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**Thursday, 15 November 2018**

*Parliament met at 2.48 p.m. in Parliament House, Kampala.*

PRAYERS

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

*The House was called to order.*

COMMUNICATION FROM THE CHAIR

**THE SPEAKER:** Honourable members, I welcome you to this afternoon sitting. Before I make my communication, we have a delegation in the distinguished guests’ gallery led by the Auditor-General, Mr John Muwanga, the World Bank and Government Accountability Participation Programme. They are here to observe the proceedings of the House. You are welcome.

We have Mr John Muwanga the leader of delegation, Keto Kayemba Assistant Auditor-General, Mr John Muyimbwa Director Local Government, Samuel Musana Senior Principal Auditor, the liaison of Parliament, Justus Senkumba, Principal Auditor Value for Money, Anner Najjumba Senior Auditor and the World Bank representative Engineer Stephen Ajala. We also have Government Accountability Participation Programme, Esther Banyenzaki Kalanzi. You are welcome.

There are a number of school children but I do not yet have the names of their schools. I will let you know who they are when I get the details. Honourable members, yesterday, I informed you about the proposed meeting between Kampala Capital City Authority (KCCA) and Members of Parliament. So, I remind you that on Tuesday, 20 November 2018 at 9.00.a.m, it will be held here at the Conference Hall; you are invited to go and receive information, feedback and input with KCCA.

We also have pupils and teachers of Light College Senior School, Mukono. Where are they? - They are not here. Okay, we have pupils and teachers of Grand Mother’s Arms Nursery and Primary School in Kasese; all the way from the highlands. You are welcome. They are represented by hon. Centenary Franco and hon. Winfred Kiiza.

We also have pupils and teachers of Kampala Quality Primary School. They are on that side and again very smart. They are represented by hon. Abdulatif Sebaggala and hon. Nabilah Naggayi. They have come to observe the proceedings.

We have pupils from Berkeley High School. Where are they? They are not yet here. Okay, are they coming? Oh, that is another group. Okay, when I am notified, I will announce them. They are represented by hon. Andrew Kaluya and hon. Brenda Asinde. They are all welcome.

Honourable members, today, I am a very happy person. For some time now, we have been asking Government to give us a focal person on the Sustainable Development Goal (SDGs). You remember with the Millennium Development Goals (MDGs); they ended without any report in this House. However, I am delighted to announce the appointment of hon. Mary Karooro Okurut as the minister responsible for the SDGs.

As you are aware, I have been harassing you to give an evaluation of the SDGs in your reports but now, we have a focal person. We hope that you will develop an action plan and that our work will move better. Let me invite hon. Mary Karooro to just say a few words. We are really happy for you and for the country.

2.54

**THE MINISTER, OFFICE OF THE PRIME MINISTER (GENERAL DUTIES) (Ms Mary Karooro):** Thank you, Madam Speaker. First, I would like to salute your zeal, charisma and stamina and your single mindedness of purpose and the work you have already been putting in to fast-track the implementation of SDGs. Your work ethic is imprinted in our annals of history. I can to assure you that it will pass the test of time. Thank you, Madam Speaker.

Having said that, SDGs are just a universal call that by 2030, we should see an end to poverty, we should have a better planet, our environment should be clean and all those in a nutshell and Uganda signed it.

As Parliament and Government, one of the ways we shall fast-track the implementation of SDGs is to make sure that each ministry in its policy statement includes its compliance levels and the implementation of the SDGs; that is in the policy statement and that will be a must.

Now that we have started the new budget cycle, we expect all the policy statements to give us the track and how far we have gone in the implementation of the SDGs; the compliance levels and implementation.

We shall put this information together in a coordinated manner and we shall be able to roll out reports. I know, with your support and all these Members, we shall have a report to be proud of as a country. Remember, the target is 2030 but unless we started like yesterday, we shall not achieve our aim. Thank you, Madam Speaker.

**THE SPEAKER:** Honourable minister, all I can say is that you can count on our support. We look forward to interacting with you on the same.

PRESENTATION OF PAPERS

MOTION FOR A RESOLUTION OF PARLIAMENT TO AUTHORIZE GOVERNMENT TO BORROW UPTO EUROS 219,482,721 FROM THE UK EXPORT FINANCE (UKEF) AND EUROS 30,384,976 FROM STANDARD CHARTERED BANK (LONDON) FOR THE DEVELOPMENT (DESIGN AND BUILD) OF KAMPALA INDUSTRIAL AND BUSINESS PARK AT NAMANVE

2.57

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr David Bahati):** Madam Speaker, I beg to lay at the Table the proposal to borrow up to €219.4 million from the UK Export Finance (UKEF) and €30.3 million from Standard Chartered Bank (London) for the development (design and build) of Kampala Industrial and Business Park at Namanve.

**THE SPEAKER:** Honourable members, it is sent to the Committee on National Economy for perusal and report back.

We have just a few areas of matters of national concern. Two minutes each.

2.58

**MR ABDULATIF SEBAGGALA (Independent, Kawempe Division North, Kampala):** Thank you very much, Madam Speaker. I rise on issue of national importance. Last month, the people of Lusanja, which is greatly part of Kawempe North Constituency, were illegally evicted and over 300 families were affected.

Madam Speaker, His Excellency the President went to the site and intervened but ever since he went to the site, nothing is coming out from Government.

We are looking at 300 families just staying in tents right now. It is like a refugee camp. The health situation is worsening every other day and it is a rainy season. My question is, what is the Government planning for us? The President intervened and indeed, stopped the illegal eviction but these people are living in a worrying state.

Those who have visited Lusanja; Lusanja is in Mpererwe Parish and that zone, which was greatly affected is Sekanyonyi Zone in Kawempe North Constituency. You see children and babies living in a terrible state and up to now, nothing has been programmed by the Government.

With your indulgence, Madam Speaker, we would like to know from the Government what the current status of the people under that situation is. Was that eviction, as it is said, illegal? Indeed, it was uncalled for. What is the way forward? How long will these people stay in that kind of state? What is Government planning to do for those people and the person who is behind these illegal evictions?

3.01

**THE FIRST DEPUTY PRIME MINISTER AND DEPUTY LEADER OF GOVERNMENT BUSINESS (Gen. (Rtd) Moses Ali):** Madam Speaker, I would like to inform the House that two days ago, I held a meeting that should have been chaired by the Prime Minister because he was suddenly summoned and so, he asked me to chair the meeting. I chaired a meeting of some ministers and law firms of those evicted the people. We also invited the lawyers of those who were evictees but they did not turn up.

We did not complete the meeting but the situation is that these people were evicted after getting a High Court order. They invited the police, they went on site and evicted some people. Then the President intervened. Now, the situation is; the President has directed the Attorney-General to advise on the legal position. A lot of stories are being told, that these people were on that land for many years and so on.

As we wait for the Attorney-General’s position, we ask the Ministry of Relief, Disaster Preparedness and Refugees to take care of the relief part of it -*(Interjections)-* I do not know what is included. If it is posho, then it is relief. The Minister of Relief, Disaster Preparedness and Refugees should take care of those people who are there on site.

We are holding another meeting in a day or two to agree and finally take the Government position, which he is asking for. This is the way forward. We are waiting for another two days to hold that meeting.

Therefore, legally, the Attorney-General is going through the issues and we are going to find the political decision that we shall be taking in a day or two. This is the position. Maybe the Minister for Urban Development can add something. Thank you.

3.04

**MR JOSEPH SEWUNGU (DP, Kalungu County West, Kalungu):** Madam Speaker, allow me to thank the Prime Minister, Gen. Moses Ali. At least, we have an answer from one of the Members about the matter. What he is saying is a bit encouraging though there is no good result out of it. There is no good result but at least, it reflects well on Cabinet today. However, the clarification I am seeking, you are the Prime Minister now, could you direct the Attorney-General to come here and give us your position once it is taken?

This issue of having the fountain of honour, the President of this country, going into an area where there has been eviction, he rings Gen. Salim Saleh directly to find out why ABC is happening and the phone does not go through is not good for the country. We must find out, these court orders that are given in courts to evict people – let me tell you one interesting situation –

**THE SPEAKER:** But now, you are debating –

**MR SEWUNGU:** Gen. Moses Ali, could you help us, you have the powers as a general and the Prime Minister. These Attorney-Generals are never here. Let him come and tell us the position so that the honourable member of the constituency can be relieved.

The issue of relief, taking posho and beans to people’s houses that have been demolished does not help. Thank you, Madam Speaker.

**THE SPEAKER:** Prime Minister, I have no problem waiting for the Attorney-General to take action but there is a matter, which does not require the Attorney-General.

Court orders are not supposed to be executed after 6.00p.m. or on a weekend or at night. This is what happened. What is the Government waiting for? That one is a clear crime. What are you waiting for? The man is walking freely. *(Applause)* Yes, that one does not need an Attorney-General.

**MR SEBAGGALA:** Madam Speaker, these people who were evicted are Ugandans. The Prime Minister is talking about the court order. We have seen various evictions under court orders and we do not know to what extent these court orders are genuine.

It beats my understanding that someone who is in Kampala could sit here and issue a court order for land in Bukomansimbi or Kamuli.

**THE SPEAKER:** Honourable member, now you are discussing the merits of the case.

**MR SEBAGGALA:** Madam Speaker, my humble request is an immediate solution. Children are coming back from school; where are they going to sleep? Those are the issues that must be handled urgently.

Madam Speaker, the tents that were given by the Ministry of are Relief, Disaster Preparedness and Refugees few. You find around 10 families sharing one tent.

I would request the Prime Minister, when he is coming back to tell us the way forward, we should have the basic programme of how these people can be living in that situation and how we can avoid various health hazards that will come along because it is a rainy season.

**THE SPEAKER:** Prime Minister, will you come back to us next week with your Attorney-General?

3.09

**THE FIRST DEPUTY PRIME MINISTER AND DEPUTY LEADER OF GOVERNMENT BUSINESS (Gen. Moses Ali):** Madam Speaker, I request that we come back next week on Thursday.

**THE SPEAKER:** Next week on Thursday?

**GEN. (Rtd) ALI:** Thursday, next week.

3.09

**MR JACKSON KAFUUZI (NRM, Kyaka County South, Kyegegwa):** Thank you very much, Madam Speaker. I rise on a matter of national concern. My concern relates to the skyrocketing prices of fuel. Last week, petrol was going for Shs 4100. Today, it is Shs 4420, meaning that probably by Christmas time, it will be Shs 5000 and by the end of the year, it will be probably Shs 6000.

As Members of Parliament, it is our role to protect our people. Consumer protection should be one of our roles. When we exercise this oversight role, we are obliged to inquire into whether there is a possibility of racketeering and profiteering by some of these traders who bring fuel. I would like to know whether this fuel price is being determined by volatility on the international market.

When this issue was brought here earlier, I remember claims of war in Yemen but for some time, the status quo has been the same and these prices are going up for no reason.

I would like to request that you order for an inquiry into the determination of these prices. This thing has been going on. I understand we run a free market economy but we are also obliged to protect our people from exploitation –*(Interruption)*

**MR OKOT OGONG:** I would like to give information to my brother that the same thing happened in Kenya. Fuel prices shot up and the Government took action. First, they reduced the Value Added Tax (VAT) on fuel. Secondly, they reduced the fee that is levied on fuel. The same thing can still be done by our Government if it is a caring Government. It can be done.

**MR KAFUUZI:** Madam Speaker, my prayer is that you order an investigation which goes to the root of the matter as to how these prices are established so that a solution can be – *(Member timed out.)*

**THE SPEAKER:** Minister of State for Energy and Mineral Development**,** speak to this issue.

3.12

**THE MINISTER OF STATE FOR ENERGY AND MINERAL DEVELOPMENT (ENERGY) (Mr Simon D'ujanga):** Thank you, Madam Speaker. The National Resistance Movement (NRM) Government is a caring one and I request that you give us time to study this case and we come back on Tuesday with a comprehensive statement. (*Mr* (*Ssewungu rose.)*

**THE SPEAKER:** Order but he has gone. There is no one on the Floor. Hon. Muyanja -

3.13

**MR MUYANJA MBABAALI (NRM, Bukoto County South, Lwengo):** Thank you, Madam Speaker. I rise on a matter of national importance. Yesterday, the Uganda National Bureau of Standards (UNBS) invaded traders at Energy Centre building and confiscated all the electronic goods, which were there. About three trucks were loaded with these goods and about 60 shops were invaded.

This is a very serious matter because these traders were in their shops trading and the UNBS just went and started confiscating their goods. First and foremost, these people borrow money to do business and after all, there are very many centres where they buy these goods. Before these goods are stocked, they buy from wholesalers and after come and stock their goods. This has put the business of the traders on hold, creating a big loss of money.

This is not the first time that the UNBS is invading traders and confiscating their goods. My prayers are that the UNBS does pre-inspection of goods before shipment. Another prayer is that the UNBS should inspect goods at every border entry point before taxes are paid.

The third prayer is that UNBS should stop this exercise of confiscating traders’ goods when they have already paid their taxes. It makes it impossible for traders to do their business. I rest my case.

3.16

**THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (TRADE) (Mr Michael Werikhe):** Madam Speaker, I would like to request that we look at this case and make a statement –*(Interjections)* Yes. We cannot respond to the issues that occurred yesterday. We need to present a comprehensive statement to the House. That is the request I am making.

**THE SPEAKER:** On Wednesday next week?

**MR WERIKHE:** Much obliged, Madam Speaker.

**THE SPEAKER:** Honourable members, earlier –(*Mr Achiro rose.)* No, hon. Achiro. The Members who registered are the ones I am dealing with. You did not.

3.16

**MS LUCY ACHIRO (Independent, Aruu County North, Pader):** Thank you, Madam Speaker, for giving me the opportunity. The issue I am rising on is a critical issue about suicide in my constituency and Pader District at large.

In a space of two months, nine people have committed suicide in Lapul Sub-County. In Laguti Sub-County, three people committed suicide. You wonder why people have resorted to hanging themselves. My question is could it be depression, post-war trauma or loss of hope? I have been questioning myself as a leader and a representative of these people.

My prayers are that the ministry in charge goes on the ground to investigate why our people are killing themselves. They should come back with a full report on the reason people are committing suicide in Acholi sub-region.

Secondly, Government should come up with a post-conflict trauma response plus a special package for the people born in captivity.

Thirdly, special departments like Peace, Recovery and Development Plan (PRDP) and Northern Uganda Social Action Fund (NUSAF) should also provide what is expected of them because I think they are not doing enough. Our people need something special in terms of a special package because the trauma is too much. I thank you.

**THE SPEAKER:** I do not know whether the Minister for Northern Uganda has anything to say about this or we should ask the Minister of Gender, Labour and Social Development to take up the issue and find out why people are committing suicide.

3.19

**THE MINISTER OF STATE, OFFICE OF THE PRIME MINISTER (NORTHERN UGANDA) (Ms Grace Kwiyucwiny):** Madam Speaker, it is sad to hear that the people in Pader are committing suicide, I will link with the *–(Interjections)-* she was specific. She mentioned Pader but if there are other cases in other districts in Northern Uganda, I will find out and come back with information in that regard.

3.19

**MR GODFREY WATENGA (Independent, Lutseshe County, Bududa):** Thank you, Madam Speaker. If you recall, on the 11th October this year, a mudslide occurred in my constituency in Lutseshe and we lost lives, houses, crops, roads were cut off, schools and property were destroyed. We have had a number of meetings concerning the same more so on the relocation of our people.

Allow me to appreciate His Excellency the President of Uganda, the Office of the Prime Minister; the Leader of the Opposition with her team of the Opposition leaders and Members of Parliament. We are happy and appreciate.

People power led by hon. Kyagulanyi, honourable members of Parliament, ministers and all the institutions who came to rescue us but there is still a lot on the ground like the relocation of the people. However, it has been spread all over the local and international media that they are relocating my people into a wetland; others say that it is a lake.

Government has already spent a lot of money to relocate these people in the purported wetland. I pray that this House should at least pronounce itself to clear the air.

We also need a comprehensive statement from the relevant ministries on this. This is spoiling our names as leaders especially from Bugisu Region. I beg to submit, thank you.

**THE SPEAKER:** Let us hear from the Office of the Prime Minister.

3.22

**THE GOVERNMENT CHIEF WHIP (Ms Ruth Nankabirwa):** Thank you very much, Madam Speaker. Parliament already directed the ministry in charge to bring a statement next week. We held a meeting today in the Office of the Prime Minister where the commissioner informed us on how far we have gone and the Minister in Charge of Disaster Preparedness is going to submit a progress report to Cabinet on Monday and thereafter bring a report here.

A date has been set for ground breaking and I insist that Members of Parliament from a relevant committee should be invited to go and see what is exactly taking place on the ground and we will be able to determine whether we are swimming in the lake. *(Interruption)*

**MS CHEKAMONDO:** Thank you, Madam Speaker. That issue came into this House and you directed the Committee on Presidential Affairs to handle it. The committee has gone there severally and investigated from each and everybody involved and a report will be coming out. We have finished all the investigations on the matter although the Prime Minister’s Office has gone ahead to allocated and do the work that was said.

Some Members are being intimidated but I do not want to bring out what is in the committee report which will be presented here. Otherwise, we have done the work and you will definitely receive the report. Thank you very much.

**MS RUTH NANKABIRWA:** Hon. Rukia stood up to give me information. I have noted that the Committee on Presidential Affairs is not yet ready. It went on the ground but the report is not yet ready. However, I am informing you what Government is doing because the Member raised a question for Government to respond. What I have told you is what is happening. We are preparing two reports, the progress report to be submitted to Cabinet first and thereafter, to the august House next week.

It is upon you, Madam Speaker, to decide that we may probably wait for the committee to be ready so that Members can be given an opportunity to discuss both reports.

**THE SPEAKER:** Honourable members, we will receive that report and if the Committee on Presidential Affairs will be ready -chairperson what do you say?

3.25

**MS JESCA ABABIKU (NRM, Womam Representative, Adjumani):** Thank you, Madam Speaker, for giving me this opportunity. Yesterday, I briefed you on the far we have gone. The report, which is ready is on the Bulambuli land but since there was a recent occurrence in Bududa, which has got a link with the land acquired in Bulambuli, I asked you to give us ago ahead so that we get information on what Government is currently doing. You said that you would respond to our request today.

We also wrote a letter to the Office of the Prime Minister to appear before the committee on Tuesday, so that they update and prepare us for our holistic report. We shall have two versions one on the land and the other shall be on what Government is doing over the recent occurrence in Bududa.

However, if it is in your wisdom that we should bring this report minus the update of what Government is doing on the recent incident, we shall avail the report to the Clerk for you to schedule us. Thank you very much.

**THE SPEAKER:** Sometimes when the Members get what they think is incomplete, they demand for the other part.

**MS ABABIKU:** That was the reason I came to your office yesterday and why we wrote to the Office of the Prime Minister to appear next week on Tuesday in order for us to have reports pertaining the Bulambuli land and what occurred in Bududa.

**THE SPEAKER:** Shall we say that Government and your committee both report on Thursday?

**MS ABABIKU:** No, because the Office of the Prime Minister is appearing on Tuesday to brief us. However, we again requested you to allow us go to the field to verify whether what they will tell us is factual.

Otherwise, without visiting the field, we shall have left the Office of the Prime Minister to give the report here because we would have not verified it. Thank you.

**THE SPEAKER:** We shall discuss in my office and agree on the sequence of presentation. Honourable members, earlier, I had informed you that pupils from Berkeley High School are here. They are very smart. That is the oldest girls’ school in Busoga. They are represented by hon. Andrew Kaluya and hon. Brenda Asinde. You are welcome.

We also have a delegation of sugarcane farmers from Kagoma County. They are represented by hon. Moses Walyomu and hon. Loy Katali.

Honourable members, we also have a delegation of teachers and students from Light College Senior School Mukono. You are welcome. They are represented by hon. Nambooze and hon. Peace Kusasira.

Honourable members, yesterday, there was a question whether the Government is still implementing the 1 per cent tax on mobile money. The minister is here today.

3.30

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr David Bahati):** Thank you, Madam Speaker. Just to clarify and remind Members that when a Bill is passed here, the President shall within 30 days, after the Bill is presented to him or her, assent to the Bill and the other issues that you know. That is Article 91 of our Constitution.

So, the Bill was passed by this House, presented to the President and he assented to the Bill within the period as indicated in the Constitution. The law will be gazetted tomorrow and the 0.5 per cent tax will take effect. Thank you. (*Applause)*

**MR SSEWUNGU:** I think the minister who is also my friend should be clear. First of all, gazetting of an assented law is not mandatory. Once the President assents to a law, it must become a law. What we are saying now is that the Government is taxing people money which is not within the law.

Madam Speaker, if you exceed Shs 1 million by Shs 100,000, you pay Shs 30,000 now. For Shs 1 million, you pay Shs 17,000. However, if you are sending Shs 1.1 million, the charges go to Shs 30,000 and above. Where is this money going?

So, I would like to tell the minister that the issue of gazetting is not mandatory. Once the law has been passed and assented to, it must just take course. That is all.

**THE SPEAKER:** How will the agencies know that it has been assented to? That is why it goes to the gazette.

3.33

**MR JAMES WALUSWAKA (NRM, Bunyole County West, Butaleja):** Thank you, Madam Speaker. Honourable minister, the President mentioned the refund of money. You said they are going to gazette tomorrow; will this money be refunded? We want it mentioned here so that the people are aware that the money which was taken will be refunded.

Secondly, in that view, hon. Bahati came here and promised us the money for maize. Does it also need to be gazetted? We have not seen the money in Bukedi. Where is that money?

3.34

**MS CONNIE NAKAYENZE (NRM, Woman Representative, Mbale):** Thank you, Madam Speaker. I would like to enquire from the Minister of Finance, Planning and Economic Development. The last time we passed the 1 per cent tax on Mobile money, it begun immediately. The following day, it was operational. What has happened this time? It was the President, himself, who said the tax was too much and he brought it back and it was reduced. Now, why didn’t he leave it the way it was? Why has it taken too long? Why was the gazetting so fast the other time and this time too slow? Thank you.

**MS KAMATEEKA:** I wanted to ask the same question but my sister has covered it. Thank you.

3.35

**MR PAUL MWIRU (FDC, Jinja Municipality East, Jinja):** Madam Speaker, Government knew that when we amended the law, it had an effect on the transaction charges. I have been seeing the President moving around Kampala to open all types of small businesses. I wonder whether Government has the moral authority to use the money it collected from the time Parliament passed the Bill. The President is aware that the law has been passed and it is affecting us.

3.36

**MR ALLAN SSEWANYANA (DP, Makindye Division West, Kampala):** Thank you, Madam Speaker. When we passed the Bill, you sent it to the President in the quickest time possible. I think it is a question of morality. Our President should understand that the people’s Parliament is the voice of the suffering. Why should he take 30 days to assent to such an urgent matter? It is him who asked us to revise the tax to 0.5 per cent and Parliament did it for him. Why should he take almost 30 days to assent to the Bill? It is a question of morality. Thank you.

**MR BAHATI**: Madam Speaker, I have two points. The first one is again on Article 91(8) which states: “*A Bill passed by Parliament and assented to by the President or which has otherwise become law under this Article shall be an Act of Parliament and shall be published in the Gazette.”*

Madam Speaker, -(*Interjections*) (*Members rose\_)*

**THE SPEAKER:** Honourable members, please, take your seats.

**MR BAHATI:** My colleague, hon. Ssewungu, is a teacher. (*Laughter*) One of the cardinal roles of this Parliament is to make laws and when we make them, we should ensure they are respected. The President respects the law that we make and the Constitution gives him power to sign the laws within 30 days, which he did.

Up to the time when the law is gazetted, the rate, which was applying is 1 per cent. When the new tax is gazetted, it will be 0.5 per cent on withdrawals only. That will be tomorrow. The question of refund does not apply in this case. Thank you.

PRESENTATION OF REPORTS OF PARLIAMENTARY DELEGATIONS ABROAD

REPORT OF THE APPOINTMENTS COMMITTEE ON A BENCHMARKING VISIT TO THE PARLIAMENT OF GHANA, ACCRA, 18 – 25 FEBRUARY 2018

3.38

**MS SANTA ALUM (UPC, Woman Representative, Oyam):** Madam Speaker, the Appointments Committee took a benchmarking visit to the Parliament of Ghana and according to our Rules of Procedure, I beg to report. I will not read the entire report but just findings and our recommendations.

The delegation was composed of the following members-

**THE SPEAKER:** Hon. Alum, present them.

**MS ALUM:** Thank you very much, Madam Speaker. The delegation was composed of the following members:

1. Hon. Santa Alum Sandra - Leader of Delegation
2. Hon. Margaret Rwabushaija Namubiru
3. Hon. Hellen Adoa
4. Hon. Joseph Ssewungu
5. Hon. Apollo Yeri Ofwono
6. Mr Pius Biribonwoha
7. Ms Beatrice Geria Gladys
8. Ms Glorious Kamayangi

Madam Speaker, these were some of the findings that the committee came up with.

1. In Ghana, the Appointments Committee presents its report to the Plenary and their recommendation is debated and approved during plenary.
2. The Appointments Committee of Ghana is chaired by the Deputy Speaker.
3. There are two Deputy Speakers in the Parliament of Ghana; one for the majority party and another from the minority party.
4. Upon receiving notification from the appointing authority, the Appointments Committee publishes the names of the candidates nominated in the newspaper of national circulation.
5. On another note, the Committee on Appointments of Ghana conducts its vetting process in the open. That is to say, the vetting is done and is open to the public.
6. The nominees are put on oath and subsequently, answers question relating to his or her curriculum vitae, matters relating to his eligibility, office he or she is occupying and many other questions that come up during the vetting.
7. Ministers in Ghana are also committee members and can answer questions instantly in the committee.
8. In Ghana, while appointing the ministers, the appointing authority takes into consideration knowledge and expertise in a specific sector and credibility of the person.
9. In order to combat corruption, Ghana enacted a special Prosecutors Act to which it gives power to the special prosecutor to effectively investigate and prosecute cases of corruption and restore public confidence in the Judiciary. The office of the prosecutor also separates the role of the Directorate of Public Prosecution (DPP) and Inspectorate General of Government.

Madam Speaker, I now move to the recommendations that we proposed to this Parliament;

1. Parliament should amend the Rule of Procedures to provide for two Deputy Speakers to assist the Speaker in plenary. This is because there are times when the House is sits for long hours and the presiding officer gets exhausted.
2. The minority party in Parliament should be given an opportunity to second a Deputy Speaker.
3. Committee on Appointments proceedings should be open to the public. This will go a long way in building public confidence in both the committee and the persons seconded to hold public office.
4. The Committee on Appointments should present reports to the House, which should be subjected to debate.
5. Names of the persons nominated for relevant offices should be advertised in popular media to inform the public about the nominees and the offices to be occupied. This will allow members of the public to make comments about them.
6. Nominees should be subjected to oath to ensure that the committee obtains credible information.
7. The Committee on Legal and Parliamentary Affairs should study the Public Prosecution Act with a view of making proposals to amend the Inspectorate of Government Act so as to separate powers of the IGG Ombudsman and the DPP. This is because the DPP takes over cases, which are already being handled by the IGG.
8. The Committee on Natural Resources should benchmark best practices in the way the Akasombo Dam was constructed with the view of advising the Ministry of Energy and Mineral Development on how to improve the on-going power projects at Isimba and Karuma.
9. Lastly, contractors of projects that require a high level of expertise should train our local engineers and build their capacity so as to be able to sustain the projects once the expatriates have completed the projects.

Madam Speaker, I beg to report andI beg to lay at the Table.

**THE SPEAKER:** Thank you, very much hon. Alum. Honourable members, I am proposing that that report be circulated so that next week, we debate it and then see which committee - because it touches on four committees so that debate it and then advise the committee.

QUESTIONS FOR ORAL ANSWERS

QUESTION 45/01/01 THE MINISTER OF ENERGY AND MINERAL DEVELOPMENT

3.46

**MR KOMAKECH LYANDRO (DP, Gulu Municipality, Gulu):** “*The residents and businesses in Gulu District have experienced persistent power blackouts. There are common occurrences of prolonged outage which takes too long to be rectified by the power distributor UMEME. This situation has resulted in destruction of properties and loss of business for communities in Gulu.*

*It has further been compounded by doubtful electricity bills despite the consumers barely utilizing electricity for half of* a calendar month.

*The public have exhibited patience for long but the Ministry and all stakeholders in the power sector have taken this magnanimity for granted.*

1. *Can the Minister give a full disclosure of the state of the Lira-Gulu transmission line and what has been done to address the challenges?*
2. *Explain to the August House the causes of the frequent and unplanned power outages in Gulu Town and the measures being taken to minimize the frequency and duration of the power outages in Gulu?*
3. *Considering the escalated demands for electricity in the Acholi Sub-Region especially for manufacturing; what strategic considerations are in place to boost the industrial capacity of Gulu and the Acholi Region generally?”*

**THE SPEAKER:** Honourable members, yesterday, we received a report that this question has been outstanding since August. I directed the Minister and Energy and Mineral Development to answer.

3.47

**THE MINISTER OF STATE FOR ENERGY AND MINERAL DEVELOPMENT (ENERGY) (Mr Simon D’ujang):** Madam Speaker, thank you for this opportunity. I would like to correct the impression that yesterday, we failed to answer this question. I would like to report that the Office of the Clerk received our response on the 27 August 2018. All this time, we have been waiting to be put on the Order Paper. Therefore, I am ready to proceed, Madam Speaker.

The questions are in parts. Part one says, *“can the ministry give a full disclosure of the state of the Lira-Gulu transmission line and what has been done to address the challenges?”*

We respond as follows; Lira-Gulu transmission line is part of the 132KV Lira-Gulu-Nebbi-Arua transmission line project financed by the World Bank. The project has associated sub-stations at Lira at a place called Kole; at Gulu, Nebbi and Arua.

Procurement of the Engineering, Procurement and Construction (EPC) contract is ongoing. The Uganda Electricity Transmission Company Limited has submitted tender documents to the World Bank and their approval is awaited. Tendering is expected in the second quarter of this financial year.

Resettlement Action Plan implementation is ongoing and 74.2 per cent of project affected persons for the Lira-Gulu transmission line segment has been compensated. Gulu sub-station land has also been acquired while the land at Kole, Nebbi and Arua sub-station lands are yet to be acquired.

The EPC contract signing is conditioned on 50 per cent compensation of Lira-Gulu transmission segment and 100 per cent compensation for all the sub-station lands. The Uganda Electricity Transmission Company Limited is working towards achieving these conditions and it is hoped that by the time evaluation of EPC tender documents is complete, the conditions will have been surpassed.

The other part of the question is the challenges we are facing and we respond as follows:

On the Lira-Gulu segment, the transmission company has still registered disputes of over three per cent of people affected who have not agreed to the Chief Government Valuer approved rate and this has not been resolved yet. If not resolved quickly, this may delay commencement of the construction. The transmission company established a grievance resolution mechanism at sub-county level in a bid to quickly resolve these disputes.

The other challenge is the escalation of property rates from the time of survey to the time of actual acquisition. This is always one of the challenges we get.

The third one is inadequate documentation held by land and property owners. These require a lengthy process of regularising the documents.

Madam Speaker, we were also asked to explain to this august House the causes of the frequent and unplanned power outages in Gulu Town and the measures being put in place to minimise the frequency and duration.

The power outages in Gulu are mainly due to;

1. The fact that the 132KV line supplying Gulu through Lira, that is Tororo-Opuyo-Lira line, is on wooden poles. These poles experience breakdown especially in the swampy areas and sometimes during bush fires in the dry seasons.
2. The main reason is that the long 33KV line from Lira to Gulu is 101 kilometres long. This serves Gulu and it was built in the early 1960s so it is an old line, which needs regular maintenance.

The third part of the question is what we are doing to alleviate this situation. The measures to address these outages are;

1. We are changing the Tororo-Opuyo transmission line from wooden poles to metal towers. This work is ongoing and soon we shall have all that line changed from wooden poles to metallic towers. Once this is completed, the new line will provide stable power to that sub-region. The project is expected to be completed during this financial year.
2. What we are also doing is that instead of supplying from Tororo, we are constructing Karuma-Lira transmission line to ensure stable and reliable electricity supply to the Lira sub-station where Gulu is currently being served from.

We are building another transmission line to supply Gulu directly at 132KV. This work is also ongoing. As I have already said; that is the line of Lira-Gulu-Nebbi and Arua. This august House approved $100 million and that project is ongoing. Therefore, there will be two sources of supply into the Gulu sub-region; one from Karuma and the other from Tororo. Madam Speaker, the works on these transmission lines are ongoing but they will take some time.

In the interim, we are building new 33KV lines from a new hydro-power station at Agago on River Aswa. I am glad to report that this power station is ready and currently, running tests are being carried out and soon it will be in operation. When that is done, there will be three possible sources of electricity to the Acholi Sub-region; one from Agago, the other from Karuma and then from Owen Falls through Tororo.

The last part of the question is:

“*Considering the escalated demand for electricity in the Acholi Sub-region especially for the manufacturing, what strategic considerations are in place to boost the entire capacity in Gulu and the region?”*

I have already answered this question. The projects mentioned above are intended to increase the volume and reliability of power supply to Gulu and Acholi Region. Besides, Government has gazzetted industrial parks in Lira and Gulu to promote industrialisation and value addition. Government is aware of the problem and we have ready solutions at the end. Thank you.

**THE SPEAKER:** Hon. Komakech, do you have a supplementary question?

3.57

**MR LYANDRO KOMAKECH (DP, Gulu Municipality, Gulu):** Thank you, Madam Speaker. Honourable minister, there are a few other areas that I would like you to give clarity. When you say “ongoing”, what does it mean? Is it feasibility? Is it procurement?

Secondly, the outages that are occurring in Gulu and surrounding areas are at a crisis level because every day, Umeme gives apologies saying, “We are sorry to inform you that…” This happens every day and it is tiring. We would like you to give us assurance about the position of Umeme as far as power outages are concerned.

We understand you are substituting poles with metallic ones but as you do this for the longer term, what are the emergency measures to ensure that power does not go off every day?

**MR D’UJANGA:** Thank you for the supplementary questions. We have a number of on-going projects in that region. The First is the Lira-Gulu-Nebbi-Arua line, we are currently acquiring land.

We are also plotting the route, identifying affected persons and I must say, we have already started paying some of the people. Between Lira and Gulu we have paid 74 per cent of the people. Therefore, that is the progress.

The Agago-Gulu line- the immediate solution to this problem is Agago-Gulu line, which is going to improve also at Agago-Kitgum because the whole sub region is suffering. Madam Speaker, if I can beg your indulgence, this line from Lira to Gulu is 101 kilo metres but just before the substation at a place called Layibi, there is a line going to Mayo and it is 302 kilometres.

Therefore, for the people of Moyo, their bulbs are as dim as *tadoba*. It improves a bit in Adjumani. Therefore, with this project - I am glad to say that we got the money. With this project, we are going to put a bigger substation at Gulu because the load in Gulu has grown beyond expectation.

The power station was improved from 2.5 megawatts to 5 megawatts but it is not enough now, we need to go to over 20 megawatts, so we are going to split the supply to Adjumani and have a different circuit and a different circuit for Gulu. However, in the interim, by June, you will have power from Agago hydropower station.

Therefore, the projects are the following; the one going to Arua is at land acquisition stage, the one coming from Karuma, you will soon see some towers. We are doing the foundations now. The one of Agago, we are now looking for a contractor, but that is a simple job we shall finish by June.

Therefore, there are many activities in that sub-region and I must say that within a year or so, that sub region will be quiet with respect to power interruptions, including of course, Moyo and Adjumani.

**THE SPEAKER:** Thank you very much. Honourable members, the Prime Minister is here. We are now going to Prime Minister’s Question time for exactly 45 minutes.

PRIME MINISTER’S QUESTION TIME

**THE SPEAKER:** No preambles, please.

4.02
**MS ELIZABETH KARUNGI (NRM, Woman Representative, Kanungu):** Thank you, Madam Speaker. My issue concerns the crime preventers. During the last elections, Madam Speaker, police contracted Exodus Sacco to supply food during that time to the police officers who were on duty.

Madam Speaker, since that time, those who got those contracts have never been paid and I believe the Prime Minister is aware. Recently, it is unfortunate that one of these crime preventers from Kanungu was imprisoned and is going to court because he used money from a bank. In addition, I heard the one from Busia is in court and there are many others, I believe. This afternoon, I tried to visit some officers in that area and I was disappointed to find out that almost half of the crime preventers of the country who took up that contract were never paid.

Rt Hon. Prime Minister, I request that you stand in for those who are already in prison so that they come out because it is the Government that owes them and the job they did was good for us. In addition, you immediately organise so that their money is paid so that this circus is all done with. Thank you.

4.03
**THE PRIME MINISTER AND THE LEADER OF GOVERNMENT BUSINESS (Dr Ruhakana Rugunda):** Madam Speaker, it is unfortunate that a contract was given and the Government department has not paid. A Government department, like anyone else who consumes services must pay for them. If this has not happened, then the necessary legal action should take place. If there are issues that can be handled administratively, my Office and that of the Ministry of Internal Affairs will do all that is possible to get this matter sorted out.

Therefore, I propose that after this august House has ended today, you link up with the Prime Minister so that we can explore administrative measures of expediting a solution to this problem.

**THE SPEAKER:** Hon. Okot Ogong.

4.04

**MR FELIX OKOT-OGONG (NRM, Dokolo County South, Dokolo):** Madam Speaker, this financial year, Dokolo District will join other districts in benefiting from the Social Assistance Grants for Empowerment (SAGE) scheme and the registration is going on. However, Madam Speaker, what is disturbing our people is that the policy states that those who are eligible to benefit from this grant are from the age of 65 years and above.

However, in Dokolo, they are only registering people of 80 years and above. 80 years, somebody is just about to die and yet, in other districts, those who started before, they register people from 65 years and above.

Therefore, I wonder whether the Government policy has already changed about this program. Can the Rt Hon. Prime Minister inform the House and the people of Dokolo whether this programme has changed or not.

**DR RUGUNDA:** Madam Speaker, I am not aware of the change of age that is being talked about by my brother Okot. Nevertheless, you should be happy that Dokolo is one of the very few districts that are benefiting from this programme and he should work closely with implementing ministry to ensure that this matter of age is sorted out. To me, the key point is that the district is now going to benefit from the programme. Sort out the details with implementing ministry.

4.06

**MS JACQUELINE AMONGIN (NRM, Woman Representative, Ngora):** Thank you, Madam Speaker. Rt Hon. Prime Minister, my question is on the health situation in Uganda, especially in regards to Soroti Regional Referral Hospital in the Eastern part of Uganda that serves almost six districts who are in dire need. For the past six months, Soroti Regional Referral Hospital lacks equipment, the Blood Bank is not working, the staffing itself since restructuring, has not been revamped. Equipment is still down and the people of Teso find it very hard to get health services.

The fact that the Minister of Health has been coming and informing Teso people that they are handling the situation, up to date, the situation is still wanting.

Rt Hon. Prime Minister, I would like to know whether you are aware of the situation of the health of the people of Teso and what plans you have for those people?

**DR RUGUNDA:** Madam Speaker, my colleague has raised a very important point. We would like to see all regional hospitals fully functional. If Soroti Regional Referral Hospital is lacking some equipment, she should give us the details and we will direct the Ministry of Health to take the necessary urgent action to ensure that the hospital is once again fully functional.

4.10

**MR EMMANUEL ONGIERTHO (FDC, Jonam County, Nebbi):** Thank you, Madam Speaker, for this opportunity. Rt Hon. Prime Minister, my question is on the support that the President’s office, the President and State House keep giving to different groups of people in different parts of the country. I would like to know from the Rt Hon. Prime Minister if there is a schedule for that kind of support to different groups all over the country so that Packwach District can know when their turn will be. Thereafter, we can inform the different groups accordingly. Thank you so much.

**DR RUGUNDA:** Madam Speaker, I am not aware of any schedule by either State House or the Office of the President. If I knew, I would have easily advised my brother from Packwach when his turn would be coming. However, I would like to point out that in his own discretion, H.E the President may assist any group in the country. Thus, it is up to the discretion of H.E the President to assess the situation, the need of the people and the communities concerned.

4.11

**MR ATKINS KATUSABE (FDC, Bukonjo County West, Kasese):** Thank you, Madam Speaker. During the budgeting time, I had an opportunity to serve as the acting Leader of the Opposition for two weeks. During that time, I insisted that we do not pass the budget until we have the Contingency Fund. In your wisdom, you allowed this Contingency Fund to respond to emergencies as the Constitution mandates.

About two months ago, I copied you and the Prime Minister in a letter that I wrote, when my community got a disaster. I am here to let the country know that I received a regret letter from hon. Hillary Onek asserting that my community cannot be helped and yet, they are drowning in torture and turmoil. They could not sleep in their homes and their second shelter was under schools and churches.

I just have one question to the Prime Minister; is it a Government policy to rescue other citizens and when it comes to the citizens from other communities, including my own constituencies, the money will not be available? If you can do that, Mr Prime Minister, could you explore the possibility of declaring some constituents, including mine, refugees so that they can be able to get help from you next year? Thank you.

**DR RUGUNDA:** Madam Speaker, you cannot be a refugee in your own country. Perhaps the people you are referring to in your constituency would be displaced persons. Nevertheless, I am very happy to say that in this financial year, Government has made some money available for the Contingency Fund and it is this very amount of money that Government is now using to provide the essential rescue operations for the people who have suffered in Bududa. Therefore, we have a comprehensive programme and it will not exclude your constituency under Kasese District.

4.14

**MR PAUL MWIRU (FDC, Jinja Municipality East, Jinja):** Thank you, Madam Speaker. Rt Hon. Prime Minister, upon the demise of our colleague, hon. Cerinah Nebanda, the Chief Justice then, Justice Benjamin Odoki, appointed Justice Paul Mugambwa to carry out an inquest on that controversial death on 8 January, 2013. It is now five years since that appointment. Can we know from you the progress of the inquest? I seek the indulgence of the House that the Prime Minister makes a statement to this House on the progress of the inquest. Thank you.

**DR RUGUNDA:** Madam Speaker, we will positively respond to the issue raised by hon. Mwiru and the responsible minister will make a statement on the matter in this august House.

4.15

**MR FRANCIS MWIJUKYE** **(FDC, Buhweju County, Buhweju):** Thank you, Madam Speaker. For a long time, the people of Buhweju had been promised a tarmac road, stretching from Sheema Municipality through hon. Kibaaju’s constituency to Buhweju and then, Ibanda and Kamwenge. About three years ago, surveys were made on people’s property, buildings marked and the project ended there.

Now, the people do not know what to do. They cannot, for example, develop the buildings, which were half developed because they are marked. They cannot sell their land and they do not know how to proceed.

Rt Hon. Prime Minister, what is Government’s programme in such circumstances? What do we do?

**DR RUGUNDA:** Madam Speaker, road construction goes through a phased manner and the road you are referring to must be going through those similar phases. My view is that the honourable Member of Parliament from Buhweju should get the programme and timetable of constructing this road to Buhweju and then advise his constituents on what to do after getting that thorough and accurate information.

4.12

**MR JOSEPH KULUO (NRM, Toroma County, Katakwi):** Thank you, Madam Speaker. My question relates to the registration of children in Katakwi District by National Identification and Registration Authority (NIRA). It started on Monday but the turn up is totally low in all sub counties. Is there a way the Government can reduce the amount of money charged because NIRA wants the parents to pay Shs 7500.

Secondly, our currency, the shilling, seems to be losing value. When you carry a Shs 50,000 note and you go to the market, you might even think that they have stolen your money. My question is, what intervention is Government trying to bring in to stabilise the shilling because there is a total outcry by all people? Thank you.

**DR RUGUNDA:** Madam Speaker, the honourable member knows that one of the effects on our shillings is inflation. Inflation necessarily erodes the value of the money. My suspicion is that the honourable is feeling the effects of inflation. However, the money remains the same. (*Laughter)*

**THE SPEAKER:** Prime Minister, on a serious note, do we pay for that registration? Do we actually pay NIRA to register our children? - He said they are paying Shs 7,500 to register the children.

**MR KULUO:** Madam Speaker, I said, the fee NIRA is charging is Shs 7,500 per child or per birth between 0-5 years. That is why the turn up is low because the parents cannot afford that money.

**THE SPEAKER:** That is why I am asking, are Ugandans required to pay Shs 7,500 for the registration of their children?

**DR RUGUNDA:** Madam Speaker, there is no payment for ordinary cards unless, there is some other issue which we can look at but for ordinary receipt of your card, there is no payment.

4.21

**MR DAVID MUTEBI (NRM, Buikwe County South, Buikwe):** Thank you, Madam Speaker. Buikwe District in general and Buikwe South that I represent, is linked to Buvuma Island by a ferry. The ferry that is currently available is in a very sorry state and it is limping. Over the past two and a half years, Government has promised to deliver a new refurbished ferry, which was previously operating in Kalangala.

We may find out from the Prime Minister when this ferry will be on that route to save us from the ferry that is breaking down every other day?

**DR RUGUNDA:** Madam Speaker, the issue of a ferry is an important one. I will ask the Minister of Transport and Works, to come and make a statement on the ferry to Buvuma Island so that the honourable member, the House and the country can be aware of the steps being taken.

4.22

**MS HELEN KAHUNDE (NRM, Woman Representative, Kiryandongo):** Thank you very much, Madam Speaker. Rt Hon. Prime Minister, during the swearing-in ceremony of the LC1 chairpersons and handover, my LC1 chairpersons, especially those who served the country for more than 15 years and possibly, did not like to take on or they were not re-elected to the new offices; they requested me to find out from the Government whether the Government was still interested in upholding its promise of providing or rewarding them with bicycles like they did in selected districts or the Government has broken its promise.

They are worried that since the new people have occupied the offices, will the Government give bicycles to the ones who served previously or the current serving chairpersons? I thank you.

**DR RUGUNDA:** Madam Speaker, there is no intention to leave any district un-served in terms of bicycles.

Secondly, when bicycles come, they will be given to those people who are holding offices.

**THE SPEAKER:** Prime Minister, Kamuli is one of the 55 districts that did not get bicycles. Have you abandoned our people and you are now going with the new ones?

**DR RUGUNDA:** Madam Speaker, it is true there are 55 districts, we have been talking about. I will need to discuss this matter internally in Government. My view is that when bicycles come, the people who are holding offices should receive the bicycles. Nevertheless, because of the great contribution and the service people have made, there could be consideration on what could be done for those who have served but left offices.

4.25

**MR OTHIENO OKOTH (NRM, West Budama County North, Tororo):** Thank you, Madam Speaker. May I know from the Rt Hon. Prime Minister why the Government has abandoned the popular policy of building an equitable integrated and self-sustaining economy and instead resorted and replaced it with an enclaved system, which has resulted into marginalising some parts of the country including West Budama County North?

**DR RUGUNDA:** Madam Speaker, it is not correct that the NRM Government has abandoned Point No.5 of the 10 Point Political Programme of building an integrated economy with backward linkages. The fact of the matter is that it is now that the Government is really embarking robust programmes to ensure that a powerful economy, adding value to what we are doing, attracting investors and making sure that agriculture becomes the base of industries. It is now, that is at play.

There is no plan to leave any part of Uganda untouched by this policy. West Nile and other areas of the country, will be affected and benefit from the country’s economic policy. On the contrary, instead of abandoning the policy, it is now being earnestly and rigorously more implemented.

4.27

**MR MOSES WALYOMU (NRM, Kagoma County, Jinja):** Thank you, Madam Speaker. Rt Hon. Prime Minister, my question is that for how long does it take the Government to implement Parliament’s resolutions and order?

A case in point, I remember very well this Parliament resolved the return of the scratch air time cards by the telecom companies. To date, when we go to the constituencies, the scratch cards are not there. Why is this?

**DR RUGUNDA:** Madam Speaker, I will need to get information from the technical line ministry to be able to give a more factual position.

4.28

**MS LOWILA OKETAYOT (NRM, Woman Representative, Pader):** Thank you, Madam Speaker for the opportunity. Rt Hon. Prime Minister, one time you came out very clearly on the Floor of Parliament here that the policy of Government does not allow health workers working at Government health facilities to run private facilities.

Why has the practice still continued? Worse still, the health workers have their private facilities very close to the government facilities. Why does it continue to happen? Why has the Government failed to prevail over this situation? Thank you.

**DR RUGUNDA:** Madam Speaker, Government is fully aware that the health workers who are doing such great work are being remunerated but that their remunerations are sometimes short of meeting their economic needs.

That is why Government has not come out to enforce that they must only work in a government centre and that they cannot touch or do some work in a private centre. As time goes on, as services improve and as remuneration to health workers improves, the policy will be more rigorously implemented.

4.30

**MR JOSEPH KAKOOZA (NRM, Buwekula County, Mubende):** Thank you, Madam Speaker. My issue concerns the eviction of the *wanainchi* by the landlords. It has become too much in Mubende District, especially in my constituency, Buwekula. The landlords connive with the magistrates to arrest the people who own small pieces of land. They are imprisoned and denied bail. When someone wants bail, they are charged Shs 500,000. There are very many people rotting in various prisons.

There is also a very big influx of people into my constituency. I request the Prime Minister to intervene in this case.

**DR RUGUNDA:** Madam Speaker, the matter raised by hon. Kakooza is a very serious matter. It is true that injustice is being meted out on many *bibanja* holders and owners and it is also true that Government is very concerned about this matter. That is why His Excellency, President Yoweri Museveni, has set up the Bamugemereire commission to examine this and other related land problems so that concrete and realistic proposals can be made to Government on how to cure this very bad practice in our midst.

Needless to say, bona fide *bibanja* owners should not be evicted. It is the responsibility of us, in Government - all you colleagues in Parliament and the others concerned to inform the *wanainchi* that they should not be evicted when they arebona fide *bibanja* owners.

In addition, ensure that these land owners or landlords who are conniving with other forces are exposed so that this practice of evicting innocent people can come to an end.

4.34

**MR GENENSIO TUMURAMYE (NRM, Kashongi County, Kiruhura):** Thank you, Madam Speaker. Kashongi County, where I come from, has not had electricity since time immemorial. Rt Hon. Prime Minister, the programme is on course but why has the World Bank taken such a long time to clear and approve ERT III where Kashongi is a beneficiary? Thank you, Madam Speaker.

**DR RUGUNDA:** Well, Kashongi must be one of those very few constituencies that have not been exposed to power. There is every reason for us in Government to work with you as hard as we can, as quickly as we can, to make sure that the people of Kashongi can be exposed to power. We are going to reinforce you as quickly as possible.

4.36

**MR REMIGIO ACHIA (NRM, Pian County, Nabilatuk):** Thank you, Madam Speaker.

In 2009, there was serious drought in western Kenya particularly in areas bordering my constituency. In the spirit of the East African Community, His Excellency, the President, asked me and other colleagues to allow the Pokot of western Kenya and the Turkana to come and graze in Uganda but without guns.

It is now nine years and Madam Speaker, three weeks ago, the members of Parliament from western Kenya of the West Pokot together with their colleagues from Amudat mobilised their cattle keepers and provided them with axes and pangas to come and demarcate land in my constituency.

I have been in my constituency for the last three days - I came this morning. This is threatening the successful disarmament we have had in this country. For people from another country whom we have generously allowed to come and graze freely in our country to chase locals - two boys were beaten to near death three days ago. They were rescued by the UPDF from the nearby area.

This is a very serious matter and I implore the Prime Minister to urgently intervene because this can seriously cause another re-armament in that region. For people to invade - whereas we allowed them to graze – and claim people’s traditional land, is an urgent matter, Madam Speaker.

**DR RUGUNDA:** Madam Speaker, it was good that His Excellency the President, allowed our neighbours from Kenya to come into Uganda and ensure that their cows are properly grazed.

However, if they have abused this hospitality, let us use the mechanisms available;

* 1. Border-to-border leadership.
	2. We are going to ask the Minister for East African Community Affairs, hon. Kirunda Kivejinja, to take up this matter with his counterpart in Kenya so that a speedy solution can be found.

4.38

**MS JANE PACUTHO (NRM, Woman Representative, Pakwach):** Thank you, Madam Speaker and Rt Hon. Prime Minister. The policy of Government is to have at least a secondary school in every sub-county; why are there districts and sub-counties as old as Uganda that, up to today, do not have seed secondary schools? Is there a plan by Government to de-gazette some sub-counties? Thank you.

**DR RUGUNDA:** Madam Speaker, as you are aware, this is something that is frequently discussed in this august House. The Government of Uganda is borrowing resources to come and ensure that every sub-county in Uganda has a secondary school. Soon, there will be no sub-county in the country without a secondary school.

4.40

**MS VERONICA BABIRYE (Independent, Woman Representative, Buyende):** Thank you, Madam Speaker. My question is aboutthe vehicles owned by businessmen which have been impounded by the Uganda People’s Defence Forces (UPDF). It is more than two years since this issue came to this House; about the vehicles of the fishermen which were impounded. Most of those vehicles are in Nakasongola, Masese and Mayuge.

The fishermen have nowhere to go. Most of them have come to our offices so that we bring their issues to this Parliament but their issues have not been addressed. When is Government releasing the vehicles of the fishermen, which were impounded in Masese, Nakasongola and Mayuge? Thank you.

**DR RUGUNDA:** Madam Speaker, this has been in the public domain for quite some time. I will ask the minister responsible to come and make a statement over the matter so that there can be a comprehensive picture, explaining Government policy on the matter and actions to be taken on the confiscated vehicles.

4.41

**MR JACKSON MBAJU (FDC, Busongora County South, Kasese):** Thank you, Madam Speaker. Mine is equally related to establishment of Government secondary schools, specifically the criteria used in choosing where the schools should be established or developed.

I have eight sub-counties in Busongora South, Kasese. I thank Government that the three sub-counties on the lower land have seed secondary schools. However, none of the five sub-counties in the highland have a secondary school. What criteria does Government use in choosing where to establish a seed or a Government secondary school?

**DR RUGUNDA:** Madam Speaker, since the new policy now is for every sub-county to have a secondary school, I think my brother should not be too worried about the mistakes of the past.

4.42

**MR DEOGRATIUS KIYINGI (DP, Bukomansimbi County South, Bukomansimbi):** Thank you, Madam Speaker. Rt Hon. Prime Minister, I am aware that you come from Kabale and you usually use the Kampala-Masaka Road.

Recently, a section of this road collapsed. Some time back, the Committee on Natural Resources came up with a report to this House concerning the mining of sand in various parts of the country, particularly in Lwera, which has greatly devastated the road which was constructed using taxpayers’ money - that is the Masaka-Kampala Road.

Rt Hon. Prime Minister, how far has the Government implemented the issue which was raised by the Committee on Natural Resources? There is looming danger of this road collapsing in the near future.

**DR RUGUNDA:** Madam Speaker, I think we all share the concern raised by hon. Kiyingi. We want our roads stable and secure and I know there are now tighter controls on mining of sand to ensure that the environment and our infrastructure, especially the roads, are not tampered with.

However, we will follow up the reports you have raised and what may have caused the collapse of the road. If we get the culprits concerned, we will deal with them and even take tighter measures to protect our infrastructure and environment.

**THE SPEAKER:** Honourable members, we have used the 45 minutes. The Members who have not contributed today will contribute next Wednesday. For those who asked questions, do not even bother to stand up next Wednesday.

I forgot the Leader of the Opposition; one final question, Prime Minister.

4.45

**THE LEADER OF THE OPPOSITION (Ms Betty Ochan):** Thank you, Madam Speaker. Rt Hon. Prime Minister, you know how difficult it is for drivers, especially the youth, who want to upgrade and drive big trucks. They have to come up to Kampala to the Inspectorate of Vehicles (IOV) and have to hire either a bus or other cars but sometimes they fail. They sometimes resort to us.

Why do we centralise those kinds of services instead of decentralising them across the country?

**DR RUGUNDA:** Madam Speaker, the Leader of the Opposition has raised a very important point and I entirely agree with her. We are going to expedite the process of decentralisation of issuance of those permits.

**THE SPEAKER:** Honourable members, I would like to beg your indulgence. We have in the Gallery a delegation from the World Bank and the Auditor-General’s office. They had come to listen to the report of the Public Accounts Committee (Local Government). I would like to appeal that we just receive the report in 20 minutes. The debate will be next week so that they can go back and view the accounts of Uganda and then we shall then go back to other business.

Let me first call hon. Rwakoojo to raise the issue in three minutes, then we receive that report for 20 minutes and we go back to other items.

INTERIM REPORT OF THE SELECT COMMITTEE INVESTIGATING ALLEGATIONS OF SEXUAL VIOLENCE IN INSTITUTIONS OF LEARNING IN UGANDA

4.47

**THE CHAIRPERSON, SELECT COMMITTEE ON ALLEGATIONS OF SEXUAL VIOLENCE IN INSTITUTIONS OF LEARNING IN UGANDA (Ms Robinah Rwakoojo):** Thank you, Madam Speaker. For the record, we have not come up with a report yet because we have not finished our work. However, I would like to give a brief on what we have done so far because we need the assistance of members of Parliament when we go to your districts. We also need an extension of time; so, it is just the progress.

On 12 April 2018, hon. Anna Adeke Ebaju, the Female Youth representative presented a motion for a resolution of Parliament, urging Government to inquire into allegations of sexual violence in institutions of learning in Uganda. Upon debate, Parliament unanimously agreed to institute a select committee to investigate those allegations.

On 14 August 2018, the Rt Hon. Speaker appointed a nine-member team to inquire into these allegations - some of the Members are here; maybe they could stand up for recognition – and report back the findings to Parliament in a period of two months, which should have elapsed in mid-October.

However, due to the magnitude of the assignment before the committee which was categorised in three phases; the desk review, the fact-finding visits across the country and benchmarking for best practices elsewhere, we could not achieve this in the given timeframe.

An extension to mid-December was requested and thus given to the committee by the Speaker - this was during recess – to conclude and report back to the House. The committee has registered a milestone in the assignment thus far, having achieved most of Phase I with the relevant stakeholders, including hon. Adeke Anna Ebaju, who introduced the motion to the committee and hon. Veronica Eragu Bichetero, who seconded the motion, having appeared and given their views on the matter.

The committee also met the Minister of Education and Sports, hon. Janet K. Museveni and many other stakeholders from the academia, the civil society and Government ministries, departments and authorities.

However, the committee still has to review views from stakeholders who were not able to do so initially; these include the Ministry of Justice, Ministry of Health and others.

On 29 October 2018, the committee embarked on fact-finding visits, traversing the country and ascertaining the status of sexual violence in institutions of learning and has concluded visits in eastern, south-western and western regions of the country, with the central and northern regions yet to be visited in the coming weeks.

At a later stage, the committee intends to benchmark in Kenya and South Africa which have been identified as having practices and systems that the nation can learn from and adopt in the fight against sexual violence in the country.

These facilities include one-stop centres that offer support to victims of sexual violence. Further to this, the two countries also have national guidelines for the management of sexual violence cases.

Given the wide scope of the terms of reference, the committee envisioned that the task at hand will not be accomplished before mid-December as had been earlier scheduled. The committee therefore requests for an extension of a period of one month - to mid-January 2019 - to present a comprehensive report into the allegations of sexual violence in the institutions of learning in Uganda.

So far, our findings indicate that sexual violence is real and we have confirmed it exists in every place that we visited. There is ignorance about it and people think that it is normal. You had asked us to go to primary schools, secondary schools and tertiary institutions and we have confirmed that there is sexual violence.

The perpetrators are, for example, the deans of the universities, the deputy head teachers of schools, teachers and pupil-to-pupil sex, which is alarming. There are reports about incest even at home but since we are not presenting the committee report now, we request for an extension of time. I beg to submit.

**THE SPEAKER:** How much time do you think you need?

**MS RWAKOOJO:** We need up to mid-January because we had five weeks of the visits to the districts. We are left with the central and northern regions which we will visit next week and a week after.

After that, we shall do the benchmarking and also meet the institutions that we did not meet. Thereafter, we will write the report. We need about a month.

**THE SPEAKER:** Honourable members, it is an update and to ask for more time. The chairperson has explained her problem; they have done half of the country and still need to visit the remaining part. We authorise them to work until mid-January. Thank you for the work so far and I would like to encourage Members to concentrate.

**MS RWAKOOJO:** We request for the assistance of the Members in the districts where we have not been so far, to help make it easy for us on the ground.

In the last district that we went to, which I will not name, there was an impasse between the RDC and the CAO; so, we could not meet the district officials. If we had got information from the area MPs, then we would have known how to handle it.

We are going to the central and northern regions as the last ones; we could not visit every district in Uganda. Thank you, Madam Speaker.

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE ON PUBLIC ACCOUNTS, LOCAL GOVERNMENT ON THE VALUE FOR MONEY AUDIT ON THE UGANDA SUPPORT TO MUNICIPAL INFRASTRUCTURE DEVELOPMENT PROGRAMME IMPLEMENTED BY 14 MUNICIPAL COUNCILS IN THE FINANCIAL YEAR 2015/16

**THE SPEAKER:** Honourable chairperson, use only 20 minutes; we shall receive the report and debate it next week.

4.55

**THE CHAIRPERSON OF THE LOCAL GOVERNMENT ACCOUNTS COMMITTEE** (**Mr Reagan Okumu):** Thank you, Madam Speaker, for this opportunity. The report of the Public Accounts Committee, Local Governments and the value-for-money audit on Uganda Support for Municipal Infrastructural Development Programme which is commonly called USMID in 14 selected municipalities is ready for presentation and it will be in three forms.

These are 14 consolidated reports covering the 14 municipalities. I will have a summary of three pages of this report.

I beg to lay on Table a copy of the video report so that Members can confirm whether our report rhymes with what is in the video clip. I also would like to lay on Table the detailed report of the committee and also the minutes of these 14 reports.

Madam Speaker, I would like to begin with a short video documentary to give Members the state of this report and an overview and thereafter, I will stand up for less than three minutes to give the overall summary because the video would have given everything. I therefore, ask the people responsible to proceed.

**THE SPEAKER**: So, you are digital*? (Laughter)*

*(A video was viewed by the Members.)*

**MR OKUMU:** Madam Speaker, this is a huge report and I do not want to go even into completing the summary because it will take us a long time. This has been uploaded onto your iPads and I request you to read, mainly focusing on our general observations because observed quite a number of things. That starts on page 13 all through to page 15.

Also focus on the highlights of our recommendations on page 15 onwards where we emphasise quite a number of things. You cannot, for example, put up infrastructure and build roads when you totally ignore the aspect of physical planning. If we do not plan these municipalities ahead of everything, then we can do nothing. That is why the complaint in Mbarara was that we could not get greening; that was the excuse because they could have chosen any road in the municipality and worked on it to accommodate most of these. Physical planning should be focussed on and it is a component of this planning. The others can come later.

The other thing we found in Tanzania, which was very supportive and I think we miss it and we had put in our recommendations, is revenue collection. This project was able to improve and centralise revenue collection. The system was that wherever you go to a shop and buy something - even the population is sensitised to the extent that they would ask you for the *Bugufuli* receipts. They would say, “If you do not give us that receipt, we are not going to leave your shop.” That is the official receipt that you have to get and it relays whatever transactions you have done into the centre.

Therefore, I ask our honourable colleagues to read that report and focus on - as I said, it is a technical report and if you do not read it properly, you will not even debate it. It is talking about the economy and it is a progressive audit. At every stage, they are doing different audits. What we have done now covers only 15 per cent but by the time we went on the ground, they had gone beyond the 23 per cent of the work.

There were challenges in some municipalities, like I mentioned. In Mbale, the delay and confusion by the contractor caused a lot of problems because Mbale missed so many stages. In this project, you complete the first phase and you are rewarded and progressively you walk to the different batches.

I would also like to mention something about Moroto Municipality. These project choices were left to the municipalities and Moroto chose a bus terminal. We asked them, “How many buses do you get here and how will you earn from this?” – and you saw the pictures. They said that they wanted a bus terminal and Moroto receives only four buses –*(Laughter)*– so we were left wondering how they can get revenue from pumping over Shs 5 billion for four buses. Up to now, Moroto has not even completed the bus terminal.

Arua is completing a taxi terminal but they have also built roads. They chose the taxi terminal, which is classic. If you go to Arua, you will see the taxi terminal; it is modern. They also chose roads so we should look at the question of choices.

Finally, this audit also covers the Road Fund and the School Facility Grant as a comparison of effectiveness because this support was supposed to build the capacities of these municipalities to be able to have greater ability to work on the School Facility Grant. However, it is challenging, as you will find in the detailed report, which has every municipality with the assessment and with their specific recommendation.

Madam Speaker, we thank you for giving us this opportunity to present our report. Some people saw in the media last week that we took a report to the President; that was not true. We were doing our normal parliamentary reports because we found common recurring things since we started reporting. We saw an opportunity that before we bring this report – this is one report; the other will be ready next week. It is 1,300 pages for all the districts, the municipalities and half the town councils, which we covered.

We went to seek the opinion of the Head of State for an input. The report people saw in the media was our last, as I told you yesterday, Madam Speaker. However, some people thought that it is this report being presented. We cannot do anything like that; we are senior people in this Parliament. You cannot give a parliamentary report to a Head of State before it is tabled in Parliament and passed.

I even saw the Uganda Local Government Association (ULGA) issuing a statement condemning us. They have not even seen the content of this report and it has appeared in the newspapers. Local Government Accounts does not deal with ULGA; ULGA is a private association and not a Government department.

I would like to seek you indulgence to ask the Auditor-General to audit ULGA because it has come to our knowledge that ULGA, a private association, receives Shs 6 million from every district every year for membership. Last financial year, they got it at source from the Ministry of Finance, Planning and Economic Development. We now have over 130 districts and whether you are new or not, you must pay that. They deduct from the about 1,800 sub-counties in Uganda Shs 500,000 for membership every year. They are doing something irregular.

Finally, we need to reach the Auditor-General for these fellows to be audited because these are public funds. They have no right; our mandate is with the accounting officers and not with chairmen of districts. The leadership of this association are chairmen of districts. Some of them have been helpful because they come for our meetings. In our last report, we named the best and the worst chairmen. Our friends from Mbale know what is happening there.

The honourable members of this committee have been the most dedicated; we suffered together driving throughout the country. People would sleep in the bus but I can assure you that the minimum number of members we would have would be 25 –*(Member timed out.)*

**THE SPEAKER:** Thank you, honourable Chairperson of the Committee on Local Government Accounts and the Members for your dedication. Now Members are better informed; you can now complement with the text of the report and it will be debated next week.

BILLS

SECOND READING

THE SUGAR BILL, 2016

**THE SPEAKER:** Honourable members, yesterday we received two sets of reports; the majority report – Oh in the public gallery is Ms Margaret Kankwanzi, Miss Tourism Uganda 2018/2019 together with her manager, Mr Richard Ssebaduka. She is from Kampala, represented by hon. Muhammad Nsereko and hon. Nabilah Sempala. You are welcome.

Honourable members, yesterday we received two sets of reports and at the end of the presentation, we agreed that we all go and read the reports in readiness for today's discussion.
However, in the course of reading the reports, a matter, which is constitutional and one which touches on the Public Finance Management Act and our Rules of Procedure, has come up.

The minority report has the following proposals – they are recommendations. On page 5, they recommend that clause 22 of the Bill should be amended to provide for relocation of the existing sugar mills, which are within the 25-kilometres radius of the earlier established sugar mills.

They also recommend that clause 22(5) should be deleted. Their recommendation is that Government provides land for relocation and bears the cost of relocating the affected sugar mills.

Honourable members, if that proposal is to be carried, it has an implication on Article 93 of the Constitution, which if I may read, states, *“Parliament shall not, unless the Bill or the motion is introduced on behalf of the Government –*

*(a) proceed upon a Bill, including an amendment Bill, that makes provision for any of the following -*

1. *the imposition of taxation or the alteration of taxation otherwise done by reduction - and this is where our interest* is –
2. *the imposition of a charge on the Consolidated Fund or other public fund of Uganda or the alteration of any such charge otherwise done than by reduction...”*

You may also look at Article 93(b):

*“Parliament shall not, unless the Bill or the motion is introduced on behalf of the Government –*

*(b) proceed upon a motion, including an amendment to a motion, the effect of which would be to make provision for any purposes specified in paragraph 2(a)of this Article.”*

Honourable members, in order for Government to secure land, it must expend money. In order for Government to relocate any facility, it must expend money. When the minister requested for the Certificate of Financial Implications, it was in relation to this present Bill. To buy land and to transfer it requires additional funds, which have not been quantified and which have no Certificate of Financial Implications.

Therefore, there is a problem in that area and I just want to put it on record that in relation to clause 22 of the Bill, the proposal in the minority report to the effect that, “… sugar mills established after the commencement of this Act should be 25 kilometres apart and should apply to existing sugar mills as well” is meant to apply to already established sugar mills on the basis of time of establishment.

Therefore, that proposed relocation means that it must come from the Government. If the Government is going to move the mills and if the Government is going to buy the land, it is the Government, which must come here and say, “This is our proposal and this is the budget for it.” *(Applause)*

My other difficulty, honourable members, is that our Rules of Procedure do not allow us to take a vote on the matter and let me read rule 123 regarding settlement of financial matters. It says,

*“(1) No question shall be proposed upon any Bill, motion or amendment, which has not been introduced or moved by a minister if, in the opinion of the Speaker, the object of the Bill, motion or amendment is to make provision for any of the following –*

*(b) the imposition of a charge upon the Consolidated Fund or other public fund of Uganda or the alteration of any such charge otherwise done by reduction;”*

I also draw your attention to section 76 of the Public Finance Management Act and rule 117, which requires for the cost estimates for the Bill and the Certificate of Financial Implications, respectively, to move together. Both require that the Bill must come with a Certificate of Financial Implications issued by the minister responsible for finance.

I do not know how much it will cost to buy the land; I do not know how much it will cost to relocate. The minister must come here and tell us how much money he needs in order to do that. Therefore, a certificate was issued in respect of the Sugar Bill and it did not include these additional expenditures, which are being proposed by the minority report.

Therefore, honourable members, I am constrained to allow debate on that because we cannot even vote on it. We are not allowed to vote on it and we cannot even move it because we are charging the Consolidated Fund. That is the problem I have and for that reason, the proposal that requires Government to expend money on the relocation has not been brought on behalf of Government and as such, we cannot actually discuss it. Let us discuss the majority report.

Honourable members, we should not casually make proposals that touch on the Constitution. During the petition hearing in Mbale, many issues were raised around the Certificate of Financial Implications: was it given or not? Why did you move on it without the certificate? All those issues were raised. Honourable members, that is the problem I have in relation to the proposals made by the minority report. Thank you.

**MR OTIENO:** Madam Speaker, the issue I raise is in relation to rule 201(1)(a). Yesterday, when this report was being presented, I noticed that the Members who signed the report were no longer members of the committee and the chairperson who presented the report did not actually sign that report. It means we have two sets of Members -

**THE SPEAKER:** No, honourable member. When opening the Third Session of this House, I informed you that there was a problem with one of the committees and that I was going to disband it. Therefore, you should leave that area. I authorised this committee to present the report.

**MR OTIENO:** Madam Speaker, can these two sets of Members therefore debate?

**THE SPEAKER:** I will deal with that when it comes. Let us proceed.

5.39
**MS JESCA ABABIKU (NRM, Woman Representative, Adjumani):** Thank you, Madam Speaker, for the opportunity and the guidance given. As we speak, sugar factories are spreading across this country and therefore, we should have legislations that support both our upcoming farmers and those in the business. For example, Adjumani is benefitting because of the sugar factory in Amuru.

Madam Speaker, there were key issues that were raised and one is that this legislation is meant to promote competitiveness in the sugar sector. Therefore, we should encourage our small and medium scale farmers as well as those that own big factories or companies. As such, promotion of nucleus farmers is very crucial.

Regarding the issue of the zoning, we have been informed by the report that 32 companies were already licensed. We have been promoting local content and encouraging Ugandans to become very big investors. Therefore, our country should encourage and promote the 32 licensed companies, which are already in existence in the different parts of this country.

I am very touched about the operations of cooperatives in this country. In this House, we have always emphasised to the Ministry of Trade, Industry and Cooperatives to liaise with other ministries and ensure that cooperatives are revived and that our farmers are well organised.

I feel that this is the right time to request the Minister of Trade, Industry and Cooperatives to bring us their plan for implementing the decisions taken several times in this House, regarding reorganising our farmers and strengthening cooperatives. That is why even when the issue of money for maize came up, our cooperatives could not benefit.

That is also how our farmers lost out on the maize money that was given to ensure that high productivity is balanced through pricing. Madam Speaker, unless the minister comes here to give us a plan on how we are going to strengthen cooperatives, it will be very difficult for us to achieve our target.

In the same report, there was an issue of food security. In many of these districts where sugarcane is being grown, food insecurity is too high. Locals often concentrate on growing sugarcane and the aspect of the food security is neglected. Therefore, it should be in our interest to make sure that we promote food security by supporting our farmers so that they balance commercialisation with food security in the country. Thank you so much.

5.43

**MS ANN MARIA NANKABIRWA (NRM, Woman Representative, Kyankwanzi):** Thank you, Madam Speaker. I would like to thank my colleagues and the promoters of the Bill for coming up with these reports.

This Bill must actually be debated in line with the Investment Code. In order to promote investment in the country - first of all, we are promoting our small investors but in doing so, we must also protect - because this is a big industry.

This Parliament has also just passed the Biofuels Bill and while processing the Bio-fuels Bill, my committee visited the sugar companies and we realised that many of the big sugar companies are operating at half capacity today, some of them even less. The reason for this is the raw materials. There is competition and sometimes, they say, there is theft at their own farms by the people they are competing with.

Secondly, today sugarcane is no longer a raw material for only sugar. When Government brought the Bio-fuels Bill, which is now an Act, we were looking at how we can mix the fuel we are yet to produce – even the one that is coming into the country. Sugarcane is a source of ethanol, which is one of the components used in biofuels.

Therefore, many of the sugar companies are now also producing ethanol, which we are also looking to mixing our petroleum products and that was a pronouncement by the Government of Uganda.

Therefore, Madam Speaker *–(Member timed out.)*

5.46

**MS JALIA BINTU (NRM, Woman Representative, Masindi):** Thank you, Madam Speaker, for the opportunity to contribute to this Bill. To my understanding, this Bill mainly talks about sugar and its title is, “The Sugar Bill.”

The sugar that we are talking about is a by-product of sugarcane and sugarcane is a crop. The entire content of this Bill is about the already finished product of sugarcane. This defeats my understanding, especially if this Bill is passed the way it is, because its implementation would be difficult.

I would like to refer this august House to clause 26, which talks about establishing the National Sugar Research Institute. This institute talks about mainly:

1. breeding of sugarcane; how does the Ministry of Trade, Industry and Cooperatives breed sugarcane?
2. conducting research on nutritional requirements and sugarcane;
3. appraising technologies on land preparation;
4. the studying and monitoring of pests and diseases;
5. developing agronomic packages;
6. testing, designing and evaluating of farm machinery and factories.

Madam Speaker, it talks about many more things.

I believe some of these things would fall under the Ministry of Agriculture, Animal Industry and Fisheries and I would like to believe that possibly, the Government is bringing on board all this under this Bill because we do not have a law that talks about sugarcane, as a crop and we have missed out on this. We have laws on all other main crops but we do not have a law on sugarcane.

I would like to propose that some of these contradictory clauses, which will not be implemented, should be deleted. Instead, we should ask the Government to come up with a sugarcane law where some of these clauses, like this one, will be incorporated. I do not think the Ministry of Trade, Industry and Cooperatives will be able to implement this clause.

I would also like to talk about zoning. I have seen the report and I believe there is a part where the committee recommends that before the Government can go ahead and license any milling plant, they should require that milling plant –*(Member timed out*.)

**THE SPEAKER:** Okay, you have half a minute to conclude. You should have declared your interest before.

**MS BINTU:** Madam Speaker, I have declared my interest; the biggest population of the people I represent are sugarcane growers. I consulted them on this law and they told me that zoning will not help them because it is going to restrict those farmers to only one miller. When you restrict them to a 25 kilometre radius, it means they cannot sell at a good price to anybody who will come to buy the cane.

However, I would like to agree with the proposal that if it has been a problem because people do not have raw materials, let us emphasise that every miller have a nucleus farm so that they can also be able to process as they buy but restricting farmers by creating this law will not help.

We are in a liberalised market and we are saying that people are free to sell; why then should we restrict sugarcane growers? Why can’t we restrict banana growers, bean growers, maize growers, cattle keepers, milk producers, millet producers, cassava growers and potato growers?

Madam Speaker, we shall not be fair and the world will not forgive us. I would like to propose that the issue of zoning be deleted because it is not good and we are not helping our farmers to grow.

Recently, the farmers –*(Member timed out*.)

5.51

**MR DAVID MUTEBI (NRM, Buikwe County South, Buikwe):** Thank you, Madam Speaker, for the opportunity you have given me to contribute to this long-awaited debate on the Sugar Bill. I come from an area where sugarcane growing is one of the major activities, having been encouraged by Government to go for sugarcane out-growers after they failed on the mission to cut down Mabira Forest. This Bill is as important as the Bill that we had last year, almost at the same time.

There has been a lot of tension and disharmony between the mills operators and sugarcane growers. This Act, when enacted, should provide a solution to this increased tension. I saw a proposal on the establishment of a casual advisory council but this cannot meet the immense challenges within this industry.

I, therefore, wish to support the committee report that proposed a strong Board as a regulator of this industry. Farmers’ voices have been very low and they cannot be subjected to a mere advisory council. Besides, the increase of the representation of farmers or out-growers on the council from two to four and indeed an equitable representation is what we would like to see in this new Act.

I also would like to reiterate what my colleague has said; that going for zoning is an abuse of the liberalisation principles in this country and we cannot afford to backtrack on that.

Regarding the independent farmers, we would like to see this law give them the right to sell wherever they wish, based on the fair principles of the best paying company taking the opportunity to purchase.

There is also a fact about how the benefits are shared. We would like to see this being shared on a 50:50 per cent basis because sugarcane buyers do not only benefit from sugar sales but from other –*(Member timed out*.)

5.54

**MS HELEN KAHUNDE (NRM, Woman Representative, Kiryandongo):** Thank you very much, Madam Speaker. I would like to support my colleagues, hon. Jalia Bintu and hon. David Mutebi that as Parliament, we should not support zoning. If we are to support zoning, then it should be for all the investments.

In Bunyoro sub-region, there was a period where we experienced a challenge. One company in the whole of Bunyoro was buying a tonne of sugarcane at Shs 80,000. At one time, the farmers even started transporting their sugarcane to Busoga sub-region. In Busoga, the sugarcane was being bought at Shs 150,000. They could transport their sugarcane from Masindi or Bunyoro and sell it in Busoga and still earn some profits. I, therefore, pray that they leave it open since Uganda is a liberal economy. Farmers suffer due to the monopolistic tendencies of investors in business.

Madam Speaker, about sugar pricing and the formula, the Bill only provides for the formula of the sugarcanes and is silent on the by-products. Sugarcane is being sold at a very cheap price but the by-products of sugarcane are too expensive to even be afforded by these farmers. For example, a kilogram of sugar sometimes goes as high as Shs 8,000 and we have other by-products like ethanol, fertilizers and others. However, the Bill provides a formula for only the sugarcane.

I do not know whether it is possible to also provide a formula for the by-products in order for the farmers to benefit since sugarcane goes beyond the ordinary sugar that we consume. Actually, there is more money in the by-products than in the sugar –*(Interruption*)

**MR KIYINGI:** Thank you, hon. Kahunde. Madam Speaker, the information I would like to give is that at one time, the farmers in Bunyoro region could not find buyers for the sugarcane which had been produced and they were supposed to cut it down so as to get fresh cane to sell.

Madam Speaker, you recently ruled on the issue of Amuru Sugar Factory. This sugar factory, which had not come into operation, saw farmers stranded with their cane just because they could not transport the cane to where there is market. Therefore, we do not want to see our farmers suffer because of issues of zoning. I thank you.

5.58

**MR MOSES WALYOMU (NRM, Kagoma County, Jinja):** Thank you, Madam Speaker. I second the report of the committee but with some amendments.

On the issue of the Board, I would like to thank the committee for recommending that we need to establish a sugar board, although as hon. Jalia Bintu stated, we are looking at sugar, which is a product of sugarcane without considering the raw material, which is sugarcane. I think it is good for us to have that Board.

However, looking at the composition or representation of the Board members – I think the Bill proposes only two members *vis-à-vis* the five millers and on the percentage of sugarcane owners, the out-growers own 68 per cent *vis-à-vis* the 32 per cent.

Regarding representation at the Board, the Bill proposes that the millers who own 32 per cent are more represented at the Board than the farmers. I would like to appreciate the committee’s proposal that we increase the number from two to four but for purposes of decision making - because this body is going to make decisions - if we have five instead of four, automatically the five can take the day.

Therefore, for the good of decision making, I urge that we have an equal number so that the millers can have four or five representatives and the millers four, instead of having five representatives of the millers who have the smallest percentage *vis-à-vis* the out-growers who have the biggest percentage.

Regarding zoning, I would like to thank the committee for coming come out clearly to give the views of the stakeholders. Among the stakeholders are my farmers from Busoga and they do not want zoning. We have been with these industries since I was born in 1975 but we had no impact until recently, when we got these other factories and we now see the positive impact on the sugar factories. Therefore, zoning will mean that we are taking the people of Busoga back to how they suffered in the ‘90s and ‘80s.

If we can borrow a leaf from Kenya, they had a similar proposal of 40 kilometres but it did not work. The sugar industry is failing because of zoning. Therefore, I urge that there is no need for zoning. We should leave it since we are in a liberal economy. Thank you, Madam Speaker.

6.02

**MS BRENDA ASINDE (NRM, Woman Representative, Iganga):** Thank you, Madam Speaker. Iganga is one of the districts with so many out-growers of sugarcane and I rise to oppose the zoning because it will cause monopoly for the bigger industries. After deciding on where the out-growers should sell their sugarcane, they will also decide on whatever price they will pay for the sugar, after processing it.

Therefore, I am against zoning. Let our out-growers sell wherever they want because competition is also important and it is good for the out-growers and for us, the consumers of the sugar. Thank you.

6.03

**MR OKOTH OTIENO (NRM, West Budama County North, Tororo):** Thank you, Madam Speaker, for giving me this opportunity. I would like to begin by saluting you for the guidance you have given regarding this matter most especially the views that are contained in the minority report.

Uganda is a liberalised economy and Ugandans have got their economic rights, which are enshrined in our Constitution. Article 40 guarantees our rights and Ugandans are free; if they want to produce sugarcane, they are free to produce sugarcane and sell to whoever they want. In other words, Ugandans have a right to practice their trade. If farmers choose to produce sugarcane, they are free and it is within their right to sell their sugarcane to whoever gives them the highest offer.

Therefore, any attempt by any Bill or legislation to curtail the rights of Ugandans to sell their products to whoever they choose should be resistant. Requiring farmers to sell to only particular millers, within a given area, would amount to curtailing the rights of Ugandans, which is provided for in the Constitution.

Therefore, Madam Speaker, personally and on behalf of the people I represent, I do not support the business of zoning sugarcane mills or growing and subjecting farmers to supply their products to particular millers.

That said, from the report, there is already a problem in the sugar industry. We have two associations and that is the Uganda Sugar Association, which is only composed of certain millers like Kakira, Kinyara and Lugazi; and the Millers’ Association, which is composed of GM, Mayuge, Kamuli, Sezibwa and some small ones. That alone speaks volumes regarding the challenges in that industry. There are already some millers who are being discriminated –*(Member timed out.)*

6.06

**MS MARIAM NAIGAGA (NRM, Woman Representative, Namutumba):** Thank you, Madam Speaker. I would like to commend the team for listening to the out-growers. I support the report of the committee and I would like to appreciate the Government for picking interest in supporting the sugar industry.

The few issues that are highlighted in this report, to do with low production and food insecurity, are a call to the Government. This Government has borrowed to support cattle farmers and other farmers. I would like to urge members of Parliament that in the next Budget, we should also borrow to support sugarcane farmers.

The biggest challenge of the out-growers is to do with financial support, technical advice and land management. This is an eye opener to the Government, since it has interest in the sugar factory, to support the out-growers by giving them irrigation machines.

I am a sugarcane grower and the life cycle of a sugarcane plantation is around five to six years currently. Within this cycle, a farmer can realise three to four harvests. However, once this plantation is fully supported with an irrigation system, a farmer can realise up to 30 harvests, like it is done in other countries like Switzerland and Brazil. I beg to submit.

6.07

**MR PATRICK KASUMBA (NRM, Bujenje County, Masindi):** Thank you very much, Madam Speaker. I am one of the out-growers from Kinyara –*(Interjection)*– Yes, I have declared my interest. I have consulted my constituents; 69 per cent of my voters are out-growers.

The Bill, as it is, favours the millers and not our indigenous people. It talks about the by- products but it does not favour the farmers. When the committee came on their fact-finding mission, two things came out vividly, which I have not seen the report. One is a bit vague – I am sorry to use the word ‘vague’ - in section 26 about the research. AS farmers, we are saying that the sugarcane is supposed to belong to the Ministry of Agriculture, Animal Industries and Fisheries. This is so that we can also be supported.

We have seen Operation Wealth Creation giving out seedlings but sugarcane growers are not supported because we do not belong to the agricultural sector; we are under the Ministry of Trade, Industry and Cooperatives.

I would like to implore the Government to find a way of separating the two so that the cane growers belong to the Ministry of Agriculture, Animal Industry and Fisheries so that we can also benefit. Madam Speaker, the sugarcane seedlings we have today are out-dated. They have a maturity span of 16 to 18 months but when you go to Swaziland, Switzerland and other countries where we made research, you will find that they have seeds that can mature within 10 to 12 months.

In addition, I am one of the victims of monopoly. When we insist and invoke zoning, we shall be in danger. In Bunyoro sub-region, we have only one investor; Rai Group of Companies. This company has been consuming our sugarcane but they do not have the capacity to consume all the sugarcane in the region.

As a result of monopoly, of late our sugarcane in Bunyoro is being harvested at a maturity age of 36 months yet in other areas, they are harvested at 16 months. Therefore, once we introduce zoning, it will mean that there is monopoly by one company that has already secured different certificates in three different zones in the area. I beg to submit.

6.11

**MR DAVID ABALA (NRM, Ngora County, Ngora):** Madam Speaker, I would like to thank you for giving me the opportunity to say something about sugar. What I am sure of is that Article 1 of our Constitution says that power belongs to the people. It means we should not be the members in this community who will be attacking fellow Ugandans.

This Bill actually emphasises that when we begin to talk about zoning, it means we are distorting what the Constitution of the Republic of Uganda is talking about. Monopoly used to be there before 2000. I will give an example; we used to have the Makerere University Act, 1970 and this Parliament repealed it and brought the Universities and other Tertiary Institutions Act. This was meant to dismantle what is called a monopoly in terms of higher education.

When it comes to districts, this Parliament has introduced so many districts in this country and nobody has complained. I do not support the issue of zoning and I will not support it. It will be an abuse to Ugandans who are suffering day and night, trying to look for a way of fighting poverty and trouble in their homes. If Parliament, for example, agrees, it means we are actually trying to look for a way of killing them and I will not be party to this.

Secondly, when about the Board, recently there was the Uganda National Health Laboratory Services Bill here –*(Member timed out.)*

6.14

**MR JAMES WALUSWAKA (NRM, Bunyole County West, Butaleja):** Thank you, Madam Speaker. To the best of my knowledge – I could be wrong - sugarcane is mostly grown in Busoga. Some of us have our backgrounds from Busoga and when we going to our constituencies, we pass through Busoga. Our relatives are in Busoga.

Therefore, if we talk about zoning, some of us will not pass smoothly from here to Butaleja and come 2021, some of our voters will migrate to Butaleja yet they are Basoga. On the issue of zoning, why don’t they zone the cows? Why are they not zoning bananas? - *(Laughter)*

I would like to give you information that as we speak, there is a big banana project in Bushenyi with professors. Why can’t they bring such a thing to Busoga? There is the Dairy Development Authority to cater for cows. If we start zoning, there are people who may target some of us, who are related to Basoga, to remain in poverty. *(Laughter)*

In a nutshell, regarding the issue of zoning, the people of Butaleja and the NRM community of Butaleja do not support zoning and I do not want to be part of it. I beg you, Members, to support us.

With that, I would like to move a motion, Madam Speaker –*(Interjections)*– A notice of a motion? Should I raise it? Should I move it?

Madam Speaker, I would like to move a motion that we support the report the way it is. I may not know the legal procedure but –*(Member timed out.*)

6.17

**MR EMMANUEL ONGIERTHO (FDC, Jonam County, Nebbi):** Thank you, Madam Speaker, for this opportunity. I would like to start by saying that I am a relatively old man in this House and I would like to submit on this Bill with a very heavy heart. For the first time, I am submitting when I am unhappy.

I am submitting with a heavy heart for two reasons; one is that I do not have evidence about the fact that in this Bill and other Bills passed, I feel hurt that issues of money keep moving around. I say this is with a heavy heart because I do not have evidence. I sat in the lobby here and heard people say that when you accept zoning, you will get some money.

Colleagues, I feel hurt because these Bills are for us and for the good of our country. Why should there be rumours of money around every Bill? I think that is painful for us.

I also have a heavy heart because of this thing of zoning. I am asking myself what some of these investors are afraid of. I thought they were big enough to be able to pay farmers well. They are big enough to compete and pay farmers well and because of that, there should be no problem of zoning but they want to zone because they know what they have been doing to farmers. *(Applause)*

They want to continue to do the same and cheat people and because of that, I am totally against zoning.

Incidentally, from the debate, which has gone on up to now, it is as if this whole Bill has been reduced to the issue of zoning. It is like every other part of the Bill is okay; it is just the zoning, which is not fine. If that is the case then I am also saying that I am against it. I beg to submit. Thank you.

6.19

**MR SILAS AOGON (Independent, Kumi Municipality, Kumi):** Madam Speaker, this is a great evening for the nation. I am aware that there has been a big challenge in the country because of sugarcane and not sugar.

I observed the comments made by hon. Bintu that right from the title of the Bill, there is some lameness recorded. Sugar is not the problem but it is sugarcane growing and how it is managed. There are people who are complaining and saying, we depend on immature sugarcane but I would like to know from this august House, who among you has witnessed any change in the sweetness of sugar so far? Therefore, is the problem sugar or sugarcane?

The title of the Bill is not correct. If we wanted to attend to problems related to sugarcane growing, maybe we would have talked about the Sugarcane Act or Bill but not sugar. Therefore, everything is wrong from the start. We should consider restarting everything afresh, if there is an opportunity.

Zoning would be okay to protect the major factories but these are some of the questions we would love to ask. If you are relocating the small factories, who is paying for the cost of relocation? Who will take care of the employees in Mayuge, GM and Kamuli, where you come from, Madam Speaker? If you are going to relocate them, where are you taking the small ones? Finally, who will maintain the right price of sugarcane for the sugarcane growers? If these questions are answered, zoning would be a very beautiful word. Thank you.

6.22

**MS SARAH WEKOMBA (Independent, Woman Representative, Bulambuli):** Thank you, Madam Speaker. I also thank the committee for the report. I am not a sugarcane grower but I happen to take sugar.

I interacted with a wholesaler in Mbale about the issue of zoning. He said, the miller gives only one distributer sugar and this distributer sells to wholesalers at a wholesale price and even a retailer buys at a wholesale price. This person who buys from the only distributor - That is monopoly and that is why I think zoning is not going to help the wholesalers. This is monopoly disguised as zoning.

In the end, it is the local person who suffers. Kenyan farmers rejected zoning because it is authoritarian, punitive and discourages the policy of willing buyer, willing seller. I do not think we will take this on as the committee would like to recommend. Thank you.

6.23

**MS ANNET NYAKECHO (Independent, Tororo North County, Tororo):** Madam Speaker, I would like to thank you for the opportunity to debate this report. I am a little saddened that we can sit in this House and listen to proposals that are trying to promote monopoly in this county in this age and era. That is not fair.

I stand in solidarity with the out-growers; the local people who are the ones who suffer. When they are being oppressed in terms of price discrimination; when a monopoly decides to set a certain fixed price, the out-grower has nowhere to run but suffer. I stand firm saying that it was very wrong for the committee to come up with that idea of supporting zoning.

How can somebody say that if you are a new company and in case you do not have enough land, we give you only three years to look for 2000 acres of land? Where in Uganda today are you going to get 2000 acres of land? Why do we want to promote oppression of fellow Ugandans?

Most of these small factories belong to our own Ugandans who are trying to compete with the giants. I recently watched on television a group of people making local brew complaining that they cannot find molasses because it is too expensive. The so-called monopolies do not want to sell to them the molasses that they use to produce local gin. They have to travel all the way to Rwanda to import it and yet we have by-product of sugarcane in this country.

Is that the kind of Uganda we would like to continue making our people live in? I think it is not fair for us to imagine that we can support such a proposal.

Before the Ugandan economy was liberalised, these monopolies had control over what our people owned but today, Uganda has been liberalised and I do not think  *-(Member timed out.)*

6.26

**MR ONESIMUS TWINAMASIKO (Indpendent, Bugangaizi East County, Kibaale):** Thank you, Madam Speaker, for giving us time to read more about this report in yesterday’s session. Clause 2 of this Bill proposes the establishment of the sugar board.

During the committee’s consultations, the Ministry of Trade and Industry and the sugar millers were totally against the establishment of this sugar board, even before it was brought here in Parliament.

Madam Speaker, why is the Ministry of Trade and Industry getting worried of the establishment of the sugar board? You said that it will delay decision making, become more bureaucratic and it will be expensive to maintain. These cannot be reasons to fail the nice recommendation of the committee to help in regulation of the sugar sector.

Whereas I support the establishment of the sugar board, the representatives of the out-growers should also have their number increased to enable them have their views aired out in top decision making meetings.

I would also like to support the committee’s recommendation of organising farmers into cooperative societies in order to ensure a sustainable sugar industry.

I would like to thank the committee and thank you, Madam Speaker. I wish to submit.

**THE SPEAKER:** Where is hon. Komakech? He will speak first and then hon. Osegge. You are nomadic? (*Laughter*)

6.29

**MR LYANDRO KOMAKECH (DP, Gulu Municipality, Gulu):** Madam Speaker, I rise to contribute to this debate as far as the Sugar Bill is concerned. I need to say that slavery was abolished a long time ago. Therefore, no amount of modern slavery should be entertained in this country where many went to the bush and came back to say, “We would like an independent, integrated, self-sustaining economy.” To say that our farmers today should be subjected to a new form of slavery is tantamount to crimes against humanity.

The Sugar Bill should be discussed in a manner that puts the population of this country at the core of the development process. We are very tired of the so-called "investors, in small letters, who come to this country and purport to be the people who drive this economy and yet the population of this country has the capacity, if they are well facilitated, to drive the economy. That is why we requested for a debate on the state of the economy of Uganda to allow us look at the key pillars that drive this economy.

Where is Uganda Development Bank that should support our out-growers? That should be the debate. However, to diminish our people to the extent of what my brother said: “You can just be on sale in the market” is not allowed.

Let us make a law that allows our out-growers and the rest of Ugandans to be at the centre of the benefits of sugarcane growing in this country. Sugarcane has a lot in terms of products including ethanol, the real sugar we take, electricity and many others that can generate jobs in the whole country. If we decentralised in 1992, what new intelligence is coming that we should go into this other thing?

I thought common sense is common but we are seeing people who are fighting common sense. It is our duty to educate those who are being misled so that the out-growers of this country begin to benefit. Sugarcane was introduced in –*(Member timed out.*)

6.32

**MS ANGELLINE OSEGGE (FDC, Woman Representative, Soroti):** Thank you, Madam Speaker. I have tried to peruse through the report and bits of the Bill but as you read even through some of the proposals, you cannot help but ask the question, who are we trying to protect? It is very clear that there is somebody who is particularly interested and who we are trying to protect, probably without knowing.

I remember not too long ago that we had a sugar crisis in this country. When an investigation was done, it was not that there was no sugar in the country but that the producers were hoarding the sugar and therefore causing prices to skyrocket to almost Shs 7000 a kilo. When we talk about protecting such investors, we are denying Ugandans the benefit of competition; the benefit of enjoying the quality that comes out of competition.

Competition, by its very nature, regulates the price. Today, sugar is at about Shs 2,800 per kilogramme. Why is that? I believe it is because there are many producers who have come into the industry and they are causing a lot of supply on the market. We do not want to experience what we experienced that time; encouraging producers to hoard products and as a result, Ugandans suffer and they are forced to do certain things. This will not be right for us.

I also would like to believe that when there is competition - First of all, before an investor decides on what to invest, they will have surveyed the market. They know that if they invest somewhere, it would bring them profit. It is not our business to tell them, it is wrong to invest somewhere because this is a liberal economy. If they find it not profitable, they will find what else to do. However, we cannot be the ones to protect somebody who we do not know by prohibiting others from venturing into the industry.

Madam Speaker, if it gets tight, I believe that it will even promote the growth of cooperatives. Farmers can get themselves into cooperatives and they can be able to market their products and benefit from economies of scale.

Therefore, I would like to propose that we take back this Bill, rethink it and probably bring it - (*Member timed out.*)

6.35

**MR REAGAN OKUMU (Independent, Aswa County, Gulu):** Madam Speaker, I would like to thank you for giving me this opportunity. I would like to contribute, not out of emotion or populism. I would like to look at myself as a leader who assesses the impact of the decision we are going to make here.

First of all, some of us did not get the true reason as to why the Committee on Tourism, Trade and Industry was disbanded. There must have been a reason and a person responsible for pushing a hand into Parliament to select people. I believe that if they did it to the committee, they are doing it here and that is determining the trend of the debate.

Secondly, I would like to ask the committee whether they were able to dig in and find out the impact of environmental degradation from the sugar factories. If you concentrate 10 factories in a particular area, what is the impact? I have visited some of these sugar factories and you see what comes out. What is the assessment? The entire Uganda is a planning area, by law. It is not that only towns are planning areas.

In addition, I would like us to look at the short term and the long term. If one can tell us that not all industries are the same, what is the sugar industry? If you tell me to have a nucleus in order to own a sugar factory then I must have a nucleus. Let it not be a motion because you cannot compare bananas, potatoes or tomatoes with a sugar factory**.**

Let us look at the short term and the long term. You may think that in the short term, somebody walks in as a briefcase investor and we have seen them come in as briefcase investors and after scooping, they go away. In the long run, what would be the impact to our economy, as a country?

Madam Speaker, I would like to blame our Government because why should people continue lamenting when the local population are suffering? Government has a hand. You know, freedom is not free. Your freedom should not infringe on my rights. You cannot say, I am free to do this. Why hasn’t our Government taken care of our people, not only in the sugar industry but even in the factories and elsewhere? People are suffering, they are poorly paid and yet we have the Ministry of Gender, Labour and Social Development. Our people are being exploited.

It is the same lamentation we are talking here; that our out-growers are being exploited. Just go to these industries here and see how our local Ugandans are suffering. They are dismissed without notice and without welfare. Therefore, the question is not the industry. The question is, what is the responsibility in making sure that our people get good market? In America, you cannot walk in with your product; it is regulated at whatever level.

Therefore, Madam Speaker, I would like us to think like leaders for long-term solutions so that our people benefit and our economy does not degenerate with briefcase investors. I thank you.

6.40

**MR HERBERT ARIKO (FDC, Soroti Municipality, Soroti):** Thank you, Madam Speaker. I would like to pick it up from where hon. Reagan Okumu has been speaking. On record, hon. Emmanuel Ongiertho raises an issue of what he picked at the lobby. It has been said and the *Hansard* has captured it. This House hasn’t yet addressed itself to that particular statement. It will definitely be a point of reference in posterity. Suppose the people who had a different view are those that are mentioned; that if you speak this way, you will get this and that, that means it compromises their ability to speak in this House.

Madam Speaker, a law is supposed to relate to Government policy. We have a policy through which Uganda Investment Authority is supposed to license factories that are - As Parliament, we are leaders and we must be able sometimes to take positions that give a country direction based on Government policy.

It is therefore my view that on the basis of the policy, we should go on and provide direction in such a sense that we regulate the Sugar Industry because it is not only about the supply side. The debate here has largely pointed to the issue of the sugarcane growers supplying industries but we are not looking at the macroeconomic aspect of it. What happens to the industry if the collapse, that is stated in the report, continues? Shall we go to a point where we shall go to Brazil to import sugar? Shall we go to a point where there will be hoarding? Shall we go to a point where sugar will go back to Shs 20,000? We must be able to think, as leaders, and very deeply.

The issue of zoning is not necessarily limited to sugar and sugarcane. Cotton, which Teso where I come from, was meant to grow, was zoned. You could not sell your cotton out of Teso into Lango.

I therefore request that this Parliament goes ahead - I am winding up, my time is out – *(Interruption)*

**MR KIYINGI:** Thank you very much, Madam Speaker. Is the honourable member in order to misguide the House that the policy that was introduced in the cotton sector about zoning worked and is still working? Are you in order?

**THE SPEAKER:** Can you explain why you think zoning should be there?

**MR ARIKO:** Madam Speaker, my explanation is on the basis of economies of scale. Yes, indeed I am entitled to my view and my view about zoning is on the basis of saying that this country is not small. It is possible *- (Interruption)*

**MR ODONGA-OTTO:** Thank you so much. I would like to give information to my honourable colleague in relation to the question juxtaposed by the Speaker when the point of order was raised. Under the Cotton Act, the country is zoned and allocated to each company. They plough gardens, give seedlings, spray the gardens and they harvest cotton in that area. There are statutory offences we created in the Cotton Act; if you are found buying cotton in an area you are not licensed, you get seven years in prison. That is in the cotton law. You do not buy it anywhere; you buy in an area where you have invested in ploughing the garden, invested your seeds and implements. That is the information I wanted to give you.

**MR ARIKO:** Thank you, Madam Speaker and hon. Odonga-Otto for that information.

**THE SPEAKER:** Are you taking the clarification?

**MR ARIKO:** Madam Speaker, no. My time is out. Thank you. It is important that my senior colleague, hon. Okot Ogong, who I so respect, exercises restraint, which is very important in leadership.

As you have always guided, Parliament mean “paleo” which means *–(Interruption)-* I am concluding my speech. Madam Speaker, I am well informed. May hon. Okot Ogong please act reasonably? Oh, I am not surprised if he was a member of the former committee, which was expelled.

Madam Speaker, I therefore would like *-(Interjection)-* yes, indeed actions speak to conscience. Therefore, in my opinion, I would like to implore honourable members to act as leaders and look at -

**THE SPEAKER:** Honourable members, make proposals. I think we are all leaders. Make proposals. What do you want? Do not say, “act as a leader”. We are all leaders. Tell us what you want.

**MR ARIKO:** Madam Speaker, my view is that we maintain the issue that is provided for in the policy concerning a certain radius so as to enable these industries to be able to break even, grow and produce at a sustainable level. Thank you.

6.46

**MR JOSEPH SSEWUNGU (DP, Kalungu County West, Kalungu):** Thank you, Madam Speaker. Honourable members, before anything, let me state that what killed cotton growing was zoning. I cannot support what the honourable member is saying. You go and see why cotton growing has collapsed; one of the major reasons is zoning.

Madam Speaker, let me go into these issues as I submit *-(Interjection)-* but I have just started.

Honourable members, the issue is that in any formation of an industry, your interest should be in your citizens. When five industries are opened in Kagoma, the beneficiaries will be the workers in the industry. This is because if industry A is paying poorly, workers will run to the other industry and will get better payment and the competition for our raw materials will be rising day by day. That is why I even disagree with the statement of the minister refusing somebody to sell sugarcane outside his area.

Let me say that the products of farmers will only sell if they are demanded. If Kalungu has a factory and is willing to buy sugarcane from Busoga at Shs 5000 but Busoga is selling at Shs 3000, the farmers will sell to the people of Kalungu. You cannot tell me that I have to go somewhere to look for permission from the minister.

Madam Speaker, let members learn this. The factories that were made in the early ‘60s, the ones that Madhvani is running, are not the same factories that are being established these days. A factory making sugar does not need a lot of machinery. This room alone is enough to produce sugar and that is what people are doing in Busoga. Now you start bringing zoning - You cannot allow that. Competition will be seen and that is what we are looking at.

That is why when you go to Kitigoma, there is a person who opened up a factory there and started with a small area and it is growing. The people from Busoga are getting money.

Let me ask Members who are supporting zoning; Dr Buturo, what happened this time? Minister for Ethics and Integrity, these are things you should know better than us because you are a learned person.

Madam Speaker, I am strongly opposing zoning as a member because you will not be opening up for everybody to compete. Competition is favourable and the prices of sugar will get low. If you bring zoning –*(Member timed out.)*

**THE SPEAKER:** Conclude.

**MR SSEWUNGU:** Thank you, Madam Speaker. Honourable members take note of this; if you begin with zoning of crops and beans get market, they will go for zoning as well as Irish potatoes and everything. Where shall we end as a country? I beg to submit.

6.50

**MR PAUL MWIRU (FDC, Jinja Municipality East, Jinja):** Thank you, Madam Speaker. I would like to state that I am one of the students of drafting this Bill, to whom Parliament paid the money. I would like us to contextualise what we are dealing with.

Functional governments start with a policy. That is why they make no law, which is going to have an impact on its people without a policy. It is from this policy that the relevant minister extracts what we call a “Cabinet Memorandum”. This would show what the purpose of this law is.

This is going to be the first precedent, I think world over, where the Government has a policy and its law is saying something else. I thought I should go on record, as a drafter, that I have never seen that anywhere in the world.

I would like to now go to the object of the Bill. All over the world, when you are looking at a law, you have to look at the object. What is the object? It is to regulate. When you look at the policy, the question of zoning is not an innovation by us, the Members of Parliament. It is in the Government policy.

What is the rationale of the zoning? It was the micro-economic stability of this country. There is also one thing, which is misunderstood. When you zone, it does not mean that you cannot get these out-growers into a cooperative, give them money to form a factory and they benefit out of the zoning. For instance, we are on record that Government of Uganda has given Ms Amina over Shs 80 billion to establish a sugar factory. I can be disproved but the same Government has not even given Shs 50 billion to the out-growers to start a factory.

In principles of making the law, it must be blunt. We cannot make the law for someone because when you talk about the law today, we are looking at groups of people – *(Interruption)*

**MR DAVID MUTEBI:** Madam Speaker, the policy being referred to was made in 2010 after which Government went ahead to license all those mills within the radius of 25 kilometres. Is the honourable member in order to refer to that obsolete policy, which Government has not complied with?

**THE SPEAKER:** Honourable member, I think Government has not repealed the policy to come out with a new one. That is what we have.

**MR MWIRU:** Madam Speaker, we are dealing with an abnormal situation. There is no normal Government where you have a policy and the minister takes a decision contrary to the policy and business continues as normal. I have never seen such a Government in my life.

There are certain issues, which have been misconstrued about zoning. My reading of the Bill that zoning – *(Member timed out.)*

**THE SPEAKER:** In a minute, explain that point.

**MR MWIRU:** My understanding of the Bill is that zoning brings about micro-economic stability to the country. When we talk about these companies; for instance, in 2016/17 in terms of tax, Madhvani paid Shs 145 billion in tax. What we are talking about is that if even the out-growers were also organised into a cooperative and supported into the sugar industry, they would also be zoned and supported from where they are. They would manufacture so that they take the benefit.

Sugarcane has other by-products, which the out-growers are not benefiting from. I would like to conclude that zoning does not mean monopoly because it does not stop an out-grower from selling in another place – *(Interjections) -* In this Bill, there is no such a clause. I challenge anybody to show me a clause that states that once you zone, you cannot sell sugarcane to another area if the prices are not favourable. That is why in this Bill, there is a provision for prices.

What we need to look at critically with a scientific approach is what is in the best interest of the country. When we make the law, it must be blunt and must not look at the players who are there as of now. The out-growers will set up a factory and we must protect them as they are in this sector. I call upon colleagues that this cannot be an emotional debate. We have listened to each critically.

Finally, I oppose something in the majority report where it states that the nucleus farmer must have over 2,000 hectares. It is illegal because it is about who knows my cash-flow. Why compel me to own property?

Whereas I have spoken about other issues, we also have issues with the majority report. Thank you.

6.57

**MR GASTER MUGOYA (NRM, Bukooli County North, Bugiri):** Thank you, Madam Speaker. I would like to refer this august House to page 9 of the report. It states: *“The committee recommends that for a sugar mill to be licensed by the Uganda Sugar Board, it must be conditioned to own a nucleus farm of not less than 2,000 hectares.*

*“The committee further recommends that sugar mills that do not own nucleus farms should, within three years, acquire the same.”*

I think the committee did not look at the history of the sugar industry in this country. In 1920 when we had a population of less than 1,000,000 people, Haridas & Co. under the management of Muljibhai Madhvani purchased only 800 acres of land, the equivalent of 324 hectares, in order to establish what we call Kakira Sugar Works. In addition, look at that population and the population we have today. What is the import of this report or recommendation? It is intended to protect those already in business and that is against the spirit of the liberalisation policy that was adopted by this Government in 1987.

What we have to understand is that when the population grows sporadically - as it is now today - then we leave the forces of demand and supply to determine the nature of business.

I want also to take you to the critical element of zoning. Much has been said about the cotton development industry in this country, but as rightly put by my brother from Kalungu, the cotton industry died because of zoning, lack of proper management and of course sensitisation of the farmers in the industry. This law, therefore, by promoting zoning, it is intended to curtail the marketing rights of the out-growers and - Marketing rights are determined or regulated by the forces of demand and supply. Then I have also looked at this area of zoning. As it appears, it is an indirect import of protectionism, which is against the tenets of the modern global economy.

Therefore, for those reasons, I feel this law requires a review and an absolute review; one, in terms of the title itself. For example, in India if I can tell you briefly, where we got the technology of sugar development and production in this country, they have what they call the Sugar Regulation of Production Act (No. 55) 1961.

What we are seeing today is those already in production. How do we protect their profiteering? In addition, for that reason, I feel this law is still at an infancy level and we should not indeed proceed with it. Thank you, Madam Speaker.

7.02

**MS STELLA KIIZA (Independent, Woman Representative, Kyegegwa):** Thank you, Madam Speaker. Honourable members, sugar is a political product -*(Interjection)-* you must note that one, because history has it that when the sugar industry is not controlled, it sometimes leads to the overthrow of governments.

Secondly, we are having three challenges under this law that we need to get a solution for. That as much as the policy was made, to zone a 25-kilometre radius, a mistake was done that more mills were licensed and we must acknowledge that mistake -*(Interruption)*

**THE SPEAKER:** What is the order?

**MR OPOLOT:** Madam Speaker, in our Rules of Procedure, do members of the committee debate when we are debating the reports?

**MS STELLA KIIZA:** But I am no longer now.

**THE SPEAKER:** No. You used to be a member - sorry I had forgotten.

7.04

**MS RUKIYA CHEKAMONDO (NRM, Woman Representative, Kapchorwa):** Thank you, Madam Speaker. I want to join my friends who are saying this law must be re-visited. Madam Speaker, if you look at what NRM is following today - At first, we said “prosperity for all”, and then we talked of “steady progress”. If we really want prosperity for our people then monopoly of sugar should not be zoned.

If there is no monopoly today, that means the workers will be paid well because if one company underpays and there is another sugar company paying well, then the good workers will cross over and our people will earn more money.

Secondly, Madam Speaker, people will be able to determine the quality of sugar. If we want quality sugar, we should not zone because now people will look at who is producing the best and who is giving the best price. Therefore, for me, zoning is not something that will help our people.

Then on No.5(2), where they talked about the sugar board, if we have to give the people the opportunity to determine as workers, out-growers and others who have been already in the market; if we have to really discuss issues, then the minister should not be in that clause 3(2). The minister should not be the one to choose their board. It should be the people themselves to identify their own people and say “so-and-so will represent us on that board” so that people have that freedom of speech and they will talk from an experience point of view.

Therefore, Madam Speaker, because of those few things, zoning - if we have to have “prosperity-for-all” and if we have to have “steady progress” for our people - because they have already started developing factories, they should also be given that opportunity not to be zoned so that they can steadily progress and come out as serious investors in our country.

When I look at the maize and bananas, sometimes there is no matooke but you find matooke crossing from western region up to Mbale and Kapchorwa. Therefore, if it were zoned, people would suffer with their products. Therefore, I am not for zoning and we should re-visit this Bill. Thank you.

7.06

**MR PATRICK ISIAGI (NRM, Kachumbala County, Bukedea):** Thank you, Madam Speaker, for giving me an opportunity to debate on this Sugar Bill.

Madam speaker, I like the way and I appreciate my colleagues - the enthusiasm with which they debate this in support of the people. I wish you were always debating in support of our voters. I am not an out-grower of sugarcane and neither do I intend to become one.

I want us to debate issues clearly. First, an argument that sugarcane growing will lead to food insecurity - I want to be educated. In this world of specialisation, if I grow my sugarcane, can I sleep hungry? I can buy my food where I have comparative advantage.

Madam Speaker, another issue I want to come clear on is about out-growers. I have been informed that 68 per cent of sugarcane production belongs to out-growers and the 32 per cent belongs to the millers. Now, the mathematics should come out clear: Of the 68 per cent sugarcane grown, what percentage do the giant companies buy? We have the giant companies and then we have the small millers. What percentage of this out-grower sugarcane goes to the giant millers and what percentage do these small organisations take? *(Interruption)*

**MR NAGWOMU:** Thank you, honourable member, for giving way. Madam Speaker, I want to give information to the honourable member. I was the one who said that the out-growers, percentage-wise, are 68 per cent and then the millers at 32 per cent. The Member has now raised a question; out of 68 per cent of the out-growers, who consumes the percentage? Is it the giants or the small millers?

I would like to tell you that before the small millers came in, out-growers were suffering with sugarcane; supplying sugarcane to the big factories could take you six months –

**THE SPEAKER:** Honourable member, you are smuggling a contribution.

**MR NAGWOMU:** Madam, I was giving information.

**MR PATRICK OPOLOT:** Madam Speaker, minus the giants, can the out-growers survive with the small millers? If the giant decided to close shop, handle his factory with his 32 per cent, which he is producing, and abandons the out-growers to the small millers, can they survive? We have to be very sure of that because *– (Member timed out.)*

7.10

**MS JOVAH KAMATEEKA (NRM, Woman Representative, Mitooma):** Thank you, Madam Speaker. I would like to thank the committee for the report but I see a lot of contradictions. Within the report, it is stated that, *“The committee recommends that whereas Uganda runs a liberalised economy, Government should intervene to protect small scale industries from unfair competition.”* Thereafter, they say, *“The law should be enacted in such a way as to ensure fairness and competitiveness of all stakeholders in the sugar industry.”* What is it that we are aiming at?

First of all, we run a liberalised economy. What does a liberalised economy mean? It means that you buy and sell freely.

Secondly, why protect the small-scale industrialists at the expense of the farmers? Clause 22, which the honourable referred to, reads, *“Every factory to be licensed must have a nucleus estate.”* We have seen so many factories, which do not have to depend on raw materials that they grow themselves; the more factories we have, the better for our farmers.

I think what we should be aiming at, as a Parliament, for the good of our people is to see how we can encourage the out-growers to be able to grow more sugarcane, get better yields for their crops - so as to feed these factories - instead of us saying that there should not be a factory within a 25-kilometre radius. If anything, we should encourage as many factories as possible because as we all know, competition is healthy. Hon. Angeline Osegge even said that competition indeed regulates the price.

In my view, rather than saying that we zone and then give the millers and these big factories advantage over our people, we should look at how we can empower our farmers to get more involved and to get more benefits from their crops. We have factories that are built and are even importing materials; so why should we require that for us to license a factory, it must be growing its own crop and it must own *– (Member timed out.)*

7.13

**MR FREDERICK ANGURA (NRM, Tororo South County, Tororo):** Thank you, Madam Speaker. I think the issue that is disturbing us came from the reluctance of Government to implement the policies.

I would like to make one observation. I am very happy with the recommendation of the committee to establish a board. Let us follow the experience of countries that are surviving on sugar, which I want to emphasise and give an example here; one of the biggest companies in Swaziland that is contributing to the resource envelope in terms of taxes to the Government is the Royal Swaziland Sugar Corporation (RSSC).

What happens in Swaziland is that all the sugar that is milled by about three companies and the many out-growers is bought by the sugar association. After buying, it markets all the sugar. The bigger millers contribute to the sugar association. Therefore, the composition of the board in that country is very important in determining how the affairs of sugar are run. If our committee had benchmarked in Swaziland and had a very good discussion with the sugar fraternity here, maybe we would not be faced with this problem.

However, it is also important to note that from the time the smaller sugar mills came into play, most of the people in Busoga, where most of the sugarcane is grown, had realised some benefits in terms of revised prices. What would it take to relocate the companies that need to be relocated? Those are some of the things that I think should be answered, if there is emphasis that we relocate them –

**THE SPEAKER:** No, honourable members, that part offends Article 93 of the Constitution because it requires us to vote money, which we have not programmed for. We also do not have a certificate for that particular part.

**MR ANGURA:** Thank you very much. That means the mistake that we got ourselves involved into may not be very easy to reverse. All that we should do is to encourage our farmers to grow as much sugarcane as they can and support them.

It is also very unfortunate that the bigger companies that enjoy economies of scale were offering low prices *–(Member timed out.)*

7.16

**MS AGNES KUNIHIRA (NRM, Workers Representative):** Thank you, Madam Speaker. I would like to thank the committee for the majority report. Government is always looking for investors and I now wonder why it tries to frustrate the small investors, and yet the big investors have lived here for over 100 years. These same investors have capacity to buy that land that they are referring to of 2,000 hectares. Why can’t these same investors move out, go and buy that land and plant sugarcane so that they can be able to supply themselves with the production materials? This way, they will not be in position to claim that they are missing out on the new millers.

Madam Speaker, I happened to visit Mayuge Sugar Factory, when I was going to check on the issue of workers. If you decide to remove these companies – it is good you have ruled over this matter that you cannot transfer these millers because they create jobs for our people. Hence, Government should instead encourage the start-up of more factories.

From now onwards, Government should license people, like they want within the law. Those people who have already established their companies should remain where they are so that the new licensed companies are transferred elsewhere. For example, we now have that sugar factory in Gulu; they can transfer them there to avoid competition with others.

In the report, they made a recommendation of creating cooperative societies. In my view, if these millers had agreed to create these cooperative societies and offer them technical services in terms of what they can grow and modern technology, they would be able to get enough supply. I do not think, we should complain. It is clear that there was lobbying from some of the larger millers that they are finding problems of getting supply.

From now onwards, when we make a law, it should not be there to only consider the larger millers instead, we should protect the small millers so that we are able to create more jobs for our people. Thank you.

7.19

**MR WILBERFORCE YAGUMA (NRM, Kashari North County, Mbarara):** Thank you, Madam Speaker.We know in Uganda, the economy is liberalised. Production, marketing and consumption of goods and services are governed by demand and supply forces. Honourable minister, what is it that is in sugarcane and sugar that we need zoning; that we need nucleus farm and that we need to set a formula to calculate what should be paid to the out-growers?

Geographically, there are certain climatic conditions which favour sugarcane growing. For instance, you cannot grow sugarcane in Kiruhura District. After zoning, why do you want to set a nucleus farm of 2,000 hectares which is about eight square miles of land and then you set the price.

This is an intention to whip out, discourage and disorganise our small out-growers who are mainly Ugandans and create space for those very big companies, most likely multinationals. After they have taken over the growing of sugarcane and manufacturing of sugar, they will do anything with the economy as far as sugar is concerned.

I, therefore, would like to suggest that we remove the clause on zoning, pricing and the clause on nucleus farm should also be removed and then we pass the Bill and move ahead. I beg to move.

7.22

**MR GEORGE KUMAMA (NRM, Bbaale County, Kayunga):** Thank you, Madam Speaker, for this opportunity. We know very well that this House is a people’s Parliament. We came here to represent our people. This idea of zoning, I do not support it. It will not create competitiveness. You know very well that Uganda is a liberalised economy. We do not need to create a selfish attempt to create monopoly as a House or people’s representatives.

I support that there should be no zoning because we are struggling as a country to industrialise our country. We want to become an industrialised country. At the same time, we are trying to limit and discourage industrialisation. I think it does not match if we are to move this way.

I also support the idea of creating cooperative societies. Our farmers should be put in cooperative societies wherever they are, be supported and guided so that they can be empowered to produce more sugarcane and maybe, to also create their industries in their localities so that we decentralise our industries in various areas of this country.

Furthermore, I also support the idea of establishment of the sugar board. The board can be put in place to moderate all these activities in the country. However, the idea of zoning – because this Bill is now almost reduced to zoning or no zoning, the way I look at it in the House. The idea of zoning should be discouraged so that everybody is given a chance to participate and benefit in this country.

As a people’s representative, I would like to suggest that we go with no zoning. Thank you.

7.24

**MR RICHARD GAFABUSA (NRM, Bwamba County, Bundibugyo):** Thank you, Madam Speaker. My submission is guided by two issues:

1. That we run a liberalised economy.

2. I was looking in the report and I was interested in what the farmers are saying.

I found this on page 8, on the observation of the committee and what the committee established. All out-growers who own 68 per cent of Uganda’s sugarcane estate do not support zoning. As a Member of Parliament, I will not support anything that is against the interest of the people, farmers and out-growers who produce a bigger percentage of sugarcane for this factory.

The argument of these big companies protecting them - honourable members, where I come from in Bundibugyo District, we grow cocoa. When we heard about these two big companies that export cocoa from this country, as farmers who grow cocoa, we suffered because they would set the prices wherever they would want. Farmers almost cut down their cocoa plantations until we got other companies. As I speak now, we have over 50 companies and the competition pushed up the prices and we are enjoying as farmers.

As a Member of Parliament who supports the people of Uganda, I will not support zoning for this industry. I thank you very much.

7.26

**MR LAWRENCE AKUGIZIBWE (NRM, Mwenge County North, Kyenjojo):** Thank you, Madam Speaker. I would like to thank the committee for the report. Specifically, I am against the zoning because it would encourage monopoly for the multinational companies and some individuals at the expense of the out-growers.

Secondly, let us allow the competition so that we can have effectiveness in production. Actually, we should be able to support the out-growers to produce more other than restricting them. By passing this law, we would be contradicting ourselves since this is a liberalised economy. We should allow the forces of demand to take charge of this sugar industry. I am against the zoning and we should be able to support the out-growers to produce more.

If we allow the zoning, it would encourage these other multinationals to do hoarding and everybody knows the problems of hoarding. Thank you, Madam Speaker.

7.27

**MR PETER SEMATIMBA (NRM, Busiro County South, Wakiso):** Thank you, Madam Speaker. I do believe that when we make laws in this Parliament, we make them to empower and promote the people of Uganda, especially the ordinary Ugandans. In my opinion, the idea of zoning goes against the principle of why we are in this House. Zoning in this case, would actually disempower the ordinary out-growers. It would disenfranchise them and it does not promote them. It also infringes on the rights of Ugandans to do business with whom they want to and where they want.

Zoning is disguised - and eventually - institutionalised exploitation and price monopoly; something which is not going to work well for ordinary Ugandans. I, therefore, do not support the zoning at all.

In addition, I would like to make the following suggestions because of the land acquisition challenges in modern Uganda for about 40 million people, I would like to suggest that this idea of a nucleus farm being 2,000 hectares be dropped down to 500 hectares, a figure which is in line with the 2010 Sugar Policy.

Last but not least, Madam Speaker, I would also like to encourage for the small Ugandan businesses that are coming out of the sugar industry - or the sugarcane industry - that they put the guarantee of rights for license jaggery operators to operate without being impeded again by zoning. I beg to submit.

7.29

**MR MOSES KAHIMA (NRM, Ruhaama County, Ntungamo):** Madam Speaker, I do not think that sugarcane is the only plantation crop that has attracted processors in this country. We have had other plantation crops and in this respect, I would like to draw this Parliament to tea farming in Bushenyi; where it is majorly grown in the sub-county of Kyamuhunga.

In that one sub-county, six manufacturing factories, processing tea in Bushenyi have been attracted. One wonders why we should protect manufacturers when it comes to sugar farming. It gives an impression that this committee did not benchmark.

Like my honourable colleague has indicated, the experience in Swaziland - I am bringing an experience from tea farmers in Bushenyi, where we have about six manufacturing companies and all processing tea in the same locality.

Therefore, as we are mindful that we are living in a liberalised economy - where we should encourage many investors; for the benefit of the farmers and mushrooming investors, we should not promote this zoning for this particular crop if we are to promote the benefit of Ugandans.

I would like to suggest and submit my prayer that this clause of zoning in terms of sugar mills should be deleted from the Bill. I beg to submit.

7.32
**MR JOHNSON MUYANJA (NRM, Mukono County South, Mukono):** Thank you, Madam Speaker. I can even smile, because zoning has been well emphasised. I do not want to repeat that.

The 68 per cent, the out-growers outside there are able to supply enough sugarcane without even harvesting the immature ones. It is our duty as leaders – my colleague the other side was asking, “What have you done as leaders?” It is at this time that we should request the Government to support – like they are doing in India. They are giving them soft loans without interest. Why not do it for our out-growers? We have done it for many people. Can’t we do it for our out-growers?

The problem which inflates sugar prices is caused by government officials who go to Lugazi and they capture the whole sugar supply and then they pay money, they keep it in stores so that the price can go up and they get abnormal profits.

This issue of mills being within areas of 25 kilometres, Madam Speaker, there must be *mafias* who are waiting at the door so that we say that “We are now going to compensate those mills,” and they come here with big loans, we borrow billions or trillions of dollars; and as we compensate, they benefit.

We are having enough challenges; let us support the Bill without zoning, without that issue of transferring mills within that distance. And finally, we support the out-growers with soft loans (without interest) like they are doing it in India. I thank you.

7.34
**MR PAUL AMORU (NRM, Dokolo North County, Dokolo):** Thank you, Madam Speaker, for giving me the opportunity.

I would like to start with a concern. It appears our debate on this Bill is framed specifically around zoning. It appears it is premeditated. In my view, there are a number of other deserving issues, which we should delve in and ensure that we are able to protect the out-growers but also develop the industry.

The first issue that I would like to raise is the issue of sugarcane growing versus food production in areas that are involved in this activity.

Reports by the Uganda Bureau of Statistics - for example, this was picked from Busoga sub-region; it was showing that food production grew only by 1.1 per cent in 2011/12 and it could have gotten worse, whereas sugarcane growing grew by 16.2 per cent.

Therefore, there are other issues that are related to food production in these areas because beans, cassava, sweet potatoes and the likes are being dropped and the statistics show them dropping between three to 10 per cent. One issue that I thought we should stress is that.

The collapse of cooperative societies that were guiding farmers and giving them the competitive advantage against any investor - All these investors definitely need money and they are coming to make profits. So at the right opportunity, when they have chance to exploit, they will exploit Ugandans.

The other issue that I thought we would need to address also is the long cane maturity period in these areas. It has been talked about here. The current cane varieties show that farmers are growing varieties that stretch from 18 to 20 months. In the region, I think even in Kenya and other places, it is only 12 months.

If we are able to ensure that this industry is also supported, there is enough research by Government to ensure that we get the right varieties and also invest –*(Member timed out.)*

7.37
**MR PENTAGON KAMUSIIME (NRM, Butemba County, Kyankwanzi):** Thank you, Madam Speaker. First of all, I thank you for highlighting a few major hiccups in the minority report that have shaped our discussion.

By the fact that this Bill intends to restrict investment and also tie our farmers to a single buyer, I want to imagine that it should be reviewed, as my other honourable colleagues have said.

In addition, we should promote in this Bill the formation of the board and it should be well-represented, bringing up the support and the promotion and protection of the farmers.

About the inadequate supply of cane, this is not the problem of the people growing sugarcane. This is a problem of Government. We have had Operation Wealth Creation and NAADS and we are doing wonders elsewhere. We are giving coffee seedlings. We are giving tea seedlings. We can do this.

It actually should not even end with the sugarcane. Different regions in this country grow different crops and do different economic activities. If the Government wants to create universal economic recovery and empowerment, then we should identify which crop or economic activity does better where and then we support it. Otherwise, we are going to have a problem. By the way, Busoga has a big problem; I was surprised to find that the original steel rolling mills company, where I practised from about 20 years ago, is dead.

Madam Speaker let me talk about food insecurity in relation to sugarcane growing. This is still our problem. We have eight ministries that have something in their budget to do with food and nutrition security. Through these, Government can ensure that people have enough food, even when they are growing their cash crops.

Actually, as the Parliamentary Forum on Nutrition, we are coming up with two Bills. Once the policy on nutrition is signed, we are bringing the Nutrition Bill and the Food Security Bill. These are going to be answered. So, the Government can now help people to know how much of their land they should use for cash crops and how much land – by law – they should use for food.

Finally, basing on what all people have spoken, the zoning should not see the light of day. I am suggesting that instead of going on to discuss this – because a majority of the people have surely binned this Bill – let us move that the Bill be taken back and scrutinised and it comes back - *(Interjections)* – Do you want to kill it today? *(Member timed out.)*

7.40

**MR TERENCE ACHIA (NRM, Bokora County, Napak):** Thank you, Madam Speaker. In the report here, I see there are some contradictions. For instance, it is stated clearly that the board shall not, without any good cause, refuse to grant a licence to the applicants. Again, when it comes to clause 22, it states that the board shall not licence more than one sugar mill in a zone.

When you look at that, you ask what the size of the zone is. The zone is 25 kilometres from one mill to the next mill. When you now look at the distance, it is from Kampala to beyond Mukono yet the board is not supposed to give more than one person a licence in that zone; yet we are talking about a liberalised economy. What is the rationale here?

It means that there is a hidden agenda in that zoning arrangement. We should let people be governed by the law of economics; the law of demand and supply. Therefore, such contradictions should be pointed out in this report and be corrected. Let people not be deprived. If a person wants to get a licence, let the person get it. We are in a liberal economy. Thank you very much.

7.42

**MS VIOLET AKURUT (NRM, Woman Representative, Katakwi):** Thank you, Madam Speaker. I read the report where they talked about the 25 kilometres given in terms of the next mill from the one that is already established; I said, “Finally we are going to have these millers reaching up to Teso.”

We have had them concentrated in one area. We have had them concentrated in one region and I thought maybe then it will help to solve the problem of unemployment that we have back home in Teso sub-region. Of course, we have enough land and I have been asking why all these millers concentrated in either central Uganda or Busoga.

Is there any empirical evidence that sugarcane cannot be grown in Teso sub-region, northern Uganda or even in Karamoja? I was looking at the aspect of employment, especially for the youth. We have had quite a number of our people coming all the way from Teso to Busoga, purposely to do this activity.

Secondly, we also have to look at this Bill or report objectively. Several times, we go out there and ask for investors to come. Even if it means either Madhvani to leave where they are now and go elsewhere, I would actually support that; as long as at the end of the day, we look at what the economic impact of their being in this country is.

How many Ugandans have they employed? How much revenue do they bring to the country vis-à-vis our local investors, because we also need to protect our local investors or out-growers. Once we do that analysis, then we can be able to make a good law for our people.

The proposal I am making is for us to take this back to the drawing board. Let us look at the economic impact of both the small farmers and the so-called big millers, in terms of the economic benefits to the country. What revenue do we generate from either side? Then, we can be able to make a law that will be a win-win for all sides. Thank you.

7.45

**MS LOWILA OKETAYOT (NRM, Woman Representative, Pader):** Thank you, Madam Speaker. I would like to agree with those who said any attempt to limit competition is not good for the economy; at least from the little economics that I know.

We pledged to make this Parliament a people-centred Parliament and we must try as much as possible to make pro-people legislation. The committee did thorough consultation; the committee consulted the out-growers, millers and the companies. The out-growers, who are the majority in this case and are the people we represent in this House, expressed their concern that zoning will work against their interests. So, are we going to legislate to protect the interests of the companies, the millers or the majority of the people we represent?

I know we cannot talk about sugar without talking about sugarcane. It is true that the Government is not doing enough to protect the farmers who are engaged in growing sugarcane for earning a livelihood. We have been appropriating a lot of money for Operation Wealth Creation but if we get down and look at the details, how much of that money is going to support the sugarcane growers? Almost nothing! When I was chairperson of the Committee on Agriculture, Animal Industry and Fisheries, we interacted with these out-growers. You really feel sad at their plight.

Therefore, the amendments can be done on this Bill. There are Members who are proposing that we take it back for review; I feel that we can go ahead and process this Bill. Whatever we are proposing can come in a way of amendments so that we do not waste Parliament’s time to take back the Bill for review. We can do amendments and continue to process the Bill because we need the regulations. We need the law in place to regulate the sugar industry. I would like to thank you, Madam Speaker.

7.48

**MR BENARD ATIKU (Independent, Ayivu County, Arua):** Thank you, Madam Speaker. I join colleagues in adding my voice to this report, particularly on the item of licensing. We must debate and pass this law with sober minds.

Just as hon. Reagan Okumu said, first of all, we must look back because the sugar industry did not just start yesterday or the day these others millers came into play. The sugar industry has been there and we know how, in the records, they have performed and helped the economy of this country; in terms of both the macroeconomics and microeconomics, where they have provided employment and also contributed to the Treasury in terms of taxes.

We have concentrated on zoning but there are provisions in the Bill where we talk about the nucleus farms as one of the conditions for licensing a miller.

If you look at page 9 of the report where the committee talks about the absence of nucleus farms: *“The sugar policy mandates Government through the Uganda Investment Authority to issue licences to new sugar factories with a nucleus estate of at least 500 hectares or sizeable land to enable the factory to financially break even to grow cane and produce sugar….”*

Madam Speaker, if we are to go by that, that means there are still remedies that we can use to ensure that there is fair play. The reality on ground is that there are people who just come up with the equipment for processing sugarcane without having land. They just want to make quick money and disappear.

The Madhvanis, Mehtas have –*(Member timed out.)*

7.51

**MR DENIS OGUZU (FDC, Maracha County, Maracha):** Thank you, Madam Speaker. If there is a Ugandan out there who has never seen how a Government connives with companies against her own people, this report has rightly brought it out. It has clearly demonstrated how Government can play double standards. Government chewed more than it could swallow and now it is stuck in their throat.

I wonder if Madhvani said that they were closing tomorrow what would the Government do? Just because they did not observe the procedures they stated that they would do and allowed companies to operate now, they want to do away with them. Who will pay that price?

Whatever changes we will make here must not affect people who are already in existence. Otherwise Government will find itself in serious problems.

If we want to regulate the sugar industry it must affect people who would want to engage in this business in the long-run. The sugar industry is one of the disorganised industries in this country. I have people in my constituency who have worked with these companies for over 30 to 40 years but all they go back with is a bicycle. What kind of business is this?

This fits into a Government plan of making Ugandans very poor; you cannot use Parliament to fix your errors and create more problems.

In summary, the proponents of this law should handle this matter well because it could lead this Government out of power. Thank you.

7.54

**MR GODFREY KATUSABE (FDC, Bukonjo County West, Kasese):** Thank you, Madam Speaker. I would like to thank the committee for their work. My contribution will majorly centre and focus on the legal ecosystem.

Madam Speaker, you are fully aware more than anyone in this House that interpretation does not exist at large; it only applies in a context. We are into the law business but we are also aware that the law focuses on three cardinal points; (i) the context specificity, (ii) boundary demarcation, (iii) customisation.

I ask that for now and for the future, every time that we think about making a law, we should put one group of people first and I ask all of us to put Ugandans first.

I am yet to understand or find out any Member that is here just because an investor deemed them here. Do we have an MP representing investors here?

I am happy that it is quite unusual for our legislation processes and systems to attract a bi-partisan support. I would like to commend the entire House that today we are focusing more on what is in the best interest of Ugandans.

I would like to commend the committee, 80 per cent of the job is done, and the 20 per cent should not allow us to send the Bill back *–(Member timed out.)*

7.54

**MS JACQUELINE AMONGIN (NRM, Woman Representative, Ngora):** Thank you, Madam Speaker. I would like to add my voice to those of others supporting this Bill and the committee’s recommendations.

I think it is important for us as members of this House to understand why such a matter was brought to this Parliament. Sugarcane growing has been a big challenge and the out-growers have been suffering a lot. I have personally felt it because I come from the eastern part of the country and Busoga is one of the areas with a majority of out-growers.

This regulation should first protect our people. Even when attracting investors, we should have an interest in terms of how we benefit as a country. In this particular Bill that we are debating today, it is important that the interests of our people are considered.

I know that a majority of those in sugarcane growing in Busoga are not doing any better. This Bill should help the out-growers to improve their livelihoods - for example, hon. Ariko talked about cotton growing in Teso which clearly became a flop.

I would like to say clearly that sunflower, because of zoning, became a flop. It has not been any better. Therefore, in regards to zoning, I am on the negative. In regards to the whole Bill and coming up with the regulations, I do not recommend the Bill is taken back.

I think we have heard the voices of the different representatives of the people. Therefore, it is in order that we proceed but remove zoning. It is because I have never seen a situation whereby zoning has helped in Uganda or any other country. Let us look at how we can improve the different categories of farmers that we have within the agricultural sector. If they are growing cash crops, how can we empower them to be able to have food security arrangements so that when we are hit by hunger, it is not -*(Member timed out.)*

8.00

**MR TONNY MUHINDO (FDC, Bukonzo County East, Kasese):** Thank you, Madam Speaker. I would like to thank the committee and my colleagues for the submissions so far. I feel this Bill has been brought in bad faith.

We are part of Government and a government that does not support the interest of its people is a government in vain. I am sure that none of us here would wish to be part of a vain contribution to this nation. The core business of a government is its people. Therefore, a government that will not look at the importance of the people that are employed in the sugar sector and how they are going to be affected by such a Bill is doing a disservice to its people. A government that is not considering how much the people are earning from the sugar sector – When this Bill is implemented, it is going to directly affect how much the out-growers or the local investors are going to move in as far as their development part is concerned.

Some people should have sat down to look at the advantages of what would come out of this. Clearly, everyone would see that the disadvantages are on a higher side. Actually, it should not have come to the Floor here. Now that it has come, we have sort of gotten used to borrowing week after the other. However, I would like to ask this Parliament that we open our eyes wide to other borrowings coming. It is because these licensed companies are automatically, after Government breaches the contract, going to cost us. It will be the taxpayers who are going to pay. Therefore, today, this Parliament should put a roadblock to ensure that we do not incur a cost that we already have the mandate to stop.

Madam Speaker, I am compelled to think that there is an invisible hand behind these companies being protected –*(Member timed out.)*

**THE SPEAKER:** Please, conclude.

**MR MUHINDO:**Thank you. I think that there is an invisible hand behind this.

So, Parliament should not really drag its feet in what is unclear. We need to come out and stand for the interest of the people we represent in this House. Thank you.

**THE SPEAKER:** Honourable members, 46 Members have contributed to this debate. However, during the debate, there were many positions and proposals. I would like the minister to reconcile his policy with the proposals and also chart a way forward.

So, I would like to give the minister and all of us time to complete this Bill on Tuesday. The minister will wind up by telling us how he wants us to move so that we can go to the committee stage on Tuesday.

However, I would like to thank you for the work done and for your consistency. House adjourned to Tuesday at 2.00 p.m.

*(The House rose at 8.04 p.m. and adjourned until Tuesday, 20 November 2018 at 2.00 p.m.)*