



PARLIAMENTARY DEBATES

(HANSARD)

OFFICIAL REPORT

FOURTH SESSION - FIRST MEETING

WEDNESDAY, 23 OCTOBER 2024



PARLIAMENT OF UGANDA
IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

FOURTH SESSION - 30TH SITTING - 1ST MEETING

Wednesday, 23 October 2024

Parliament met at 10.00 a.m. in Parliament House, Kampala.

PRAYERS

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

The House was called to order.

COMMUNICATION FROM THE CHAIR

THE SPEAKER: Honourable members, I welcome you to this morning sitting. As you are aware, yesterday, there was a tragic accident, where a fuel tanker overturned in Kigogwa, on Kampala-Gulu Highway, and later exploded into flames, leaving scores dead and destroying various roadside buildings and businesses.

Over the last few years, we have witnessed similar cases, notably: in January 2021 at Namungoona, on the Northern Bypass, where at least 33 people died; and in Rubirizi in 2019, where 20 people died. Such incidents point the need to sensitise our locals on public safety during such incidents.

We condole with the bereaved families and pray that the Lord comforts them during this trying time. It was such a bad moment, but God's timing is never our timing. May we rise and observe a moment of silence for those who lost their lives.

(Members rose and observed a moment of silence.)

THE SPEAKER: Thank you. Yes, Hon. Naluyima?

10.03

MS BETTY NALUYIMA (NUP, Woman Representative, Wakiso): Thank you, Madam Speaker. As the people of Wakiso District, who are affected, we also thank Parliament and you, Madam Speaker, in particular, for standing with us and sending those sympathies to all our people and Ugandans.

Madam Speaker, allow me to report to this Parliament that from yesterday afternoon until this morning, I have been involved in this matter. From 7.00 a.m. up to the time when I left – towards 9.00 a.m. – I had been at the site. It is very unfortunate that Ugandans died; it is a pity.

Madam Speaker, we request and pray - what I established is that over 35 people are already dead and over 70 people were, first, taken to Bombo Hospital, but have now been referred to Kiruddu. Several tried their best, but it was not easy. Over 300 metres – because it was a trench of fuel that had to run on and it caught fire. Different homesteads and buildings – with shops – were affected. Many people who were in their homes died.

Madam Speaker, as we handle this matter, similar incidents occurred earlier, in the same place. It is a very steep slope. Three accidents occurred earlier in the same area.

My prayer is: can we have several stations for the police fire brigade, especially for the Kampala Metropolitan Area? Let us have fire brigades at different points countrywide. We cannot rely mainly on this Kampala stations, because it took over one-and-a-half hours for the police to negotiate their way to the scene. It was not easy. For those of you who were out here, you saw the cars rushing to the place.

We are also praying that this place in particular – the humps are a little ahead, in Bombo. Those who know that place, it is next to Bombo. It is at the border with Luwero. It is a very serious slope. This truck failed and there was another car that was getting in. So, we pray that the Minister of Works and Transport gets in position to put some humps in this area, due to the several accidents that have occurred there.

We are also praying that heavy trucks, those that are carrying heavy loads, should move at night. A similar scenario almost occurred on Kyaggwe Road. We had just finished the plenary here and, as I was rushing to CBS, a truck almost caused an accident.

So, we pray that trucks carrying heavy loads should move at night, not during day, especially in the Kampala Metropolitan Area and other densely populated areas.

Finally, Madam Speaker, you have hinted on it. Let us have continuous campaigns on how to handle road accidents, especially involving fuel-carrying trucks. This incident could have been prevented if people were aware. Unfortunately, they hurried to go and start siphoning fuel. To make matters worse – I have just established it – nearby, there was a charcoal stove; someone was roasting maize. It was very unfortunate.

Madam Speaker, we are praying that for these people who were in their homesteads, carrying out their usual businesses – there were shops that were affected – let us quickly have some compensation. Let the minister get on the scene. The municipality of Nansana and the district of Wakiso are yet to produce the disaster reports, but let us have some work done and help the

families to see to it that they send off their people – the over 30 who are already dead.

I was there at the scene, but it was very disturbing. I pray and thank you so much.

THE SPEAKER: Thank you so much. It was really a tragic incident. Yes?

10.08

MR RONALD KANYIKE (NUP, Bukoto County East, Masaka): Thank you, Madam Speaker, for raising this tragic matter in this August House. It is very disturbing. As the Shadow Minister of Energy and Mineral Development, I raised a matter here, whereby the Prime Minister and the minister responsible promised to produce a comprehensive report to this Parliament.

The matter I raised was regarding the mushrooming petrol stations in Kampala and the metropolitan area. It is very disturbing. We are -

THE SPEAKER: Hon. Evans, is this out of a petrol station?

MR KANYIKE: No, it so happened -

THE SPEAKER: Hon. Evans, let us not politicise the thing. It is a very serious issue. It was a fuel truck. Do you get it? Much as they have a connection, let us, first, see how these people can be helped. I thought you were going to bring in the issue and say, “okay, Government, come in and first help these people; this is how we should help these people”.

MR KANYIKE: Thank you, Madam Speaker. I was still building my point. A while ago, the President gave a directive that fuel trucks should not enter Kampala during daytime. This tragedy happened during the day and it is very disturbing.

THE SPEAKER: Now that raises an aspect of implementation of the directives.

MR KANYIKE: Exactly. The statement I raised here included how the regulations

are implemented and the guidelines within Kampala and Kampala Metropolitan area.

Madam Speaker, the regulation regarding the construction of petrol stations specifies that petrol stations are supposed to be 200 meters away from each other. But you find that petrol stations are very close to each other. We are sitting on a time bomb as a country and especially here in Kampala. We ask the Government:

- (i) To implement the directive of the President;
- (ii) Secondly, to revise and implement those guidelines so that we can save lives.

It is very disturbing and it is very unfortunate. I thank you, Madam Speaker.

THE SPEAKER: Thank you. By the way, even where you are sitting, just very near here, there is a petrol station. On this side there is a petrol station; on the other side as well.

MS NALUYIMA: Madam Speaker, for your information, opposite where the truck fell, there is a petrol station. So it would have been worse if now the fire had crossed to the petrol station. Thank you.

THE SPEAKER: I personally witnessed the one in Rubirizi. It was not a good one. It was not.

MR KANYIKE: Madam Speaker, the Government had promised - it was on the -Floor of Parliament - the Prime Minister and the minister responsible promised to bring a comprehensive report. So the Government should tell us what happened to that comprehensive statement, and if they are not willing to produce that statement, you give me powers as the shadow minister to bring a comprehensive statement, and I will read it on the Floor of Parliament here and the people of Uganda will appreciate. I thank you.

THE SPEAKER: Thank you very much. Jonathan?

10.12

MR JONATHAN ODUR (UPC, Erute County South, Lira): Thank you so much, Madam Speaker. I join you in mourning the people who lost their lives and wish those ones who are injured a quick recovery.

There are two things I want to point out. The first one, without prejudice to the skills and the entrepreneurship of Ugandans, many tanks are fabricated for different purposes here in Kampala, for example for ferrying water, but because of the challenges in the business environment, they are turned into fuel transport.

THE SPEAKER: Water bowsers into fuel tankers.

MR ODUR: Exactly. So for one to transport fuel, there are standards that must be met to take care of even extreme conditions of accidents, that even when a tanker falls down, if it is made to standard, it becomes very difficult for the fuel to spill out.

What we would expect from the Government is to either initiate a process of re-inspecting all the tankers moving around the country, especially the ones that are carrying fuel, immediately, with a view of enhancing the safety.

Secondly, to also carry out a comprehensive investigation. We cannot rely on personal observations of what took place. What if somebody deliberately, for example, opened the fuel to spill over and lit the fire?

For accidents that happen in this country, I do not know why they are investigated, and the reports are held in secrecy and we allow the public and citizens to keep guessing what happened.

Recently or far back, about some month ago, a very high profile accident happened in this country, involving one of the high profile figures in this country. Up to now, there is no preliminary report that has been released where a Deputy Speaker of Parliament is involved in an air accident, which is required under the

Convention on International Civil Aviation that reports must be released in public.

I invite the Government on this particular one to do a thorough public investigation and release the report so that in future safety measures can be put in place. I thank you, Madam Speaker.

THE SPEAKER: Jonah is right. We really need a comprehensive report on that. Let us hear from the Government.

10.15

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obuga): Madam Speaker, we equally join the rest of fellow countrymen and women in mourning and conveying our condolences as the Government to the families of the victims of the accident turned disaster.

From the spirit of the debate, Madam Speaker, three ministries should come and brief Parliament on the issues that Members are raising. One is the Ministry of Works and Transport on road safety-

THE SPEAKER: There is a procedural matter. Honourable members, as we speak about the accidents and safety measures out there, even in Parliament here, as Members, we should be able to know where fire extinguishers are and how to use them. You should know the escape routes. I only got to know that there was one escape route when there was a bomb blast at the gate. So even us here, we should be able to know. Yes, Procedure?

MR SSEMUJJU: Madam Speaker, I do not know why the Government Chief Whip, if I got his title right - the last time he listed them here - is so eager to speak when you are still raising issues that will require his answer.

I thought, Madam Speaker, with your indulgence, that you will allow us to raise all the issues related to this matter and then he will come to give an answer at the end. For example, if you allow, Madam Speaker, I represent a municipality, which is -

THE SPEAKER: Honourable, what is the procedural matter?

MR SSEMUJJU: The procedural issue I am raising is, wouldn't it be procedurally right for the Government to answer when we have all raised issues relating to the matter?

THE SPEAKER: Which rule restricts him from standing so many times to respond to what Members are raising? Can you respond to what was raised as we get other issues? Hon. Semakula will now come in.

MR OBUGA: Thank you so much, Madam Speaker, for the ruling. I was saying that in the spirit of the debate, it touches on three Government ministries. The Ministry of Works and Transport on road safety, the Ministry of Energy and Mineral Development on the guidelines as highlighted by the honourable colleague who was holding the Floor, then the Ministry of Internal Affairs that will be charged with the responsibility of investigating the circumstances surrounding the accident that led to the death of fellow countrymen and women.

In the circumstances, Madam Speaker, I would suggest, with your concurrence, that the Ministry of Internal Affairs that is charged with the responsibility of investigating be given an opportunity because I know the matter is still under investigation but they can give us their preliminary findings from what has happened.

THE SPEAKER: Including the Ministry of Works and Transport.

MR OBUGA: No problem, Madam Speaker. Thank you so much.

THE SPEAKER: Yes, Hon. Semakula?

10.19

MR LUTTAMAGUZI SEMAKULA (DP, Nakaseke South County, Nakaseke): Thank you, Madam Speaker. I use that route when I am going to Nakaseke but I got scared when I saw what happened yesterday.

THE SPEAKER: What were you going to do there? *(Laughter)*

MR LUTTAMAGUZI: Madam Speaker and Members, an accident is an accident but some are preventable like the one of yesterday. I think that if we had a fire brigade at every regional police station, at least a few people would have been saved.

THE SPEAKER: As we talk about fire brigades, I do not want you to put the blame on the police. It is on you. How much money have you budgeted for, for each police station to have a fire brigade? You are the ones who give the money.

MR LUTTAMAGUZI: Yes, Madam Speaker, you have said it rightly, but you are our boss. *(Laughter)*

THE SPEAKER: Honourable members, my work is only to chair the House. When it is budgeting time, you should be able to budget for more fire brigades. When it comes to the House, I only chair. Hon. Patrick, help me. You should not put a blame on me.

MR NSAMBA: Madam Speaker, indeed, you should not be blamed. We blame the institution charged with bringing budget proposals to this Parliament and that is the Government.

It is the Government that comes up with the proposals that are presented to this Parliament and we scrutinise. Unfortunately, these days, even when we come here to prioritise certain things the heavy hand of the Government comes and says; "Your priorities are not needed. Please go back and re-do what we want." Therefore, Madam Speaker, your hands are tied, our hands are tied, we can only blame this Government. Thank you.

THE SPEAKER: Yes.

MR LUTTAMAGUZI: Madam Speaker, given the previous budget, we had put money to purchase ambulances, but you remember what happened. Therefore, since we have the Minister of Finance, Planning and Economic Development here as a Member of Parliament, I propose that in the next budget, we make it

a necessity that every regional police station should be equipped with a fire brigade vehicle. The time of lamentations is over. We are Members of Parliament. We can do that.

Madam Speaker, I pray, that at least this Government compensates the people who lost their dear ones. We cannot leave them given the situation and some of these people died when they were at work, so, I pray that-

THE SPEAKER: You know very well the Government will compensate them.

MR LUTTAMAGUZI: If it will, thank you, Madam Speaker. I will be very happy to hear that the Government has compensated them wholesomely. Thank you. I submit.

THE SPEAKER: Thank you. Honourable members, you are taking a lot of my time. We have already made a ruling. We need a report to that effect unless somebody has something different about my communication. Yes, Hon. Jonathan, do you have what to say about my communication?

MR EBWALU: Madam Speaker, you had guided on that matter. You had ruled on it.

THE SPEAKER: Yes, I ruled on it.

MR EBWALU: You ruled on it.

THE SPEAKER: Thank you. That is why Jonathan is - Yes, Doctor.

10.23

DR LULUME BAYIGGA (DP, Buikwe County South, Buikwe): Thank you very much, Madam Speaker. The Government Chief Whip mentioned three ministries, which are concerned, but a number of them are concerned and this is an inter-ministerial call to action.

For instance, the Ministry of Health is concerned about this and we want to learn the state in which those patients reached the various hospitals and what kind of interventions they have. Whether they had enough-

THE SPEAKER: Honourable members, we have a committee in charge of health in this House. If we are responsible enough as leaders, Can the committee members go and see? Exactly. For me, I am going to see those people after here. The Leader of the Opposition in Parliament too, is going to see those people. Why don't we go and see such that we are when we come back here we talk when we are informed?

DR LULUME: Can I raise even these others because it will help you also to guide? The Ministry for disaster preparedness is also very important, and then we should be in a position to examine and interrogate how much money.

THE SPEAKER: Do not worry. That issue is being handled.

MR LULUME: Finally, yes the Ministry of Finance, Planning and Economic Development. He is not mentioning it, Madam Speaker. He is not even mentioning the presidency, which overturned the budget that we had adjusted. This is a sector-wide intervention and call for action.

THE SPEAKER: Honourable, the budget that was overturned was not for that. Honourable members in the Very Important Person (VIP) Gallery this morning, we have Members of Parliament from the East African Legislative Assembly (EALA). We have:

1. Hon. Fatuma Ndagiza –EALA member from Rwanda
2. Hon. Francine Rutazana, EALA member from Rwanda
3. Hon. Rose Akol Okullu –(*Applause*), EALA member from Uganda.
4. Dr Gerald Blacks Siranda –(*Applause*)- EALA member from Uganda.

You are all most welcome and there and they are here to observe the proceedings of this House.

They are bringing more. We are yet to have all the EALA Members here. Hon. Rose, tell the Speaker that we want all the other members here.

MR LUTTAMAGUZI: Disregarded this issue of mushrooming petrol stations, especially in residential areas, but it is a very important matter -

THE SPEAKER: No, we have made a ruling to that effect.

Honourable members, you will allow me to amend the Order Paper and accommodate a statement from the Leader of the Opposition in Parliament.

10.27

THE LEADER OF THE OPPOSITION (Mr Joel Ssenyonyi): Thank You, Madam Speaker. Allow me to first join you, and colleagues to express sympathies towards families that have lost their loved ones in that very unfortunate incident in Kigoogwa.

Scores have died, and some were injured. It is very unfortunate. I do extend my sympathies and commiserations to the families. We need to continuously encourage our people to be vigilant and avoid certain unfortunate incidences because people were rushing to go and siphon fuel hoping to make some money for the day. Unfortunately, they met their death. Hopefully, we can keep encouraging our people to be on the lookout and avoid certain grievous incidents.

Finally, I also would like to call upon the Government-, let us help these people and support them as expeditiously as we possibly can. Many have died; many are in hospital. They need support. Let us support them if an accident happened. We hope the investigation report comes out soon, but in the meantime, let us support these people.

Madam Speaker, while we are talking about those who died in the fire and those who were injured, the nearby shops, a couple of them got burnt and the people have lost merchandise worth millions of shillings. Government let us support these people; an accident did happen. Let us reach out to our citizens with support.

Madam Speaker, via Rule 53, I would like to present this very brief report of the oversight visit that I carried out with some colleagues to Atiak Sugar Factory on 7 October 2024 and I begin by tabling a copy of this report.

Madam Speaker and colleagues, the shadow cabinet, conducted an oversight visit on Monday 7 October 2024, at the Atiak Sugar Factory in Amuru District to assess its operational status, economic impact and challenges. The factory located in northern Uganda is a Government-supported initiative aimed at reviving the sugar industry in the region, providing employment and promoting economic development in post-conflict areas.

Atiak Sugar Factory is an investment located in Atiak in Amuru District that was initiated by a private company called Horyal Investments Holding Company limited. Herein, after called Horyal.

It was incorporated on 11 April 2013 as a private limited liability company, to set up a plant to process sugarcane into sugar and its by-products.

The Atiak Sugar Factory began as a private community partnership, in the sense that land was provided by the people of northern Uganda. The construction of the company was envisaged as a milestone in facilitating economic recovery in northern Uganda through the creation of thousands of jobs for local workers.

Additionally, the factory would also promote women empowerment, since they would become the main suppliers of sugarcane.

However, Horyal soon contracted very expensive short-term credit from a number of financial institutions for the purpose of setting up the factory. Upon experiencing difficulty in servicing the expensive loans, Horyal sought financial support from the Government of Uganda on the grounds that this investment was very strategic for the people of northern Uganda.

The factory was officially launched on 22 October 2020. The capacity of this plant in Phase 1 was targeted at 1,650 tonnes of cane crushed per day, to be expandable to 3,500 tonnes of cane crushed per day in Phase 2 and 5,000 in Phase 3.

According to the shareholder agreement that the Government of Uganda, through Uganda Development Corporation, signed with Horyal, Government intervention would be solely for completion of the factory up to Phase 1. Unfortunately, despite Government intervention in this factory, production at the Atiak Sugar Factory was halted on account of a persistent shortage of sugarcane and was closed in April 2022.

Between Financial Year 2017/2018 and Financial Year 2019/2020, the Government of Uganda, through its investment arm, Uganda Development Corporation, progressively purchased and acquired equity shares worth Shs 81 billion in Horyal. During Financial Year 2017/2018, UDC provided two shareholder loans worth Shs 20 billion and through NAADS, released Shs 54.68 billion in Financial Year 2019/2020 to support sugarcane out growers in Amuru and Lamwo districts to sustain sugarcane supply to this factory.

Additionally, the Government of Uganda made available a transport subsidy worth Shs 16 billion in the Financial Year 2019/2020 to transport sugarcane from Busoga to Atiak. All this investment had the sole objective of enabling Horyal to complete the factory to Phase 1.

In the Financial Year 2021/2022, UDC, through a supplementary budget, provided Shs 108 billion meant for mechanisation and shares and in the Financial Year 2022/2023, the Government, through UDC, added Shs 274.1 billion meant for preference shares.

Unknown today is the total percentage shares that the Government of Uganda has in Horyal because it has continuously injected more funds into this company since the acquisition of equity shares has broken down. I have

provided a table and the minister will look at that. The total investment, both direct and indirect investment, as we speak today, is Shs 553.71 billion - Shs 553.71 billion.

It is against the above background that I went with colleagues for this oversight visit with a couple of objectives:

1. To evaluate the factory's production capacity, the current operational status and its economic contribution to Uganda's economy;
2. To examine the involvement of local farmers and out grower schemes in the sugar production chain;
3. To assess the accountability and transparency mechanisms in this factory's operations;
4. To identify any operational, financial or infrastructural challenges faced by the factory; and
5. To review the extent of Government support and private sector partnerships in the development of this factory.

These were some of our findings:

1. The factory is currently non-operational, not producing any sugar, and this raises concerns, given the Government's intervention over the years. Management intimated that the reason for non-production is that sugarcane is not readily available. All this, despite the huge investment by the Government;
2. There were ongoing civil and infrastructure development works at the factory, such as the construction of water reservoirs and an irrigation system, although they were behind schedule. Management said to us that they hope to get more funding from the Government to aid with the irrigation;
3. The management of this factory has abandoned the earlier model of planting 60,000 acres of sugarcane from Atiak across to Lamwo through farmer cooperatives, and has now instead resorted to planting 25,000 acres of sugarcane in Atiak, owned by the factory;

4. Despite the factory being non-operational for a couple of years, it spends 200 litres of diesel daily, running turbines apparently to prevent the machines from rusting and malfunctioning. This regular expenditure is disturbing, given that there is no production going on;
5. There has been slow delivery of machinery to fast-track mechanisation of this factory. At the time of the visit, only some of the required equipment had been delivered, yet these are also incomplete and without the necessary accessories;
6. Uganda Development Corporation, which is supposed to be the overseer of this project on behalf of the Government of Uganda, has limited or no presence at all in the operations of the factory;
7. Management told us that the factory's sugarcane plantation totalling 7,900 acres had been burnt down in December 2020, and this affected operations. However, the cause of the fire was unknown; and
8. Despite the heavy financial investment of Shs 553.71 billion by the Government in this joint venture, what is on the ground is not commensurate with this investment. It raises questions about whether this is not another white elephant – *(Interruption)*

THE SPEAKER: There is a procedural matter.

MR ENOS ASIMWE: Thank you, Madam Speaker. Wouldn't it be fair that the Leader of the Opposition gives a copy for applauding because we are not following – *(Interjections)* - no, it is a procedural issue. Let the Speaker decide.

THE SPEAKER: Do you have a copy?

MR SSENYONYI: I do, Madam Speaker.

THE SPEAKER: Do you have a copy for the Speaker?

MR SSENYONYI: Yes, I do. As you had advised, Madam Speaker, I can table it for the Government.

THE SPEAKER: Honourable members, please it will be uploaded; you can go ahead and conclude. He is presenting, and then we shall get a report on it. It is not anything for discussion.

MR SSENYONYI: Thank you, Madam Speaker. To ensure the long-term success and sustainability of the Atiak Sugar Factory, the following actions are recommended.

1. The Government, through UDC, needs to fast-track the conversion of its preferential shares into ordinary shares, to increase the negotiating power, strong decision making and voting powers in this company;
2. UDC should improve oversight and management of the factory's operations by ensuring efficient management and transparency in the use of public funds, and put in place clear performance targets as well;
3. The Government should conduct a thorough audit of this company to establish whether it is a going concern; and
4. While the company is desirous to receive more money from the Government, we think it is prudent for the already invested Shs 553.71 billion to be accounted for first. There must be value for all this money before we think of investing more.

In conclusion, Madam Speaker, the Government of Uganda's investment in Atiak Sugar Factory, through UDC, was intended to revitalise northern Uganda's economy, promote agro-industrialisation and create jobs. However, all the challenges in place have made it difficult for these intended benefits to accrue.

The Government should, therefore, update Parliament on these three issues.

- a. The exact stake of Government in this project;

- b. The plans that are there to see that the Shs 553.71 billion injected by the taxpayer does not go to waste; and
- c. How northern Uganda and Uganda at large can reap the promised benefits from this project, which the taxpayer has injected heavily into?

Madam Speaker and honourable colleagues, I beg to submit. *(Applause)*

THE SPEAKER: Thank you so much. We will get a response from the finance minister and the Attorney-General, in terms of conversion of the shares and then on accountability of the money that has been given. Finance minister?

10.39

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

(Mr Henry Musasizi): Thank you, Madam Speaker. We take note of the concerns of the Leader of the Opposition and I undertake to respond in writing.

THE SPEAKER: Thank you. When are we getting a response?

MR SSENYONYI: Actually, with your indulgence, Madam Speaker, I request that we have some kind of timeline. Yesterday he did commit to bring a response on ROKO and now, he is committed to Atiak. If we can have a timeline so that we hold them accountable. When the timeline hits, I will then remind the minister for that update to Parliament.

THE SPEAKER: Honourable minister, when do you expect to -

MR MUSASIZI: Within two weeks, Madam Speaker.

THE SPEAKER: Thank you. Two weeks is okay because the East African Legislative Assembly (EALA) will be sitting here. When we come back - Actually, we will give you three weeks - *(Laughter)*- because I know the two weeks - Next item. Yes, honourable Member for Kira Municipality.

10.41

MR IBRAHIM SSEMUJJU (FDC, Kira Municipality, Wakiso): Thank you, Madam Speaker. I am raising a matter of national importance which I briefed you about this morning.

THE SPEAKER: From where? *(Laughter)*

MR SSEMUJJU: From your office.

THE SPEAKER: At least I did not see you today.

MR SSEMUJJU: Madam Speaker, I was in your office this morning.

THE SPEAKER: What is the matter?

MR SSEMUJJU: Madam Speaker, this matter relates to an issue I raised here regarding human rights. Three Members of Parliament from a party under construction, the People's Front for Freedom (PFF); Hon. Francis Mwijukye, Hon. Kamara and myself, were arrested for taking a protest note to the Kenyan Embassy.

We are actually now reporting to court almost twice a month. When I raised this matter, the Attorney-General made an undertaking to come here and brief Parliament on why three Members of Parliament were roughed up like chicken thieves, but also, to brief Parliament as to why 36 Members of the PFF were kidnapped from Kisumu and charged with –

THE SPEAKER: What is it called?

MR SSEMUJJU: PFF.

THE SPEAKER: PFF.

MR SSEMUJJU: Yes. Madam Speaker, you know these things because you were in the Forum for Democratic Change. *(Laughter)* The 36 –

THE SPEAKER: Hon. Ssemujju, at least you are reliably informed that I am not in FDC.

MR SSEMUJJU: Madam Speaker, that is why I said that you “were” in FDC. I am not saying that you are still there.

THE SPEAKER: Okay. What is the issue?

MR SSEMUJJU: The response that the Government promised relates to our arrest and then the kidnapping of the 36. Madam Speaker, why this matter becomes very important to receive an answer is that this Government is squeezing people.

You have just heard of 16 members of the National Unity Platform being coerced by the army to plead guilty for offences they did not commit. We have 36 who are there on terrorism and we are in court. So, the reason I am *-(Interjection)-* and you are saying order.

The other day, the Mayor of Fort Portal was nearly killed by the National Resistance Movement (NRM), yet he is an NRM member. So, those of you who are saying order, wait for your day tomorrow. *(Laughter)*

The issue I am raising is that of deteriorating human rights. These military people who sit here every day are squeezing our people. That is why when they are here, they are just quiet; instead of taking people to courts of law, they are squeezing them in their tribunals.

Can we get that response on those three issues? Those who were kidnapped, our arrest and the 16 NUP members who have been squeezed by the military to plead guilty for offences they have not committed – *[Dr Apea: “Order.”]*- but an order from our side, why don't you sit on the other side? *(Laughter)*

THE SPEAKER: Yes, there is an order.

DR ATIM: Thank you.

THE SPEAKER: Before you come with the order, did you say that the matter is in court?

MR SSEMUJJU: Madam Speaker, I said that this matter was raised here and the Government made an undertaking. I was actually given a

copy by the Clerk to Parliament of the matters that the Government was going to answer; I have that copy.

I am only demanding that the Government fulfils its bargain. They said they would come here and explain the arrest of Members of Parliament and then the kidnapping - because the kidnapping is not in court, they are suspects.

THE SPEAKER: Honourable minister - No, let us get the answer.

10.45

THE MINISTER OF STATE FOR INTERNAL AFFAIRS (Gen. David Muhoozi): Madam Speaker, I am struggling to understand the prayer of Hon. Ssemujju because all these matters are in court. Maybe what I can do is to find out how far the matter is in court and then come back and give a response.

THE SPEAKER: He can clarify the prayer.

10.46

MR JOHNATHAN ODUR (UPC, Erute County South, Lira): Thank you, Madam Speaker. Under Article 28 of our Constitution, I would like to read -

THE SPEAKER: The presumption of innocence.

MR ODUR: No, Article 28(1) says, "In the determination of civil rights and obligations or any criminal charge, a person shall be entitled to a fair, speedy and public hearing before an independent and impartial court or tribunal."

What Hon. Ssemujju is raising is that the Government is in the habit of hurrying to arrest persons they suspect of committing a crime, produce them in court and thereafter relax - producing a suspect in court to take a plea and then keeping quiet for four years without any trial.

What the Constitution had envisaged is that the prosecution adduce evidence and there is a hearing, not just a matter of bringing them to

court and it is mentioned like it is happening in the General Court Martial and several other courts around the country.

The matter that Hon. Ssemujju is talking about relates to the speedy unfair trial. How do you arrest me and put me in for five years and yet even in the end if I am found guilty, some of the sentences would be less than three years?

How do I serve five years in a trial and yet the punishment may be less than the five years? That is what he should clarify about. There are so many examples that we can give right from the court martial and also with the other courts of law.

THE SPEAKER: Another clarification.

MR SSENKYONYI: Madam Speaker, we were in this House when a colleague joined us - I do not see him here today, Hon. Balaam Barugahara Ateenyi. Shortly after he was sworn in as a Minister of State for Gender, Labour and Social Development (Youth and Children Affairs)

THE SPEAKER: Where is Hon. Balaam?

MR SSENKYONYI: He did say -

THE SPEAKER: Hon. Balaam is coming. You will raise that issue.

MR SSENKYONYI: He raised it through the Leader of Government Business, and that is why I am reminding us.

He did commit and asked that I re-table the names of missing persons, those incarcerated, political prisoners and so on. I said, "We had tabled those lists severally, they are even in the library".

However, for the avoidance of doubt, I re-tabled a list here and said that anyone who would like to access it should access it. He committed to giving us an update because he said he would take the law into his own hands, circumvent the legal processes and so on to ensure that people are freed.

I think it would be prudent that Hon. Balaam gives this House an update on what he has been up to, the machinations he has been up to and how he has gone about this whole process that was in court and were making complaints as colleagues have mentioned.

THE SPEAKER: Thank you.

MR SSENKYONYI: People were held for four years without trial and evidence. He said he would handle the matter. Let him come and give us an update.

THE SPEAKER: Thank you. Honourable, let us not sweep down what Hon. Ssemujju is saying. Hon. Ssemujju has an issue; people were arrested, they were taken to court, and he wants to know the position.

MR SSEMUIJJU: Madam Speaker, if you allow me to complete it because I was stopped by a point of order. Each one of you here, potentially, might be in prison tomorrow. We have MPs who have just returned - When you are speaking about matters of prison – please former Local Defence Unit (LDU)- allow us to raise these matters.

Madam Speaker, the issue of abusing prisoners' rights –I went to Kitalya- (*Interruption*)

THE SPEAKER: There is a procedural matter.

MR ENOS ASIMWE: Madam Speaker, Rule 73(1) is very clear, "Subject to sub-rule (5) of this rule, a Member shall not refer to any particular matter which is sub judice." Any matter that is under the courts of law or being handled by the courts.

Is the honourable member in order - are we proceeding right to listen to his arguments, well knowing that all the matters he is raising are subject to court decisions?

Number two, Madam Speaker, I do not know whether we are proceeding right to listen to Hon. Ssemujju when he is making allegations that have no evidence. He mentioned that members of NUP were coerced into accepting

certain charges and there is no evidence to that. Madam Speaker, are we proceeding right?

THE SPEAKER: Honourable members, there is only one person who can determine whether the matter is sub-judice or not, and it is only the Speaker. I have not yet ruled.

Honourable members, the member is just asking something simple; to understand where these people are, how these people are being treated, and how - basically that.

MR SSEMUIJJU: Thank you very much, Madam Speaker, for your wise ruling. You see, when these prisoners, one of them - the ones who are alleged to have confessed their crimes - now from prison uniform, he appeared in an NRM t-shirt bearing President Museveni's portrait. I was in Kitalya; I took t-shirts to PFF members – the 36 who are there – and prisons told me, "You cannot bring political t-shirts in the prison."

How did the Government access the prison to take Museveni's t-shirt? You simply cannot abuse the rights of prisoners, even when they are subdued. Madam Speaker, these are very serious matters. I see –

THE SPEAKER: For me, all I want is an update. Let the minister give us an update on how far the Government has gone. On the issue of the T-shirts; that is simple. Yes, honourable minister. (*Hon. Niwagaba rose*)

10.53

MR WILFRED NIWAGABA (Independent, Ndurwa County East, Kabale): Thank you Madam Speaker. You know the biggest challenge we have, is the interpretation of Article 23(6) of our Constitution.

If the minister can bring to us a list of people on remand, and who have been on remand for more than 180 days before their cases have been committed to the High Court, regardless of the crimes they are alleged to have committed, and what action is being taken by the Director of Public Prosecution to either discontinue or have these people temporarily released.

We have very many people - recently, I was told of a person who has been on remand for 13 years without even committal. Let the minister - since he is in charge of the prisons - give us a list of the people on remand for more than 180 days and have not been -

THE SPEAKER: We will give the minister time to bring that report. He will need to have time to get the report and bring it. Yes?

MR KIBALYA: Thank you, Madam Speaker. Giving the minister time is okay, but we continue listening and hearing the outcry of people saying they do not know where their people are. Possibly, as the minister brings the report, given the time you have given him, could he help the Ugandans to identify and locate these people so that when he is reading the report -

THE SPEAKER: Which people? You mention the people. That is a sweeping statement.

MR KIBALYA: Madam Speaker, whenever we hear missing people, missing persons -

THE SPEAKER: Which missing persons? You mention the name so that the minister comes with the names.

MR KIBALYA: Madam Speaker, I take -

MS NALUYIMA: Madam Speaker, I have Kibalama of Namayumba, a resident from Wakiso, who is one of those people who is missing and not yet known anywhere.

THE SPEAKER: You know, as a legislator, you must be complete when you are speaking. You have said the right person, Kibalama of such and such a place. Do you get it? Not just making a sweeping statement that we have missing people. Next item- Honourable minister, will give us that information in two weeks.

GEN. MUHOOZI: Before we conclude this Madam Speaker, I would like to know which information because there is - I am confused.

THE SPEAKER: The one that was raised by Hon. Wilfred -

MR SSENKYONYI: Honourable minister, let me assist you. It is possible you may have missed some sessions. On a couple of occasions, I have tabled those lists. They are in the library, with the Parliament. Of people that have been incarcerated, of missing persons, including one John Bosco Kibalama whom the Prime Minister told us was arrested. She knows where he is.

Honourable minister, please do not feign ignorance of these lists. Kindly go to the library and ask for those lists because we have tabled them severally. If you want, we can retable them for the umpteenth time so that there is no excuse. Let us not feign ignorance really on these issues.

THE SPEAKER: Honourable members, Hon. Ssemujju raised his issue, and now you are mixing the two issues - the one he is talking about; the one of over 180 days, okay? Is that understood, honourable minister?

GEN. MUHOOZI: It is now understood, Madam Speaker, otherwise, it was becoming omnibus, everybody was adding.

THE SPEAKER: Okay. Hon. Ibrahim, feel free to interact with the minister and give him information. Please, feel free.

MR SSEMURUJJU: Much obliged, Madam Speaker. However, the reason I was raising this matter was because it was raised here and they made a commitment to come and brief Parliament on our own arrest; MPs taking a petition to the Kenyan embassy, myself, the Hon. Mwijukye, Hon. Kamara -

On the kidnapping of the 36 attending a seminar in Kisumu; on the deteriorating human rights record in Uganda, including the military torturing people and getting them to confess to crimes they have not committed, and a government minister -

THE SPEAKER: He will give that report in two weeks. Honourable members in the public gallery this morning, we have students and teachers from St Andrew Kaggwa Gombe High School, Kawaala, represented by Hon. Kawalya Abubaker. Where are the students? They have come to witness the proceedings. Your MP is here and wants to greet you.

For today I have VVIPs. Clerk, you may not bring students for today, you will bring them tomorrow because the place is going to be occupied.

MR KAWALYA: Thank you, Madam Speaker. I would like to thank the Parliament of Uganda - (*Interjections*)- I would like to thank the Parliament of Uganda for giving this opportunity to the students of Gombe High School. I very well know that most of them are leaders. Our dear students, this is the Parliament of Uganda, where laws are formulated. I understand that Gombe High School is one of the best schools that we have in Rubaga North. When you are here, feel at home; do not fear to ask and witness whatever is taking place.

I also appreciate you as your leader. When you go back, talk to your parents that “our Member of Parliament is here to stay, come 2026”. (*Laughter*) Thank you.

MINISTERIAL STATEMENT ON THE
CONFISCATION OF NATIONAL IDS BY
MONEYLENDERS AS COLLATERAL

THE SPEAKER: Honourable minister?

11.00

THE MINISTER OF STATE FOR INTERNAL AFFAIRS (Gen. David Muhoozi): Madam Speaker, this is a statement on the confiscation of National IDs by moneylenders, as collateral.

Introduction

Madam Speaker, this statement follows your instruction to present a statement on a matter of national importance that was raised by

Hon. Mourine Osuru, the Woman Member of Parliament for Arua City, on Thursday, 1 August 2024, regarding the question of the Government’s plans to end the vice of confiscating people’s National IDs as security for loans by the moneylenders.

Madam Speaker, the growing practice of consecrating national IDs as collateral for loans by moneylenders violates the rights and dignity of our citizens. This practice not only infringes on the rights of our citizens, but also poses a serious threat to national security and social stability.

In 2015, the Registration of Persons Act (ROPA) was enacted and established the National Identification and Registration Authority (NIRA), with the mandate to register all persons in the country, assign them unique identification numbers, and issue national identification cards, among others.

The National Identity Card is now a critical document that serves as proof of identity, nationality and citizenship. It is essential for accessing a wide range of services. However, there has been a disturbing increase in the number of reports, where moneylenders are taking these vital documents as collateral for loans. This illegal practice leaves borrowers vulnerable and deprives them of their most basic identification document, thereby leading to further financial and social marginalisation.

The impact on citizens

When the National Identity Card is confiscated, it severely limits an individual’s ability to participate in various livelihood activities. Without their ID, citizens cannot open bank accounts, receive Government services, or even verify their identity in various circumstances when the situation warrants. This practice disproportionately affects the most vulnerable members of society, including the poor, elderly and uneducated, who may not fully understand their rights or the legal implications of surrendering their IDs in this manner.

The confiscation of the National Identity Cards by moneylenders opens the door to exploitation and abuse. Individuals who find themselves unable to pay their loans are often subjected to harassment, intimidation and further financial extortion. This cycle of exploitation exacerbates poverty and undermines efforts to foster social and economic development in our communities.

The Government's response and planned actions

Madam Speaker, the Government of Uganda is committed to protecting the rights of all its citizens and ensuring that the National Identity Card retains its intended purpose, as an enabler of easy access to services and not exploitation. To address this issue, the Government has undertaken the following measures:

a) Legal framework

There are various laws, including the Constitution, that create specific rights as well as obligations regarding this subject. Article 29(2)(c) provides that every Ugandan shall have a right to a passport or other travel document, (in this case a National ID), which is also a recognised travel document, and, therefore, nobody has the right to deprive a holder of a National Identity Card of the same.

Section 77(b) of the Registration of Persons Act, Cap. 332, provides that a person who without authority deprives or dispossesses a holder of his or her National Identification Card, commits an offence. Further, section 77(e) of the same Act provides that a person who unlawfully keeps or takes possession of a national identification card that belongs to another person, commits an offence and is liable, on conviction, to a fine not exceeding 48 currency points, which is Shs 960,000 or imprisonment not exceeding three years or both.

It should be noted that under Section 69(3) of the Registration of Persons Act, an issued National Identification Card remains the property of the Government of Uganda. A

moneylender, therefore, has no authority to deprive or dispossess a person of his or her national ID. The national ID is Government property and cannot be staked as security or collateral.

The Government did not intend for the National Identity Cards to be used as collateral for borrowing, but rather as identification documents to foster social and economic development in the country, being enablers to access services easily by the citizenry.

In a bid to enforce the above provisions, the Government has further enacted Tier 4 Microfinance Institutions and Money Lenders (Money Lenders) Regulations, Statutory Instrument No.8 of 2018, which expressly prohibits the demand or acceptance of a National Identity Card, passport, warrant card, or other document establishing the identity or nationality of the holder as collateral for any money advanced to a borrower as a loan. (Regulation 18).

Therefore, any moneylender found in violation of these laws and regulations is in breach of the law and, if convicted, is liable to suffer severe penalties, including the revocation or non-renewal of their operating licences, payment of fines and imprisonment.

b) Upgrade of the national ID by introducing Digital IDs

NIRA plans to eventually upgrade the National Identity Card by rolling out Digital (Electronic) Identity Cards (E-IDs). One of the advantages of this is that it will combat the troubling practice of confiscated national identity cards as collateral for loans by moneylenders. The introduction of E-IDs will reduce dependency on physical cards for identification.

With digital verification, citizens will be able to authenticate their identity using electronic means such as mobile apps or online platforms. This planned shift reduces the risk of physical IDs being used as collateral since digital identity verification does not require the physical handover of the card. Moneylenders

will no longer be able to hold a physical national identity card as security because the verification process will remain under the control of the cardholder and the authorised institution. This initiative is not only about adopting new technology, but will also protect our citizens from predatory practices that have plagued our society far too long.

The Government is cognisant of the fact that the majority of its citizens do not yet have access to Internet and smartphones to enable the immediate implementation of a universal Digital ID system. However, when this happens, it will be the ideal solution to decisively deal with this challenge.

c) Public Awareness Campaigns

The Government is undertaking nationwide public awareness campaigns to educate citizens about their rights and the dangers of surrendering their National Identity Cards as collateral. The Government agencies such as NIRA, Uganda Police Force, and the Uganda Microfinance Regulatory Authority, have undertaken several media engagements to create awareness in the public about illegal acts of misuse of identity cards as collateral. This awareness is intended to empower citizens with the knowledge about their rights over their National Identity Cards, thus reducing exploitation.

d) Strengthening oversight and enforcement

The Government has stepped up enforcement of the law by arresting and prosecuting persons involved in this illegal practice. For example, in Lira City, it was reported by the police in the North Kyoga Region that operations were conducted on 5 August 2024 within Lira City, targeting moneylending companies and 149 national identity cards were recovered. The law enforcement agencies prosecute such cases where lenders are found to be engaging in such blatant abuse of confiscation of National Identity Cards. Citizens are, therefore, encouraged to report to the nearest police station or National Identification and Registration Authority (NIRA) office, any

person or entity illegally holding their national identity card, for further action.

The challenge, however, remains that the cardholders do not report and are also in a way complicit in this malpractice for want of anything to stake as collateral for borrowing. Therefore, through all levels of leadership, we need to provide leadership and guidance to the population.

Engagement with stakeholders

The Government will continue to engage with key stakeholders, including financial institutions, political leaders, civil society and community leaders to ensure a collaborative approach to ending this practice. This will include dialogues, consultations and other engagements aimed at identifying and addressing the root causes of this issue.

In conclusion, the classification of national identity cards as security for loans is a deplorable practice that must be stopped immediately. The Government of Uganda is fully committed to protecting the rights and dignity of our citizens by ensuring that their national identity cards retain their integrity and remain in their possession and are used only for their intended purpose. To achieve this end state, the citizens themselves must co-operate by avoiding this illegal practice as much as possible or in the unlikely event that it happens, report to authorities to retrieve the confiscated cards. I beg to submit.

THE SPEAKER: Thank you very much, honourable minister. Before we say anything on that, we had asked the Minister of Finance, Planning and Economic Development to bring regulations to curb high interest rates of money lenders. How far did you go? That is the most important thing. We want regulations.

11.11

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (MICROFINANCE) (Mr Haruna Kasolo): Thank you, Madam Speaker. The Attorney-General is still working on them

and I undertake to follow it up. Within four weeks, we shall bring the draft – *(Interjections)*

THE SPEAKER: Do you want to bring to us the draft?

MR KASOLO: We shall bring the regulations here.

THE SPEAKER: We need the regulations. The issue of moneylenders is a very serious one. Honourable members, we have a law without regulations in this House so we cannot implement what we agreed on in the law. Yes, Hon. Onzima?

11.13

MR GODFREY ONZIMA (NRM, Aringa North County, Yumbe): Thank you, Madam Speaker. I agree with you that the minister should bring the regulations. The issue of exploitation and extortion does not only stop with the exorbitant interest rates, but also the conditions of payment. I was with my women in my rural village – *(Laughter)* - the women in my constituency, in that case. As a leader, I refer to them as my women because I lead them but I do not mean that they are my wives – *(Laughter)* – there is a difference so you should get that.

THE SPEAKER: Honourable members, Hon. Onzima is married.

MR ONZIMA: Madam Speaker, many of those complained to me. Those in saving groups engage in businesses. Some of these moneylenders have gone to those rural areas and they give money. The condition of payment is that you pay every day to them so the extortion is real. I was telling them that if you pay money every day to these moneylenders, how do you get money for yourself? This is typical exploitation.

We need the regulations here so that we assess and see –

THE SPEAKER: That makes us advise our women to concentrate on Parish Development Model (PDM).

MR ONZIMA: Yes, that is what I was telling them.

THE SPEAKER: PDM and Emyooga.

MR ONZIMA: Madam Speaker, I was also engaging with the civil servants. The same issue has also extended to them. You find that those days, for a civil servant to access a loan, it must be authorised by the Chief Administrative Officer (CAO), who would determine how much you can get as a loan.

However, this time, as long as a civil servant has the national ID, the financial card and the supply number, can just walk to these banks and get loans. The coding of these loans is done by private companies, not the CAO. This has led to over-deduction of their monies. In some cases, many of these civil servants have their names deleted because once you get a loan and the deductions go below 50 per cent of your salary, then your name disappears. This has caused many civil servants to abandon jobs so it is one of the serious issues.

We need an explanation from Government. How can a private company come up with coding of loans? Why do you leave out the CAO who is supposed to supervise his civil servants? He has nothing to do with approval of loans –

THE SPEAKER: Once you have a CRB, that private company will be able to know how much money you have and they will be able to give you a loan. However, it all goes to financial discipline.

MR ONZIMA: Madam Speaker, as the Government comes, we need that explanation so that we help our people. Thank you.

THE SPEAKER: Let us get the regulations. Honourable members, there are Members of the East African Legislative Assembly up there watching and attending to our proceedings. One, we have members from Burundi:

- (i) Hon. Burikukiye Victor
- (ii) Hon. Nkurunziza Olivier

(iii) Hon. Kibeya Saidi. You are welcome.
(*Applause*)

Members from Kenya

- (i) Hon. Iman Falhada Dekow
- (ii) Hon. Kalonzo Kennedy Musyoka
- (iii) Hon. Kering Zipporah Jesang Kurgat
- (iv) Hon. Shahbal Suleiman Said. You are most welcome. (*Applause*)

Members from Rwanda:

- (i) Hon. Fatuma Nyirakobwa Ndangiza
- (ii) Hon. Harebamungu Mathias
- (iii) Hon. Rutazana Francine. You are most welcome. (*Applause*)

Members from South Sudan

- (i) Hon. Dr Anne Itto Leonardo
- (ii) Hon. Sadia James Sebit
- (iii) Hon. Kim Gai Ruot Duop
- (iv) Hon. Luke Thomson Thoan Teny
- (v) Hon. Gideon Gatpan Thoar. You are welcome. (*Applause*)

Members from Uganda

- (i) Hon. Mary Mugenyi
- (ii) Hon. James Mutagubya Kakooza
- (iii) Hon. George Stephen Odongo
- (iv) Hon. Veronica Babirye Kadogo
- (v) Hon. Gerald Blacks Siranda.

You are most welcome to attend our proceedings - (*Applause*) – (*Members rose*) - do you want to debate that statement? You are the same moneylenders who are mistreating people –I have asked for regulations and we want it here in one month.

11.19

MR JOSEPH SSEWUNGU (NUP, Kalungu West County, Kalungu): Thank you, Madam Speaker, for accepting me, and I thank the minister (General). When there is a vice in the country- the minister has made his statement, but the best solution is issuing an instrument to stop that practice and any money lender doing so, his licence should be revoked.

We agree with whatever you have given but what you are stating is in the future. Why don't you issue an instrument to stop that?

GEN. MUHOOZI: There is no need for an instrument. It is already an illegality to use ID as collateral.

THE SPEAKER: Whatever is being done is an illegality. Secondly, an ID can never work as collateral security, not even an ATM.

DR BWANIKA: Madam Speaker, there is another challenge with IDs. There are thousands of national IDs with Uganda Police - those that got lost-thousands all over the country and people paying money to acquire new IDs. I propose that Uganda Police and the Ministry of Internal Affairs advertise those IDs- (*Interjections*)- wait; why don't you allow information? Someone should pay advertisement money instead of paying Shs 200,000 to get a new one. Advertise them. They are in every police station.

Lastly, about the IDs, some people do not have fingerprints. We should have an alternative to fingerprints. Iris recognition is now used worldwide as part of biometrics for identification. In the new IDs, include the iris recognition as well so that those who do not have fingerprints can get an alternative. I submit.

THE SPEAKER: Thank you. Honourable members, we have said we need regulations. Whatever is being done is an illegality and we cannot continue discussing it. This is not supposed to be done. Next item?

MINISTERIAL STATEMENT ON THE NATIONAL POPULATION AND HOUSING CENSUS 2024

THE SPEAKER: Honourable minister?

11.22

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr Amos Lugolobi): Thank you, Madam Speaker. My presentation is not about the entire census;

it is responding to issues responding to issues that were recently raised on the Floor *-(Interjections)-* we shall be coming to present that one-

THE SPEAKER: Honourable minister, most people had issues with the census; the Bagisu, the Langi and everybody else. There was also one from Hon. Ndeezi. I do not know how you are going to handle this. Let us have a census report so that we can refer. Hon. Odur, do you have something?

11.23

MR JONATHAN ODUR (UPC, Erute County South, Lira): Thank you, Madam Speaker. When you look at the instrument that allows the census to take place, there are about 36 parameters that when you are conducting the census, in the first schedule. You must interrogate. What we have in the public domain is that the census was conducted in a shabby manner.

There are allegations that data were manipulated; and others were cooked. The public is outraged that the enumerators never approached many households. Even the provisional report that was released has since been recalled. We do not have any foundation to entertain such a statement.

On the premises, without any foundational document for us to refer to; it is difficult to appreciate such a statement because what the country expects is a report on the census, not a statement brought by the minister and we are not even sure where the minister is coming from. I propose that the minister be allowed to go back. We already gave them more than Shs 380 billion to do their work and once they are *-(Interruption)*

THE SPEAKER: Procedure?

MR SSEMUJJU: Madam Speaker, I did not want to interrupt the shadow minister for justice and constitutional affairs. Hon. Matia Kasaija made the undertaking on the premise that there were many issues to be answered. As a result, he said, "Can I come with a statement about everything?" That is how I understood it.

The procedure issue I am raising, Madam Speaker, is whether even before receiving a statement to know what is in it, we can now in anticipation rule it unsatisfactory, yet the undertaking was that the minister would come here to answer all issues about the census.

The honourable state minister, is just carrying a document he has been given, but his boss was here and he said his statement will be a statement about all the issues.

THE SPEAKER: He made a disclaimer that it was partial. Based on that- first of all, we need to know the source of this document. We must have a report where he extracted the figures that he is reporting from. Honourable minister, we will need a report on the census. Then you will come and give us a report where you will be able to quote that the source is from the census report. Therefore, you will go back and bring that report. How much time do you need? In the meantime, Ugandans should know what they know.

MR LUGOLOOBI: Madam Speaker, this submission relates to what transpired when Hon. Kasaija was here. He asked me to come here because he is out of the country and you gave him a deadline to report on particular issues that were raised then, including the matter raised by Hon. Ndeezi and data relating to the tribes. Those are some of the issues that I will respond to-

THE SPEAKER: How much time do you need to bring the report?

MR LUGOLOOBI: Permit me to inform the House that in December, we shall be *-(Interjections)-* wait a minute. In December, we are coming up with a final report on the national census for 2024.

THE SPEAKER: Honourable members, listen -

MR LUGOLOOBI: The report we had was provisional. The final report is coming out in December. Madam Speaker you have indicated that I must have a report to quote-

THE SPEAKER: Honourable members, December is not far. It will also pass. Let us get something authenticated. We cannot take this because it is partial. *Mzee* Kasaija said it was coming with concrete information. Let us go to the next item-

MINISTERIAL STATEMENT ON THE NEW O' LEVEL AND A' LEVEL CURRICULUM AND EMERGING ISSUES

THE SPEAKER: Honourable Minister of Education and Sports, Dr Kaducu?

11.29

THE MINISTER OF STATE FOR EDUCATION, AND SPORTS (PRIMARY EDUCATION) (Dr Joyce Moriku): Thank you, Madam Speaker. I stand to present a statement on the new Level and A'Level curriculum and emerging issues that were raised on this Floor.

On 16th October this year, Parliament directed, under the leadership of the Rt Hon. Speaker, that the Ministry of Education and Sports provide an update on the progress of the lower secondary and advanced level curricula.

Members, as you may be aware, the first cohort of learners is currently sitting their end of senior four examinations, and are expected to progress to senior five in 2025.

This curriculum is competence-based and learner-centred, emphasising generic skills, values, and a positive attitude towards life and work.

In addition, the methodologies used emphasise participatory learning approaches and application of what has been learned.

The assessment focuses on learning and considers an individual learner instead of the one-size-fits-all approach.

Where we are to date

The Ministry of Education and Sports rolled out the new lower secondary curriculum

in February 2020. Since then, several interventions to make it successful have been made, as outlined below:

- i. We have conducted training for teachers through our agencies and departments. The National Curriculum Development Centre (NCDC) developed a Teacher Training Strategy to help the teachers to interpret and understand the lower secondary curriculum.

A total of 1,600 master trainers and 81,048 teachers of senior one to senior four were trained on the new lower secondary curriculum across the country. In addition, individual schools have been using the master trainers to train those who never had a direct interaction with the curriculum designs, using the cascade model.

It should be noted that the target number of teachers to be trained was 198,720 from both the Government and private schools. Those trained represent 41 per cent of the plan targeted number.

The centre trained 9,126 head teachers, District Education Officers (DEOs), District Inspectors of Schools, and Ministry of Education and Sports officials on the new lower secondary curriculum.

- ii. The Uganda National Examinations Board, referred to as UNEB, has also trained 15 teachers from each school on assessment. The assessment constitutes a classroom-based assessment and project, with an emphasis on generic and practical skills.
- iii. Schools have been trained on how to capture students' scores from the school-based assessment on the system, which will contribute 20 per cent of the total learner's score at the end of the cycle
- iii. The Directorate of Education Standards have provided teachers support in approximately 500 secondary schools in the country.

- iv. The Ministry of Education and Sports is making efforts to adapt online methods of instructing teachers in the wake of financial constraints to conduct face-to-face training.
- v. The Ministry of Education and Sports, through NCDC, trained publishers on how to write interactive textbooks for the curriculum. The developed textbooks and teacher's guides were distributed to all secondary schools across the country from Senior 1 to Senior 4.
- vi. The curriculum requires engaging learners in co-curricular activities to develop their practical skills and talents, which includes swimming.

It is worth noting that not all concepts in the curriculum are taught in the classroom setting. Project-based learning can be taught outside the classroom, and a learner is free to select a subject from the many available options across the subjects.

He or she is expected to be innovative and creative in doing the project by using local available resources within the community, and in particular, the environment.

The Ministry of Education and Sports will continue guiding our teachers on how to guide learners in using locally available materials during project work.

The implementation of the lower secondary curriculum has faced quite a number of challenges including; the skills gaps among teachers in implementation of the competence-based curriculum because they were used to traditional methods of teaching and they had to transit to the competence-based approaches. The limited instructional materials and the limited sensitisation, among key stakeholders, like our parents, among others.

To mitigate the challenges of implementation, the Ministry of Education and Sports, through NCDC, is in the process of developing sample schemes of work and sample lesson plans to

guide teachers in the preparation of instructions at the lower secondary level.

The Ministry of Education and Sports further plans to continuously develop the skills of teachers through teacher support and online training. Through the training, the teachers will be equipped with skills in developing low-cost non-textbook materials to support them in effectively managing the teaching-learning process.

The progress on the development of the A'Level curriculum

The Ministry of Education and Sports, through the National Curriculum Development Centre, embarked on the review of the A' level competence-based curriculum in 2021. The progress is still ongoing as we prepare for this first cohort that is expected to progress to senior five in 2025.

The Ministry of Education and Sports has made arrangements to mitigate the gaps in the A'Level curriculum by aligning it to the lower secondary curriculum, which is competence-based. This current cohort, who are sitting senior for exams, will be oriented towards the competence-based curriculum on joining senior five.

Madam Speaker, in addition to the issues raised on the revised curriculum for A'Level, I would like to comment on other issues that have been raised, that include:

- i. Urgent harmonisation of the pay of science teachers and school administrators

On that issue, the Government of Uganda has agreed to provide a top-up allowance to school head teachers to address the matter of harmonisation of salaries with the science teachers, especially the science-based head teachers and science deputy head teachers. The matter has been logically concluded.

- ii. The need for staff quarters in all schools, especially those in hard-to-reach areas

The Ministry of Education and Sports acknowledges the need to have staff quarters in all our schools across the country. We believe this will solve the challenges of staff retention, especially in hard-to-reach and hard-to-work areas.

Unfortunately, this is not budget neutral, as it will require significant resources beyond the ceiling of the Ministry of Education and Sports, which is available to the ministry.

Nevertheless, the matter is being addressed in a phased manner within the available resources to the local governments. There is an approved budget of Shs 41.46 billion, across the Local Government votes to address some of the infrastructure gaps in schools, including the staff houses where need be.

In addition, Madam Speaker, all the seed schools that are being constructed in a phased manner have provision for staffhouses included as part of the scope for the construction.

3. The need to recruit enough teachers and reduce the teacher-student ratio

Madam Speaker, this Financial Year 2024/2025, the ministry secured Shs 111 billion, and this will go towards recruitment of at least 4,402 staff. This will be deployed in the 111 seed schools in Phase 2 and Phase 3, which is the 27 schools, under the UgIFT programme.

Each school is projected to receive 31 teaching and non-teaching staff. We also secured Shs 11 billion that has been provided for recruitment of teachers in primary schools, a total of 1,589 teachers. This will be across local governments with staffing challenges.

4. On students being denied access to national examination because of unpaid fees

Madam Speaker, I thank you so much for raising and advocating for that matter personally as you. Thank you.

The Ministry of Education and Sports together with the Uganda National Examinations Board

(UNEB) have been working with the schools to ensure that this does not happen. The Permanent Secretary has written a circular to all school head teachers to ensure that all candidates sit examinations without interruption or sending them home because of unpaid school balances.

THE SPEAKER: Do you have the circular?

DR MORIKU: Yes.

THE SPEAKER: Lay it on the Table.

DR MORIKU: I beg to lay the circular at the Table. Thank you. They should put agreeable measures in place between parents and school administration to ensure school fees balances are paid accordingly without interrupting the examination process.

I would also like to thank the Forum for African Women Educationalists (FAWE) and other partners that supported girls, especially those that were sent away last week and they addressed the issue of school fees balance.

5. Teachers in private schools operating without contracts

The Minister of Education and Sports has drafted guidelines for staff employment in private schools and institutions in Uganda. These guidelines emphasise the need to sign contracts for employees as provided for in Section 59 of the Employment Act of 2006. The Act states that employees must be served with a contract that states the full names and the address of the parties of the contract, their title of the job, the place of work, the wages to be paid, including deductions, as well as leave periods.

The guidelines for staff employment in private schools and institutions are not enforceable because they are not yet gazetted. The process for gazetting is underway. In this coming budget for the Financial Year 2023/2024, we will probably make sure the process is gazetted.

As I conclude, there is a question, what is FAWE? FAWE stands for Forum for African

Women Educationalists, including Madam Speaker, who is one of our key educationalists in this country. I thank you so much for supporting the education sector and I beg to submit. Thank you.

THE SPEAKER: Thank you. There is a point of procedure. Shadow –

MR SSEWUNGU: Thank you, Madam Speaker. I thank the minister for giving this report. The procedural matter I am raising is whether it wouldn't be procedurally okay if you granted me permission, as a shadow minister to respond with evidence attached to each and everything the minister has stated.

For example, let me say something here, Madam Speaker. Just one small thing from what she has said that they have trained 15 teachers from every secondary school, whereas there are secondary schools in Uganda that have less than 10 teachers. Where do you get 15 secondary school teachers to be trained when the school has less than 10 secondary school teachers?

Madam Speaker, with your indulgence, even if you say tomorrow or next Tuesday, I am ready to present. I am going to lend the minister my phone to see the messages I am receiving from the head teachers right now from your own statement because they are following. Whatever you are saying is a challenge. Our battle here is to see how to streamline education. However, we are on a time bomb.

Therefore, Madam Speaker, if you will allow me, I am ready to prepare and respond – *(Interjection)*- Members, I am on point of procedure. As a trained Member of Parliament, I do not want to give information on procedural matters. I would pray that the minister, with her trials - with her prayers for you - You are in trouble but do not worry we can solve this problem together. I am a member of the Committee on Education and Sports, and above all, a shadow minister. Thank you, Madam Speaker.

THE SPEAKER: Thank you.

DR MORIKU: Madam Speaker, permit me to lay on Table the correspondences –

THE SPEAKER: Honourable minister, the procedural issue that Hon. Ssewungu has raised is on policy matters. A number of Members raised issues that day and that is why the minister responded. What you could do about the issue that you have is to put it as a written question to the Prime Minister.

MR SSEWUNGU: Most obliged, Madam Speaker. You see, as a shadow minister, if you allow because –

THE SPEAKER: Can the Leader of the Opposition ask?

MR SSEWUNGU: Yes, but on –

THE SPEAKER: Can the Leader of the Opposition ask to bring a written response and then, we debate both reports?

11.47

THE LEADER OF THE OPPOSITION (Mr Joel Ssenyonyi): Madam Speaker, I think you have guided well. Let my colleague, our Minister of Education and Sports in the alternative government, prepare a robust response because I see colleagues from both sides have issues of concern they would like to raise. So, it would be good that we debate both reports exhaustively.

THE SPEAKER: Honourable minister, let the Leader of the Opposition bring a response to your submission and then we debate both of them. We are not saying the new curriculum is bad, but we are saying it is a very good curriculum and it meets with the changing environment. However, we need some things fixed. Therefore, let us get their report and then we debate it next week.

DR MORIKU: Madam Speaker, I very much accept that guidance. Thank you.

THE SPEAKER: Thank you. I have given the Leader of the Opposition two days. Honourable members, in the VIP gallery this

morning, we have Members of the Parliament of the East African Legislative Assembly, who are here specifically to watch us pass the Bills; they are not going until we finish passing them. We have Hon. David Ole, a very good friend of mine from Kenya; *Karibu sana*. We have Hon. Deng and then Hon. Jacqueline Amongin; you are most welcome. Thank you so much for coming. Yes -

MR EBWALU: Madam Speaker, I want to thank you. Last week you gave a directive here that all students with uncleared balances in schools must not be chased; it was a very good directive.

Secondly, I have heard the minister in her report say that the directive is being implemented. However, I have a situation similar to that at Kyambogo University Soroti Study Centre. The university has held results of over 500 students because the lecturers have not been paid. I want to know from the minister what and why have the lecturers not been paid.

Given such a directive - Madam Speaker, would it not be procedurally correct that you direct the minister for education to bring here a statement why the results of the students have been held up to now?

THE SPEAKER: Honourable members, my directive was that all students must sit exams. Okay? You should not chase any student because he has not finished payment. However, when you sit exams, it is also right that you pay the money for you to get your transcript.

MR EBWALU: Madam Speaker, this situation is different. Here the lecturers have not been paid. It is the lecturers that have held the results and this is Kyambogo University, a Government institution.

THE SPEAKER: If the students paid and the lecturers are not paid so they are not releasing results, that is very wrong; let Kyambogo sort out its issues.

DR MORIKU: Madam Speaker, we raised this issue on this Floor. I think it was - if I can recall, two to three weeks back, it was

raised by my sister Hon. Agnes, the Member of Parliament for the Workers. It involves non-payment of part-time staff, which accumulated to arrears of over Shs 6 billion. As a result of non-payment, some of the part-time lecturers withheld the results of the students. This matter is being handled - after we present here.

THE SPEAKER: For how long?

DR MORIKU: I think from the time that we presented and we debated on it. I went back to the ministry and sat down together with the vice chancellor, the ministry for finance and the other relevant authority. We had a meeting and we are going to handle it.

THE SPEAKER: Honourable minister, I was given a list yesterday but I did not take it so seriously like it is. If the lecturers are withholding students' results, students who have even paid, that is a breach, a total breach and he has the list. Please lay it on the Table.

MR EBWALU: Madam Speaker, with your guidance, allow me to lay here on the Table a list of students whose results have been held by the management of Kyambogo University, Soroti Studies Centre. I lay on the Table.

THE SPEAKER: How many? 600-

MR EBWALU: Madam Speaker, the list that I have here is 118, but the total number is 600.

THE SPEAKER: Honourable minister, please, that is a very serious matter - No, you will speak, for us, we want results.

DR MORIKU: Madam Speaker, I undertake the responsibility of getting to the root cause of this thing, solving it, and bringing feedback on this Floor that the Ministry of Education and Sports -

THE SPEAKER: Can we have a response tomorrow on what you have done as education? Next item -

DR MORIKU: Much obliged, Madam Speaker. I will bring a statement on that subject matter.

THE SPEAKER: Tomorrow.

DR MORIKU: Yes, thank you.

THE SPEAKER: These people are not able to get jobs because their results are withheld. They may not even be able to graduate. Somebody has paid school fees from Primary One up to the university and the results are withheld. Next item. You will discuss when she brings the document tomorrow.

BILLS SECOND READING

THE NATIONAL FORESTRY AND TREE PLANTING (AMENDMENT) BILL, 2024

THE SPEAKER: Honourable members, as part of the Government effort towards Rationalisation of Government Agencies and Public Entities and Expenditure (RAPEX) the National Forestry and Tree Planting (Amendment) Bill, 2024 was tabled on 24 September 2024. The committee is ready with its report. However, to begin with, I will request the Minister of Water and Environment to move a motion for the second reading of the Bill. Honourable minister.

11.56

THE MINISTER OF STATE FOR WATER AND ENVIRONMENT (ENVIRONMENT) (Ms Beatrice Anywar): Thank you, Madam Speaker for the opportunity. I beg to move that the Bill entitled, “The National Forestry and Tree Planting (Amendment) Bill, 2024” be read for the first time.

THE SPEAKER: Seconded? For the second time.

MS ANYWAR: For the second time.

THE SPEAKER: Seconded by the Government Chief Whip, elders, Local Government, Chairperson Agriculture, Hon. Rose, Hon. Alanyo, Hon. Nekesa, Hon. Katonya, Member for Aruu, Hon. Noah, workers, Hon. Acuti, Hon. Apea, Dr Bayigga, and the whole side on the right. Hon. Opendi, with a broken hand -

what happened; domestic violence? *(Laughter)* Where is Hon. Atkins? Yes. Hon. Alanyo, Hon. Nakesa, Hon. Asuman, Hon. Aisha- *Hajjat*. Yes, would you like to justify?

MS ANYWAR: Madam Speaker, the policy behind the Bill is to give effect to the Government’s policy of rationalisation of its agencies.

The intention of the Bill, Madam Speaker, is to amend the National Forestry and Tree Planting Act, 2003 and this will enable us to mainstream and rationalise the functions of National Forestry Authority into the ministry -

THE SPEAKER: Honourable members – out of the whole group, this man has brought for me Shs 10,000 – yes! – because of Hon. Oguzu Lee.

(Text expunged.)

THE SPEAKER: The problem is that people never say “thank you”. At least, one person has said “thank you”. *(Laughter)*

MS ANYWAR: Madam Speaker, the Bill will facilitate efficiency and effective service delivery, by clearly delineating the mandate and functions of the ministry responsible.

Thirdly, it will help to promote coordination –

THE SPEAKER: There is a procedural matter.

MR SSEMUJJU: Madam Speaker, I am an ardent reader of the *Hansard* of Parliament. During the presentation by *Mama Mabira*, you said that someone brought for you Shs 10,000 over Oguzu Lee.

(Text expunged.)

MR SSEMUJJU: I am sympathetic to those who will be reading the *Hansard* -

THE SPEAKER: That is withdrawn.

MR SSEMUJJU: ... who came here dressed like a cultural leader. *(Laughter)* I want to be

guided on how that is related to the Mabira motion, Madam Speaker.

THE SPEAKER: Hon. Oguzu Lee's issues are different.

MR OGUZU: Madam Speaker, thank you. The reason I am dressed like this is very symbolic. This is about economic liberation. *(Laughter)* When the people of South Africa were resisting apartheid, they used to put on these kinds of artefacts. Coffee, which is the backbone of this economy, is being threatened by a Bill, which is on the Order Paper - *(Laughter)* - and I have come to symbolise to the country that we are here to defend the economy. *(Laughter)* Thank you.

MR DAVID KABANDA: Madam Speaker, if I heard Hon. Ssemujju well, he was only suggesting – the words “Shs 10,000 from Hon. Asuman”

(Text expunged.)

THE SPEAKER: Yes, that is what I said should be expunged.

MS ANYWAR: Madam Speaker, I was advancing the justification that the Bill will promote coordinated administrative arrangements, policies and procedures for ensuring efficient and successful management, financial accounting, and budgetary discipline of Government agencies and departments, enabling the Government to play its proper role more effectively.

As you may be aware, the Government established that some agencies were created without much consideration, hence there was duplication of functions and overlaps. It is now against this background that Government has decided to rationalise Government agencies and expenditures, including the mainstreaming of National Forestry Authority back to the ministry.

Among the benefits of mainstreaming National Forestry Authority (NFA) into the Ministry of Water and Environment are that there

will be improved coordination, monitoring, supervision and service delivery by various actors to the sector, including the management of the central forest reserves.

It will also enable the Government to save about Shs 3 billion from emoluments paid to the executive director, the directors and the support staff as well as procurement, audit and so on.

It will also help the Government to address the issue of disparity in the salary structures, which had demoralised other staff in the ministry.

The role of NFA is to manage the central forest reserves while the ministry's role is to manage forests on private land, including supporting districts to manage local forest reserves. Mainstreaming all the roles under the ministry will enable proper management and supervision of all the forests in the country, bringing all the experience together under the unified management.

The annual gratuity paid to National Forestry Authority staff, amounting to Shs 6 billion, will be saved annually.

Duplication of support services for management and development of forest resources, such as the extension services, licensing, the law enforcement, among others, will now be eliminated.

The legal provision commits the National Forestry Authority staff to report to the minister, who is not technical. Mainstreaming will enable effective supervision and reporting on management of the 506 central forest reserves to the permanent secretary in the ministry.

Madam Speaker, I beg to submit that, indeed, it is time we mainstreamed this agency for better service delivery. I look forward to your support. I thank you.

THE SPEAKER: Thank you. Honourable committee chairperson?

12.06

THE CHAIRPERSON, COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES (Mr Geoffrey Feta): Madam Speaker -

THE SPEAKER: Honourable chairperson, you are supposed to be here.

MR FETA: Madam Speaker, permit me to lay on the Table the minutes of the meeting, a copy of the committee's report and a copy of the executive summary that the committee generated while processing this Bill.

THE SPEAKER: Thank you.

MR FETA: Madam Speaker, the committee has scrutinised the National Forestry and Tree Planting (Amendment) Bill, 2024, whose objectives are to amend the National Forestry and Tree Planting Act, and mainstream the functions of the National Forestry Authority, established under the Act, into the ministry responsible for environment.

The committee has noted that there is an overlapping mandate of forest matters given that the ministry has a department under the Directorate of Environmental Affairs charged with managing and overseeing the forest sector development in Uganda, including both the central and local forest reserves, which mandate is similar to that of the National Forestry Authority (NFA).

The proliferation of institutions with similar mandates has increased public expenditure and not necessarily led to improved service delivery.

The committee has recommended that the National Forestry and Tree Planting Act be amended to mainstream the functions of the National Forestry Authority into the ministry responsible for the environment to avoid the duplication of mandates and unnecessary expenditure.

The committee has noted that mainstreaming NFA into the ministry will reduce Government

expenditure by Shs 22.1 billion in the Financial Year 2024/2025 and Shs 26.4 billion in the Financial Year 2025/2026.

The committee has further noted that the Ministry of Water and Environment has the requisite structure to assume the functions currently executed by the NFA and also expressed the willingness to absorb over 80 percent of the current staff of the NFA. The terminal benefits of the staff have also been provided for in the Certificate of Financial Implications.

The committee has also noted that the ministry will continue to generate Non-Tax Revenue (NTR) that NFA concurrently generates, given that the ministry also generates Non-Tax Revenue (NTR) from various sources, including abstraction permits under the Water Resources Management.

Therefore, mainstreaming the NFA into the Ministry of Water and Environment will address the challenges of overlapping mandates, reduce Government expenditure, and therefore improve service delivery.

Madam Speaker, that is the executive summary. The Ministry of Public Service gave us the genogram of the structure of NFA that will be under the ministry and it is included in the report as Annex A, which I believe Members will be able to see.

Madam Speaker, I beg to submit.

THE SPEAKER: Thank you. Honourable members, you have heard from the Member. Yes, we have a minority report.

12.12

MS CHRISTINE KAAYA (NUP, Woman Representative, Kiboga): Thank you, Madam Speaker. I thank my colleague, but these are some of the points that descend from the main report.

Madam Speaker, we are aware that the National Forestry and Tree Planting Bill, 2024 was read for the first time on 9th April and we are aware

the policy behind the Bill is to give effect to the Government policy for rationalisation of Government agencies and public expenditure, which the Cabinet adopted on 22nd February and the committee processed the report.

However, pursuant to Rule 205 of the Rules of Procedure Parliament of Uganda, this minority report is premised on the dissenting opinions from the majority of the committee members and these are the areas of dissent.

No economic gains in the short and medium term as envisaged by the Bill to maintain the Authority. Madam Speaker, we begin with Table 1 which shows the figures depicted in the financial implications for the Bill in the medium term. Based on what they show, the net savings for Financial Year 2024/2025 will be Shs 22.1 billion and for Financial Year 2025/2026, it will be Shs 26.4 billion.

Madam Speaker, the above table is extracted from the Certificate of Financial Implications of the Bill. The anticipated savings of Shs 22.1 billion for the Financial Year 2024/2025 is not possible given the fact that Government has already implemented activities in quarter one with an allocation of Shs 3.77 billion and Shs 8.034 billion in quarter two of the Financial Year 2024/2025 so, they overestimated. The money is already eaten.

The budget appropriated to NFA is for sustainable management of central forest reserves as per their approved work plan and budgets. Therefore, the proposal by the Bill of relieving the Government of the wasteful administration and the expenditure of maintaining the Authority is impossible in the short and medium term, and concentration would rather be on strengthening National Forestry Authority as a revenue-generating entity that contributes significant Non-Tax Revenue to the Treasury and is increasing its capacity to generate revenue to finance its operations.

Madam Speaker, they have indicated that 80 percent of the staff shall be taken to the ministry. Therefore, we wonder what they will earn

when they are in the ministry if they indicate that the money would have been saved.

On the issue of institutional harmony, functional duplications and overlap, Madam Speaker, the National Forestry Authority is mandated to manage 506 central forest reserves covering an area of 1.265 million hectares, which accounts for about 26 per cent of the total forest cover in Uganda. It is not as alleged that wherever you see any forest then it is NFA responsible. NFA is only responsible for 26 per cent.

The protected areas system for habitat and biodiversity conservation in Uganda is managed under different legal mandates; the National Forestry and Tree Planting Act and the Uganda Wildlife Act. In recognition of the importance of protected areas to the people of Uganda and the global community, the Government, through Statutory Instrument No. 63 of 1998, gazetted protected areas comprising 506 central forest reserves, local forest reserves, 10 national parks, 12 wildlife reserves and 12 Ramsar sites. So, we are wondering, are the forests and the national parks - I mean the local forest reserves - also going to be taken back to the ministry?

Therefore, in view of the above submissions, there is institutional harmony and therefore no functional duplications and overlaps because the different forest reserves were given to the different entities and when you take the National Forestry Authority alone, then it is not equitable.

Alleged high cost of administering the Authority at the expense of effective service delivery. Madam Speaker, NFA has significantly boosted its financial performance, achieving 83 per cent increase in Non-Tax Revenue over the past four years. The Authority increased from Shs 9.27 billion in 2020/2021 to Shs 16.983 billion in 2023/2024. The approved Government of Uganda budget of Shs 24.983 billion with the projected Non-Tax Revenue of Shs 20.32 billion during the Financial Year of 2024/2025 reflects NFA's strong trajectory and increasing capacity to generate revenue to finance its operations as summarised in the table.

Madam Speaker, although we are looking at performance in terms of Non-Tax Revenue, some entities like the National Forestry Authority contribution and benefits cannot be costed. Environmental benefits cannot be costed, so, much as they are bringing a lot of Non-Tax Revenue, at the same time, for us, our main mandate from NFA is environmental benefits and they should not be costed.

Table number two.

Non-Tax Revenue performance for the release of 2020/2021 to 2024/2025. Madam Speaker, you can look at that table. By 2020/2021, the percentage contribution from NFA was 40. By 2024/2025, it is at 148 per cent. Unless we are not rewarding well-performing institutions, I am very confident that they have performed to their best in terms of Non-Tax Revenue performance.

NFA has enhanced its NTR through investments in forest plantations, ecotourism infrastructure, support and management of tree farmers, planters in central forest reserves, and the ability to extract external funding from development partners. This one has been depicted everywhere; that when institutions are swallowed up, the capacity to fundraise becomes zero.

We are worried we may lose all that NFA has been fundraising for this country. Therefore, this growth reflects NFA's strong trajectory and increasing capacity to generate revenue to finance its operations. It is therefore not a burden on the national treasury and what is not a burden should be left to stay.

My fourth dissent is that NFA has enhanced investments in forest plantations. NFA has established over 14,000 hectares of plantations with mature commercial trees ready for harvest. This is expected to generate around Shs 6 billion in the medium to long term, boosting the institution's NTR. In addition, NFA supports and manages tree farmers and planters in central forest reserves. Over 51,000 tree farmers manage 200,000 hectares in central forest reserves, generating over Shs 6 billion annually in license fees.

Madam Speaker, the other area of dissent concerns deforestation and forest degradation. NFA has managed to keep at bay the numerous land grabbers who, in several instances, constitute even some of the ministers and MPs here who are looking forward to seeing NFA go and they grab. *(Interruption)*

THE SPEAKER: There is an order. Who are the grabbers?

MR OTIMGIW: Thank you, Madam Speaker. The honourable colleague has just mentioned that some of the land grabbers of these forests are honourable ministers and Members of Parliament in this set. You cannot start insinuating or pointing out Members. If you have names, can you lay them out? Who are they? Can you lay them since you have done your research rather than pointing fingers, please? Is she in order to do that without any evidence?

THE SPEAKER: No. Let her give us the names with evidence.

MS KAAYA: Madam Speaker -

THE SPEAKER: You know it is good to name and shame some of these people.

MS KAAYA: Naming and shaming is very important, Madam Speaker, but not from here.

THE SPEAKER: No. If it is not from here, then you withdraw it.

MS KAAYA: Madam Speaker, it is very difficult to withdraw such a statement because when they bring a list of Members who have changed forest land to freehold land, names are going to be put here.

THE SPEAKER: No! Christine!

MS KAAYA: Information granted. Madam Speaker -

THE SPEAKER: Members! Members! Members!

MS KAAAYA: Information on Gunda forest.

THE SPEAKER: Hon. Daudi?

MR DAVID KABANDA: Madam Speaker, in the 10th Parliament, the National Forestry Authority (NFA) advertised that those who are interested in planting trees should apply. Most of those who were given licenses were Members of Parliament. At least in my constituency, I know there are some MPs, including Hon. Mbwatekamwa and other MPs who were given licenses.

However, if the shadow minister says that “they grabbed”, that is not proper. However, I know some ministers whose names at least have been mentioned on this Floor to have grabbed some land like Maj. Gen. (Rtd) Otafiire and others, but not for NFA. I submit. *(Laughter)*

MS NALUYIMA: Madam Speaker, for more information to this House, those of you who have been following the matter of Gunda Forest in Entebbe, we laid here on the Table big shots -

THE SPEAKER: Who are the big shots?

MS NALUYIMA: Can I be given two minutes to bring the document here as she finishes?

THE SPEAKER: First withdraw your statement about big shots. When you bring it -

MS NALUYIMA: Oh, I withdraw big shots. Honourable members, to make it better, I can say that, officials in Government who had grabbed land in Gunda and we laid the list on the Table. Through with the intervention of Parliament, the land titles were cancelled. However, we can bring the list here again.

THE SPEAKER: Hon. Ogwang? If you do not have a list, do not talk about big shots.

MR OGWANG: Madam Speaker, maybe for the record, honourable members should be told that we are immune when we are here to provide information. Therefore, I do not know why you fear to speak any information as long as it is factual in this august House.

It is within the mandate of Parliament and it is in line with our work as Members of Parliament. That is why when you are here, you can say anything and nobody can challenge you in the courts of law. When you get out of this place, that is when you can be challenged. Why don't you go on record and name the people you are saying have grabbed forest land? I thank you.

THE SPEAKER: Hon. Christine, name them.

10.25

MR FRED KAYONDO (DP, Mukono County South, Mukono): Thank you very much, Hon. Christine. I am talking, I am the one on the Floor. The minister was very clear that we have immunity here. Madam Speaker, on the Floor of this respected Parliament, one of the most respected chairpersons of the committee, Hon. Dan Kimosho, stood and said that Hon. Ssekikubo is a land grabber. It is not yet expunged from the records of Parliament. He did not specify which type of land.

THE SPEAKER: He did not say it was NFA land.

MR KAYONDO: But he said he is a land grabber.

THE SPEAKER: He did not say NFA land. We are talking about NFA. Yes, there is a procedural matter. Honourable members, do not give me a headache.

MR SSEMUJJU: Madam Speaker, a while ago, the Secretary General of the non-registered political group headed by Gen. Muhoozi Kainerugaba accused one of the NRM historicals, Gen. Severino Kahinda Otafiire of having been mentioned here as a land grabber. He said it was not NFA land, but he is accused of land grabbing.

Madam Speaker, I know Gen. Otafiire has been speaking against Gen. Muhoozi Kainerugaba grabbing power from his father. The procedural issue I am raising, Madam Speaker, is whether the Secretary General of that small political group, illegally established by a serving military general under the UPDF Act and the

Constitution, should make such a statement and is allowed to stay on the record when he is accusing one of the historicals of the NRM, who should be his father, of land grabbing, yet Gen. Otafiire came here and gave a statement that he had bought this land from the former Chief Justice Steven Kavuma. Therefore, the procedural issue I am raising, Madam Speaker, is whether that statement should not be expunged.

THE SPEAKER: Honourable members, first of all, I do not even know why you are bringing “MK” (Gen. Muhoozi Kainerugaba) into this discussion. They are not related at all. If he wants to take power from his father, that is their business.

Secondly, let Hon. Otafiire come here and say that it is not true. Yes?

MR DAVID KABANDA: Madam Speaker and colleagues -

THE SPEAKER: Thirdly, it is not related to the National Forestry Authority (NFA) issues.

MR DAVID KABANDA: Madam Speaker, thank you for the opportunity. When I come to this House, I come as a representative of the people of Kasambya, not as a representative of Gen. Muhoozi Kainerugaba.

Secondly, the Patriotic League of Uganda that Hon. Ssemujju is talking about is registered as a civic organisation that is non-partisan, non-denominational, and non-sectarian.

Thirdly, maybe Hon. Ssemujju, who has been around for some time, has just started becoming active in this Parliament. In the 10th Parliament, if you remember - I was not here but I was following - the Njeru land was mentioned on this Floor. A directive was given by the then Speaker, Rt Hon. Rebecca Kadaga, for Gen. Otafiire to come here and explain how he grabbed that land, not how he bought the land.

A directive in Cabinet was given. The minister, whose land was grabbed, is here. Let him deny

it. Minister Rwamirama is here and he was in Cabinet complaining that the land that belongs to the Ministry of Agriculture, Animal Industry and Fisheries was grabbed. Then, he should explain whether the land is legally owned by Hon. Otafiire or by the Ministry of Agriculture, Animal Industry and Fisheries.

Lastly, recently, I was reading the newspapers and the same minister was mentioned to have had plans to grab land that belonged to the Criminal Investigations Department (CID). So, when I mention the name of somebody, I do so with evidence. I beg to submit.

MS AISHA KABANDA: Madam Speaker, is Hon. Kabanda -

THE SPEAKER: Honourable members, I do not want to divert the debate. Can you finish your presentation?

MS KAAYA: Thank you, Madam Speaker. Land grabbing in the gazetted forest areas is like this -

THE SPEAKER: First of all, I want you to remove the statement that “the Members here”, if you do not have them.

MS KAAYA: Madam Speaker, I withdraw the word, “Members” but I promised that I would lay on the Table -

THE SPEAKER: Yes, for now withdraw.

MS KAAYA: Madam Speaker, I have withdrawn the statement that, “some land grabbers in the forest areas are here.”

I would like to briefly explain the type of land grabbing in the gazetted forest areas. People are given licenses to manage forests on behalf of NFA. Some maintain the status quo, but others go ahead to change the leases to manage the forests into freehold land and these are the land titles that are being cancelled.

NFA has money to keep at bay the numerous land grabbers who, in several instances, apply for court injunctions. There are very many

court cases concerning land grabbing of NFA land gazetted areas to enable them to take over forest reserves. About 120 illegal titles created in forest reserves were cancelled in 2019 and there is a process to cancel an additional 609 illegal titles. All these are grabbers; 609 illegal titles are still grabbers in central forest reserves. This is ongoing.

There is a high risk that this process will be jeopardised by mainstreaming the Authority to the ministry, hence loss of government forest land and the resultant forest degradation.

Madam Speaker, I end by reminding Members that with the expected mining activities in Uganda, which is projected to produce 10 million tons of carbon every year, and with the new European Union guidelines on deforestation and the mushrooming negative effects on climate change, it is good affirmative action to retain National Forest Authority as a climate change management option. We should guard it jealously, otherwise, worldwide, we are not doing well. I submit, Madam Speaker.

THE SPEAKER: Thank you very much for your presentation. We will have a limited debate on all this. Dr Apea, Dr Lulume, Hon. Kabanda, Hon. Jesca and then Hon. Faith.

12.34

DR AGNES APEA (NRM, Woman Representative, Amolatar): Thank you, Madam Speaker, and the honourable minister for submitting the report. I would also like to join our colleagues in the minority by thanking NFA for the very good work that they did, but with very limited funding. We really applaud that.

I would also like to echo that the issue of land grabbing is widespread; it is not only in NFA. I do not think keeping NFA would actually keep the land. I think that having NFA under the ministry would actually help the Government to supervise and ensure that this land is actually much safer than when an agency is struggling with it.

Secondly, Madam Speaker, I hear a lot of submissions on the efficiency of agencies and I have always wondered why we think that these efficiencies in agencies cannot go to the ministries and help improve what they think is not working at the ministries.

I implore you, colleague Members of Parliament, that efficiency is a dream for all the citizens of Uganda in the Government. If we are to provide services to our people, then we need to start advocating for how all the investments we have made in the agencies can actually go to the ministries and help improve service delivery.

Madam Speaker, on the issue of harmonisation and savings, we are talking a lot about savings but we are also cognisant that most of these agencies are actually paying very high salaries, as opposed to the ministries. That is one of the elements that maybe the ministries have not been able to perform.

Therefore, in my opinion, merging these agencies will actually help the Government to harmonise salaries so that every civil servant in this country will be working at the same level and also earning the same money at the same level. If we want to isolate agencies and pay them more in the name of providing services, then we are also doing a disservice as the Government.

I think we have talked about this many times; that merging is about economies of scale. If an agency is employing so much and has their own procurement, is determining their own salaries and paying their own staff, the Government is saying, let agencies come back under the ministry which has been supervising them anyway. Why do we fear to go back to the ministries? It is the ministers who supervise all these agencies. Let them go back and be supervised, and only emphasise on standards, quality and supervision – (*Applause*) - other than saying, “We can do it better when we are alone”. Thank you very much, Madam Speaker.

THE SPEAKER: Thank you.

12.38

DR MICHAEL LULUME BAYIGGA (DP, Buikwe County South, Buikwe): Thank you very much, Madam Speaker. I thank the committee for the majority report. I am not a party to the minority report –(*Applause*)- because I travelled with the presenter of the minority report, together with 30 Members of Parliament of the Buganda caucus to my constituency so that they could see the work which was done by the National Forestry Authority.

The NFA has been supervising the planting of eucalyptus and pine trees in all areas which were covered by natural forests in national forest reserves. They have been the stewards for giving away all these forests.

One time, the President pronounced himself and gave a directive. Actually, it was an Executive Order. It was also presented here by the Prime Minister that licences which were previously given by NFA to those people pretending to be caring for the forests but were instead cutting them, should be revoked. (*Applause*)

It was mentioned here by the Prime Minister of Uganda. They disobeyed this Executive Order and instead, NFA officials have been prevailing over those people they have been giving these licences and permits just to cut down the natural forests.

Madam Speaker, I am inviting you to Buikwe South to see what they have done; the mayhem they have caused to the natural environment. (*Applause*)

I have written to the Inspector General of Government to do a thorough investigation on the officials at the headquarters of NFA so that we can pave way for them to be apprehended. Actually, such people should not even be integrated into the ministry, but should instead be prosecuted –(*Applause*)- and sent to the gallows for destruction of the environment.

Therefore, I support the majority report – (*Applause*)- and may the NFA rest in peace.

THE SPEAKER: There is information from Hon. Onzima.

MR ONZIMA: Madam Speaker, I would like to give information to the honourable doctor. In my constituency, there are two areas which were gazetted in 1936. One was gazetted as a national forest and the other one was gazetted as a controlled hunting area in Kei.

Mount Kei was a national forest, whereas the rest of the area was a controlled hunting area. However, from nowhere, it was turned into an area to be controlled by NFA. The challenges we have faced there is that before NFA took over this land, it was very green with a lot of trees. However, from nowhere, people started settling in this area, cutting the original natural trees.

What NFA does is, once they have finished cutting these trees, they bring people to plant pine and eucalyptus trees, just as the honourable member has said. Actually, I even quarrelled with them. We organised a community meeting and I said, before they came, this place was more helpful to the community. They would go and harvest honey and even fish. It was a place that helped us.

As I talk, if you are to go there, the original natural trees were cut down and more people continue to settle, as they look on. Thank you.

12.42

MR MUHAMMAD KIVUMBI MUWANGA (NUP, Butambala County, Butambala): Madam Speaker, I happen to chair the Buganda Parliamentary Caucus. Madam Speaker, God is good.

HONOURABLE MEMBERS: All the time.

MR MUWANGA: All the time?

HONOURABLE MEMBERS: God is good and that is His nature. Wow. (*Applause*)

MR MUWANGA: Madam Speaker, the last time we had this debate, for purposes of consistency, there was a rebellion from some Members of Parliament on THE submission of NFA. Good enough, I see the same Members today shifting sides and speaking like – That is why I have said, “God is good, all the time”.

Now, this is the story of NFA. In the central region, we had a pleasant forest and natural cover. Lt Col (Rtd) Bright Rwamirama who fought in Uganda literally knows the extent of natural forests we had in the central region. Even if you take a helicopter or airplane ride, or use a drone and fly it over Buganda today, you will be able to see the deforestation that has been done on the watch of NFA. *(Applause)*

This is an institution that was given the military police and an express mandate to preserve natural forests. Actually, it cannot score a zero; it scores a minus. *(Applause)*

Therefore, Madam Speaker, this institution should have gone yesterday. I am here to request you to put a question so that NFA can go and be given a decent burial. *(Applause)*

THE SPEAKER: Thank you. Decent burial? *(Laughter)* There is a motion.

12.44

MR DAVID KABANDA (NRM, Kasambya County, Mubende): Thank you, Madam Speaker. Indeed, I agree with Hon. Kivumbi Muwanga that I was one of those who was saying that NFA should not go but after listening and studying how NFA has been operating, I implore you and honourable colleagues.

What they have been calling, giving out licences to some people - actually, they are the ones who have been giving the licences to themselves. *(Applause)* It is alleged, in my district Mubende, that they have a staff from NFA who has an agent in Mubende. This agent is the one who they give the licences to, to manage the forest reserves on their behalf.

I request the minister - in case this Parliament takes NFA back to the ministry – to go back and

review all these licences. If possible, cancel all these licences. *(Applause)*

On this matter, Madam Speaker, I move a motion that the debate be closed and we move to the Committee Stage, so that we can finish this thing once and for all. I beg to move. *(Applause)*

THE SPEAKER: Is it seconded? It is seconded by Hon. Isaac, Hon. Tom, Lt Col (Rtd) Rwamirama, elders, Hon. Ogwang, Hon. Bua, Hon. Rose, Youth MP – by the whole group, including Hon. Patrick Oshabe, Hon. Aisha Kabanda, Hon. Abed Bwanika and Hon. Mpindi.

Honourable members, I put the question that the House moves to Committee Stage on the NFA Bill.

(Question put and agreed to.)

BILLS COMMITTEE STAGE

THE NATIONAL FORESTRY AND TREE PLANTING (AMENDMENT) BILL, 2024

MR OGUZU: Madam Chairperson, thank you for giving me this opportunity. The procedural issue I am raising is that yesterday, when a report was presented and the debate on it did not comply with the timelines provided, the Government Chief Whip moved a motion that led to the suspension of a rule that bars debate but today you have -

THE CHAIRPERSON: It is overtaken.

MR OGUZU: Today you have allowed the debate. I do not know how you will guide this process forward.

The second procedural issue is that Article 128 enjoins this Parliament to accord courts such assistance and not to interfere with matters that are before the court. I have a court case involving this entity we are about to go and rationalise and the import of that is that there will be a breach of our *sub judice* rule.

I invite you to rule. Can this Parliament proceed on any matter which implies interfering with the court processes, especially where the parties involved are about to be altered by this Bill?

THE CHAIRPERSON: Thank you.

MR OGUZU: That would help the country to know if we are a law-abiding institution or not.

THE CHAIRPERSON: Thank you. First, on seeking suspension of the rule that was overtaken and two, the issue of *sub judice*, the case has not been brought to my attention. What is before me is the issue of the Rationalisation of Government Agencies and Public Expenditure (RAPEX). *(Applause)*

MR OGUZU: Madam Speaker, I have details of that case. It is Hudson Mukasa v NFA -

THE CHAIRPERSON: I have not received it on my table.

MR OGUZU: That is why I am putting it on record.

THE CHAIRPERSON: No, it should not even be on record.

MR OGUZU: Where should it be? *(Laughter)*

MR DAVID KABANDA: Madam Speaker, the Hon. Christine already mentioned that some politicians, Members of Parliament and ministers, have an interest in the National Forestry Authority (NFA). When I was making my submission, I said that in the 10th Parliament, some Members of Parliament were given licences by NFA. Let the Hon. Oguzu Lee declare his interest. If he has some land in NFA then we understand. We can even maybe give you yours and you go but leave us. *(Laughter)*

THE CHAIRPERSON: Hon. Odur -

MR OGUZU: Madam Speaker, let me - my name has been brought here and I need to clarify. Sections 41 and 42 of the National Forestry and Tree Planting Act provide for licences.

When there is an opportunity for licensing, it is supposed to be through a public procurement process and that involves NFA advertising. When NFA advertises, any citizen is free to bid. So, if I have bided and I am successful, I have not breached any law in this country.

THE CHAIRPERSON: Thank you.

MR OGUZU: Is that okay? However, that does not stop the Speaker from deciding on the matters I am raising. There is no illegality in having a licence.

MR DAVID KABANDA: Madam Chairperson, the position of the law -

THE CHAIRPERSON: Honourable members -

MR OBUA: Madam Chairperson, from the submission of Hon. Oguzu Lee, we must admit that he has not acted in breach of any law but what is clear and that he needed to have stated was to declare his interest because he is talking about a bidding process.

The truth of the matter is he bided and he is part of those currently with Arua Central Forest - absolutely and you were fully licensed under the laws of Uganda. That was the only thing you needed to have told us; a declaration of your interest. Thank you.

THE CHAIRPERSON: Yes, honourable -

MR OGUZU: I am not sure if that breaches any law.

MR BAKA: Madam Chairperson -

MR DAVID KABANDA: Madam Chairperson, the rules are very clear -

MR BAKA: Honourable member from Kasambya, I am on the Floor.

MR DAVID KABANDA: If Hon. Oguzu Lee has an interest in the matter that is before us, then he should excuse himself from this debate because of a conflict of interest.

THE CHAIRPERSON: Honourable members, rationalisation will not remove your licence; you will remain with it. Yes -

(Question put and agreed to.)

New clause, agreed to.

MR BAKA: Madam Chairperson, without prejudice to your ruling, which is perfectly correct, I add that the technical answer to his worry is that the successors in title to the NFA are the ministry. Any liability arising out of any court issues will be handled by the ministry. You do not have to worry.

Clause 1

DR BAYIGGA: Madam Chairperson, I did not get the rationale for a statutory instrument for the commencement of the Act, if it is done. I suggest that the Act starts immediately because it was not given a rationale.

Clause 1

THE CHAIRPERSON: Do you want “upon assent”?

12.54

THE CHAIRPERSON, COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES (Mr Geoffrey Feta): Madam Chairperson,

MR MUWANGA: Madam Chairperson -

THE CHAIRPERSON: You know there are transitional arrangements.

New clause

MR MUWANGA: Yes, Madam Chairperson. The National Forestry Authority (NFA) - Even as you are buying time, it will have the authority to give licences; they will give more. So, upon assent, NFA should cease. *(Applause)*

This Act shall come into force on a date appointed by the minister by statutory instrument.

Justification

MR SSEMURU: Madam Chairperson, thank you very much. The activities of rationalising agencies cannot be done by mob justice. Once a law has been passed by Parliament - assuming the President assents to the law this evening - we should allow the minister time to prepare a transition. If it comes into effect this evening, do you mean these people just run away and leave their offices there? So, the commencement should be when the ministry is ready, even to receive them. *(Applause)*

To provide for the commencement of the Act.

THE CHAIRPERSON: Honourable minister -

12.56

THE MINISTER OF STATE FOR WATER AND ENVIRONMENT (ENVIRONMENT) (Ms Beatrice Anywar): Thank you, Madam Chairperson. I beg to move -

MR DAVID KABANDA: Madam Chairperson, yesterday, when the minister for agriculture was justifying why some agencies were proposed to go back to the ministry, he mentioned the word “agency”.

THE CHAIRPERSON: Do you object to the new clause?

MS ANYWAR: No.

When you operate through an agency, you are an agent of your mother ministry. Assuming you are a candidate in Kiira Municipality, when you appoint an agent to manage a polling station for you and you win, you can decide to say, “My agent, come back; I have now won.” The mother ministry is saying, “You come, I will continue operating through the ministry.”

THE CHAIRPERSON: Then you sit.

MS ANYWAR: I do not - *(Laughter)* - I concur with the committee chairperson.

THE CHAIRPERSON: I put the question that the proposed new clause stands part of the Bill.

Where I can agree with the Hon. Ssemujju is that we can put a timeline of two weeks or one month to prepare for a smooth transition.

THE CHAIRPERSON: *Hajjat?*

MS AISHA KABANDA: Thank you, Madam Chairperson. Yesterday, we ably heard from the minister for agriculture who said they actually supervise these agencies and they work under them. So, the ministries are actually not alien to what is happening in these agencies.

A lot of things have been going under NFA. The ministry had only been constrained because they had a board that was overseeing and doing everything. The ministry should immediately take over NFA, where people license and give authority for people to take up our land. The ministry should take over immediately.

THE CHAIRPERSON: Dr Apea?

DR AGNES ATIM: Thank you, Madam Chairperson. I am wondering why we are really talking so much about giving NFA a transition. We have already passed Bills here for several agencies and their operation stopped as soon as the assent was done –*(Interruption)*

MR MUWANGA KIVUMBI: Madam Chairperson, I would like to raise a point of order. The honourable member is one of the few MPs that have licences. Just like was the case with Hon. Oguzu Lee, it should also apply to her. She has a licence for hundreds and hundreds of hectares of land of NFA. Is she in order? She should declare her interest in this matter.

DR AGNES ATIM: Madam Chairperson, I would not want the honourable members of this House to deviate from the principle of the Bill by attacking individual members. Let the Bill be assented to and it gets into operation. Why mention names here?

THE CHAIRPERSON: Honourable members, if somebody got the licence lawfully, it has no problem. What we are looking at now is either having the instrument or upon assent -

LT COL (RTD) RWAMIRAMA: Madam Chairperson, I would like to make a clarification so that we do not generalise. There is an evil in these forests; the evil is in the natural forests. We have natural forests and forest reserves. Forest reserves were open grassland, where the Government wanted to plant forests. The Members who spoke about the cutting of natural forests and having people licensed to plant trees in natural forests, that it is criminal. I think people should not condemn anybody who got a licence in the forest reserves because these were open land fields for planting trees.

The crime is in - I thought I could clarify this, Madam Chairperson.

THE CHAIRPERSON: Honourable members, an Act commences upon publication in the gazette, as required by Section 14 of the Acts of Parliament Act. An Act gets the force of law only after its publication in the gazette. So, the law should only commence upon publication in the gazette. That is already in the statute of books.

You know, that is already provided for, so, delete it; you do not need a new clause.

MR BASALIRWA: Madam Chairperson, your guidance is only applicable if a statute is silent on commencement.

However, where in the wisdom of Parliament, they are giving authority to a minister on when the law should come into force, then, it is the minister, through a statutory instrument, that decides when commencement should be. That is number one.

Number two, Madam Chairperson, if you look at clause 45 of this particular Bill, the reason you have to give a minister the opportunity for commencement is that, administratively, there are some things to be undertaken. So, there is no way you are going to relate presidential assent to commencement. Otherwise, you will be making it practically difficult for the minister to carry out administrative issues for the purpose of ensuring that there is a complete transition.

The leeway is intended to give the minister an opportunity for the transition, especially with such Bills that deal with rationalisation.

THE CHAIRPERSON: Honourable members, what is the problem with us having this in force upon assent? When you say “This Act shall come into force on a date appointed by the minister by statutory instrument”, that is open. I can decide to do it after five years.

MR JOHN KAMARA: Madam Chairperson, this is a serious matter because some of us are looking at it from different dimensions. Some of these agencies are just agencies of neocolonialism.

Why I want to confirm this is that, when this agency was put in place, most of our indigenous trees were cut down. I have been on research, doing herbal chemistry. When we were doing this, we found out that all of these species of trees that were brought are just here to demolish the nature of Uganda and our indigenous trees were cut down.

You find that you cannot enter a forest to get some of these herbs. Therefore, these agencies of neocolonialism must be put to an end today, Madam Chairperson. *(Laughter)*

THE CHAIRPERSON: Okay, committee chairperson?

MR FETA: Madam Chairperson, we concede to the position of assent upon commencement.

MR SSEMUJJU: Madam Chairperson, we have already taken a decision on this matter. I do not know where the chairperson was. In this matter, the Speaker called for a vote and we voted. Hon. Dr Bayigga came for clarification yet we have voted.

THE CHAIRPERSON: I did not. There was no voting.

MR OGUZU LEE: Madam Chairperson, I would like to propose that, looking at the fact that there are assets and liabilities, the National Forestry Authority (NFA) must be

prepared before the handover because if we do not manage this process as well, we are going to have a situation where people will take advantage and exploit the Government.

I, therefore, propose we have a two-years’ duration - I am yet to justify my position – within which all these accountabilities are done before this law comes into force. That will give the opportunity for all necessary accountability.

THE CHAIRPERSON: Let me have, Hon. Odur.

MR STEPHEN BAKA: Madam Chairperson, I am up on a procedural issue. Are we proceeding well when we proposed that we should adopt commencement upon assent yet it is a requirement that a Bill must be gazetted before it takes effect? So, does it mean that when the President assents, it takes effect even when it has not been gazetted? The right procedure is the one which is reflected in Section 8 of the Parliament Act, where a Bill takes effect upon publication or where you give powers to the minister to issue a statutory instrument. There are only two options. This one, upon assent, is not tenable.

THE CHAIRPERSON: So, can we say, “... upon publication in the Gazette?”

MR STEPHEN MUGABI: Yes.

MR ODUR: Madam Chairperson, before we take a decision, when Parliament sits to legislate, it must be clear in its intention. There is no other authority that can legislate or make a law and it is this Parliament that can translate its intention into a clause or a section of a law that can be enforced. So it is upon us here to decide. You cannot legislate and allow the confusion to go into the public.

If it is the intention of this House that you want the minister to commence the Act because there are certain sections or provisions that are contingent upon something, you state that in the law. If it is in our interest that it must come out or upon gazettelement, we must state it. We

cannot allow that confusion to go out there because we are the ones to legislate. That must be decided here and it is clear.

That is why in modern drafting I fault the drafters of these laws because they have deliberately left the commencement date in all the Rationalisation of Agencies and Public Expenditure (RAPEX) Bills yet the Government is pushing hard that this is an urgent Bill meaning that the Government is ready to implement immediately. How can you then come and tell us that we are not ready on certain aspects, if you are not ready, why did you bring the Bill? So we must insert commencement dates on all the Bills and if you want it to take place as soon as the next day, we should do that.

THE CHAIRPERSON: Yes?

MR ARIKO: Madam Chairperson, I would like, first of all, to thank you for the opportunity –

THE CHAIRPERSON: There is a motion.

MR SSEMUJJU: Madam Chairperson, there are now two positions emerging. Commencement as it is in the Parliament Act, which is upon gazette or a date put by Parliament. Every colleague standing up is saying the same thing. I move that the question be put as per the law.

THE CHAIRPERSON: As per the law is: "... upon publication in the Gazette. Yes?

MR FETA: Madam Chairperson, we consent to the position of commencement of "...upon publication in the Gazette." Thank you.

THE CHAIRPERSON: I put the question that the proposed new clause stands part of the Bill.

(Question put and agreed to.)

Clause 1, agreed to.

Clause 2, agreed to.

Clause 3

MR FETA: Madam Chairperson, clause 3 is amended in the headnote by substituting for the words, "Act 8 of 2003" the words, "Cap 160", and thereafter, wherever the word appears.

Justification

To align the Bill with the revised laws of Uganda as at 1 July 2024.

THE CHAIRPERSON: Minister?

MS BEATRICE ANYWAR: Madam Chairperson, I concede.

THE CHAIRPERSON: I put the question that clause 3 be amended as proposed.

(Question put and agreed to.)

Clause 3, as amended, agreed to.

Clause 4, agreed to.

Clause 5, agreed to.

Clause 6, agreed to.

Clause 7

THE CHAIRPERSON: Any amendment?

MR FETA: Madam Chairperson, clause 7 is amended in the headnote by substituting for the words, "section 3", the words, "section 2".

Justification

To align the numbering of the section with the revised laws of Uganda as at July 2024 (7th Edition) and thereafter align all the amended sections to the revised Act as of July 2024.

THE CHAIRPERSON: Honourable minister?

MS BEATRICE ANYWAR: I concede.

THE CHAIRPERSON: I put the question that Clause 7 be amended as proposed.

(Question put and agreed to.)

Clause 7, as amended, agreed to.

Clause 8, agreed to.

Clause 9, agreed to.

Clause 10, agreed to.

Clause 11, agreed to.

Clause 12, agreed to.

Clause 13, agreed to.

Clause 14, agreed to.

Clause 15, agreed to.

Clause 16, agreed to.

Clause 17, agreed to.

Clause 18, agreed to.

Clause 19, agreed to.

Clause 20, agreed to.

Clause 21, agreed to.

Clause 22, agreed to.

Clause 23, agreed to.

Clause 24, agreed to.

Clause 25, agreed to.

Clause 26

MS KAAYA: Madam Chairperson, clause 26 still talks of the Authority. I request that the word, "Authority" be repealed since we are doing away with it.

THE CHAIRPERSON: I put the question that clause 26 stands part of the Bill.

(Question put and agreed to.)

Clause 26, agreed to.

Clause 27, agreed to.

Clause 28, agreed to.

Clause 29, agreed to.

Clause 30, agreed to.

Clause 31, agreed to.

Clause 32, agreed to.

Clause 33, agreed to.

Clause 34, agreed to.

Clause 35, agreed to.

Clause 36, agreed to.

Clause 37, agreed to.

Clause 38, agreed to.

Clause 39, agreed to.

Clause 40, agreed to.

Clause 41, agreed to.

Clause 42

MR TUMWESIGYE: Thank you, Madam Chairperson. When you see clause 42 on offences, you notice that the fines are too light. There are 40 currency points, which is Shs 800,000. Therefore, I think we should revise the penalties on fines but we can leave the court ones.

THE CHAIRPERSON: Clause 42 is an application for a licence.

MR TUMWESIGYE: When it comes to the offences –

THE CHAIRPERSON: Look for it. Get the law. Do not make us get it for you.

MS KAAYA: It indicates a responsible body. Hopefully, it was repealed; talk of the ministry.

THE CHAIRPERSON: But the ministry can set up a licensing wing. It is under the ministry though it will be a body on its own. They will get it done in the regulations.

MSAISHAKABANDA: Madam Chairperson, it should be the ministry because whoever will be performing functions in that regard will be working on behalf of the ministry. We should say “the ministry” whether it is a licence wing or not.

MR ODUR: Madam Chairperson, the clause in question seeks to repeal section 80, which is about the service of documents. In the Bill, any other document can be served on the Attorney-General. This was in relation to the legal status of the National Forestry Authority (NFA). Now that it does not exist, it means that there must be a legal representative, which will be the Attorney-General.

Therefore, anyone who wants to serve a document will serve the Attorney-General; the repeal is okay.

Clause 42

THE CHAIRPERSON: I put the question that clause 42 stands part of the Bill.

(Question put and agreed to.)

Clause 42, agreed to.

Clause 43, agreed to.

Clause 44, agreed to.

Clause 45, agreed to.

Clause 46, agreed to.

Clause 47, agreed to.

Clause 48, agreed to.

The Title, agreed to.

MR OGUZU: Madam Chairperson, we repealed Section 62 of the old Act and so, we should have also repealed Section 61, which we did not do. I invite you to take a look at it - it is clause 24 of the new Bill. If I could elaborate: clause 61 talks about meetings of the board, then clause 62 talks about committees of the board. Therefore, we should have also repealed that section about the meetings of the board.

THE CHAIRPERSON: Section 55 is repealed under clause 18 and it is the one that forms the board. Since that is repealed, it collapses the rest; it is consequential. Resumption?

MR OGUZU: I move that we repeal Section 61 of –

THE CHAIRPERSON: Section 61 is a consequential of Section 55. Without the board, you cannot have meetings of the board.

MR OGUZU: Without repealing it, it will remain on our statutes.

THE CHAIRPERSON: It is consequential. It will be cleaned up by the drafts people.

MOTION FOR THE HOUSE TO RESUME

1.30

THE MINISTER OF STATE FOR WATER AND ENVIRONMENT (ENVIRONMENT) (Ms Beatrice Anywar): Madam Chairperson, I beg to move that the House do resume and the Committee of the whole House reports thereto.

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

(Question put and agreed to.)

(The House resumed, the Speaker presiding.)

REPORT FROM THE COMMITTEE OF
THE WHOLE HOUSE

1.31

THE MINISTER OF STATE FOR WATER AND ENVIRONMENT (ENVIRONMENT) (Ms Beatrice Anywar): Madam Speaker, I beg to report that the Committee of the whole House has considered the Bill entitled, “The National Forestry and Tree Planting (Amendment) Bill, 2024” with the new clause and amendments of clauses 3 and 7.

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

THE SPEAKER: Honourable minister?

1.31

THE MINISTER OF STATE FOR WATER AND ENVIRONMENT (ENVIRONMENT) (Ms Beatrice Anywar): Madam Speaker, I beg to report that the Committee of the whole House considered the National Forestry Planting (Amendment) Bill, 2024 and passed it with amendments.

THE SPEAKER: Honourable minister, you are supposed to move for the adoption of the report.

MS ANYWAR: Madam Speaker, I beg to move that the House adopts the report from the Committee of the whole House and pass it.

THE SPEAKER: Thank you. I put the question that the report of the Committee of the whole House be adopted by this House.

(Question put and agreed to.)

Report adopted.

BILLS
THIRD READING

THE NATIONAL FORESTRY AND
REPLANTING (AMENDMENT) BILL, 2024

1.33

THE MINISTER OF STATE FOR WATER AND ENVIRONMENT (ENVIRONMENT) (Ms Beatrice Anywar): Madam Speaker, I beg to move that the Bill entitled “The National Forestry and Tree Planting (Amendment) Bill, 2024” be read the third time and do pass.

THE SPEAKER: I put the question that the National Forestry and Tree Planting (Amendment) Bill, 2024 be read the third time and do pass.

(Question put and agreed to.)

A BILL FOR AN ACT ENTITLED, “THE
NATIONAL FORESTRY AND TREE
PLANTING (AMENDMENT) ACT, 2024”

THE SPEAKER: Title settled and Bill passes. *(Applause)*

BILLS
SECOND READING

THE NATIONAL TRIBUNAL BILL, 2024

THE SPEAKER: Honourable members, pursuant to Rule 131 of the Rules of Procedure, I will call the Minister of Justice and Constitutional Affairs to move a motion to the second reading of the Bill.

1.35

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obuga): Madam Speaker, I beg to first put on record that the Ministry of Justice and Constitutional Affairs has three ministers:

- i. Hon. Norbert Mao - is appearing before a court in Gulu;
- ii. Hon. Attorney-General - is on official duty in Washington, DC meeting with the World Bank; and

iii. The Deputy-Attorney General - is in The Gambia to defend and present the position of the Government on matters of human rights.

In the circumstances, if it pleases you, we are here to brief you and proceed with the Bill on behalf of the Government.

THE SPEAKER: Honourable members, I have my shadow Attorney-General on the other side, who will guide us, since he is a watchdog – (*Members rose*) - can you sit down? Hon. Obua is prepared. We have Hon. Jonathan, the shadow Attorney-General, who is a watchdog.

1.42

MR JONATHAN ODUR (UPC, Erute County South, Lira): For the record, the Shadow Attorney-General is Hon. Niwagaba who is not here. I am the Shadow Minister of Justice and Constitutional Affairs.

THE SPEAKER: Yes.

MR ODUR: I appreciate your confidence in me. I will dissent and I hope that will carry the day since I will be guiding you in that direction. (*Laughter*)

1.42

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua): Madam Speaker, I beg to move that the Bill entitled, “The National Tribunal Bill, 2024” be read for the second time.

THE SPEAKER: Is the Bill seconded? Okay, it is seconded by Hon. Isaac, Hon. Omara, Hon. Kabanda, Hon. Okot-Ogong, Hon. Acora, Hon. Amero, Hon. Ojara, Hon. James, Lt Gen. Elwelu, Hon. John, the Vice Chairperson – by the majority in the House, including Hon. Faith, Member for Isingiro and *Nalongo*. Can you speak to your Bill?

MR OBUA: Madam Speaker, in justifying the move to pass this Bill into law, I wish to give my justification in three respects.

- i. Respect number one, and very briefly will talk about why we need the Bill.
- ii. We will handle the defects that this Bill seeks to cure.
- iii. The remedies proposed in the Bill.

In principle, the policy behind the Bill is to give effect to the Government policy on Rationalisation of Government Agencies and Public Expenditure, which was adopted by the Cabinet on the 22nd of February 2021 and is contained in Cabinet Minute No.43 CT 2021.

In terms of the defects that it seeks to cure, the Tax Appeals Tribunal was established by the Tax Appeal Tribunal Act, CAP 345.

Whereas the Electricity Disputes Tribunal was established by the Electricity Act CAP 145. Both tribunals deal with the resolution of disputes arising from the implementation of the different Acts. This presents a huge cost of administration to the Treasury.

Additionally, instead of having two separate councils dealing with disputes, a national tribunal may be established to handle all disputes arising from both laws and if necessary, other laws as well.

Finally, what are the remedies proposed in the Bill? The intention of the Bill is to merge the Tax Appeals Tribunal and the Electricity Disputes Tribunal into one national tribunal called the National Tribunal, which shall adjudicate all disputes subject to a tribunal.

Madam Speaker, I beg to move. Thank you. (*Applause*)

THE SPEAKER: Honourable members, we will stand over the National Tribunal Bill and go to the Arbitration Bill and Conciliation because there are issues that will require the Attorney-General.

THE NATIONAL ARBITRATION AND
CONCILIATION (AMENDMENT) BILL,
2024

MR OBUA: Madam Speaker, subject to your guidance, I beg to move that the Bill entitled, “The National Arbitration and Conciliation (Amendment) Bill, 2024” be read for the second time.

THE SPEAKER: Is it seconded? Okay, it is seconded by Hon. Paska, Hon. Jesca, Hon. Laura, Hon. Edakasi, Hon. Asaba, Lt Gen. Elwelu, Hon. Omara, Hon. Kabanda, Hon. John, Hon. Adeke, Hon. Tony Ayoo, Hon. Linda, Hon. Okot-Ogong, Hon. Emmanuel – those are enough. Please, speak to your motion.

MR OBUA: Madam Speaker, the policy direction behind this Bill is equally, in principle, to give effect to the Government policy on rationalisation of Government agencies and public expenditure.

The defects that it seeks to cure are: the Constitution of the Republic of Uganda, 1995, as amended, establishes a definite number of Government agencies, including constitutional commissions, authorities, boards, local councils, and other statutory bodies.

These were established to perform certain specific constitutional functions. Over the years, however, there has been a proliferation of agencies established by Acts of Parliament, executive orders, and administrative arrangements.

Whereas most of the agencies are necessary due to the critical nature of the functions they perform, the Government has established that a certain limited number were established without due consideration to the aspects of institutional harmony, functional duplication, overlaps and affordability.

The Government has also established that some agencies have served the purpose for which they were established. The mandate of a few other agencies has been overtaken by events, and such agencies need to be rationalised.

THE SPEAKER: Procedure.

MS AISHA KABANDA: Thank you, Madam Speaker, for allowing me to raise a procedural issue. Whereas ministers gave us the same defect in all the laws that we have been handling. Is it procedurally right to give us the same narrative, on the Floor of the House when we are speaking about a specific law?

We are being very specific about the law we are talking about and then he is telling us of the laws that they had this and that, and yet we are being very specific. Are we proceeding well for the minister not to tell us specifically what was the defect in the existing law that we are handling?

THE SPEAKER: That is going to come in the committee report. So, the minister was proceeding well. The committee report will give us that.

MR OBUA: Rationalisation is a policy decision under Article 111 of the Constitution of the Republic of Uganda. For this particular Bill, what are the remedies that the Government is proposing through the ministry?

The intentions of this Bill, therefore, are:

1. To enable the mainstreaming of the Centre for Arbitration and Dispute Resolution into the ministry responsible for justice, thereby *inter alia* relieving the Government of the financial drain on its resources and the burden of wasteful administration and expenditure;
2. To facilitate efficient and effective service delivery by clearly delineating the mandates and functions of the ministry with respect to the Centre for Arbitration and Dispute Resolution, thereby avoiding duplication of mandates and functions; and
3. To promote coordinated administrative arrangements, policies, and procedures for ensuring the efficient and successful management, financial accounting, and

budgetary discipline of the Centre for Arbitration and Dispute Resolution, enabling the Government to play its proper role more effectively and also enforcing accountability among many other justifications for this Bill.

Madam Speaker, I beg to move and submit.

THE SPEAKER: Thank you. Committee chairperson -

1.48

THE CHAIRPERSON, COMMITTEE ON LEGAL AND PARLIAMENTARY AFFAIRS (Mr Stephen Baka): Thank you, Madam Speaker. Before I proceed, I want to lay on the Table a copy of the committee report, the minutes, and the Certificate of Financial Implications.

Madam Speaker, the report is brief, so I will try to conclude it in a few minutes. This is the report of the Sectoral Committee on Legal and Parliamentary Affairs on the Arbitration and Conciliation (Amendment) Bill, 2024.

On 24 September 2024, the Arbitration and Conciliation (Amendment) Bill, 2024 was read for the first time and pursuant to Rule 129(1) of the Rules of Procedure of the Parliament of Uganda, the same was referred to the Sectoral Committee on Legal and Parliamentary Affairs for scrutiny.

In accordance with Rule 129(2) of the Rules of Procedure of the Parliament of Uganda, the committee has examined the Bill and hereby presents its report.

Purpose of the Bill

The Bill intends to amend the Arbitration and Conciliation Act, Cap 4:

- a. To mainstream the functions of the Centre for Arbitration and Dispute Resolution, established under the Act, into the Ministry responsible for Justice; and
- b. To abolish the Centre for Arbitration and Dispute Resolution as a corporate entity

and re-establish it as a department in the ministry.

The policy of the Bill is to give effect to the Government Policy for the Rationalisation of Government Agencies and Public Expenditure (RAPEX) which was adopted by the Cabinet on 22 February 2021.

The RAPEX policy is premised on the need to merge, mainstream, and rationalise Government Agencies, Commissions, and Authorities, and save government expenditure in order to relieve the Government of the financial drain on its resources and the burden of wasteful administration and expenditure.

Methodology

In the process of analysing the Bill, the committee held a discussion with the following stakeholders:

- i) the Minister of Justice and Constitutional Affairs;
- ii) Law Development Centre; and
- iii) Mr Jimmy M Muyanja, the Executive Director of the Centre for Arbitration and Dispute Resolution.

We also reviewed the following documents:

- i) The Constitution of the Republic of Uganda, 1995;
- ii) The Arbitration and Reconciliation Act, Cap 4;
- iii) Written submission by the Minister of Justice and Constitutional Affairs;
- iv) Written submission by the Centre for Arbitration and the Dispute Resolution; and
- v) Written submission by the Law Development Centre.

Overview of the Bill

The Bill makes the following proposals and these have been talked to by the mover of the Bill. I wish to save time by skipping them.

5.0 Overview of the Centre for Arbitration and Dispute Resolution

The Centre for Arbitration and Dispute Resolution (CADER) is a statutory body established under section 67 of the Arbitration and Conciliation Act, Cap 4. The Centre is a body corporate with perpetual succession and a common seal.

CADER was granted regulatory functions under section 68 to, among others, appoint arbitrators where parties fail to do so and to -

- a) make appropriate rules, administrative procedures, and forms for effective performance of arbitration, conciliation, and alternative dispute resolution processes;
- b) establish, and enforce a code of ethics for arbitrators, conciliators, neutrals and experts;
- c) qualify and accredit arbitrators, conciliators, and experts;
- d) provide administrative services and other technical services in aid of arbitration, conciliation, and alternative dispute resolution;
- e) establish appropriate qualifications for institutions, bodies, and persons eligible for appointment;
- f) establish a comprehensive roster of competent and qualified arbitrators, conciliators and experts;
- g) facilitate certification, registration, and authentication of arbitration, awards, and conciliation settlements;
- h) establish and administer a schedule of fees for arbitrators;
- i) avail skills, training and promote the use of alternative dispute dissolution methods for stakeholders; and
- j) do all other acts as are required necessary or conducive to the proper – (*Interruption*)

MR OTIMGIW: Thank you, Madam Speaker. The chairperson is reading for us mainly what the body does. I think in the interest of time, if you could permit, he goes to the recommendations on those matters because he is listing the functions of the body to us.

THE SPEAKER: Observations and recommendations.

MR BAKKA: I concur, Madam Speaker. I will proceed to page 5, paragraph 5.1, which is about the abolition of CADER and mainstreaming it back into the Ministry of Justice and Constitutional Affairs.

Clauses 3, 4 and 5 propose to abolish the Centre for Arbitration and Resolution as a corporate entity and establish it in the Ministry of Justice and Constitutional Affairs as a department.

The effect of that amendment is to dissolve the Centre as a legal entity, establish it and transfer its functions to the Ministry of Justice and Constitutional Affairs. That talks into the following paragraphs.

I now want to proceed to page 6; the reasons why we are mainstreaming it. There is a lack of a governing council, that is page 6, paragraph one on the top, lack of a governing council. Whereas section 69 of the Arbitration and Conciliation Act requires CADER to have a governing council, there is no council in place currently, and none has existed before.

The committee also found that no formal structures have been put in place to manage CADER. This has affected the proper functioning of the Centre in discharging its mandate under the Act.

Paragraph two is the nature of the functions of CADER, which I have already talked to.

The third is the lack of funding from the Government. CADER has not been receiving funding from the Government and therefore putting it back to the ministry is a way of effecting mediation in the justice processes.

Loss of status as a sole arbitration centre has also been noted as a reason for taking it back to the ministry.

There is a lack of an Executive Director and support staff. The purported Executive Director who is in place was not properly put in place,

as you will read and understand, and therefore, we propose that it should be taken back to the ministry.

There has also been maladministration as a result of the lack of a properly appointed Executive Director, which has affected its functions.

Recommendation

The committee recommends that the proposal to abolish the Centre for Arbitration and Dispute Resolution as a corporate entity and the transfer of the mandates and functions of the Centre for Arbitration and Dispute Resolution to the ministry be supported by the House.

In conclusion, the committee recommends that the Bill be passed into law subject to the proposed amendments that will be following shortly.

The report is properly signed by the requisite number of Members of Parliament and the amendments follow.

THE SPEAKER: Thank you. Hon. Baka, who is back. Hon. Omara, do you have something to say? There is no minority. It is a clear thing.

1.56

MR PAUL OMARA (Independent, Otuke County, Otuke): Thank you very much, Madam Speaker. I want to use this opportunity to thank you and the honorable members of the House for your prayers and good wishes when I had the incident and I was seriously hurt. I thank you for coming to the hospital to see me at a very difficult moment – at the time I was in the high-dependency unit.

Information was lacking, but I would like to thank the honourable members of Parliament, who accompanied you. I thank you for your generosity and support and your continued determination to make sure that I am treated well so that I can recover. *(Applause)*

Honourable members, it has been three months and that is why I have been away from Parliament. I was between the hospital and

home. I bring greetings from my family and appreciation for the support I have received from Parliament.

Your humanity is completely very distinguished and I appreciate it. *(Applause)* I know some Members came to the hospital, while others had the opportunity to come home. We appreciate your association and support.

Thank you, Madam Speaker. *(Applause)*

THE SPEAKER: Thank you. Honourable member, do you support the Bill?

MR OMARA: Thank you, Madam Speaker. I am in complete support of the Bill.

THE SPEAKER: Thank you.

1.58

MS AGNES ATIM (NRM, Woman Representative, Amolatar): Thank you very much, Madam Speaker. I would like to welcome our brother back to the House and thank him for supporting the Bill. I also rise to support the Bill.

The Arbitration and Conciliation Bill, I think, is one of the examples of institutional harmony that the principle of RAPEX brings to the country.

This arbitration and conciliation law has been one of those that are not well understood by many people. If you read a little bit about this agency, you realise that the payment of these arbitrators – the selection and all the processes – are dependent on the parties that are aggrieved. In my opinion, both of these parties were left to the discretion of these arbitrators.

Madam Speaker, the proposal that the Government is bringing to create a centre of arbitration, in my opinion, will really address all the challenges that the aggrieved parties have been undergoing in the process of seeking reconciliation and arbitration.

The other issue is that both parties that are aggrieved that go to this agency for arbitration have often been frustrated. Most cases have

stalled because both parties have had to contribute money for their cases to be heard.

So, this centre of arbitration will ably help to address the challenges that most aggrieved parties have had. I hope that it will also help us in the issue of the case backlog that has been in the Judiciary sector. I thank you very much.

THE SPEAKER: Motion, *Hajjat*?

2.00

MS AISHA KABANDA (NUP, Woman Representative, Butambala): Thank you, Madam Speaker. From the look of this report, there was no will from the part of the Government. It has no structure, no leadership and does not have funding. I would have been very surprised if there was a minority report over this. I, therefore, move that we move into the Committee Stage and discuss this.

THE SPEAKER: Thank you. Is it seconded? (*Members rose*) It is seconded by Hon. Edakasi, Hon. Iddi, Hon. John, Hon. Dennis, Hon. Acora, Hon. Adeke, Hon. Prossy, Hon. Omara, Hon. Ayoo, Hon. Nekesa Hon. Alanyo, Hon. Elwelu, Hon. Bright, Hon. Isaac, the Minister of Local Government – why are you hiding there, Hon. Muhammad? – Hon. Phyllis, Dr Ayume, Hon. Anywar, Hon. Cissy Namujju, Hon. Olanya, Hon. Lematia, the Member for Nakasongola, Hon. Nabukeera, Counsel, Hon. Margaret and Dr Apea. Thank you.

I put the question that we move to Committee Stage for the Arbitration and Conciliation (Amendment) Bill to be read for the second time.

(Question put and agreed to)

BILLS
COMMITTEE STAGE

THE ARBITRATION AND CONCILIATION
(AMENDMENT) BILL 2024

Clause 1

THE CHAIRPERSON: I put the question at clause 1 stands part of the Bill.

(Question put and agreed to.)

Clause 1, agreed to.

Clause 2, agreed to.

Clause 3, agreed to.

Clause 4, agreed to.

Clause 5

THE CHAIRPERSON: Committee chairperson?

2.03

THE CHAIRPERSON, COMMITTEE ON LEGAL AND PARLIAMENTARY AFFAIRS (Mr Baka Stephen): Madam Chairperson, we propose an amendment to clause 5.

Amendment of Section 67 of Cap. 4

Clause 5 is amended in the headnote and in the provision, by subsisting for the words “Cap. 4” the words “Cap. 5”.

Justification

To align the Bill with the Chapter of Arbitration and Conciliation Act under the revised laws of Uganda.

THE CHAIRPERSON: Minister?

MR OBUA: Madam Chairperson, I concur with the committee.

THE CHAIRPERSON: I put the question that clause 5 be amended as proposed.

(Question put and agreed to.)

Clause 5, as amended, agreed to.

Clause 6, agreed to.

Clause 7, agreed to.

Clause 8

Title

MR BAKA: Madam Chairperson, we propose to amend clause 8 of the Bill in the headnote and in the provision, by substituting for the words “section 70A” the words “section 71” and, thereafter, realign the numbering in Bill with the numbering in the Arbitration and Conciliation Act, Cap 5.

The justification is that this is to align the numbering of the Bill with the numbering of the Arbitration and Conciliation Act, Cap 5 as provided under the revised laws of Uganda.

THE CHAIRPERSON: Minister?

MR OBUA: Madam Speaker, no objection to the proposal of the committee.

THE CHAIRPERSON: I put the question that clause 8 be amended as proposed.

(Question put and agreed to.)

Clause 8, as amended, agreed to.

Clause 9, agreed to.

Clause 10, agreed to.

Clause 11, agreed to.

Clause 12, agreed to.

Clause 13, agreed to.

Clause 14, agreed to.

Clause 15, agreed to.

Clause 16, agreed to.

Clause 17, agreed to.

Clause 18, agreed to.

Clause 19, agreed to.

Clause 20, agreed to.

THE CHAIRPERSON: I put the question that the Title stands part of the Bill.

(Question put and agreed to.)

The Title, agreed to.

MOTION FOR THE HOUSE TO RESUME

2.07

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua): Madam Chairperson, I beg to move that the House do resume and the Committee of the Whole House reports thereto.

(Question put and agreed to.)

THE CHAIRPERSON: I put the question that the House resumes and the Committee of the Whole House reports thereto.

(Question put and agreed to.)

(The House resumed, the Speaker presiding.)

REPORT FROM THE COMMITTEE OF
THE WHOLE HOUSE

2.08

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua): Madam Speaker, I beg to report that the Committee of the Whole House has considered the Bill entitled, “The Arbitration and Conciliation (Amendment) Bill, 2024,” and passed it with amendments.

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

THE SPEAKER: Honourable minister?

2.09

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua): Madam Speaker, I beg to move that the report from the Committee of the Whole House, be adopted.

THE SPEAKER: I put the question that the House adopts the report of the Committee of the Whole House.

(Question put and agreed to.)

Report adopted.

BILLS
THIRD READING

THE ARBITRATION AND CONCILIATION
(AMENDMENT) BILL, 2024

2.09

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua): Madam Speaker, I beg to move that the Bill entitled, “The Arbitration and Conciliation (Amendment) Bill, 2024,” be read the third time, and do pass.

THE SPEAKER: I put the question that “The Arbitration and Conciliation (Amendment) Bill, 2024,” be read the third time, and do pass.

(Question put and agreed to.)

A BILL FOR AN ACT ENTITLED, “THE
ARBITRATION AND CONCILIATION
(AMENDMENT) ACT, 2024”

THE SPEAKER: The Bill passed, and the Title settled.

2.10

THE CHAIRPERSON, COMMITTEE ON LEGAL AND PARLIAMENTARY AFFAIRS (Mr Stephen Baka): Madam Speaker – *(Interjections)* – I wish to note that for the past three weeks, the Committee on Legal and Parliamentary Affairs has been extremely busy, as you may have noticed, with several Bills. For that matter, I thank the Members and the deputy chairperson here.

I also urge you to appear, even when we are in recess, so that we process the Bills we have, including Hon. Lumu’s Bill, the Constitutional (Amendment) Bill, the Marriage Bill and the Sexual Offences Bill.

I appeal to you to maintain the same spirit, and appear in the Committee – *(Interjections)* – I thank the minister so much, for the work you have done.

THE SPEAKER: Honourable members, I suspend the House for 30 minutes, then we shall come back and finalise the last Bills.

(The House was suspended at 2.11 p.m.)

(On resumption at 2.58 p.m., the Speaker presiding_)

THE SPEAKER: Honourable members, welcome back.

BILLS
SECOND READING

THE NATIONAL COFFEE (AMENDMENT)
BILL, 2024

THE SPEAKER: As part of the government’s efforts towards rationalisation of public entities and expansion, the National Coffee (Amendment) Bill, 2024 was tabled on 24 September 2024.

The committee is ready with the report. However, we will give the minister to move the motion. Honourable Minister of Agriculture and Animal Industry and Fisheries?

3.00

THE MINISTER OF STATE FOR AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (ANIMAL INDUSTRY) (Lt Col (Rtd) Bright Rwamirama): Madam Speaker, I beg to move that the Bill entitled National Coffee (Amendment) Bill, 2024 be read for the second time.

THE SPEAKER: Is it seconded? It is seconded by Hon. Bahati, Hon. Omara, Hon. Elwelu, Hon. Alanyo, Hon. Nekesa, Hon. Silwanyi, Hon. Noah, Hon. Gerald, Hon. Emmanuel, and by the majority on this side. Yes, can you speak to your motion?

LT COL (RTD) RWAMIRAMA: Madam Speaker, in the spirit of rationalisation, the Uganda Coffee Development Authority (UCDA) has been an agency under the -

THE SPEAKER: Honourable members- Hon. Solomon, can you move away from there? Why are you disturbing Hon. Hellen?

LT COL (RTD) RWAMIRAMA: UCDA has been an agency in the Ministry of Agriculture, Animal Industry and Fisheries, responsible for regulating the coffee sector. In the spirit of rationalisation, we want to rationalise the agency to create efficiency and also to be in line with the shift of Government policy of operating efficiently without compromising the functions of regulation and the capacity of human resource. I beg to move.

THE SPEAKER: Thank you, honourable minister. We will now get a report from the chair but before the report, we have two staff in the public gallery from the Parliament of Ghana. We have Ms Lisa Mambura. You are most welcome. She is the Deputy Director of Finance; most welcome. Then we have Mr Rex Bangbin, Senior Accountant. You are most welcome. They are here; they are attached to the Department of Finance for benchmarking. Most welcome to Uganda. Thank you for coming. Honourable members join me in welcoming them. *(Applause)*

Yes, honourable chairperson?

3.03

THE CHAIRPERSON, COMMITTEE ON AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (Ms Linda Auma): Thank you, Madam Speaker and honourable colleagues. Permit me to indicate that yesterday I submitted an omnibus report and minutes. Today, I would like to present the report of the Committee on Agriculture on the National Coffee (Amendment) Bill, 2024.

Madam Speaker and colleagues, the National Coffee (Amendment) Bill, 2024 was read for the first time on 24 September 2024 and referred to the Committee on Agriculture,

Animal Industry and Fisheries in accordance with Rule 129(1) of the Rules of Procedure of Parliament.

The Bill aims at dissolving the Uganda Coffee Development Authority mainstreaming the functions of the authority into the ministry responsible for agriculture, and dissolving the UCDA and its secretariat established by the Act.

The committee scrutinised the Bill in accordance with the rules of procedure, and I now beg to report. We all know the background of rationalisation, but I would like to give the background of UCDA.

The Uganda Coffee Development Authority was established in 1991 by the Uganda Coffee Development Authority Act, Cap 325, which was repealed and replaced with the National Coffee Act No. 17 of 2021. The Act was revised by the Uganda Law Reform Commission and released in the 2023 7th edition as the National Coffee Act, Cap 38. The National Coffee Act, Cap 38 mandates the UCDA to regulate both on-farm and off-farm activities in the coffee value chain.

We all know the objects and justification of the Bill-*(Interjection)* - It is okay; I can read. The object of the Bill is to give effect to the government policy of rationalisation of Government agencies and public expenditure.

The justification for the Bill has been provided in the background to rationalisation and it raises the following fundamental issues, which the committee interrogated.

- i. Whether there are mandate overlaps between UCDA and MAAIF;
- ii. Whether UCDA has served the purpose for which it was established; and
- iii. Whether UCDA's cost of administration drains the treasury at the expense of service delivery.

While considering the National Coffee (Amendment) Bill, 2024, the committee held meetings with stakeholders like the Buganda

caucus parliamentary team and Bugisu caucus parliamentary group. We had documents from Buganda Kingdom, Bunyoro Kingdom, and other coffee farmer's organisations and groups. We also had petitions from others like the Banyakanungu Coffee Farmers' Cooperative Union and others.

Madam Speaker and colleagues, findings, observations, and recommendations of the committee were based on the three questions that I had put earlier.

One was whether there were mandate overlaps between UCDA and MAAIF. The committee established that UCDA derives its mandate from the National Coffee Act, Cap 38. Under Sections 4 and 5, the functions of UCDA are to regulate all on-farm and off-farm activities in the coffee value chain, promote and oversee the quality of coffee along the value chain, support research and development to promote production and improve marketing of Coffee to optimise earnings for coffee stakeholders in the country.

The committee noted that UCDA plays a pivotal role in overseeing coffee quality to ensure compliance with export contracts and international food safety standards. Quality management spans from seed to cup, which includes regulating planting materials, production, harvest, post-harvest practices, and processing to meet international standards.

The committee further notes that in order to sustain the European market that constitutes 65 per cent of Uganda coffee sales, UCDA developed a traceability system intended to support the sector to comply with the requirement of the European Union deforestation and corporate sustainability and due diligence directives, whose deadline is on 1 January 2025.

This traceability system will register coffee value-chain actors, farmers, nursery operators, processors, roasters and exporters. Failure to meet the European Union deadline will lead to loss of market for 65 per cent of the country's coffee exports.

The committee concluded that there is no duplication of UCDA mandate with MAAIF or any other government agency. *(Applause)*

The committee observed that the coffee sector is an important export earner that should be independently regulated to meet the demands of the export market. The civil service mode of operation and service delivery cannot efficiently undertake and deliver this mandate. This is important to note that UCDA has increased the production volume of coffee from 3.5 million 60-kilogramme bags in 2014/2015 to 8.06 million 60-kilogramme bags currently, with a medium term target of 20 million bags by 2029/2030. Merging the mandate and abolishing UCDA at this time risks derailing this very critical target of the coffee roadmap. *(Applause)*

Another tool that we used was to find out whether UCDA has served the purpose for which it was established. The committee established that Uganda is currently one of the African top coffee exporters, with the revenue earnings rising from US\$883.3 million to \$952.24 million from November 2021 to October 2022. Uganda recorded its highest coffee export of 6.26 million tonnes of 60-kilogram bags in 2021/2022 from 5.83 million tonnes of 60-kilogram bags in 2020/2021.

The committee notes that the Government of Uganda has committed itself to achieving a target of producing 20 million 60-kilogramme bags of coffee by 2030, as per the coffee roadmap. UCDA has distributed 545,475,098 coffee seedlings during the last five years, benefitting 937,605 farmers. This is likely to increase production from the current 8.16 million 60 bags in 2022/2023 to 13.7 million 60-kilogramme bags from the current 8.1 million 60-kilogramme bags in 2026/2027, as the country looks towards achieving the coffee roadmap.

The committee notes that the coffee sector employs 12 million people, nearly 25 per cent of Uganda's population.

Uganda Coffee profile; that is 2018 along the value chain

This is expected to grow as more investment is attracted especially in value addition activities. Therefore, the international traceability and social inclusion warrants stronger regulations to meet market standards, which UCDA is effectively delivering.

Quality assurance and research

Coffee quality assessment is a highly specialised technical field that is evaluated in two ways; a physical evaluation of the green and roasted coffee and a sensory evaluation of the roasted beverage. This has been a core function of UCDA that has led to compliance by coffee producers and dealers with established standards. As a result of improved quality control, Uganda coffee has been ranked third in the world after Kenya and Ethiopia.

Other milestones registered by UCDA include designation as a Centre of Robust of Excellence by the Coffee Quality Institute in addition to certification and accreditation of the UCDA Coffee Laboratory in Lugogo by CQI.

In line with Section 38 of the National Coffee Act, the UCDA determines and regulates the types and varieties of coffee to be grown in different regions. This is informed by research conducted by the National Coffee Research Institute (NaCORI), with funding from sales collected by UCDA. This funding has greatly contributed to the coffee research and development agenda, notably the breeding of 10 coffee-wilt disease-resistant varieties, which are also high yielding, and the construction of the biotechnology laboratory at Lugogo.

UCDA also provides timely market information to stakeholders and monitors coffee prices on a daily basis, including price changes on the London and New York commodity exchanges, and translates these prices into equivalent local prices on a daily basis.

Committee observation

Coffee quality control requires swiftness and a high level of efficiency, which is best provided under the agency model. Despite the commendable achievement by UCDA, the task ahead is enormous and requires empowering and supporting the successor agency to sustain, consolidate, and build on UCDA achievements.

Mainstreaming UCDA into MAAIF immediately risks compromising quality and research efforts and may lead to information asymmetry. It would also jeopardise critical functions, leading to adverse effects on Uganda coffee export and competitiveness.

The committee notes that countries like Kenya and Ethiopia, which attempted immediate rationalisation from the agency model to the ministry suffered setbacks resulting in reduced coffee production for export. These countries have since reverted to the agency model.

The committee is of the view that the mandate of UCDA, being a going concern, as it promotes one of our key export earners that has a multiplier effect throughout the economy, is better served by the agency model in the interim as the ministry builds capacity to seamlessly take over the mandate of UCDA.

UCDA contribution to the Treasury

The committee was informed that UCDA contributes to the National Treasury through collection of Non-Tax revenue, which is remitted to the consolidated fund. Over the years, UCDA contribution to the National Treasury has been growing. For example, in the Financial Year 2023/2024, UCDA was allocated \$44,756,000 while it contributed \$82,253,000 to the National Treasury.

In conclusion, Madam Speaker and colleagues, given the above achievements and commitments, the committee recommends that UCDA be rationalised subject to a three-year transition period to enable MAAIF to build capacity to execute the mandate that is under UCDA.

The committee further recommends that during the transition period, the minister -

THE SPEAKER: Honourable members, can you listen?

MS LINDA AUMA: Honourable colleagues, this is something very important. Madam Speaker, I want to repeat -

THE SPEAKER: You repeat the conclusion.

MS LINDA AUMA: I beg my colleagues to be calm. Time will come for debate.

Given the above achievements and commitment of UCDA, the committee recommends that UCDA be rationalised – (*Interjections*) – calm down, colleagues - subject to a three-year transition period to enable MAAIF to build capacity to execute the mandate that is under UCDA -

THE SPEAKER: Honourable members, I will not allow that kind of noise.

MS LINDA AUMA: Furthermore, the committee recommends that during the transition period, the Ministry of Agriculture, Animal Industry and Fisheries updates Parliament bi-annually on progress towards attainment of the requisite capacity to undertake the mandate of Uganda Coffee Development Authority (UCDA).

Upon a satisfactory progress report to Parliament, the minister responsible for agriculture shall submit a statutory instrument for approval of Parliament to commence the Act.

Madam Speaker, I beg to report.

THE SPEAKER: Thank you, committee chairperson.

3.18

MS ASINANSI NYAKATO (FDC, Woman Representative, Hoima City): Thank you, Madam Speaker, for giving me this opportunity. The Shadow Minister together with a number

of Members of Parliament on this Committee on Agriculture, Animal Industry and Fisheries that is Hon. John Paul Mpalanyi, Hon. Santa Okot, Hon. Stella Isodo -

THE SPEAKER: There is a point of procedure.

MR SSEMUJJU: Madam Speaker, I saw my colleague just jumping up. I do not know under which rule. I assume that if it is going to be a minority report, it needs to be captured on our record. The chairperson of the committee should be the one to tell us that it is a minority report and then, invites the colleague with a minority view, to present a report. Without that being done, Madam Speaker, I am asking whether it is procedurally right –

THE SPEAKER: I also saw Hon. Asinansi just jumping up and I was asking what it was, because at the beginning what the chairperson ought to have said is that we have both the majority and minority reports. All those are your reports, and after that, you now invite the presenter of the minority report. But chairperson –

MS LINDA AUMA: Thank you, Madam Speaker. That was phase one and I was going to invite my colleagues, as I stated earlier yesterday -

THE SPEAKER: But you were shouting.

MS LINDA AUMA: Yes. Madam Speaker, I have two minority reports: One from Hon. Asinansi and another from Hon. Abed. I would like to invite Hon. Asinansi to give their areas of dissent as per this. Thank you.

MS ASINANSI NYAKATO: Thank you, Madam Speaker, for your wise guidance. I thank the chairperson of the committee -

THE SPEAKER: Honourable members, why are you making noise? What is wrong with Hon. Abed? Hon. Abed, you need to move near to present your minority report. Go ahead.

MS ASINANSI NYAKATO: Thank you very much, Madam Speaker. The Shadow Minister

of Agriculture, Animal Industry and Fisheries together with a number of Members on this committee; Hon. John Paul Mpalanyi, Hon. Santa Okot, Hon. Stella Isodo, Hon. Florence Kabugo, Hon. Charles Matovu, and Hon. Aol Betty had dissenting views against the majority report. We had dissenting views against the majority report on issues of regulatory risks, quality risks assurance and market risk assurance -

THE SPEAKER: Honourable members, listen.

MS ASINANSI NYAKATO: Madam Speaker, we do still note that mainstreaming this very critical and specialised agency, the Uganda Coffee Development Authority into the parent ministry, will compromise and affect the delivery of the technical and regulatory functions, this agency has been undertaking since its inception by an Act of Parliament in 1991.

The main objective of this Bill is to ensure that UCDA is abolished. The moment the majority of this House says yes -

THE SPEAKER: UCDA is not going to be abolished, but will be absorbed in the ministry. I do not want us to misinform people out and play to the gallery. Why are you shouting? Let us use the right words, and not to play to the gallery.

MS ASINANSI NYAKATO: The main objective of this Bill is to dissolve UCDA into the mother ministry. In scrutinising the Bill, the minority views were guided by the following questions as per the objective of rationalisation -

THE SPEAKER: I do not want you to imagine that you own monopoly of shouting. Let us listen to the member.

MS ASINANSI NYAKATO: Madam Speaker, the main objective of rationalising UCDA into the mother ministry was whether the funding of the UCDA is a wasteful expenditure or it causes financial drain to the economy.

Madam Speaker, 100 per cent - not at all - the funding of UCDA is not a wasteful expenditure, instead, it greatly outperformed according to its mandate which was given to it by that Act of Parliament. The minority noted that UCDA is a net save as it contributes heavily to the Consolidated Fund. We noted that in the Financial Year 2023/2024, UCDA brought in Shs 82.25 billion in form of net R to the Consolidated Fund, yet its budget was only Shs 44.76 billion. UCDA is therefore, a net saver.

This sector employs 12.5 million Ugandans. The coffee subsector contributed 55.5 per cent to the total agricultural export in the Financial Year 2023/2024. It has also so far remitted Shs 44.81 billion to the Consolidated Fund against the annual target of Shs 83.61 billion reflecting 54 per cent performance.

UCDA has increased the production of volumes of coffee from 4.03 million 60 bags in the Financial Year 2015/2016 to -

THE SPEAKER: There is a point of procedure.

MS AISHA KABANDA: Thank you so much, Madam Speaker. The chairperson of the committee said very good things about UCDA.

Everything; production, revenue - everything was very good. She only went wrong at the conclusion and I am afraid about our children who are doing exams. How you said right talks differently and conclude on the other U-turn.

Madam Speaker, isn't it procedurally right for us that the current member who is submitting a minority report gives us a point of departure which is a conclusion? The rest of the things are the same and you will agree.

THE SPEAKER: She is about to finish. Let her finish.

MS ASINANSI NYAKATO: Thank you very much, Madam Speaker, for your very wise guidance. With only six years remaining to hit the coffee road map target of 20 million bags as per the coffee road map by 2030, rationalising

the mandate and dissolving UCDA risks failing the very critical target of achieving the said road map.

Therefore, UCDA does not drain the treasury, but instead it strongly supports it. Because of the Uganda Coffee Development Authority's efforts, Uganda's coffee subsector has been rated second in Africa and seventh in the whole world.

Madam Speaker, the other issue was on whether its mandate overlaps the Ministry of Agriculture's mandate. The mandates of the two entities totally do not overlap at all. The Ministry of Agriculture's mandate is to formulate, review and implement national policies, plans, strategies, regulations, and standards and enforce laws, regulations and standards along the value chain crops, livestock and fisheries.

While the mandate of UCDA is an autonomous self-sustaining entity to promote and oversee the coffee value chain by supporting research, promoting production, controlling the quality and improving the marketing of coffee, in order to optimise foreign exchange earnings for the country and payments to the farmers.

UCDA's regulatory role which includes certification of nurseries, inspection and licensing of processors, traders, stores, factories, grading facilities, roasters and exporters is still very crucial in maintaining the coffee quality at all levels of the value chain.

As far as this role is concerned, it is crucial to note that no other agency of Government, not even the Ministry of Agriculture, has ever performed.

Madam Speaker, on the question of whether Uganda Coffee Development Authority, has served the purpose for which it was established—yes, 100 per cent. UCDA has performed its mandate effectively and efficiently. UCDA has even outperformed, according to the other figures that I have been reading to you - whether it drains the economy.

Madam Speaker, UCDA's regulatory role, which includes certification and registration of coffee nurseries and farmers, inspection and licensing of processors, traders, stores, factories, grading facilities, roasters and exporters, is very crucial in maintaining coffee quality and quantity at all levels of the value chain and ensuring a ready market for the coffee farmers have been 100 per cent outperformed by Uganda Coffee Development Authority.

Observations

The minority report noted that the Uganda Coffee Development Authority employs a total number of 159 staff all on a contract basis, out of the approved structure of 263 staff, with the majority of these staff still having more than three years remaining on their contracts.

Madam Speaker, the Certificate of Financial Implication indicates that 47 staff, that is 29.6 per cent, will be laid off as a result of the amendment at Shs 3.4 billion cost in terminal benefits. The revised structure by the Ministry of Public Service provides for only 75 staff, leaving 35 staff from the Uganda Coffee Development Authority not to be laid off and yet not absorbed anywhere.

Madam Speaker and honourable colleagues, what will be the fate of those staff after the three years, as is in the Bill?

Uganda Coffee Development Authority was allocated Shs 67.99 billion in the Financial Year 2024/2025 and this budget was Shs 44.76 billion in the Financial Year 2023/2024. However, the Certificate of Financial Implication indicates that the net savings as a result of rationalisation will amount to Shs 82.19 billion in the Financial Year 2024/2025 and then to Shs 85.59 billion in the Financial Year 2025/2026. This means that the projected savings are even more than the approved budget.

Madam Speaker, this cannot be and, thus rendering the Certificate of Financial Implication inaccurate and therefore should be withdrawn and a proper Certificate of Financial Implication laid before this honourable House.

The certificate of – *(Interruption)*

THE SPEAKER: Procedure

MR ONZIMA: Madam Speaker, my procedural issue is on the minority report. When we are looking at the rationalisation of agencies, I expected her to raise the issues on the achievements of the agency when they were performing their duties. I expected to hear that whereas we are proposing rationalisation, this is how their roles or functions will be affected, therefore compromising the performance of their roles.

For example, if you were to look at the structure -

THE SPEAKER: Honourable member, you have gone into debate. Let her conclude.

MR ONZIMA: No, I am just raising a procedural issue.

MS ASINANSI NYAKATO: Thank you very much, Madam Speaker, once again for your very wise guidance.

THE SPEAKER: The way you are shouting; you are just like that woman who slapped – *(Laughter)*

MS ASINANSI NYAKATO: Thank you very much, Madam Speaker, once again for your very wise guidance.

THE SPEAKER: Can I have order?

MS ASINANSI NYAKATO: Madam Speaker, the Certificate of Financial Implication is also misleading because the 112 staff who will be transferred to the ministry will continue drawing wages and operational non-wages, which the Certificate of Financial Implication does not put into account. It only considers the terminal benefits for the laid-off staff.

Risks if Uganda Coffee Development Authority is rationalised Madam Speaker, Uganda Coffee Development Authority is internationally accredited by the US-based Coffee Quality

Institute and was awarded an ISO 17025 certification and KENAS certification after a thorough analysis of the systems at the UCDA.

It is also designated as a centre of Robusta excellence which coordinates standards, training, grading and quality improvement, in collaboration with the Coffee Quality Institute of the USA. That is the regulatory risk that I am talking about.

Madam Speaker, mainstreaming UCDA will automatically nullify the recognition of UCDA of Uganda as an international centre of Robusta excellence. This will pose a risk to the implementation of protocols with diverse effects on the coffee subsector, such as the loss of markets that employ 12.5 million households.

Certification and accreditation require a very rigorous process of building systems, personnel and continuous inspections by the accrediting bodies. Because the markets have become more selective with the introduction of the requirement of traceability, UCDA is a recognised body that can only implement this commitment.

We should also keep in mind that in all successful coffee-producing countries, coffee is regulated under a specialised agency. The agency model has proven to be efficient in coffee-producing giants like Brazil, Vietnam and Colombia, among others.

Madam Speaker- I am almost concluding. The Brazil Coffee Institute, Vietnam Coffee Coordination Board, Coffee Board of Kenya and Ethiopian Coffee and Tea Authority, among others, have proved to have succeeded more with the agency model.

Worth noting, honourable colleagues, is that with reforms in the coffee subsector in neighbouring countries like Kenya, Burundi and Ethiopia, when they wanted to mainstream coffee after abolishing coffee boards, the quality and quantity declined and caused a loss of forex to these countries.

Drawing an example from Kenya when it merged the Kenya Coffee Board with other 117 crops under the Ministry of Agriculture, in 2021, the President issued an Executive Order to reintroduce the coffee board, after the collapse of coffee production by 70 per cent -

THE SPEAKER: Honourable members, can we listen?

MS ASINANSI NYAKATO: Our second observation is on the market risk. Uganda exports 65 per cent of its coffee to the European Union (EU), which requires the country to comply with the European Union Deforestation Regulation (EUDR) and Corporate Sustainability Due Diligence Directives.

The deadline takes effect on 1 January 2025 and failure to comply with the deadline, a country may lose 65 per cent of its coffee market that is exported to the European Union.

Madam Speaker, mainstreaming Uganda Coffee Development Authority (UCDA) is to undermine the efforts of profiling, characterising and promoting Ugandan coffee, which has made it possible to penetrate new markets, including Maghreb states, Asia, Gulf States, China, Korea, the United States of America (USA) and attempts in Russia.

Any disruption to the sustained promotion and marketing of Uganda's coffee brand will reduce the market share in these countries since the ministry's efforts to look for new markets for other cash crops like tea, tobacco, vanilla and others under their direct supervision have registered zero success.

You all know that we have experienced deteriorating prices of tea; investors are running away to the neighbouring countries and there are cries over the prices of maize, rice, tobacco, sugarcane and others – all this under the supervision of the ministry.

Madam Speaker, contrary to the justification for the rationalisation of agencies, Uganda Coffee Development Authority is an autonomous

and unduplicated revenue-generating agency capable of sustaining its operations without funding from the Government and, therefore, should not be rationalised.

Madam Speaker, we should also keep in mind that in all the successful - I am now in the conclusion. In all the successful coffee-producing countries, coffee is regulated under specialised agencies. The agency model has proven to be efficient in coffee-producing giants – as I mentioned the other countries such as Brazil, Vietnam and Colombia. These coffee boards have really stood hard on the market of their coffee farmers.

Seeing the achievements of all these countries that have been successful with the agency model, Uganda cannot achieve much without applying the agency model and, hence, a reason to reject the Uganda Coffee Development Authority rationalisation back to the mother ministry.

The minority report noted that the mainstreaming of Uganda Coffee Development Authority will automatically nullify UCDA of Uganda as an international centre of Robusta excellence and this will pose a risk to the implementation of the protocols with diverse effects on the coffee subsector such as the loss of markets that employ 12.5 million people.

Madam Speaker, certification and accreditation require a rigorous process. Without the agency called Uganda Coffee Development Authority, we are likely to lose them and that is a reason for the rejection of the National Coffee (Amendment) Bill, 2024.

The coffee quality, quantity, ready market, availability and technical expertise assurance is not guaranteed if Uganda Coffee Development Authority is rationalised. So, the minority report notes the risks and, therefore, a reason to reject this rationalisation of UCDA to the mother ministry.

The minority report recommends that this House rejects the rationalisation of Uganda Coffee Development Authority - *(Applause)* -

as it is going to affect not only the subsector and the entire economy, but also the 12.5 million Ugandans earning a livelihood, educating their children and also sustaining themselves at family level from the coffee subsector.

Therefore, it is very evident in the proposed National Coffee (Amendment) Bill, 2024, under clause 58(4), that there is no assurance of employment continuity for the staff and, therefore, it is also going to affect them.

When the Coffee Marketing Board was terminated in favour of Uganda Coffee Development Authority and, finally, to the Coffee Act, 2021 - all these processes – the Government invested huge sums of money. Those who were there can attest that UCDA's achievements are a million reasons why we also reject the rationalisation of this entity.

Madam Speaker, why the rush? Why take a very critical and uniquely expertise out-performing baby back to the mother ministry that is in the intensive care unit? (*Applause*) Do we want to kill the coffee sector?

THE SPEAKER: What is in the intensive care unit? (*Laughter*) Honourable members, you do not chorus as if you are in a national theatre; what is in the intensive care unit?

MS ASINANSI NYAKATO: Madam Speaker, given the ineffectiveness -

THE SPEAKER: Honourable members, listen. This ministry is under you; you do oversight over it. So, did you leave it to be under ICU? (*Laughter*) We need to be calculative in the words that we use.

MS ASINANSI NYAKATO: Thank you, Madam Speaker, for your wise guidance –

THE SPEAKER: So, in which ICU can I get the agriculture ministry? (*Laughter*)

MS ASINANSI NYAKATO: Madam Speaker, I withdraw the word. There is a saying -

THE SPEAKER: Honourable members - Hon. Flavia, people who wear a *gomesi* are ladies.

MS ASINANSI NYAKATO: Madam Speaker, there is a saying that if it is not broken, then do not fix it. If UCDA is not broken, why fix it? (*Applause*) We should not insist on killing the institution that we have built, as Parliament, through an act of Parliament.

The minority report, therefore, notes that the justification for rationalising Uganda Coffee Development Authority is not reasonable and the 12.5 million Ugandans earning a livelihood in coffee demand that the Bill entitled “The National Coffee (Amendment) Bill, 2024” should not be passed; it should be rejected by this House. (*Applause*)

Therefore, the minority report strongly rejects the rationalisation of Uganda Coffee Development Authority into the mother ministry. I beg to report. (*Applause*)

THE SPEAKER: Thank you. Hon. Abed?

3.47

DR ABED BWANIKA (NUP, Kimaanya-Kabonera Division, Masaka City): Madam Speaker, thank you for the opportunity. I remind the honourable members in the House that I was sent here by the people of Kimaanya-Kabonera; I must have space.

The main mandate of Uganda Coffee Development Authority (UCDA) is to regulate is:

- a. to regulate all on-farm and off-farm activities in the coffee value chain;
- b. to promote and oversee the quality – I want to underline the word “quality” – of coffee along the value chain;
- c. to support research and development, promote production and improve the marketing of coffee stakeholders in the country.

It should be noted that UCDA's main mandate is regulatory and important to ensure compliance

with export requirements and international food safety standards. Anything that compromises UCDA will compromise our standards and our markets.

UCDA is further mandated with the development and establishment of a traceability system intended, among others, to comply with the EU Deforestation Regulation, which is recent. There is also a requirement for corporate sustainability and due diligence directives. The traceability system, which is a regulatory tool, is supposed to register all participants in the coffee value chain. It is UCDA that is mandated with that role.

We observe that currently, it is UCDA that is best positioned in terms of professional knowledge, human resources, systems and accreditation to handle the mandate of quality assurance - I want to ask the honourable members to underline the word “accreditation” – and all regulation requirements necessary for the coffee value chain and international trade.

Madam Speaker, allow me to elaborate on accreditation. It takes five to 10 years for any system to be accredited internationally; five to ten years. Accreditation involves pre-accreditation, application, desk review, on-site survey, and accreditation decision. That requires five to ten years.

The moment we tamper with UCDA, we are going to lose this accreditation, and it is not true that the ministry will get the accreditation the next year, we need five to ten years.

Mainstreaming UCDA into the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) risks compromising quality control and regulation which will negatively affect coffee trade and markets. This will adversely impact the coffee exports from Uganda and our global competitiveness. We are going to be affected.

We do not want to try what the neighbours in Kenya and Ethiopia tried and they failed. They rationalised their boards and they were

terribly affected. MAAIF, I am talking about the Ministry of Agriculture, in its current form, lacks capabilities, systems and structures to handle coffee quality regulations and stringent trade requirements for the markets in the coffee trade. MAAIF does not have that capacity now.

UCDA is designated as a centre of robusta excellence by the Coffee Quality Institute - which is an international institute - in addition to certification and accreditation of UCDA coffee laboratory in Lugogo. These tools are very important for our markets.

We note that the rationalisation of UCDA may lead to a loss of certifications and accreditations, thus affecting coffee markets.

Madam Speaker, there are best practices. In all countries, my colleagues have already mentioned them, all the top countries which export coffee, but none of them does so by regulating quality through the main ministry, and they use agencies.

Recommendations

We recommend that rationalisation of UCDA, if done, should be with a transition period of five years to allow - (*Interjections*) – Madam Speaker, I must be protected.

THE SPEAKER: Honourable members, can we have silence?

DR BWANIKA: Madam Speaker, if rationalisation is to be done, my recommendation –

THE SPEAKER: There is a procedural matter from Jonathan.

MR EBWALU: Madam Speaker, Rule 8(3) is very clear. The behaviour of Members in the House. Rule 83; let us listen to a Member. Then when we have dissenting views, we will contribute. Madam Speaker, are we proceeding right as Parliament when a Member is talking, and we are interfering with a Member on the Floor?

THE SPEAKER: Honourable members, if you feel you cannot be quiet when somebody is speaking if you are not tolerant enough, the doors are open - before I send you out myself.

Do not make me go to that extreme. Listen, everybody is being listened to.

DR BWANIKA: Madam Speaker, my recommendation is that; if there is any rationalisation of UCDA, there should be a transition for five years.

My justification is that we need –

THE SPEAKER: Hon. Baroda, you are not shouting at your co-wife.

DR BWANIKA: Madam Speaker, we need a period of five to ten years to establish the systems and structures that will lead us to get accreditation as a nation.

Madam Speaker, I have proposed that in these five years of transition, the Government of Uganda should provide adequate funding to promote coffee in northern Uganda including Lango, Acholi, Karamoja, and West Nile. This area has been waiting for a perennial cash crop for a long time.

I have also made a recommendation, Madam Speaker, that in these five years, UCDA should be provided additional money for coffee seedlings to the farmers that are required by farmers strategically to help us meet the 20 million bags and meet the target of 2030.

Fourthly, the Government should put in place a fertiliser loan scheme to avail fertilisers to the farmers who need them.

Madam Speaker, I have also proposed that the Government should expedite the establishment of “The Food and Veterinary Drug Regulatory Agency”. It should be this agency, in the future where we put coffee and other food crops that need regulation – *(Interruption)*

THE SPEAKER: There is a procedural matter.

MR KIBALYA: Thank you, Madam Speaker - Hon. Abed, have a seat.

THE SPEAKER: Procedure?

MR KIBALYA: Madam Speaker, we are discussing the Bill, either to rationalise it or not. We are not in the nitty-gritty of the advantages of the other side. Therefore, we need to know from Hon. Abed whether he is here to tell us to rationalise or not rather than diverting and taking us off the major topic.

Is Hon. Abed proceeding in the right direction or misleading the whole team by proposing the creation of other things that are not necessary? *(Laughter)*

THE SPEAKER: Honourable members, you have heard from Hon. Abed.

DR BWANIKA: Madam Speaker, allow me in a sentence to conclude. I represent the people of Masaka. We are a coffee-growing area. I want to request the Members that when an honourable Member of Parliament is presenting, we should be calm and listen. I want to remind you that we came here by our own right – *(Interjections)* - nobody should ever think that I can come on a microphone and you intimidate me.

THE SPEAKER: Honourable members – Government Chief Whip - honourable members, we have three scenarios here. One, you do not rationalise. When you do not do so, we do not go into second reading. Number two is that you rationalise and give it a three year’s transition period. The minister will be required to bring a statutory instrument after three years. The third scenario is a transition period of five years. Are we together?

HON. MEMBERS: Yes.

THE SPEAKER: That is where we are. Hon. Obua?

4.02

THE GOVERNMENT CHIEF WHIP (Mr Denis Obua): Madam Speaker, from the explanatory memorandum presented for the

14 rationalisation Bills, the Bills are policy decisions of the Government. This implies, under Rule 25 of the Rules of Procedure of Parliament that they constitute the priority of Government.

Now, therefore, with that justification, I beg to move that Rule 204(5) –

THE SPEAKER: Honourable members, we are suspending to allow debate - allow debate - allow him to finish. Stop pointing at him like that - move the motion.

MR OBUA: Madam Speaker –

THE SPEAKER: Hon. Nsereko, sit.

MR OBUA: If Hon. Nsereko, the Member of Parliament for Kampala Central could listen a little. Rule 204 –

THE SPEAKER: Honourable members, let us have respect for each other. We are saying we want the rules to be suspended to allow you to debate – rule 204 – please, come and see – can you sit - suspend the rule then we will enable a debate – we shall allow the debate.

MR OBUA: Madam Speaker –

THE SPEAKER: There is a procedural point.

MR LUBEGASSEGGONA: Madam Speaker, as you know, I am a servant of these rules and I am afraid of where we are heading. When Hon. Ssemujju rose on a matter of procedure, you guided Hon. Hamson Obua was also on the procedure. Quite skilfully, ingeniously but also dishonestly, Hon. Obua did not move on the procedure but went on the motion.

Secondly, why I am even more afraid is when you guided that we are going to amend the rules - I got scared.

THE SPEAKER: To allow debate.

MR LUBEGA SSEGGONA: Yes. I do not know how you knew that Hon. Obua was moving to suspend – (*Applause*) - is it not

procedurally right that you first take the procedural question raised by a Member –

THE SPEAKER: Raise the procedural issue.

MR LUBEGA-SSEGGONA: I am not moving a second procedural issue apart from the one I have moved.

THE SPEAKER: I knew that he was going to rise on rule 204 because you taught a brilliant person. Honourable members, whether you shout or not I am not a social scientist. Can you listen to the procedural matter?

MR SSEMUJJU: Madam Speaker, I have taken oath as a Member of Parliament (MP) at least three times, each time taking two oaths. The first, the Oath of Parliament. The procedural issue I am raising relates to - the rules did not order in vain that when a Member is speaking, you listen. So, I am waiting for Members to keep quiet.

I have on three occasions taken oath here; one of them being the Oath of Parliament. I think every MP has; we just defer in numbers. That oath assigns me a responsibility to protect the institution of Parliament because without it I would not be here.

The reports have been read. We took a decision here as an institution of Parliament and said, “Coffee no” – (*Interjection*) - wait, your former wealth creation staff - we took a decision here – (*Laughter*)- I am waiting for silence to submit –

THE SPEAKER: Honourable members, allow honourable –

MR SSEMUJJU: Madam Speaker, the rules do not allow MPs to walk like as if they are in a kraal.

The oath that I took, especially the one of Parliament - and I want you to rule and address this matter, Madam Speaker. This Parliament passed a budget and just by a dot, by Mr Museveni, you came and changed it. You said, “Uganda Coffee Development Authority must not go” and you took a decision here.

I sympathise with the people who will be reading the *Hansard* of Parliament. They are going to ask simple questions. Was this the same Parliament? What kind of Parliament is this; that you take a decision today and tomorrow you fall on each other?

Therefore, the procedural issue I am raising is not only for your interpretation but also for protection – Madam Speaker, I will be patient until the MPs who are taking your attention have left your chair. The issue I am asking you to address –

THE SPEAKER: Ladies, why are you fighting for Hon. Balaam?

MR SSEMUJJU: The procedural issue I am raising broadly is for the integrity of this Parliament. I have listened to all the reports and none of it is speaking about the fact that a decision was made on this matter. We now congregate to rescind our own decision; the way we did with the budget. I am asking you, Madam Speaker, whether the MPs, one by one, not collectively, who took an oath of Parliament, that they will respect this institution -

THE SPEAKER: What is the procedural matter you are raising?

MR SSEMUJJU: I was laying the preamble –(Laughter)- Whether we do not need to first address what is growing as a habit; that this Parliament can take a decision, arm-twist it, we come running and change it. That is the procedural issue I am raising; whether this Parliament can continue doing what it is doing. You take a decision, and when you are shouted at, you come running and overrun your decision -

THE SPEAKER: Nobody has been shouted at and we have taken decisions. The Bills are returned and we pass them again. If this decision was made and the Bill was returned and we said that we need to pass it, why are we fearing to pass it? It is in our rules.

4.14

MR DAVID KABANDA (NRM, Kasambya County, Mubende): Madam Speaker, Hon. Ssemujju is questioning this Parliament; that a few months ago, this Parliament moved a motion that Uganda Coffee Development Authority (UCDA) should not be rationalised and that it should stay.

The same Parliament today made a decision that the National Forest Authority (NFA), which had been saved by this Parliament, goes. Does Hon. Ssemujju have the moral authority to say that this Parliament just changes when he has just changed from Forum for Democratic Change (FDC) to a new party which does not even have five members?

THE SPEAKER: Hon. Obua? Who are you ordering Hajji?

4.15

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua): Madam Speaker, for clarity and emphasis –

THE SPEAKER: Let Hon. Ssemujju –

MR OGUZU: Madam Speaker, I am moving under Rule 222 of our Rules of Procedure, which talks about reconsidering the decision of the House. The rule provides that it will be out of order to attempt to reconsider a specific question upon which the House has concluded the current session. I am acutely aware during this current session, we concluded that UCDA should not be rationalised and it is on the record of *Hansard*. The rule guides how we must move if we intend to reconsider –

THE SPEAKER: If you are buying time, you will sit here until midnight.

MR OGUZU: Madam Speaker, I am entitled to make my procedural –

THE SPEAKER: You reconsidered NFA. Wasn't it passed in this House?

MR OGUZU: We proceeded to NFA with a full and blatant violation of the rules. I raised

an issue here that we cannot proceed without moving that this rule should be suspended and nobody listened to me. So, this House -

THE SPEAKER: We are suspending the rule.

MR OGUZU: Madam Speaker, we do not need to do double standards here. These rules are written for our guidance and you are the custodian of the rules.

THE SPEAKER: Hon. Okot-Ogong –

MR OGUZU: You have not ruled on my matter.

THE SPEAKER: Because it does not deserve a ruling.

MR OGUZU: It does.

4.18

MR FELIX OKOT-OGONG (NRM, Dokolo South County, Dokolo): Madam Speaker, our rules are very clear, how a Bill is processed *-(Interruption)*

MR OGUZU: Is it allowed that a member can talk when another is on the Floor?

MR OKOT-OGONG: I have been invited by the Speaker.

MR OGUZU: I am on the Floor and I have a right to speak. My issue must be ruled on.

THE SPEAKER: Hon. Lee, please sit.

MR OKOT-OGONG: According to our Rules of Procedure, there is a clear process on how Parliament processes a Bill. A Bill is tabled in Parliament, it is referred to the committee, it is debated and passed, then sent to the President. The President can agree or disagree with certain provisions and it can be returned.

The President has just returned the Bill with that comment, that there are certain provisions that he is not comfortable with and that is what Parliament is discussing. This is very clear.

MR OLANYA: Madam Speaker, I have risen to give information to Hon. Felix Okot-Ogong. If you look at Article 91 of the Constitution, the President did not return the Bill, the House collapsed that Bill, and we started afresh.

THE SPEAKER: Yes, we started the Bill afresh. Hon. Kimosho -

MR ATWIJUKIRE: Thank you, Madam Speaker. Regarding the issue, he raised about the session of Parliament, the Constitution of the Republic of Uganda, Article 95(4) states that a session of Parliament shall be held at least once a year, but the period between one session and the following session, shall be less than 12 months.

THE SPEAKER: Hon. Ayoo - honourable members, can you listen? The section that Hon. Lee raised does not apply in this case.

4.20

MR TONNY AYO (NRM, Kwania County, Kwania): Madam Speaker, Hon. Oguzu Lee wants to mislead this House. The first Bill was presented to this House and we processed it. In some of the Bills, we supported the Government position while in others, we rejected it as Parliament. It went to the President and he declined to assent to it and it died there.

Therefore, Government *-(Interjection)-* first listen! Madam Speaker, again the Government reintroduced the Bill that was gazetted in another number and it becomes completely -

THE SPEAKER: Hon. Diana come back. Honourable members, I want you in the House.

MR AYO: The Bill was reintroduced, it was re-gazetted with a different number and it came back to the House as a new Bill.

Therefore, to say that the old Bill is the same going by that rule would be wrong. It is a new Bill we are processing, let us proceed and process it like we have done with other Bills. That is the reality; the other Bill collapsed.

MR OGUZU: The member is imputing that I am misleading the room, which is wrong. I am addressing myself to a specific question. I am not talking about the Bill. The question before and for the determination of the Speaker is the issue of rationalising the entity, which was a question that this House had concluded on. So, for you to -

THE SPEAKER: There is a procedural issue from Hon. Asuman.

MR BASALIRWA: Thank you, Madam Speaker. We are looking Shabby and I seek your indulgence as the presiding officer to put us back on trial. There are three reports; a majority report and two minority reports.

This House is ready to debate the reports. That opportunity is not being accorded because in your guidance, there is supposed to be suspension of rules. As we speak, it seems we are now delving into the debate.

Madam Speaker, wouldn't it be properly right to guide us on the way forward as far as the debate of these reports are concerned?

THE SPEAKER: Honourable members, I have said that let the Government Chief Whip move a motion to allow us debate.

4.24

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua) Madam Speaker, for clarity, Rule 204(5(a) and (b) reads as follows; "The report of a committee on a Bill shall-

- a. be uploaded on the parliamentary information system for the information of Members before it is laid on the Table; and
- b. only be debated after the expiry of at least three days from the day it was laid on Table by the chairperson or the deputy chairperson or a member nominated by the committee or by the Speaker."

It is upon this spirit that I stated that the justification for moving this motion falls under rule 25 on the order of business in this House, where priorities are granted to businesses of

Government; rationalisation Bills being one of them.

I, therefore, move that Rule 204(5)(b) be suspended to allow debate on the reports, both majority and minority on this Bill. I beg to move.

THE SPEAKER: Is the motion seconded? It is seconded by Hon. Omara, Hon. Rita, Hon. Alanyo and the whole side. Hon. Odur -

4.26

MR JONATHAN ODUR (UPC, Erute County South, Lira): Thank you, Madam Speaker. I appreciate the intent of the Government Chief Whip, in moving the motion which is grounded in the rules.

However, when you read a law, it is required that you read it entirely. No rule stands on its own. Rule 204(5) that has been read must be read with Rule 204(6), I will read. Rule 204(6) says, notwithstanding sub rule (5), debate on the report may, in the discretion of the Speaker, ensure -

(a) if you interrogate legislative drafting, once the word "if" is put before a sentence is conditional. It is a precursor and is contingent and it says, "If three or more days have elapsed since the report of the committee was uploaded on the parliamentary information system and a notification of the existence of the report sent out to all Members by the Clerk to Parliament... - I ask the clerk to confirm that there was a notice sent in the prescribed form. It adds - and these are the details, when there is a semicolon-" (*Laughter*) This one I can refer you to an authority.

There is an international authority called Justice Crabbe who wrote extensively on legal writing and legislative drafting. Once a semicolon is used and the word "and" before you go to "b" it means that the point in "b" is only in addition to the satisfaction of "a" and this is what "b" says, "after it has been laid on the Table by the chairperson - the chairperson laid the report today - or the deputy chairperson or a Member nominated".

Madam Speaker, our role here is to help you adjudicate on matters before us. Three days - in contentious matters in legislation, it is not a matter of do or die, in my opinion.

It does not take away anything if we comply with these rules. I have always raised this question here, whether when you Madam Speaker, adjudicate here, which side you sit on. If you sit as a neutral arbiter and that is why you are seated in the middle, you are expected to accord both sides of the House a listening ear.

However, once it becomes apparent, on the face of it, that you are not giving both sides an equal hearing then it is only proper that I invite you to consider these options.

In our Rule 78 of the Rules of Procedure, it is prohibited for the Presiding Officer - the Speaker, to take part in debate. But I have seen an innovation that you have had here where you - (*Laughter*)- and the Deputy occasionally come and sit in this House.

I would therefore advise that once a presiding officer has an interest, let the other presiding officer come so that you can interchange. When you want to debate, you go and sit because you are a Member of Parliament. (*Laughter*)

THE SPEAKER: Hon. Odur, we have not even started debating on this report, but if you want me to, I will do it.

MR ODUR: Madam Speaker, I am not talking - you see, debate in this House is defined as –

THE SPEAKER: Honourable members, we want the report to be debated upon. All you are doing is to block the report from being debated. Let the report be debated because a motion has been moved.

MR ODUR: I actually have no powers to block debate here and you know that. There are days when I have objected to certain things with Members and you have decided otherwise and it has taken the day.

All I am doing is to bring to your attention, as the presiding officer of this House that when a matter has come and the rules have expressly stated it, you as the Speaker, have no power to throw away the rules and bring in something else.

However, if you want to do that, then every day, you need to come and give us a guideline that today, as the Speaker -

THE SPEAKER: Where have we thrown the rules?

MR ODUR: The rule says that you cannot proceed on the debate unless three days after tabling has been - and it cannot be suspended. That is my submission.

THE SPEAKER: Can I ask you – Hon. Jonah, is that rule entrenched?

MR ODUR: Madam Speaker, if you are reading the rule, what I am saying is that you do not read it in isolation. So, the fact that there is a provision for suspension of the Rules of Procedure does not mean that all the rules are actually available to be suspended.

That is the point I am raising and saying, “After three days, it does not take anything from us” but actually saves the legal challenges that may come over this matter.

However, if it pleases - like it has always been, that it is easy to violate rules and laws which have put us in this office, then we shall proceed; it is not a personal matter. I am just raising it so that we do things the right way, correctly, as a National Assembly of this House.

THE SPEAKER: Honourable members, the Bill was laid on the Table yesterday and was uploaded in the morning. The report was laid on the Table yesterday – no, just a minute. If you feel comfortable that the debate should be after three days, it does not cost much - we shall start with it first thing tomorrow.

No, do not bring your 14-day notice - that one – do not even - forget. Why are there courts? go! - Yes, there is a procedural matter there.

MR OKOT OGONG: Madam Speaker, maybe I should also seek your guidance and that of the House. When you look at Rule 16 on suspension of rules says; “A Member may, with the consent of the Speaker, move that a rule be suspended in its application to a particular motion before the House, and if the motion is carried, the rule in question shall be suspended.”

When you go to Rule 16(2) it says, “This rule shall not apply in respect to rules 5, 6, 11, 12, 13(1), 16, and 98. All other rules can be suspended. Thank you.

MR ODUR: Madam Speaker, when you come and seek to guide the House and you rely on a rule that states that rule 16 provides for suspension, you are relying on the rules and rules are extensive.

Do you think it makes sense for me to stand here and say “I Have suspended rule 16 so that there is no suspension? That is what you are saying. So, the rules are not read in isolation and Madam Speaker, we are going in the right direction. The three days are contingent and it does not hurt anything. I think it is the correct spirit and everything will be alright.

THE SPEAKER: Hon. Obua?

MR OBUA: Madam Speaker, in the interest of harmony but while compliant with Rule 16 which was read by Hon. Okot Ogong that indicates which rules are entrenched and those not entrenched, I now beg to move another motion that Rule 204(5) and (6), entirely be suspended to allow debate on the report of this Bill. (*Hon. Ssegona rose*)

THE SPEAKER: Those in favour of that suspension - (*Members rose*) Is it seconded? (*Members rose*) The ayes have it. The debate is open. Hon. Nsereko

4.36

MR IBRAHIM SSEMUJJU (FDC, Kira Municipality, Wakiso): Madam Speaker, we are challenging your decision and we are more than 50 Members.

THE SPEAKER: It is okay. Hon. Nsereko? 4.36

THE LEADER OF THE OPPOSITION (Mr Joel Ssenyoni): Madam Speaker, I just want to bring it to your attention. Over 40 of us have stood to challenge your decision and it is provided for in the rules that the Speaker’s decision is actually challengeable and there is a *modus operandi*.

It starts with at least 40 Members standing up and from what I see we are over 40. I would like to suggest that you – Madam Speaker, I am still concluding this matter. I would like to suggest that you give an audience to these over 40 Members that have stood.

THE SPEAKER: Which 40 Members?

MR SSENYONYI: More than 40, Madam Speaker. I can mention the names.

THE SPEAKER: Honourable members - you wanted to debate.

MR SSENYONYI: Madam Speaker, you had wanted to know the 40 Members. I can mention them one by one - by name –

THE SPEAKER: Honourable members, listen. I want us to – one thing I can assure you is that I am not going to put a question for the second reading; that I can assure you. I am asking you to exhaust the debate on this report. Maybe the person I can give my assurance to - let us have a debate and then we come back to conclude this thing tomorrow.

MR SSENYONYI: Madam Speaker, I –

THE SPEAKER: Honourable members - does it cost you anything to sit down? First, tell your people to sit before I allow you to talk. No, let them sit. Honourable members, tomorrow, when some of you come, you will not be allowed in. I am saying, let us agree. Let your Members sit.

MR SSENYONYI: Madam Speaker, just to assure you, these members are not standing up because they are defying you. That is number

one. We are standing up in pursuit of the rules that provide for modus operandi on how a decision or a ruling of the Speaker can be challenged. Therefore, it is not indiscipline for Members to stand.

THE SPEAKER: I want to tell you, Members, that we will have the second reading tomorrow, first thing in the morning.

MR SSENKYONYI: Actually, that is not the issue, Madam Speaker –

THE SPEAKER: Hon. Olanya, present your report. Clerk –

MOTION FOR ADOPTION OF THE
REPORT OF THE COMMITTEE
ON PUBLIC ACCOUNTS (LOCAL
GOVERNMENTS) ON THE REPORT OF
THE AUDITOR-GENERAL FOR THE
FINANCIAL YEAR 2022/2023 ON 37
DISTRICT LOCAL GOVERNMENTS,
THREE CITIES, SIX DIVISIONS AND 10
MUNICIPAL COUNCILS

THE SPEAKER: Honourable – (*A Member rose*) - Sit back and you bring your procedural issue there. Hon. Olanya - Go back and you bring it from there.

4.43

THE CHAIRPERSON, COMMITTEE ON PUBLIC ACCOUNTS (LOCAL GOVERNMENT) (Mr Gilbert Olanya): Thank you, Madam Speaker –

THE SPEAKER: One thing I want to remind you is whether you go to heaven in the morning tomorrow, 10.00, coffee will be here.

MR OLANYA: Thank you, Madam Speaker. I beg to lay the minutes of the committee.

THE SPEAKER: Please lay.

MR OLANYA: Madam Speaker, I beg to lay the report of the Committee on Public Accounts (Local Government) (PAC-Local Government).

THE SPEAKER: Please lay.

MR OLANYA: Thank you, Madam Speaker. I am going to read the executive summary. The report is quite big. Because of time, I will deal majorly with the executive summary. This is the report of the Committee on Public Accounts, on audited reports of 37 district local governments, 3 cities, 6 divisions and 10 municipal councils for the financial year ended June 2023.

Madam Speaker, in accordance with Article 163(5)(a) of the Constitution and Rule 182(5) of our Rules of Procedure, the Committee on Public Accounts (Local Government) considered the report of the Auditor-General for the Financial Year 2022/2023 and wishes to report its finding to this House.

Madam Speaker, the report covers the key issues in the report which will be categorised into two sections, namely; key issues in local government and key audit matters, both general and cross-cutting queries in the local government.

This report, which covers 56 local governments under Kampala, Gulu, and Arua has been compiled based on the findings of the Auditor-General and observations of the committee mainly to show the state of the local governments and to aid policymakers in improving the performance of the local governments as highlighted below.

Madam Speaker, we are looking at the key audit issues in local governments, general and cross-cutting. We are starting with the budget performance.

The committee has considered audit reports of 56 local governments for the Financial Year 2022/2023 that were appropriated public funds and this includes three cities, 37 district local governments, 10 municipal councils and six city divisions.

Total appropriated budget to local governments for the Financial Year 2022/2023;

Parliament appropriated a sum of Shs 5,220 billion to all local governments in the country, out of which Shs 4,750.2 billion, equivalent to 99 per cent of the approved budget, was warranted to the local governments for service delivery. The shortfall in revenue was Shs 469.8 billion. During the year, based on warrants for the 56 entities, Madam Speaker, that forms Kampala, Gulu, and Arua audit regions, they had an approved budget allocation of Shs 2,131.453 billion, equivalent to 41 per cent of the budget allocated to all local governments during the fiscal years under review.

During the financial year, a sum of Shs 1,940.37 billion was released to the 56 entities for the implementation of various Government programmes - of the approved Shs 2,131.45 billion. Thus the entity had a revenue receipt shortfall of Shs 191 billion, which is equivalent to nine per cent unrealised funds.

Further, of the availed resources amounting to Shs 1,940 billion, only Shs 1,493 billion was utilised, leading to a balance of Shs 446.8 billion thus translating into absorption of 77 per cent of the availed resources.

5.1.2 Local Government Absorption Capacity

The 56 local government reports considered were warranted or released a sum of Shs 1,940.37 billion equivalent to 41 per cent of the total warrants to all the local government budgeted during the Financial Year 2022/2023. Out of the resources warranted to the 56 local governments, Shs 1,493 billion was expended -

THE SPEAKER: Can you people listen to the chairperson?

MR OLANYA: Thank you. Representing 77 per cent of the budget released. To that effect, Shs 446 billion remained unutilised and hence was returned to the Consolidated Fund as a result of the failure to absorb the resources.

Madam Speaker, the absorption of funds by the local government was affected by a number of factors, including late release of funds, delays in procurement, delayed accessing of civil servants onto the payroll, change in design of construction works, among the cases cited.

Notably, the local governments with the least absorptive capacities or those that returned huge sum of funds were Kitgum Municipal Council at 43 per cent, returning Shs 15 billion; Oyam District Local Government performed at 57 per cent thus returning Shs 25 billion; Pakwach District Local Government performed at 58 per cent returning Shs 14.5 billion; Agago District Local Government absorbed 60 per cent of the funds, returning Shs 17.6 billion; Lira District Local Government absorbed 54 per cent of the funds released to it returning Shs 17.6 billion and Arua City absorbed 74 per cent released to it, returning Shs 17.6 billion.

Madam Speaker, on the other hand, the local governments that absorbed to near target were Gulu District Local Government (DLG) posting 100 per cent utilisation of all funds released to it, Arua DLG 94 per cent, Mityana DLG absorbed 96 per cent of the funds released to it and Mityana Municipal Council performed at 89 per cent, Moyo DLG at 87 per cent, and Yumbe DLG at 87 per cent. Those are among the best performing local governments.

Madam Speaker, as I stated earlier, these are just samples we picked. The main reports are in this book. The Members will pick interest and look at their district one by one; how they performed in the Financial Year 2022/2023.

Committee observation

The committee observed that:

- i. Local governments were unable to carry out the planned activities because they did not get all the funds from the approved budget;
- ii. The unspent balance was attributed to a number of factors including failure to recruit, delayed deployment of teachers

by the Ministry of Education and Sports, failure to procure contractors under the Uganda Support to Municipal Infrastructure Development (USMID) programme and the delayed completion of projects under the Uganda Intergovernmental Fiscal Transfers (UgIFT) programme, among others;

- iii. The Ministry of Finance, Planning and Economic Development, in some instances, released funds to the entities over and above what was requested for by the entities. Some entities did not have information about such releases by the Ministry of Finance, Planning and Economic Development which found them ill prepared for the money hence some being swept back to the Consolidated Fund;
- iv. The Ministry of Finance, Planning and Economic Development, in some cases, released funds late to entities. Several entities informed the committee that funds were received at the end of the last quarter of the financial year, which made absorption of the same almost impossible.

Committee recommendation

The committee recommends that:

- i. The Ministry of Finance, Planning and Economic Development should explain why funds were not released to the local governments as budgeted and in a timely manner as well as those released over and above requests made by the entities.
- ii. Accounting officers under the supervision of local governments who failed to utilise funds released to them without justifiable reasons should be held personally liable.
- iii. Relevant entities should streamline their budget performance and ensure timely recruitment and placement, procurement timelines and follow-up on timely releases in order to improve funds absorption.

- iv. Accounting officers should follow up with the Ministry of Finance, Planning and Economic Development on the budget shortfalls affecting service delivery.

2. Local Revenue Performance

The 56 local government entities had an approved local revenue budget of Shs 121.39 billion, out of which Shs 86.4 billion was allocated and released back to the local government, hence, a revenue collection of 71 per cent of the approved budget. A sum of Shs 34.98 billion remains uncollected at the end of the financial year. The warrant releases are based on what the local governments collect and is deposited with the Consolidated Fund as per the requirements of Section 29(2) of the Public Finance Management Act, 2015.

The under-collection undermines service delivery as councils greatly rely on local revenue for support, supervision and facilitation of the council's settings. Thus, improvement in its administration is required to improve service delivery.

A number of local governments under review posted good performance, led by Butambala District Local Government at 278 per cent, Koboko Municipal Council at 232 per cent, Yumbe District Local Government at 131 per cent, and Koboko District Local Government at 128 per cent, while the lowest performance was registered by Lira District Local Government that realised only 11 per cent of its approved local revenue budget, Apac Municipal Council at only 23 per cent, Adjumani District Local Government at 35 per cent, and Pakwach District Local Government at 48 per cent, as per the budget performance annex 1.

The accounting officers, with a good revenue performance, informed the committee that they had been enrolled on the Integrated Revenue Administration System (IRAS), which has enhanced revenue collection.

Madam Speaker, additionally, accounting officers informed the committee that they had developed revenue enhancement plans, and

they were optimistic that this would improve their revenue collection. For example, districts such as Wakiso District Local Government and Pakwach District Local Government reported and submitted to the committee their revenue enhancement plan.

Committee observation

The committee observed that:

- i. Under-collection undermines service delivery, as councils greatly rely on local revenue for support, supervision and council sittings.
- ii. Under-collection of local revenue denies the entities resources for implementation of the planned activities.
- iii. Some entities did not have robust revenue collection mechanisms, which explains the low local revenue collections.
- iv. The entities that performed well set revenue targets that were below their revenue potentials, and this explains the over-performance.

Committee recommendations

The committee recommends that:

- i. The accounting officers should strengthen local revenue collection efforts to ensure the availability of adequate funds for service delivery, for instance, by conducting in-land benchmarks with the best performing local governments.
- ii. The accounting officers should conduct revenue enumerations and assessment exercises to inform revenue planning and enforcement.
- iii. The accounting officers should put in place revenue enhancement plans to increase local revenue to match the entity's revenue potential.

- iv. Owing to the positive feedback regarding IRAS, the Government should consider rolling out the system to all entities that have not started using the system.
- v. Accounting officers should strengthen capacity building for parish chiefs and town clerks, charged with the duty of revenue collections.

Madam Speaker, we are looking at the performance of government warrants.

The Auditor-General noted that most entities received less than what they budgeted for, thereby affecting service delivery. For instance, Lira City budgeted to receive Shs 68,046,036,451, out of which Shs 47,554,468,848 was warranted, resulting in a shortfall of Shs 20,491,840,032 representing 70 per cent performance.

Nebbi District Local Government budgeted to receive Shs 46,692,271,928 out of which Shs 41,427,847,639 was warranted, resulting in a shortfall of Shs 5.264 billion, representing 89 per cent performance.

Buikwe District Local Government budgeted to receive Shs 53.915 billion, out of which Shs 35.836 billion was warranted, resulting in a shortfall of Shs 18,793,000,000, representing 66 per cent performance.

The auditor, however, noted that the realisation of budget funds to finance work plans is always impacted by the limited resource envelope resulting from the persistent budget cuts.

The accounting officers explained that they had no control over warrants and cash limits but continuously engaged the Ministry of Finance, Planning and Economic Development to provide funds for the affected activities.

Additionally, the accounting officers from some entities informed the committee that they received funds over and above what they had requested, for which they could not absorb. For instance, the accounting officer of Butambala District Local Government

informed the committee that whereas the entity requested Shs 1,122,022,625 for wages, Shs 5,560,783,170 was released to the district, as per the auditor's analysis, hence resulting in some funds not being absorbed.

Similarly, Kitgum District Local Government received a supplementary funding of Shs 2,855,427,080 which was not requested by the accounting officer and out of it, Shs 1,914,099,546 was not utilised by the entity.

Committee observation

Madam Speaker, the committee observed that:

- i. Most local governments were unable to carry out the planned activities because they did not get all the funds from the approved budget.
- ii. The Ministry of Finance, Planning and Economic Development, in some instances, released funds to entities over and above what was requested by the entities.
- iii. The Ministry of Finance, Planning and Economic Development, in some cases, released funds late to entities. Several entities informed the committee that funds were received at the end of the last quarter of the financial year, which made absorption of the same impossible.

Committee recommendation

The committee recommended, Madam Speaker:

- i. An investigation should be carried out on why the Ministry of Finance, Planning and Economic Development releases funds over and above what has been requested by the entities.
- ii. Accounting officers should follow up with the Ministry of Finance, Planning and Economic Development on the shortfalls affecting service delivery.

Madam Speaker, we looked at the utilisation of warrants.

The Auditor-General noted that there was under-utilisation of warrants, which affected performance as planned activities were either partially implemented or not implemented at all.

The accounting officers explained that much of the unobserved funds were meant for planned recruitment, which did not materialise due to a ban on recruitment. That was issued by the Government, while others did not have functional district service commissions, for instance, Mukono District Local Government.

They also explained that there was also a delayed procurement process due to the hybrid procurement process, which the entities had no control over, as it was handled by the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF). MAAIF delayed to provide the pre-qualified list of service providers.

The accounting officers also attributed the underutilisation of funds to the delayed release of funds by the Ministry of Finance, Planning and Economic Development (MoFPED), as most funds were released in the last month of the financial year. Accounting officers from some entities informed the committee that they received funds over and above what they had requested, which they could not absorb. For instance, the Accounting Officer of Butambala District Local Government, as I read earlier, and all those.

Committee observations

Madam Speaker, the committee observed that:

- i. Whereas the Ministry of Finance did not release all the funds budgeted for, most entities did not utilise the warrants, which greatly affected the implementation of plan activities.
- ii. The unspent balances were attributed to a number of factors, including failure to recruit due to the ban on recruitment,

- delayed deployment of secondary school teachers by the Ministry of Education and Sports, failure to procure contractors under USMID, delayed completion of projects under Uganda Intergovernmental Fiscal Transfers (UGIFT), among others.
- iii. The hybrid methods of procurement in management of projects in the local government has caused a lot of implementation challenges, which include delayed procurement process, difficulty in supervision, poor quality of work, and conflict of interest, both at the central and local government.
 - iv. The Ministry of Finance, Planning and Economic Development, in some instances, released funds to entities over and above what was requested for by the entities.
 - v. The Ministry of Finance, Planning and Economic Development, in some cases, released funds late to entities. Several entities informed the committee that funds were received at the end of the last quarter of the financial year, which made absorption of the same impossible.
- iv. Accounting officers should not relent in engaging the Permanent Secretary or Secretary to the Treasury to ensure that funds are reverted so as to implement the activities.
- Lack of appropriate performance indicators and targets in the work plan
- Madam Speaker, the Auditor-General noted that most of the entities lack appropriate performance indicators and targets in work plans, which was contrary to Regulation 11 Clause 2(b) of the Public Finance Management Regulations, 2016, which provides that the work plan of a Vote shall indicate the key performance indicators to be used to gauge the output.
- The accounting officers attributed this to challenges in the programme budgeting system, whereby drop-downs provided to select performance indicators in the system are limited and do not relate to local government. The system also does not allow adjustment in the courts to suit those applications to entities.

Committee recommendations

The committee recommends that:

- i. The Ministry of Finance, Planning and Economic Development should ensure the timely release of funds to all service delivery. The Ministry of Finance should release funds as requested by entities to avoid over and above releases.
- ii. MAAIF should stop the hybrid methods of contracting to allow local governments to procure contractors in the micro-scale irrigation program.
- iii. Accounting officers should ensure that contractors adhere to the contractual timelines.

Committee observations

- i. The committee observed that without clear performance indicators and targets, it is hard to ascertain the level of achievement of output/activities and this is likely to result in inaccurate performance information from the entities.
- ii. The programme implementation action plans in the National Development Plan are not synchronised with the programme-based system, as certain programmes within the system lack corresponding performance indicators.

The committee recommends that:

- i. The National Planning Authority should fast-track the review of the programme to come up with appropriate performance indicators that are aligned with local governments.

- ii. The Programme Implementation Action Plan in the National Development Plan should be synchronised with the programme-based system, as certain programmes within the system lack corresponding performance indicators.
- iii. Capacity building for the users of the Public Budgeting System (PBS) should be planned for and fast-tracked by the National Payment Authority (NPA).

payrolls across all local government entities to establish the root causes of identified challenges in the management of Government salary payroll and propose remedial measures accordingly.

The audit covered the last four financial years; 2019/2020 to 2020/2023 and made the following findings:

Utilisation of the wage budget

Implementation of outputs

The Auditor-General noted that the number of outputs and activities were either partially implemented or not implemented at all. The accounting officers explained that some were due to budget cuts, while others were due to delays in the procurement process.

The total Wage Bill appropriated for all local governments amounted to Shs 2,855 billion during the fiscal year under review. The wage Bill approved for the 57 entities under review amounting to Shs 1,083 billion, of which Shs 1,001 billion was utilised, representing a performance of 92 per cent. This has an overall impact on service delivery, as it demonstrates the lack of personnel or failure to attract and retain manpower to support service delivery.

Committee observations

The committee observed that:

- i. Partial or non-implementation of planned activities implies that the expected services to the beneficiaries' communities were not attained.
- ii. There was inadequate monitoring and supervision during the implementation of activities.

The Auditor-General noted that most of the entities did not utilise their wage budget and this affected service delivery. Accounting officers explained to the committee that unabsorbed funds were mainly meant for payment of staff salaries, but due to a ban on recruitment of staff, they could not pay salaries as no recruitment was done.

Recommendations

The committee recommends that:

- i. Ensure continuous monitoring and supervision of contractors to realise full implementation of activities.
- ii. Engage with the relevant authorities to always adequately plan and fast-track procurements to ensure that activities are implemented promptly.

Some accounting officers blamed non-recruitment on lack of functioning district service commissions and delayed access of staff to the payroll.

Committee observation

- i. The ban on recruitment of staff greatly affects service delivery since the entities did not recruit the required staff.
- ii. The delayed access of staff on the payroll greatly demotivates staff because of delayed remuneration.

The management of the Government's salary payroll

During the year under review, the Auditor-General carried out a special audit of all salary

Committee recommendation

The committee recommends that:

- i. Accounting officers should ensure that they have a functioning district service commission in place to streamline the recruitment of staff to vacant positions.
- ii. Accounting officers should improve on the accuracy of entities' budgets by ensuring that all budget estimates are based on actual numbers.
- iii. The accounting officers should, in future, adhere to Section B to A, clause 11 of the Uganda Public Service Standing Orders, which requires accounting officers to ensure that public officers access the payroll within four weeks from the date of assumption of duty.

Madam Speaker, we also looked at the validation of employees on the entities payroll.

The audit report on validation of staff on Government payroll for audit regions covered revealed that 35,408 personnel or staff were verified out of 43,427 who were on the payroll. The difference of 7,992 staff were not present.

The exercise identified 777 ghost staff on the payroll of 56 entities reviewed. The Auditor-General noted that whereas most of the staff in the entities were verified, some were not verified due to:

- a. lack of minute extracts from other service commissions to support their first appointment.
- b. Staff on study leave abroad – *(Interruption)*

THE SPEAKER: Procedure.

MS ALUM: Thank you, Madam Speaker. I thank the committee chairperson for the report. The report is well captured, going to 400 plus pages. Wouldn't it be procedurally right for the record to capture this very good report, we go and get time and read it, aware that tomorrow we are here at 10.00 a.m. and today we started early?

My procedural point is, wouldn't it be procedurally right for the record to capture and then we are given enough time to go and digest the report?

THE SPEAKER: The report was captured two weeks back. It has been on the Order Paper every day. He is only reading an executive summary.

MR OLANYA: Thank you, Madam Speaker. As I stated earlier, our report is quite big, but we are reading the executive summary. I will concentrate on the observations and recommendations. Thank you.

On the validation of employees on the entity's payroll, the committee observed that:

- i. Staff who did not turn up for verification and those who were not accounted for by the accounting officers had been getting salaries for an unknown period of time, which caused a financial loss to the Government.
- ii. There was negligence by human resource officers to review the payroll before payments were effected.
- iii. A total of Shs 4,497,807,340 was paid to 777 staff who were unaccounted for on the payroll, thus causing financial loss to the Government.

Committee recommendation

- i. There should be regular review of the entities' payrolls to promptly remove employees who are not verified to avoid continuous financial loss to the Government.
- ii. The responsible accounting officers who make payments to ghost workers should be held liable to recover the funds lost by the Government.
- iii. Entities should always liaise with the relevant stakeholders to ensure prompt updates of the payroll going forward, so as new staff can access the payroll.

Madam Speaker, we also looked at inconsistencies in the employees' details and under that, the committee observed that:

- i. Inconsistent information undermines the integrity of the entities records and may complicate the employee's service history and retirement procurement.
- ii. Where the errors in dates of birth increase the length of service, it may lead to the irregular extensions of employee's service.
- iii. The requests for change of dates of birth are always submitted when employees are approaching the time of attainment of the mandatory retirement age, which creates doubt of intent of the officers.

The committee recommends that:

- i. Accounting officers should ensure that employee records are duly updated and brought to the attention of the Ministry of Public Service.
- ii. Accounting officers should continue to sensitise the employees on Section L-b(7) of the Uganda Public Service Standing Orders, which provides that the date of birth of a public officer shall be that which was initially recorded, unless unquestionable evidence to the contrary is provided and accepted by the responsible permanent secretary.

We also looked at delayed deletion of employees from the payroll. The committee observed that the delayed deletion of staff from the entities' active salary payroll was a violation of Section B-a(12) of the Uganda Public Service Standing Orders, 2021, which states that payments of salary to public officers be stopped immediately they cease rendering services to the Government under whatever circumstances, including death.

Recommendations

- i. Going forward, the accounting officers should ensure the management of accurate

staff salary payroll in line with Section B-a (12) of the Uganda Public Service Standing Orders, 2021.

- ii. The accounting officers should recover the said money from the beneficiaries within six months from the time of adoption of this report.

Madam Speaker, we also looked at the review of the staff establishments.

On this, the committee observed that most entities did not have approved and costed staff establishments for primary, secondary and tertiary institutions while the staff structure for health facilities issued by the Ministry of Health was not incorporated into the district approved structure.

Most entities still have staffing gaps, which has affected service delivery.

Recommendation

The committee recommends that:

- i. The accounting officers should engage the relevant ministries about the ban on recruitment to address the vacant positions;
- ii. Accounting officers should engage the relevant stakeholders and authorities to develop and implement costed staff structures for the entities.

We also looked at the Implementation of key Government grants/programmes; the focus areas. Madam Speaker, the committee observed that:

- i. The entities failed to adhere to the stipulated guidelines while allocating the funds;
- ii. Failure to maintain an up-to-date asset register of education facilities and their conditions led to inconsistencies in the selection of schools to benefit from the infrastructural development work affected by the quality of education of pupils in

schools that were not selected but are disadvantaged;

- iii. Failure to screen projects for the likely environmental and social impact may result in environmental deterioration in case mitigation measures are not identified and implemented.

Committee Recommendation

The committee recommends that:

- i. Accounting officers should adhere to Section 6.2.3.1 of the Planning, Budgeting, and Implementation Guidelines for Local Government for the Education and Sports Sector, 2021 while planning for projects under the Education Development Grant;
- ii. Accounting officers should ensure that an up-to-date asset register of education facilities and their condition is maintained and used in the selection of schools to benefit from the grant.

Under absorption of Education Development grant.

Recommendation and observation

The committee observed that delayed release of funds by the finance ministry greatly affected the absorption of funds in the entity.

The committee recommends that:

- i. The finance ministry should ensure the timely release of funds and the accounting officers should roll over the unimplemented activities to the Financial Year 2023/24 and follow up with the Ministry of Finance to ensure that the funds are re-voted;
- ii. Retention should be paid when contractors have rectified all defects if identified.

We also looked at inspection for service delivery under education development.

Under this, the committee observed that:

- i. There was laxity by accounting officers in monitoring and supervision of contractors to ensure effective implementation and completion of projects;
- ii. Delayed release of funds by the Ministry of Finance greatly affected the absorption of funds by entities.

Committee recommendation.

The committee recommends that:

- i. The Ministry of Finance should ensure the timely release of funds;
- ii. The accounting officers should ensure that the defects are rectified before retention payments are made;
- iii. Accounting officers should carry out frequent monitoring and supervision of projects to ensure effective implementation and completion of projects as planned and their effective utilisation;
- iv. The accounting officers should liaise with the relevant stakeholders and ensure the timely commissioning of projects to deliver services.

We also looked at:

The micro-scale irrigation whereby out of 135 participating districts, the audit sampled 100 districts which is 74 per cent, which received Shs 79.81 billion at a tune of 97 per cent out of Shs 81.830 billion budgeted to support 2,750 farmers to purchase irrigation equipment and set up 194 irrigation demonstration sites for roll-out phase.

Although the project had areas where management had commendable performance such as full utilisation of micro-scale irrigation funds on eligible activities in 100 sampled districts and installed demonstration irrigation equipment in 55 districts, there were areas for improvement and this included plan and budget performance.

Under plan and budget performance, the committee observed that:

- i. Under-absorption of released funds led to partial or non-implementation of planned activities;
- ii. The project is a costly project that only benefits farmers that can afford co-funding as it is not all-inclusive.

Recommendation

- (i) The Ministry of Agriculture should reduce co-funding charges for farmers from the current 25 per cent at least to 5 per cent because most farmers cannot afford the current charges thus leading to low absorption of funds;
- (ii) The committee recommends that this programme should be tailored towards promoting inclusivity to enhance the capacity of farmers.

Madam Speaker, we also looked at the implementation of the micro-scale irrigation programme where the committee observed that:

The poor implementation of the programme may result in failure to support smallholder farmers to transition from subsistence to commercial agriculture.

Recommendation

The committee recommends that:

- (i) Accounting officers should initiate measures to ensure timely procurement and engage the Ministry of Agriculture to expand the list of pre-qualified suppliers from potential suppliers to increase the number of eligible suppliers to improve efficiency;
- (ii) The Ministry of Agriculture should stop the hybrid method of contracting to allow the local governments to pursue a contractor in the micro-scale irrigation programme.

We also looked at the utilisation of the Discretionary Development Equalization Grant (DDGE and USMID).

We looked at funding absorption. Under funding absorption, Madam Speaker, the committee observed that the accounting officers made an irregular budget allocation which affected the effective utilisation of the grant funds.

Recommendation

The committee recommends that:

- (i) The Ministry of Finance should ensure the timely release of all budgeted funds to municipal councils to facilitate the implementation of plan activities;
- (ii) Accounting officers should ensure that funds are remitted in accordance with the guidelines;
- (iii) The Ministry of Lands, Housing and Urban Development should ensure that in future, procurement is done and contractual designs are planned early to avoid delays;
- (iv) The accounting officers should ensure timely and effective implementation of the project.

Madam Speaker, we looked at the Development Response to the Displacement Impact Project. We also looked at funding and absorptions and under this programme, the committee observed that:

- (i) There were delays in the disbursement of funds and this affected the implementation timelines of the project;
- (ii) A number of entities experienced budget cuts, hence the failure to effectively implement the project as planned;
- (iii) The targeted local governments did not achieve the intended results due to the delayed release of funds, thus failure to implement the project.

The committee recommends that:

1. OPM should ensure that approved sub-projects are funded timely.
2. The accounting officers and OPM should follow up on all project balances in commercial banks, and ensure that the funds are not misused.

3. The accounting officers should engage OPM regarding the utilisation of sub-project savings and interest earned.

Madam Speaker, we also looked at the implementation of project activities. Under this, the committee observed that:

- (i) The targeted local governments did not achieve the intended results due to the delayed release of funds, thus the failure to implement the projects.
- (ii) Implementation of projects by IPs was delayed by investigations by the IGG, whereby IPs were suspended.
- (iii) Lack of environmental and social management plans by the respective entities hindered the implementation of corrective action against the negative environmental and social effects of sub-projects.

The committee recommends that accounting officers should:

- (i) Ensure that monitoring and supervision of projects is strengthened to realise the intended results.
- (ii) Prioritise the implementation of all partially implemented and ongoing sub-projects in the infrastructure, environment and livelihood sub-components.
- (iii) Ensure that the DRDIP district coordinator monitors and guarantees that physical progress and financial reports are prepared by CPMCs and accountabilities are uploaded into the DRDIP MIS.
- (iv) Ensure that sub-project focal persons are trained on the use of the DRDIP MIS and engage OPM regarding future funding of ongoing sub-projects.

Madam Speaker, we also looked at inspection of service delivery projects implemented in Financial Year 2022/2023. Under this, the committee observed that:

- (i) The districts affected by this project had not obtained value for money given that the projects had defects ranging from cracks on walls and uncleared water channels under bridges.

- (ii) The environmental and social management plan was yet to be implemented and this had negatively impacted the completion of the project.

The committee recommends that:

- (i) The accounting officers should ensure that all defects on ESMP work are corrected/completed prior to the commissioning of all the projects.
- (ii) Projects that are behind schedule should be expedited.

Madam Speaker, the committee also looked at the Transitional Road Rehabilitation Grant. Under this, we looked at funding and absorption under roads where the committee observed that delayed release of budgeted funds leads to funds being swept back to the Consolidated Account and this affects the timely execution of services to the detriment of the intended beneficiaries in the concerned project areas.

Recommendation

The committee recommends that the ministry for finance should, at all times, endeavour to ensure timely release of funds to participating entities to enable them to implement planned projects.

We also looked at the review of the implementation of grants activities. Under this, the committee observed that the failure by entities to test materials before construction of the approved road works affects the quality of the works being implemented and may lead to loss of Government funds.

Recommendation

The accounting officers should always adhere to the grant guidelines or seek authorisation for any deviation.

We also looked at the inspection of service delivery indicators of the Transitional Roads Rehabilitation Grant where we observed that due to shoddy works done, roads were already being affected by the water run-offs, thus depriving beneficiaries of value for money.

Two, inadequate funding of road projects leads to delayed execution of the planned activities.

The committee recommends that:

- i. The accounting officers should ensure that the identified shortcomings are addressed.
- ii. The Government, through the ministry for finance and the relevant authorities, should consider increasing funds for the Transitional Road Rehabilitation Grant.

Madam Speaker, we also looked at the implementation of Uganda Intergovernmental Fiscal Transfers (UgIFT) Programme

Funding and absorption

The committee observed that:

1. Delayed implementation of the project greatly compromised service delivery in the affected districts.
2. The under-absorption of the project funds led to failure in the implementation of the project and this was as a result of the hybrid procurement process.
3. As a result of the delayed release of the project funds, the entities did not meet their set targets under the key performance indicators.

The committee recommends that:

- (i) The Ministry of Finance, Planning and Economic Development should ensure that funds are timely released as budgeted.
- (ii) The two line ministries of education and health should stop the hybrid method of procurement and allow the local governments, through their procurement departments, to procure contractors with capacity to undertake the projects under the programme.
- (iii) The number of projects per contractor must be limited so as to enhance their performance.

- (iv) The accounting officers should ensure close supervision and monitoring of the UgIFT projects by the technical staff with timely reporting on the progress.

Madam Speaker, we also looked at UgIFT infrastructure projects implemented on untitled land.

The committee observed that it was extremely risky for the entities to start a Government project on land whose ownership status had not been ascertained. This could lead to financial loss on the part of the local government.

The committee recommends that accounting officers should:

- i. Ensure that the land ownership matter is expeditiously resolved in order to safeguard taxpayers' money and ensure value for money.
- ii. Register the agreements to make them legal and binding.
- iii. Continue engaging the Ministry of Education and Sports, and the Ministry of Health to ensure that faith-based and traditional institutions allow the processing of land titles.
- iv. Adequately plan for titling of land and engage the ministry for finance for the release of funds.

We also looked at the inspection of the Uganda Intergovernmental Fiscal Transfers Program (UgIFT) activities and the implementation of the Uganda Road Fund (URF).

Under the Uganda Road Fund, we looked at the funding. The committee observed that the underfunding and budget cuts from the Uganda Road Fund affect routine and periodic maintenance of public roads.

Recommendation

The committee recommends that the Uganda Road Fund should ensure that the local government's road maintenance work plans are adequately funded.

2.8.7.2 Status of implementation of road activities

Under this, the committee observed that the Uganda Road Fund should ensure that the local government's road maintenance work plans are adequately funded. That was repeated.

2.8.8 Uganda Support to Municipal Infrastructure Development, Additional Financing(USMID-AF)

The committee observed that non-adherence to the planning and budgeting guidelines affects the proper implementation of the local government work plans and budget.

Recommendation

The committee recommends that the Ministry of Lands, Housing and Urban Development should provide IPFs with specific and quantified activities to be captured in the local government budget and work plans. In addition, the ministry should ensure timely approval of project designs.

2.8.8.2 Funding and Absorption

The committee observed that budget shortfalls and failure to absorb funds affected service delivery.

Recommendation

The committee recommends that the Ministry of Lands, Housing and Urban Development should ensure timely approval of designs to forestall late commencement of the procurement processes.

The committee also looked at the implementation of program activities.

- a. Inspection for service delivery project implemented from 2022 to 2023. With that, the Members can read.
- b. We also looked at the utilisation of the wage budget. The Members can also read that. It is on the system.

Madam Speaker, the committee also looked at budgeting. Members can also read that.

2.8.9.4 Review of the implementation of grant activities. Members can also read that.

2.9 Implementation of the Parish Development Model (PDM)

Under PDM in the Financial Year 2022/2023, Parliament appropriated Shs 1.142 trillion for the PDM program of which Shs 1.059 (1059) trillion was for the Parish Revolving Fund (PRF) to finance 10,594 PDM Savings and Credit Cooperative Societies (SACCOs) in 176 local governments.

Each SACCO was supposed to receive 100 million in the financial year to develop and implement viable community-led income-generating enterprises. In addition, a sum of Shs 82.65 billion was released to specific entities.

The Auditor-General in his report noted the following positives regarding the PDM:

- a. Most of the SACCOs received funds as budgeted by the Ministry of Finance, Planning and Economic Development (MoFPED);
- b. Only SACCOs that met the minimum requirements for operations were funded;
- c. Most of the SACCOs were registered under the Cooperative Society Act to ensure the legality of the organisation;
- d. Most of the SACCOs had a PDM member register or updated PDM memberships. This ensured that no PRF loans were extended to ineligible beneficiaries;
- e. None of the beneficiaries received PRF funds multiple times; and
- f. For most of the PDM SACCOs, the SACCO bank account numbers provided were captured in the signed PRF Financing Agreement as guided by the budget execution circular for the Financial Year 2022/2023.

Madam Speaker, under PDM, those are the observations from the Auditor-General.

1.1.1 Failure to align the district budgets to the PDM

- (i) The committee observed that failure to incorporate priorities from the sub-counties may hinder the achievement of the PDM objective of improving the income and welfare of all Ugandans at the household level and contravenes Paragraph 1.7 of the user's handbook for the Parish Development Fund under PDM Pillar 3. Financial inclusion- the Members can read that.
- (ii) The committee was optimistic that with the requirements that all lower local governments should annually submit unfunded priorities for incorporations into the entity's budget in place. The entities would have a better understanding of the priority areas.

Committee recommendations

The committee recommends that accounting officers should ensure that priorities from sub-counties and town councils are identified and incorporated in their budget and work plans to enable alignment of PDM activities for proper implementation.

2.9.2 Delayed release of funds to PDM SACCOs

The committee observed that the delayed disbursement of funds to SACCO beneficiaries affects the intended timely transformation of the subsistence households into the money economy.

Recommendation

The committee recommends that accounting officers should liaise with the MoFPED to ensure that funds are released to SACCOs in a timely manner as planned.

2.9.3 Disbursement of the Parish Revolving Fund

Under this, the committee observed that the low rate of disbursement of the Parish Revolving Fund (PRF) undermines the achievement of the pillar objective of eradicating poverty. Furthermore, there is a likely loss of funds due to unaccounted-for funds.

The committee recommends that:

- (i) Accounting officers to liaise with relevant authorities to address the system network challenges to ensure timely disbursement of funds.
- (ii) Accounting officers should ensure strict adherence to the Paragraph of the User's Handbook for the Parish Revolving Fund under PDM Pillar 3 - Financial Inclusion October 2022 which stipulates that the money for each parish under the PRF should be disbursed directly from the Consolidated Fund that is at the Bank of Uganda to the PDM SACCO bank account solely for on-lending to subsistence households in the parish who are members of the registered PDM enterprise group in that parish.

2.9.4 Review of the PDM governance structure

Members can read that.

2.9.5.2 Training of Household and Enterprise Groups Leader. That is still under PDM. Members can also read that.

2.9.7.1 Wealth ranking of the households

Madam Speaker, we also look at the wealth ranking of the household. Under this, the committee observed that failure to identify subsistence households using wealth ranking tools to select and implement prioritised projects may undermine the achievement of pillar objectives.

Recommendations

The committee recommends that accounting officers should ensure that wealth ranking is done to ensure that the targeted beneficiaries benefit from PDM to improve their livelihood.

Madam Speaker, as I stated earlier, the report is quite lengthy. This is the executive summary. At this time, I would like to thank the committee of PAC - Local Government, my clerk, and all the participants for this very hectic and tiresome work.

Madam Speaker, I beg to report. Thank you.

THE SPEAKER: Thank you so much, committee chairman, and thank you, for the report. Yes, Hon. Dr Acuti.

5.56

DR SAMUEL OPIO (Independent, Kole North County, Kole): Thank you, Madam Speaker. I want to thank the committee for that very elaborate and comprehensive report presented.

Looking at the report, you notice a number of recommendations - and Madam Speaker, I want to draw your attention to the Treasury Memorandum for the previous financial year. When you look at the actions that were presented, you notice that most of them do not cover all the recommendations. You find 10 recommendations but with only three actions. I see that some of the recommendations are now re-emerging.

I want to propose that this time the Treasury Memorandum should respond to each of the recommendations. There must be an action item for every recommendation that has been mentioned in this report so that we do not have recurring issues.

Secondly, on the issue of recruitment - I would want the Minister of Finance to clarify - we have noted that in this financial year, the wage that was for primary school education recruitment has been reallocated to tertiary education. In Kole District, for example, there

are 57 primary school teachers who retired and who were supposed to be replaced, but that wage has been transferred to tertiary education. The reason that was given is to address the concerns of the increase of wage for the science teachers. While we are trying to solve the problem of wage up, we are denying wage at the lower end itself. Thank you.

5.58

MR JACKSON ATIMA (NRM, Arua Central Division, Arua City): Thank you very much, Madam Speaker. I thank the chair -

THE SPEAKER: He is Atima Lee.

MR ATIMA: Thank you very much for that information. My name is Atima Jackson Lee Buti. I represent the people of Arua Central Division. Thank you very much, chairperson, for the good report.

Madam Speaker, my concern on this report is about money returned to the Treasury. Arua City was mentioned to have returned over Shs 17.6 billion. It is a very big concern. We have service delivery gaps in the city, very many things are undone, yet we returned Shs 17.6 billion. This is attributed to late releases by the Ministry of Finance, Planning and Economic Development.

Madam Speaker, I really want to implore the Ministry of Finance to take note that, monies should be released to these local governments on time so that they do not get returned to the Treasury. Thank you very much.

5.59

MS CHRISTINE APOLOT (NRM, Woman Representative, Kumi): Thank you so much, Madam Speaker. I appreciate the chairperson, for the report.

Madam Speaker, the observations made in this report are not far from those we had last time. I want to agree with the Hon. Acuti that the Treasury Memorandum should be able to update us so that we do not keep repeating. However, I want to look at the aspect of the Ministry of Finance releasing money beyond -

THE SPEAKER: Honourable minister, we need to have a Treasury Memorandum for the last financial year so that we see what is being repeated. You will find every year things are being repeated.

6.00

MS CHRISTINE APOLOT: Thank you, Madam Speaker. I want to observe the aspect of the Ministry of Finance releasing money over and above what is requested - let them explain to us what causes this because it is a common practice. You find that districts are not able to spend all the money because it was not in their work plans. This is what is making a lot of money to be sent back to the Consolidated Fund yet we need this money for use.

Madam Speaker, we also want to have an update on the enrollment of the local governments into the IRAS system because the observation is that the IRAS is helping the Government to generate more local revenue and this is what comes to our treasury.

Last time, the recommendation was that we would have these local governments enrolled in a phased manner. What is the update as of now? How many local governments have been enrolled? What is the improvement, in terms of the local revenue performance, so that we can discuss it further in the next engagement? Thank you very much, Madam Speaker.

6.02

MS SARAH OPENDI (NRM, Woman Representative, Tororo): Thank you very much, Madam Speaker. I want to thank the committee, for the report, but also to note that I have raised this before, and I want to request, Madam Speaker, that let this be clear.

If you are indicting an accounting officer, or even wanting to hold an accounting officer accountable, please mention the name so that those who read these reports in the future, can actually know who it is that you are actually referring to.

In your executive summary, you have lumped up –

THE SPEAKER: Honourable member, that is what we agreed in the last meeting that it should be that accounting officers A, B, C, D, erred in this and should be held accountable.

MS OPENDI: You find that, for example, those who paid employees that had not been verified - I think you mentioned over 400 of them - but you say the accounting officers should be held accountable. Which ones? So, for clarity –

THE SPEAKER: If you do not clarify, you will find we will be taking those accounting officers from one station to the other. You will be taking a vice from one district to the other.

MS OPENDI: Secondly, Madam Speaker, it is very unfortunate that we see this happening. I thought it was only in central government where we discovered that the Ministry of Finance releases funds over and above what the entities have actually budgeted. You wonder what the motive is here, Madam Speaker.

Certain entities do not have funds. We do not have money under, for example, the road fund - I hope you can allow me to raise this tomorrow because I do not see the minister of finance here.

We have a big challenge, Madam Speaker. For example, for last quarter and this quarter, Shs 20 million is what has been released to districts under the road fund. What can the districts do with Shs 20 million? When I raised the motion on the inadequate releases by the government to the Uganda Road Fund, Madam Speaker, we debated this motion with your guidance, the Government was able to increase the release to the districts by Shs 1 billion. We thought the Shs 1 billion would be an addition. What they have now done is to remove what they were actually giving to the districts and left the districts empty now with only the Shs 1 billion.

THE SPEAKER: Is the Shs 1 billion still going to the districts?

MS OPENDI: Yes, it is Shs 1 billion but previously, for example, Tororo District –

THE SPEAKER: Sarah, what I am asking is: is the Shs 1 billion still going to the districts?

MS OPENDI: Yes.

THE SPEAKER: If it is still going to the districts and they are not finding the road fund, that is why they are rationing it.

MS OPENDI: Madam Speaker, we shall get into a problem. We have not solved the problem - I hope I can substantively raise this tomorrow.

The other issue, I remember I raised this matter - the Ministry of Public Service - when we visited several districts, we found a cry by the districts. They had a wage, but there is a ban on recruitment. Then the minister – and that was the other financial year - the minister actually said that they were going to lift the ban. Now this financial year, we are seeing that the ban is still on.

Therefore, Madam Speaker, it is unfortunate we are starving entities of funds, and yet at the same time releasing funds that districts cannot utilise. I hope this can be corrected. Thank you.

THE SPEAKER: Yes, honourable member for Nakasongola?

6.05

MR NOAH MUTEBI (NRM, Nakasongola County, Nakasongola): Thank you, Madam Speaker. I thank the chairperson of the committee. I was a member of this committee for quite a number of years and I know what they go through to produce those reports. However, there is something persistent; the issue of late release of funds. I want to speak on it in two aspects:

One is about the locally collected revenue by local governments. This money is collected by poor local governments which would have expected to utilise or spend it at the source. The Ministry of Finance, Planning and Economic Development subjected the local governments

to remit this money to the ministry and this Parliament passed a resolution that this money should be left with local governments for their utilisation.

To date, the Ministry of Finance, Planning and Economic Development refuted it, never responded to it and they defied it. The good thing, Hon. Lugolobi, the finance minister, is here. We want him to tell us why this money does not remain with local governments to be utilised.

Secondly, on the same issue is the late raise of funds. I am the chairperson of the District Roads Committee of Nakasongola District Local Government and we have a work plan we implement per financial year. If you release money one month to the end of the financial year, and I am supposed to work on four roads, how do you expect me to implement and work on those roads within one month or 20 days, and yet I have one machine? How do you expect me to operate? At the end of the day, the money is reverted to the National Treasury and then you have issues.

Lastly, on the Parish Development Model (PDM), the Ministry of Finance, Planning and Economic Development releases to some parishes, Shs 70 million, others Shs 20 million. I have an example in my constituency; there is a parish called the Kamirampango which has missed Shs 75 million. To date, that money has never been received and people think that Members of Parliament - when we come here - do not talk about it.

My sister, Hon. Zawedde, the Woman Member of Parliament, presented it, and to date that money has never been received by that parish. The good thing is that the Ministry of Local Government and Ministry of Finance, Planning and Economic Development are here.

THE SPEAKER: Hon. Agnes?

6.08

MS AGNES ACIBU (NRM, Woman Representative, Nebbi): Thank you, Madam Speaker, for giving me this opportunity. At the

same time, I thank the chairperson for giving us a very elaborate report. I want to bring our attention to U-GIFT projects in this country. I come from a district where Nebbi is one of the beneficiaries of these U-GIFT projects. However, one of the things I believe is affecting every part of this country under that project is the hybrid nature of awarding contracts.

We have two such projects in my district. The contractor would have finished last year, but how the contractor is moving with those two projects is discouraging. To make matters worse, the district officials who should be doing their supervisory exercise are normally underrated by these contractors; the reason being that the people who gave them the contracts are within Kampala.

First of all, we are aware that there is a high increase in the number of learners in secondary schools and we have very few infrastructures. Therefore, we keep praying to the Government that the contractors should have financial muscles so that by the time the Ministry of Finance, Planning and Economic Development is not releasing enough funds, at least they have something and can do the work to help our people.

Right now as I talk, the two secondary schools under U-GIFT have stalled. Apparently, you see no work being done. I am a Member of the Committee on Education and Sports and we went there. Madam Speaker, what you see there will prompt you to read the book of Lamentation. Let us open our eyes to ensure we benefit from this Government money. Thank you.

THE SPEAKER: Hon. Naome?

6.10

MS NAOME KABASHARIRA (Independent, Rushenyi County, Ntungamo): Thank you, Madam Speaker –

THE SPEAKER: Honourable members, some Members think that they own land titles of this House. They think that other people should not speak and they are the ones who know about

“order and procedure”. This House belongs to everybody and I am not going to allow that nonsense - No, let Members debate on merit, sit - No worries we have security here. Hon. Naome, speak. You are even disorganising a report from the Opposition. What kind of Opposition are you? No, you speak.

MS KABASHARIRA: Thank you, Madam Speaker. I thought he is an old Member of this House and that he knows the rules; that when the Speaker is speaking, you at least sit down.

Thank you, Madam Speaker, for giving me this chance and I would like to take this opportunity to thank the committee for the good report. Long but good –

THE SPEAKER: Nobody will kill the Speaker and if I am killed, I am guarded by the blood of Jesus Christ. You speak. Gen. Elwelu is my brother. He cannot do anything to me.

MS KABASHARIRA: You are protected, Madam Speaker. Do not be scared by these men -

THE SPEAKER: I am scared Hon. Flavia might learn bad manners when she is still a young girl; see that youth behind you. He still has 30 years in this House - you go ahead.

MS KABASHARIRA: Thank you. I hope the *Hansard* will capture this well. Madam Speaker, there are many things that have been raised, but I think Hon. Rafael Magyezi, whom I believe has got a very long experience in local government - because he worked as a councillor and he is now a minister - there have been some tendencies of centralising decentralisation. Many things - while you hear of hybrid, procurement, things are done at the centre instead of being done at the local government -

THE SPEAKER: Especially procurement. You find procurement is done at headquarters and then they just send contractors to the district.

MS KABASHARIRA: If you feel that our local people cannot manage, empower them. You can empower them by training, but giving these projects and you follow them up - We have a feeling that something is done behind them that we do not understand. This is because some shoddy work has been done. The procurement is done here and is implemented there and they tell those local people not to monitor the work. They say, "It is us to come from Kampala to supervise" and things are going bad. The roads and other projects are bad.

Another example is the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF). In my constituency, they got that money. It was a lot of money, Madam Speaker, but if you see the kind of work - it is one of the bridges which I raised - A lot of money, Shs 1.7 billion plus other closed roads - but if you see the kind of work that was done - if it was given to the local government, I think it would have worked better.

Honourable minister, I implore you to look around and see how you can implement decentralisation that is entrenched in the Constitution than decentralisation.

Then, on the 25 per cent of this Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) project - still on procurement - those people who have even received it are saying, "I would rather use my money to buy instead of giving the 25 per cent." These pumps they procure for them are terrible. They are of poor quality. That is why people cry that the Government has not done anything. It is putting in a lot of money but because of the way it is implemented, it ends up being a useless project.

It is a good project that you should revise. Can you use these recommendations so that we get something out of the project that the Government is putting money into? Thank you.

6.16

MS JOANNE ANIKU (NRM, Woman Representative, Madi-Okollo): Thank you, Madam Speaker. I thank the committee for the report. I would like to address myself to two

issues: the issue of unabsorbed funds and the other is the issue of local revenue.

On the issue of unabsorbed funds, the committee observed that one of the reasons the funds were returned was the issue of the ban on recruitment. One of the recommendations the committee gives is to engage the relevant ministries.

On the issue of Madi-Okollo, which has the largest staffing gaps, we have engaged the Ministry of Public Service and the Ministry of Finance, Planning and Economic Development. However, a few special districts, I do not know what criteria they used, were allowed to continue. However, the district with the largest staffing gaps is still on the ban.

For Madi-Okollo, most of these gaps are in the education sector. This has affected the performance of education in primary. Many colleagues say, "Oh, Madi-Okollo is the last in education;" I am not ashamed. How do you tie someone's legs in a race, beat them, and clap your hands? With the large staffing gaps, there is no way we are going to improve our education status in Madi-Okollo and in Uganda for that matter.

The second issue I would like to discuss is the issue of local revenue. Most of the new districts, which were formed were left with a small revenue collection base -

THE SPEAKER: Member for Madi-Okollo, are you done?

MS ANIKU: I am not done yet. Let me address myself to the issue of local revenue. The new districts, which have been created do not have a large pool to collect revenue from. Most of the revenue was left in the mother district so we struggled -

THE SPEAKER: Even the administrative units.

MS ANIKU: Exactly! We struggle and fight to see that some of the industrial parks or some of the investors can come to these rural places so

that our districts can also create some revenue. Madi-Okollo is on the list for industrial parks but we still do not know. When the minister came here, there was nothing clear to say these are the districts that are getting industrial parks. These are some of the areas where we can collect local revenue. Thank you.

6.19

MR PETER OKOT (DP, Tochi County, Omolo): Thank you, Madam Speaker. I thank the committee chairperson for the good report. I have two comments; one is on the small-scale irrigation, where there is a need for co-funding. The beneficiaries bring 25 per cent and then the Government brings in 75 per cent. However, there are two types. There is one where the Government co-funds 25 per cent and the beneficiary 75 per cent.

How does the above come about? If you choose the option of solar, then you co-fund 25 per cent and the Government brings in 75 per cent. However, if you choose the option of the generator where you use fuel, the Government brings 25 per cent and you bring 75 per cent. Many times, that money has been returned to the centre because of few beneficiaries expressing interest in entering into this project. They find it very expensive.

The committee has come up with a recommendation that the 25 per cent be reduced to 5 per cent. That is one option but I have also talked to the would-be beneficiaries of this project. They are also proposing that if that co-funding aspect of it is converted into a loan on their side, they would go, utilise it and then pay the loan afterward. That would be another option. Thank you.

6.21

MR GEOFFREY OKELLO (DP, Nwoya East County, Nwoya): Thank you, Madam Speaker. I also have two issues to raise. I thank the committee chairperson and the committee for the elaborate report.

In the report, on page 9, the chairperson gave reasons why there are a lot of funds that are coming back. One of the reasons, he said, is in

regard to secondary school teachers who were recruited and not deployed.

Madam Speaker, this is a paradox because the Local Government cannot recruit these secondary school teachers. It is the Central Government that recruits. It is the Central Government that sends the money to Local Government to pay. Then, it is the Central Government that does not deploy the teachers.

I know of a young man who is a teacher and has been recruited in this lot. The man struggled with his school fees. He was an orphan. After struggling a lot, he completes his studies and gets recruited. Now, for a long time, he is not deployed. The money for his salary goes to the district and it is returned. If it pleases you, could you allow the Ministry of Education and Sports and the Ministry of Local Government to synchronise this? It does not sound well at all.

Issue number two is also related - Madam Speaker - nearly every year or after every two years, there is a validation of teachers and other workers of local governments and the results are very similar - hundreds of ghost workers. In this case, the chairperson actually enumerated 777 ghost workers of local governments, which accounted for nearly Shs 4 billion that was paid to them. We have several workers of local governments who – *(Member timed out.)*

6.23

MS FLAVIA NABAGABE (NUP, Woman Representative, Kassanda): Thank you, Madam Speaker. I would like to appreciate the Committee on Public Accounts (Local Government) for the wonderful report given to us. I have two issues.

The very first issue is about under collection of revenues and we fail to get royalties where they are due. For example, Kassanda District is a gold mining area. However, even places like Lubaali and Lugongwe where the highest percentage of gold comes from, are not fully developed because we do not get the royalties.

Kasanda District, by now, should have tarmac but we are ‘eating’ dust, day in and day out. Our roads are deplorable. We do not even have clean places where people can go –

THE SPEAKER: Do you mean they eat dust these days?

MS NABAGABE: It is a metaphor, figurative language, but the dust is ‘killing’ us because we have no single tarmac road. I have brought this to the attention of the Prime Minister. UNRA promised us a tarmac road but years have passed, and we have never got this. Yet, gold is leaving Lugongwe and Lubaali going everywhere except in Kassanda. Shame!

Madam Speaker, the second point is about education and the issue of inspection for service delivery. We have a school in Manyogaseeka Subcounty, St Mary Goretti Seed Secondary School, which was constructed and was supposed to have been commissioned in 2021, but up to now it has never been commissioned. Why? It has cracks in the walls and on the floors. When we went to inspect it, the contractors were saying that they could not -

THE SPEAKER: Where were the contractors from?

MS NABAGABE: Kampala

THE SPEAKER: How about the supervisors?

MS NABAGABE: They were also from Kampala - let me give information to the Member for Kasanda South to expound this issue very well - (*Interruption*)

MR KABUYE: Thank you, Hon. Flavia, for accepting the information. Madam Speaker and Honourable Members, the school she is talking about, St Mary Goretti Seed Secondary School in Manyogaseka, was to be commissioned in 2021.

However, the school was constructed on a road reserve. In the report, the chairperson read that some government projects are put on land where the government has no titles.

THE SPEAKER: How could they construct without having a title given to the ministry?

MR KABUYE: Those are the same questions we are asking ourselves because, on the side of the forest reserve, we have a health centre III, but the people who have been occupying this land -

THE SPEAKER: Not a forest reserve; it is a road reserve

MR KABUYE: It is a forest reserve. They have put a hospital and a secondary school and the locals who have been occupying this land have been denied access to process individual land titles, yet they have occupied it since way back. Some time back, they received some investors who had come with contracts from NFA and the lands ministry that they had been leased to plant rice and other agricultural products on that land.

THE SPEAKER: The ‘late’ NFA?

MR KABUYE: Yes, the ‘late’. The titles were cancelled, and right now people are trying to forge a way out to secure land titles, but they have been blocked. The local government is claiming that it is a forest reserve yet there is a secondary school on it that has consumed over Shs 3.9 billion.

THE SPEAKER: A Government secondary school?

MR KABUYE: Yes, over Shs 3.9 billion has been spent on it but it has not been commissioned up to now.

THE SPEAKER: Honourable minister, you need to take a keen interest in these projects, especially where the procurement is centralised here, and people are sent down there. I thought we were promoting Buy Uganda Build Uganda (BUBU), we could use the people in that area and those could be best managed by the local administration.

It is also risky for us to construct in areas where we do not have a land title. If the owner of the

land comes and says, this is a road reserve or a forest reserve- so there is a problem; we have started grabbing land as a government.

Another concern is about the late releases, procurement and recruitment. You come for a supplementary in May, yet the financial year ends in June; it is only obvious that that money will be brought back.

MS NABAGABE: Madam Speaker, let me conclude; I had given him information. In conclusion, it is very important that we have the accounting officers learn to monitor and inspect projects, but we also need to have more credible means of following the money that we put in.

6.29

MS AISHA KABANDA (NUP, Woman Representative, Butambala): Thank you, Madam Speaker. I join colleagues in appreciating the Chairperson Local Government-PAC for a good report. In his submission, he indicated that Shs 446 billion is returned to the central government as non-utilised; that is very regrettable.

When he read the list of districts that returned the money, all those districts were ranking high on the poverty index. The districts in the West Nile; we know that West Nile has been highlighted as one of the areas that is poverty-stricken. Many of the districts in the West Nile are those that have returned money for non-utilisation. It is very unfortunate that people who are more deserving, have actually been deprived of the services.

Therefore, the weakness is on our part because the money goes late. I would rather, Madam Speaker, that we plan that if in the first month of the last quarter, we cannot send money to the districts- the trend of the expenditure should be educative enough for the ministry to know how much money they can raise in nine months. Money collected in the 11th and 12th month cannot be utilised. You know the procurement process that we undertake.

That procurement process cannot facilitate districts to advertise, and go through the process. We would rather say that monies that are sent to local governments and monies that are collected in the ninth month so that people can plan appropriately. Otherwise, for the people of West Nile to be denied services because finance sends money late is very regrettable. These are the poorest people and deserve services.

Secondly, on the matter of local government ministry to give and take away - for example, the people decided that more local government units be created, the Electoral Commission also created the units but adamantly, the Ministry of Local Government has refused to honour the parishes that we have created. You will find parishes of 15 villages- in my constituency, I have a parish of 10 villages.

People have been denied services and are now saying, "we passed a resolution, but the Members of Parliament are not following up on the matter." Yet we have followed up the matter with the minister and the minister is adamantly saying, "No, I am not ready to give parishes" and yet you know a parish has become a spending unit, where the Parish Development Model (PDM) is allocated to parishes.

Why do we lie to people that we have given them this and that when we have not? You even give councillors to parishes that do not exist, and you do not give money- are we serious to our people or we are just being deceitful? I pray honourable minister -

THE SPEAKER: Honourable minister, first answer that.

6.33

THE MINISTER OF LOCAL GOVERNMENT (MR Raphael Magyezi): Thank you, Madam Speaker. Honourable colleagues, there is a ban on the creation of new administrative units by the Cabinet and it cuts across. As we speak, a Member for Butambala who asked the question - it is not possible for me to advance any proposal on the creation of a new district, municipality, subcounty, or any parish or village.

This Monday, the Cabinet allowed me to present a Cabinet Paper in two weeks on this matter. We have this matter of the creation of new units, but also we have the matter of operationalisation of the cities.

THE SPEAKER: You want to create new units?

MR MAGYEZI: No, it is requesting the government to pronounce itself as we head to the next elections.

THE SPEAKER: No, no. Why don't you first operationalise the existing ones before you go into creating more? Be it political, but first operationalise the ones we have.

MS KABANDA: Madam Speaker, the Minister is demonising my point. I did not call for the creation of new units. I am saying that the Government created new parishes upon which councillors were elected. When it came to now sending money for PDM, the Minister of Local Government, said, "I do not know about them". How can you say that you did not know about them when the Electoral Commission created them and the representatives were elected? Is the Government working in disunity or working together? Do not demonise the point I raised.

MR MAGYEZI: This is even clearer. The law does not permit the Electoral Commission to create administrative units. The mandate of the Electoral Commission is to organise elections.

The creation of administrative units is the mandate of - in the case of lower local governments, it is the mandate of the Ministry of Local Government and in the case of higher local governments, it is the mandate of Parliament.

There is a situation, which has happened in the country, where previously, districts would approve the proposal of the subcounties for the creation of the parishes and that would be final.

However, the law was amended to require that the resolution of the district be brought to the

minister for the creation and gazettelement. So for me, under the Parish Development Model, we are actually following local government units, which are gazetted, not those which have been created somewhere that I do not know.

THE SPEAKER: Hon. Rita?

6.36

MS RITA ATUKWASA (Independent, Woman Representative, Mbarara City): Thank you, Madam Speaker, for this opportunity. First, I would like to thank the committee for the good work they have done.

However, I have a few issues. One, I think the minister has taken so long to hear the cry of the cities. It would be imagined that when a giraffe stands in the middle of a national park, when you pass by, you are able to see it. Unfortunately, the cities were created, but they have absolutely lacked attention.

The committee alluded to the issue of the wage bill, but in the cities it is more alarming. In Mbarara City, currently, the staffing level for health workers stands at only about 20 per cent. It is very heart-breaking that nurses and doctors cannot even take leave because they have no one to leave behind.

Therefore, through you, Madam Speaker, I think it is time - four years down the road, the minister has promised, but not delivered. So, I wish you could compel him to bring the actualisation of the cities as fast as possible.

The other issue is to do with the road funds and how the divisions within the cities are treated. They do not receive anything and, now, there is a situation where the city is fighting for both the road fund and the local revenue earned from property tax. The ministry knows about it. My good friend, Hon. Magyezi knows about this, but he has failed to come in and help them. Yes, the committee has been to Mbarara City to mediate on this issue. They have directed that the central shares its resources with the divisions, but this has gone without attention. There is a controversial issue – information?

THE SPEAKER: There is a point of information from Hon. Basalirwa.

MS ATUKWASA: Okay, I will allow it – but there is no one to give him.

MR EBWALU: Madam Speaker, I would like to give further information to my sister. The 10 cities were operationalised in July 20 –

THE SPEAKER: Were created –

MR EBWALU: Were created in July 2020. I would like to inform Parliament that up to now, the cities do not have the road units. When you hear the minister saying here that he wants to present another paper in Cabinet to ask for more units, yet we have failed to run the few cities that we have, it is a very big problem.

THE SPEAKER: I wish we would unite in this House and agree that we do not create more administrative units before the existing ones are operationalised. Otherwise, you find that people want to create a subcounty and turn it into constituency.

MR EBWALU: Madam Speaker, maybe we should also request the minister to clarify on this. We read it from the Ministry of Finance, Planning and Economic Development that 10 more cities are coming up, including Moroto and the rest.

THE SPEAKER: From where?

MR EBWALU: The Ministry for finance. Now, the Minister of Local Government is here. We need clarification on this matter. Why would you want to create more cities and administrative units, yet you have failed to run the existing ones? It is a very big problem. That is the information.

MS ATUKWASA: Thank you, my brother. Madam Speaker, there is an issue that the committee recommended on, to do with material testing for approved road works. I was not satisfied because they did not dig deeper.

Contractors who are able to obtain murrum from the communities exploit this issue, yet they cannot - in Mbarara City, for instance, there are community members who are willing to give free murrum, but because this is a strong requirement, when you take the samples for testing, they refuse to approve them so that you go through a contractor to be able to procure.

So, they deny the community the chance to be able to contribute for their own good and the well-being of the road, which I - (*Member timed out.*)

THE SPEAKER: Honourable minister?

MS ATUKWASA: Madam Speaker, just one second –

THE SPEAKER: There is a motion from Hon. Muwuma.

6.41

MR MILTON MUWUMA (NRM, Kigulu County South, Iganga): Thank you, Madam Speaker. I am moving under Rule 71 of our Rules of Procedure, that having extensively and exhaustively debated the committee's report and having built consensus, a question be put for adoption of the committee's report.

THE SPEAKER: Is it seconded? (*Members rose*) Okay, it is seconded by the whole House. Those in favour say "Aye" and to the contrary "Nay". The "Ayes" have it.

Honourable members, I now put the question that the report of the Committee on Public Accounts (Local Government) on the report of Auditor-General on Financial Year 2022/2023 on 37 district local governments, three cities, six divisions and 10 municipalities, be adopted by this honourable House, with amendments.

(Question put and agreed to.)

Report adopted.

THE SPEAKER: Subject to Section 53 of the Public Finance Management Act, we expect a treasury memorandum. Yes, honourable minister?

6.43

THE STATE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr Amos Lugoloobi): Thank you, Madam Speaker. I had an opportunity yesterday to interact with the Committee on Physical Infrastructure relating to the Bill before the committee – the Uganda National Roads Authority Act (Repeal) Bill, 2024.

In that interaction, we agreed that we amend the Certificate of Financial Implications. They told me that, following that amendment, I lay the certificate on the Table. I, therefore, beg to lay, on Table, the said certificate. Thank you.

THE SPEAKER: Yes, Hon. Ebwalu?

MR EBWALU: Madam Speaker, we have had controversial Certificates of Financial Implications -

THE SPEAKER: Honourable members, I adjourn the House to 10.00 a.m. tomorrow.
(Laughter)

(The House rose at 6.44 p.m. and adjourned until Thursday, 24 October, 2024, at 10.00 a.m.)