observations that while the allocation was welcome, it is important to improve the tool of assessment for gender and equity responsiveness to ensure that beyond the figures, it is possible to track the actual impact regarding the improvement of lives for the marginalised groups.

Our recommendation, therefore, is that all votes should put in place measures to ensure that there is:

(a) Improvement of their performance with regard to gender and equity responsiveness.

(b) The Equal Opportunities Commission should review the criteria used in assessment for compliance with gender and equity responsiveness to measure the impact of interventions on the lives of all Ugandans, especially the vulnerable persons.

Madam Speaker, we equally complied with the National Development Plan and I would like to implore the Members to read No.3; the compliances as listed.

On page No.4 the overview of the budget performance for the Financial Year 2021/2022 is summarised in the table below and the total approved budget for vote 018 for the Ministry of Gender for the Financial Year 2021/2022 was Shs 211.089 billion and by the end of December 2021, which was half of the financial year, Shs 184.405 billion had been realised and Shs 130.256 billion had been spent.

This represents a budget release performance of 87.4 per cent and a budget expenditure performance of 61.7 per cent. On a pro rata basis, the ministry should have spent 50 per cent of the total budget by the end of December 2021.

So, this implies there was an over-performance in both the release and expenditure. However, the percentage of the releases that were spent was 70.6 per cent, and this was because of the recent supplementary budget as outlined in page no.5. of Shs 53.4 billion that was provided in the first quarter of the financial year to cater for COVID-19 emergency responses.

Allow me to request Members to read the physical performance of vote 018 Ministry of Gender, Labour and Social Development on page No.5.

The budget performance vote 124 as at end of December 2021 is summarised in the table on page No.7 and the total approved budget for vote 124 Equal Opportunities Commission for the Financial Year 2021/2022 was Shs 13.272 billion. By the end of December 2021 Shs 6.323 billion had been spent from a release of Shs 6.652 billion. This represents a budget release performance of 50.1 and a budget expenditure performance of 47.6 per cent. On a pro rata basis, the commission should have spent 60 per cent of the total budget by end of December 2021.

The commission’s performance was normal since it spent nearly half of its budget during the period under review. Their physical performance is below. Allow me to request the honourable members to go through their physical performance list.

On page No.10, the budget allocations for Financial Year 2022/2023 vote 018 Ministry of Gender, Labour and Social Development. The budget allocations for Financial Year 2022/2023 by programmes are listed in the table and the ministry contributes to three programmes of National Development Plan III as indicated in the table above.

The total approved budget for vote 018 Ministry of Gender, Labour and Social Development for Financial Year 2021/2022 was Shs 211.006 billion of which Shs 27.9 billion was for community mobilisation and mindset change; Shs, 178.09 billion was for human capital development; and Shs 4.98 billion was for governance and security.

In the proposed budget for the coming Financial Year 2022/2023, a total of Shs 180.84 billion has been allocated to the ministry and Shs 27.84 billion for community mobilisation and mindset change; Shs 148.02 billion is allocated to human capital development and Shs 4.98 billion allocated for governance and security.

The overall budget ceiling of the ministry has been reduced by Shs 29.77 billion, which represents a percentage reduction of 14.14 per cent.

It should be noted that during the consideration of the National Budget Framework Paper in January 2022, the ministry had been allocated a total budget of Shs 210.61 billion.

The vote for the Equal Opportunities Commission for the Financial Year 2022/2023 is summarised in the table. Allow me to move the Members to page No.12 and the total approved budget for the commission in Financial Year 2021/2022 was Shs 13.272 billion of which Shs 2.96 billion was for wages, Shs 9.945 billion was nonwage recurrent, and Shs 0.360 billion was for development expenditure.

In the proposed budget for the coming Financial Year 2022/2023, a total of Shs 14.101 billion has been provided, of which Shs 2.967 is for wages, Shs 10.918 is for nonwage recurrent and Shs 0.216 for development expenditure.

The allocation to the commission budget has increased slightly by six per cent and this is attributed to the nonwage category which increased by 10 per cent.

However, the development budget was slashed by 40 per cent. In the medium-term, the commission budget is projected to remain constant at Shs 14.101 billion.

Observations and recommendations:

Under the Ministry of Gender, Labour and Social Development, we have 611 and the funding of the Uganda Women Empowerment Project (UWEP); UWEP was established in 2016 as an affirmative action revolving fund with the goal of empowering Ugandan Women to improve their income levels and their participation and contribution to economic development.

The project targets women in the age bracket of 18.79 years and the beneficiaries include: unemployed women, women with disabilities and other vulnerable women.

The project has benefitted 16,542 across the country and 191,476 women to date. The project has an impressive recovery rate of 78.2 per cent which is the highest among all the poverty alleviation projects in the country. Even this was compromised by the COVID-19 pandemic otherwise, it was 81.3 before COVID-19.

A total of Shs 29.02 billion out of the UWEP budget of Shs 32 billion has been reallocated from the Ministry of Gender, Labour and Social Development to the Parish Development Model leaving a balance of Shs 2.9 billion for only secretarial operations and salaries for staff.

This stops the programme and it will not only put the lives of women at risk but will also make it impossible to recover the money already in circulation because the secretariat requires money for operations, in order to recover the Shs 127 billion that is still circulated in the women groups throughout the country.

Whereas special interest groups are allocated funds in the Parish Development Model, the bulk of the funds are aimed at agricultural enterprises and yet the vast majority of women in Uganda have limited access to factors of production, especially land and will therefore not benefit from the PDM as much as they do from UWEP.

Moreover, the COVID-19 pandemic has negatively impacted on the economy and many informal businesses collapsed. As a result, the demand for the funds by women is growing even bigger.

The committee is cognisant of the Cabinet resolution via minute number 110/CCT/2022 on 28 March 2022, where His Excellency the President directed the Minister of Finance, Planning and Economic Development to allocate the Shs 34.7 billion from the recovery account to the Ministry of Gender, Labour and Social Development to be ploughed back into the revolving fund for Youth Livelihood Programme and UWEP.

Madam Speaker, this Shs 34.7 billion has been lying on the recovery account, as recovered from YLP and UWEP. The ministry could not access it because of the threats that were coming from the Ministry of Finance to scrap UWEP and only promote PDM.

Madam Speaker, this, of course, gives hope for the continuation of UWEP and YLP. However, the Ministry of Finance wants UWEP to use the meagre Shs 2.98 billion that is meant for the salary for the secretariat staff to also recover the remaining outstanding on YLP, which is going to be very difficult. YLP equally has staff, no money is provided for them but the ministry advises that UWEP staff, on the salary that has been allocated, they also recover YLP.

The recommendations of the committee:

1. An additional provision of Shs 2.1 billion be allocated to the Ministry of Gender for operations of Uganda Women Empowerment Project to enable it carry out activities to recover the money given out - that is still in the groups.
2. Shs 3.3 billion be allocated to the Ministry of Gender, Labour and Social Development for the operations of the secretariat of the Youth Livelihood Program to pursue the recoveries.
3. Both projects be allowed, as it were before, to utilise 10 per cent of the recovered funds for the secretariat operations for the respective projects in order to run as per their roles to recover and revolve the funds.

Madam Speaker, we think that this will not shake the Fund because as they recover and revolve, 10 per cent would be used very effectively to operate –

**The Speaker:** Hon. Betty, the report being read is yours.

**Ms kabahenda:** 6.1.2:Minimal allocation for community mobilisation and mind-set change and the Parish Development Model

Madam Speaker, community mobilisation and mind-set change is a mandate of the Ministry of Gender and is, therefore, the lead agency of the pillar number five of the Parish Development Model. The pillar seeks to enhance effective mobilisation of households and communities for socio-economic transformation and implementation of cross-cutting issues.

However, the committee notes that the ministry was allocated a meagre Shs 1 billion for this pillar under the PDM out of the budgeted Shs 18 billion, leaving a funding gap of Shs 17 billion. This is worrying, given that the PDM is new and there is need for people to get to know about it.

Also, the committee notes that there is need for massive awareness about the programme given the amount of money that is going to be sunk into it and the impact it should have on the target populations.

Moreover, lessons from other projects indicate that mobilisation and mind-set change are key for the successful implementation of Government projects especially those aimed at poverty alleviation.

Our recommendation is that at least an additional Shs 9 billion be allocated to the Ministry of Gender, Labour and Social Development for community mobilisation and mind-set change under the Parish Development Model.

6.1.3: Inadequate provision for the Social Assistance Grants for Empowerment (sage)

The committee observes that sage programme has been operational since 2010. Cabinet announced the national rollout of the programme to cover all older persons aged 80 years and above across the country in 2018/2019.

The grant is faced with three significant challenges, Madam Speaker. First, in the Financial Year 2022/2023, in order to pay all beneficiaries a total of Shs 146.7 billion is required. However, the funds provided amount to only Shs 120.7 billion, leaving a shortfall of Shs 26.9 billion. The same shortfall was experienced in the current financial year running, but was covered by development partners.

Secondly, there are arrears amounting to Shs 36.2 billion to date, out of which a provision of only Shs 14.4 billion has been made, leaving a funding gap of Shs 21.6 billion, which is required to cover the arrears for 270,203 beneficiaries that did not receive remittances in the fourth quarter of the Financial Year 2020/2021 due to inadequate funds on the side of Government - not on the side of development partners.

Thirdly, while the deficit during the current financial year was covered by development partners these –

**The Speaker:** Honourable chairperson, kindly summarise.

**Ms kabahenda:** Madam Speaker, I have a few things. While the deficit during the current financial year was covered by development partners, these will cease to support the programme in June 2022. This, therefore, leaves the funding of the programme to jeopardy and arrears are likely to continue.

The budget shortfalls of the programme continue to impede the effective running of the programme and the general welfare of its beneficiaries.

The committee further observes that the lack of national social protection strategy continues to hinder co-ordinated planning and eventual financing and interventions for social protection in the country.

Recommendations:

1. Shs 21.6 billion be provided in the Financial Year 2022/2023 to cover arrears for 270,203 beneficiaries that did not receive their remittances in the fourth quarter of the Financial Year 2020/2021.
2. Shs 26.9 billion be provided to cover the shortfall to ensure that all the beneficiaries aged 80 and above are covered.
3. The Ministry of Finance, Planning and Economic Development provides to this Parliament a statement of assurance on the sustainability of sage programme after the withdrawal of the funding partners in June 2022.
4. The Government puts in place a national social protection strategy that will take us to legislations on social protection, since we already have a running national social protection policy.

6.1.4: Green jobs and fair labour markets

Madam Speaker, the green jobs and fair labour market programme seeks to provide solutions to the problem of youth unemployment in the country, especially those in the informal sector, which contribute more than half of the country's GDP.

The programme also helps these youth groups to transit from the informal to the formal service sector, with business start-up kits with equipment and green technology and helping them to manage the transition.

Given the COVID-19 pandemic and its impact, the programme is critical in helping the youth gain employment and transition to the formal service sector. This is in line with result 6.1 of NDP III, which aims to reduce the informal sector from 51 per cent in 2018/2019, to 45 per cent in 2024/2025.

To date, 277 informal sectors (*Jua kali* groups) comprising of 6,164 members, mostly from greater Kampala Metropolitan and Busoga regions have benefited from the programme. There is need to roll it out to benefit all the regions of the country. This should be a welcome moment, given the impact of COVID-19.

In order for us to roll it out to all parts of the country, we would actually have required Shs 50 billion but at present, only Shs 2.9 billion is provided in the budget, leaving a huge funding deficit of Shs 49.1 billion.

Our recommendation, if we have to phase the rollout, is that at least Shs 10 billion be allocated to the Ministry of Gender to start a phased rollout of the green jobs and fair labour market programmes throughout the country.

Apprenticeship and graduate volunteer scheme

Madam Speaker, in 2018, Cabinet approved the Uganda National Apprenticeship Framework under minute 358/CT/2018. The ministry was then directed to urgently design and implement apprenticeship scheme in the key sectors of the economy.

The ministry kick-started the scheme to develop employability, self-employment, labour productivity and enhancement opportunities for the youth. Annually, the scheme targets 3,500 youth. The minister has so far placed 235 graduate volunteers and 100 apprentices in workplaces in manufacturing and service sectors with support from UNDP and ILO respectively. The graduate volunteers have gained relevant employability skills required in the labour market, and more than 73 per cent have so far gained more employment.

Madam Speaker, there is no provision for the scheme in the proposed budget, and this threatens to hold the scheme, and yet it has the potential to help alleviate the challenge of unemployment for the graduate youths.

Our recommendation is that Shs 5 billion be allocated to the Ministry of Gender so that they can continue to expand the National Apprenticeship and Graduate Volunteer Scheme.

Underfunding for the Uganda National Cultural Centre (UNCC) and Creative Arts

The creative arts industry is one of the sectors of the economy that remained closed long after the rest of the economy emerged from the lockdown imposed due to the COVID-19 pandemic. The industry presents a huge opportunity to curb unemployment problems in the country, especially for the young people, and is a potential revenue earner and the strategic community mobilisation tool. The UNCC is a subvention under the Ministry of Gender. The centre is critical to revitalising the creative arts sector. However, it is critically underfunded.

In the Financial Year 2020/2021, the UNCC was appropriated a wage bill of Shs 2.34 billion, and this was enough to cover only staff salaries, gratuity and statutory obligations. However, in the Financial Year 2021/2022, the wage bill was now reduced to Shs 1.57 billion, creating arrears of Shs 770 million. The centre also requires Shs 30 billion to establish regional studios to help artists from various parts of the country and also carry out a feasibility study for the land redevelopment at UNCC.

Our recommendation, Madam Speaker, is for this House to avail Shs 33.57 billion to Uganda National Cultural Centre to establish regional recording studios throughout the country, cover the shortfall in salaries, clear arrears for statutory obligations, and carry out a feasibility study for the redevelopment of the premises.

Budget enhancement for special interest groups’ councils

The committee observed that councils of special interest groups have countrywide structures up to the doorstep. However, the councils require funding to enable them operate effectively and reach out to their structures and constituents. Failure to fund these councils impedes on their efficiency and makes it difficult for their constituents to engage in national programs.

The National Youth Council was allocated Shs 2.07 billion out of the required Shs 4.07 billion, leaving a funding gap of Shs 2 billion. As a result of the funding deficit, the council is unable to hold vital meetings or undertake training and sensitisation of the youths throughout the country.

The National Council for Older Persons, on the other hand, is allocated Shs 700 million annually out of a required Shs 2 billion, making it difficult for them to effectively mobilise the older person structures throughout the country. It is especially critical for the National Council for Older Persons, which is relatively new - moreover, His Excellency directed, on the day of the older persons, an increment of Shs 3 billion to each of the statutory councils and provision of Shs 800 million to the National Youth Council to organise annual youth conferences.

Recommendations:

1. Shs 2 billion and Shs 1.3 billion should respectively be allocated to the National Youth Council and National Council for Older Persons to enable them effectively execute their mandate.
2. Shs 15 billion be allocated to all the statutory councils in fulfilment of the pledge by His Excellency the President.

Funding for interventions to address challenge of street children

The committee observes that street children abound in all urban centres, cities and towns throughout the country and represent a serious challenge to the development of this country, given that the majority of Ugandan population is made up of the young people.

The committee notes with concern that while there have been numerous attempts to address this challenge, not enough has been done and, particularly, there has been insufficient funding. In July 2019, Parliament appropriated Shs 3.4 billion to support efforts to get children off the streets by addressing the root causes and providing rehabilitation services to children resettled. Out of that money, however, only Shs 1 billion was released.

The committee observes that there is need for funds to establish/improve transit centres to receive and rehabilitate the children on the streets, support districts and urban authorities to withdraw, rehabilitate and resettle the children, ensure all livelihood programmes prioritise more vulnerable households as a mechanism of minimising street children phenomenon, among other interventions.

Our recommendation, Madam Speaker, is for Shs 3 billion to be allocated to the Ministry of Gender to address the problem of street children in urban and city centres in the country.

Funding for Gender Based Violence (GBV)

There has been an increase in the number of gender-based violence by 29 per cent, as a result of the COVID-19 pandemic and resultant lockdown as noted in the annual crime report 2020. There is, therefore, a need to address the causes of the violence and to provide remedies for the victims and those at risk. While there are centres in some districts in the country, these centres are established and operated by civil society organisations that depend on foreign donors. They are only reception centres; they are not gender violence shelters. This has made them susceptible to uncertainty and some of them closed during the lockdowns compounding the problem of the victims.

There are 18 shelters throughout the country and yet, going by the annual crime report, the vice of GBV is increasing across the country. The shelters are also inadequate in that they do not have the requisite services such as psychosocial support, skilling and training for victims, which would go a long way in empowering them and offering a second chance for the future. It is important for the ministry to establish and equip these centres in all districts, starting with regional centres.

Due to the increase in GBV and teenage pregnancies during the COVID-19 lockdown, an astonishing number of teenagers became pregnant, and an overwhelming majority have dropped out of the formal education. The ministry intends to place these children in the children's homes and reception centres, while the teenage mothers are skilled and alternative formal skills supported with start-up capital. However, no funds are provided for this in the Financial Year 2022/2023.

The committee recommends that the ministry be allocated Shs 10 billion to start a phased establishment of regional gender-based violence shelters in Uganda. Of course, Madam Speaker, we would like to even implore the ministry to interrogate and review the DBV Act to find out whether it effectively addresses the current challenges of GBV since 2010. Things could have changed.

Renovation of the rehabilitation centres for Persons with Disabilities

There are five vocational rehabilitation centres for PWDs in Uganda. These centres should play a critical role in imparting skills to the PWDs to help them earn a living since it is, on average, much harder for them to get employment because of the stereotypes and discrimination that they face in society. However, all the five rehabilitation centres, with the exception of Ruti, which is in Mbarara, are in a deplorable state with many of them roofed with asbestos and filled up pit latrines. In their current state, these centres are uninhabitable. It is important for these centres to be refurbished and retooled to make them serve the purpose for which they had been established.

The recommendation is that Shs 10 billion be allocated to the ministry to enable them renovate and retool these rehabilitation centres.

Industrial Court & access to labour justice

While strides have been made in establishing interventions in the direction of creating jobs for various segments of society, including youth and women, little has been done in ensuring that there is adequate provision for employer-employee relations, which has given rise to an increase in labour complaints, and of course, industrial actions.

The COVID-19 pandemic made matters worse and the ministry registered an excess of 20,000 labour complaints and disputes unresolved. The absence of a clear system to resolve labour disputes attracts industrial action, destruction of property and loss of man hours. This leads to exploitation and violation of human rights and impedes economic development.

The coming into force of the Labour Disputes (Arbitration and Settlement) (Amendment) Act, 2021 expanded the mandate of the Industrial Court and granted it the status of a High Court, provided with three more judges, registrars and panellists as well as other staff of the court. This requires Shs 8 billion in Financial Year 2022/23, which has not been provided.

The committee recommends that Shs 8 billion be allocated to the ministry to establish structures and infrastructure of the industrial court across the country.

Equal Opportunities Commission

Enhancement of the budget of the Equal Opportunities Commission Madam Speaker, our recommendation is for Shs 6.8 billion to be allocated to Equal Opportunities Commission to recruit more staff, undertake research and report on equal opportunities and conduct tribunal hearings.

Governance challenges at the commission

The committee notes that seven of the staff of the Equal Opportunities Commission, including the former secretary, were interdicted and have not been reinstated. The committee was informed that matters of six of the seven staff are ongoing.

The committee was further informed that the former secretary wrote to the commission, indicating that the DPP had dropped charges against him and was requesting to be reinstated.

The committee was further informed that the commission wrote to the Attorney-General, seeking guidance on how to proceed and was still waiting for the response. In the meantime, the commission assigned an acting secretary.

Our recommendation is for the office of the Attorney-General to expedite the legal opinion regarding the former secretary of Equal Opportunities Commission so that a substantive secretary is appointed.

Conclusion

Madam Speaker, social development is a key component in attaining the goal of NDP III, which is to increase average household income and improve the quality of life of Ugandans.

The Votes under the purview of the committee have a mandate that includes everyone: women, youth, children, workers, people with disabilities, older persons and other marginalised and vulnerable persons.

There are numerous projects and activities, which are well thought out and go a long way in attaining virtually all their sustainable development goals. If implemented, these projects and activities can go a long way in transforming this country. Whereas this is the case, underfunding threatens most of the critical projects and activities.

It is the hope of the committee that the House will provide the additional resources, as indicated in the committee’s recommendations.

Madam Speaker, I beg to move that the report, the recommendations of the committee and the appropriations of the Votes herein contained, be adopted by this House. I beg to move, Madam Speaker. *(Applause)*

**THE SPEAKER:** Thank you, honourable chairperson. Honourable Members, you have heard what the chairperson has said – this is gender, labour and social development. We are going to refer this to the Budget Committee, as per rule 149.

The matters are basically on gender and equity responsiveness. On UWEP, we need an increase on the money for women and you cannot transfer money from UWEP to Parish Development Model. That one is a no go area; women need their money. This is because if you are talking about a Parish Development Model, not all women will be in those SACCOS. For us, we want our money as women. *(Applause)* We are comfortable the way we have been using it.

Honourable minister, you need to look at issue of labour exportation. Yesterday, we talked about amendment of the labour laws to include the missions abroad. People who are going to a particular country must first report to the mission and we must have labour officers deployed in the missions abroad. That is what was discussed yesterday.

The other was the issue of youth unemployment. You know you have very many people in the streets because of unemployment. Therefore, if you can have an affirmative action for them, it would really help them – like what you have for the women. You need to get these youth something to do.

On SAGE, most of these people have died without getting their money. First, it is very little and on top of that you do not give them. Therefore, you need a solution to that effect. *(Applause)*

Most importantly, I know you are on the team of the Parish Development Model; never take our money, as women. *(Applause)* Women are the responsible people in a family - they run the families. If you look at the repayment rates, 72.8 per cent is very high. Remember, you are lending us the money and we are paying you back. You actually need to add money on UWEP instead of removing it.

Clerk, I want you to capture all the reports and have them on the *Hansard*. I am not going to allow a debate. Minister, Can you give us a response.

*(The Report shall appear as an appendix in the Hansard monthly bound volume of April 2022)*

1.25

**THE MINISTER OF GENDER, LABOUR AND SOCIAL DEVELOPMENT (Ms Betty Amongi):** Thank you, Madam Speaker. As the sector minister, I made a strong case -

**THE SPEAKER:** Honourable minister, just a minute. The shadow minister wants to make a presentation and then you will respond.

1.25

**THE SHADOW MINISTER FOR CULTURE AND PERFORMING ARTS (Mr Hillary Kiyaga):** Thank you, Madam Speaker. I join other colleagues in congratulating you. I am here to interest Members to support this report.

First, this ministry houses most of the programmes for the vulnerable people. I must tell you, Members, that however much the ministry did not do visibility and awareness for these programmes, they are paramount for our people and need your support.

However, I need to highlight a few things. For example, on SAGE, we have a challenge that most of the funders are pulling out and the Government, much as we have arrears for eight months, has not come out to stipulate how we are going to sustain this programme.

We are yearning for the arrears but the programme is likely to fade out because the funders are pulling out. We need a plan on how we are going to sustain this programme.

I think it is time we worked on the minimum wage Bill. *(Applause)* Madam Speaker, many of the workers are manipulated at their workplaces. This institution has to stop such manipulations. Therefore, the minimum wage Bill is paramount at this moment.

As recorded in our report, UWEP is one of the programmes that has been performing perfectly. If we are replacing it with the Parish Development Model, we are being unfair to the women of this country. *(Applause)*

Much as we welcome the Parish Development Model, we must not forget that all programmes that have been perfect and working well for the vulnerable people must be retained. Our role must be to look at how we can sustain them, but not to phase them out because of the Parish Development Model that we have not even experimented.

Lastly, Madam Speaker, let me talk about my sector that I understand very well. I am the Shadow Minister of Arts and Culture and I must thank Government for taking care of the cultural leaders and institutions.

However, we also have the creative art. Government has for so long neglected this sector yet it houses most of the youth. If we are to work on the unemployment problem, let us champion, advocate, finance and empower the art sector; there are many challenges, Madam Speaker. Even as we talk, the late Speaker championed the Copyright Bill. This august House has to respect his will and take on artistes –

**THE SPEAKER:** Which Bill?

**MR KIYAGA:** The Copyright Bill, 2006.

**THE SPEAKER:** Okay.

**MR KIYAGA:** We need to invest in the arts sector because this sector houses most of the youth who are a problem to this nation.

**THE SPEAKER:** Honourable minister?

**MR KIYAGA:** Madam Speaker, in that regard, I beg to encourage the entire House to support the gender budget as proposed. I beg to submit.

**MS BETTY AMONGI:** Thank you very much, Shadow minister. Madam Speaker, I stated earlier that the Ministry of Gender, Labour and Social Development made the justification for retention of the Uganda Women Entrepreneurship Programme (UWEP) extensively in all the fora that we sit in. We held several meetings with Ministry of Finance, Planning and Economic Development and we as well presented in Cabinet but the decision of Cabinet was that the Shs 32 billion under UWEP be removed and merged under the Parish Development Model.

In the first budget allocation, we had that money retained but in the second budget call circular it was removed by the Ministry of Finance, Planning and Economic Development. So, if this House feels that the Shs 32 billion should be retained, then the recommendation of the committee should be amended to capture the Shs 32 billion.

The only thing I managed to succeed –

**THE SPEAKER:** Honourable members, can the Minister of Finance, Planning and Economic Development come and explain to this House why he removed the Shs 32 billion?

**MS AMONGI:** Thank you, Madam Speaker. The only thing, which I managed to argue and successfully got back, under Youth Livelihood Programme (YLP) and UWEP, is the money that has been collected or recovered from the loans that have been repaid. If you recall this appeared in the Auditor-General’s report that money totalling to Shs 34,115,000,000 was recovered in Bank of Uganda and has not been re-appropriated back to the ministry.

I managed to present that one to Cabinet and His Excellency, the President directed that we re-plough it back to the two programmes. However, even if we re-plough that money back, the Youth Livelihood Programme does not have money to run its secretariat.

So, I have been directed by Cabinet to merge the structure of Youth Livelihood Programme or UWEP and have a lean structure of both adding onto the roles of the Parish Development Model. The two programmes will work hand-in-hand to recover money that has already been loaned and revolve the one that have been recovered. Therefore, it will be important *–(Interjection) -* should I accept the clarification?

**THE SPEAKER:** That is a very serious issue. How do you recover the money to be absorbed by another sector? This is wrong.

**MR OLANYA:** Thank you, Madam Speaker. Right now the ministry is budgeting for Shs 2.1 billion for the recovery of UWEP - UWEP was being supervised by the community development officers who are the employees of Government. They are being paid every month yet the ministry is budgeting for Shs 2.1 billion to help in the recovery. Why is that so, Madam Speaker?

**THE SPEAKER:** Why the operational cost of the Shs 2.1 billion?

**MR OLANYA:** Exactly! Secondly, on the Youth Livelihood Programme, on the secretariat running, the ministry is budgeting for Shs 3.3 billion to run the secretariat.

Madam Speaker, the Youth Livelihood Programme is being run by the district and we have the district employees who are running this programme. Right now, the ministry is budgeting for 3.3 billion just to help the secretariat. We do not understand all these money that you are budgeting for. That is the clarification I want to put up.

**THE SPEAKER:** If you are to give out that money to the women, how many women would benefit from it? Let us first hear from hon. Dorcas Acen and then you respond.

**MS ACEN:** Thank you very much, Madam Speaker. I would like to seek clarification from the honourable minister. While we propose about Shs 3.3 billion to have the secretariat for YLP, we know that when we want to merge YLP together with UWEP, the recovery rate for YLP has been extremely low all over the country. I do not think that when we moved around to the districts, we found any district, which had information to show that YLP was performing very well.

However, for UWEP, if I picked, for example, Agago District, it had one of the highest recovery rates in northern Uganda at 96.6 per cent. So, why do we go ahead to dilute UWEP, which is performing so well with YLP when we do not have success stories from YLP? Isn’t that something, which is going to demoralise the women?

Then the aspect of merging it under the Parish Development Model, we do not have any benchmarking. We do not even have any piloting, where we learnt from that we are going to say A, B, C and D worked very well that we are picking and bringing it to ensure that the women will benefit under the Parish Development Model. So, we strongly request that UWEP remain the way it has been so that the women can benefit. I thank you.

**THE SPEAKER:** Remember there was going to be the laying of the policy and regulations for the Parish Development Model. This House does not know anything about the Parish Development Model.

We do not know. You are pushing us into what we do not understand. Make us understand the Parish Development Model. You have kept it within yourselves in Cabinet yet we are the representatives of the people. We need to explain to our people what it means.

Now, you want the Parish Development Model to fail like other programmes, and then you start blaming Government?

Yes, chair -

**MS KABAHENDA:** Allow me to defend the 2.1 and 3.3. Madam Speaker –

**THE SPEAKER:** You will defend that in the Budget Committee.

**MS KABAHENDA:** Allow me to give this clarification, Madam Speaker. That UWEP is not only a moneylender, but they have other activities according to the policy, to monitor these groups, form them, train them so that they can get money. And so, when you only pay salaries, and you do not provide money for the CDOs to move – for fuel, not salaries, necessarily. They must monitor, they must train these groups and bring them on board for them to be supported with UWEP funds.

Madam Speaker, the Shs 3.3 billion had earlier been budgeted for YLP staff, and was scrapped. We are only reclaiming it. That the Secretariat of YLP also runs and so that they can also recover, do their recoveries and their mandate as per policy so that the programmes can be seen running. We are not only paying salaries, but we need operations. To mobilise and group these people –

**THE SPEAKER:** What honourable is raising is - are these people paid salaries? Are they civil servants? And if they are civil servants, they are paid a salary, why would you pay somebody money to go to the field? Why would you spend two point something instead of giving that money to the women to use, you are again paying people who are earning salaries. *(Applause)* Let us have that money given to the women to do their work.

**MR MACHO:** Madam Speaker, the report that the chair of the gender is reading to the august House is perturbing. Whereas all the development of a home bases on a woman the committee gets money for UWEP to put into the Parish Development Model that has already died at the initiation - The Parish Development Model has almost the same principles like *Emyooga* which is making Ugandans cry day and night. *(Applause)*

The fact is that women are crying, Madam Speaker, where some of us come from. This is because those who borrowed *Emyooga* money, the men have run away from their homes. There is no giving birth.

Now, how do you take the women’s money? What have the women of this country done to us that we take the only money that they were getting? Why really?

The Prime Minister should tell us, why do they begin fake programmes in Cabinet and not tell us? As I speak now, I am the only Member of Parliament for Busia Municipality, there is nobody else in the 11th Parliament, but I do not know anything concerning the Parish Development Model. And now you are taking the money for the women. What do you want the women of Busia to do? Where do you want them to go? Moreover, they gave NRM 90 per cent of the votes. Is that the way you are paying them? This is very unfair to the women of Busia.

**THE SPEAKER:** Honourable member, we cannot say they are “fake” programmes. These are Government programmes. All we need is to have information about the programme. We need the guidelines. We need a policy. What is our involvement as Members of Parliament? How do we come in? Tomorrow you are going to fail in your constituency because you have not been involved. This is the same thing that happened with *Emyooga.* Yes, Hon. Luttamaguziyou are all on clarification.

**MR WOKORACH:** Thank you very much, Madam Speaker. We need not deceive ourselves. As a matter of fact, all the three concepts of the Youth Livelihood Programme, the UWEP and the Parish Development Model, they cannot meet at any moment. They cannot meet; when they meet, I believe they would start fighting among themselves.

The clarification I was seeking is; we heard clearly from the minister for gender, that in the first draft that they sent for the budget, the money for UWEP was intact. Nobody touched it. But in a second discussion now, the Ministry of Finance, Planning and Economic Development scrapped everything. I believe that the ministry of gender was not even consulted. Are we going to move in that same line as a country? I see a big challenge with the ministry of finance.

The clarification I wanted is, was there a formal discussion, madam minister in that regard before it was cut away from your vision as a ministry? I submit.

**THE SPEAKER:** Honourable Prime Minister, can we have the ministry of finance here tomorrow to explain about our UWEP money? We want our UWEP money. *(Applause)*

**MS NAKADAMA:** Madam Speaker, I thank you very much. I am going to inform the minister of finance to come here and explain about that money.

Secondly, I also want to inform this House that the guidelines for the Parish Development Model and the regulation are with the Attorney-General. He is going to bring them here to Parliament so that Members of Parliament are on board as far as the Parish Development Model is concerned.

**THE SPEAKER:** Honourable Prime Minister, yesterday, the Prime Minister made a commitment that today before the debate, they will have laid the policies and the guidelines on the Floor. Now you are contradicting yourselves. How do you want me to help you? The good thing is that the Attorney-General is here.

**MS NAKADAMA:** Madam Speaker, that is why I am saying that we pledged that we are going to bring them here before Parliament. I was just confirming what was said yesterday. He is here, let him say something.

**THE SPEAKER:** The Attorney-General is laying the documents?

1.45

**THE DEPUTY ATTORNEY-GENERAL (Mr Jackson Kafuuzi):** Madam Speaker, I must confess I was taken by surprise. We have been working on the guidelines and we are ready. Let me liaise with my office and see if we can lay them today.

**MS ROSE OBIGAH:** Thank you very much, Madam Speaker. I remember there was a date scheduled for us to understand what the Parish Development Model is. I think it is giving birth to a premature to start picking money from UWEP whose impact is felt in the community. I do not think when you want to give birth to a new baby then you sit on the older baby. This is the only child; the only thing women have in their hands. Now you want to suffocate it.

I really think, honourable minister, as a colleague woman, should really come back and understand. This is the only thing I have in Terego. Therefore, we are not accepting that this money should just be shifted like this when we do not even know what your parish model is. The guideline is in total confusion and in a mess.

**THE SPEAKER:** Honourable minister, do not kill the old baby to conceive a new one*. (Laughter)* Better the devil you know than the angel you do not know.

**MS TAAKA:** Thank you, Madam Speaker. I wish to join my colleagues in the quest for reservation of the money for UWEP. However, I would like to join the chairperson on the issue of facilitation in the form of fuel to community development workers.

Every subcounty in this country has only one CDO; and that subcounty has a minimum of six villages - *(Interjections)* -minimum. I am not saying that is the maximum but a minimum. Some have 10, others 12 and so on and so forth. I am saying a minimum and yet we have one community development officer to run through.

Madam Speaker, one of the reasons as to why we have had certain programmes fail is the failure to facilitate the social workers who know how to talk to the adults that we would like to change. They cannot run through subcounties using their salary. Salary is something paid to somebody for their work; it is supposed to facilitate their family and personal issues. These people need fuel.

Honourable colleagues, if we do not facilitate social workers, even the Parish Development Model that they are talking about, which we have not yet conceptualized, will fail. Thank you.

**MR SILWANY:** Thank you, Madam Speaker. I rise on a point of procedure. You have just asked the Prime Minister to direct the Minister of Finance to come here and tell us about the money for UWEP.

However, the whole of this week, the Minister of Finance has been on radio and television telling people that he will not listen to Parliament and is not willing to be guided and directed by Parliament.

Would it be procedurally right for the Prime Minister to tell the same person to come and present to us without apologising first for bashing us, as Parliament, because we were just inquiring about the coffee agreement?

He said that he will not listen to Parliament and Parliament cannot direct the minister. Would it be procedurally right, Honourable Prime Minister, for you to prevail over your minister?

**THE SPEAKER:** Honourable members, we have 10 reports today; do you have evidence to that effect?

**MR SILWANY:** Madam Speaker, when you give me leave, I will go and pick all those recordings.

**THE SPEAKER:** Can we have evidence to what you are saying because whatever you are saying now is hearsay.

**MR SILWANY:** It is not hearsay because it is in all media houses.

**THE SPEAKER:** Lay the evidence on Table; I am giving you leave and then we will take appropriate action.

**MR SILWANY:** Much obliged, Madam Speaker; I will come and lay. *(Applause)*

**THE SPEAKER:** Nobody has a right to start abusing this Parliament. It is only in this Parliament where we make decisions - whether they are good or bad. So, bring evidence and then we take action on the person who is abusing this House. *(Applause)*

**MR LUTTAMAGUZI:** Thank you, Madam Speaker. Parliament worked very hard to ensure that we pass the Minimum Wage Bill and everyone in Uganda, including my constituents of Nakaseke South, was very happy. But again when this Minimum Wage Bill was returned to Parliament, there has been a lot of silence.

I would like to know from Government those key salient issues which the President pointed out that stopped him from assenting to that Bill such that they should be worked on quickly. When that is done, at least Ugandans can be proud of what we were doing as Members of Parliament.

**THE SPEAKER:** The delay on that Bill is not on the President; the delay goes to the Attorney-General’s chambers. The President had not received the Bill until last week.

**MR MPINDI:** Thank you, Madam Speaker. People have discussed issues of women but now I would like to bring on the Floor of Parliament issues of persons with disability.

This Parliament works through committees and as persons with disability representatives we went through the Committee on Gender and we got allocation for things to help persons with disability in this country.

The Committee on Budget agreed with us but when finally, the Committee on Finance came out with a document, most of our things were removed from the budget. I know yesterday you guided that we may not discuss those things here but I would like you to direct the Committee on Budget to listen to us when we go there to present issues of persons with disability.

Our people are suffering; they do not have mobility appliances. Children are suffering in the rehabilitation centres because there is no money allocated and so many other things.

Madam Speaker, please direct the Committee on Budget to listen to us and at least we get something to help persons with disability in this country.

**THE SPEAKER:** Thank you. The Committee on Budget should listen to people with disability and it is also included in the report; so that will be attended to.

**MS BETTY AMONGI:** Madam Speaker, on the issue of administrative costs which Members raised, I think that is part of the reason why Cabinet instructed that we have a lean structure because under UWEP, we are not using Government of Uganda staff because it started as a project. Both YLP and UWEP have staff recruited outside Government structure and they are paid a different scale.

For instance, a manager earns Shs 11 million and above and it goes down up to a senior person who earns up to Shs 5 million; then the rest are paid - according to the original donors. However, the donors have since left.

I have heard the concern of Parliament – and it is the same concern of Cabinet. We will assess but the most important issue that Members have raised is how to facilitate the community development officers more because they are the ones on the ground and generating the projects. If the committee or Parliament reinstates the Shs 32 billion, then we will come back and brief you on how we have handled the issue.

On SAGE, the arrears of Shs 26.7 billion still stand and I hope Parliament will handle. On labour externalisation, we had proposed that we will require labour attachés in some of the countries that have a lot of complaints. If we do not have labour attachés, a framework for monitoring, it becomes difficult.

Most of the countries like the Philippines, Lebanese have fully fledged offices - besides their embassies - which have a 24-hour call centre in those countries to receive issues from their distressed migrant workers, liaise with the ministry responsible for labour and embassies and quickly make those companies that have externalised the migrant workers to handle it quickly. We had asked Shs 5 billion to at least start with the Kingdom of Saudi Arabia, United Arab Emirates and Qatar but that money has not been provided.

**THE SPEAKER:** Honourable minister, do you want to attach people without amending the law? Under which law would you be acting?

**MS BETTY AMONGI:** The labour law, policy and regulation was approved by this Parliament so it covers those.

**THE SPEAKER:** Does the law, policy and the regulation require you to attach your workers in another country?

**MS AMONGI:** To attach them under our embassy. It is provided for in the regulation. Even the $30 charge, which is being collected in the Consolidated Fund, is there and the monitoring aspect is through application and others.

On the Copyright Bill, we have started consultation. We will have a more elaborate explanation later.

On Persons with Disability, street children and labour industrial courts, I request that the committee report be adopted because it will allow us to solve most of the issues related to labour disputes, compensation of workers amongst others.

On youth unemployment, some of the programmes we proposed are captured in the committee report. For example, the graduates’ scheme, under apprenticeship will address youth unemployment because that programme allows those who have graduated, to be placed in all the MDAs, as trainees and volunteers, but paid by the ministry.

The pilot study, which we did with UNDP - most of those who have been placed as volunteers under this programme have ended up retaining their jobs and we pay them. With that and the green jobs, we will be able to substantially deal with that. Thank you.

**THE SPEAKER:** Thank you very much. Honourable members, on the money for facilitation that is supposed to be given, analysis must be made first, to determine whether it is civil servants that are getting salary. Short of that, that money should not be released since they are being paid salary.

I now put the question that the report of the Committee on Gender, Labour and Social Development be adopted with amendments that must first be determined. Uganda Women Entrepreneurship Programme (UWEP) should be retained. *(Applause)*

*(Question put and agreed to.)*

*Report adopted.*

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE ON LEGAL AND PARLIAMENTARY AFFAIRS ON THE MINISTERIAL POLICY STATEMENT AND BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2022/2023

**THE SPEAKER:** For this report, we only need a summary.

2.02

**THE CHAIRPERSON, COMMITTEE ON LEGAL AND PARLIAMENTARY AFFAIRS (Ms Robina Rwakoojo):** Madam Speaker, thank you, for giving me the opportunity to present, on behalf of the Committee on Legal and Parliamentary Affairs. Before I begin, I would like to lay on the Table a copy of the report and our minutes.

I want to thank members of my committee for supporting me to come up with this report. They are present in the House. I request them to stand up for recognition. Thank you very much. Those are the able members of the Committee on Legal and Parliamentary Affairs.

This is a report of the Committee on Legal and Parliamentary Affairs on the Ministerial Policy Statements and Budget Estimates for the Financial Year 2022/2023 -

**THE SPEAKER:** Honourable members, when your report is handled, do not go away; wait for other reports. We have passed yours so you should also wait for others.

**MS RWAKOOJO:** We are considering policy statements for the following votes:

1. Vote 007: Ministry of Justice and Constitutional Affairs;
2. Vote 133: Directorate of Public Prosecutions;
3. Vote 102: Electoral Commission;
4. Vote 105: Uganda Law Reform Commission;
5. Vote 104: Parliamentary Commission;
6. Vote 101: The Judiciary;
7. Vote 148: Judicial Service Commission;
8. Vote 109: Law Development Centre;
9. Vote 106: Uganda Human Rights Commission;
10. Vote 103: Inspectorate of Government;
11. Vote 119: Uganda Registration Services Bureau. I will tackle each institution with the recommendations we made.

Judiciary

The committee commends the Government for clearing the arrear stocks in the Judiciary. In future, any contravention of the Commitment Control System to increase the stock of arrears should be borne by the institution's budget. That was on domestic arrears.

Construction of the Supreme Court, Court of Appeal and High Court

The committee recommends that in future, the Judiciary prepares for implementation of projects, before budgeting for them to avoid making resources, which could have been utilised for other critical requirements, redundant.

Case backlog in the Judiciary

The committee recommends that the Judiciary develops a client charter, strengthens the inspectorate function and performance assessment tools for judicial officers.

Construction of court buildings

The committee recommends that the Judiciary be provided an additional Shs 23.71 billion to undertake the construction of courts in the above-mentioned magisterial areas. The magisterial areas include: Mbarara, Gulu, Mubende, Kira, Oyam, Nakapiripirit, Kaboong, Aduku, Kalaki, Kyazanga and five institutional houses in hard-to-reach areas.

Renovation of court buildings

The committee recommends that an additional Shs 1.0 billion be provided to the Judiciary to renovate various courts across the country.

Retirement benefits for judicial officers and non-judicial officers

The committee recommends that the Judiciary be provided with an additional Shs 5.3 billion to pay retirement benefits to judicial and non-judicial officers.

Medical expenses

The committee recommends that the Judiciary be provided with an additional amount of Shs 5.25 billion to enable it to fulfil its obligations of meeting medical bills for its staff.

Gender compliance

The Judiciary should prioritise gender mainstreaming in its activities and make provision of breastfeeding/children’s rooms in the court premises.

Law Development Centre (LDC)

Construction of LDC multi-storied building

The committee recommends that Shs 3.2 billion be reallocated to its unfunded, recurrent activities to avoid redundancy of funds for yet another year.

The committee also recommends that the Law Development Centre should expedite fulfilling all the conditions so that the project can be provided with a development project code and financing to avoid any further delay.

Allowances for staff of Lira campus

The committee recommends that LDC be provided with an additional Shs 2 billion to cater for allowances of part-time staff of Lira Campus.

Legal aid services

The committee recommends an additional Shs 1.0 billion to LDC to facilitate legal aid services.

Gender compliance

The committee recommends that LDC expedite the implementation of the gender policy at the workplace and set up sign language services and visual impairment aids for persons with disabilities.

Law Reform Commission

Budget performance for 2021/2022

The committee recommends that Uganda Law Reform Commission expedites recruitment to fill vacant positions in order to utilise the wage budget and operate optimally.

Poor performance of non-wage

The committee recommends that Uganda Law Reform Commission expedites the proofreading exercise, so as to utilise the funds for printing before the financial year ends.

Ban on recruitment due to proposed rationalisation

The committee recommends that the Government expedites the rationalisation process so as to pave way for filling of some critical positions.

The Uganda Law Reform Commission

The Uganda Law Reform Commission should also seek guidance from the Ministry of Public Service on filling critical positions in the commission so as to optimise its budget.

Parallel law reform processes and initiatives

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he committee recommends that the Ministry of Justice and Constitutional Affairs streamlines the law reform process, taking into account the mandate of the Uganda Law Reform Commission, to avoid duplication of duties and wastage of resources.

Transport equipment

The committee recommends that this be prioritised for the subsequent financial year due to budgetary constraints.

General compliance

The committee recommends that the Uganda Law Reform Commission continues mainstreaming gender and equity in all new legislation and fully implements the gender mainstreaming guidelines that were developed.

Electoral Commission

Budget absorption challenge for Financial Year 2021/2022

The committee recommends that the commission should adhere to its work plan to avoid absorption challenges.

Arrears

The committee recommends that the Ministry of Finance, Planning and Economic Development takes up the matter to have the penalty of Shs 2.744 billion waived.

In addition, the committee recommends that for future occurrences, the persons responsible be held accountable for their omissions or commission that give rise to penalty tax.

Relocation to new headquarter offices

The committee recommends that the Inspector General of Government expedites the investigation to pave way for relocation of the Electoral Commission to the new headquarter offices.

General election activities

The committee recommends the provision of an additional Shs 72.69 billion to the Electoral Commission to enable it conduct elections as required by law. These are elections for women councils, committees and the administrative units for LC 1 and LC 2. For the women councils, it should be by August this year and the local councils 1 and 2, it should be by August next year.

Outstanding wage bill

The committee recommends that the outstanding wage bill of Shs 11.17 billion be provided to the Electoral Commission.

Operationalisation of offices in 10 new cities and Terego District

The committee recommends the provision of Shs 7.26 billion to operationalise offices in 10 new cities and Terego District during Financial Year 2022/2023.

Transfer to political parties

The committee recommends that Shs 35 billion be provided.

Gender compliance

The committee recommends that efforts should be explored by the Electoral Commission to target all eligible voters of various categories, currently, to exercise their right to participate in elections.

The Parliamentary Commission

Audit committees should be supported in the disposal of all audit reports in a timely manner and Parliament should prioritise debate of audit committee reports and other statutory reports, as provided for in the various laws and the Rules of Procedure of Parliament.

Technical departments be provided with adequate resources to improve their respective capacities in scrutinising statutory reports. This will enable them provide adequate support to committees to expeditiously handle all reports.

Government should provide sufficient funding for committee activities to enable them scrutinise and dispose of statutory reports in a timely manner.

Low absorption under the development budget

The committee recommends that the commission should expedite the completion of the new Chamber to enable Members of the 11th Parliament acquire sufficient office space and improve the working environment.

The Parliamentary Commission should review the performance of the contractor with a view of terminating the contract.

Poor physical performance

The committee recommends that Government avails sufficient funds to the commission and later prioritises allocation of resources to committee activities so as to improve Parliament’s performance in relation to the oversight role.

The committee has also made recommendations regarding wage and non-wage.

Gender compliance

The committee commends the Parliamentary Commission’s efforts of addressing representation related to older persons and Persons with Disabilities.

The Uganda Registration Services Bureau (URSB)

Budget performance

The committee commends the Uganda Registration Services Bureau’s non-tax revenue (NTR) performance and recommends that URSB refocuses its strategies on online registration, business processes and other services to reach out to various stakeholders.

Development and upgrade of ICT systems for all online systems

The committee recommends that Shs 1 billion be provided to URSB to develop and upgrade ICT systems for all online systems.

Rent arrears

The committee recommends a provision of Shs 3.9 billion to URSB to settle its rent arrears.

Operationalisation of two regional offices in the Albertine region and eastern Uganda

The committee recommends that Shs 0.8 billion, in the Financial Year 2022/2023, be provided to enable the bureau roll out the planned two one-stop shops/centres in the Albertine region and eastern Uganda in order to take services closer to the people, as well as boost business in the area.

Mass business registration

The committee recommends an additional amount of Shs 6.2 billion to be provided to URSB during Financial Year 2022/2023 to activate its potential of NTR mobilisation.

Short-term consultancy (ISO)

The committee recommends the provision of Shs 0.32 billion to URSB to facilitate acquisition of ISO certification.

Gender compliance

Government should expedite regulatory/legal and policy reforms geared towards achieving equity in accessing services provided by the bureau. In addition, URSB should develop alternative access mechanisms for its services to target Persons with Disabilities.

Inspectorate of Government (IG)

Low absorption of development budget

The committee recommends that IG expedites the construction of its headquarters, as per the procurement plan.

Prosecution of corruption cases and civil litigation

The committee knows that the cost of corruption in Uganda is estimated at Shs 2,000 billion annually and, with adequate funding, at least Shs 200 billion can be recovered out of the 5,000 cases under investigation.

Mainstreaming of transparency, accountability and anti-corruption (TAAC) in projects

The committee recommends that the Inspectorate of Government be provided with additional Shs 4.4 billion to mainstream TAAC, in line with NDP strategic interventions.

Capacity building of IG staff to fight corruption and maladministration in the public sector

The committee recommends that the IG be provided with additional Shs 0.63 billion to facilitate capacity building of IG staff in fighting corruption and maladministration in the public sector.

Gender compliance

The committee recommends that the IG strengthens efforts in holding high-level corrupt officials accountable.

Ministry of Justice and Constitutional Affairs

Poor budgetary performance for Financial Year 2021/2022

The committee recommends that the ministry adheres to the work plan to avoid delays in plan deliverables and poor budget performance.

Budget strategy for Financial Year to 2022/2023

Payment of outstanding court awards and court arrears

The committee recommends that Government prioritises payments of court awards and court arrears to reduce the principal amounts that attract interest by providing the remaining amount of Shs 213.13 billion.

Cattle compensation to war debt claimants

The committee recommends that Shs 200 billion be provided to cater for all war debt claimants in the sub-regions of Teso, Acholi and Lango. Government should expedite verification of war debt claimants in West Nile, Bukedi, Karamoja and Busoga.

Government should holistically consider compensating war debt claimants in other regions.

Implementing the new structure

The committee recommends that the ministry should be provided with Shs 1.9 billion to fill the vacant positions to bridge the staffing gaps and also reduce the pressure created by increased judicial areas, as a result of operationalisation of the Administration of Judiciary Act, 2020.

Reparations to DR Congo

The committee recommends that the ministry be provided with additional Shs 31 billion to pay the entire $65 million and avoid a possible liability of 6 per cent interest for failure to pay the full figure.

In light of the good working relationship between the two countries, the Government should pursue a waiver or reduction on the amount.

On gender compliance

The committee recommends that the ministry incorporates gender and equity issues in the execution of their mandate, with a view of addressing concerns of vulnerable persons.

The Uganda Human Rights Commission

On budget performance for Financial Year 2021/2022, low absorption of the recurrent budget

The committee recommends that the Government should fully constitute the commission to enable it fulfil its constitutional mandate.

Budget Strategy for Financial Year 2022/2023

Salary enhancement of staff

The committee recommends that Government provides Shs 11.75 billion as additional wage bill for the Uganda Human Rights Commission for Financial Year 2022/23.

Wage Related Expenses

The committee recommends that the Uganda Human Rights Commission be provided with Shs 2.70 billion for wage related expenses and cater for arrears accrued on NSSF, gratuity and allowances.

Vehicles and transport machinery

The committee recommends a provision of Shs 2.29 billion in Financial Year 2022/2023 to procure vehicles including double cabins, station wagons and civic education vans.

Civic education and human rights awareness

The committee recommends an additional amount of Shs 16.04 billion to the non-wage recurrent during the Financial Year 2022/2023 to undertake countrywide sensitisation campaigns on protection and promotion of human rights.

On gender compliance, the Government should prioritise increasing the budget allocations to the UHRC to enable it execute its mandate effectively.

In addition, the UHRC should expedite investigations before them to provide justice to victims of human rights abuses.

The Judicial Service Commission

On the budget performance for Financial Year 2022/2023

Public complaint system

The committee recommends that the Government should initiate amendments to the Constitution to provide for permanent members of the Commission.

The committee further recommends that the Government should provide the Judicial Service Commission with resources to meet its expanded mandate in light of the Administration of Judiciary Act, 2020.

Budget strategy for Financial Year 2022/2023 on wage

The committee recommends that the Commission be provided with additional wage of Shs 0.49 billion to operationalise the new structure.

Procurement of transport equipment

The committee recommends that the development budget for the Judicial Service Commission be adjusted upwards by Shs 8.2 billion to enable it procure vehicles in Financial Year 2022/23.

Procurement of furniture

The committee recommends that an additional Shs 1.4 billion be provided in Financial Year 2022/2023 for purchase of furniture.

Implementation of the expanded mandate

The committee recommends that the Judicial Service Commission be provided with Shs 3.5 billion to facilitate recruitment of judicial officers and non-judicial staff of the Judiciary.

General compliance

The committee recommends that the Judicial Service Commission should expedite the recruitment process of more judicial officers since it facilitates increased access to justice.

DPP on budget performance for Financial Year 2021/2022 - prosecution led investigations in gender, children and sexual offences

The committee recommends that the Office of the Director of Public Prosecutions (ODPP) expedites the recruitment of staff to fill the existing vacancies to optimally function with the aim of reducing the length of time on investigations of these crimes, and sanctioning files for torture victims. The committee recommends that the ODPP should stop, henceforth, the prosecution of victims whose rights have been abused.

Prosecution of cases whose investigations are ongoing

The committee recommends that the ODPP should prosecute cases whose investigations are thoroughly done and complete.

Budget strategy for Financial Year 2022/2023

Salary enhancement

The committee recommends that H.E the President's directives be operationalised and Shs 51.2 billion be provided to the DPP’s office to enhance staff salaries.

Transport equipment

The committee recommends that Shs 22.4 billion be provided to the office of the DPP during Financial Year to 2022/2023 to procure transport equipment.

Security needs for staff and property

The committee recommends an additional Shs 1.2 billion to the ODPP to provide for security for its staff and property.

Conclusion

Madam Speaker, the Legal and Parliamentary Affairs Committee appreciates the fact that the institutions under it are very critical in achieving a just and equitable society.

During the presentation of their ministerial policy statements, there was a shared concern that these institutions continue to attract very limited funding, which has made it extremely difficult to attain their respective mandates.

The budget strategy for Financial Year 2022/2023 will only be achieved if the above institutions are supported in the execution of their mandate.

In light of the above, it is my prayer and the prayer of the committee that this House adopts this report and approves the budget estimates that incorporate the committee's recommendations for their respective votes for Financial Year 2020/2023 and the summary is as contained in the uploaded reports. Thank you very much, Madam Speaker, for the opportunity to present.

**THE SPEAKER:** Thank you so much, Chairperson of the Committee on Legal and Parliamentary Affairs, for the good work you have done. The report is very clear and due for adoption.

I now put the question that the House adopts the report of the Committee on Legal and Parliamentary Affairs.

*(Question put and agreed to.)*

*Report adopted.*

**THE SPEAKER:** Honourable members, we have these committees: Public Service and Local Government, Physical Infrastructure, Defence and Internal Affairs, Agriculture, Health, Finance and Education. They are supposed to present this afternoon.

I am suspending the House for 30 minutes and when we come back, they will present according to the order in which I have read them. Thank you.

*(House suspended at 2.26 p.m.)*

*(On resumption at 2.58 p.m., the Speaker presiding\_)*

**THE SPEAKER:** Honourable members, I welcome you back from the lunch break. I had already given a schedule of which group should present first. I do not know which chairperson is available. We are doing all these as per the rules. After we have finished this, we will want the Committee on the Budget to also do its work and do it effectively. They should present back to the House before the 30th of April. Which chairperson is available? Government?

2.58

**THE MINISTER OF STATE FOR WORKS AND TRANSPORT (WORKS) (Mr Musa Ecweru):** Madam Speaker, I just wanted to beg your indulgence. My committee - the Committee on Physical Infrastructure - has pleaded that this honourable House allows them to conclude in the next 25 minutes. They are binding and signing their report. I do not know whether you could use the powers that you have to allow another committee to make a presentation, as they conclude.

**THE SPEAKER:** Can I have another committee? Honourable members, I do not know why Members are not taking this issue seriously. We have a deadline that has been set under the Rules of Procedure.

3.00

**THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (INDUSTRY) (Mr David Bahati):** Madam Speaker, I think it will take us another 10 minutes to get somebody. The chairpersons were finalising with and signing the committee reports. We request another 10 minutes to get the chairpersons and the committees ready.

**THE SPEAKER:** Can we have the mover of the motion urging Government to strengthen the efforts to prevent, control and eliminate the transmission of malaria? Is the seconder here? Hon. Ethel, do you have a copy?

3.02

**MS ETHEL NALUYIMA (NUP, Woman Representative, Wakiso):** Madam Speaker, I request that we are excused for five minutes. We are done with everything. They should be uploading it right now; but it is ready. Everything is ready.

**THE SPEAKER:** Which committee is that?

**MS NALUYIMA:** The Committee on Public Service and Local Government. It is ready, but we request for some few minutes for the chairperson to arrive here. Thank you, Madam Speaker.

3.03

**MS SARAH OPENDI (NRM, Woman Representative, Tororo):** Thank you, Madam Speaker. Madam Speaker, as we wait for the committees to upload their reports, I -

**THE SPEAKER:** Honourable members, the malaria report is on. The Shadow Minister is going to move the motion.

**MS OPENDI:** Madam Speaker, as we wait for the committees to upload their reports, I just wanted to raise a matter that I raised about a week or two ago regarding funding to the local governments.

The Presiding Officer then, the Rt Hon. Thomas Tayebwa, directed the Committee on National Economy to expeditiously handle this matter and report back to the House. This is because as we speak, we are getting to the tail-end of the financial year and the new town councils and new subcounties have not received funding. Therefore, Madam Speaker, I just wanted to raise this, to find out when we shall be considering this report of the Committee on National Economy regarding the funding for these town councils and subcounties. Thank you.

**THE SPEAKER:** We had a discussion with the Committee on National Economy on domestic borrowing. And looking at the timing now, vis-à-vis the amount that is required - and you may find most of these institutions had already been paid. We are going to take an administrative decision on that and these people will be paid very soon. You cannot start giving out supplementary when you are already in the budgeting process. It is not proper. But we are going to make sure that those people are paid. By Monday, we will have a solution to that.

**MS OPENDI:** Thank you, Madam Speaker. Maybe we shall wait for the committee to come and report because, I think, it was the minister who laid that request here and the committee has to report on that specific matter. Thank you

3.05

**DR TIMOTHY BATUWA (FDC, Jinja South Division West, Jinja):** Thank you, Madam Speaker. This is the world malaria month and I rise, as the Shadow Minister of Health and as the chairperson of the Uganda Parliamentary Forum on Malaria and Neglected Tropical Diseases, to move a motion for a resolution of Parliament urging Government to strengthen efforts to prevent, control and eliminate transmission of malaria in Uganda. This is moved under Rule 56 of the Rules of Procedure of this Parliament.

*“WHEREAS the objective of the National Objectives and Directive Principles of State Policy of the 1995 Constitution of the Republic of Uganda enjoins the State to take all practical measures to ensure the provision of basic medical services to the population;*

*AND WHEREAS the World Health Organisation, to which Uganda is a member, instituted the World Malaria Day, commemorated on the 25th day of April every year with the objective of highlighting the need for continued investment and sustained political commitment for malaria prevention and control;*

*NOTING that this year's commemoration of the World Malaria Day will be marked under the theme, “Harness innovation to reduce malaria disease and burden and save lives”;*

*AWARE that Uganda has one of the highest global cases of malaria and is ranked fourth in the African region with over 90 per cent of the population at risk especially children and pregnant mothers;*

*CONCERNED that malaria is responsible for over 30 percent of the total outpatient visits and 15 to 20 percent of all hospital admissions, with a total of 20.4 million cases and a death toll of 30,900 in 2020 alone, including over 70,000 to 100,000 children under the five years annually;*

*FURTHER CONCERNED that malaria causes an average annual economic loss of over $500 million, with malaria related expenses, accounting to about 34 percent of the total expenditure of the poorest section of the population of this country;*

*APPRECIATING the efforts taken by the Government in the fight against malaria, including the formulation of the National Malaria Control Policy 2021 and the Third Uganda National Malaria Control Programme Strategic Plan, the 2020 Abuja Declaration and the United Nations Sustainable Development Goals, particularly, Goal No.3, is good health and wellbeing with goal targets including ending malaria epidemic by 2030;*

*ACKNOWLEDGING that the interventions aim at ensuring early diagnosis and prompt effective treatment of malaria, subjection of all suspected malaria cases to parasitological testing, ensuring that malaria is no longer a major cause of illness and death in Uganda, universal access to malaria prevention and treatment and reduced mortality rate for children under five years of age and pregnant mothers;*

*RECOGNISING that Uganda’s commitment and interventions towards the elimination of malaria by 2030 require adequate financing and a coordinated multi-sectoral approach and strengthening of community-based engagements, awareness and participation;*

*NOW, THEREFORE, be it resolved by Parliament as follows:*

1. *That Parliament urges the Government to increase the health sector budget for the prevention, control and elimination of malaria in a predictable manner over the medium term;*
2. *That Parliament tracks all malaria support and presidential pledges for malaria control in Uganda;*
3. *That Government, through the Ministry of Health, adopts and spearheads a clear multi-sectoral and relevant stakeholder coordinated mechanism to fight against malaria in Uganda; and*
4. *The Government scales up malaria preventive programmes and innovations, including promotion of awareness among the malaria burdened areas.”* I beg to move.

**THE SPEAKER:** Thank you very much, Dr Batuwa. Is the motion seconded? It is seconded by the whole House. I can see the Member for Mitooma, Member for Kween, Member for Bugiri, Hon. John, Hon. Allan, Hon. Esther, Hon. Hellen, Hon. Achayo, Chairperson of UWOPA and Member for Serere.

Would you like to speak to your motion briefly because we have two reports to dispose of?

**DR BATUWA:** Thank you very much, Madam Speaker. Honourable members, the disease we are talking about is of great interest internationally but it burdens us in Uganda most. Unless we come together as Parliament - because we are endowed by our Constitution with the mandate of appropriating money, making laws and policies that can actually help us to fight the disease. We also have stakeholders who have made an effort to see to it that malaria ends. We should represent our constituencies to ensure that there is good access to treatment and that the Government delivers treatment.

Madam Speaker, I attract your attention to the policy on delivering malaria treatment. It is important to note that malaria treatment has been subsidised. The most common treatment known to all Ugandans is a drug called Coartem, which, because of the subsidy, now costs between Shs 2,000 to Shs 3,000. This drug should, ideally, be in the range of Shs 50,000 and if that was the case, very many people would have died.

Madam Speaker, even with the subsidy, we are still losing people; over 10 Ugandans die due to malaria daily. Since the time I have been speaking, Uganda has lost about three people to malaria - if you are to make some division. The vulnerable are the pregnant mothers about to give birth, and children, especially those under the age of five.

I wish we revised this policy to also subsidise the drugs that are used in emergency care. Madam Speaker, malaria is a peculiar disease. When it is severe, the patient vomits - the drugs that are subsidised are taken orally. So, when a patient is severe and vomiting, he/she requires drugs that are taken through other routes; either injection or the intravenous.

The drugs that are used through injection or intravenous are not subsidised; they are still very expensive. Could that be why Ugandans and Africans continue dying regardless of the subsidy established for the drugs, which address the mild cases of malaria?

Equally important is to subsidise the treatment used in severe cases. We need to appreciate the stakeholders because they are coming up with different approaches. There is the use of mosquito nets that the Government is distributing, which is a very beautiful thing. However, it has some shortfalls.

In a family of eight, 10 or 12, they distribute two nets and so, only two family members enjoy the privilege of sleeping under a net. Therefore, it has not been effective and maybe, this is why that very good Government effort has not translated into seeing these values coming down. We, therefore, need to think beyond the mosquito nets.

Spraying has been done, but it lacks enough budgetary support to buy insecticides that are recommended to do it at a large scale.

Technology has come in - and I am not shy to share with you that there are scientists who are doing Gene Drive Technology because science has informed us that it is the female mosquito that transmits malaria. Logic has informed us that if these female mosquitoes reduce in number, then the transmission will ultimately reduce. The Gene Drive Technology that you would call genetic engineering, is the same technology used to make vaccines that save our lives and make many medical innovations that are now accepted.

Madam Speaker, that very technology is now being put into intervening malaria, by coming up with a population of largely male mosquitoes since they do not spread malaria. If it is done and we have a common approach as East Africa - since mosquitoes do not need passports to cross from Uganda to Kenya, Kenya to Tanzania - If we do well in Uganda and our neighbours are not doing so well at the same intervention level, then we shall be doing nothing.

As the Uganda Parliamentary Forum on Malaria, we have met with our counterparts in Tanzania. They are called the Tanzania Parliamentary Alliance against Malaria & Neglected Tropical Disease (TAPAMA & NTD). These are Parliamentarians who have also mobilised themselves into a forum like ours, to do over and above this malaria fight. We, therefore, need to integrate with other Parliamentary forums and form one East African forum so that interventions that are acceptable in Tanzania are accepted in Uganda. Those that are acceptable in Uganda are accepted elsewhere so that we have a common approach against malaria.

Lastly, the fight against malaria is very important. We have a very big population that lives on $1. The poor are so many and when their breadwinner is sick, many of the family members are deprived of a meal. When that breadwinner dies, those people are left destitute. I would like to tell you that many Ugandans are just a sickness away from destitution.

Therefore, malaria being one of the big diseases that are burdening us, I implore you, at this time, to see to it – it is very strategic that we are in the budgeting process - that we allocate money to fight malaria.

President Museveni committed that he would fund the malaria fund and that money would be provided to enable the fight and elimination of malaria. We should keep committing to this and we should see that the Government commits to what the President committed to. We thank him for that kind of commitment. I ask Government to implement it. Thank you.

**The Speaker:** Thank you. Honourable members, this is the malaria week and it is about the fight against malaria. We tend to forget about malaria and think about other sicknesses, yet malaria is real. We need to have the preventive programmes and awareness about malaria because people tend to forget that it exists. We need to have preventive drugs and mosquito nets that can be able to protect our people.

However, in most cases, you find that even when Government tries its best to get the drugs and the mosquito nets, they end up in the wrong hands. Some people end up taking them and doing other things – using it for fishing or selling it to other areas – which demoralises the Government.

3.19

**Ms linda Irene (NRM, Woman Representative, Fort Portal):** Thank you, Madam Speaker. I rise to second the motion and, specifically, urge the Government to increase the budget for health, especially for us as Members of Parliament. It is good this motion is coming up when we are in the budgeting cycle.

Last month, while carrying out the oversight role, I went to three health centres and all the statistics showed that malaria cases were very high. Out of the 10 patients that came to the health centres, all of them had malaria.

Madam Speaker, my prayer would be that we increase the budget so that the health centres, more especially health centres II and health centres III where most of the people go for treatment, are able to receive enough funds so that they can get drugs that can take them at least a month. They were telling us that the allocation they get cannot even help them run a health centre for a month.

I pray that honourable members stand with me and we increase the budget for the health sector. Thank you.

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

3.19

**Ms sarah opendi (NRM, Woman Representative, Tororo):** Thank you, Madam Speaker. I do support this motion –

**The Speaker:** Have you become Hon. Taaka?

**Ms opendi:** Oh, I heard “Sarah”. *(Laughter)*

**The Speaker:** You are UWOPA. Hon. Agnes, you have two minutes.

3.20

**Ms agnes taaka (NRM, Woman Representative, Bugiri):** Thank you, Madam Speaker. I rise to support the motion that, indeed, Government scales up the preventive and innovation programmes to end malaria in the country. As you realise, there are a number of interventions that Government has made to ensure that we end malaria. However, the numbers keep on increasing day by day.

The Malaria Reduction Strategic Plan targeted the period between 2014 and 2020. The target was to end malaria and have less than one per cent of people dying of malaria. However, right now, as you may realise, we are the fourth in Africa in the number of people who die of malaria.

Therefore, I call on Government to invest, rethink and research about how best we can end malaria. A lot of innovations are coming up - issues to do with immunisation. We have done the residual spraying and given out mosquito nets but, in my view, this is not sustainable because the mosquito nets get old. We have seen pictures of mosquito nets displayed, for covering chicken houses.

There is a lot that needs to be done on publicising malaria. Whereas it is the highest killer disease, it has not been given enough publication. We got COVID-19 but within a few months, everybody, even in the deepest village of this country, knew that COVID-19 had arrived. Much as some of them did not wear masks, they actually knew that they were supposed to. Thank you.

3.23

**Mr Richard lumu (DP, Mityana County South, Mityana):** Thank you, Madam Speaker. I want to join other Members to congratulate you upon achieving the third highest position in this country. I support the motion but I also want to inquire from Dr Batuwa; he said science has proved that it is the female mosquitoes which are actually dangerous. *(Laughter)* I would like to inquire whether the males are okay to stay with.

Secondly, I have seen nets being given to the people but I have also seen those nets being used on weddings – when the bride is making an entry, she comes with a mosquito net and -

**The Speaker:** That is an abuse to women.

**MR LUMU:** No, I am telling you –

**THE SPEAKER:** No, those are not the nets the women use during weddings. I am even surprised that you are wedded. Is that what your wife used? *(Laughter)*

**Mr Lumu:** I withdraw the statement, Madam Speaker. *(Laughter)*

**The Speaker:** Okay.

**Mr Lumu:** Madam Speaker, the spray would actually help more than the nets because the spraying goes to the breeding places where the mosquitoes come from. If the local governments are given more money to buy the sprays, I think it could help to wipe out the female mosquitoes. I thank you.

**The Speaker:** A mosquito is a mosquito, whether female or male. *(Laughter)*

3.25

**Ms sarah opendi (NRM, Woman Representative, Tororo):** Thank you, Madam Speaker. I do support this motion. From statistics, malaria kills more than any other disease in the country. From the 2020 World Health Organisation report, close to 30,000 people die of malaria annually in this country.

Efforts have been made by the ministry to try and sensitise the public about malaria. It is not true that nothing has been done. I was in the health sector and we always carried out drives, especially when we had mosquito nets. The challenge is that there is limited funding for the interventions to deal with malaria in this country. Much of the funding in the fight against malaria is from the donors - the Global Fund and others.

The indoor residual spraying, which was being done in about 14 districts where malaria prevalence was highest, was actually also funded by the US Government.

Therefore, in order for us to deal with this challenge, we need concerted efforts and funding from Government to deal with other interventions; it is not only mosquito nets. The mosquito nets alone cannot help us reduce the incidents of malaria in this country. The incidents dropped because of the indoor residual spraying that was majorly in the eastern districts and parts of the north.

Madam Speaker, that intervention was fairly successful because hospitals were seeing about four or three patients in a day. However, as we speak, you find close to 25 per cent of the outpatients are actually suffering from malaria.

We need funding from the Government because the larviciding programme that would actually kill the larvae at the water sources has never been funded yet that would help us reduce the mosquitoes that get into our houses. We need to support Government. As we appropriate funds, let us focus on this killer disease.

In addition to the road accidents and malaria in this country are claiming lives of Ugandans. Just over the Easter period, we lost about 59 People in just three days, you can imagine – and in road accidents, which are actually preventable.

I support the motion and I hope that Parliament, at an appropriate time, will be able to prioritise and allocate the necessary resources to deal with malaria. Thank you.

3.28

**MS SANTA ALUM (UPC, Woman Representative, Oyam):** Thank you, Madam Speaker. When you look at the statistics given by the mover of the motion, you realise they are not impressive at all and that is not acceptable. We are talking about 30 per cent of the total outpatient visits and 15 to 20 per cent of hospital admissions. We have many diseases, and if malaria alone takes this number, it means that we have a lot of work to do.

There is a mismatch between the drugs given for the treatment of malaria and the number of patients. In many of our health centres and hospitals, the drugs come but within two or three days they get done.

Therefore, I would like to call upon the Ministry of Health to make sure the data that they use for bringing or supplying the drugs or the commodities is the data that they get from the districts.

Secondly, we have been having indoor spraying in some districts and it has done wonders for us. I would like to urge that this process is scaled up so that the areas which are affected by malaria are at least catered for.

I have been seeing VHTs managing malaria, more especially among children of ages of five downwards. I would like to ask the minister in charge of health whether it is possible for this to be scaled up so that they also can manage people from five years and above. I think this will help reduce the distance covered by people to access treatment and drugs in health centre IIIs; they are normally quite a distance in some of the areas and communities.

Madam Speaker, I want to urge Parliament to allocate money to the Ministry of Health, specifically to fight malaria. I beg to submit

**THE SPEAKER**: Members, we are going to limit debate on this report. It is a fact that we need funding for malaria. We will hear from the minister what plans they have for this and then go back to our ministerial statements. You know, we have timelines.

3.31

**MR FRED OPOLOT (NRM, Pingire County, Serere):** Thank you, Madam Speaker, for giving me the opportunity. I rise to support the motion. In the 10th Parliament, several issues or concerns were raised on the underfunding for malaria. These were obviously raised as matters of national interest, petitions and so forth.

Therefore, this should really be a call for action to increase the allocation of malaria funding in the national budget and explore sustainable financing mechanisms for malaria intervention.

We must collectively renew public interest and political investment in malaria elimination by the year 2030.

At the launch of the Uganda Parliamentary Forum on Malaria in 2018, His Excellency, the President pledged Shs 330 billion to establish a Presidential Malaria Trust Fund aimed at mobilising and financing for the private and public sector.

Given that, donor funding has greatly declined, and indeed 90 percent of malaria financing comes from donors. His Excellency repeated this pledge in London at the Commonwealth Summit.

Therefore, Madam Speaker, there is an urgent need for us, as Members of Parliament, to fast-track the Malaria Control Bill, with a chapter establishing a fund to be known as, “The Presidential Malaria Trust Fund Uganda” whose main objective will be to secure a predictable and sustainable means of procuring goods and services for malaria prevention, testing, and treatment.

Madam Speaker *– (Member timed out.)*

**THE SPEAKER**: Members, kindly allow me to let you contribute in the next submissions. Honourable minister?

3.34

**THE MINISTER OF STATE FOR HEALTH (GENERAL DUTIES) (Ms Anifa Kawooya)**: Thank you very much, Madam speaker. This being my first time to speak ever since you were elected Speaker, I wish to congratulate you upon attaining that highest chair. Being my *twin* sister, I thank God for that chair and I wish you the best.

I would like to thank the mover of this motion. I want to appreciate the honourable members’ concerns and recommendations that have been raised on the Floor.

I only want to say that the malaria burden is not only in this country. Last week, I had the opportunity to represent this country at the launch of the Great Lakes Cross Border Malaria Initiative in Busia County in Kenya. We are six state members from the Great Lakes Region. Indeed, we appreciated the fact that we can only fight, manage, control, and reduce the burden of malaria in our region when we confront it as the East African Community Region.

We agreed to set up a centre that shall be purposely for monitoring data collection and creating awareness, working with our East African regional supportive council. All the regions have to ensure that we agree to what we are putting in place, especially the mobilisation of funds, sensitisation and awareness, use of mosquito nets and sprinklers and putting into effect mechanisms that should be preventive.

Concerning the issues that have been raised, I would like to say that I support the motion and the members’ concerns that this sector needs more funding. If we are to do anything in the health sector, we must walk that talk together. This is a sector where we have to join hands to prevent all these diseases.

However, there are two other issues, which are more technical; I want to ask my senior, the doctor, to come and take charge of that section. I thank you.

**THE SPEAKER**: Thank you so much, *Senga*.

3.37

**THE MINISTER OF HEALTH (Ms Ruth Aceng):** Thank you very much, Rt Hon. Speaker. Allow me also to add my voice to congratulate you upon your ascension to that high seat; we are proud of you - and to thank my sister for allowing me to speak. She is in charge of the East African Region. She was talking about the initiatives that we are carrying out as part of the East African Community.

Madam Speaker, it is true that the malaria burden in Uganda is high. I want to support the mover of the motion and appreciate the support that we get from Parliament regarding malaria.

However, we have come a long way from a high prevalence of 42 per cent in 2009, down to 9.2 per cent. That means the country has done an enormous job; we really need to appreciate that. *(Applause)*

Madam Speaker, there are many interventions that are being carried out. Unfortunately, many of them cannot be carried out to scale and one of them is the indoor residual spraying, which is extremely expensive; it has to be done every year. You cannot stop it. In some of the areas where we tried to stop because of lack of resources, the malaria epidemic went up. So, we have never brought it to scale.

The other one, which we have not brought to scale, is the larvicide that we are carrying out in selected areas and the Government of Uganda is funding it.

We have tried to bring the distribution of mosquito nets to scale and the test and treat.

Madam Speaker, the budget for malaria is heavily donor supported. Allow me to inform you that we spend approximately $120 million dollars on malaria annually, and it is majorly donor supported.

Through the Government of Uganda, we get about Shs 13 billion, 10 of which is for medicines, two is for larviciding and one billion for various interventions.

However, I would also want to share with you what the Ministry of Health has been doing. First, allow me to thank Members of Parliament for the Mass Action against Malaria (MAAM). I do hope that it is going on because we had requested Members to take it upon themselves to reduce malaria in their constituencies- talk about it and about the preventive measures.

We have also gone into partnerships with the private sector and the Rotary Club, through *Malaria Free Uganda*. They have been reaching out to banks and other private sector groups to mobilise resources. Up to now, they have managed to mobilise $100,000 for malaria to support various interventions.

The Global Fund is our highest contributor to malaria, together with the President's Malaria Initiative of the US Government through USAID, which supports indoor residual spraying and other activities.

However, we are on the verge of introducing the malaria vaccine. Many of you are aware that scientists have been studying the malaria vaccine and research has been carried out on the vaccine; we are now ready for implementation.

We have received offers from GAVI to apply and we are in the process of applying. The vaccine introduction may take place at the end of next year majorly for children. It is not 100 per cent effective, it is about 50 per cent effective, but it is good enough for us if it can bring the burden of malaria down.

So, allow me to appreciate the Members and the fight against malaria continues because it remains the number one killer. I thank you.

**THE SPEAKER:** Thank you so much, doctor, for that. Government, we ask you to continue supporting Ugandans in the fight against malaria. Honourable members, speak about malaria and create awareness about malaria among the locals so that we can be able to fight malaria together. Once we work together with the Government, then we will be able to curb this killer disease.

I now put the question that the motion for a resolution of Parliament urging the Government to strengthen the efforts to prevent, control and eliminate transmission of malaria in Uganda be adopted by this honourable House.

*(Question put and agreed to.)*

*Motion adopted.*

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE ON PUBLIC SERVICE AND LOCAL GOVERNMENT, ON THE MINISTERIAL POLICY STATEMENTS AND BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2022

**THE SPEAKER:** Please give us a summary of your report.

3.43

**MR GODFREY ONZIMA (NRM, Aringa North County, Yumbe):** Rt Hon. Speaker and honourable members, allow me to lay a copy of the report and minutes of the meetings we held with the various entities on the Floor of Parliament, I beg to lay.

The report is uploaded, so I am not going to read all of it. I have a summarised version and that is what I am going to read.

Report of the Parliamentary Sectoral Committee on Public Service and Local Government on the sector ministerial policy statements and budget estimates for the Financial Year 2022/2023

Madam Speaker, the report covers:

Vote 11 - Ministry of Local Government

Vote 147 - Local Government Finance Commission

Vote 500 - (from 601 to 950 Local Governments)

Vote 005 - Ministry of Public Service

Vote 146 - Public Service Commission

Madam Speaker, in accordance with Article 90 and 155 subsection four of the Constitution of the Republic of Uganda, section 14 of the Public Finance Management Act, 2015, and rule 189 of the Rules of Procedure of Parliament, Parliamentary sectoral committees are mandated, among other things to:

1. Examine and comment on policy matters, affecting ministries and departments under their jurisdiction.
2. Examine critical Government recurrent and capital budget estimates and make recommendations on them for general debate in the House.
3. Monitor Government compliance with the approved plans and programmes.

Pursuant to the above mandate, the ministerial policy statements were laid on the Floor of Parliament on 19 March 2022. Consequently, the Rt Hon. Speaker referred these statements to the respective committees for scrutiny.

The Committee on Public Service and Local Government, therefore, presents its report with respect to the Ministerial Policy statement and budgetary provisions for Financial Year 2022/2023 for consideration and adoption.

Methodology

The committee analysed the ministerial policy statement for the Local Government sector and Public Service.

The committee also reviewed related electronic materials from the:

1. Ministry of Local Government;
2. Local Government Finance Commission;
3. Ministry of Public Service and;
4. Public Service Commission;
5. Shadow Minister for Local Government
6. Uganda Local Government Association; and
7. Urban Authorities Associations of Uganda;

In addition, the committee reviewed and analysed the following documents:

a) Alternative policy statements of the Shadow Ministry of Local Government;

b) Previous reports of the committee on Ministerial Policy Statements for the Financial Year 2019/2020 and 2021/2022:

c) Relevant literature including;

(i) National Development Plan III

(ii) Vision 2040

(iii) Recommendations on the ministerial policy statements for the last three financial years that include Financial Year 2018/2019, 2019/2020 and 2020/2021 and the National Budget Framework Papers for the Financial Year 2021/2022 and Financial Year 2022/2023 and;

(iv) Auditor-General’s reports of the sectors herein.

Other sections talk about compliance with the laws.

Madam Speaker, I beg to leave those out since they are clearly written; Members can read them.

Let us go to committee observations.

Members, you can follow it from there but let me read it from the summarised version.

Vote 11 – Ministry of Local Government

Observation and recommendation

a) Operationalisation of the newly created subcounties and town councils.

Shs 29.3 billion was provided for through supplementary but up to now, this money has not reached local governments. The committee recommended that this money be availed to the local governments to ensure service delivery.

b) Review of the Local Government Act and the Public Finance Management Act.

The committee recommends that the Ministry of Local Government fast-tracks the review of the Local Government Regulatory Framework in line with the Public Finance Management Act, 2015 to help improve service delivery to all citizens, after which it can embark on the revision under the local government financial and accounting regulations.

c) Critical staffing posts in local governments

Madam Speaker, heads of departments – posts which are vacant in local governments - require Shs 7.9 billion, subcounty chiefs and town clerks require Shs 17,602,000,000.

Parish chiefs require Shs 2.69 billion.

The committee recommends that Shs 52.2 billion be provided for recruitment of the critical posts.

d) Induction of councillors

The committee recommends that Government provides Shs 15 billion for the induction of the councillors to enhance the performance of the councillors and also ensure that there is effective service delivery.

The Ministry of Local Government puts in place systematic arrangements for both the political leaders and technical officers from the onset through understanding their respective mandate, roles and responsibilities on the type of institutions to be served.

The Ministry of Local Government establishes strong partnership with the Institute of Parliamentary Studies, as this will be a key factor in propelling the initiative to more firm and sustainable foundations.

Transport for city, municipality leaders, agricultural extension staff at subcounties and parish chiefs - that requires Shs 6.4 billion and also for the 176 accounting officers.

So, the committee recommends that this money be provided to avail transport means to those categories.

The Parish Development Model rollout

The committee observed that Shs 72.8 billion is required to facilitate the respective levels from central government up to parish levels to enhance and observe that the Parish Development Model performs to the expectation of Government.

Inadequate local government financing

Madam Speaker, if all the monies which are retained in the ministries, departments and agencies for projects were sent directly to local governments, the expectation is that the local governments would have above 38 per cent share of the national budget.

However, because much of these monies are retained, it appears that local governments do not have money just because their mandate has been carried out by these central ministries. So, the committee recommends that funds meant for decentralised services should be sent to these respective local governments.

Government should also maintain the Discretionary Development Equalisation Grant. This was meant to bridge the gap between districts that are fair and those which are doing badly. When it was scrapped off, this has left those other categories of districts with a very huge gap to be bridged.

So, the committee recommends that this money be maintained as it was.

Delayed disbursement of funds to local governments

The committee recommends that the Ministry of Finance, Planning and Economic Development should ensure timely sending of monies to local governments, because some of these monies go a week to the end of the financial year. And it is one of the reasons the local governments send back a lot of money.

Non-functional local government accountability structures

Madam Speaker, the committee recommends that the Ministry of Local Government should strengthen accountability and oversight at the local government level, for improved service delivery. There is need to ensure appropriate budgeting and adequate budget allocations to the functioning of local government PAC to ensure that it can be able to regularly meet and conduct public hearings, investigations and field verifications, where necessary.

Unapproved district development plans

The committee recommends that the Ministry of Local Government should ensure all local governments submit their development plans as required by the law.

Vote 147 – Local Government Finance Commission

The budget gap they require there is Shs 4.1 billion.

We also recommend that this be availed to the Local Government Finance Commission.

Vote 005 – Ministry of Public Service

(a) Pension irregularities.

Madam Speaker, money sent for pension is not adequate enough and this causes a lot of irregularities.

The committee recommends that the Ministry of Public Service, together with the Ministry of Finance, Planning and Economic Development should provide adequate budgetary provisions to cover the deficits of pension and pay retirement benefits of those set to retire in the Financial Year 2022/2023.

(b) The Minister of Public Service should extract the list of all the retirees per vote and monitor their timely access to the payroll from time to time.

Delayed rationalisation of government agencies

The committee recommends that the government should fast-track the mergers, mainstreaming and transfer of the government agencies and present a report to Parliament.

Salary disparities between the scientists

Whereas Government has enhanced the salaries of scientists, there are a lot of disparities between the medical officers and the lower health workers.

The committee recommends that the same percentage increment for medical officers should apply to the lower cadres.

Vote 146 – Public Service Commission

(i) Non-functionality of district/city service commissions

The committee recommends that the Public Service Commission should work with the Ministry of Local Government to ensure that all the district service commissions/city service commissions are fully constituted, keeping in line with their mandate enshrined under section 54 of the Local Government Act.

Next is capacity gaps in the district service commissions. The committee recommends that the commission should ensure centralisation and standardisation of retainer fees for the district service commission members and have their pay enhanced.

This takes us to the overall budget of the sectors. The budget estimates for the Financial Year 2022/2023 for the respective votes under the Committee on Public Service and Local Government are as follows:

Vote 005 – in the main report, it is on page 44 – Ministry of Public Service; the recurrent budget is Shs 23,732,000,065. Development is Shs 2,947,000,655, totalling to Shs 26,679,000,720.

Ministry of Local Government, recurrent budget is Shs 31,060,000,839. Development is Shs 99,647,000,168 totalling to Shs 130,708,000,007.

The Public Service Commission; recurrent budget is Shs 9,047,000,194, development is Shs 1,280,000,533, totalling to Shs 10,323,000,727.

Local Government Finance Commission; recurrent budget is Shs 4,929,000,795, development is Shs 94,000,200, totalling to Shs 5,019,000,995.

Local governments have Shs 3,713,597,000,556 recurrent budget and development is Shs 912,708,000,303, totalling to Shs 4,626,379,000,865.

The total for the sector is; recurrent budget Shs 3,782,363,000,448, development is Shs 1,016,751,000,863, totalling to Shs 4,799,115,000,315.

Madam Speaker, I beg to submit and pray that the report of the Committee on Public Service and Local Government be approved by the House. I beg to submit.

**THE SPEAKER:** Thank you very much, Chairperson. As you are aware, this committee is more of a backbone for service delivery in this country. It is critical that we look at what is in this sector and ensure that it is funded for our people to be served appropriately.

4.01

**MS ETHEL NALUYIMA (NUP, Woman Representative, Wakiso):** Thank you very much, Madam Speaker. The matters we have raised in this report are very key. I request that the Budget Committee takes them very seriously, such that you can have service delivery in local governments.

That aside, I request this House to intervene in matters of harmonising the Public Finance Management Act, which is contravening the Constitution of the Republic of Uganda. This is a law that came into effect in 2015, yet the Constitution of the Republic of Uganda is overall.

When we consider Article 191, of the Constitution of the Republic of Uganda on the powers to levy and appropriate taxes, that;

*(1) Local governments shall have power to levy, charge, collect and appropriate fees and taxes, in accordance with any law enacted by Parliament by virtue of Article 152 of this Constitution.*

The law is very clear about the Local Government Act that was enacted to ensure that all local governments in this country have got those powers; that they are able to appropriate, levy and ensure that local governments are really self-sustaining in one way or the other.

We really wonder, to this day, why the technocrats advise the minister in the finance ministry to come up with a law that contravenes the Constitution of the Republic of Uganda and today, they are making Ugandans suffer. Even garbage cannot be collected because you are awaiting a certain key to be pressed at the ministry of finance.

Madam Speaker, some time back, as the House, we resolved that that matter be resolved. But to this day, it is very unfortunate that even the finance ministry has not yet come back to the Floor here to explain why it has not reversed the directive that it passed to the accounting officers, and it is contravening this Constitution.

I am asking, through your Chair, Madam Speaker, to please prevail over the ministry of finance because we have called them many times. They do not come to our committee and yet it contravenes the Constitution of the Republic of Uganda.

**THE SPEAKER:** Which section of the Public Finance Management Act contravenes the Constitution?

**MS NALUYIMA:** We are looking at section 36 of the Public Finance Management Act, which is curtailing the powers of the local governments to borrow and it contradicts section 84 of the Local Government Act, which is mandatory.

As a recommendation in this report, we have asked that time be taken to harmonise and it is the Public Finance Management Act that needs to be looked at because it is taking over their powers. I beg to submit.

**THE SPEAKER:** Honourable Minister?

4.05

**THE MINISTER OF LOCAL GOVERNMENT (Mr Raphael Magyezi):** Thank you very much, Madam Speaker. Allow me to begin by congratulating you upon being elected by this Parliament to be the Speaker of the Parliament. As the Ministry of Local Government, we will be very happy to continue working with you.

Allow me to also thank the chairperson of the committee and the members of the committee for a good report. It is a fair report. They have done quite well and we are generally satisfied with their recommendations, with just a few comments that I will make, as an exception.

Allow me also, for the record, to thank the Shadow Minister of Local Government, the Hon. Naluyima, for the good job done and for the way she has explained the challenges we are having as local government in terms of inconsistencies in the financing laws. I will explain that, in addition to what she has said.

First, the recommendation on operationalisation of new subcounties and town councils.

Madam Speaker, you guided on this earlier and we hope that by Monday, the Ministry of Finance will come out very clearly on the amount being released in this quarter, which was approved by Parliament as a supplementary budget for the new subcounties and town councils.

On the inconsistency between the Public Finance Management Act and the Local Government Act, I would like to thank the Shadow Minister because she has captured it very well. The committee’s recommendation is that the Ministry of Local Government should fast-track the review of the Local Government regulatory framework.

The problem is not with the Local Government Act; it is not with the Local Government Finance and Accounting Regulations. The problem is that in 2015, the law on the Public Finance Management Act centralised too much of the powers which were supposed to be with the Local Governments.

Article 191(1) of the Constitution, the power to appropriate local Revenue, to collect and budget for the local revenue is a function of the councils. Right now the challenges we have is exactly that.

The recommendation should have read, “The Ministry of Finance should fast-track amendment of the Public Finance Management Act in line with Articles 176 and 191 of the Constitution. I think that should be the recommendation.

**THE SPEAKER:** That does not bring in section 36 because it is about an authority to raise loans. So, what the Ministry of Finance needs to do is harmonisation of the Constitution vis-à-vis the Public Finance Management Act in terms of the levy and appropriation of taxes.

**MR MAGYEZI:** Madam Speaker, it is the other way around; they should harmonise the Public Finance Management Act with the Constitution because the Constitution is supreme.

**THE SPEAKER:** Yes, that is what we are saying.

**MR MAGYEZI:** Thank you, for that.

**THE SPEAKER:** She was quoting a wrong section in the Public Finance Management Act.

**MR MAGYEZI:** It is on the powers of budgeting, passing supplementary budgets, appropriation, determination of revenues and so on.

But if that recommendation is carried by the House - that the Ministry of Finance should harmonise the Public Finance Management Act with the Constitution, then we shall be okay.

Thirdly, the recommendation on induction of councillors is spot on.

Last year, we had a budget cut on the induction of councillors because some people thought induction of councillors is also workshops and seminars. So, when there was a general cut on workshops and seminars of ministries, this was cut. However, I think it is not just about workshops; this is necessary for capacity building of the legislators at that level.

So, I am glad that the committee has recommended that the Shs 15 billion be provided and the recommendation that we, as a ministry, should put in place arrangements for that. We are ready; just provide us the resources and we shall ensure that that is done.

Fourth, the issue of transport for local Government officers. In the Budget, the ministry requested for vehicles for the chairpersons of districts and the new cities and the request was Shs 35 billion.

I am glad that the committee, after interfacing with the officials of the local governments themselves - the Uganda Local Government Association and the Urban Authorities Association of Uganda - they have found it worthy that even the municipal mayors, the accounting officers, the divisional mayors of the cities who are at the municipality level should also be provided with transport.

We thank you that last year, you gave us a facility to provide transport for the lower council chairpersons and as I speak, we have already started distributing the bicycles for all LCI and LCII chairpersons and even the motorcycles for all LCIII chairpersons. We shall do that but at the higher level, we have a problem.

I would like to thank the committee for the recommendation of Shs 68.4 billion for that purpose.

The recommendation on the Parish Development Model is spot on.

In the budget, we have only catered for the Shs 100 million per parish - that is Shs 1.59 trillion - but this requires some operational costs and we presented it to this committee.

I am glad that the committee has properly catered for this and recommend Shs 72.8 billion for that purpose. I thank them and fully recommend this.

**THE SPEAKER:** Honourable minister, your committee was not fair to you in regards to the Parish Development Model.

This House does not know anything about the Parish Development Model. You promised this House that you were going to lay the guidelines on the Table and to bring the policy here.

We are now approving what we do not know; we need to know more about the Parish Development Model. Since the Parish Development Model is under your ministry, we are also told that you want to take away our money of UWEP to the Parish Development Model.

As women of this country, we want our money. Start your Parish Development Model but leave our money.

**MR MAGYEZI:** Madam Speaker, thank you for those very important observations. The guidelines for the Parish Development Model were laid here; I laid them myself in the middle of February. What you requested for is the policy framework.

I will be in position to lay the policy framework tomorrow without fail.

**THE SPEAKER:** Members, the policy framework will be laid tomorrow.

**MR MAGYEZI:** Regarding the funds for UWEP *-(Interruption)*

**MR KWIZERA:** Whereas the minister is talking about districts and budgets, here, I have the Public Service Act where in Uganda, instead of having 146 districts, the corresponding laws have never been amended; we only have 80 districts. This is under the Public Service Commission.

Secondly, we have also Public Service –

**THE SPEAKER:** The amendment is supposed to be done by us but we have not done it.

**MR KWIZERA:** The ministry has not brought it; so, it is the minister who is supposed to bring it.

Another one is on salaries and allowances -

**THE SPEAKER:** The law allows you also to bring it as a Private Members’ Bill.

**MR KWIZERA:** It has financial implications; so, they need to bring the amendment.

**THE SPEAKER:** Anyway, Minister, bring the amendment.

**MR KWIZERA:** Bring it from 80 to 146; otherwise we do not have 146 districts.

Another issue is on salaries and allowances of specified officers. Parliament is passing salaries illegally because the specified officers like the Attorney-General is supposed to earn Shs 2.9 million but he is paid more than Shs 30 million.

Under the law here, which is passed under the Salaries and Allowances of Specified Officers Act, he is supposed to earn Shs 2.9 million and the minister knows it. So, why can’t we harmonise? Which budget are we following?

**MR MAGYEZI:** Madam Speaker, the 135 districts and the 10 cities and the one Capital City - which brings the total to 146 - were duly approved by Parliament; they are in the law.

If the Public Service Commission at that time had captured the districts which were there by that time, that can be amended and that is under the Ministry of Public Service.

As far as I am concerned, the local Governments we have here are fully and duly approved by the House.

And the salaries question is again - the Minister of Public Service is here but I thought should also clarify that funds for UWEP - which was Shs 36 billion - has been enhanced and ring-fenced under the Parish Development Model.

It actually now means that women will get Shs 300 billion instead of Shs 36 billion. This money is ring-fenced at every parish. A third of the funds will be for the women, a third for the youth, 10 per cent –

**The Speaker:** Honourable minister, what we are saying is that let the women be involved in the Parish Development Model but also give money for UWEP. Do not mix these things. There was a saying here that you want to kill the old baby for you to produce a new one – one of the MPs said it. Do not kill our UWEP. Leave it and proceed with your Parish Development Model.

**Mr magyezi:** Point taken, Madam Speaker. Funds for decentralised services –

**The Speaker:** Is that agreed?

**Mr magyezi:** We will take it back to Cabinet, Madam Speaker.

**The Speaker:** We are going to make a budget for UWEP and the budget for the Parish Development Model. We will not suffocate our UWEP.

**Mr magyezi:** Thank you very much. Funds, which are decentralised yet are held in ministries – it is a good observation by the committee. Again, we have to discuss this at inter-ministerial level to see that if you are in charge of local government, are there funds you are holding at the ministry, which can be effectively devolved to the local governments? It is a very good recommendation. We shall take it up.

However, I wanted to highlight the issue of DDEG. It is important for Members to know that we have a discretionary grant under the budget that has been going to the local governments, which they use, sometimes, to renovate their buildings and improve their operations and so on. I think Shs 89 billion of this has been lost in this year’s budget.

This matter was placed to the committee by the local governments, supported by us. I want to re-emphasise the recommendation that the DDEG grant should be maintained. It is what the local governments are using in terms of discretion to provide services.

On the disbursement of funds under USMID, there is a little correction there. The committee says USMID funds were given to us and we delayed to release them to the local governments. Delaying release is not acceptable but I wanted to simply point out that USMID is not under local government. It is under the Ministry of Lands, Housing and Urban Development. However, the point is taken that release of funds to the local governments should not delay.

Finally, there is a recommendation on strengthening accountability in local governments. The need to build the capacity of the local governments’ public accounts committees (PACs) and to improve their facilitation is a correct recommendation and a good observation. We have already started with their capacity building and are meeting them at regional level and it is beginning to yield some fruits. It is a budget issue and we will continue to need the support of Parliament on this matter.

The PACs are important at the local government level. Once they are effective, we will have more attention to accountability issues at local governments. I thank the committee for the report.

**Mr sekabira:** Thank you, Madam Speaker. I want to join the rest of the colleagues to congratulate you upon assuming the Chair. I am seeking clarification from the line minister. I am aware that during the recent lockdowns, public service and local governments recruited or hired health workers on short-term contracts. These people have not been paid their risk allowances - emoluments – to date. I am seeking clarification on the status.

Secondly, these people have cried out to Government to recruit them since they even risked during the time we needed them. I am wondering whether, as Parliament – since we are responsible for allocation – we can accommodate them because there is need in the health sector. Thank you.

**The Speaker:** I actually had a petition from those workers. I do not know whether it is to the Minister of Health or Minister of Local Government. Is it Public Service? Yes, Minister of Public Service.

4.21

**The minister of public service (Mr Muruli Mukasa):** Thank you, Madam Speaker. I would like to thank the Member for raising this issue. Indeed, these people have not been paid the allowances for the noble work they did during the COVID-19 lockdown. This is a matter that has been captured by the Ministry of Health and it is, seriously, under consideration. Certainly, I know that they are going to be catered for.

When it comes to recruitment, yes, there is a recruitment plan during the coming financial year. Definitely, I think some of them are going to get recruited. Thank you.

4.22

**Mr noah mutebi (NRM, Nakasongola County, Nakasongola):** Thank you, Madam Speaker. I want to thank the Chairperson, Committee on Public Service and Local Governments for the presentation. He commented on the late release of funds. The good thing is that the Rt Hon. Prime Minister is here. We want to know and ask Government why they tactfully release funds late, for example, two weeks to the end of the financial year.

In actual sense, that money has to go through procurement processes, which can take a month. At the end of the day, they do not utilise the money and it is taken back to the Treasury. When it is taken back, when in the actual sense that money was planned to construct a health facility, that one is a gone case. In the following financial year, they do not bring back the money to the local government to implement as they had planned in the other financial year.

We want the Prime Minister to tell us why the Ministry of Finance, Planning and Economic Development tactfully takes our money from local governments and does not take it back. When that money is taken back to the Treasury, where does it go because it is not reflected in the next budget? I beg to submit.

**The Speaker:** The Minister of Finance, Planning and Economic Development will be here tomorrow to explain about UWEP and also handle that issue.

Honourable members, we are running out of time. You are repeating the same things. You are going to discuss the same things when it comes to budgeting. I now put the question that the report of the Committee on Public Service and Local Government be adopted by this House.

*(Question put and agreed to.)*

*Report adopted.*

**The Speaker:** Thank you, chairperson and the shadow minister.

**Mr onzima:** Madam Speaker, I want to thank Members for adopting our report. I also want to take this chance to thank all my committee members for the work well done. I also thank the technical staff. This has been -

**The Speaker:** Can I have the next chairperson? *(Laughter)*

motion for adoption of the report of the Committee on physical infrastructure on the ministerial policy statement and budget estimates for the financial year 2022/2023

**The Speaker:** Chairperson, kindly do the brief.

4.25

**The chairperson, committee on physical infrastructure (Mr David Karubanga):** Thank you, Madam Speaker and honourable colleagues. I beg to lay the report of the Committee on Physical Infrastructure *– (Members rose\_)-*

**The Speaker:** Honourable members, I have said that once your report is done, wait for other reports. That is why I have put that login on. I want to monitor who is going out early and who is coming. Let us have respect for other committees too. *(Applause)* You have been here and other Members approved your reports but you want to walk out and leave us alone in the House. We also get tired like you.

**Mr karubanga:** Madam Speaker, I beg to lay the report of the Committee on Physical Infrastructure on the budget estimates and the ministerial policy statements for the Ministry of Works and Transport and the Ministry of Lands, Housing and Urban Development, for the Financial Year 2022/2023. I beg to lay.

**THE SPEAKER:** Let the reports and minutes be captured on the record.

**MR KARUBANGA:** Madam Speaker, in accordance with sections 12 and 13 of the Public Finance Management Act, 2015, and rules 146 and 149 of the Rules of Procedure of the Parliament of Uganda, sectoral committees are mandated:

1. To examine and comment on the policy matters affecting the MDAS under their jurisdiction; and
2. To critically examine Government's recurrent and government’s development budget estimates and make recommendations for debate.

Composition of the committee

This committee carries out an oversight function over the following votes under the integrated transport and infrastructure programme as follows:

Vote 016 - Ministry of works on transport

Vote 113 - UNRA

Vote 118 - Uganda Road Fund; and

Vote 112 - Kampala Capital City Authority.

I would like to touch briefly on the compliance of the ministerial policy statements with the law and Government. Indeed, both ministries of works and lands have complied with the PFM Act, 2015 and the Rules of Procedure of Parliament. They also complied with the gender and equity requirements.

Madam Speaker, because of time, I would like to go to the issues on page 5.

The Ministry of Finance, Planning and Economic Development

The committee observed that the format of the ministerial policy statement communicated to the agencies does not indicate the extra three requirements provided for under Rule 146 (2) of the Rules of Procedure.

In addition, the format provided by the Ministry of Finance for the Financial Year 2022/2023 does not provide information on the specific information regarding the performance of projects and sub-programmes like it has been in the previous financial years, just leaving the votes to highlight their major performance.

On that note, the committee recommends that the Ministry of Finance, Planning and Economic Development reviews its format in the subsequent ministerial policy statements to communicate to MDAs a format that incorporates the requirements in rule 146(2) of the Rules of Procedure.

As well, the Ministry of Finance should consider reviewing the format to provide for the approved budgets of the preceding year and half year performance of the projects and sub-programme, an addition to the proposed budget, as has been in the previous ministerial policy statements.

Observations and recommendations of the committee *–(Interruption)*

**MR ESENU:** Thank you, Madam Speaker. I would like to find out whether it is in order for us to proceed when we do not have this document uploaded onto the system because we are struggling to follow what is being communicated. Thank you.

**MR KARUBANGA:** Madam Speaker, we provided a copy. Of course, we were trying to beat the deadline. I think the technical staff –

**THE SPEAKER:** They are uploading it. At least for now, you have the ears to hear.

**MR KARUBANGA:** Madam Speaker, thank you for that. I will go to section five, which is about observations and recommendations. We have a general observation and a way forward.

The committee observed that the minister presented two different policy statements to Parliament, each with different figures. Therefore, the committee seeks an explanation from the minister on this because this became a real issue. If, indeed, there was an error, the minister will have to come and amend that on the Floor.

The Ministry of Works and Transport

Vote 609 - Local Governments

We have a section of road maintenance equipment for the new districts. In the Financial Year 2021/2022, Parliament recommended that the Ministry of works and Transport be provided with Shs 56 billion for the procurement of road maintenance equipment for the then 14 newly created districts to cater for maintenance of their road network.

However, the funds were not provided and even in the budget for Financial Year 2022/2023, the item has been captured as an unfunded priority despite having been agreed upon between the Ministries of Works and Finance during the presentation of the First Supplementary Schedule for the Financial Year 2021/2022 that the MTEF for the Ministry of Works and Transport would be increased to cater for this item.

The committee is concerned that some critical roads in the new districts have become unmotorable due to lack of maintenance and increase in stock of roads over time, due to the different road programmes undertaken at local government level.

The number of districts has now increased from 14 to 16 and the required funding for that item is now Shs 57 billion. The Ministry of Finance, Planning and Economic Development, of recent, categorised this item as unfunded because of revenue performance. There was a proposal that Government should develop a policy of sharing equipment between the mother districts and the new district(s).

The committee observes that this argument of sharing equipment is self-defeating because many of the affected roads are income generating roads, and they facilitate numerous economic activities in the country. Many of them, in their unmotorable state, negatively affect Government's revenue base.

The equipment, also in the mother districts, are fully occupied with activities in their areas of operation, more so given the fact that quarterly releases to all districts are made at the same time, therefore, putting the same pressure on all districts to absorb the funds given to them or risk having the money returned to the Consolidated Fund, if the funds are not utilised by the end of the financial year.

Most mother districts are reluctant to share their equipment with the new districts because in the event of a breakdown, the cost of repair reverts to them.

The equipment in the mother districts have broken down and, therefore, all districts should get their own equipment.

The committee recommends that Shs 57 billion be found within the budget for Financial Year 2022/2023 to finance this critical activity.

Maintenance of road equipment in Local Governments

The committee recommended that in the Financial Year 2021, the Government should have provided Shs 59 billion for the maintenance of district road equipment but these funds were never provided in the budget. It appeared as an unfunded priority.

The committee, therefore, observed that the equipment was delivered without making the necessary increases (Japanese equipment) in provision for fuel and other requirements. Modalities for timely servicing of road equipment are not in place, yet the districts are banned from doing any servicing or repairs on the road equipment.

The government had an agreement with a supplier that they appointed - Victoria Motors - as an agent to do the servicing of the equipment. However, due to accumulated arrears, the agent is unable to provide timely repairs of the equipment.

Thirdly, keeping the equipment grounded exposes them to vandalism. We also observed that upgrading of the four regional mechanical workshops - Bugembe for Eastern, Mbarara for Western, Gulu for Northern and Kampala, is key in maintaining the district road equipment. However, that item remains an unfunded priority under this budget for Financial Year 2022/2023.

The committee recommends that the Governments should commit Shs 60 billion to cater for the maintenance of road equipment.

The committee also recommends that the government should dispose of the obsolete road equipment because they are becoming a liability in terms of the costs for maintenance.

The committee also recommends that Shs 32 billion for the maintenance of road equipment from Japan should be provided so as to show commitment to the maintenance of the good road network, as we said in the NDP III and the Budget Strategy for 2022/2023.

Need for Coordinated Planning

Madam Speaker, Parliament approved a loan for the Agriculture Cluster Development Project (ACDP), which has four components, one of which was to address road chokes in the selected districts. However, the project was reviewed and the creditor recommended a reduction in the budget for road chokers and consequently, some areas were left out with new value addition equipment that is inaccessible due to road chokers, and non-availability of power, among others.

To fully operationalise the benefits of this project, there is need for road chokers to be addressed and the project is expected to end in this Financial Year 2021/2022.

The committee was informed by the ministry that currently, four projects are supporting intervention on the district urban access roads, (DUCAR) and on average, those four projects have 800 kilometres of community access roads that need to be rehabilitated per year, which is far below the community access road network of about 80,000 kilometres.

The available road maintenance budget of Shs 487 billion from the Uganda Road Fund can only meet 4.13 per cent of the annual road maintenance needs. This has resulted in the accumulation of maintenance backlog on DUCAR roads requiring to be rehabilitated. The funds allocated to bridges are also tagged to only maintenance activities, thus leaving bridges that require rehabilitation.

Currently, only Shs 164.8 billion is the budget provision for the ministry to cater for interventions on the DUCAR network, which is far below the requirement.

The committee observes that during project design, responsible ministries should be assigned the mandate to address sector work in the proposed projects, as opposed to working in silos to ensure the sustainability of projects after completion.

The committee recommends that the governments should provide additional funding of Shs 35 billion for low cost sealing roads.

Should provide adequate funding for rural bridges and rehabilitation of district urban roads and community roads improvement projects to address road chockers that have not been funded under the ACDP.

Local content policy

Madam Speaker, Parliament passed the Local Content Bill and indeed, there are efforts to implement it at different levels of Government.

However, the committee observed that through the local content policy, very few Ugandan companies have been able to benefit or have had the capacity to compete with foreign companies. Most of these foreign companies are state-owned, and therefore, have a huge financial advantage over local companies.

We also observed that currently, most Ugandans are relegated to tasks of casual labourers in foreign-owned projects.

The committee recommends that the Governments should develop a framework for supporting contract financing to local companies to compete with foreign companies, which get cheap money from their countries of origin.

The ministry should make deliberate efforts to build the capacity of local contractors to ensure that they benefit from public investments.

Under road safety interventions

Of course, we all know that road carnage is high in our country. In Financial Year 2021/2022, Parliament approved Shs 2 billion for road crush database and sensitisation on the Traffic and Road Safety (Amendment) Act 2020. Only Shs 0.5 billion had been released in the third quarter, hence limited implementation of the intended activities.

In the Financial Year 2022/2023, the ministry budget for this item has a funding gap of Shs 30.6 billion after an allocation of only Shs 2 billion out of the required Shs 32.6 billion.

The committee observed that Uganda is not making progress in meeting the global target of reducing road crashes by 50 per cent by 2030.

On the contrary, the country has continued to witness high numbers of road crashes and resultant deaths. Activities aimed at ensuring road safety in Uganda today must be treated as a matter of urgency and prioritised in this budget.

The committee recommends that the required sum of Shs 32.6 billion be provided in the budget for Financial Year 2022/2023 to cater for Road Safety interventions.

Automation of motor vehicle inspections

The committee was informed that for purposes of reducing vehicle pollution and the un-roadworthiness of motor vehicles on our roads, the Ministry of Works and Transport requested for a budget of Shs 30 billion to automate vehicle inspection services. However, the minister did not receive any allocation for this and has thus remained an unfunded priority and yet this is an income-generating activity.

The committee identifies an urgent budget allocation in view of the fact that the un-roadworthy vehicles compromise road safety for road users and also contribute environmental pollution, which is key in causing climate change.

The committee recommends that the required Shs 30 billion be provided in the budget for Financial Year 2022/2023.

Need for counterpart funding

The compensation process of Project Affected Persons (PAPs) for Bukasa port has been affected by inadequate funds. A total of Shs 29.2 billion was approved by the Government Chief Valuer in October 20l8 but there has been a delay in compensating the PAPS because Government has not yet cleared its obligations on counterpart funding.

Madam Speaker, the law says that if you take beyond six months without compensating me on what was valued, I have the right to increase the value of my property. So, we risk having the costs escalated because of delayed compensation.

The committee, therefore, observes that compensation of occupants of land is the responsibility of Government under the component of counterpart funding, and during Financial Year 2019/2020 Shs 15.718 billion was released for this activity, leaving a funding gap of Shs 13.486 billion. In Financial Year 2020/2021, Shs 1 billion was allocated for land compensation and the budget for Financial Year 2022/2023 provides only Shs 7 billion.

The committee recommends that governments should always provide counterpart funding for projects in a timely manner.

The Standard Gauge Railway

Slow progress of the Standard Gauge Railway

Madam Speaker, the plan for construction of the SGA was in Financial Year 2022/2023. However, the implementation is slow due to inadequate funding of the preconstruction activities and delay in securing the loan from development partners.

Preconstruction activities such as acquisition of the Right of Way and sourcing for financing from the China-Exim Bank are currently on-going. The committee, however, is concerned that the Government of Uganda has previously made loan applications to China-Exim Bank on five occasions: That is in June 2015, December 2015, May 2016, October 2019 and May 2021.

The committee learnt that China-Exim Bank has raised issues about application and the Government of Uganda has responded accordingly. The bank raised other issues about loan applications in May 2021 and August 2022.

The committee observes that the Ministry of Works and Transport and the SGR have submitted responses to the Ministry of Finance, Planning and Economic Development on the latest issues raised by the financial China Exim Bank, but there is no progress. There is need to explore alternative means of financing the project because the prolonged delay in commencement of the project is undesirable and yet our country is a regional logistics hub.

There has been extensive engagement with China Exim Bank on project financing but there have been delays in projects commencement, hence denying Ugandans the benefits of enjoying low cost cargo transport.

The other observation is that a large percentage of PAPs in the project path still await compensation before they can relocate. The committee recommends that:

1. Government of Uganda should explore the option of Public Private Partnerships to finance the construction of the SGR.
2. Government should provide Shs 200 billion for the acquisition of the Right of Way for the SGR project.

Uganda Railways Corporation (URC)

We are looking at the role of the URC in the SGR project. Section 3 of the Uganda Railways Corporation Act, 1992, mandates the URC on railway construction, operation and maintenance of railway, marine and road services for the carriage of passengers and goods. Parliament was informed that the SGR project started at a time when there was a challenging situation in URC, including the legalities on the concession agreement between GoU and RVR.

Parliament has been informed that URC is represented on a joint committee that oversees the SGR project.

The committee observes that URC’s role in the SGR project should not be restricted to oversight, but actual participation in the project, to build its capacity to operate and maintain the railway network in a sustainable manner.

The committee, therefore, recommends that the SGR implementation and management should be under a project management unit as per Cabinet’s directive.

The East African Civil Aviation Academy (EACAA)(Soroti Flying school)

Funding for the operations of the East African Civil Aviation Academy

The East African Civil Aviation Academy (EACAA) gets subvention from MOWT amounting to Shs 9.5 billion yet it requires a minimum of Shs 17.5 billion to finance its operation. The impact of the underfunding has been worsened by the recent closure of academic institutions due to the COVID-19 pandemic.

The Auditor-General’s report of Financial Year 2020/2021 observed that the school budgeted to collect to Shs 282 million but only collected Shs 13.25 million, which represents 4.7 per cent by the end of the financial year.

The committee observes that the budget shortfall for that flying school greatly impacts on its operations with aircrafts getting grounded due to non-maintenance.

The committee, therefore, recommends that Soroti Flying School should be adequately financed to the tune of Shs 17.5 billion in the budget for the Financial Year 2022/2023.

The Uganda Civil Aviation Authority (CAA)

Under the CAA, we have a section of government debt owed to Uganda Civil Aviation Authority. Government debts, through MDAs and the UN, currently amounts to Shs 115 billion. Parliament, in Financial Year 2021/2022, recommended that the Ministry of Finance, Planning and Economic Development should prioritise payment of outstanding debts to the Civil Aviation Authority by various MDAs in the budget for domestic arrears for Financial Year 2021/2022 and the entire medium term to enable the Civil Aviation Authority to finance its operations and infrastructure requirements.

However, the committee was informed that UCAA did not collect funds in the Financial Year 2021/2022 and that the agency is following the directive from the PS/ST to audit all domestic arrears before they are cleared for inclusion in the respective budget.

Observations

The committee observed that the debts owed to UCAA by government entities crippled the activities of the Uganda Civil Aviation Authority and they are long overdue. The Uganda Civil Aviation Authority should expedite the process of auditing the domestic arrears with affected agencies to ensure that Government clears the debt as soon as possible.

Recommendations

The Ministry of Finance, Planning and Economic Development should impress it upon the government entities indebted to Uganda Civil Aviation Authority to include the agreed some above in their budget for Financial Year 2022/2023 and that the Ministry of Finance, Planning and Economic Development should prioritise the clearing of the debt.

Establishment of a unified security system at Entebbe International Airport

There is need to enhance integrated security systems at the airport and CAA had requested for Shs 108 billion but the item was left unfunded in this budget for Financial Year 2022/2023.

The committee observes that given the current global security risks, it is important that all security loopholes at the airport are closed.

The committee recommends that in order to bridge this gap, the Government should provide Shs 108 billion in the Financial Year 2022/2023.

Air traffic control tower

Uganda Civil Aviation Authority needs to install a new control tower at the international airport. The committee observes that the current control tower is old and at a risk to the aviation industry both nationally and internationally for aircrafts that use our airspace. This critical aviation requirement could cause an international disaster that would subject Uganda to blame from the international community and rightfully so. This could be a national disaster.

The committee recommends that Shs 40 billion be found for the installation of a new control tower at Entebbe International Airport for this financial year.

Maintenance of aerodromes

Most aerodromes in the country are at different levels of despair, yet the demand for domestic air transport is on the rise among the tourists. The committee observes that there is a need for funding of critical aviation activities in regional airports and aerodromes.

The committee recommends allocation of Shs 60 billion beginning with Financial Year 2022/2023 and additional funding be provided in the Medium Term Expenditure Framework (MTEF) beginning with Financial Year 2023/2024.

Madam Speaker, I now go to the National Building Review Board. This is the board that regulates our building standards in the country. As you are all aware, honourable colleagues, you realise that several buildings are reported to be collapsing. The National Building Review Board has a funding gap of Shs 10.7 billion in the budget for Financial Year 2023, arising from partial allocation of the required budget.

The committee recommends that the National Building Review Board be provided with additional funding to a tune of Shs 10.7 billion, in the Financial Year 2022/2023, to handle the challenges of standards in collapsing buildings.

The Uganda National Roads Authority (UNRA)

Debts owed by UNRA

UNRA currently has debts amounting to Shs 500 billion, being arrears for road works including debts to local contractors. These debts are attracting interest of Shs 140 million per day.

The committee observes that under release by the Ministry of Finance, Planning and Economic Development is causing unnecessary haemorrhage to the Consolidated Fund in terms of interest on arrears for road works. This figure of arrears is mainly affecting local companies, of which, many of them have got loans from banks.

The committee recommends that arrears of Shs 500 billion owed by UNRA to contractors should be cleared in Financial Year 2022/2023 to stop the unnecessary haemorrhage of public resources.

Additional funding for road projects

UNRA requested for funding for a quite a number of road projects in the country for Financial Year 2022/2023, but it has remained as an unfunded priority. The list is really very big. Most of these roads are in NDP III.

The committee recommends that additional funding should be provided to UNRA to embark on the development of the above mentioned roads starting in the MTEF, starting Financial Year 2022/2023 and that UNRA should continue to engage the Ministry of Finance, Planning and Economic Development to find funding for these roads.

Maritime transport

Maritime transport remains poorly developed in Uganda and not much attention is given to it, despite enactment of the Inland Water and Transport Act and yet the Government can generate revenue from this transport.

The committee observed that the only inland water vessel operated by the Ministry of Works and Transport is MV Kalangala. This predisposes the people plying that route to getting stranded when the ship is not functional, which in the recent past has been rather frequent.

The committee also observed that there is no public connectivity between different islands in Kalangala District and other districts which share boundaries in Lake Victoria.

The committee further observes that the communities of Kalangala District and Wakiso District where MV Kalangala operates are not involved in its management.

The committee, therefore, recommends that the Government should prioritise maritime transport.

The Uganda Road Fund

Failure to operationalise the Uganda Road Fund as a second-generation fund

Section 21(3) of the Uganda Road Fund Act, 2008 provides that the monies of the fund shall consist of:

1. Road user charges including fuel levies, international transport fees collected from foreign vehicles entering the country road, licence fees, road fines, bridges tolls and road tolls and weigh distance charges.
2. Fines under the Traffic and Road Safety Act.
3. Monies appropriated by Parliament for the purpose of the fund.

Parliament has, on several occasions, recommended that the Ministry of Finance should develop regulations for the operationalisation of the Road Fund as a second-generation fund to enable the Uganda Road Fund to tap into resources or funding stipulated in section 21 of the Act, to meet its road maintenance needs.

The committee was informed that the Uganda Road Fund prepared and submitted the Uganda Road Fund draft regulations 2021 in line with the Uganda Road Fund Act No. 15 of 2008, to the Ministry of Finance, Planning and Economic Development for signing on 8 June 2021, following the approval of the Board.

The minister directed harmonisation of Regulations 36 and 37 with Statutory Instrument No. 14 of the Uganda Road Fund Act and undertaking a Regulatory Impact Assessment to guide the review process in the letter dated 16 July 2021.

The committee recommends that the Government should operationalise the Road Fund Act to the latter.

Need to privatise maintenance of the road asset

One of the key objectives of NDP III is to consolidate and increase the stock and quality of productive infrastructure. Over the medium term, the share of road maintenance is projected to decline to Shs 487.9 billion and yet investments in roads development and construction are increasing.

The committee observed that the Government introduced a fuel levy starting with Financial Year 2020/2021 to boost funds for road maintenance by at least Shs 200 billion. However, the budget for road maintenance, under the road fund, is on a declining trend. By half-year of 2020/2021, taxes from petroleum duties alone amounted to Shs 1.29 trillion, suggesting that if the Road Fund Act was implemented or the excise duty on petrol and diesel was remitted to the Uganda Road Fund, the funding would have been higher than is proposed.

Despite Parliament’s recommendation on the budget for Financial Year 2021/2022 that infrastructure projects should be allocated at least 20 per cent of the total infrastructure budget for operations and maintenance within any given financial year, this has not been done.

This recommendation followed an observation that road maintenance requires between Shs 800 billion to Shs 1.2 trillion annually, but is always allocated less.

The committee recommends that Government should honour the commitment in the Road Fund Act.

The Ministry of Lands, Housing and Urban Development

Land Information System

The ministry for lands requested for Shs 19.5 billion for Land Information System (LIS) maintenance in the budget but it was allocated Shs 7 billion, leaving a funding gap of Shs 12.5 billion.

The committee observed that with this funding gap, the ministry will to be able to deliver the online services to the public.

The committee further observed that land transactions are currently riddled with too many irregularities that are very difficult to clean up manually and that the Land Information System management must be up to date.

The committee recommends that Government provides additional funding of Shs 12.5 billion for the maintenance of the Land Information System.

Ministry Zonal Offices (MZOs)

There is inadequate funding of MZOs and the committee observed that the offices are currently experiencing a lot of challenges to meet basic operational requirements, compounded by inadequate wage budget to recruit staff.

This funding gap will further exacerbate the problem of staff working in more than one duty station, thus not being available at a particular MZO on every working day.

The other observation is that these MZOs are self-financing given the fact that they generate revenue to a tune of about Shs 100 billion as a result of the Land Information System.

The committee recommends that additional funding of Shs 10.5 billion be provided for the operations of MZOs and Shs 2 billion for the wage bill in the budget.

Strengthening land valuation infrastructure development for the Office of the Chief Government Valuer

The Chief Government Valuer would want to strengthen his office by providing a system that would enable them to provide the best valuations across the country, especially for infrastructure programmes within minimal time.

The ministry requested for Shs 9.8 billion to finance land valuation infrastructure development and the committee observes that once the office of the Chief Government Valuer is funded, revenues generated will increase and improve land acquisition for infrastructure projects.

So, the committee recommends that Shs 9.38 billion be provided for the land valuating infrastructure development project and development of the land value data bank for the Office of the Chief Government Valuer this financial year.

Budget cuts affecting service delivery in the Ministry of Lands, Housing and Urban Development

The committee observed that there are quite heavy budget cuts affecting the ministry without due consideration of functions of that entity.

In the current form, it is denying Ugandans vital services as can be seen in the inability of the Ministry of Lands, Housing and Urban Development to carryout functions such as land survey and land valuation amidst the rampant land disputes because those operations are categorised as consumptive items.

The committee recommends that the areas affected by the budget cuts in the Ministry of Lands, Housing and Urban Development should be re-assessed and the critical areas like inland travel reinstated in the budget.

The committee on land evictions

The committee was created but despite the importance of that committee, there was no money allocated and the money needed is Shs 0.9 billion.

Therefore, the committee recommends that Shs 0.9 billion be provided for that committee to be operationalised to help address the challenges of land conflicts.

Reaffirmation of the international border

The ministry is requesting for Shs 4.8 billion for this activity. As you know, we have challenges with some of our neighbours and if these funds are provided, they will help us resolve those disputes by reaffirming our international boundaries with our neighbours.

Land acquisition and compensations

There is an observation that a lot of money is owed to different landlords, especially kingdoms and ranchers. The recommendation is that Shs 256 billion should be allocated to the ministry to cater for land acquisition and compensation to cultural institutions’ properties and ranchers.

Government should consider operationalising the Land Fund fully as envisaged in the law – where it is capitalised and there is a functional land bank facility.

Development of physical development plans

The Ministry for Lands budgeted for Shs 105 billion for the development of physical development plans in Financial Year 2022/2023 but was only allocated Shs 5 billion, leaving a funding gap of Shs 100 billion.

The committee acknowledged that the Shs 5 billion is under Uganda Support to Municipal Infrastructure Development Project (USMID).

The ministry reported that no Government development funding has been provided for the development and implementation of the physical development plan.

The committee, therefore, recommends that funding of Shs 100 billion should be provided in the MTEF for the development and implementation of physical development plans, beginning this financial year, which we are budgeting for.

Construction of low-cost housing

The committee notes that the National Housing and Construction Company is the only Government agency in the housing subsector with requisite capacity and experience to deliver low-cost housing units and reduce the housing deficit countrywide -

**THE SPEAKER:** Mr Chairman, can you summarise?

**MR KARUBANGA:** Yes, Madam Speaker. The committee observed that, in Financial Year 2021/2022, the company had been allocated only Shs 30 billion for their work but even that one, in this financial year, has been removed, leaving the National Housing and Construction Company with no allocation.

We also observed that Government owed Shs 72 billion, through the Ministry of Defence and Veteran Affairs, but only Shs 7 billion was provided. We realised the need for providing this critical service of low cost houses.

The committee, therefore, recommends that Government should prioritise capitalisation to the National Housing Construction Company to a tune of Shs 380 billion, through the MTEF beginning with Financial Year 2023/2024, to mitigate the highly escalating housing deficit in the country.

We also recommend that Government should pay the balance of Shs 65 billion owed to the company through the Ministry of Defence and Veteran Affairs since in this budget, they have not provided for anything.

Comprehensive land inventory

As you are all aware, many individuals are targeting land that belongs to Government institutions like schools and hospitals. The committee is concerned about the slow progress in titling Government land.

The committee, therefore, recommends that the Ministry of Lands, Housing and Urban Development should take over the titling of Government land, especially, of schools and hospitals.

Under the Uganda Land Commission

The committee recommends that Government should provide adequate funding for the Land Fund, amounting to Shs 1.7 trillion over the MTEF period, starting with the Financial Year 2023/2024, to address the issues of land conflicts arising from historical justices and other conflicts within the country.

Under customary land titles

Here, we observe that there is need and urgency for the affected persons to secure their land rights and that the cost of processing customary land titles is affordable to the common man and can be done at the subcounty level.

The committee recommends that Government should allow people to pay for the certificate of customer ownership at a modest fee and avail the service at the subcounty level.

Re-allocation within votes 16 - I beg your pardon. In conclusion, subject to the recommendations advanced above, the committee urges the House to supply the following votes for recurrent and development budget for the Financial Year 2022/2023:

Vote 012 - Ministry of Lands, Housing and Urban Development.

The recurrent budget is Shs 77.2 billion - the figures are long; I will just truncate them somewhere – development expenditure is Shs 194.8 billion with a total of Shs 272 billion.

Ministry of Works and Transport - recurrent expenditure is Shs 170.8 while development expenditure is Shs 671.3, giving a total of Shs 842.1.

Uganda National Roads Authority - recurrent expenditure is Shs 132.2 billion while development expenditure is Shs 2.543 trillion, giving a total of Shs 2.68 trillion.

The Uganda Road Fund - recurrent expenditure is Shs 487.9 billion and of course with development expenditure, giving a total of Shs 487.9 billion.

Uganda Land Commission – recurrent expenditure is Shs 10.4 billion while development expenditure is Shs 29.7 billion giving a total of Shs 40.1 billion. I beg to submit.

**The Speaker:** Thank you, very much honourable chairperson. Maybe, let me make an administrative announcement. When it is time for breaking the fast, the Muslim colleagues should feel free to go and do that then come back; we are still here.

Secondly, I want to make a correction - an addition on page 48. There is just something missing. That is Igwaya-Kagulu. I was privy to the letter, which was written about that road; it is called Igwaya-Kagulu.

On page 61, once you enter into an international relationship with another country, you can only vacate it upon acceptance of both countries. Where you are saying you are reallocating money that was meant for the DRC, it was an international relationship that was signed between the two presidents. That cannot happen. You would rather look for money from somewhere but maintain the relationship until otherwise.

5.22

**The shadow minister for physical infrastructure (Mr Yusuf Nsibambi):** Thank you, Madam Speaker. We have discussed the report. Overall, we have matters of convergence though a few areas are still sticky. However, given the timelines and the need to have the ministerial policy statement adopted, we may, at a later stage, bring these sticky policy issues for consideration before the House.

Specifically, I will highlight two areas. The procurement and maintenance policy issues to do with road equipment. We believe that what is in place is not good enough yet it is really an important area for consideration.

We also request that the appropriation made or proposed in this report should be taken seriously by the Ministry of Finance. In the past, this sector, specifically the works sector, has been neglected. Proposals are made, promises are made and our people have a lot of expectations on the ground. I think the ministry should look for funding to ensure that at least roads are constructed and maintained.

We also have the second issue to do with pre-finance contracts. We discussed and agreed that we should leave it at this level for us to have the budget process go on smoothly given the timelines. However, it is our belief that these contracts are irregular, illegal and unconstitutional. We also believe that the criteria of awarding roads, specifically, may not be equitable but we beg that we do have this process go on smoothly. It may have to come back to the House. You should not be surprised but for now, we generally associate with the report but we will be coming back forth to consider such issues.

Otherwise, Madam Speaker, we do associate with the report in total. I beg to submit.

**The Speaker:** Do you also cite the amendment on the international relations?

**Mr Nsibambi:** Yes, Madam Speaker. We discussed this again and agreed that there are already existing protocols and agreements signed between the two countries. Therefore, we, again, adopt the report with amendments, excluding that specific issue. I beg to submit.

**THE SPEAKER**: Thank you, Hon. Yusuf. Minister, allow a few Members to speak.

**MR SILWANY**: Madam Speaker, before the minister comes, I seek clarification. There is a road in which every financial year, there is a promise to work on it; the Kamuli–Kigulu–Iyingo-Irundu–Kaliro Road of 90 kilometres.

On 5 August 2021, I saw a letter that was addressed to the Speaker of Parliament from the President, talking about financing the same road. I want to quote what is written in the letter:

*“It is a deserving road because it opens up north and central Busoga. Moreover, the NRM has got a lot of support there. I have talked to Madam Allen Kagina, the Director, and she is following it up.”*

Honourable minister, I would like to clarify because the people of Busoga are yearning for this road and they are on our necks. They gave NRM votes. This road has been promised by the President 1,000 times so I want to seek your clarification. Is it one of the urgent roads you are going to work on in this budget?

**THE SPEAKER**: Hon. Solomon, this is not about the NRM per se. It is about the people of Uganda.

**MR SILWANY**: Much obliged, but the clarification stands, Madam Speaker.

**THE SPEAKER**: Honourable minister, take note of that road. I personally received that letter and the amendment must be made. The road is actually included on page 48. The only one missing is Kigulu, but the road is included in the report. Make that amendment.

**MS AFOYOCHAN**: Thank you, Madam Speaker. I wanted to find out what exactly happened to the Zombo–Nebbi–Goli–Vurra Road. This road is just not of economic importance to this country, but it is also important for security.

Time and again, we have to stand on this microphone and look stupid to our voters, like we are doing nothing. I want to request that if these pre-financing arrangements are really there, this road should be one of the top roads on that priority, honestly.

On another note, how do these reports determine which districts get how much from the Road Fund? My roads, for instance - at any point in Zombo - there is a requirement of a bridge but we get the same amount as other flat districts get. What are the criteria they use to make sure that a particular district gets a certain amount of money? I really need to know.

**MR EKANYA**: Thank you very much, Madam Speaker -

**THE SPEAKER**: I am picking the ones who have not spoken; so, if you have spoken, do not waste your energy.

**MR EKANYA**: Thank you very much, Madam Speaker. I want to implore Members that the question of the road to DRC - we need to construct more kilometres of the road inside DRC to support the manufacturing sector here in Uganda.

I was privy to that World Bank discussion sometime back in Washington when we negotiated - I was with Matia Kasaija and Keith Muhakanizi. By then, my mind was not clear but today, the jobs you need for the youth; the factories - I am a Member of Parliament for Tororo, where the cement factories are. The cement structures in Tororo sell 30 per cent of their cement to the DRC and South Sudan. Hence, we need more kilometres.

Secondly, the Minister of Works and Transport needs to have a framework cost per kilometre of tarmac road and present it here. Part of our problem is the highly inflated cost of constructing a kilometre of road in this country. We need to zone this country; the flat areas need a certain amount of cost per kilometre and the road can last for 20 years. Swampy terrain should also have its own cost; hilly areas need to have their own cost as well. You cannot tell us that building a two-bedroomed house on flat land costs Shs 300 million. This is what is happening, Madam Speaker.

Therefore, we need to put Hon. Musa Ecweru, who moved with a pickup to arrest the thieves - that we are going to give you this money but on condition that after 60 days, that minister presents here a well-costed framework of cost per kilometre. I beg to move. *(Applause)*

**MR MAYANJA**: Thank you, Madam Speaker. Honourable minister, I need clarification on the Luweero-Bukalango Road, 29 Kilometres in Nakaseke District. It was promised by the President in 2015.

In 2018 -

**THE SPEAKER**: It was promised by the President?

**MR MAYANJA**: Yes. In 2018, the ministry took 50 land titles from the residents along that road. Up to now, they are claiming for them and some of them died; their relatives are claiming for their land titles. Honourable minister, we need clarity on that road.

There are even some other roads in Nakaseke that are in a sorry state and yet that is where the NRM Government fought from and people died; almost half a million people died in greater Luweero. However, we are still asking for roads, schools and hospitals. Sincerely speaking, Nakaseke was good at fighting but at the time of dining, we have not been considered. Thank you.

**THE SPEAKER**: The NRM Government secured Allan’s future and that is why he appreciates what the NRM Government did. Thank you for appreciating the NRM Government, Allan.

**MR CHARLES OKELLO**: Thank you, Madam Speaker. Let me also take this opportunity to congratulate you for sitting on the heartbeat of this country.

About two months ago, we were here in this House and the issues of roads, especially feeder roads, came up. We were told that 87 per cent of the roads of this country are smaller roads - feeder roads - and the national roads account only for 13 per cent of the roads yet when it comes to funds, the 13 per cent goes to the feeder roads, which are many, and 87 per cent goes to the national roads. This leaves the rural places with very bad roads.

My district of Nwoya, for example, got Shs 31 million from the Road Fund to maintain 214 kilometres of roads. Madam Speaker, I have seen the same in this report; that UNRA has been given an excess of Shs 2 trillion, and the Uganda Road Fund has only Shs 400 billion.

Madam Speaker, I request that the committee together with the minister reconsider this so that more money is given to maintain the rural roads that feed the main roads of this country. I beg to submit.

**THE SPEAKER**:  Yes, the Committee on Budget should look at that.

**MR TEBANDEKE**: Thank you, Madam Speaker. I would like to get clarification on two issues by the Minister of Works. One is about the Road Fund. This Fund has always been considered during the budgeting process and it falls in UNRA. When you look at their budgets, there is always a routine maintenance of specific roads under UNRA. However, when you follow up the routine maintenance, the roads are full of potholes. There is nothing like routine maintenance. I do not know the definition for routine according to the Ministry of Works.

Madam Speaker, to be specific, Kayunga District- I think we have only three main roads under UNRA. One from Kayunga to Baale, which we share with your colleague Minister hon. Amos Lugoloobi, which is full of potholes in every trading centre. Yesterday, I was even arrested by the residents and commanded to repair the road, which I could not.

**THE SPEAKER**: Honourable members, two minutes each, please.

**MR TEBANDEKE**: Secondly, when you come to Ntenjeru North, we have the one which stretches from Kayunga Town to Busana, which is tarmacked and the one from Bukoloto stretching to Jinja Nile, which is tarmacked. I am wondering; where does the budget for routine maintenance serve and does it serve its intended purpose?

Lastly, the Baale-Kayunga Road, which is 89 kilometres, you are shaming the President because it is a presidential directive to be worked on and he has promised it since 2006. The residents are overwhelmingly waiting for it during this budget. I do not know whether you will come to his rescue or you will continue to rebel against his directives. I beg to submit.

**THE SPEAKER**: Thank you. Honourable members, on the issue of the Road Fund, it has already been said; let us not repeat the same thing. All we need from the committee is to ensure that the Road Fund is given sufficient funds.

Secondly, in your oversight role, when they talk about routine, you have to make sure that these roads are maintained. I know some of you are chairpersons of road funds in your districts. It is your responsibility to do the routine checking; do not allow these districts to use the road funds as a cash bonanza.

**MR KAMBALE**: Thank you, Madam Speaker. In the report that was presented for Ministry of Lands, Housing and Urban Development, there is a special funding to urban constituencies called USMID.

We have a challenge under USMID where the unspent balances are never re-voted and yet, this is a World Bank project, which has a timeline; two and a half years it will be closed.

I have a case in point, Kasese Municipality where we had unspent balance of around Shs 8 billion but when it came to the following year, it could not be re-voted and we shall never get to that money since it has never been re-voted.

My request is that the Ministry of Land, Housing and Urban Development works closely with the Ministry of Finance so that whenever we get unspent balances, please, let us have it re-voted so that we receive these monies for the services it is supposed to give to our people. I beg to submit.

**MR KAMUKAMA**: Thank you, Madam Speaker. I would like to bring this to your attention on the road from Kasese to Hima. The road has not been launched and yet, it already has potholes. I am disappointed with the shoddy work that these people are doing.

Leaving that alone, the road funds that come to Bunyangabo District by the virtue of the fact that Bunyangabo has loamy soils, is like petty cash because there is nothing it is doing. Yesterday, my electorates almost stoned me because of this matter.

I pray to the responsible ministry to come to our attention; please, come to my rescue. Bunyangabo District roads are in a very bad state. I beg to submit. Thank you.

**MR MUHINDO**: Thank you, Madam Speaker. I rise on a procedural matter. I am listening to my colleague from Bunyangabo who is presenting a very serious matter, just as my other colleagues are doing. However, I realise that we are speaking to ourselves. We are talking of the Minister of Lands and I know that this ministry -

**THE SPEAKER**: The Minister of Works is here. If you think you are speaking to yourself, then, please, keep quiet. He is representing the whole ministry.

**MR MUHINDO**: Okay. I knew that we have the ministry represented by the honourable Minister Ecweru in the area -

**THE SPEAKER**: The Prime Minister and Leader of Government Business is even here.

**MR MUHINDO:** Most obliged.

**THE SPEAKER**: Honourable members, you want to debate this report, then again, debate it when it comes at the budget time. We still have seven reports to be presented.

**MR LUMU**: Madam Speaker, thank you very much for this opportunity. I equally have a road; Mityana- Busunju Road, which the President has promised since 2001. Right now, it is impassable and yet, it is a road that factories in Nakaseke are using to get raw materials from Busunju. That road is really bad.

The clarification I wanted from the Minister is about the National Housing and Construction Corporation. Is the honourable minister aware that the Libyan Government owns 51 per cent of the shares in that corporation and Uganda Government owns only 49 per cent. In the report, which has just been presented before us here, Shs 250 billion is allocated to recapitalise it. Honourable minister, how much has the Libyan Government so far given the company so that this Parliament can allocate the Shs 250 billion to that company because if we allocate that money, that simply means the Libyan Government will get dividends for free.

**THE SPEAKER**: We need to talk about our obligation, not another country's obligation; that could be our obligation not for the other country. The other country knows what it is supposed to give.

**MR OKUPA**: I can give further information.

**MR LUMU**: Madam Speaker, my question was simple: can the minister clarify to this House whether the Libyan government has already done something as we allocate money to the National Housing right now.

**THE SPEAKER:** Can we get information from a committee member?

**MR OKUPA:** Thank you, Madam Speaker. I am a member of the committee. I wish you knew this, but you can go and pick the letter. The Attorney-General of the Republic of Uganda guided and wrote to the Ministry of Finance, Planning and Economic Development that because of the uncertainty of the leadership in Libya, the Government of the Republic of Uganda must now take up 100 per cent. At an appropriate time, when the  Libyan government has settled, the Government of the Republic of Uganda will pay. Otherwise, the matter has reached a level where two ambassadors have been posted to Uganda and we do not know who to deal with.

The Attorney-General has guided that they will pay off. They have valued the National Construction Company and they know what share would be for 49 per cent. They will keep it in the ex-gratia account and at an appropriate time, when there is an established government in Libya, the Government of the Republic of Uganda will pay them the equivalent of 49 per cent. Thank you.

**MR MPUUGA:** Thank you, honourable member, for yielding. The clarification I want to get from you is: Now that you had the occasion to interact with the Attorney-General - and from what you are saying, this was not a call on shares. Because a call on shares would mean that Libya too was expected to advance its own part of the bargain.

Since the Attorney-General is advising that we can actually appropriate the shares, were you made privy to the shareholder’s agreement to know that we are not committing an illegality under the international law?

**MR OKUPA:** The legal advisor to the Government of the Republic of Uganda is the Attorney-General and that was the advice given by him. If anyone is to challenge that, it can be handled.

**THE SPEAKER:** Hon. Okeyoh.

**MR OKEYOH:** Thank you very much, Madam Speaker. I want to thank the committee for the report, however, I seek clarification from the minister regarding maritime transport.

We are all aware that apart from railway transport, the cheapest means of transport is water transport. We have been asking - and the report clearly states that the islands of Kalangala, Buvuma, Mayuge and Namayingo are not connected to the mainland. Do you have any programme to connect the main land, especially, Namayingo main land, to Namayingo Islands, and Mayuge main land to Mayuge islands?

Secondly, marking of our borders, especially on the lake. The report clearly indicates that there is conflict between South Sudan and Uganda. There is also a serious conflict between Uganda and Kenya, over Migingo Islands and other islands. Do you have a plan to ensure that all our borders are marked and if it is an unfunded priority, what do you want Parliament to do, to have these issues settled and our people live amicably? Thank you.

**THE SPEAKER:** I want Hon. Jeniffer Ayoo.

**MS JENIFFER AYOO**: Thank you, Madam Speaker. I want to first of all appreciate the committee for the report. However, I would like to inquire from the ministry why Katine-Ochero road is not included.

As I talk, Kalaki is cut off from Kaberamaido and I am sure the ministry is aware of this. I would really think that Katine-Ochero road would be one of the priorities because it has been there for quite some time. We are having difficulties crossing to Kaberamaido. I request that this road is considered as one of the priorities in the budget for Financial Year 2023/2024. I thank you.

**THE SPEAKER:** Hon. Apea? Hon. Edakasi, you come from the same place With Hon. Jeniffer Ayoo.

**MS AGNES ATIM**: Thank you very much, Madam Speaker. I am also seeking clarification from the Ministry of Works and Transport. I want to know what criteria the ministry uses to prioritise roads.

I am aware that the road from Dokolo-Ochero-Namasale has got documentation showing that it is prefinanced. It was mentioned here on the Floor of Parliament by the Rt Hon. Prime Minister that money is available to start compensation. We have even got the directive from His Excellency the President, confirming that the road is prefinanced.

I have looked at the list of your underfunded priorities and I am wondering, which are these roads that are funded? Yet, some of them that I see are just on feasibility stage but already considered priority roads. I really want to be guided, Madam Speaker. How do you prioritise your priorities? If a prefinanced road is not prioritise, when a directive is there - In fact, the communities were already informed that they would be compensated last year, in October, on the Floor of Parliament and the Prime Minister confirmed when she travelled to Amolatar. What do we tell our people when it is again among the unfunded on the list? Who is speaking the truth? I thank you. *(Laughter)*

**THE SPEAKER:** Hon.Baroda? Okay, Hon. Silwany wants to talk on behalf of Hon. Baroda.

**MR SILWANY:** Madam Speaker, I stand *– (Interjections) -* No*,* this is additional clarification. *[Members: “No.”]* Madam Speaker, I seek your protection from Hon. Goretti.

I stand to talk about the ongoing bad roads in the different municipalities. In this House, quite many Members of Parliament represent municipalities. These include; Bugiri, Iganga, Busia, among others. However, the roads in these municipalities are totally impassable and because they are in town areas, UNRA and the Ministry of Works and Transport do not always give these roads priorities. As we talk today, there is a contractor called Dott Services Ltd that is working on roads in Iganga Municipality. It is also the same contractor working on the Tirinyi-Mbale road and the works are going on very well.

The clarification I would like to seek from the minister is:  Wouldn’t it be right to get such contractors to work on the bad roads in our municipalities like Bugiri and Tororo? The roads are in a sorry state. When you go to my town in Bugiri, you cannot even move. Instead of going through processes and – Why don’t we use the contractor that is already on that side to work on these roads?

**THE SPEAKER:** Hon. Silwany, there was an instruction to the ministry to work on the roads within the towns and that includes Soroti and Lira municipalities. Unless the ministry is defying the orders of the President. I will have Hon. Goretti so that she stops making noise. *(Laughter)*

**MS CHERUKUT:** Thank you very much, Madam Speaker. I want to take this privilege to appreciate the committee for the wonderful report.

As you very well know, Sebei Subregion is a very hilly place. Kween, itself, is very hilly. Kween County is very separated from Soi County. When you look at the road that is supposed to connect the Soi County to the upper belt, it is in a state of quagmire. It is terrible. It is so hilly that when you are moving on it, you just pray to God that you reach the lower belt. You are in a car but in a state of panic.

It is good our honourable minister, Hon. Musa Ecweru – our neighbour from Soroti – is right here.

My prayers are that, if you could, sit and also have a plan for some of these roads. It is not only for the development of Sebei. The upper belt is well known for food production. The lower belt is too dry. We have the industrial hub in the lower belt. So, for us in the upper belt to travel to the lower belt, it is very hard.

And, these are security roads. We have our brothers who come and steal our animals. They use the *panya* routes. It is a road but it is in very bad - I cannot even explain it. Honourable minister, kindly, have a plan to save our people.

**THE SPEAKER:** Hon. William, is that what you wanted to say?

**MR CHEMONGES:** Thank you very much, Madam Speaker. What my colleague, Hon. Emma, is saying is exactly true.

**THE SPEAKER:** Is that the Muyembe Road?

**MR CHEMONGES:** No, it is not Muyembe Road. The road she is talking about is from Ngenge in Soi, which connects Kween to the upper belt. In fact, one month ago, I went there with our minister, Hon. Ogwang. When we reached the top and it was time to slope, the minister was shocked and we almost turned back. The road is very bad.

Last week, I went to the district and met our CAO. I asked about the budget. I was shocked. These roads have been allocated Shs 2 million. Another road in the upper belt was allocated Shs 3 million. The entire district has a road fund of about Shs 57 million for the whole year. These are very impassable roads. In fact, I saw the budget and I was shocked. There is a lot of money allocated but when you zero down to our district, it has Shs 57 million. We will need to study this budget very well. Otherwise, we are not happy.

**MS NAMUGGA:** Thank you, Madam Speaker. I thank the committee for the report. I would like to get a clarification from the minister about the risky projects in the externally-financed project portfolio. I see my colleagues struggling to ask about their roads. However, some of these were among the roads that were identified as risky and they were going to be either re-negotiated or cancelled. Some of those include the upgrading of Luwero-Butalangu, upgrading of Masaka-Bukakata –

**THE SPEAKER:** Can you, please, give us the page? We will read the report.

**MS NAMUGGA:** Madam Speaker, Shs 2.8 trillion has not been spent. So, as we talk about this, we can have this money allocated to other projects instead of being on the account.

**THE SPEAKER:** Is that in the report?

**MS NAMUGGA:** This is not the report. This was a presentation during the National Budget Framework Paper and I want clarification from the minister on the fate of these projects that were presented at that time. This is because they are risky and the money is pending on the account because you cannot do anything on them. They are either going to be renegotiated or cancelled. So, we need to get clarification before we proceed.

Secondly, Ssembabule is among the districts that have been unfavoured when it comes to construction of roads. We have Kyabakuza-Matete and Ssembabule-Mbirizi-Lwebitakuli roads. These roads were promised by the President in 2016 – and Ssembabule highly voted for the NRM. Ssembabule needs to be rewarded. Ninety eight per cent voted President Museveni and they need those roads. Thank you.

**THE SPEAKER:** Honourable members, you know what surprises me is that you are only discussing the roads, yet, this even includes land. I expected somebody to start talking about the Naguru land, the URC land – that kind of thing. However, you are only concentrating on roads, which you just use for travel. *(Member rose\_)*  I will give you time to talk. You do not give yourself time. There is only one Speaker in this House.

**MR MAPENDUZI:** Madam Speaker, thank you very much for giving me this opportunity. I join the rest of the colleagues in thanking the committee for the report. However, a few months ago, I raised a matter in this House, where I stated the condition of a road – Gulu-Olwiyo Road – especially the section from Custom Corner to Bank of Uganda. I made it clear about the many lives we are losing as a result of the road being poorly designed.

I also brought to the attention of the honourable minister the number of accidents that we have on a daily basis. The minister made a commitment in this House that he would dispatch a team and also find time to visit. Based on that commitment, I thought the honourable minister would consider this road and make it part of the interventions for next financial year. It would be fair that the honourable minister takes this matter seriously because we are losing lives. This road was poorly designed.

It is important to tarmac a road but it is more important to make sure a correction is made on a road that is poorly designed and causing loss of lives. I appeal to the honourable minister to take keen interest and help the people of Gulu City so that we can save lives, especially on this road from Custom Corner to Bank of Uganda that was poorly designed. Thank you very much.

**THE SPEAKER:** Honourable minister, there is that road of Butiru – the Tororo-Mbale Road – which has been leading to the death of very many people. Let us talk about Tororo-Mbale-Soroti-Lira-Kamdini Road. That road has been a disaster. People have died on that road. Designs have been made – I do not know what the contractor is doing.

**MR WAKOOLI:** Thank you, Madam Speaker. First of all, thank you for raising the issue of the Butiru-Tororo Road. I want to add to what my colleagues from Sebei mentioned. Generally, Bugisu is a mountainous area. However, when you look at allocations, even from the Road Fund, it is very little. My prayer is that Ministry of Works and Transport gives special treatment to some of the mountainous areas, not only in Bugisu, but even across the country. This is because the mandate of Road Fund is not realised in these regions. When it rains, all the bridges are washed away and the mandate of the Road Fund is shifted from maintaining the roads, to addressing structural bottlenecks. That is the information I wanted to add to the colleagues’ submission.

Also, Madam Speaker, you have just mentioned this and I want to bring a clear picture. Maybe, you passed on the highway of Butiru-Bukhadala-Tororo-Samia some time back. Right now, our children who get services in Tororo or even those ones in Tororo who get services in Manafwa can no longer get them because the bridge is completely down. We request the Minister of Works especially Hon. Ecweru who comes from the East, you cannot come from Namisindwa to access Tororo unless you use a plane.

Our prayer especially people from the mountainous area should be be given special treatment when it comes to allocation of funds for these roads. I beg submit.

**THE SPEAKER**: Honourable Minister, for issue of rural funds, look at the area. You cannot give a place like Bukedea the same amount you give Kisoro. You cannot give Amuria the same amount you give to Bukwo or Namisindwa.

Look at the terrain of the area before we give flat rate and we should also ensure that all the roads that we have mentioned be worked on. You saw what happened on Lira of recent, the Kamdini road, the Butiru - the way people die in that area; you need to look at these things in totality.

Members, let us not forget that our land is being grabbed and so, we must make sure that land is equally protected. Honourable minister, can I hear from you. I have five reports. You are going to talk on the report of Health, which is next. Honourable minister, can you be brief.

6.13

**THE MINISTRER OF STATE FOR WORKs AND TRANSPORT (WORKS) (Mr Musa Ecweru)**: Madam Speaker, in a very humble way, I would like to let this House know that when my ministry presented our ministerial policy statement for vote 016, vote 113, vote 118 and vote 609, we realised that the Ministry of Finance had not sent some codes and, therefore, before we conclude this with the committee, we had to make some adjustments after receiving those codes.

I want to beg the House through you to permit me to withdraw the policy document that I presented here and then I table the very accurate one, which has been reconciled with Ministry of Finance.

**THE SPEAKER**: So, which policy statement did the committee use?

**MR ECWERU**: The committee used this accurate one because by the time we presented this we had not received some codes from the Ministry of Finance. I beg to present.

I have noted the concerns of the honourable colleagues and you can know the gravity of the situation is real. The ministry is an enabler in all our strategic interventions.

**THE SPEAKER**: Honourable Members, for clarification, the committee wrote to me during that time when we had problems on the issue of the report and I gave them a go ahead to use the new report but I also ask them to come and lay on the Table.

**MR ECWERU**: Thank you, Madam Speaker. The ministry is an enabler and, therefore, every strategic intervention that we undertake as Parliament needs the active participation of the sector for us to realise. There are certainly very many areas that my colleagues have drawn my attention to and in summary, I would like to say the following;

First, by thanking the committee for an excellent job, then thank my colleague the Shadow minister. I want to confess; this Honourable colleague has been very consultative in the way he approached our working relations.

There are areas where we may not agree but still, we respectively disagree and continue engaging until we agree. I want to thank him for being very fraternal in the way we proceed.

There are roads that I have looked at that colleagues have drawn our attention to and I can assure you that these roads we have indicated, we are not saying that they are not going to be worked on. What we are only saying is that some resources are being sourced from our partners for their execution. For example, we are engaging the Islamic Bank and it will be coming here to see how best we can work on this road that my sister has drawn my attention to and all those roads that His Excellency the President. To make it very clear here, the President does not direct; he only guides. I see colleagues saying presidential directive; it is no presidential guidance. The President guides us and sometimes, we go back to him and say, Your Excellency, you guided on this but these are the ramifications and we proceed.

I may not be able to break item by item from what you said but if this House permits me to  come here - because there are some roads whose designs we have already initiated and you are going to be seeing some works very soon, in the districts. We will be effectively present in all the corners of the districts and then, I will come here to this Honourable House and indicate that Honourable members, you passed this budget, Finance has been able to release this and we have broken it down this way and so far, we have started with this, and this we undertake to do.

These Honourable Members should be able to do two things for me particularly, critical oversight support and supervision in the districts. I am saying this because of one thing and this is a testimony I can give. In my district, where the Minister of Works comes from, I called my engineers and asked, there is this crossing point, can you tell me how much it will cost to do it? They told me over Shs 270 million.

I knew the ministry could not mobilise that money but the ministry had equipment and so, I took ordinary boys from the ministry and ask them, “can you tell me how much fuel you need to do this road and probably, with your allowances?” I was shocked to find that it came down to Shs 31 million. Even with the little money that goes to the district, most of the district engineers steal that money. If it was put into good use, even with its little amount, it would do substantial job, given the quality of roads that are supposed to be done.

**THE SPEAKER**: PAC local Government, you should now make follow-up on what the minister is saying? It is true they steal the money.

**MR ONZIMA**:  I would like to give the minister information from the Ministry of Finance. When Ministry of Finance was chopping budgets, when we engaged with the Local Government Association Uganda, the Ministry of Finance treated the money for roads as consumption and that is why it was chopped. However, when these rains come, many of these roads are washed off. I did not expect the Minister of Finance to chop the money meant for roads. If the ministry is chopping money for other activities, roads are very essential. It should not be considered among the items to be chopped. Some of these districts, as the minister said, were receiving only Shs 15 million quarterly to work on their roads. I do not know about this -

**MR ECWERU:** Thank you for this very useful information. Madam Speaker, the reality is that 85 per cent of our roads are feeder. Those are roads that touch the community directly, while 15 are the national roads. However, there is a big interrelation between these national roads and the feeder roads. I can commit to say we will do whatever it takes to make sure that we will disengage Uganda National Roads Fund, first all, with the Ministry of Finance to up their game in resourcing the National Road Fund and then the Road Fund to know how to allocate these resources in a manner that is not just unilateral. They must do it in a manner that indicates the uniqueness of the districts that these resources are sent to.

**THE SPEAKER:** Honourable members, we have seven reports. When we continue like this – and we will still ask for clarifications when it comes to budgeting - when we are reporting the budgets. For now, can you finish and we go to Agriculture.

**MR ECWERU:** Madam Speaker, I just want to thank the committee and the House for the support, the guidance and the observations that they have given. I want to say that we have taken them in good faith. We shall incorporate them in all that we are going to do moving forward. Thank you for accepting this report from the Committee on Physical Infrastructure and Lands. Thank you.

**THE SPEAKER:** Thank you, honourable members, for this excessive debate on infrastructure. That shows how dear the roads are to the people and the Members of Parliament. Once you walk on these roads and protect their land, then they can be assured of the 12th Parliament. You need to support your colleagues to support you.

First of all, there is a correction on Kamuli-Nabirumba-Kagulu-Irundu-Kaliro Road, which is 90 kilometres. That should be corrected.

I now put the question that the report of the Committee on Physical Infrastructure be adopted by this House with the proposed amendments. The amendments have been mentioned. No deducting money from DRC, including this road I have told you about.

*(Question put and agreed to.)*

*Report adopted.*

MOTION FOR THE ADOPTION OF THE REPORT OF THE COMMITTEE ON AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES ON THE MINISTERIAL POLICY STATEMENT AND BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2022/2023

6.18

**THE CHAIRPERSON OF THE COMMITTEE ON AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (Ms Janet Okorie-Moe):** Madam Speaker, I beg to lay on Table the report of the Committee on Agriculture, Animal Industry and Fisheries on the Ministerial Policy Statement and Budget Estimates for the Financial Year 2022/2023.

I now beg to present the report of the Committee on Agriculture on the ministerial policy statement and budget estimates for the Financial Year 2022/2023. The report has the main body and annexes. Annex I is about the implications of the budget cuts as indicated in the second budget call circular for the Financial Year 2022/2023.

We have Annex II, which talks about the non-funded priorities. Annex III is the supply table for the Agro-industrialisation programme. Annex IV is the list of the members of the committee.

The report has the following votes;

1. Vote 010 - Ministry of Agriculture, Animal Industry and Fisheries,
2. Vote 121 - Dairy Development Authority,
3. Vote 125 - National Animal Genetic Resource Centre and Data Bank,
4. Vote 142 - National Agriculture Research Organization,
5. Vote 152 - National Agriculture Advisory Services (NAADS),
6. Vote 155 - Uganda Cotton Development Organisation,
7. Vote 160 - Uganda Coffee Development Authority,
8. Votes 501-850 - Local Governments, Agriculture and Commercial Services,
9. Vote 122 - KCCA Agricultural Grant.

Madam Speaker, the agricultural sector remains the mainstay of Uganda's economy, employing 68 per cent of the total population and seven per cent youth. Although its mandate is to promote and support market-oriented agriculture production, food security and household incomes, the sector continues to be neglected in budget allocations.

In the Fiscal Year 2020/2021, the agricultural sector contributed 23.7 per cent of the GDP and 31 per cent of export earnings just below industry at 26.18 per cent and the services sector at 43.01 per cent.

We should note that Vision 2040 prioritises and recognises the role of agriculture in this transformation process. The vision of the National Agricultural Policy, 2013 is, *“A competitive, profitable and sustainable commercial and Agricultural sector”* with an overall objective of promoting food and nutrition security and also to improve household incomes after coordinated interventions that oversee and enhance sustainable agricultural productivity and value chain addition; provide employment opportunities and promote agri-businesses, investments and trade.

MAAIF is the leader of the agro-industrialisation programme under the NDP III and PDM pillar one on production, storage, processing and marketing, which the Shs 100 million investment in parish SACCOs will not yield fruits.

Despite all the policy interventions by the Government to realise socio-economic transformation. The sector is still faced with many challenges, including, among others:

1. Inadequate budget allocations to the sector,
2. Inadequate provision of extension services and advisory services to farmers across the country,
3. Limited access to agricultural credit,
4. Delayed implementation and finalisation of the National Irrigation Policy,
5. Low uptake of agro-processing technologies,
6. Low prices of agricultural products on the market,
7. High costs of agricultural inputs and associated problem of counterfeit on the market,
8. Pre and post-service losses,
9. The problem of land ownership, among others.

For instance, in the Financial Year 2021/2022 Shs 44.77 trillion national budget approved by Parliament, the sector suffered budget cuts from Shs 1.3 trillion to Shs 799 billion, yet, it is the only sector that sustained the economy from the adverse effects of the COVID-19 pandemic. This negatively impacted the sector and our comparative advantage in the region. This, among others, affected the provision of seeds and seedlings and other inputs to farmers, which is vital in the improvement of agricultural production and productivity. *(Interruption)*

**MS OGWAL**: Madam Speaker, I rise on a procedural matter. When I look at Rule 149 (1), it causes a bit of concern. It means that all the reports must be considered not later than today and we still have five reports to be considered tonight. It is already 6.30 p.m. and so, it means we can continue up to about midnight because then that is when the 20th ends. Beyond that, it is illegal, according to our rules.

I would wish maybe we could use the few hours left to summarise because these reports were uploaded, and therefore, we know them. All of us are interested in the sectors where we are concerned.

Wouldn't it be procedurally right for us to advise the presenters to use only five minutes to summarise the reports? At most, they can use 10 minutes to summarise the critical areas and make very strong recommendations based on what you feel that we need to know. After all, we are going to follow up the same report in the Committee on Budget. Is it procedurally right to continue presenting the entire report when we do not have time?

**THE SPEAKER**: Honourable members, use 10 minutes, please. It is consensus that we use 10 minutes. Honourable members, summarise these reports, we finish them and move on in 10 minutes. We are not going to debate anymore.

**MS OKORI-MOE**: Thank you very much, Madam Speaker. Most obliged. I was just talking about the marginalisation of the agricultural sector, when hon. Cecilia raised concern that these things should be summarised.

Committee observations and recommendations

The MTEF cuts

The committee observed that while the agro-industrialisation budget estimates for the National Budget Framework Paper were Shs 1,666 billion out of the national MTEF Shs 42.900 billion representing a 3.9 per cent allocation to the programme, the projected MTEF for agro- industrialisation programme in the Financial Year 2022/2023 at the ministerial policy statement is Shs 1,190 billion out of the national MTEF of Shs 45.325 billion.

This implies that the agro industrialisation program (MTEF) has reduced by Shs 476.74 billion from the approved National Budget Framework Paper for Financial Year 2022/2023. Therefore, the following activities, in annex 1, will either not be implemented or will be grossly affected.

The committee recommends as follows:

That a total of Shs 898.118 billion be provided to the ministry to accommodate the MTEF curve of Shs 476.74 billion and then the Shs 421.37 billion, as approved by Parliament in the National Budget Framework Paper 2022/2023. That one is in annex II.

Agro-industrialisation programme budget

The committee observes that the budget allocated to this programme is only 2.6 per cent of the national budget and over 43.3 per cent of the allocation is externally funded, which comes with stringent terms, leading to delays in implementation and absorption causing losses to Government.

The committee recommends that Government should fast-track funding of agro-industrialisation programmes to a minimum of 10 per cent, as per the Maputo Declaration of 2003, to which Uganda is a signatory.

The committee also recommends that the programme should not be relegated to external funding but given priority from the Consolidated Fund.

Parish Development Model

The committee observes that the National Budget Framework Paper focuses on agro-industrialisation with Agro-agriculture Value Chain Development Strategy 2021/2026 that prioritises the Parish Development Model, Pillar 1 of production storage, processing and marketing. The current allocations disadvantage the highly populated areas as reflected in the table.

The committee recommends, therefore, that there should be equity to take care of differences of population and poverty levels.

The committee also recommends that the agro-industrialisation budget should focus on key commodities in the value chain and finance them appropriately to become competitive. The commodities include coffee, oil seeds, fish farming, macadamia, cashew nuts, cocoa and tea, among others.

The committee also recommends that while the Parish Development Model takes funds directly to the parish for farmers to either individually or collectively procure inputs for their production activities, there should be appropriate enterprise selection for advisory and regulation of quality inputs.

Water for production

The committee is concerned about the delay in completing the irrigation master plan coupled with low investment in small scale irrigation schemes. This undermines the realisation of pillar 1 of the Parish Development Model. The committee recommends that Shs 20 billion be allocated for water for production in water stressed areas.

The committee also recommends that the Ministry of Agriculture and the Ministry of Water expedite the completion of the irrigation master plan, which will effectively guide in the assessment of water for production that is accessible, affordable and adequate.

The committee also recommends that Government should also rehabilitate the existing irrigation infrastructures and schemes for easy access by smallholder farmers. This involves the Minister of Agriculture procuring innovative irrigation technologies and other agricultural production facilities in utilising excessive rainwater and floods.

Agricultural engineers

The committee is concerned that of the 146 districts in Uganda, only 49 have agricultural engineers required for providing technical support in the implementation of all interventions under water for agricultural production and mechanisation.

The committee, therefore, recommends that the Ministry of Agriculture, Animal Industry and Fisheries through department of agricultural infrastructure and water for agricultural production considers facing recruitment of more than 97 senior agricultural engineers to guide the implementation of water for production technologies

Agricultural mechanisation

The committee recommends that Shs 40 billion be provided for procurement of assorted tractors and implements and Shs 10 billion be provided for ox ploughs and accessories.

High cost of agricultural inputs, counterfeit and low quality food products on the market

The committee notes the rise in the retail price of agricultural inputs on the market. This is in addition to counterfeit products that gravely affect agriculture.

Committee recommendations

1. Government should revamp the National Seed Company to ensure provision of improved quality seeds and subsidised inputs to farmers throughout the country. This will ensure availability of quality and affordable seeds on the market.
2. Government should revamp the National Seeds Company to ensure provision of quality and improved seeds to farmers throughout the country.

Animal disease control and prevention

The committee notes with great concern that animal diseases, specifically the Foot and Mouth Disease, has persistently over the years curtailed the development of the livestock subsector.

The committee notes that in Financial Year 2019/2020, 700,000 doses of Foot and Mouth Disease vaccines were procured -

**THE SPEAKER**: Honourable member, please, summarise.

**MS OKORI-MOE**: The committee recommends that funds amounting to Shs 30 billion be provided for procuring vaccines to control the spread of livestock state controlled diseases across different districts including Foot and Mouth Disease and CBPP.

The committee also recommends that Uganda National Bureau of Standards should enforce adherence and compliance of manufacturers to the food fortification regulations.

The committee further recommends that the Government should support small-scale millers with appropriate technologies for fortifications.

High cost of agro-processing

The committee recommends that:

1. Instead of establishing more agro-based industries, yet, some of the already established government industries are operating below capacity, the Government should use the earmarked resources to support the existing factories to run under full capacity.
2. Government should consider implementation of agriculture zoning such that agro-processors can benefit from the reduced cost of production due to increased forward and backward linkages between production centres and industries.

Limited access to agricultural credit finance

The committee recommends that the Government should consider establishing a national bank of agriculture by an Act of Parliament.

The committee also recommends that the Government should establish a national food regulatory agency, by bringing the necessary legislation to Parliament to control and regulate issues of food quality and food.

Vote 121 - Dairy Development Authority (DDA)

The committee recommends that Shs 5.18 billion be provided to facilitate the cold chain infrastructure.

The committee also recommends that Shs 6 billion be provided to rehabilitate and equip the Mbale Dairy Factory.

The committee further recommends that Shs 5.2 billion be provided for this activity of construction and equipping regional milk testing laboratories.

Vote - 122 KCCA Agriculture Grant

The committee thinks that this vote has not made any impact on the livelihood of the urban farmers. When we investigated, the managers of this vote said urban farming is “invisible.” Those are the words they used. At another time, when we investigated the beneficiaries, they were saying “Cecilia Ogwal, a male from Kayunga, Janet Okori-Moe, a male from Kawempe North”. There is something funny about that. We, therefore, think a forensic audit should be carried out on the KCCA Agricultural Grant.

The committee thinks part of that money should go to NAADS for inputs because we are going to lack inputs. There is no money; we may not even get the seeds we have been getting. Therefore, such redundant money should go to cater for those.

Vote 125 - National Animal Genetic Resource Centre & DataBank (NAGRC&DB)

The committee recommends that Shs 15.9 billion be provided to enable NAGRC&DB support the Parish Development Model by introducing, multiplying, producing and availing market responsive livestock breeds of the desired traits.

Community breeding outreach programmes

The committee recommends that Shs 4.4 billion be provided to enable NAGRC&DB undertake community breeding outreach to enable it meet the increasing need for assisted reproductive techniques in animal production.

The committee also recommends that Shs 7.26 billion be provided to NAGRC&DB to enable it establish the animal feed production, processing, packaging and storage facilities on its centre farms.

Commercialisation of dairy species

The committee recommends that Shs 9.6 billion be provided for this activity.

Establishment of fish hatcheries

The committee recommends that Shs 10 billion be provided for this project because many people are desirous of joining fish farming. Therefore, the fish hatcheries will avail fish fry and fingerlings to farmers.

The committee also recommends that Shs 20 billion be provided for establishment of a fish feed processing plant. This is a major challenge that the subsector is facing.

Revival of Got-Apwoy Ranch

The committee recommends that Shs 25 billion be provided for reviving the Got-Apwoy Ranch. This ranch will be used for breeding, production, multiplication like it is in other ranches.

The committee recommends that NAGRC&DB should plan and budget for regional centres for each region to supply improved genetics to the communities.

Vote 142 - National Agricultural Research Organisation (NARO)

The committee made the following recommendations:

1. Shs 20.4 billion be provided to equip agricultural research laboratories and retool institutes with research machinery.
2. Shs 20 billion be provided to revitalise National Agricultural Research Institutes;  NaSARRI, in Serere, MBAZARDI, in Seeta and Ngeta in Lira.
3. Shs 5.2 billion be provided for domestication of the Nile Perch to promote fishing.
4. Shs 10 billion be provided to enable NARO finalise the construction and equipping of the animal vaccine facility at Nakyesasa. They have already started this and it is –
5. Shs 3.62 billion be provided to enable NARO to carry out this very important project of construction and equipping of the aflatoxin centre, which they are already doing. This centre will come up with chemicals to fight the problem of aflatoxins.
6. NARO be availed with at least Shs 10 billion to carry out technology transfer which will back up the Parish Development Model.
7. That there should be enhancement of NARO staff within the set Government pay and support in order to attract and retain high quality agricultural research scientists.

Vote 152 - National Agricultural Advisory Services (NAADS)

The committee recommends that Shs 2 billion be provided to enable NARO to procure equipment to add value to our cocoa.

The committee also recommends that Shs l5 billion, required for strategic interventions for perennial and high value national export crops, which are not catered for under the Parish Development Model be provided.

The committee further recommends that Shs 30 billion be provided in this financial year to enable us to provide oil seeds, especially sunflower, soya beans, groundnuts and others in the areas where they grow them.

The committee also recommends that Shs 30.3 billion is required for this activity or planting materials or crops like tea,  macademia, hass avocado and cashew nuts be provided.

The committee notes the outstanding pledge for procurement of hand hoes for the communities around the country. The committee recommends that Shs 30 billion required for this activity be provided. The committee recommends that the factories that are already under progress should first get completed before more are established since many are being started up in many of the places.

Under NAADS, the committee recommends that NAADS should include fish among its strategic commodities to be distributed in the Parish Development Model. Fish farming should be supported by provision of fingerlings and fish feeds so as to increase the export levels by 2025.

Vote 155 - Uganda Cotton Development Organisation

The committee recommends that Shs 15.3 billion be provided to enable CDO to procure, handle and distribute pesticides, herbicides, fertilisers and spray pumps.

The committee also recommends that Shs 8.408 billion be provided

for seed multiplication. Cotton seeds are the most difficult

seeds to process and yet it is one of the priority commodities

under the Parish Development Model.

Madam Speaker, the committee also recommends that Shs 8.5 billion be provided

for cotton planting seed. The committee recommends that Shs 0.59

billion be provided to cater for staff costs salaries and staff

costs for NSSF and gratuity.

Uganda Coffee Development Authority (UCDA)

The committee notes that the MTEF ceiling for UCDA has been

reduced by Shs 50.650 billion (59 per cent) from Shs 85.590

billion.

Therefore, the committee recommends that:

1. Government should re-instate the UCDA’s MTEF ceiling of Shs 85.590 billion for non-wage recurrent and development budgets for the financial year coming.
2. A total of Shs 19.2 billion be provided for to pay arrears for coffee seedlings procured from the nursery operators. Some of the nursery operators are being arraigned in court.
3. A total of Shs 40 billion be provided to enable procurement of additional coffee seedlings (Arabica and Robusta coffee in order to meet the 20 million bags by 2025 as spelled out by the coffee roadmap that was launched by the President in 2017.
4. A total of Shs 20 billion be provided to procure equipment for primary processing of our coffee. You know, we are the poorest in taking our own coffee. So, if we provided this maybe, it would increase also our consumption
5. A total of 16.6 billion be provided for pests and diseases that is one of the things that is affecting the coffee subsector and;
6. A total of 2 billion be provided for registration of coffee farmers at the parish level as provided for in Section 26 of the National Coffee Act, that was recently assented to by His Excellency the President.

The committee notes Uganda’s withdrawal from the International Coffee Organisation and recommends that Government reviews our withdrawal stance from the International Coffee Organisation and its implication on the coffee. The committee also observes the agreement between government of Uganda and Uganda-VINCI Coffee Company Ltd that seeks to give special treatment to one company in the coffee business and therefore, disenfranchising the majority of Ugandans that deal in coffee.

The committee recommends that Government should cancel the agreement with Uganda-VINCI Coffee Company. Government should instead provide funding to facilitate coffee processing by the cooperatives and local coffee dealers.*(Applause)*

Votes 501-850 - Local Government Agriculture and Commercial Services

The committee recommends that since the country is going into Parish Development Model and funds have been provided for the model, funds that were meant for the local government grants should be reallocated the way the committee has recommended in this report.

Madam Speaker, I now go to the supply table, which is in Annex 1 as the implication of the budget cuts as I had already indicated, the details are there. I pray that due to time, the Clerk should be able to capture the whole report of the committee for further references by other colleagues who would want to study it.

Annex 2, is about MAAIF and its agencies and unfunded priorities for Financial Year 2022/2023.

Annex 3 is the supply table for the budget for agro industrialisation for Financial Year 2022/2023. I do not know whether I should read through it or – Oh yes good.

In conclusion, we are fully cognisant and mindful of the economic shocks to the country created by the COVID-19 pandemic and its effects on the national budget. But it is the agriculture as an economic activity that is capable of immediately increasing household and national incomes if strategically planned for and supported well.

It is, therefore, my prayer and request for every body’s support as we continue to work together to transform the agro-value chains and develop the backward and forward linkages between agriculture and agro-industries, which will ensure sufficient supply for domestic industries to undertake transformative sustainable manufacturing while creating employment for our citizens with more focus on the women, the youths and persons with disability, which will in turn accelerate economic growth for our mother country, Uganda.

I would like to thank Members of my committee for the very good report and solidarity that they showed within one or two days that enabled us to process this report. Thank you very much.

Madam Speaker, I beg to submit.

**THE SPEAKER:** Thank you very much, Chairperson. Agriculture being the backbone of the economy, however, it was affected by COVID-19. We need to help agriculture and make sure that we get the results out of it since it is the backbone of Uganda.

Did I hear you talk about the hand hoes for the Members of Parliament? Have you made a provision for it? Hand hoes for Members of Parliament to take to their constituencies.

**MS OKORI-MOE:** Madam Speaker, the issue of hand hoes has been a long standing pledge. And we have recommended to Parliament to provide Shs 30 billion and if there were other sources, we would even request for more money to help the *Wanainchi* in the country side.

**THE SPEAKER:** I just wanted to emphasise that we need our hand hoes.

**MS OKORI-MOE:** Yes, we need hand hoes.  Honourable Colleagues, we are the ones who appropriate. You have always asked for hoes. This is the time. (*Applause)*

**THE SPEAKER:** Honourable member, I want to really thank you for a very good report. I now put the question that the report of the Committee on Agriculture, Animal Industry and Fisheries be adopted by this House

*(Question put and agreed to.)*

*Report adopted.*

**THE SPEAKER:** Thank you. Chairperson of the Committee on Defence, kindly make it brief. Hansard, please, have all the reports uploaded.

*(The Report shall appear as an appendix in the Hansard monthly bound volume of April 2022)*

MOTION FOR THE ADOPTION OF THE REPORT OF THE COMMITTEE OF DEFENCE AND INTERNAL AFFAIRS ON THE MINISTERIAL POLICY STATEMENT AND BUDGET ESTIMATES FOR FINANCIAL YEAR 2022/2023

**MR TEBANDEKE:** Thank you, Madam Speaker. Much as we have adopted the report, I am raising a procedural issue on the matter I raised last Thursday, over licensing of fish maws artisanal traders. Since it is the same sector, is it procedurally right if we continue dealing over the same sector and the locals are not protected and the minister is here? They expected to get a report over the same.

**THE SPEAKER:** Is this the last day for you in Parliament that you will not get a report? Defence - Let us pass these reports and then, you will get your response.

6.55

**THE CHAIRPERSON OF THE COMMITTEE ON DEFENCE AND INTERNAL AFFAIRS (Ms Rosemary Nyakikongoro):** Madam Speaker, I would like to congratulate you for being elevated to that position. I beg to lay on Table the report of the Committee of Defence and Internal Affairs on the Ministerial Policy Statement and Budget Estimates for Financial Year 2022/2023. I beg to lay.

In accordance to Article 155-156 of the Constitution of the Republic of Uganda, and section 13-14 of the Public Finance Management Act and Rule 148 of the Rules of Procedure, sectoral committees are mandated, among others to examine the ministerial of policy statements and also, critically examine Government recurrent and capital budget estimates.

Our committee considered the ministerial policy statements and budgetary estimates of the following votes;

Vote 4 – Ministry of Defence and Veteran Affairs.

Vote 9 – Ministry of Internal Affairs.

Vote 120 – national citizenship and immigration control.

Vote 144 – Uganda Police Force

Vote – 145 Uganda Prison Service

Vote 305– Directorate of Government Analytical Laboratories. Vote 309 – National Identification and Registration Authority (NIRA)

The methodology is well stipulated in the report. I beg to move, since we are time constrained, to the budget proposals for 2022/2023. The Ministry of Defence was allocated Shs 3.764 trillion for Financial Year 2022/2023, against a gross funding requirement of Shs 8.73793 trillion, leaving a deficit of Shs 4,973,000,000,000.

The budget proposal, of course is looking at various activity items as stipulated in the report, but let me go to the observations and recommendations. There was a reduction in the Ministry of Defence and Veteran Affairs budget.

The committee recommends that Governments should reinstate the ministry’s budget of Shs 85.7 billion previously allocated for wage. This was scrapped, yet we have already recruited people that were paid during the supplementary budget.

Madam Speaker on pension and gratuity, there is a backlog of Shs 187.6 billion. This is a statutory obligation and failure to pay them might attract legal attractions.

On the wage shortfall, the committee recommends that Government should provide Shs 24.1 billion to cater for the wage bill shortfall of the recruits that were recruited in 2022. Furthermore, Government should desist from recruiting without prior planning.

Medical expenses

UPDF has been incurring a lot of medical expenses by taking their officers in various private hospitals. The committee recommends that Government provides Shs 57.6 billion to equip the Mbuya Military Hospital, which will reduce on the money incurred during the private hospital visits.

Food shortfalls

Ministry of Defence recruited 10,500 Local Defence Personnel (LDPs). Some are still undergoing training. However, food worth Shs 85.7 billion has not been provided for. Therefore, as a committee, we recommended that food is an entitlement, and so Government should provide Shs 85.7 billion to provide for food.

Fuel

There is a shortfall of UPDF fuel worth Shs 85.7 billion. This impacts on its operations. As you know, our equipment, our movements, our operations need a lot of fuel. And given the fact that there is an increase in fuel prices, we recommend that Shs 85.7 billion be provided

Uniform.

Uniform worth Shs 241 billion, out of which Shs 82 billion is provided, leaving a funding gap of Shs 159.3 billion. These are already recruited officers and we are supposed to provide uniform, and therefore, we recommend that uniform worth Shs 159 billion be provided.

Maintenance of combat services support equipment

These equipment, whether they are working or not, are supposed to be maintained and they are supposed to be running. Therefore, the committee recommends that Shs 21.3 billion be provided considering the fact that if they are not properly maintained, then, we risk experiencing the breakdown of our equipment yet, we invest a lot of money in them.

Barracks development

Madam Speaker, UPDF and defence has been requesting for Shs 3.7 trillion to put up houses, about 30,000 units, for UPDF accommodation. However, in the last financial year, only Shs 50 billion was allocated.

The committee recommends that we provide Shs 50 billion and ring-fence it for construction of housing units for the soldiers in a multi-year project, in a phased manner, such that each year, we continue putting Shs 50 billion or more so that our soldiers get where to stay.

UPDF headquarters is in Mbuya and their offices are in a sorry state. The committee, therefore, recommends Shs 50 billion for the construction of the headquarters in Mbuya. The construction of the solar project is in Nakasongola. The outstanding bills of UPDF have been a lot and providing the Shs 27 billion will help offset the electricity bill that we usually pay. So, we recommend that the solar project be provided in order to reduce the expenses of electricity.

Land acquisition and compensation have been a problem. UDPF acquires land forcefully for strategic reasons and land compensation amounts to Shs 93 billion. Of this, only Shs 17.2 billion has been provided.

There are people that have been demanding land compensation for over 15 years. The committee recommends that Shs 17 billion that has been provided be allocated for land compensation and more funding be looked into to clear the land acquisition and compensation.

Pension and gratuity of Shs 187.6 billion should be provided to cater for our pensioners.  When they do not have their pension, we might face problems.

Rehabilitation and resettlement of veterans; these are the people who retire and therefore need to be rehabilitated, settled and supported psychologically.

Shs 37.6 billion is required but they have been provided with - the committee recommends Shs 37.6 billion. National Enterprise Corporation generates money for this country. It required Shs 20.7 billion, but we feel that Shs 9.3 billion can be given to them to support the capitalisation.

Revamping air cargo required Shs 38 billion but only Shs 8 billion has been provided. The committee recommends that old planes should be disposed of because of the cost of maintaining them but also, the ministry should initiate the process of procuring new planes. New planes are strategic cargo operations but also help in supporting transporting of our troops and it is very expensive. So, we need to support the ministry to procure new aeroplanes.

Operation Shuja requires Shs 85.9 billion of which Shs 64.5 billion is to cover the required means for funding for the Financial Year 2021/2022 and the success of this operation has been significant.

Therefore, the committee recommends that since UPDF is already deployed in DR Congo and needs support, the funding gap of Shs 27.1 billion should be provided to support the activity. However, Government should brief Parliament and seek its sanction in accordance with the law.

Madam Speaker, National Defence College training of reservists requires Shs 16.5 billion. The committee recommends the provision of Shs 4.5 billion for the defence college.

The domestic arrears has pension and gratuity backlog of Shs 71.5 billion, the ministry has just 9.6 billion, which is a drop in the ocean.

The committee recommends that pension and gratuity arrears are statutory deductions that must be paid. Accordingly, Government should provide Shs 71.5 billion for the pension and gratuity backlog.

Arrears on utilities

Umeme - Shs 90 billion, National Water - Shs 5 billion. Ministry of Defence should clear these outstanding arrears.

Vote 9 - Ministry of Internal Affairs

The ministry proposed budget allocation for the Financial Year 2022/2023 is Shs 46.77 billion down from Shs 47.26 billion that is contained in the National Budget Framework Paper. The ministry’s vote reduction of Shs 21.104 billion to Shs 68.241 billion will leave the ministry headquarters crippled with regard to the delivery of services.

The committee is concerned about the appalling buildings that are not only old but so congested and, therefore, recommends that the Ministry of Internal Affairs should immediately lay down plans for constructing a befitting headquarters that will equally cater for long ques of people currently visible on the roads especially those acquiring passports and other related services.

Regulation on Non-Governmental Organisations

The committee recommends that NGOs should be viewed as complementary in development and, therefore, there is a need for the NGO Board to be supported to monitor the activities of the organisations.

The committee recommends that the Ministry of Finance, Planning and Economic Development provides the required Shs 1.526 billion shortfall to improve service delivery of the NGO Bureau.

Additionally, the NGO Bureau immediately leaves Kingdom Kampala and finds another relatively cheaper price because we found out that they pay Shs 1.3 billion for their rent.

Amnesty Commission

The committee is the view that the Amnesty Commission be robustly funded, cascade the activist beyond just resettlement but reconciliation and integration as well.

The committee further recommends that the Commission be properly and fully constituted with substantive staff and commissioners.

Directorate of Community Service

The committee recommends Shs 3.648 billion be mainstained as provided.

Anti-human trafficking activities

The committee recommends that funding worth Shs 0.31 billion be maintained to support the activities of the anti-traffic and prevention of persons.

Madam Speaker, on the influx of insecurity in North East and Eastern Uganda, the committee recommends that Government should control the influx and possession of firearms in the region and work on transfer or overhauling the security workforce in the region to avoid the prevailing situation. Governments should also expedite the process of bringing the Small Arms and Light Weapons Bill for consideration.

National citizenship and immigration control

Madam Speaker, this sector provides a lot of NTR to government. However, it is greatly underfunded. There is need for Shs 51.15 billion to expand on the ICT system and physical infrastructure to improve access, efficiency and immigration.

There is also need for Shs 1.144 billion for Post-entry management inspections, especially at the border areas for compliance.

Immigration management and improvement of the services delivery for national security. They need Shs 8.591 billion.

Strengthening the passport and other travel document issuance. They have been issuing new passports and many ugandans are rushing for that. Therefore, they need extra Shs 35.767 billion for issuance of the new passports.

Strengthening management and administration to provide support of citizenship and migration

Madam Speaker, this requires Shs 106.324 billion. As a committee, we recommend that they be given that money since they generate more income for the country. In fact, they will be generating more.

Vote 144 - Uganda Police Force

The mandate is clearly stipulated. The achievements are there. Madam Speaker –

**THE SPEAKER:** Can you give us your conclusion.

**MS NYAKIKONGORO:** Okay. Madam Speaker, the funding gap for the police force are on CCTVs. Of course, we know that they are helping in this country. There is need for police radios for communication because CCTV, without radios, they cannot perform properly. There is a funding gap of Shs 65 billion.

The police need more funding on classified assets of Shs 517 billion. This is to procure patrol vehicles and other classified equipment. It is a concern that most of the patrol vehicles and vehicles that belong to police are used by VIPs in various sectors, leaving the police with no vehicles. If they cannot provide, let the MDAs buy their own vehicles and then police provides personnel.

There is need for accommodation for the police barracks. They live in appalling situations. The budget is there, they have been provided with Shs 40 billion but we need Shs 43 billion extra.

Prisons’ housing and accommodation for prisoners

These are too congested. The security equipment, because they keep vary sophisticated people and therefore, they need more security equipment. Absence of this could create some problems. The welfare and the sanitation - there are some prisons that are still using the bucket system. All these needs to be addressed and we are all subject to being there.

Transport for transporting prisoners to courts

I come to summarise the Directorate of Government Analytical Laboratory (DGAL). The department needs to construct the DNA bank. We all know that with the coming of new IDs, we shall need the DNA security on our identity cards. The committee recommends Shs 19 billion to be availed.

Also, DGAL needs the age analysis equipment. They have been perturbed by different stakeholders to prove the age particularly of civil servants who want to change their age. They feel that they need that age equipment, which is accurate. It requires Shs 2 billion.

Provision of reagents. They need Shs 12.4 billion to facilitate the laboratories.

Vote 309 - NIRA

NIRA is undergoing - of course, you know our identity cards are soon expiring. Therefore, there is going to be a total overhaul. Funding for NIRA for equipment, the kits, staff in the different districts where they are not existing; they need Shs 337,113,123,000.

Madam Speaker, as a committee we were concerned about the underfunding, particularly within our sectors. We tried to look for some reallocation. Under sub-programme I of the Ministry of Defence under recurrent classified expenditure, we have identified Shs 34.1 billion.

Uganda Police Force under lubricants, we have identified three billion. DGAL under classified expenditure, we have identified one totalling to Shs 238.1 billion, which should fill the funding gap of Ministry of Defence and Internal Affairs under general staff salaries.

You cannot have the commissioned officers - the LDPs that have been recruited and passed out to be under the unfunded priority and expect them to perform. Under Uganda Prisons Service, we are supplementing the unfunded gap of cleaning and sanitation. Unless you have not gone to the prisons, you cannot fail support them on this.

Under prisons still, prisons produce the best quality seed. However, they need just two billion to process their own seeds. What they do, they transport maize from Fort Portal to Kakiri to a private person who processes it. It is more expensive. We think that if they had their own processing equipment, they would produce the best seeds to supply to all Ugandans.

Leadership and management under classified expenditure of prisons still, we have said they keep very difficult people and yet, their classified expenditure is limited, so we have put money totalling to Shs 35.1 billion.

The committee recommends that Parliament adopts this report and approves the budgetary estimates of Shs 5,002,263,000,210 under the following votes -

**THE SPEAKER**: You will take the details to the Committee on Budget.

**MS NYAKIKONGORO**: Okay, thank you very much, Madam Speaker. I beg to move.

**THE SPEAKER**: Thank you very much. Honourable minister, I want to find out something; are Makindye Barracks and Mbuya Government property?

7.23

**THE MINISTER OF STATE FOR INTERNAL AFFAIRS (Gen. David Muhoozi)**: Madam Speaker, Mbuya is but Makindye belongs to the Kingdom of Buganda.

**THE SPEAKER**: I have not heard a provision for rent because I have got a complaint from the Kingdom of Buganda. They are not being paid for their premises. Can we have all the outstanding monies to the kingdom paid?

**GEN. MUHOOZI**: Madam Speaker and honourable members, I have been privy to discussions, including this morning, about that matter of Buganda’s claims and there is a meeting slated for Tuesday next week with the Attorney-General and all the ministers including, Defence and Internal Affairs. We hope from that, we can report back  with a more informed position.

**THE SPEAKER:** We are making a provision for utilities; both for police, prisons and the army. Can we have all the utilities paid? Nsambya Barracks is always in total darkness. It is really terrible.

We also need houses for the police. The money for the police must also be ring fenced. We cannot give only Shs 40 million for the police houses. Let us give them all the money for police houses and they fence it. Lastly, you are supposed to provide cars to VVIPs. You better increase the budget for cars.

**GEN. MUHOOZI**: Madam Speaker, I wanted to jump on the point raised by the chairperson of the committee on vehicles for security. I think it is in the powers of this House to give guidance that while we provide manpower, ministries should provide the vehicles for their VIPs so that these vehicles revert -

**THE SPEAKER**: You have the VVIPs and VIPs; not so?

**GEN. MUHOOZI**:  Yes, Madam Speaker.

**THE SPEAKER**: Like what we are doing for Parliament, we get our own cars - those people should be able to get their own cars but you have the VVIPs for whom you must provide vehicles.

**GEN. MUHOOZI**: Yes, Madam Speaker.

**THE SPEAKER**: If you are talking about a Minister of Health, like my sister, they should get their own vehicles and you only provide security.

**GEN. MUHOOZI**: On reallocation, I do not know if I can comment now –

**THE SPEAKER**: But for Parliament, you have to provide the cars.

**GEN. MUHOOZI**: On reallocation, as proposed, I think there is no idle money for reallocation because if you say you remove money from -

**THE SPEAKER**: They are going to do that. That is not your role. We are going to do appropriation. She is only giving information. We want you to disarm Karamoja. We want security in that area.

**GEN. MUHOOZI**: Agreed.

**THE SPEAKER**: We want security. We do not want you to say, “There was no money.” We can give you money and you make sure that there is security in the area.

Honourable members, I now put the question that the report of the Committee on Defence and Internal Affairs be adopted with amendments by this House.

*(Question put and agreed to.)*

*Report adopted.*

*(The Report shall appear as an appendix in the Hansard monthly bound volume of April 2022)*

**THE SPEAKER**: Minister, you need to give an apology to this House for real. How can you cover the - Anyway, you are most welcome. Committee on Health, you have 20 minutes only.

I really must thank you, Members, who have consistently stayed. It shows the spirit of serving your people. It is our noble duty. Thank you very much. I will pay back. I know everybody who is here. *(Applause)*

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE ON HEALTH ON THE MINISTERIAL POLICY STATEMENT AND BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2022/2023

7.23

**THE CHAIRPERSON, COMMITTEE ON HEALTH (Dr Charles Ayume)**: Madam Speaker, I would like to lay the report of the Committee on Health on the health subprogramme ministerial policy statement and budget estimates for the Financial Year 2022/2023 with its attachments and the minutes. I beg to lay.

**THE SPEAKER**: Thank you.

**DR AYUME**: On 10 March 2022, the ministerial policy statement on budget estimates for the health component of the human capital development programme for Financial Year 2022/2023 were laid before the House and referred to the Committee on Health for consideration in accordance with section 13 and rule 146.

The health subprogramme has 29 votes, ministries departments and agencies. In the interest of time, I beg that I do not mention all the 29 entities.

The methodology adopted was meetings, document reviews, and field visits to Lango, Teso, Greater Mubende, Rwenzori and Bunyoro over the course of the year.

The health subprogram is linked to the National Development Plan and the Sustainable Development Goals.

The physical achievements of the Financial Year 2021/2022

The Ministry of Health procured and distributed 5,000 patient beds, mattresses and blankets. It procured 5,000 Oxygen cylinders to be distributed to hospitals across the country and two liquid oxygen tanks worth 60,000 litres in Kajjansi; that is the new home of NMS, and 16,000 litres in Mulago.

The following constructions are on-going; the border post health unit in Vurra on Kyanika and the Soroti Blood Bank.

Eighty one maternity units under the Uganda Reproductive Maternal and Child Health Improvement Project (URMCHIP) are on average at 50 per cent Completion level.

The following strategic plans were finalised and passed by top management;

Ministry of Health's Strategic Plan, National TB and Leprosy Strategic Plan, Comprehensive Health Sector Communication Strategy, Adolescent Health Policy, the National Pharmaceutical Services, National Hand Washing Communication Strategy and the Essential Medicines Supply Strategy.

The ministry procured and distributed 282 pickups to all the districts, cities, municipalities and hospitals. Five digital X-rays were procured and distributed to the hospitals of Mityana, Kagadi, Rakai, Apac and Kyenjojo.

The ministry procured two TB mobile clinics, procured and distributed 50 motorcycles to the districts. In addition, the following Bills/policies have been approved by Cabinet; the Organ Transfer Bill- *(Interruption)*

**MR ODOI-OYWELOWO**: Thank you, Madam Speaker. You had guided that we speed up the process by the committee chairpersons going straight to the observations and recommendations. Wouldn’t it be procedurally right for the same principles to apply to the honourable chairperson of the Committee on Health?

**THE SPEAKER**: Honourable chairperson, please, summarise. I have given you 10 minutes. I hope you are going to use the 10 minutes.

**DR AYUME**: Thank you very much, Madam Speaker. I just thought it was -

**THE SPEAKER:** We know the methodology of all the committees and the scope and everything. Just go to the recommendations; the key recommendations that you feel this House must know.

**DR AYUME**: Madam Speaker, it is worth noting that the budget for the Financial Year 2021/2022 was Shs 3.178 trillion. We have seen a 7.9 per cent change to Shs 3.4 trillion.

The issues affecting all the regional referral hospitals were cross cutting from wage to staffing, to utilities, issues of maintenance and land encroachment. When it came to staffing, sometimes, the staffing numbers give us false positives. The numbers may look very rosy but when you look at who are those crucial staff; senior consultants and consultants, anesthesiologist, those are the ones that are lacking but we have more of the cleaners and the nursing stuff.

Madam Speaker, allow me go to Mulago National Referral Hospital, which is supposed to offer specialised and super specialised activities. In addition to the lack of the human resource, the budget that they get is Shs 8.3 billion for medicines and consumables.

If we are to achieve the vision of super specialised care, where patients are not supposed to buy implants for orthopaedic surgery, implants for spinal surgery or neuro, our vision of course, is to also move towards kidney transplant, then we need to realise a budget of about Shs 93 billion. Most of these implants are in the range of Shs 1.5 million - I am sure most of you have been asked to buy these implants.

If we are to move to dialysis, Mulago Hospital does about 60,000 cases of dialysis annually. Other providers charge about Shs 400,000 but the hospital subsidises this to Shs 60,000 shillings. If we are to optimise dialysis in Mulago, then we need Shs 6 billion shillings but remember, I told you what they get is Shs 8.3 billion. Therefore, if you remove Shs 6 billion from Shs 8.3 billion, you are left with Shs 2.3 billion for the other essential commodities.

Madam Speaker, I had raised the issue of utilities; most of these regional referrals are grappling with utilities. What we have seen, most of them are not on the commercial rate. We are humbly requesting that this House see to it that hospitals also benefit from the industrial rate because they are high consumers; if we have MRIs, CT scans and all these expensive cancer equipment, they need constant, sustainable electricity.

Secondly, of course, people who live around these hospitals tap into the hospital utilities; that is water and electricity. Therefore, we will need that sorted out as soon as possible. Towns are growing around these hospitals; they have already secured their land titles but we need them to be fenced using the wall fence. Kayunga built a chain link fence and it was uprooted I think two weeks later.

Madam Speaker, on the issue of blood, blood is a very essential commodity. If we are to achieve our vision of super specialised care, which is in cancer, and heart medicine, we will need blood when we are doing open-heart surgery and some of these cancers, when our bone marrow have shut down, you need to do a lot of replenishment of blood. However, right now, we are collecting 300,000 units of blood as opposed to the 450,000. WHO standard says, “For every given population, you will need to collect one per cent in terms of blood.” So, if we are 45 million people, that would be 450,000 units of blood, but right now, our shortfall is 150,000. We are collecting 300,000.

I humbly request that we look into the funding gaps of Uganda Blood Transfusion Services, have the regional blood banks in Hoima and Arua built and then the next financial year, consider the ones of Moroto and expedite the one of Soroti, because right now, there are seven regional blood banks.

When we went to National Medical Stores, we saw that there was a funding cut of Shs 80 billion and this is going to affect all the health facilities across the country. Therefore, we are humbly requesting that Shs 70 billion be reinstated for Health centres III. National Medical Stores, during their presentation has apportioned that 70 billion from Health centres III to Health centres IV, general hospitals, regional referral hospitals and to the specialised clinics.

Notwithstanding the non-communicable diseases, which in the current budget only get Shs 780 million, we are looking at high blood pressure and diabetes. In most of these health facilities you go to, you cannot test for random blood sugar because the equipment or the consumables are not there. Those of you who have a sickler, you know what it means and we need hydroxyurea to be bought by National Medical Stores and distributed to the general hospitals and the regional referral hospitals.

When it comes to the issue of Uganda Heart Institute, we need to reinstate the Shs 5.8 billion. We thank the Hungarian Government for the completion of the ICU. Because right now, after catheterisation in the labs, you can take patients to the ICU. We thank the Government of Hungary for expediting that and equipping it but we need the staffing and without Shs 5.8 billion plucked out of their budget, we will not be able to operationalise the Uganda Heart Institute.

When it comes to the Uganda Cancer Institute, we interface with them, and what they need to equip it, their vision is to decentralise across the country, but what they need to equip the Uganda Cancer Institute, with Linac machines, to equip the radiotherapy bankers and all tribes of complicated machines, is about Shs 250 billion. But, they are willing to start with the Shs 45 billion that was appropriated to them in the supplementary, the rest can be bought over the next financial years and I think we will be able to hit the target.

However, of course, we need to decentralise, that is in Gulu, I think we have not yet appropriated but the land was given, West Nile and Mbarara so that we stop inward tourism to Kampala for cancer treatment.

Madam Speaker, we are also requesting for Shs 51 billion for Health Centres IV. As most of you are aware, the bulk of our population is around these Health Centres IV. So, with that Shs 51 billion, we think that we would first and foremost, bring the existing Health Centres IVs up to speed, and in areas where the ministry feels there is no Health Centres IV based on scientific justification like population then they would be able to construct a Health Centre IV.

The National Ambulance System

Only Shs 4.8 billion has been appropriated to run the national ambulance system. I would like to thank the Ministry of Health and the Government of Uganda for procurement of motorboats. We went and saw them and tested them with our shadow minister here and he was very impressed. However, the cost of running boat ambulances is quite high because of the viscosity of the water. Therefore, these Shs 4.8 billion that has been appropriated is a drop in the ocean. We need to procure more ambulances but also operationalise the command and dispatch centres. We are not going to have an ambulance system, where it is in the district just doing its own rounds but we want one that will be coordinated if there are accidents along the high ways, we shall be able to dispatch them.

So, for that, we needed about Shs 63 billion to procure more ambulances to run the command centres, train and hire the prerequisite staff.

Madam Speaker, the health sector relies predominantly a lot on equipment and we procure these equipment year in and out but the rate of wear and tear is quite high. We were only appropriated Shs 2.7 billion and as a committee, we thought that if we gave Shs 12.2 billion to the regional maintenance workshop then the rate at which machines break down, X-rays and non-functional for six to eight months, the turnaround time will be shortened. So, we are also asking that, that should be considered.

Health Service Commission

The Health Service Commission plays an important role in the recruitment of certain cadres of staff but their hands are tied, their fleets are ageing and they are not able to go out and trail for support and do the prerequisite recruitment. What happens is that we usually get a backlog of activities and regional referral hospitals end up returning money to the Consolidated Fund at the end of the financial year.

We also think that hospital boards need to be functionalised so that they are able to superintend over some of the challenges of regional referrals and it is required by the law.

CT-scans for all the regional referral hospitals

That money was appropriated by the last Parliament and the procurement process is ongoing. However, the CT-scans have no homes. So, we are going to buy CT-scans but they will need to be housed and housing is not an ordinary room: The rooms have to be lined by led, they have to have areas of convenience because sometimes, these people are required to swallow some fluids to be able to take these pictures. So, it is not just a mere room and we are asking for about Shs 35 billion. We really need to find this money because the procurement is ongoing and we need to start the construction.

In the midst of very many of these challenges, our colleague from the Ministry of Local Government, I thought he should have been here to listen to this but the bulk of the sector is actually housed in the Ministry of Local Government and this is where we are getting challenges in terms deals in the recruitment of staff and yet money is appropriated, shoddy works and shoddy constructions.

Secondly, Madam Speaker, the Children’s Hospital in Entebbe is a very marvellous hospital. It is a Public-Private Partnership, I would like to assure the Members of Parliament that it is a free hospital; you are not required to pay. However, there has been a budget cut and I think it is a co-financing agreement between the government of Uganda and the NGO that runs that hospital. I think this money should be reinstated because this hospital provides the service to Ugandans.

Finally, I would like to ask this House to humbly reconsider the position of having hospitals in every district. I think, for now, let our target be Health Centre IVs. They are limping, they are non-functional, they are cheaper to construct and they are cheaper to renovate. Health Centre IV by all standards is a mini hospital and when you go to most of these hospitals, the areas where we get admissions are usually in the obstetric gynaecology ward and in the children’s ward. Most of the male wards are usually empty.

Our tolerance for pain is a bit high. So, as a House, why don’t we agree as a matter of strategic direction instead of spending US$8 million on one hospital? With that US$ 8 million, you can do more than Health Centres IVs up to scratch. *(Applause)*

The President will need to be guided on gravitating doctors to Health Centres III because most likely, they will be put to waste. He has to do a bit of surgery. We would rather have four doctors at a Health Centre IV as opposed to two doctors at a Health Centre IV.

Madam Speaker, I beg to submit. *(Applause)*

**THE SPEAKER**:Thank you very much. Honourable members, this sector is in dire need and needs to be supported and it is about life. We can talk about the Parish Development Model, but what matters is health. We need to support the Ministry of Health to get whatever they need to keep people alive.

I liked what Dr Ayume said, instead of us having a district hospital in every district, we rather have operationalised Health Centres IV, where you say you have four doctors, a theatre and you can operate, that is really a very good idea. We would be doing a cost-saving and we would have achieved what we need as a country. *(Applause)* It is a very elaborate report and there is not much that we need to hear from you. However, there is one thing that I wanted to remind you of. In the Tenth Parliament, there was a resolution that was made in regard to the miracle operation that Dr Epodoi did. What was resolved in the last Parliament – your deputy must be knowing – was to renovate Soroti theatre. Remember Soroti theatre is at regional level and it is in dire need. So, it would be a good thing for the ministry to put funds in order to renovate that place.

**MS OGWAL:** Thank you, Madam Speaker. I think that is an important thing. The motion was moved and it was supposed to be done in the immediate effect, which means it ought to have been done within three months but I checked myself, after six months, there was no rehabilitation of the theatre, as was compelled by that resolution.

Secondly, a matter of procedures His Excellency the President promised, when there was a celebration of Women's Day in Dokolo in 2017, that because of the good performance, excellent performance in the management of Hepatitis B, Dokolo would be upgraded into a district hospital. Up to now, I am aware – and the whole of the Budget Committee is here – I am aware that Masindi has got Shs 10 billion, and then other districts have got Shs 15 billion but Dokolo has not been attended to.

Sadly, when we paid tribute to our fallen Late Speaker, I was actually very surprised, pleasantly surprised, that the machine we were crying for, the PET machine, we were told that the process of procurement had started. In fact, the agreement was signed a day before I brought the motion. I was pleasantly surprised that they anticipated that we would bring the motion and they went and signed the agreement.

I would be interested to know from the chairman, how far he has gone with that impromptu process. And also upgrade us because we thought that we were really being embarrassed that the institution of Parliament is being blackmailed.

We now want to know, the simple thing like the dialysis machine, which we promise that would be in every referral hospital, what has happened? It is very costly and very shameful for rural people to bring their patients all the way from Karamoja, from Dokolo, to come to Mulago for that service. It is really shameful. So, we want to know how far you have gone. So that at least we can assure the public that this issue of going out for treatment will not be there.

Where is our PET machinery or equipment where we can have our cancer detected at the early stage? We are interested to know that. We are very interested to know how far we have gone with the Dokolo project. However mean they are, they should be able to raise at least Shs 10 billion to get started on that. Every year, we talk about the same thing.

The President himself promised that in every health centre III – If you remember in the last Budget Speech – every health centre III would have a medical doctor. We have very many medical doctors who are unemployed and the Prime Minister was there. It was the day we confirmed the Prime Minister. Therefore, the Prime Minister as the Leader of Government Business, has to make sure that premise is fulfilled because 2026 is not very far. Thank you, Madam Speaker.

**THE SPEAKR:** You know, as we make this budget, let us be mindful of where the money is coming from. Having a doctor at every health centre III is not feasible. That is why Dr Ayume was saying that we need to advise the President.

A directive must be evaluated by technical people. The President is not a doctor. We used to have medical assistants. Do we still have them?  *-* Yes, at health centres III, we should be having a medical assistant.  Health centres IV, we have doctors who are even able to operate and that kind of thing. Much as the President makes a directive, it is upon us to evaluate whether it is a feasible project or not. That is what I think.

I have been following up the issue of the PET machine myself. It is with Attorney-General now for final clearance. That should not be an issue. The PET machine is going to be here very soon. Anything you want to say, Doctor?

7.58

**THE MINISTER OF HEALTH (Dr Ruth Aceng):** Madam Speaker, allow me to thank my Chairperson. First of all, for attending to 29 votes with the entire committee. It is not easy work and for a good report that he has presented. *(Applause)*

I will comment on two things. First, allow me to tell this House that they are not called medical assistants, they are called Clinical Officers. Otherwise, they will not be happy with the nomenclature.

We appreciate the wage enhancement that has been given to all the medical professionals. We are extremely happy about that. And we want to appreciate this august House for pushing that salaries for medical professionals should be enhanced. *(Applause)* However, we decry the budget caps because they will deeply affect the health sector. This has gone across, even to the hospitals as you heard from my Chairperson. We know there are tough days ahead and cutting funding from National Medical Stores and the facilities is a bit painful but we know that as we move along, finance will have to come in and support.

Lastly, the PET scan like the CT scans cannot come unless we conclude on the infrastructure. Therefore, we need funding to conclude on infrastructures. The equipment has been procured but the infrastructure is not being worked on. Whereas for the PET scan there was a loan, it was inadequate. Therefore, we will need more money to conclude the infrastructure to house the PET scan.

Otherwise, allow me to say a big thank you to all of you. Thank you very much.

**THE SPEAKER:** Thank you very much.

**MS ACENG:**  Madam Speaker, I am sorry. Soroti has been taken care of. We have allocated money to renovate the theatre. Soroti will get two oxygen plants, one has already been installed. We are in talks with JICA to see if they can renovate some of the facilities in Soroti and rehabilitate them. Thank you.

**THE SPEAKER:** Thank you very much. I now put the question that the report of the Committee on Health be adopted by this House

*(Question put and agreed to.)*

*Report adopted.*

MOTION FOR THE ADOPTION OF THE REPORT OF THE COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT ON THE MINISTERIAL POLICY STATEMENT AND BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2022/2023

8.02

**MR KEEFA KIWANUKA (NRM, KIBOGA EAST COUNTY, KIBOGA)**: Madam Speaker, I would like to add my voice to congratulate you on being elected the Speaker. I am presenting the report of the Committee on Finance, Planning and Economic Development on the Ministerial Policy Statement for the Financial Year 2022/2023.

I beg to lay the report together with minutes of the committee on its preceding with the agencies. The report is in four parts.

The first is the introduction, then, from page No.7, we have achievements of the different programmes. We have a total of 15 votes and nine subventions.From age No.9, we have the annual budget performance, which shows how each vote performed. From page No.17 we have the budget performance which shows the fiscal performance of the different votes.

From page No.43, we have the proposed budget allocation and planned activities because of time, I will not go through that.

I would like to concentrate on the observations and recommendation which is from page No.56.

The fiscal deficit, which increased over the period 2020/2021 because it is attributed to COVID-19 and the different packages to stimulate the economy and to provide support around the COVID-19 implications over that period which we are saying that now the deficit will come down.

The Parish Development Model, which know has seven pillars one of the pillar is under Ministry of Finance which is financial inclusion.

Members were keen that money should not be diverted from other funds like Uganda Women Entrepreneurship Programme, Youth Livelihood Projects and others to the Parish Development Model. That it should it should exist side by side with other funds that have been there.

On page No.59 we comment on the increase in prices of basic commodities and we are recommending that Government should create price stabilisation funds and offer financial stimulus.

On page No.61, we comment on the increasing debt to GDP ratio which the committee observed has been going up from 2019 /2020 it went up by 6 percent to the levels of 2020/2021. There is concern that it is escalating.

The Minister of Finance should consider exploring ways of reducing Uganda’s dependence on debt and expediting the implementation of strategies to enhance revenue generation for the country.

We are also recommending that all Government debt should be reflected in the Government stock and Government should opt for conventional loans as opposed to bonds and treasury bills.

On page No. 63, we comment on one of the vote, which is National Planning Authority. The committee noted the vote has a number of unfunded priorities and this include inadequate office space, inadequate financing of key result areas, disruption of planned activities partly by COVID-19 and lack of funding and also the Government cuts.

Once of the most critical challenge with the National Planning Authority is the issue of low staffing and the high rate of staff turnover, we are recommending a funding  of Shs 8.7 billion towards salary, gratuity, NSSF and other medical expenses as a way of ensuring that the vote can perform to its mandate.

Vote 123 - National Lotteries Gaming Regulatory Board

This agency is helping to reduce the habit of bad gambling in the country. Over and above that, it is also for generating revenue but there are certain facilities that they should have in place which are at the moment lacking. So, we are making several recommendations under that but that is one of the key things. This is the equipment, which can help it to monitor gambling in the country and help to reduce bad gambling.

Vote 130 - Treasury operations

Several things to note, which I believe are important for all of us, one of them is the contingency fund.

In 2021/2022, Shs 290 billion was allocated towards the contingency fund but very surprisingly, almost all of it has been released in the first half of the financial year but out of what has been released, only 21 per cent has been spent.

Very unfortunately, although the law requires that money I the contingency fund is 0.5 percent of the budget, what has been put there in 2022/2023 is only Shs 223 billion.

Madam Speaker, I am sure you are aware that Parliament has been blamed for not putting money in the contingency fund and so, we are highlighting this that is required according to the law has not been put.

The committee recommends that future release of such funds should follow vote readiness to speed on emergencies. There is the problem of law absorption, which we are all aware of. We make recommendation on that.

There is the issue of commissions and commitment fees. This is somehow equivalent, in one way or another, to interest rate. However, there is money, which we acquire through loans. We say we are going to spend and so, the lender sets it aside. Over that period, we have to pay a commitment fee. These commitment fees over time are accumulating.

Over the period of review 2021/2022, that is expected to grow by 236 per cent from Shs 20 billion to Shs 48.69 billion. Of course, this is due to undisbursed loans and sometimes, due to lack of readiness of the project to start on the implementation. We are making a recommendation on that. Then, there is also the issue of arrears, which are building up. The committee recommends that the provision of those - some of those are due to court cases. On the court cases, we are recommending that, that money should have been included in the budget of the Ministry of Justice and Construction Affairs.

There were some voices calling me “Lubowa.” I am saying I am not “Lubowa” but “Keefa Kiwanuka” - *(Laughter)* - and here is the issue of Lubowa. The committee noted that Government issued promissory notes to Lubowa Hospital contractor of Shs 348.21 billion during the Financial Year 2021/2022.

In addition, promissory notes equivalent to Shs 319.52 billion has been budgeted and will be issued to the same contractor during the Financial Year 2022/2023.

A review of the project agreements revealed that the company is responsible for the sourcing of finances that are required to complete the construction and equipping of the hospital. Government's obligation is to issue promissory notes to the company at every stage of implementation, upon satisfied completion of each milestone. A milestone completion certificate is issued by government after receipt of the approved certificate.

We have not been able to visit the site to ascertain work undertaken. We have made the commitment to go there tomorrow. In any case, apart from our visiting of the site, it is in the opinion of the committee that it is appropriate that value for money audit should be undertaken to actually tell us what it that we have spent this money for is.

In the meantime, the committee is recommending that promissory notes equivalent to Shs 319.55 billion programmed for the Financial Year 2022/2023 is stayed until a value for money audit for the previous issuance is undertaken by the Auditor-General - *(Applause) –* sorry, it is thereallocated.

Under the Office of the Auditor-General, pages 69 –

**THE SPEAKER:** Can you repeat what you have just read so that we have the record correct.

**MR KIWANUKA:** The committee recommends that promissory notes equivalent to Shs 319.55 billion programmed for the Financial Year 2022/2023 is reallocated - *(Applause) -* and that a value for money audit for the previous insurance is undertaken by the Auditor-General.

Madam Speaker, talking about work of the Auditor-General, we noted severe challenges and a bit of frustration that the Auditor-General is facing. The National Audit Act provides that money for the Auditor-General is the direct charge on the Consolidated Fund once appropriated by Parliament. However, very surprisingly, the Office of Auditor-General has suffered cuts like any other agency. One of the notable areas is that it has not been able to audit a number of agencies. Apart from that, it has not been able to undertake audit of missions abroad.

There was concern in the committee as to whether the work of audit is being deliberately frustrated. We are recommending that more money is made available to the Auditor-General, first of all, to manage the expanding range and scope of audits. There is a requirement of Shs 19.61 billion.

The audit scope has been expanding. We have new parishes, over 10,000 of them now. We have lower local governments that have been established over time, schools, value for money audits that the Executive is asking them to do and forensic investigations. All this is not sufficiently covered for.

There is also recommendation for replacement of their ageing vehicles. Then stakeholder engagement that includes engaging Parliament, audit of missions abroad and impact assessment on perception of the work of the Auditor-General.

On page 72, as I get to the conclusion, is Vote 138 - the Uganda Investment Authority. They have been blessed with very good will across the country. They have had donations. They have been offered land across the country by districts. However, this land has not been secured and is at risk of being encroached on. Therefore, we are recommending that some money be given to them for them to secure this land as they undertake other activities that can enable them to start the development of that work.

We have capital markets also. I will skip that one. URA, I think one of the notable challenges with URA has been the -

**THE SPEAKER:** Shadow minister, I will give you time to speak.

**MR MUWANGA:** Madam Speaker, the chairperson is presenting a report but he is skipping a very important recommendation of the committee on Kapeeka, where the committee reallocated Shs 20 billion. Is it procedurally right that he also commits Parliament on Kapeeka?

**THE SPEAKER:** Mr Chairperson, talk about the CMA.

**MR KIWANUKA:** Okay, I was not deliberately skipping it. As you know, I have had to skip several other things in the interest of time but if you want me specifically to talk about Kapeeka, it is on page 44.

Development of industrial parks

The committee was informed by Uganda Investment Authority that Shs 20 billion has been earmarked for the development of Kapeeka Industrial Park. However, we were not able to establish that the Government had yet completed the transfer of the title from the private developer to Government so that the land is owned by Government. Therefore, the committee is recommending that the Shs 20 billion earmarked for Kapeeka Industrial Park is reallocated and the issue is revisited after Government has completed the transfer of the title of the land from the private developer to Government. That is the recommendation.

Uganda Revenue Authority

Of course, the most notable challenge there has been that our tax to GDP ratio has been static over the years at 13 per cent. As a committee, we have undertaken a lot of work around that. Madam Speaker, when time allows, we will be making a presentation on that.

Here, we are making a number of recommendations which we hope will help facilitate the Uganda Revenue Authority so that it can increase its tax to GDP ratio. Hopefully, I can skip what these two recommendations are in the interest of time.

One of the recommendations, which stand out with the URA, is about the tax incentives being given to investors. The committee noted that while there is no clear policy guideline for the issuance, management and the monitoring of the different tax benefits and incentives issued by the Government to different investors, URA equally does not have any mechanism of measuring the impact of these incentives to assess Government's benefits, thus exposing the scheme to mismanagement and abuse.

The committee, therefore, is recommending that a comprehensive study and assessment is undertaken on the beneficiaries of the tax incentives to measure the impact of this on Uganda's economy and ensure that there is no abuse of such tax benefits.

We also further recommend that Government develops clear policy guidelines for the issuance, management and monitoring of the different tax benefits and incentives issued by Government to different investors.

The last few pages are about the Public Procurement and Disposal of Public Assets Authority, which is on page 87. They are asking for expansion of their audit coverage. We are recommending Shs 2.7 billion to be given to them so that they can expand their work.

We are also recommending money for Uganda Microfinance Regulatory Authority. It is very important to mention that it was established in 2016 under Tier 4 Microfinance Institution and Moneylenders Act to deepen, first of all, financial inclusion, but also to make sure that the sector is regulated. It has, as its founding ethos, financial deepening and financial inclusion.

The objective is lowering the cost of doing business in Uganda by enabling access to affordable credit, largely targeting SMEs and conducting regular supervision, regulation and licensing. The organisation is regulating over 40,000 to 50,000, but there is a concern that this sector is not being regulated. The problem has been that it is grossly underfunded. I am sure you may have heard – and it should not come as a surprise - that Uganda is at the moment on the grey list and we risk sliding into the blacklist.

One of the areas causing a lot of concern - of course, some of it is to do with banks - is the moneylenders. Some of the SACCOs are suspected to be involved in money laundering which is seen as unregulated by our external stakeholders.

The committee is recommending that an additional Shs 14.85 billion be provided to UMRA. Part of it is for a management information system and the other one is towards retooling the organisation.

With that, Madam Speaker, I thank you very much for the time that you have given me. I move that the report of the committee be adopted. Thank you very much, honourable members.

**THE SPEAKER**: Thank you very much, chairperson of the Committee on Finance.

**MR KIVUMBI**: Being a committee member,    I have an extremely brief report. We literally worked together with the committee chairperson to arrive at very difficult decisions. I hope, tomorrow, we will visit Lubowa and ascertain the work that is going on. Good enough, the Minister of Finance, hon. Kasaija, and his two deputies, have committed to accompany the committee. We will be there at 8.00 a.m..

The only other thing I would like to comment on is on microfinance. Madam Speaker, going through the allocation of microfinance, we were fairly disheartened to find that microfinance, where money is supposed to go to the poorest of the poor, again, the rich have encroached it. Allocations worth billions of money are going to individuals and companies. That is an abuse.

We hope and pray that the Minister of Finance stops rich people from evading microfinance. Microfinance should go to the poorest of the poor. You cannot imagine that someone is allocated Shs three billion from microfinance; microfinance is supposed to go towards small enterprises that require seed money; seed capital. Let the rich and the powerful go to the banks and borrow, like all of us do; like the rest of Ugandans. Let them go to the development bank. Let them go to other agencies that lend money.

The last thing, Madam Speaker, is contingent liabilities. Contingency liabilities are money where Government guarantees contingency like Lubowa. It is, up to now, Shs 160 trillion. When you go through the names of people who access contingent liabilities, still, it is the rich in this country. We now want to know how ordinary Ugandans can also access contingent liabilities for fair play. I beg to move, Madam Speaker.

**THE SPEAKER**: What plan does the Ministry of Finance have in terms of the contingent liabilities, especially if they guarantee them and if they have started recovery, in case of a default?

**MR KIVUMBI**: Madam Speaker, as you see, the case in Lubowa, where we guaranteed to pay on a promissory note, the Government pays for any default. This compounds our computation of the national debt because literally, the guarantee amounts to the national debt because the State makes the obligation.

The Ministry of Finance is still failing to be straight and ensure accessibility. I do not believe, Madam Speaker, the Minister of Finance, is here, they can elaborate on how they are handling-

**THE SPEAKER**:  And maybe, do those people that you guarantee have collateral that you can use to recover Government money?

**MR MUWANGA-KIVUMBI**: That should go to the Minister of Finance.

8.32

**THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga):** Thank you, Madam Speaker. I know that it has been a long day here. However, I want to remind Members that this committee controls almost half of the budget because out of the Shs 47 trillion, almost Shs 20 trillion go through this particular committee. Therefore, it is a very critical committee, of Parliament. When they say, they had to labour to make very difficult decisions, we must understand.

I have two brief issues. The first one is the fact that money has been allocated to the development of industrial parks that are not named. One of the biggest quarrels in this House of Parliament over the years is the disproportionate allocation of development in this country. Therefore, I do not know why this committee would vote money and not particularly allocate, and leave it in the hands of whoever will sit and make imaginations and allocate it to particular places. I believe that is a huge void.

I believe this Parliament should not finally pass this money without naming districts where it is going; we leave it hanging, and then danger roams to again, return here and discuss disproportionate allocation of public funds.

Two, the chairperson made mentioned in his analysis of the work of the Financial Intelligence Authority, and the attendant challenges of money laundering. I did expect a comment on the growing digital currency market that is not regulated.

We are alive to the fact that many citizens have lost money in these hasty schemes. Does the Ministry of Finance recognize the digital financial platform as legally existing and whether they have a platform of control over this market, and what it brings and contributes to the national coffers because it is not captured, it does exist, but Ugandans continue to invest in money?

We risk being blacklisted over the international financial framework for not curtailing the movement of unnoticed and unregulated funds through the digital financial market without an attendant legal framework to control and regulate it. Therefore, I do not know whether the Ministry of Finance is officially money laundering through this platform and not wanting to comment on it with a view of Parliament being in the know.

Lastly, Madam Speaker, I hope tomorrow, the committee will return to the House with a copy of the certificate of completion upon which the Ministry of Finance depended to surrender public funds in billions, because the law is very clear, the undertaking is very clear; you do not redeem without a certificate. Therefore, kindly return with that certificate, if you do not have it, whoever issued that money, should come with handcuffs to this House. Thank you, Madam Speaker.

**THE SPEAKER**: Thank you. Honourable minister, the issue of money laundering through the digital - by the way, in the 10th  Parliament, many Members of Parliament lost money under D9 because of digital currency. Yes.

8.37

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi)**: Thank you, Madam Speaker. On the issue of regulation of cryptocurrency and Bitcoin, we are still working out ways; at the moment, we have not started regulating these platforms.

On industrial parks, let me first thank the committee for coming up with this report. I also want to say that one year ago, I was presenting this report but now, I am glad that I am commenting on it. Therefore, I would like to congratulate my successor, hon. Dr. Keefa and his team for the job well done.

Nonetheless, allow me to make one or two comments. On industrial parks, I am just wondering how we move money from one industrial park to another without even mentioning which industrial park money is moving to, but any way, I think -

**THE SPEAKER**: Honourable minister, I think what the LOP is saying is that we need to know the names of the industrial parks that are benefiting and is it only the industrial parks in the East or North? He is talking about equity.

**MR MUSASIZI**:  Yes, Madam Speaker, I agree with the LOP that, for instance, Kapeeka is one of the known industrial parks. I am just wondering how a committee recommends that we move money from Kapeeka and does not mention where this money is going, and on the other hand, they say we provide money for the development of industrial parks.

**THE SPEAKER**: Before you move money to Kapeeka, you need to establish whether we have ownership -

**MR MUSASIZI**: Yes. I wish to inform the House, that we have a strategy of developing industrial parks in all the 18 subregions in this county. We are glad that quite a number of districts have provided us with land. What we need now is to provide funding for the development of these industrial parks, in terms of the required infrastructure, roads, water and electricity -

**THE SPEAKER**: What you need first is to give funds to acquire legal ownership as the Government; you may have possession but you do not have the legal ownership. That is why we are saying; do we have a land title reading Government of Uganda?

**MR MUSASIZI**: Madam Speaker, I take note of your concern and the concern of the House. I am going to follow up on the matter of ownership.

On Microfinance Support Centre providing loans to big people, we are going to investigate the circumstances under which this happens. The Microfinance Support Centre is supposed to provide funding to those people who have the inability to access funds in all other options available; namely, UDB if you cannot access funding under UDB, if you cannot access through the bank, and if in some cases, you cannot be able to open a bank account in a commercial bank.

We put an arrangement under Microfinance Support Centre to provide such funding to such kind of people. However, here we are, we have ascertained that some funding is going to big enterprises. Madam Speaker, I undertake to investigate this matter and resolve it not to come back to the House but this is a matter we feel we can take a decision on.

On contingent liability, I think the issue is on gross and how they subsequently – I know this is a view, which is not popular but some contingent liabilities are entered into with the authority of this House.

A case in point and I beg your indulgence, Madam Speaker, the contingent liability on Lubowa Specialised Hospital was entered into with the authorisation of this House. These are facts. What we are actually requesting for, we are informing you how we are implementing your resolution.

This is where we find ourselves in the centre of the contraversy but I want to challenge all of us as Members of this House that in future, we need to really consider carefully some of the decisions we make in order to prevent us from reaching this extreme. I want to thank you, Madam Speaker, for your indulgence.

**MR AOGON**: No, you cannot just finish like that *–(Laughter)*

**THE SPEAKER**: Honourable minister, the crypto-currency is very illegal. It is not regulated by anybody and people are cheating others through the crypto-currency. So, you need to see how to regulate it or stop it if you can because it encourages money laundering and you need to look at it clearly.

The other issue of the Microfinance Support Centre is that people end up going to the Microfinance Support Centre because of the low interest rates and it is ourselves who do that: It is not outsiders because the outsiders do not know about it. It is we; the politicians and relatives of politicians, among others and we need to regulate. That service is for the poor people and they should be able to benefit from that kind of thing. I will not allow any of you to talk unfortunately. The issue of guaranteeing people whom you are not sure of Lubowa, the coffee *-(Applause) -* Minister, help us to save this country. That is taxpayer’s money. How can a hospital take all that long without laying even a foundation?

Chairperson Committee on Finance, we expect a report from you tomorrow on Lubowa. We cannot spare our money and say we are opening a hospital and we continue going to India, Turkey and wherever. We need feedback on Lubowa Hospital. *(Applause)*

I amalso happy with the recommendations of the committee; that is the best thing you have given to this country. I now put the question that the report of the Committee on Finance, Planning and Economic Development be adopted with amendments.

*(Question and agreed to.)*

*Report adopted.*

**THE SPEAKER**: Honourable members, thank you very much for the sacrifice that you have made. I now adjourn the House to tomorrow at 2.00 p.m.

*(The House rose at 8.46 p.m. and adjourned until Thursday, 21 April 2022 at 2.00 p.m.)*