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**Wednesday, 6 June 2018**

*Parliament met at 3.01 p.m. at Serena Conference Centre, Kampala.*

*National Anthem*

*East African Community Anthem*

PRAYERS

(*The Speaker, Ms Rebecca Kadaga, in the Chair.*)

*The House was called to order.*

PROCLAMATION

**THE SPEAKER:** “*WHEREAS under Article 95 (2) of the Constitution of the Republic of Uganda, a session of Parliament shall be held at such place within Uganda and shall commence at such time as the Speaker may by proclamation appoint;*

*AND WHEREAS the Second Session of the Tenth Parliament commenced on the 6th day of June 2017;*

*AND WHEREAS the President of the Republic of Uganda is required under Article 101(1) of the Constitution to deliver to the Parliament an address on the state of the nation at the beginning of each session;*

*AWARE THAT it is expedient that Parliament receives the State of the Nation Address from the President at the Kampala Serena Conference Centre;*

*NOW, THEREFORE, in exercise of the powers conferred upon the Speaker by Clause (2) of Article 95 of the Constitution, I hereby proclaim that Parliament shall sit at the Kampala Serena Conference Centre on the 6th day of June 2018 at 1400 hours to receive the State of the Nation Address from the President;*

*AND FURTHER in exercise of the powers conferred upon the Speaker by the Constitution, the Parliament (Powers and Privileges) Act, Cap. 258, and the Rules of Procedure of the Parliament of Uganda, it is hereby proclaimed and declared that the said Kampala Serena Conference Centre, including its forecourt, the yard and the gardens be precincts of the Parliament for the aforementioned purposes;*

*Given under my hand at Parliament House, Kampala, on this 24th day of May, 2018.*

*Rebecca A. Kadaga, Speaker of Parliament”*

COMMUNICATION FROM THE CHAIR

**THE SPEAKER:** Your Excellency the President of the Republic of Uganda; the First Lady, Mrs Janet Museveni; Your Excellency the Vice-President, Mr Edward Ssekandi; My Lord the Chief Justice; the Deputy Chief Justice; the Vice-Chairperson of the National Resistance Movement (NRM); traditional leaders; the Rt Hon. Prime Minister and the Deputy Prime Ministers; honourable ministers; the Leader of the Opposition in Parliament; the honourable ministers of state; Justices of the Supreme Court, the Court of Appeal and the High Court; honourable Members of Parliament; members of the diplomatic corps; the Inspector General of Police and Deputy Inspector General of Police; the Commissioner General of Prisons and Deputy Commissioner General of Prisons; head of the civil service; all invited guests. I take this opportunity to welcome you all to this important event, which marks the official opening of the Third Session of the Tenth Parliament.

Your Excellency, it is with great honour and pleasure that I wish to inform you that we have special guests in our midst this afternoon. We have the Rt Hon. Ken Lusaka, the Speaker of the Senate of Kenya; hon. Christopher Omulele, the Fourth Chairperson of Committees, who is representing the Rt Hon. Justin Muturi, the Speaker of the National Assembly of Kenya, who is unable to attend; the honourable Dr Oginga Oburu, who is representing the Rt Hon. Martin Ngonga, the Speaker of the East African Legislative Assembly (EALA), who has been unable to attend as EALA is having its session in Nairobi. I also wish to register the apologies of hon. Mohamed Mursal Sheikh, the Speaker of the People’s House of Parliament of the Federal Republic of Somalia, who has been unable to attend due to national engagements in Somalia.

Your Excellency, this day has been earmarked for you to fulfil your constitutional obligation of delivering the State of the Nation Address. Distinguished guests, today the President is expected to review the activities and achievements of the Government during the previous year and present to you and the country the plans, programmes and strategies that Government intends to pursue during this session.

I wish to report that since the last State of the Nation Address, the committees as well as plenary have been able to handle considerable business. However, in comparative terms, in many areas Parliament during the SecondSession did not perform as well as in First Session. During the FirstSession of the Tenth Parliament, for instance, 17 Bills were passed against 11 passed in the Second Session; 57 resolutions in the First Session against 56; 56 ministerial statements against 56; 441 questions were answered during the Prime Minister’s Time as against 117; 30 committee reports as against 29 in the Second Session. This performance can be explained.

During the last session, 853 meetings were held to consider various matters in committees relating to policy, administration, budget, accountability and good governance. Also, 94 committee field visits were undertaken to assess activities of Government, as well as attend to the grievances of communities and local governments.

At the international level, Members of Parliament of Uganda have effectively represented Uganda in fora like the Inter-Parliamentary Union (IPU), the Commonwealth Parliamentary Association and the European Union/African, Caribbean and Pacific countries Joint Assembly, the Pan African Parliament, among others, and they have raised Uganda’s flag high.

Your Excellency, I would like to thank you and the Government for the resources that have been availed to Parliament for its operations. The performance of the last session was partly affected by:

1. The prolonged consideration of the Constitutional (Amendment) (No.2) Bill, 2017 within the domain of Parliament and requirement for MPs to spend time outside Parliament to consult their constituents. This resulted in the interruption of the flow and management of Parliamentary business and caused loss of time both for the plenary and committees. As a result, we did not perform as expected.

2. The committees are the engine of Parliament and provide business for the latter to handle. The appointment and supervision of the chairpersons of committees is vested in the political parties through the party whips. Some chairpersons have however not fulfilled their responsibilities as expected. In some committees, team spirit is lacking and as a result, processing of business in the committees is delayed or not handled completely. In a few cases, there have been leadership capacity gaps. Perhaps we need to go back to the drawing board and critically look at the issue of appointment and functioning of committee chairpersons. *(Applause)*

3. Committees have to take decisions on the basis of facts and information provided by Ministries, Departments and Agencies (MDAs). Sadly, I wish to report that some entities are slow to respond to invitations by Parliament; some of them take time to respond to requests for information while others deliberately provide inadequate information. This delays decision-making hence delaying the submission of reports.

4. Absenteeism and non-attendance to duty is a malaise, which has affected the whole society of Uganda and Parliament has not been spared - both ministers in Government and honourable members. There are quite a few who do not attend proceedings and sometimes cause unnecessary adjournments and delays in clearing parliamentary business.

Your Excellency, when faced with problems, we have to find ways of mitigating them. My office will work with the whips to supervise the work of chairpersons better. We are establishing an accountability mechanism, which will require the chairpersons to account periodically for the business referred to their committees, as guided by the Rules of Procedure. We also intend to conduct focused and specific capacity building programmes for chairpersons and Members of Parliament. We hope this will improve Members’ knowledge and skills in conducting parliamentary business.

Your Excellency, with regard to the ministries, departments and agencies, their collaboration is vital in carrying out Parliament business. I request the Prime Minister and Leader of Government Business to exercise his oversight role and crack the whip on errant officials and entities who do not respond to the needs of the institution. As a last resort, for those MDAs that do not cooperate with Parliament, we shall take serious action against them.

On absenteeism and non-attendance, I would like to urge the ministers and Members of Parliament to revisit their conduct. Parliament is not just an address; it is a place where the work of the people must be handled effectively. Since the first and second sessions, a number of ministers and Members have been warned. However, effective this Third Session, the process of naming and shaming is about to commence. (*Applause*) In particular, your Excellency, in this Third Session, one of the committees is going to be disbanded. I do hope that honourable members know the consequences of this action as elected representatives of the people.

Additionally, with effect from this Third Session, each meeting will be dedicated to a particular subject. The First Meeting of the Third Session will be dedicated to legislation. This meeting will run from 6 June to 10 October 2018. In that regard, if the Executive has legislations that they want to bring, these should be provided for the first reading at the earliest opportunity.

The Second Meeting of the Third Session will run from 15 November 2018 to 19 March 2019. This will be dedicated to the consideration of the reports of standing and sectoral committees, including annual reports of agencies.

The Third Meeting of the Third Session will run from 20 March 2019 to 31 May 2019. This will be dedicated to the budget matters and will end on 31 May 2019 with the prorogation.

Mr President, I wish to report that Parliament has continued to engage the public in their work and committees have held public hearings in the country. We launched the Parliament Week, which is an opportunity for Parliament to open to the public, bring the institution closer to the public and share information about Parliament with the stakeholders. We successfully hosted 3,016 members of the public during the January 2018 Parliament Week.

By way of corporate social responsibility, honourable members contributed funds and partnered with the National Forestry Authority under the Go Green Movement. We launched a tree planting campaign to re-afforest Mountain Moroto Forest Reserve on Friday 1 June 2018; we planted 5,000 trees on 10 hectares. The local community gladly and actively participated in this exercise. We plan to extend this service to other parts of the country so that the effects of climatic change can be mitigated.

I wish to thank our participating partners for the good work done so far. In this Second Session, Members also contributed significant funds to support the Cancer Ward in Nsambya Hospital with equipment.

On a sad note, in the Second Session of the Tenth Parliament we lost two Members, hon. William Beijukye, the MP for Ruhaama County and hon. Grace Kaudha, MP for Iganga District. Other than the two Members, Parliament paid tribute to three former Members of Parliament and five other very important persons.

Today, a few of our Members have not been able to be with us as they are indisposed. They are hon. Deogratius Kiyingi, hon. Eric Musana who was involved in an accident, hon. Gutomoi Abacacon who was also involved in an accident, and the Youth Representative for northern Uganda who was also involved in an accident. We pray for their quick recovery.

Members, as you are aware, the business of Parliament which was before the committees was shelvedat prorogation, which means we still have business to start off with. I call upon the whips of all the parties to expedite the process of assigning Members to committees in accordance with the Rules of Procedure. As is the practice, I will assign the independent Members to the committees.

I welcome you all to this State of the Nation Address. Thank you very much for responding to our invitation. (*Applause*)

INVITATION BY THE RT. HON. SPEAKER TO HIS EXCELLENCY THE PRESIDENT OF THE REPUBLIC OF UGANDA TO DELIVER THE ADDRESS ON THE STATE OF THE NATION TO PARLIAMENT

**THE SPEAKER***: “WHEREAS under Article 101, clause 1 of the Constitution, the President has to deliver to Parliament an address on the state of the nation at the beginning of every session;*

*AND WHEREAS the Speaker has just proclaimed the commencement of the Third Session of the Tenth Parliament of Uganda;*

*NOW, THEREFORE, as Speaker of Parliament, I now invite His Excellency the President to deliver to Parliament an address on the state of the nation on this 6th day of June 2018.”*

Your Excellency, you are welcome to address the country.

ADDRESS ON THE STATE OF THE NATION BY HIS EXCELLENCY THE PRESIDENT OF THE REPUBLIC OF UGANDA

3.22

**THE PRESIDENT OF THE REPUBLIC OF UGANDA** **(Gen. (Rtd) Yoweri Kaguta Museveni):** His Excellency the Vice-President of Uganda,Edward Ssekandi; the Rt. Hon. Speaker of Parliament, Rebecca Kadaga; His Lordship the Chief Justice; the Rt Hon. Deputy Speaker; His Lordship the Deputy Chief Justice; the Rt Hon. Prime Minister; Rt Hon. Deputy Prime Ministers; Rt Hon. Leader of the Opposition; their Highnesses the traditional leaders; honourable ministers; honourable Members of Parliament; honourable Members of the East African Legislative Assembly; members of the diplomatic corps; distinguished guests; ladies and gentlemen.

Madam Speaker, in fulfilment of the constitutional requirement under Article 101(1) of the Constitution of the Republic of Uganda, I am here to deliver the State of the Nation Address, 2018.

Greetings to all Ugandans and congratulations on reaching the mid-year of 2018 - *mukulikeeyo.* (*Applause*) In the book of Galatians, chapter 6, verse 7, it says, *“Be not deceived: God cannot be mocked. A man reaps what he sows”. Buli muntu kyasiga kyakungula -* whatever a man sows is what he reaps*.*

By the financial year 2005/2006, our tax revenue collections per annum were standing at Shs 2,230 billion or Shs 2.23 trillion. At that time, an understanding had been reached between some branches of the Government and the development partners to the effect that the Government of Uganda should concentrate on handling the recurrent budget, meaning salaries, travel – *cam cam,* just eating - while the development partners would handle the development budget - roads, electricity, the railways, etcetera. So, the arrangement at that time was that our money would handle *cam cam* (eating) while our partners would handle *dongo lobo* (development).

That arrangement was already landing us into problems. Towards the end of 2005, and as we were heading towards the elections of 2006, the country was plunged into the crisis of what came to be called “load-shedding”, that is, the acute shortage of electricity. You remember that time when some parts of the country would have electricity and others would not have.

Since 1986, only the British had helped us with the repair and upgrade of the Owen Falls Dam from the miserable 60 megawatts to 180 megawatts. Since the economy had by 2005 grown 6.6 times since the low level of 1986, that 180 megawatts was no longer enough. Yet, as our Baganda people say, *“Omugo oguli ku mulilano, tegugoba engo”.* It means,the stick in your neighbour’s house cannot help you to fight off a leopard when it comes to attack you; it is too far to help you.

That is when I sat down with my NRM colleagues in the Cabinet and the caucus, in a retreat in Statistics House, to discuss this very serious problem. I proposed to the two fora the step of taking on the development budget of the country and also focusing on the roads and electricity. The budget for the roads was raised from Shs 398 billion at that time to Shs 3,442 billion. That budget for the roads now stands at Shs 4,786 billion per annum. The budget for electricity was raised from Shs 178 billion to Shs 2,858 billion. It now stands at Shs 2.77 trillion per annum.

You remember the Galatians – “Whatever man sows, that is what he reaps” (*Buli muntu yenna kyasigga, kyekyakungula)*. Therefore, because we planted investment, what is the harvest? As a consequence, we now have tarmac roads to almost all the corners of Uganda. *(Applause)* I will just mention the border points where there is a tarmac road all the way from Kampala to that border point. Nimule - those who do not know where Nimule is, it is north of Gulu; Oraba, which is on the Koboko side; Musingo - I do not think many people have heard of Musingo. Only Betty Anywar has heard of it. It is north of Kitgum; Vurra; Lwakhakha - soon there will be a tarmac road at Lwakhakha, that is through Magale, through Bumbo from Mbale; Malaba; Busia; Busuunga - that is beyond Bundibugyo at the Congo border; Mpondwe; Mutukula; Muroongo on River Kagyera - that is from Mbarara towards Tanzania; Mirama Hill, which is from Ntungamo to the Rwanda border; Katuna; Cyanika; and Bunagana. In other words, from south to north, south to northwest, south to north northeast, east to the east of east *- (Laughter) -* west to northwest, then west (Mpondwe) to the southwest (Bunagana) there are tarmac roads. Therefore the whole country is now covered.

Radiating from Kampala, tarmac roads are now connecting all those points. The distance between Cyanika at the Rwanda border in Kisoro and Oraba is 1,048 kilometres or 655 miles, and all of it is connected by a tarmac road from Kisoro District to Koboko. *(Applause)* When I was at the university, I used to travel by bus to Dar-es-Salaam. From here to Nairobi is 450 miles by road; so when you talk of 655 miles, you are talking of somewhere between Nairobi and Mombasa from here. That is the distance linked by tarmac roads, all coming from a political decision. *(Applause)* People meet in an air conditioned room, with coffee being served, and they either make a right decision or a wrong one. This time, they made a right one - *(Applause)-* and the results are on the ground. These roads are really very useful.

Recently, I had to deal with my Acholi partners, and you know how quarrelsome they can sometimes be. *(Laughter)* I had to have a function in Kitgum, another one in Atiak and another one in Olwal and yet I first had to do something here. So by the time I got to Kitgum, it was 2 o’clock and I had to do all these things. I said there is no problem. Since the roads are good, I told the helicopter people to go away so that I would also enjoy the roads which these people were enjoying. We were in Olwal, talking about our things until a bit late in the night and we drove back and I was here in Nakasero by midnight. Therefore, these roads are not just a luxury but a necessity.

With electricity, all the district headquarters – except for Kaabong and Buvuma – have now been reached with electricity wires. The generation capacity of Uganda will soon be 2,216 megawatts, once Isimba, Karuma and many of the mini-hydros are completed. Remember that in 1986, the only capacity we had was 60 megawatts at Jinja. Much of this work has been done by Uganda Government money –*(Applause)*– when we shifted money from *cam cam* to *dongo lobo*. The results are on the ground.

Fifty-eight per cent of the roads, for instance, have been done or are being done by the Government of Uganda money. By the way, I would like to show you the danger of not understanding self-sufficiency. You heard that in 2005, the money for roads was about Shs 300 billion. However, to do Kampala-Masaka Road alone took Shs 440 billion. Therefore, the money which was for the road sector in 2005/2006 was not even enough to do the Kampala-Masaka portion. Our partners had promised to do Kampala-Mityana. However, along the way they said, “No, we have changed our opinion; we are taking the money somewhere.” What do we do? If you do not do Kampala-Masaka Road and you do Masaka-Mbarara Road, what is the meaning; the road is not usable. If you do not do Mityana-Kampala Road but you do Mityana-Mubende Road, which we have already done, what is the point? Fortunately, this decision had been taken and we did the road. We did Kampala-Masaka Road by ourselves - 100 per cent - and Kamplala-Mityana Road.

Recently, we had some arguments with some of our partners. We were doing Kamwenge-Fort Portal Road but some Chinese impregnated some local girls. *(Laughter)* Of course, you know we have got a law against defilement. If I had landed on those Chinese, I would have done something terrible to them. *(Laughter)* However, your sleepy people in Kamwenge – the Resident District Commissioner, the Chief Administrative Officer – did not follow up. As a result, our partners said they were going to cut off the funding for the road. Really! But we are looking for the ones who impregnated the girls! *(Laughter)*

That region has got about three million people. You are punishing these three million people because of these Chinese. We said, “No”. That is why your Banyankole have a proverb that says, **“***Akatalikaawe Obiika oteigutsi*”, meaning when something is not yours, if you eat it, eat little because you do not want the owner to come and quarrel with you. Even if you are not satisfied, you eat little and stop there. Therefore, we completed the road by ourselves. *(Applause)* Later on, we sorted out our issues with the partners.

As I said, 58 per cent of the roads have been done or are being done by the Government of Uganda money. We are, of course, also very grateful to the development partners for their contributions. The road from Gulu through Atiak to Nimule, for instance, was done with the support of the Japanese, I think. I think the World Bank also helped us with one of the roads. The list is there. We are very grateful. *Mukube ku ngalo banange.* *(Applause)* *Entasiima ebula agiwa.*

*Otamanya ishekooko, ati eriibwa n’ebyooya* (the uninformed thinks that people eat the turkey with its feathers). For somebody who is not well informed, when he sees *ishekooko*, he thinks you eat all of it with its feathers. This is a proverb of the Banyankole. Many people do not know how the economy grows, although many pass themselves off as “experts”. These investments in the roads and electricity, along with the earlier decision of 2001 to strengthen the army, are beginning to result in the resumption of our usual high growth rates, which had been interfered with by the shortage of electricity and more recently, the drought. This year, for instance, the economy will grow by 5.8 per annum. This will rise to over seven per cent per annum by financial year 2019/2010.

You remember the other year the economy grew by four per cent as a result of drought and other factors. There was also a year when we even went down to three per cent because of some issues. However, as of now, the economy is beginning to grow fast because of these investments, which I have already talked about.

Indeed, a centre at Harvard, in the USA, recently predicted that Uganda will be one of the fastest growing economies in the whole world by 2026 or thereabout. *(Applause*) I was not surprised by that prediction. What surprised me was that Uganda would be the first or the second fastest growing economy in the whole world. The fact that our economy will grow fast, however, was not surprising to me, given the deliberate steps we have taken to lay the foundation. That is why I am very grateful to the Sixth Parliament who helped me to make this decision to shift money - constrain consumption and invest in electricity and roads.

When we say that the economy is growing reasonably well, we mean that the four sectors are growing well. Indeed, industry grew at 6.2 per cent per annum, services at 7.3 per cent, information and communication technology at 7.9 per cent, construction also grew at about 12 per cent. However, agriculture grew at 3.2 per cent and this is where the problem is. As you can see, it is only agriculture that is still growing slowly.

Fortunately, we have or we will soon have the necessary boosters for agriculture. These will include the use of fertilizers by more Ugandan farmers than at present, and the farmers will also use more irrigation. In the coming financial year, Government will work on the following irrigation schemes using the Government’s money:

1. Doho phase II in Butaleja District;
2. Mubuku phase II in Kasese District;
3. Wadelai in Nebbi District;
4. Tochi in Oyam District;
5. Ngenge – these Ugandans said Ngenge is in Oyam District, bit it is in Kween District;
6. Atari in Bulambuli and Kween districts;
7. Katete in Kanungu District;
8. Kawumu in Luwero District;
9. Amagoro in Tororo District;
10. Nabigaga in Kamuli District;
11. Rwimi in Kasese and Kabarole districts;
12. Nyimur in Lamwo District;
13. Musamya in Kayunga District;
14. Kibimba in Gomba District;
15. Kabuyanda in Isingiro District;
16. Matanda in Isingiro District; and
17. Igogero-Naigombwa in Iganga and Bugiri districts.

These are the irrigation projects for this financial year. *(Applause)*

In order to rollout a global irrigation system for the whole country, we are encouraging industrialists to set up assembly or manufacturing plants for solar-powered water pumps. I will not use Government’s money to buy solar-powered water pumps from outside because that is how you donate money to others. *(Applause)* This *nino* must stop; too much sleeping must stop. People do not know how to develop their countries; they just import everything.

Therefore, I have made a condition that solar-powered water pumps must all be either assembled or manufactured here. *(Applause)* Otherwise, this is going to cost a lot of money. I am just talking about the Government projects; we, the rich farmers, can buy these solar-powered water pumps. I do not need a Government project on my land; I can do it myself. However, that means I will buy solar-powered water pumps made from outside, which has created jobs for children of others and not my own grandchildren. That *nino* must stop. The traders must stop bleeding us by taking our money outside –*(Interjections)*– These people speak things I do not understand. *(Laughter)*

Some of these pumps and water conveyance systems will be used in Government funded irrigation schemes. Others, however, will be used by the farmers at their own cost. I encourage all the capable farmers to, at their own cost, go into irrigation. I do not need Government money to do irrigation. The Government can only give me good technical solutions like solar-powered water pumps so that I do not have to use diesel all the time and I can do it by myself, and I am sure there are many rich people here who can do it.

With the building of our phosphate fertilizer plant in Tororo, which at 2.5 kilogrammes of fertilizer per hectare has one of the lowest rates of fertilizer use, it will now stir itself up to use more fertilizers. For all this production you see in much of the rural Uganda, people do not use fertilizers. Even when I am driving around, I see people have grown a lot of maize but they just use the fertility of the soil; there is no reinforcement, except for the sugar growers.

Now that we have our own fertilizer plant, which our Chinese investors are building in Tororo, in Sukuru Hills, and with a huge deposit of phosphates there - 230 million metric tonnes of phosphates rock - it is time to replenish the soil. We are looking for an additional investor to blend the phosphates with nitrogen and potassium in order to formulate NPK, which is a composite fertiliser comprising of nitrogen, phosphates and potassium. With the use of NPK, the experts in agriculture tell me that production will go up by 30 per cent. With higher rates of agricultural growth, the overall rate of growth will also go up.

Within the industrial rate of growth, I would like to single out the construction sector. This sector grew by 12.5 per cent this year. This is not surprising, given the respective efforts of the Government and the private sector in the areas of roads and house construction *–(Interruption)-* I have just defeated a cold, so you should congratulate me. *(Laughter)*

All this is happening before we implement our invigorated efforts to ensure import substitution. You remember last year, I told you how rich Ugandans and other Africans are already. In the case of Uganda, we spend about US$ 7 billion a year in terms of imports. Importing what? Importing shoes, clothes, carpets - all these are imported - textiles, furniture units, pharmaceuticals, electronic equipment, perfumes, soaps, wines, cars, *pikipikis* (motorcycles) and even some of the foodstuffs, etc.

Since some time ago, we have been telling our people that they can manufacture or process most of these here. That is how we have started the process of supporting the youth and women groups that are already engaged in those activities or are about to be engaged in those activities. This will save our foreign exchange, create more money for us and also create jobs for our youth. Hence, many of our unemployed youth can be transformed into property owners, job creators and also employ themselves.

Since we talked about this in last year’s State of the Nation Address, 4,525 girls have already been assisted to engage in knitting, shoe-making, weaving, tailoring, bakery and embroidery, while six groups have been assisted in furniture-making and ten in welding. As of now, these groups may be making items for import substitution. In time, however, they will make items for exports.

While this effort is aimed at recruiting many of our youth from agriculture or from the urban informal sector (*jua kali*) into small scale industry activities, the bigger foreign and local investors have already helped us to attract and locate 44,316 factories and 8,200 service companies in Uganda. These factories and service companies employ 600,000 people and 1.2 million people respectively. Indeed, as you drive on Gulu Road, as I did recently, or along Jinja Road, you will see quite a number of these factories that have been built recently - *(Interjections)* - Yes, they are building in the swamps - that is a problem - but a factory in the swamp is better than cassava in the swamp. *(Laughter)*

Somebody was talking about them building factories in the swamps and I also saw them in Kawanda. I saw them and said, “Oh! *bambi*, they have interfered with our swamps.” However, a factory in the swamp is better than *amayuuni*. Do you know *amayuuni*? *(Laughter)* *Mayuuni* are yams. It is true the swamps should be conserved; I totally agree. It should not have happened, but *Katonda gyaali -* God is there. *(Laughter) Lubanga tye*.

In the coming days, the Minister of Finance, Planning and Economic Development will announce the financial support we intend to give the groups that wish to join manufacturing, in the form of enhanced microfinance efforts and the innovation fund, in addition to the women fund, the youth fund and Operation Wealth Creation fund. With enough electricity, improved roads and security, we are surer of success than we have ever been.

Through enhanced microfinance, we are going to solve one of the bottlenecks - absence of low-interest money for manufacturing. *(Applause)* The privatisation of the commercial bank failed to solve the problem of high interest rates. You know, when we commercialised Uganda Commercial Bank (UCB), the experts had told us that the interest rates were high because UCB was a Government bank. They said the managers were careless and they were not assessing the loans properly and so the default rate was high. So, we who paid back our loans were paying for the ones who did not pay back. That is why the interest rates were high. We said, “Okay, let it be privatized”, but the interest rates have gone higher. Therefore, definitely, that was not a correct assessment.

However, as I say, *Lubanga tye -* God is there; we have another solution. We are going to solve this problem using enhanced microfinance. In the budget, the Ministry of Finance, Planning and Economic Development is going to put aside a bit of money for microfinance - *(Applause)* – and the microfinance groups will access this money at eight per cent per annum. They can lend to their members at 12 per cent per annum. We are sure that this would be affordable.

The other route will be of a more capitalised Uganda Development Bank (UDB). We are going to put more money in Uganda Development Bank. This is still a Government bank. They had wanted us to privatise it but I refused. I said we had already privatised Uganda Commercial Bank and that was enough. This one will never be privatised as long as I am in charge. *(Applause)* The other one did not work, therefore I cannot throw this one away.

Uganda Development Bank and the microfinance will handle this issue. They will not give loans to traders who go to buy *taka taka* from outside. They will only give money to manufacturing and commercial agriculture. These institutions should be able to give loans to manufacturers, processors and those doing commercial agriculture at an interest rate of 12 per cent, or thereabout, per annum.

One of the stimuli for fast economic growth is the low cost of doing business in the economy. With the refinancing of Bujagali and a better deal to manage the transmission of electricity, we shall achieve the low cost of electricity per unit added to the low cost of money mentioned above. If we would like this economy to grow, we must ensure that the manufacturers have cheaper electricity, low transport costs and loans. That is why the loans –*(Interjection)*– I am talking about the microfinance.

Although we have done so much on the roads - by the end of this financial year, we shall have a total length of 6,027 kilometres of tarmacked road - the roads are only good for passengers. They travel comfortably and fast - sometimes too fast for their own safety as we have seen with the very many fatal accidents recently.

People wonder why I never allow my vehicles to speed. If you see them speeding, then you know I am not there. *(Laughter)* It is because I regard myself as a useful item and I do not see why I would want to squander my life by over-speeding. Why do you drive beyond 100 kilometres per hour? Maybe we should put speed governors in these vehicles, especially the public ones. *(Applause)*

Driving at 100 kilometres per hour is equivalent to 60 miles per hour; where are you going? You know I am a miles man, so when you put it in kilometres, I cannot get the distance well. I know that Gulu is 220 miles from Kampala. So, if you are travelling at 60 miles per hour, it means you will be here in three hours and a half. What is the problem? Why should you drive so fast? It is as if Africans are tired of life. Everything that comes kills them. Food kills them because they eat too much; they do not calculate. Alcohol kills them. Women kill them. Men kill them. *(Laughter)* Africans will die from everything good and bad. Even money kills them.

You really need to be serious. Why are you over-speeding? If you are 30 minutes late, what will happen? If you see my convoy is over-speeding, either I am not there or I am late for a head of state who is arriving at Entebbe Airport. *(Laughter)*

Nevertheless, the cost for road transport will remain high as compared to rail and water transport. God gave us the possibility of water transport with so many lakes - Nalubaale, Mwitanzigye, Masyooro, Butuumbi-Rutshuru, Kyoga, and Kiira which is the River Nile. These are the indigenous names for lakes Victoria, Albert, George and Edward. This potential is always there and as we get investors, the potential will turn into capacity.

That leaves the issue of the railway. We are going to build the Standard Gauge Railway (SGR). I am really very careful with this project because of *cam cam*. I turn round and round, but we shall build the railway. I have got many offers but I am always turning them around - “Why is this one like this?” I am actually delaying some of my people and they are not happy with me. Some of them are saying, “When will this old man die?” *(Laughter)* However, God is there. We are only continuing to refine the issues of cost and quality with the partners we are talking with. Once we have cheaper electricity, which we are soon going to have because we have renegotiated Bujagali as it had been overpriced, we are talking about the low cost of money and what is remaining now is the low cost of transport. The answer for that is the railway.

Before I leave the subject of the economy, I cannot forget to talk about the commercialisation of agriculture, especially for the 68 per cent homesteads that are still into subsistence and are a big source of our poverty; 68 per cent are not active in the economy and they are just bystanders. This has been one of the battles. I am told that you politicians want to succeed individually. Even if you do not care about Uganda, at least you care about yourselves. If you want to succeed, listen to what I am telling you.

This has been one of the battles I have been fighting since 1966. When I finished A’ level in 1966, I had a quarrel with our local elite in Ankole. They did not care about the ordinary people and only cared about themselves and their families and I did not like it. Therefore, when I finished A’ Level at the end of 1966, I went to the population. I have written about it and have been talking about this for 52 years.

I do not accept to live with neighbours that are stuck in poverty. You may think that you are politicians and you are clever, or anybody else, but be careful because *Lubanga* will ask you - God will ask you - “You are educated, why did you live with those poor neighbours when you were alright?” I want my slot in heaven; I do not want them to shut me out. I patiently educate them until they are able to join the gospel of wealth creation through production.

As I said, I started the battle in the cattle corridor at the end of 1966. With my late colleague, Mwesigwa Black, we sensitised the nomadic Banyankole as to the need to become sedentary and later, join the dairy industry. This effort, by 1995 - in spite of the 20 years’ interruption on account of the political chaos in the country - had succeeded beyond our wildest imagination. In Kiruhura District alone, there are 6,000 dairy farmers, producing 800,000 litres of milk per day today. The total production of milk in Uganda went from 200 million litres to 2.5 billion litres per annum, thereby liberating Uganda from depending on imported powdered milk to actually, becoming an exporter of milk and milk products to the tune of US$ 130 million per annum now. *(Applause)*

This was done to educate illiterate people to know that they can do commercial farming. The milk which was imported for you from Denmark in powder form is now being produced here by people who only had church education. You know when they go to church, they learn how to read the Bible and that it the only education they have.

Recently, on account of the laxity by the veterinary staff and also the carelessness of the farmers themselves, we have had the problem of tick resistance to acaricides. We shall, however, use science to defeat this problem. Our scientists are working on it.

Having confirmed that villagers can be enlightened into becoming commercial farmers in the dairy sector, during the whole of 1995 I travelled throughout the country and preached the gospel of wealth creation. Those who are old enough remember when I went around talking. Unfortunately, many leaders are never bothered with the substance of leadership. They spend a lot of time on Public Relations (PR) and no time on substance.

The public relations include attending church, even if you have no role there - *(Laughter)* Sometimes they ask me, “Why did you come late?” I am not the preacher, why should I come too early? I am just coming to say hullo to the people *–(Interjection)–* Yes, but PR with substance. I am not preaching. Others include church services, weddings even if you have no role there, burials; those are all PR. You may think that you are doing politics and reaching the people but in the end, people will be tired of these because they want solutions to their problems.

In the end, however, real mobilisation is helping the people to solve the problem of wealth creation, jobs, health and education for their children by directing them to wealth creation so that they can support the education of their children themselves - not you to educate the entire constituency; how will you manage? You will get into debts for nothing.

Having shared my pilot project with the rest of the country, I was hopeful that my colleagues would take advantage of my experience. Some did. Recently, I invited the Inter-religious Council to visit some areas that have woken up. Ibanda is one of them, and here I would like to salute hon. Byabagambi, the minister, because he listened to our message and pushed coffee in Ibanda. There is Kiruhura because of dairy; Kalungu and Masaka, where hon. Ssempijja has done a very good job with the coffee *(Applause).* They were able to see for themselves that poverty in the rural areas can be defeated. The Ibanda, Kalungu and Masaka areas had relied on coffee to defeat poverty. Kiruhura had relied on dairy products.

There are other areas like Bundibugyo that are, unfortunately, being disturbed by the artificial issue of identity - Bakonjo versus Baamba–Babwisi - provoked by local leaders. This is conflict between the people. Otherwise, through cocoa, palm oil, coffee, vanilla and upland rice, that area of Bundibugyo was becoming very prosperous. When I went there, even when there were some troubles, you could find solar power on all the houses in Bundibugyo.

If you go to Kiruhura today, you will not find anybody with *tadooba* or hurricane lamps; they all have solar power. This is in Uganda here - Post Office Box, Private Bag, Mbarara. If you care, you can go and see them, if you have the time. In my speech, I forgot to mention that the people in Kalangala have also moved away from the *tadooba*. When I went there, my people told me, *“Abatunda omuzigo gwe taala baasenguka”,* meaning that the sellers of paraffin had migrated because they had no business there anymore. People in Kalangala are now using solar power because of the palm oil project which we introduced there. *(Applause)*

In Kiruhura, you cannot find anybody with a kerosene lamp or a grass-thatched house. Sorry, they are not there unless you go to the museum and look for them. *(Laughter)* It is the same in Ibanda District.

As I was waiting for my colleagues to absorb the message of transformation, since I am always allergic to poverty among my neighbours, I launched directly managed programmes in the Kisozi area and Kawumu in Luweero. The President’s Office is also running a number of model parishes.

In Kisozi, I have 1,700 homesteads in nine villages. As I speak, 1,400 of them have joined the effort of commercial farming through coffee, bananas, beans, maize and zero-grazing of cattle. You can see them on the screen. They are here in Uganda and not - *(Laughter)* However, I have noticed that the coffee yield and returns per acre is still low in that village group of mine. But even the low coffee yield is progress for them because they were doing nothing.

Whenever I would find them at the trading centre, I would stand in my car and say, *“muli mutya”* and they would respond, *“tuli awo”* – meaning we are there. *(Laughter)* I would further ask, *“mukola ki?”* meaning what do you do, and they would respond, *“tuli awo”* meaning we are there. I would ask, *“Essente muzijjawa?”* and they would respond, *“Atte naffe tuzilaba”. (Laughter)* I would ask them where they get the money from and they would respond, “Do we ever see the money!” The whole population was just there, fatalistic.

Now what is the solution? You go and pray the whole night; you shout out loud as if God is deaf and cannot hear. *(Laughter)* Somehow, they hope that they will get miracle wealth. Some of the priests bring some oil and claim that it will make them rich. Really, really, Africa! *(Laughter)* Uganda the land of – It is a long story and because Parliament is a formal session, we cannot talk as thoroughly but we shall have to hold another quiet session and talk again.

Although my people are still getting – is Nakyobe here? Nakyobe is always busy working. She told me that her people, who since Jesus left here, this was the first time they are earning money otherwise they were there – “*tuli awo”.* Now they are harvesting six bags of coffee per acre per annum. I asked them why the six bags. It is because, according to hon. Ssempijja in the Masaka area, the yield per acre per annum is 2,700 kilogrammes which is 2.7 tonnes about 27 bags or more. However, my people, who are waking up for the first time in 2,000 years, are getting six bags per acre and I am clapping, “*Oooh, Katonda yebazibwe”,* at least they have got something.

These North Koreans who are quarrelling with some other people, you remember *–(Laughter)–* they had their old leader, Marshal Kim II-Sung, who believed in his country standing on its own. He told them to make a tractor instead of buying them from Russia. When they tried to move the one they had made, it moved backwards. *(Laughter)* They were very frightened to inform Marshal Kim II-Sung that the tractor moved backwards. Kim II-Sung was very happy and he clapped. He said that at least the tractor had moved backward and now they should make it move forward. *(Laughter)* So, my people of six bags are better than nothing and I am very happy with them. *(Applause)*

In Masaka, for an acre, you can get 2,700 kilogrammes and you end up with Shs 18.9 million per annum. In the Kawumu area in Luweero where I have my farm – Where is that farm? “*Mujitekeko”.* That is Parliament on the screen and not the farm. *(Laughter)* So can you see my bananas? *(Applause)* The Kawumu area in Mawale Parish has 1,188 homesteads. Please, young friends of mine, use the parish to plan because it is already arranged for you by the Government.

How many homesteads are in a parish? Do not treat people like cows, but I even know the names of my cows. You just go and say, *“Oyeee, oyeee mbewo, mbewo”*, thinking that you are mobilising; what value have you added? The easiest contact point you need to go by is the parish, I advise you. I keep asking my groups how many homes are in Mawale Parish. They do not know because nobody bothers. Eventually, I am squeezing them until they give me the data. My Mawale Parish in Luweero District has got 1,188 homesteads.

Operation Wealth Creation has handled 341 homesteads and those are on my farm - a Government farm but not personal. I started it for State House to show those sleeping people there. *(Applause)* Out of the 1,188, Operation Wealth Creation has already handled 341 homesteads and State House has handled 292 homesteads. Assuming that they did not give to the same people, those are almost 600 homesteads out of the 1,118. That is how you can monitor what is happening in your area. How many homesteads have come up in this parish and how many are remaining instead of just going around singing. *(Laughter)*

I feel embarrassed when I attend those rallies and people are saying, “*mbewo mbewo”.* You are not there to talk about yourselves but to help those people. By doing so, they will feel grateful to you and you will get political support, which is a consequence but not a pre-condition. The leaders should be informed that this is the correct way of seeking durable popularity but not confining yourselves to public relations and spontaneity. Many of the political leaders depend on spontaneity; there is no organic link with the people but people like you because of some old reason and you think that will continue. The latter in the end will evaporate. The leaders and the Chief Administrative Officers (CAOs) must plan per parish to, in phases, eventually involve all the homesteads.

One of the problems I have been informing the leaders about, including the community leaders, is the issue of land fragmentation through undisciplined inheritance practices. This will cause a big problem to the country if we do not copy what the Europeans did in order to guard against this phenomenon.

The Africans like travelling; if you went to the United Nations, you would think that a half of the world is African because the whole room is full of blacks. You would see only one Chinese with 50 blacks around him. Africans travel a lot but why they do not learn from wherever they go is what I do not understand.

Recently, I asked a German how they handle land inheritance in Germany. There, only one child inherits land while others are compensated because the Germans realised long time ago that if you go on dividing land, it will disappear. If every time someone died you divided, the land would disappear.

In the UK, which you like so much, the first son is the one who inherits the land; the second one becomes a reverend –*(Laughter)–* while the third joins the army. The UK is about the same area as Uganda in land area and for a long time, they have been having a bigger population than us. Up to now, we are only 40 million people while UK has been having 65 million people for a long time. How do you solve the problem of land? This is done by solving the issue of inheritance.

I am not saying that we should copy the British and the Germans but maybe we should look at the issue of *emigabo* (shares)rather than the physical division of land. These children can buy shares rather than physically dividing the land or the property. I have been talking about this for the last 20 years. From the area I come, people have started listening to me and that is why when you drive through, the land is still big and not fragmented. However, in other areas, nobody cares; they are busy with other issues and do not know how important those things are.

A nation without a vision perishes. Fortunately, I write what I am telling you, so if you do not listen to it, your grandchildren will be cursing by your grave because the situation is not static; it is moving. For instance, the Government settled our people from Kigezi because Kabale became very squeezed in the colonial times. The colonial Government and even myself shifted some people, gave them free land in the wilderness. However, because they brought the same old habits from where they came, where they migrated has now become fragmented. What will happen next time? This cannot go on. We have got all types of leaders - political, religious, cultural, witchdoctors –*(Laughter)–* We are rich in everything except solutions.

Therefore, the issue of shares for inheritance is better than the physical fragmentation of land and property. Fortunately, you do not have to be despondent. I came across something very useful; I think God really loves Africa. That is how we survived slave trade in spite of our useless traditional leaders who could not organise us to fight. We were able to survive because we do not die easily. It also seems like we are also going to survive this time.

Fortunately, science is developing so fast that we may, in future, not need soil to produce crops. This is a new chance for us. In fact, somebody told me that soil was an inconvenience because it harbours crop diseases and that what is crucial is water, which we should do everything possible to protect. They called this hydroponics agriculture ─ that is where you grow crops without soil but with fresh water. I said no, we do not want soil because soil has disease in it; we just need water. (*Interjection*)– No, not GMOs; what is crucial now as science evolves is fresh water more than the soil and they look at it as a problem but it is not necessary.

The political leaders, the cultural leaders, the religious leaders need to know that there are strategic issues we need to grasp clearly for the survival and prosperity of our people. Riding on an uninformed population is criminal because you will be responsible. Since God is there, He will handle you if you are not locally handled.

As our industrialisation progresses, our scientists are also making their own contribution. That is why we put in place the Innovation Fund. Quite a number of our scientists have patents for their industrial formulae. These include: Dr Muranga, (*Interjection*)– I do not know why you do not like that lady - *(Laughter)–* *nze mwenda ino - y*ou have been disturbing her in Parliament.

Dr Kyamuhangire, Musasizi, the late Dr Isharaza, Dr Mukwaya, Dr Kaahwa, etc. One of the products being developed is the Kiira electric car –(*Interjections*)– Many years? It is because we have not funded it because we have been funding other things. *Ebyo mubireke, byaffe bya munda. Iyo mambo wacha, ni mambo yetu yandani.*

Our industrial sector, therefore, will not only depend on processing agricultural and minerals products - my strategy, which I would like you to support, is that we should process all these agricultural products ourselves but also process the minerals.

For instance, some of our investors established a gold refinery at Entebbe and gold is being refined at Entebbe now. Our children and grandchildren can now do jewellery because the gold is totally refined here. The other gold you were selling by smuggling, you cannot make jewellery out of it because it is not refined enough.

One of our scientists, Dr Philippa Ngaju Makobore, has developed an Electronically Controlled Gravity Feed Infusion Set (ECGF), a medical device designed to accurately administer intravenous (IV) fluids and drugs by controlling the rate of fluid flow based on feedback from a drop sensor. I congratulate all of them. (*Applause*)

In order to invigorate our services sector, the Government will revive the Uganda Airlines. We have already booked slots for the manufacture of medium and long distance planes. These will be able to handle the regional and international routes. Ugandans have an itch in their feet; they like to travel to Dubai, to China, etcetera. Besides, we have a large diaspora that run away during the bad times; they are too comfortable where they are and never bother to come back, permanently. Nevertheless, they regularly travel back to see their families.

Besides, we have the tourists and the investment and business delegations. All these need a convenient mode of travel from London, Dubai or from a point in China. This is not to talk of regional destinations - Nairobi, Dar es Salaam, Kigali, Bujumbura, Arusha, Juba, Khartoum, Kinshasa, Addis-Ababa, Cairo, Johannesburg, etc.

Every year, Ugandans spend $430 million i.e. Shs 1.6 trillion on air travel - can you imagine! All the money we earn from coffee, you send back in air tickets for travelling. Therefore, the next time you are flying, know that you are eating a bag of coffee.

This is quite a haemorrhage that must stop, just as we are going to stop the haemorrhage occasioned by the phenomenon of medical tourism; going to India for medical treatment. This takes about $77 million per year.

I hear so many people talk about the attainment of the middle-income status by Uganda. The main problem here is actually the problem of Uganda importing too much and exporting little. The GDP per capita today is US$776. To become a middle-income country, you need at least, US $1,006 per capita. This money is calculated in dollars.

Too much importing and too little exporting undermines the progress to a middle-income status because it is calculated in dollars. If the shilling goes down, even if the production is increasing but you are not exporting, it affects this calculation.

Therefore, Ugandans, please buy Ugandan, travel Ugandan; health-wise, be treated in Uganda once the health services have been completed. The Government will facilitate its part as outlined in this speech. For the medical care, we have attracted investors to build super specialized hospitals, one in Lubowa and another somewhere so that they can handle all the brains and the kidneys and the heart. Mulago is also trying to go into super specialisation; that is why we are removing *ekiddukano*(diarrhoea) from Mulago Referral Hospital. For that one, we are saying you go to Kawempe and to -

All I have said above is about the economy that is being developed to create wealth and jobs for the Ugandans as well as widening the tax base for the State of Uganda. At the same time, this bigger economy provides more goods and services for Uganda’s domestic consumption and exports.

Your NRM, always looking ahead, has already negotiated and arranged with our brother and sister Africans to ensure the market integration of Africa EAC, COMESA, CFTA so as to provide capacity for the absorption of the greater supply of goods and services produced by the Ugandans awakened to realise their potential, as we also buy from our brothers and sisters in Africa, as we all take advantage of the huge collective market of Africa.

This market integration is very crucial. Our production of maize is now at five million bags but Ugandans do not eat so much maize. We only eat one million bags of maize. If we did not have the East African Community, the maize price would have collapsed. I think the maize price has been going up. Is it stagnant now? If we did not have our brothers to buy this maize, it would then be worse.

I told you about the milk; we are now producing 2.5 billion litres of milk. However, we drink only 800 million litres. There is already a surplus of 1.7 billion litres. If it was not for East Africa, this thing would have collapsed.

Therefore, when you go to the East African Legislative Assembly in Arusha, do not just go there to earn allowances. Know that you are there for the future of your people. We need this market of East Africa. Otherwise, your people will not survive. You find people talking about tribes and religion among other things. Those are enemies of our people – *(Applause)*

Banyankole did not educate me; I did not benefit anything from those Banyankole other than *agandi – (Laughter).* The people who were buying my father’s cows so that he was able to pay my school fees were actually Baganda. The traders, who would come, buy our cows and give my father money and he educated me. The Banyankole are on *agandi*, *oriregye*, *buhooro*–*(Laughter)*

Besides the huge continental market we are creating with our African brothers, the NRM always never missing in action when it comes to African issues. We have also negotiated for third party market access to the United States of America, European Union, the Chinese, Japanese and the Indian markets, in varying degrees. Hence, ladies and gentlemen, the NRM has addressed or is addressing all the factors that are necessary to open the gates to the Ugandans engaged in wealth and jobs creation. Let everybody, then, play his or her own part. You may say this man is in all this *Lugambo.* What is he trying to say? I am showing you that any obstacle that could have blocked you, we are addressing it.

On the side of stability, Uganda had a lot of challenges even after the NRM took power. Eventually, by 2007, the Uganda Peoples Defence Forces totally defeated Kony, the Allied Democratic Forces, the other rebel groups and disarmed the Karimojong. Therefore, rural-based terrorism and banditry was totally defeated.

We built military and intelligence capacity to ensure that Uganda will never be threatened by terrorists operating from the rural areas. The terrorists of ADF are still in Congo, preserved there by the United Nations and the Congo Government. If, however, they were to re-enter Uganda, they would be promptly and decisively defeated. If they came here, they would not go back in standing position.

Some of the terrorists of ADF as well as other criminal elements, seeing that they could not survive in the rural areas, infiltrated the towns, where we had not fully focused in terms of developing intelligence capacity. As a consequence, we had seven Sheiks assassinated as well as Major Kiggundu, Joan Kagezi, AIGP Kaweesi and Susan Magara, of recent.

These killings seem to have been linked with ADF. Other killings, like the women killed in the Entebbe-Wakiso areas as well as the killings in the Masaka area on New Year’s Eve were by local criminals using pangas. With this new challenge, we put in place mechanisms to build the intelligence gathering capacity in the towns and on the highways. We are about to round-off, the building of that capacity.

Therefore, what I am telling you is that we had mainly concentrated on the rural areas to fight the terrorists because the fighting there is different. There is what you call *ekisinde* - the path where the enemy has passed. We perfected that by using both physical and technical means; that is why the terrorists could not survive in the rural areas.

However, in towns, you need different capacity. People are many, buildings are many, very many cars and we do not want to have roadblocks in the town. No, I will never use that method of roadblocks and stopping people. We shall never use that one. Our people tried to suggest it and I said no. If you have roadblocks, you are going to inconvenience people who have nothing to do with the - you must look for the jigger. When a jigger enters a foot of somebody, the whole foot itches and you may think that the whole foot is infested but you must go slowly until you get the jigger without disturbing the surrounding tissue.

Urban terrorism and crime will be defeated just as we defeated the rural terrorists. In the meantime, most of the killers of the women in the Entebbe-Wakiso areas as well as the killings in the Masaka area have been arrested. Actually, most of those people have been arrested. One of the killers, Kiddawalime, was killed by the *wanaichi* and our police force. In particular, I would like to commend Cadet ASP Steven Twinomugisha, a police officer that wrestled down the criminal and disabled him. With immediate effect, I promote him to the next rank. *(Applause)*

I also salute our granddaughter, Nakyambadde, who, using the mobile telephone, summoned for help when the obnoxious Kiddawalime was about to rob her and rape her. This girl was very smart. When Kiddawalime tried to break through the window, she telephoned people. She then threw the phone out of the window. When this criminal entered, he did not know that the girl had already alerted people. It is very easy with these fellows of ours. So he tried to rob her, as he was mistreating the girl, stripping her, shouting at her, “*Olowooza ndi mwanyoko?” -* “Why shouldn’t I rape you, am I your brother?”

However, because she had already done her work, people were already mobilising. Some of these criminals are just simple village thugs but because there is no mobilisation, they become a big problem. I will decorate these children when we go outside there. The Speaker has allowed me to decorate them. With the permission of the Rt Hon. Speaker, I will decorate them with a Jubilee medal later at the reception.

On the kidnappers and killers of Susan Magara, two were killed at Usafi Mosque as they tried to fight the Police and eight were arrested. Regarding the killing of Joan Kagezi, the moslem sheikhs, AIGP Kaweesi and Major Kiggundu, 90 persons have been arrested and are now facing trial and those at large are still being hunted.

The ADF criminals in Congo will answer for the killings of our people even when they are hiding in Congo. Their only safety is for them to voluntarily surrender and seek for amnesty. Those killers in Congo think they are safe in Congo and the UN and the Congo Government are keeping them there but we shall get a solution for them.

I salute our brothers, the Tanzanians, for arresting and handing over to us Jamil Mukulu. *(Applause)* He is now facing the courts of law.

The other issue that needs attention is the environment especially the restoration of the wetlands, preserving the national forests, planting the new commercial forests, not cultivating along the river banks, stopping cultivation within the 200 metres of the lakeshore and stopping soil erosion by using contours when cultivating in the mountain areas or on the hillsides.

Actually when you go to Kigezi now, there is so much forest cover. People have planted a lot of commercial forests on the hills. There is a lot of forest cover now and the only thing we need is to have a holistic plan. Cultivation or building in the wetlands should stop.

We can economically use the wetlands better when we preserve them and only use the edges for fish ponds. The four fish-ponds, in half an acre of the Presidential farm at Kawumu in Luwero, bring in Shs 64 million per year, according to Madam Nakyobe. Those fish ponds, if put at the edge of the swamp, will bring in more money than rice and other things. Those four fish ponds earn Shs 64 million in a year, which is much more than you would earn from whatever else you were doing, including coffee, on an acre.

This is the right way to use the wetlands so that the centre of the swamp regenerates, preserves water for us because we need it for irrigating the farms. We are talking of irrigation; where shall we get the water to irrigate if the wetlands have been dried? Besides, the swamp grass known as *ebigugu* apparently the scientific name is *Cyperus latifolius* is very good for mulching the gardens and banana plantations.

People cannot mulch now because they have nowhere to get grass. When I created a model parish in Bushenyi - when I went there, they said they needed a pickup truck. I asked what it is for and they said they needed to fetch grass from 30 miles away. Somebody had a contract – a tender – you know tenders are now fashionable; tender for cow dung –*(Laughter).* Somebody wins a tender to supply cow dung. Why don’t you have your own cows to give you your own cow dung?

Then there was a tender for grass and a pickup to bring the grass from 30 miles away but you dried the local swamp here. Why don’t you resurrect this one? Indiscipline and populism by you, members of Parliament, because you do not tell the people the truth. The people are in the wrong and you don’t tell them because you want them to support you. When you find drunkards, you join them claiming that you are with the people. You find somebody sitting with the drunkards, sharing a *malwa* straw with them. This is incredible.

There was a Shakespearean play called King Henry VIII, in which there was a prince who was pretending to be a drunkard because he did not want his rival to know that he was a serious contender. He wanted them to dismiss him that he is a drunkard. He would pretend to be with the drunkards but they said he was “with them” but not “of them”. So, what are you? Are you “with them” or “of them”? *– (Interjection) - y*ou are just with them; that is a bit better. *(Laughter)*

We can now use the edges (*emiiga)* of the swamps for fish farming, get much more money and preserve our wetlands with all our other benefits. Moreover, the swamp vegetation also filters the water so that by the time it goes into Lake Victoria and other rivers, it is free of silt. This preserves the lakes and the rivers from silting and also preserves the quality of the water. When it comes to purifying water for consumption, it costs us less. Apparently, the cost of cleaning the water in Laker Victoria is going up because the water comes with a lot of soil and so on.

There is no part of Uganda where there is no branch of the Government. There is a government at the district (elected and appointed), there is a government at the sub county and there is a government at the parish – the *Muluka* (Parish) chief. There is no good reason, therefore, why the President and the Central Government should be harassed for this whole hierarchy of the structures not doing their jobs. *(Applause)*

Recently, when I was in Atiak, where I was invited by my beautiful daughter from Atiak, they were talking about cutting forests in that area. I asked, “Is there a government here? They said, “Yes, the Government is there.” I told them the next time I come and find the trees cut, I will arrest the Chief Administrative Officer (CAO) because he is the head of the district. Even the Resident District Commissioner (RDC) is useless. Why should things happen when he is there? The *Gombolola* chief and *Muluka* chief are people who should be answerable.

Therefore, I am going to write a directive in the form of a circular letter to this galaxy of officials – *(Laughter)* – to ensure that all the services in their area are delivered properly. They should ensure that there are no ghosts in the local government secondary and primary schools; that teachers teach; that there are drugs in the health centres; that the farmers follow the required agricultural practices; that the wetlands are not invaded and the lake shores are not cultivated etc.

The chief administrative officer in the district is the permanent secretary of the Government in the district. All his workers – the *Gombolola* chiefs and the *Muluka* chiefs – should not allow anything to go wrong in the areas of their responsibility. I will create an inspection unit in my office ─ State House. If they go to an area and there is anything wrong, that official and the CAO will be held responsible.

I cannot fail to talk about the mercenaries of the public officials and corruption of some of them. Mercenarism interferes with the patriotic attitude of the freedom fighters. People expect money for every little task. We could not have liberated this country if we did not have a high degree of altruism. This attitude of altruism must come back.

As for the corrupt officials, I would like to inform the public that their only element of security is the acquiescence of the public by not reporting these criminals. Otherwise, there is no criminal we cannot handle. Report any corruption you come across to this unit. It will comprise of Mr James Tweheyo, Ms Martha Asiimwe and Sister Akiror. They will give out their telephone numbers to the public so that they can ring them.

What happened to the IGG? Why don’t the victims of corruption report those incidents to the office of the IGG? That was the purpose of that office; that if anything goes wrong, you report. Now, I must create another monitoring unit. What happened to the other one? Why should we keep it if it is not working? The purpose of that office was to protect the public from corrupt officials and to protect the investors against corrupt officials. The IGG should reflect on this. Are her staff credible? Why doesn’t the public trust that institution? We need answers. *(Applause)*

In order to help the *Muluka* chief monitor economic production activities and service delivery in his area, the Government should give each one of them a bicycle. *(Laughter)* The *Muluka* chief should not tell me about a motorcycle. The bicycle is better. It is quiet *–(Laughter)–* and healthy for the chief to peddle around and inspect.

The *Gombolola* chiefs may need motorcycles because their areas are a bit bigger and of course when a *pikipiki* comes, people hear and organise themselves. The motorcycles of the *Gombolola* chiefs should be replaced. The ones that were given out in the Financial Year 2007/2008 are too old by now.

In the area of sports, Uganda is beginning to come up, again –*(Applause).* The best sports performance by Ugandans was that of Akii Bua in the 400 metres hurdles of 1972 in the Munich Olympics.

Since the 1950s, I had been following the sports events – that was before you people were born – and the achievements of our people. There was a man called Etolu in high jump in Vancouver in 1954, Tom Kawere in boxing in Cardiff in 1959, Grace Seruwagi in boxing in 1960, etc. I have not been following the recent cases very well - Unless they are very - I was just using my memory, which is a bit -

Therefore, the recent star performances of young sportsmen like Kiprotich who won gold in the London Olympics of 2012, Kipsiro who won gold in 2014 in Glasgow, Cheptegei in the recent Commonwealth Games and others revived and reinforce the good performance of the forerunners of sports in modern Uganda. This is despite the fact that we have not yet put systematic efforts into sports beyond the peace brought to the country, the immunisation of the young people, Universal Primary Education (UPE) and Universal Secondary Education (USE) as well as the absorption of youth with talent into the disciplined forces of Uganda Prisons and Police, Uganda People Defence Forces (UPDF).

We have not really done much for sports. However, I saw someone write that Government has not invested in sports. Yes, we have not invested directly but these Kapchorwa children who are running now, the likes of Cheptegei and others, if cattle rustling was still going on, I do not know where they would be. Therefore, peace in itself is – Even if we do not do other things -

Regarding immunisation, our children do not have polio and the Ministry of Health should sensitise our people more on nutrition in early childhood. When funds are available, more systematic annual schools and district competitions will be organised to be able to identify talent early enough. The potential in Uganda is huge.

In the budget, the Minister of Finance, Planning and Economic Development will give more details about plans for the economy. I wish to end this address by thanking Parliament for handling the following legislation during the last Session:

1. The Bio-fuels Bill, 2017

2. The Constitution (Amendment) (No. 2) Bill, 2017

3. The Supplementary Appropriation Bill, 2017

4. The Supplementary Appropriation (No. 2) Bill, 2018

5. The Appropriation Bill, 2018

6. The Stamp Duty (Amendment) Bill, 2018

7. The Excise Duty (Amendment) Bill, 2018

8. The Income Tax (Amendment) Bill, 2018

9. The Value Added Tax (Amendment) Bill, 2018

10. The Tax Procedures Code (Amendment) Bill, 2018

11. The Tax Appeals Tribunal (Amendment) Bill, 2018

12. The Traffic and Road Safety (Amendment) Bill, 2018

13. The Lotteries and Gaming (Amendment) Bill, 2018.

In the coming Session, the Government will present the following Bills:

1. The Uganda Institute for Diplomacy and International Affairs Bill
2. Foreign Service Bill
3. Public Service Pension Fund Bill
4. Human Resource Management Professionals Bill
5. Income Tax (Amendment) Bill, 2019 and many more, which are all listed here.

You will die if I try to read all of them; there are 41 in number. You will see them in the speech when it is circulated.

In conclusion, I would like to remind listeners that Uganda is unstoppable given what we have done in the fields of: army building, building the other security forces, education, health, ICT backbone, roads, electricity, agricultural research for improved seeds, disease control and improved agro-practices.

What we are planning to do is to deal with the cost of money for borrowing; and the work already done on the issue of continental market integration and access to third party markets. These have already been done or are being done. There is no way Uganda will stagnate, given all this.

What remains to be done is to build the Standard Gauge Railway (SGR) with branches to Kasese, Kakitumba and South Sudan. I did not talk about oil and gas because all the work is already done; it is just implementation that is remaining. The oil revenues will obviously help us to fund our infrastructure and innovation programmes. The only enemy we should fight is corruption and poor implementation of Government programmes. It is a kind of insubordination - When Government says do this, someone does something different and sometimes, nothing is done. That must stop.

You must have heard of the action I took against immigration officers. The next target is going to be Chief Administrative Officers (CAOS) and *Gombolola* chiefs – Regarding Resident District Commissioners (RDCS), *musindika asitamye,* meaning you are pushing someone who is already squatting. That Luganda proverb means that when you push someone who is already squatting, he falls. The future is bright; let us tighten discipline.

Madam Speaker, it is my pleasure to declare the Third Session of the Tenth Parliament open. *(Applause)* I thank you very much and hope that the coming Session will be fruitful. Thank you very much. *(Applause)*

The other friends are always suffering from *nyeko - apwoyo*. Some of them stood up - *apwoyo Rubanga*. Very good. I thought they were all suffering from *nyeko*.

**THE SPEAKER:** Your Excellency, I would like to thank you for fulfilling your constitutional obligation. As is our custom, this statement will be debated in the House. We expect the Leader of the Opposition to make a formal response to this State of the Nation Address and both of them will be debated.

Your Excellency and distinguished guests, before we come to the end of these proceedings, I would like to invite you for the statutory reception at Serena Hotel, which has been organised to mark the opening of the Third Session of the Tenth Parliament.

I would also like to invite you, Your Excellency and our guests, to proceed to the steps so that we can take our usual group photograph to commemorate this important occasion.

I now adjourn the House to Thursday, 14 June 2018 when we shall convene here at Serena International Conference Centre at 1400 hours to receive the Budget Speech.

*East African Community Anthem*

*National Anthem*

*(The House rose at 5.32 p.m. and adjourned until Thursday, 14 June 2018 at 2.00 p.m.)*