**Wednesday, 3 September 2014**

*Parliament met at 10.46 a.m. in Parliament House, Kampala*

PRAYERS

*(The Deputy Speaker, Mr Jacob Oulanyah, in the Chair.)*

*The House was called to order.*

COMMUNICATION FROM THE CHAIR

**THE DEPUTY SPEAKER:** Honourable members, I had indicated that today afternoon, we would be receiving the tribute motion in respect of the late Angelo Andrew Banya. However, we were not able to get in touch with the family until late last night. So, as we talk, they are still traveling from Gulu today. When they arrive today, we will be able to do that motion tomorrow.

Also, as you may recall, on 18 December 2013, Parliament passed a resolution congratulating the She Cranes for winning the Sixth Nations Tournament Cup in Singapore. As part of the resolution, Members made an undertaking to contribute Shs 100,000 each to support the She Cranes. This is therefore, to ask the Clerk to Parliament to implement that resolution by deducting at source, Shs 100,000 only from each of the Members who agreed to this resolution. Thank you.

10.20

**MR FRED BADDA (NRM, Bujumba County, Kalangala):** Thank you, Mr Speaker. I stand on a matter of national importance. The people of Kalangala’s main means of transport via Entebbe is by ship. This ship is known as the MV Kalangala. It is the main vessel that connects Kalangala to the main island. However, this vessel was taken to Mwanza in Tanzania by the Ministry of Works and Transport early January for an annual service. The ministry promised that the service would take a maximum duration of two months.

However, as we talk, it is coming to nine months without the ship returning. There is no official communication that has been made to inform the people of Kalangala why the ship hasn’t returned. This ship’s not being there has led to the loss of a lot of business especially in the tourism, transport and trade sectors. The last time I raised a concern about this matter was about three months ago. I recall very well the Chair then instructed the Government Chief Whip to inform the Minister of Works and Transport to come and give a statement to the House. Unfortunately till now, nothing has so far happened. That is why I am raising it again so that some action can be taken to help the people of Kalangala.

10.23

**THE GOVERNMENT CHIEF WHIP (Ms Justine Kasule Lumumba):** Thank you, Mr Speaker and honourable members. I also would like to thank the colleague for raising this issue again. I would like to inform the House that whenever an issue is raised on the Floor, whether I have committed myself as Government Chief Whip or not, I always take the effort to write to the concerned minister giving them two weeks within which to make a response. In this particular case, I recall I wrote to the concerned minister and I gave a copy to a member who raised the issue. I will now follow it up with the concerned minister given that the two weeks I gave are over. Thereafter, I will report back.

**THE DEPUTY SPEAKER:** Okay, let us wait for that report and see how to proceed, honourable member for Bujumba County.

DESIGNATION OF MEMBERS TO SECTORAL COMMITTEES IN ACCORDANCE WITH RULE 176 OF THE RULES OF PROCEDURE

**THE DEPUTY SPEAKER:** Honourable members, under the said rule, I now designate the following members to the following sectoral committees.

1. Hon. Harriet Ntabazi (NRM) from the Committee on Presidential Affairs to the Committee on Information Science and Communication Technology;
2. Hon. Suzan Amero (NRM) from the Committee on Education and Sports to the Committee on Presidential Affairs;
3. Hon. John Kamara (NRM) from the Committee on Education and Sports to the Committee of Trade, Tourism and Industry;
4. Hon. Suzan Namaganda (DP) to the Committee on East African Community Affairs;
5. Hon. Florence Namayanja (DP) to the Committee on Legal and Parliamentary Affairs;
6. Hon. Moses Kasibante (Independent) to the Committee on Education and Sports;
7. Hon. Kenneth Bbosa Kiyingi (Independent) to the Committee on Public Service and Local Government; and
8. Hon. Patrick Nsanja (Independent) to the Committee on Presidential Affairs.

Those are the members that have been designated to those committees. I now put a question that those members be designated to those respective committees.

*(Question put, agreed to)*

MOTION THAT PARLIAMENT DO RESOLVE ITSELF INTO A COMMITTEE OF SUPPLY FOR CONSIDERATION AND APPROVAL OF:

I) THE REVISED REVENUE AND EXPENDITURE ESTIMATES FOR THE FISCAL YEAR 2013/2014

II) THE BUDGETARY PROPOSALS FOR THE ESTIMATES OF REVENUE AND EXPENDITURE FOR THE FISCAL YEAR 2014/2015

PRESENTATION, CONSIDERATION AND ADOPTION OF THE REPORT OF THE SECTORAL COMMITTEEE ON PUBLIC SERVICE AND LOCAL GOVERNMENT ON THE MINISTERIAL POLICY STATEMENT AND BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2014/2015

**MS BAKEINE:** Mr Speaker, the chairperson is supposed to be here because she even had the minutes file. However, I am seeing it here. Otherwise, I would present the report.

**THE DEPUTY SPEAKER:** Please, just proceed.

10.25

**THE VICE CHAIRPERSON, COMMITTEE ON PUBLIC SERVICE AND LOCAL GOVERNMENT (Ms Mable Bakeine):** Mr Speaker and honourable colleagues, I am here to present the report of the sectoral Committee on Public Service and Local Government on the ministerial policy statements and budgetary provisions for the Ministry of Public Service and that of Local Government for the fiscal year 2014/15 –*(Interruption)*

**MR KWIZERA:** Mr Speaker, I rise on the point of procedure to the effect that much as we want to finish this work, there is need to have copies of these reports. The chairperson says that she doesn’t have a copy and she is now using yours – we would like to have these copies.

**THE DEPUTY SPEAKER**: Is it on the Ipads?

**HON. MEMBERS:** Yes.

**THE DEPUTY SPEAKER:** Please, proceed.

**MS BAKEINE:** Mr Speaker, in accordance with the provisions Articles 90 and 155 (4) of the Constitution of the Republic of Uganda in line with Rule 177 of the Rules of Procedure of Parliament of Uganda (2012), the sectoral committee on Public Service and Local Government is mandated to inter alia, critically examine ministerial policy statements for recurrent and capital estimates for ministries, departments and agencies that fall under it and make recommendations thereto.

The committee considered vote 005: Ministry of Public Service, vote 146: Public Service Commission, vote 011: Ministry of Local Government, vote 147: Local Government Finance Commission, votes 501 to 778 for local governments in Uganda.

It critically examined the policy statements and budget estimates. Ministry agencies and departments raised issues for response by the ministers and chairpersons. The committee proceeded to call a meeting with the ministers, chairpersons and their technical teams to discuss their respective ministerial statements, budget estimates and other matters incidental thereto and now reports to the House.

Budget performance for fiscal 2013/14 for vote 005: Ministry of Public Service. The budget for the Ministry of Public of Service performed overall at 99.9 percent by the end of fiscal year 2013/2014. Shs 295.769 billion was released against an approved budget of Shs 296.074 billion. The waste component underperformed due to unfilled posts in the ministry that had been declared to the Public Service Commission. This is during the fiscal year 2013/2014.

The donor component underperformed due to the decision by World Bank to pay directly to the contractors after the IFMS system. The ministry reported several achievements in the last financial year 2013/14, notably, completed the first phase of refurbishment of the civil service college Uganda, management of the integrated payroll, rolled out performance agreements to directors, heads of departments, deputy CAO and deputy town clerk, completed comprehensive restructuring of 11 ministries and their agencies phase 1; rolled out result oriented management (ROM), output oriented budgeting framework to four sectors and 14 local governments, completed 50 percent of the first phase of construction of the national records centre and archives.

The committee observes, among other things, that the establishment of the national salary commission and the conclusion of the pension reforms are taking too long to get implemented. Refer to committee observations and recommendations on page 6 to 10.

Budget performance fiscal year 2013/2014 for vote 146: Public Service Commission. The public service commission performed overall at 85 percent of the total budget by the end of fiscal year 2013/14. Shs 3.781 billion was released against an approved budget of Shs 4.451 billion. The wage component performed below the target because of the expiry of some members of the commission during the fiscal year 2013/2014. However, the commission has been filled since. The commission registered some achievements during the fiscal year 2013/2014 notably, released adverts externally and one internally; handled a total of 1,468 cases out of which 687 were vacancies filled. The rest were appeals, confirmations, disciplinary cases, contract renewals and transfers, carried out performance auditing in several districts, inducted new district service commission chairpersons and members for some districts. They undertook staff development activities and general services for the general civil service. Refer to committee observations and recommendations on page 16 to 17.

Budget performance for fiscal year 2013/14 for Vote 011: Ministry of Local Government and vote 501 to 778: Local governments. Overall, Ministry of Local Government performed at 35 percent of the total budget by the end of the fiscal year 2013/2014. The total approved budget was Shs 47.552 billion against a release of Shs 16.765 billion. The underperformance of the wage bill was attributed to the delays in recruitment of CAOs, deputy CAOs and town clerks.

The underperformance on the domestic development was as a result of under release of planned funds for VAT under MAATIP project while for donor development was due to delays in disbursement by the donors.

The local governments on the other hand performed at 66.3 percent of the total budget by the end of fiscal year 2013/2014. The total approved budget was Shs 2009 billion against a release of Shs 1.33271 billion. The local government wage component performed lowest as reflected in conditional grants. This was due to challenges in transferring the salary data legacy to IPPS system. The ministry reported several achievements in the last financial year 2013/2014.

The ministry continued with its work of promoting local governments’ administration. Policy planning and support services are captured in ministerial policy statement fiscal year 2014/2015, page 915 of the ministerial policy statement.

The committee however observes in this report, among others, that the majority of committee recommendations in previous reports remain outstanding, notably facilitation of district councillors, speakers, deputy speakers and LC III vice chairpersons remain unfunded.

Local council I and II elections have not been held to date. Also equalisation grants have remained stagnant at Shs 4.4 billion and a lot of money was returned to the consolidated fund yet positions have remained unfilled. See pages 19 to 20 of the report.

Unfunded priorities of the ministry are captured on page 25 of the report, see pages 26 to 35 for committee observations and recommendations.

Budget performance for fiscal year 2013/2014 for vote 147: Local Government Finance Commission. The local government finance commission performed at 97 percent of total budget by the end of fiscal year 2013/14. Shs 3.914 billion was released against an approved budget of Shs4.029 billion. The development component performed worst at only 63.3 percent.

The commission reported some challenges in the fiscal year 2013/2014 as captured on pages 42-45 of the committee report. Refer to committee observations and recommendations on pages 46-48. For the observations and recommendations on all local governments in Uganda, refer to pages 50-53.

In conclusion, I now move that Parliament approves the following estimates for the respective ministries, commissions and local governments for the financial year 2014/2015 as follows:

Vote 011: Ministry of Local Government

1. Recurrent expenditure – Shs 13,457,016,000
2. Development expenditure (GOU) – Shs 18,542,312,000
3. Development expenditure (Donor) – Shs 191,619,482,000
4. Arrears – Shs 92,155,000
5. Taxes – Nil

Total – Shs 223,710,965,000

Vote 147: Local Government Finance Commission

1. Recurrent expenditure – Shs 4,257,675,000
2. Development expenditure (GOU) – Shs 311,078,000
3. Taxes - Nil

Total – Shs 4,568,753,000

Vote 501-778: All Local Governments in Uganda

1. Recurrent wage – Shs 1,653,136,744,087
2. Recurrent non-wage – Shs 400,384,517,000
3. Development expenditure (GOU) – 275,745,036,000
4. Development expenditure (Donor) – Shs 62,690,134,000

Total – Shs 2,391,956,431,087

Vote 005: Ministry of Public Service

1. Recurrent expenditure – Shs 13,006,504,000
2. Development expenditure (GOU) – Shs 6,879,831,000
3. Development expenditure (Donor) – Nil
4. Statutory – Shs 286,767,107,000
5. Arrears – Shs 17,379,000
6. Taxes – Nil

Total – Shs 306,670,821,000

Vote 146: Public Service Commission

1. Recurrent expenditure – Shs 4,234,162,000
2. Development expenditure (GOU) – Shs 781,815,000
3. Arrears – Shs 13,628,000

Total – Shs 5,029,605,000

Mr Speaker, I beg to move.

**THE DEPUTY SPEAKER:** Thank you very much. Please lay a copy of the report and the minutes on the Table so we can proceed with our debate.

**MS BAKEINE:** Mr Speaker, I beg to lay on Table minutes of the meetings on the ministerial policy statements 2014/15 by the Committee on Public Service and Local Government.

**THE DEPUTY SPEAKER:** Let the records capture that. Do you have a hard copy of the report? A full report – that is the executive summary.Is it also there? Okay, the report is also laid. Let the records capture both the report and the minutes of the meetings of the Committee on Public Service and Local Government.

Honourable members, the motion before us is for the adoption of the report of the Committee on Public Service and Local Government on the ministerial policy statements and budget estimates for the financial year 2014/2015. That is the motion I am now proposing for your debate.

10.43

**MR FRED BADDA (NRM, Bujumba County, Kalangala):** Thank you, Mr Speaker. I would like to thank the committee for the report. However, I have two concerns: One, the Ministry of Local Government is mandated to monitor the implementation of programmes at the local government level. It is also mandated to oversee the proper implementation of government agenda. But as I speak now, you will find that there are some weaknesses in monitoring, especially the relationship between the district and the lower local governments; the sub-counties and town councils.

Much as the Ministry of Local Government is requesting us to appropriate this money, I want to request that this financial year, they make sure that they put more emphasis on monitoring how this money is going to be put to proper use. This is because in some cases like in my own district, you find the lower local governments have grudges and are quarrelling with the district and these issues concern money. The district is supposed to remit some monies to lower governments, which they do not do sometimes. When they do it, at times they do it very late so we need an intervention from the centre.

Secondly, we are aware that we have hard-to-reach and hard to stay districts in this country. We thank the government for indicating that staff that are working in these areas are going to have special arrangements financially and otherwise but experience has shown that for some time now, the hard to reach and hard to stay allowance is not given to these staff many times and when it is given, it is given late and therefore, the staff cannot afford to stay in those areas where there is no food and where it is very difficult for them to access transport.

Sometimes there is no housing and even when you want to rent, you cannot get a house for rent. So I think the ministry should make special interventions to make sure that they facilitate these districts that are hard to reach and hard to stay in a special way and the support should be timely. This is my appeal to the ministry, I thank you.

10.46

**MR EDDIE KWIZERA (NRM, Bufumbira County East, Kisoro):** Mr Speaker and honourable members, I thank you very much. I want to appeal to you, Mr Speaker, to encourage these committees to hand in their reports a day earlier because if a report comes ten minutes before the sitting - we need to read them before and you will blame us for not having done research. You know your position.

Another thing, which I want to raise is the issue of salary disparities in Public Service. We have been raising the issue of disparities in payment and Government has kept quiet. Government is keeping quiet on salary disparities where we are paying a minister about the same salary as that of a Member of Parliament, which is Shs 2.6 million and the take home is Shs 1.5 million. Maybe he can look for other means, which are not limited to corruption because you are paying other people Shs 40 million and these ministers are supposed to supervise them. So the government should come up and harmonise salaries and pay people appropriately otherwise corruption will not be fought.

Another issue is that the Ministry of Public Service has failed to do human resource planning and I think they have failed in their mandate. If we do not plan human resource properly, then delivery of services will be lacking. So I really do not think that the ministry is performing and I think they have failed in their duty.

In addition, Government is paying mileage to ministers even when they know that the ministers have government vehicles. So the Ministry of Public Service advises Government to pay mileage and yet gives vehicles to ministers. That is illegal and that is institutional corruption. So the ministry is aiding corruption. There is no way a minister can have a government vehicle and then get mileage. That is questionable.

Another issue concerns the ministry living in history where they are recommending that mileage is Shs 1,500 for those using their vehicles or even for Members of Parliament when they know that fuel is Shs 3,000 plus. What is the relationship between the mileage they are paying and the reality? If we are budgeting, we must have what we call realistic budgeting otherwise we are living in a - actually this is artificial. You cannot give me mileage of Shs 1,200 when you know that the pump price is Shs 3,000. So are we doing realistic budgeting?

Another issue is the status of the local councils **-**

**THE DEPUTY SPEAKER:** I thought the Shs 1,000 was for one litre and one litre -

**MR KWIZERA:** Mileage rate is Shs 1,200-

**THE DEPUTY SPEAKER:** Per kilometre but the one litre of fuel does not go for one kilometre.

**MR KWIZERA:** No, so are we being realistic? So Mr Speaker and honourable members, we should be realistic to ourselves. Where do we bridge the gap of Shs 1,200 to Shs 3,000 - *(Interruption)*

**MS KWIYUCWINY:** Thank you, Mr Speaker. I want to apologise that I came late and I want to thank the vice-chairperson for stepping in ably. I wanted to observe that the committee made some critical recommendations and observations, which were not read and also hearing what the previous speaker has said that members did not read. I request that we also present the observations and recommendations we made so that it makes the discussion easier.

**THE DEPUTY SPEAKER:** Hon. Members, this particular report was uploaded on the iPads six days ago. Please check the date on your iPads as to when that document came but it was uploaded six days ago so let us proceed.

10.51

**MR NELSON SABILA (NRM, Kongasis County, Bukwo):** Thank you very much, Mr Speaker. I have a few issues on which I seek clarification from the honourable ministers here before us. Number one is to continue from where hon. Badda stopped on the issue of hard to reach places. Mine is slightly different. Places like Bukwo benefit from the hard-to-reach allowance but we have urban areas within the hard-to-reach areas where the conditions are the same but you find that those people have been discriminated against so I believe –*(Interruption)*

**MS ANYWAR:** Thank you very much, Mr Speaker. I stand on a point of procedure and I am sorry to disrupt my colleague. The chairperson of the committee stood up and requested that she be given an opportunity to raise the recommendations in the report. As a House, the vice-chairperson had already presented the report and it was adopted. We are already into the debate -

**THE DEPUTY SPEAKER:** The report has not been adopted.

**MS ANYWAR:** Thank you for the correction. We have already gone into debating the same report and we want to put records right. Would it be procedurally right that a report already presented - I believe that the vice-chairperson presented it on behalf of the committee and any member could do that. Is it normally procedurally right that having presented a report on the Floor, it can be retrieved and given additional information when we are already into the debate? Is it the procedurally right way of doing things?

**THE DEPUTY SPEAKER:** Honourable member, you will notice that I decided to proceed with the debate. I do not know why you are taking me back. Member for Kongasis please.

**MR SABILA:** Mr Speaker, I raised that issue last night before this House and the Leader of Government Business promised to follow it up. To my surprise up to today, civil servants within urban areas specifically Bukwo town council are being exempted from this hard-to-reach allowance and as I talk, there is movement of civil servants who are trying to run away to the rural areas within the same setting. So I wonder what criteria the ministry is using not to effect this issue.

Two, is the issue of councillors. You realise that in our local governments setting, LC III chairpersons, LC V chairpersons, members of the executive at district level are paid. But the district councillors who are not in the executive and the local councillors are not paid. This has hampered service delivery at those levels. I believe the ministry or the committee should have come out clearly on how these people can be facilitated so that they can carry out their day-to-day business to assist Government in service delivery.

Finally, Mr Speaker, is the issue of payments. It has also been talked about; remittance of these percentages from the districts to the sub-counties and from sub-counties to the villages. The respective percentages delay; and when they delay, they affect service delivery.

When you look at education, when the budget is being passed, we go according to quarters but it affects the quality of education especially when it comes to meeting the obligations required in the course of the term. This should also be harmonised.

10.55

**MS HELEN KAHUNDE (NRM, Woman Representative, Kiryandongo):** Thank you, Mr Speaker and I want to thank the committee for their report. I have a few observations. One is about the local council bicycles. The people of Kiryandongo had hope that probably this financial year, they would receive good news about their bicycles because it is long since they were promised. They have also heard from other districts which were cleared. I do not know when Government will handle the LCs in the 59 districts that did not receive their bicycles, because in this report, it has remained an unfunded priority.

Mr Speaker, I also want to make a comment on the district service commissions. I have a feeling that district service commissions are not monitored. There is need to monitor and evaluate their performance and have reports made. In some of the districts, the district service commissions are highly corrupt and they tend to recruit their relatives. Sometimes you have to pay for the jobs. So in most cases, incompetent people are recruited because they have the money or they know someone somewhere. This has greatly compromised the quality of service delivery at the districts.

Therefore, I pray that Government monitors and evaluates their performance and reports should be made where necessary. If district service commission members are not doing the right thing, some sort of punishment should be administered on them.

Mr Speaker, I also what to speak on the issue of the National Salary Review Commission; there is need to restructure and harmonise the salaries in this country because it is the cry of every civil servant in the country. There are big disparities in the salaries of the civil servants. I beg to submit.

10.58

**MR TOM ALERO (NRM, West Moyo County, Moyo):** Mr Speaker and dear colleagues, I want to, first of all, thank the members for the job well done. But we are all aware that the work of the local government is to ensure effective and efficient service delivery to the people. In West Nile Region, we have big problems of internal borders. There is an internal conflict between Adjumani and Amuru; between Moyo and Yumbe; between Koboko and Yumbe; between Arua and Yumbe and there are also others elsewhere. So how can we have efficient service delivery when there is a lot of administrative bickering?

Mr Speaker, as I speak now, census which is a very important national activity has been disrupted in the areas I have just talked about. It is now the soldiers who have taken over the work of the local government and UBOS in enumerating the people. So I want to draw the attention of the Minister of Local Government to this situation so that they can have re-demarcation of the borders and internal boundaries so that the people in Moyo, Koboko and elsewhere can have efficient service delivery, which we are talking about. Thank you, Mr Speaker.

11.00

**MS EMMA BOONA (NRM, Woman Representative, Mbarara):** Thank you, Mr Speaker. Indeed we received the report on our iPads, but from what the chairperson was reading, I wish to say that we have the detailed recommendations and actions to be taken. But since they did not come out in her report, I think we are missing out on a very important part.

I respect your ruling, Mr Speaker, but I think the report writer should have highlighted the recommendations because that is where we should base the commitments of the budget this year – *(Interjections) –* they were not read out but we have them on our iPads. So I think that is what we shall follow.

Mr Speaker, there was a component in Table no.1 showing the 2013/2014 release performance in billions. And we are told that the donor component underperformed due to the decision by the World Bank to pay directly to the contractors outside the IFMA system. I would like to understand the purpose for this. The contractors were directly paid and yet that caused under performance. I thought the purpose was to ensure that we get a balance in our performance.

Secondly, we have people dragging their feet on pension reforms, especially to do with the 60 year automation of a pensioner. I notice in the report, the usual comment that the ministry is dragging its feet on this matter, yet we know that it is the people’s right at 60 years to go back home with their money in form of pension. We have been talking about this but we still do not have it; I feel this is not fair.

Thirdly, I thought all the issues we have been having in this House have to do with the public service. The complaints; the dissatisfaction would have been solved by the budget. I know we do not have enough money to do everything, but there are issues to do with salary arrears. I notice in the budget, the total amount of arrears has gone to Shs 54 billion and yet there is no provision in the funding for these arrears. It is inhuman treatment. People work and wait for their arrears until they die. I think that should have been a priority –*(Interjections)–* my time will be curtailed my friend; allow me to finish.

I also want to say that I would have wanted to see the solution to the pension scandals which we have had on the people’s money. We reported and waited – it is good to show this money was recovered or about to be recovered *–(Member timed out.)*

11.03

**MR MILTON MUWUMA (NRM, Kigulu County South, Iganga):** Thank you, Mr Speaker. First of all, I need to salute the committee for the report presented to us. I have a serious concern on payment to past leaders. I want to remind us on the spirit under which we passed this law. One of the key reasons why corruption is still looming in this country is that some people are not sure of life after serving this country in their various capacities. That is one of the reasons that people end up eating up the food, plates and the tables. It is just because they are people who don’t have hope of earning a living after work. I want to appeal to Government especially the Ministry of Public Service to operationalize this law effectively.

I happen to be a representative of one of the beneficiaries of this law; the former Vice President and at times I get many questions back home about what is happening to her benefits. But also those statements that we hear from His Excellency, who is one of us, may be due to the fact that he is disgruntled because he has not got what he is supposed to get and probably that is one of the reasons he has gone on rampage – I am sorry to say that – but I feel if people are paid what is due to them –

**THE DEPUTY SPEAKER:** Honourable member, no Member of this House can go on rampage. No.

**MR MUWUMA:** Mr Speaker, I withdraw that statement. But I can say that he expresses his sentiments in that style because he has not been treated maybe in the right way.

But as I was saying, I would like to say that we need to provide resources to ensure these people are paid. I think that may compel other people to aspire to get to those levels given the benefits entailed.

Let me now talk about the plan to review the hard-to-reach/stay framework. Like one colleague said, Kanungu, Kween, Namayingo and so forth are places that are beneficiaries of this scheme. But I have noticed that urban councils have been excluded. It takes about eight hours from Kampala to Kaabong but you find Kaabong Town Council excluded yet workers in those places undergo similar challenges in accessing and staying in those areas. That is why I say there is need to review the framework so that we can provide for these employees equally to enable them serve our people effectively.

About the bicycles to LC I chairpersons –*(Member timed out.)*

11.06

**MR GEORGE EKUMA (NRM, Bukedea County, Bukedea):** Thank you, Mr Speaker. I also want to thank the committee for the good work done. However, I have a concern on the lack of Shs 20 billion to pay councillors, the speaker and deputy speakers at the districts. Most of the councillors in the districts constitute their governments and for people who know this issue, when you look at the compromised levels of works today in the districts – I am talking as a Member of the Local Accounts Committee – countrywide, services at the district level are so poor just because the people who are supposed to be working with the technocrats are not motivated to do the work.

Last financial year, we again talked about this issue of Shs 20 billion, which had come in as a pledge. When this happened, we hoped that districts would improve on service delivery. The budgets at the local government levels are prepared by these councillors. But when you look at the money we send to the local governments to implement government projects, you realise that it is usually abused because councillors – take the example of the works committee at the districts - they are not motivated to do their work. That is why when they go for the budget; they will look out for what will cater for their wellbeing. This is just because we are reluctant in giving this money to the committee.

Mr Speaker, as a Member of the local government accounts committee, I would like to inform the House that countrywide, the staffing levels in the districts are so bad. You find only a few technocrats struggling to serve a district. For example, when an officer is handling three portfolios, you can’t expect proper service delivery. Why can’t we find funds for the Ministry of Local Government to recruit employees for these districts?

The other issue is about the 59 districts that were left out on the bicycle project. In Bukedea, I just don’t know what to tell the people there because we had hoped that this financial year, we would find bicycles for our LC I chairperson. I know that also at the Ministry of Gender, there are some old people benefitting because they earn Shs 24,000. But the old people in Bukedea are not and are even asking whether Bukedea is still part of Uganda. Why is it that our old people aren’t benefitting?

I want to thank the ministry for what they are trying to do. But those hard-to-reach districts that colleagues have been talking about must be considered. We even had situations where some districts have failed to –*(Member timed out)*

11.09

**MS ROSEMARY NAUWAT (NRM, Woman Representative, Amudat):** Thank you, Mr Speaker. I also thank the committee for presenting this report. On page 15, the committee points out constraints and challenges faced by the Public Service Commission, one of which is delays in filing the vacant positions of members of the respective district service commissions. The committee says that there are only two districts without fully constituted membership for their district service commissions. I would like to seek clarification from the minister.

Some time in 2012, Amudat District submitted a list of appointees to serve on its district service commission and it was dishonoured because they were told that there ought to have been a percentage for women appointees. But with the high illiteracy levels in that district, there are still very few women that are fit to serve on the district service commission. Even those few are still in active service yet the district cannot appoint those that have retired.

So, I don’t know whether the ministry can relieve us of the affirmative action arrangement so that those few men can serve –*(Laughter)*– because we have always hired other district service commissions to recruit for us although that has been expensive. We are still an inactive district service.

**THE DEPUTY SPEAKER:** Honourable member, are you suggesting that the woman representative for Amudat District should be a man? *(Laughter)*

**MS NAUWAT:** Mr Speaker, no, it shouldn’t be like that. This is being said because of the challenges we are faced with. Much as I would wish to have affirmative action for women, we don’t have them as of now. Those few that we have are still in active service yet we need a full-fledged district service commission.

Mr Speaker, on emolument for the vice chairpersons, deputy district speakers and councillors, I would like to reiterate the fact that there is need to motivate these people. Yes, the committee report talks about the hard-to-reach districts, which still have a lot of challenges. They have challenges to mobilise revenue which is not the case in other districts that are able to motivate their councillors – *(Interruption)*

**MR KAMARA:** Thank you, honourable member, for giving way. Mr Speaker, I am very much concerned with the issue of local service revenue –

**THE DEPUTY SPEAKER:** What is the information to the Member? *(Laughter)*

**MR KAMARA:** Mr Speaker, the information I want to give is that local revenue is always collected in the district but the 25 percent –

**THE DEPUTY SPEAKER:** Honourable member, the Member was talking about representation in the District Service Commission. So, if you are to give information, please be relevant to that subject. *(Laughter)*

**MS NAUWAT:** Thank you, Mr Speaker. So I think there is need to give that Shs 20 billion so that these leaders at that level can be motivated.

On the LC I bicycles – the committee talked about 59 districts that have not received them yet but I think there is need to also talk about recovering monies. Some time back there was a scandal concerning the bicycles –*(Member timed out.)*

11.13

**MR PETER ERIAKU (NRM, Kapelebyong County, Amuria):** I would like to thank the committee for the report. I am a member of the Local Government Accounts Committee. Whenever, we go out there, what comes out clearly is that the money for operations of district commissions and other bodies is put in a pool. Because the DPACs are responsible for examining how the districts spend money, for some reason, the districts do not give preference to these DPACs. When you go, you find that in a year, they have only sat once. Preference is given to other bodies like DSC. All the monies we send to the districts are supposed to be monitored by this district public accounts committee (DPAC). In a situation where DPACs are being deliberately side-lined and in a situation where this report is silent about the DPACs, how are we going to proceed in monitoring these huge volumes of money that we send to the district? Yes the local government accounts committee tries to get down but usually, we just end up running here and there; the DPACs have not done a thorough job. When you ask them, they say there is no money. I would like to propose that the committee tries to review how monies are allocated to the DPACs. I would be happy if there was a deliberate vote which is not subject to the discretion of the CAO - maybe then we would be able to get some results out of this.

**THE DEPUTY SPEAKER:** Hon. Member, you will recall that we had a debate on that matter and we instructed the Minister of Local Government to advise the House why we have never received the reports from the minister on the reports of the district public account committees because under the law, the DPACs will report to the minister who will compile the reports of all the districts and bring to Parliament. We raised this issue. So if you are having those difficulties, possibly it is because there is a disconnection in the way these reports are being channelled.

11.16

**MR ALEX NDEEZI (NRM, PWD Representative):** I salute the committee chairperson and the members for the job well done. I have three questions. The first one relates to the operationalization of Article 32 of the Constitution relating to the mandate of the Public Service Commission. A few years ago, a parliamentary committee on equal opportunities was deeply concerned by the failure of the public service commission to operationalise the principles enshrined in Article 32 of the Constitution.

These are principles related to operationalization of affirmative action. Our concern is that the Public Service Commission was asking as if the Article is not there. Consequently, the minister of public service promised that they are going to carryout out a study to determine to which extent this Article was really operationalised. I want to hear from the minister of Public Service how far you have gone with this study and then we should be able to execute the most important thing for me.

Second, for the minister of Local Government, there is a question of accountability. Some years ago, we requested that this Parliament approves a law establishing regional governments. We sat here for many hours and we had people submitting. We want to know how far you have gone with operationalization of this law.

Last and from my constituents; I have been inviting the Minister of Local Government in relation to the possibility of my people fulfilling their constitutional obligation by being given modern facilities to come and conduct their work by availing a guide or help.

We are only able to help hon. Ndeezi, we have been telling the minister of Local Government that we have councillors of people with disability who are elected. They are mandated to fulfil their obligation. They should be availed with help. How far have you gone with this very important concern?

11.19

**MS FLORENCE NAMAYANJA (DP, Bukoto County East, Masaka):** Thank you very much, Mr Speaker, I come from Bukoto East. I would like to thank the committee for the work well done. The committee has talked about urban planning and recently, we have been seeing evictions going on in Kampala and the rest of the country.

What is happening here is becoming a problem in other areas. I want to find out from the minister whether something has been done. Whether there is a policy on planning for towns because as people are moving to the city, they are creating other problems associated to building and occupation in other towns.

When you look at some towns now, they are growing into cities and these cities are not planned so there is need for local governments to work with the Minister of Urban Planning to plan for these areas because we don’t want to see a situation where people have been evicted, they go to Mpigi or Wakiso and after days, they are again being evicted from there. A problem is being created while the ministry and other sectors responsible for planning are looking on.

Another issue the committee pointed out was on elections of LCs I and LC II. I have not seen the Minister of Local Government having sleepless nights over this issue. It is a very big issue we know that LC II chairpersons guide very important programmes of Government but the minister is relaxing on that. We talked about the law some time back but since then, the minister is putting on his court very smartly but we are not seeing anything being done. We are yet to see you panicking over election of LCs I and II, looking for funds left and right to have this issue solved –(*Member timed out.)*

11.22

**MR VINCENT MUJUNI KYAMADIDI (NRM, Rwampara County, Mbarara):** Thank you so much, Mr Speaker. Just last month, Uganda was celebrating 25 years of decentralisation and having been in service especially in local government, we tend to say one thing and do the other. These local governments do 80 percent of local service delivery but they get less than 80 percent of funding. What is the minister trying to do to address this anomaly? In essence, these people have been economically frustrated.

Just last year but one, we passed a loan of what we called community infrastructure improvement programme (CIIP). Unfortunately, in Mbarara, which was also a beneficiary, it has been marred by irregularities and cases of corruption. Up to now, some areas that are supposed to benefit have not benefited. Can I get to know from the minister what the fate of those roads that are supposed to be constructed under CIIP is?

Mr Speaker, you will also realise – I will agree with the Member for Bukoto East – the breakdown of the governance structure at the local level is maybe the reason we have these problems today in this country. The local councils used to play a fundamental role in the mobilisation of communities and in the prevention of crime. But contrary to Article 181(4) – that election should be held every five years, we have had them not elected. I do not know under what mandate they operate and what statutory instrument the minister is using to help these local councils operate. I think this is very important because when you now say that we should have these elections after 2016, it would mean that even after 2016, these elections will not be there. Ideally, that is what it means. Let the minister help the country to understand the roadmap of these elections.

And finally, Mr Speaker, on the remuneration of councillors, there was a presidential pledge of Shs 20 billion but in this budget, there is nothing like this. Now that the committee is recommending that the ministry should get it, where is this money going to come from? Thank you.

**THE DEPUTY SPEAKER:** Shadow Minister, you have seven minutes.

11.25

**THE OPPOSITION DEPUTY CHIEF WHIP (Mr Roland Mugume):** Thank you, Mr Speaker. I want to correct hon. Kyamadidi that it is not Shs 20 million but Shs 20 billion. *(Interjection)* Okay, thank you. *(Laughter)*

Mr Speaker, I want to thank the committee chairperson, hon. Kwiyucwiny and her vice. We entirely agree with the report but I want to emphasise some points.

We request the government to establish regional service commissions at appropriate levels to replace the current district service commissions. Mr Speaker, we have a problem in this country, especially the newly created districts where you find that some of the local governments have failed to appoint service commissions and it is causing problems at that level.

Secondly, we request the government – we have talked about this before; about the creation of the salary commission. This will streamline variation in salaries within the public service employment. Today, we have a problem in this country – the other time we discovered a problem with the Ministry of the Presidency but later on we were told it was a mistake and we accepted. But on the ground indeed there is a problem; if we had a salary commission, it would solve it.

On the operationalisation of the emoluments and benefits of the President, Vice-President and Prime Minister Act, 2010, this Act has a challenge as I speak now. We have a situation where one former Vice-President, honourable Bukenya – yes, he was relieved of his duties but he is a Member of Parliament. So we want to know his benefits since he is serving the people of Busiro South. So we want to know – and I think the Act did not envisage such a situation. So we do not want to cause problems to a member who served as a Vice-President and now is a Member of Parliament.

Mr Speaker, still in the Ministry of Public Service, we request the government to expedite the payroll system. We have a problem with the payroll system. I can tell you, Mr Speaker, that last month – there are some teachers within my constituency who are on the payroll. But in August they did not receive their salaries and yet they got salaries in July. So there is a problem that requires a clear system to be put in place.

Mr Speaker, on local government, I wish to thank the honourable Minister of Local Government – I think we have worked together this year to see that we solve problems. *(Applause)* I want to tell this House that the problems within the local government and public service ministries do not need party positions; we need to solve them together because our people are suffering a lot. If you see what is happening in the local government – the staffing levels – is a big problem. I will give an example on the variations in staffing levels in district:

In Agago District, the percentage of staff is only 8 percent; Adjumani, it is 20 percent; Amolatar, 17 percent; Amudat, 8 percent – and the source is the Ministry of Local Government. So, Mr Speaker, it is a big problem; whether you belong to NRM, UPC or DP, we need adequate staffing.

Mr Speaker, I request the Minister of Local Government to address the remuneration of the local government leaders. I will emphasise the point raised by hon. Kyamadidi on the remuneration of local government leaders. Last financial year, the President pledged Shs 20 billion and this money was meant to pay district speakers, deputy speakers, councillors and vice-chairpersons. Up to now, they have not received that money and these people are still waiting for it.

The government should support the creation of local revenue data bases in the local governments and should provide funds for tax awareness programmes in local governments so that they can solve the problem of low revenues.

Mr Speaker, we request the government to consider the new municipalities in the latest procurement of vehicles by the Ministry of Local Government. This is a big problem – Mr Speaker, the government is planning to buy 111 vehicles for the district chairpersons but we request the Ministry to look into this issue. This is because some district chairpersons already have new vehicles and yet the newly created municipal councils lack transport. *(Interruption)*

**MS KWIYUCWINY:** Thank you, hon. Mugume and thank you, Mr Speaker. I want to give information on that subject because it was also raised by one other member as a complaint – that the Ministry was not following the procurement procedures and yet the process had already started without Parliament’s approval. I wish to inform my colleagues and the House that the committee looked into this and learnt that the Ministry is actually on track; they have a budget which has already been recommended by the Ministry of Finance to the tune of Shs 4 billion this financial year. And during the Vote-on-Account, Shs 1 billion had already been passed. So as a committee, we had recommended that the Ministry of Finance finds additional Shs 18 billion so that every district local government is covered but the Ministry of Local Government should ensure that the procurement procedures are followed. That is the information I wanted to give.

**THE DEPUTY SPEAKER:** I think the time is also up but you can conclude. Okay, Leader of the Opposition you want to say something?

**MR MUGUME:** Thank you very much, Mr Speaker and I beg to move.

**THE DEPUTY SPEAKER:** Leader of the Opposition. What can you say in one minute?

11.34

**THE LEADER OF THE OPPOSITION (Mr Phillip Wafula Oguttu):** Thank you very much, Mr Speaker. I will say it in two minutes, with your permission. We appropriate funds here for service delivery and development and we shall be cheating ourselves if we approve funds for service delivery and development for a district, which has got 8 percent of staff. Who then does the work of service delivery in that district and who does the work of development in that district? I think we should be a little bit more serious as a nation and as a Parliament and this question of staffing should be addressed by Government. What is the policy on staffing by Government? We hear there is a ceiling. I do not know whether Amudat has eight percent staffing ceiling. What is their ceiling? We would like Government or the minister to help us on this matter so that we know how to explain.

A few days ago, I was visiting a health centre IV in my constituency in the evening and I found no staff in that hospital apart from a guard. There were patients and no doctor or nurse but the *Askari* was the doctor, I guess. These are issues that we should take seriously as a nation. We sit here and approve funds but we do not know whether those funds extended are for the purposes we approved them for -

**THE DEPUTY SPEAKER:** Were there patients?

**MR WAFULA OGUTTU:** Yes, there were about 17 patients. We all go to our districts and you will find two or three members of staff. Absenteeism is a big problem in the districts. First, they are few and then they are absent. By the way, we send money there and once the money has come - they call it a release - then they come –*(Member timed out.)*

**THE DEPUTY SPEAKER:** Thank you. Who is starting? Public Service or Local Government Ministry? Can you do it in seven minutes?

11.37

**THE MINISTER OF STATE FOR PUBLIC SERVICE (Mrs Prisca Sezi Mbaguta):** Yes I will, thank you. Mr Speaker and honourable members, I want to thank, first of all, the committee for the report. We are happy with it as most of our issues were captured and they have made appropriate recommendations that will guide us during the financial year.

Honourable members have raised the issue of hard-to-reach places so I will start with that. The current policy on hard-to-reach and hard-to-stay areas was intended to push civil servants who are in those areas to the rural setting especially teachers to move from the councils and urban areas and go and teach in those disadvantaged areas beyond the urban centres. This was because during the study, most of the deployments were found to be within the councils.

I would like to assure the House that the policy is being reviewed this financial year and we shall come up with new guidelines on the hard-to-reach/hard-to-stay allowances because we have established that in some areas, which we think are not hard-to-stay, they are actually hard to live. The study is already going on and we shall report back to the committee and to Parliament. I thought that I would start with hard-to-reach issues because there was concern but meanwhile, we want to continue to attract mainly the teachers to rural schools so that our children can be taught.

The second common issue was about the salaries review commission. We have completed the guidelines and principles and have interacted with Cabinet Secretariat. We have also re-submitted the principles to Cabinet for guiding us on how to proceed. So that is work that is already in an advanced stage.

Another issue that was raised was on operationalisation of the Act on the emoluments and benefits of the President, vice-president and prime minister. I want to clarify that there is a distinction between past leaders and the implementation of the Emoluments Act. I will start with the operationalisation of the emoluments.

I want to confirm that we have been paying the former vice-president Specioza Naigaga Kazibwe and we have been paying Prof. Gilbert Bukenya but we have had no provision for the housing fund and the vehicles but we are hopeful that we shall settle this, this financial year.

The second category in the past leaders are the leaders that have been around since Independence day and were not captured or could not fit into the Presidential Emoluments and Benefits Act and neither could they fit into the 1992 Parliamentary Act. These were awarded *ex gratia* benefits last financial year. We want to thank Parliament that provided money to pay them, which we did and we have already been given money; Shs 6.7 billion to pay *ex gratia* for past leaders.

I want to assure Parliament that those who have no legal impediments on their estates have already had their benefits paid. For those who have issues regarding the administration of their estates, we are waiting to see that those issues are sorted out and then we shall pay. I want to confirm that we have the money to pay. We have had interaction with the families of those past leaders and work is on-going and we hope that in the second quarter, we shall actually settle them if the family issues are sorted out. So I am sure that this financial year, the issue of the *ex gratia* payments will be behind us.

Mr Speaker, there were issues on payroll and payroll management. I want to confirm that we decentralised the management of the payroll to accounting officers. The accounting officer had hitherto been processing the payroll and submitting to Public Service but currently, the system is that they do the preparation of their payroll, they submit it for verification and once we have finished the preliminary payroll, it goes back to the accounting officer to finalise their payroll. Once they have done that, those who are centrally managed by the Ministry of Public Service go directly for payment at the Ministry of Finance and those where the accounting officers are paying go back to the accounting officer who issues payment instructions. That is the current method of payment.

But I would also like to say that there is a lot of improvement on the payment system. If there are staff in a local government that were on the payroll and were struck off the payroll, I want to refer the honourable members to the chief executive who is the accounting officer of that particular district.

Mr Speaker, I think those are the issues that were raised to me. Staffing is dependent –

**THE DEPUTY SPEAKER:** There was the issue of mileage.

**MRS SEZI:** Hon. Kwizera, I want to assure you that I have just heard it from you that ministers have vehicles and also get mileage. According to the terms of ministers, Government provides a vehicle, but in the event that they use their personal vehicles in the absence of an official vehicle, then they are entitled to mileage *–(Interruption)*

**MR KWIZERA:** In finance and management, when you have a public vehicle, you do not qualify for mileage. You qualify for mileage if you are using your personal car. So I was putting it to the minister in charge of public service; why have they recommended for ministers to continue getting double pay through mileage and through public vehicles issued to them? They are responsible for management of mileage. And secondly, also talk about the issue of mileage where you pay Shs 1,200, when the public pump price is Shs 3,000. Thank you, Mr Speaker.

**MRS SEZI:** Mr Speaker, I would be extremely happy for my colleague hon. Kwizera if he actually mentioned examples –*(Interjections)–* yes, we are talking to the country and we would like to know which minister keeps a government vehicle – there is absence of an official vehicle and they cannot provide another vehicle, and when he uses his car, he gets double payment. We would like to have some example so that we can refer them to the accounting officer of that sector.

For us as the Ministry of Public Service, we give guidelines on the rates of mileage, on the type of vehicles and capacities and how much money should be paid. The rates are set based on a study between Public Service, Ministry of Finance and Ministry of Works; they determine the rates. And that claim does not affect only the ministers; it actually affects also civil servants and that is rationally done.

**THE DEPUTY SPEAKER:** Honourable member, there was an outstanding matter that you needed to substantiate?

**MR KWIZERA:** Yes, Mr Speaker. I will not give many examples, but I will give an example to the Minister of Public Service. She earns mileage in Parliament and she has a vehicle fuelled by Government, full time. In my knowledge, that is double payment; that is corruption. Anybody who uses a public vehicle and gets mileage, whether through Parliament or the ministry, that is corruption and that is leakage in the budget *– (Interjections) –* yes, it is a shame that ministers can use it. By the way, even as Members of Parliament, you ministers were given Shs 103 million to buy a car and yet you are using the public vehicles; why? If you are realistic, didn’t you get Shs 103 million to buy a car and are you not using a government car and are you not getting mileage from Parliament? That is corruption.

**MRS SEZI:** Mr Speaker, I want to thank my colleague for forgetting that we are Members of Parliament. Two, that the decisions of the Parliamentary Commission affect Members of Parliament – and let us not misuse this word “Corruption”, because for me, I am not corrupt at all. When we are debating here, my colleagues, I want to appeal to you to consider the words we use so that we respect each other instead of just telling the nation that so and so is corrupt.

Mr Speaker, I want to confirm that personally, I am not corrupt and my colleagues are not corrupt. Let us respect each other. Mr Speaker, we are not helping ourselves to fight corruption.

**THE DEPUTY SPEAKER:** Honourable members, we need to make a distinction. A member of this House is paid as a member of this House. That member has an obligation to a constituency. That person has constituents and the Parliamentary Commission facilitates that member to act on - Member for Ayivu, the Speaker is speaking *–(Laughter)*

Ministers have additional responsibilities as the Executive branch of Government and implementing policies that cut across the country. So the distinction has got to be made. There are those who are Members of Parliament and there are those who are not elected Members of Parliament. They do not receive any payment on mileage from Parliament. Ex-official members of Parliament do not receive mileage payment because they do not have any constituents. So please, let us make the distinction and let us be respectful to each other as we talk on these issues.

**MRS SEZI:** Mr Speaker, I have one last point regarding pension. There was a statement from my colleague asking what is being done about the pension scam. I want to say that is in the police docket and I have no comment to make on that.

Secondly, there is the issue *–(Interjections)–* I have stated the fact. There is the issue of timely payment of pensions from the active payroll to the pension’s payroll. This one is very important and I ask you honourable members to lend me your ears, because it keeps coming. We have gone into the Integrated and Personnel System (IPS), it has eight modules and we are now trying to get to the retention module, which will facilitate an active civil servant on the payroll to transfer to the pension’s payroll. So we are in advanced stages to complete that.

There was an issue that the pension reform has delayed. I want to assure Members that if there is anything complicated, that is pension. We have had a lot of consultations on how to move. We have already done benchmarking in other countries. We are now, having completed the Draft Cabinet Paper on Pensions Reform indicating the principles; we shall soon come back to Parliament, after Cabinet, to present the pensions reform. We are in advanced stages and I want to assure the House that this financial year, we will come out of this issue. Thank you, Mr Speaker.

**THE DEPUTY SPEAKER:** Honourable members, I do not rule on any other issues except on the points of order, procedure or privilege. Any other animals by any other names, I don’t rule on those. So, if you want to catch my attention, please raise those issues of procedure, order or privilege. Otherwise, if you create something I don’t understand, I will not listen to you. *(Laughter)*

**MS BINTU:** Thank you, Mr Speaker. I notice that the Minister of State for Public Service has not informed this House on what steps she is taking in having the pensioners on the payroll. I mean those who are already retired but they have never accessed the payroll even when they actually served the country. Can we be informed when this matter will be rectified?

**THE DEPUTY SPEAKER:** No, that is also not a procedural point because that is a question to the minister and not the Speaker.

**MRS SEZI:** Thank you, Madam Speaker and honourable members. After we moved to decentralise the payroll, we have also moved to decentralise pension management. We already had categories of pensioners at the ministry but we agreed with the Ministry of Finance that the auditing of the work already at the Ministry of Public Service gets completed by the auditors. But you are also aware that the Secretary to the Treasury made a public statement that in September, he would pay pension arrears. So, we are completing our work. We have already made some submissions and we were yet to submit the remaining.

What this means is that if I retired today at the Ministry of Local Government, for example, then the accounting officer should be able to prepare my retirement documents, do the calculations to be approved by Public Service Ministry and your payment will be managed the way we are now managing the decentralised payroll. If there are no big issues, such a person should be able to automatically access the pension payroll.

We have also agreed with the Ministry of Finance that if a submission comes, there must be resources to pay the monthly along with the gratuity so that we don’t just pay that monthly pension and we create arrears in gratuity.

I would like to think that the actions that we are taking will relieve us a lot of pressure on the pension. But Mr Speaker, I also would like to point out that there are civil servants that died and their pension is not paid. In that regard, I would like to call upon all men and women who are working in the public service of Uganda to reveal the procedure of accessing pension to their spouses or their relatives. There is something we can do and there is something we can’t do. For example, if you have not told your wife – okay, let me say spouse – that your documents are here and when you die after making a will, the administration of your estate is better done, then public service cannot do much. That is why I am saying that for former presidents – we have the money, but we can’t deal with letters of administration. Letters of administration are personal to the estate and once they are done, we will always pay the pension. But because there is less information to – I can’t say, civil servants because not everybody is married to a civil servant; you are married to a member of the community – and these members of a community can be educated so that the children – I always sympathise with children who lose their parents but with no one being able to follow up on their parent’s pension until they drop out of school.

So, I would like to appeal to the honourable members that when they go to their constituencies, they should tell their people how one can access pension when they lose their relatives. Sometimes, it might be only the mothers that are living.

**MRS CECILIA OGWAL:** Mr Speaker, I want to appreciate the fact that the minister has finally handled effectively the issue of payments to former leaders. However, I would like to seek clarification from her – I am even surprised because I thought we are related. *(Laughter)* Anyway, Mr Speaker, I would like to seek some clarification – I have read her report and the alternative policy – I failed to see the payment to the late Betty Okwir who was one time a Deputy Speaker. I also have not read the payment to the late Cosmas Adyebo, the former Prime Minister of Uganda and more specifically, I have not read the name of Mr Joseph Ekemu who is still alive. I have here with me, the instrument of appointment by the President, signed on 29 April 1994, appointing him as the Chairperson then, a post that was equivalent to the post of the Speaker today – I have not heard about any arrangements to pay this person. Those are the clarifications I would like to seek from you, my dear sister and relative.

**MRS SEZI:** Thank you, Mr Speaker and the honourable relative. I would like to say that we already presented the list of the former leaders we have paid to the committee. But let me also say that when money is paid to the relatives, not all relatives will get to know about it. Otherwise, I am aware that the late Betty Okwir was paid. The late Rt Hon. Cosmas Adyebo was also paid. What we need to do – and that is why I said that we can’t get into the administration of the estates of the late persons because that is not our role.

We have paid both those who are alive and those who are dead. But in case there was any omission, just get assured that we will pay as soon as we get the documents and so –*(Interruptions)*

**MS KWIYUCWINY**: The information I would like to give to the minister, Mr Speaker, is that yes she gave us that list, which shows that actually some of the former leaders have not been paid. That is why in one of our recommendations, we have given an outstanding amount of money, which was not part of the budget you approved and we are asking Government to provide money to the tune of Shs 6.3 billion to cater for all those former leaders who have not been paid. That is the information that I wanted to give.

**MRS CECILIA OGWAL:** In view of what has been stated since Joseph Ekemu is still alive and the minister seems to indicate that she has no information, I am very surprised because he is still alive and there is no way he could have worked on his pension. Can I lay on Table the instrument of his appointment and all relevant documents that would support the case of Joseph Ekemu? I beg to lay on Table the document entitled “Instrument of Appointment by his Excellency the President Yoweri Kaguta Museveni dated 29/April/1994”. I beg to lay on Table for the minister to take note.

**THE DEPUTY SPEAKER:** Let the records capture.

**MRS SEZI:** I want to thank hon. Cecilia Ogwal for that. First of all, we do not doubt the letters of appointment. I indicated that in case they have been any omissions, because when we comb everybody, we may not necessarily get to everybody.

I would like to advise that hon. Ekemu should get in touch with public service, the Minister of Public Service and we shall pay him. I want to assure you that we shall pay him. Omissions can occur, if he is alive and he was a Deputy Speaker, we are paying all the deputy speakers and the former presidents and the former prime ministers and any other title. I want to assure you that it may have been an omission because maybe we did not capture it in our records and no one brought it to our attention but we are available to do good that we have not done.

**MR NDEEZI:** Mr Speaker, when a member catches the eye of the Speaker and submits a question, the minister should note the question and make effort to answer that question. But today, I stood here and asked a number of questions in line with Article 32 of the Constitution and the mandate of the minister but the minister totally ignored my calls. Is the minister in order to totally ignore my calls?

**THE DEPUTY SPEAKER:** Any issue raised to the attention of the minister shall receive an appropriate answer. Where such mistakes are made deliberately, the minister will not be in order. But where there are omissions of any other kind they will be forgivable for as long as time can be availed for those answers to be provided. There was a question from hon. Ndeezi that was not responded to?

**MRS SEZI:** I must apologise to hon. Ndeezi because sometimes I do not pick the issues. I apologise because I am also human and I am being honest as usual. I wrote his name but I did not capture what he said and I can be helped.

**THE DEPUTY SPEAKER:** Hon. Ndeezi, what was the issue?

**MR NDEEZI:** The question was simple, under Article 32 of the Constitution, the state is required to have affirmative action on behalf of gender, disability and other factors. While in the Committee on Equal Opportunities, I have noted that for a long time there are lots of opportunities in the public service ministry but opportunities are not arranged for affirmative action, how many women are permanent secretaries; how many women are directors in this country? How many PWDs are employed in this country? Many other questions we had asked. The Public Service Commission is under obligation to make sure that they implement Article 32 of the Constitution. We have spoken about it many times and we are promised that you are going to take action but today I asked and then I got nothing.

So, Mr Speaker, I again ask humbly, how far have we gone on the point that the Public Sservice Commission takes into consideration the Article 32 in employing civil servants?

**THE DEPUTY SPEAKER:** Hon. Minister, is it clear now?

**MRS SEZI:** You know the hon. friend is always talking about the PWDs and I am sure it is in that direction. The Public Service Commission under the Constitution has an obligation for affirmative action and we would like to confirm that in the recruitment process, the recruitment is open competitively and I would like to indicate that there are many officers who have come through that and within the framework of merit. We can actually provide you with the list of the disabled within the public service. They are not discriminated against. They must be treated equally but also taking into account provisions of the Constitution.

12.11

**THE MINISTER OF LOCAL GOVERNMENT (Mr Adolf Mwesige):** Thank you very much, Mr Speaker. I want to join my colleague, the Minister of Public Service, in thanking the Committee on Public Service and Local Government for the hearings they conducted and for considering the budget and for the report they have presented to this House.

I also thank the honourable members for their comments, questions and observations. The first issue was on the monitoring of local governments. I would like to agree that is the job, among others, of the Ministry of Local Government. The ministry is trying its best; of course we are constrained by resources in terms of money and the personnel to monitor all the districts including all the lower local governments.

This is not just the job of Local Government, I think members of Parliament by the nature of their work are also senior monitors and I would like to encourage them to continue to do this work. But also we have the Resident District Commissioner especially the new team which the President has just appointed. In my opinion, that team is doing a very good job in monitoring local governments service delivery in local governments.

We have been as a ministry getting reports from RDCs and these reports have helped us a lot in ensuring compliance with the law but also monitoring service delivery in local government. It is true there is a problem of delay in remitting funds meant for lower local governments from district local governments. This is true in a number districts; the Permanent Secretary has issued a directive to CAOs and town clerks to make sure that money which is due to lower local governments should be remitted on time to lower local governments to help them deliver services to the people.

In case of non-compliance, the PS has put in his directive that sanctions will be meted against those who do not comply with this directive.

On payment of district councillors and sub-county councillors – of course, as Members of Parliament know, the resource envelope we have is limited and is not expandable beyond what we have. It is true that there was a pledge to give Shs 21 billion to district councillors and sub-county councillors by way of allowances but because of the competing demands that we have in our budget, this has not been possible this financial year. But Government has been planning to remunerate political leaders in a systematic way.

Local Councils I now get ex-gratia – small amounts of Shs 120,000 per year. LC III chairpersons get a monthly pay and a facilitation of a motorcycle. District councillors get some ex-gratia per month – it is not true that they get nothing; they get something. *(Interjections)* Yes, it is Shs 100,000 but it is something – somebody had said there was nothing at all but I am correcting that impression. And district chairpersons also get a salary. Government has just introduced some payment for municipal councillors this financial year, which was not the case in the past. So, we hope that as the resource envelope improves in the coming years, district councillors’ pay will be enhanced and sub-county councillors will also be paid something. It may not be adequate but something will be paid in the coming years.

I have the same answer for the question on LC I bicycles. *(Interjections)* I have only seven minutes, Mr Speaker; I wish the honourable member could allow me to use my seven minutes to respond to the issues raised by Members.

I have the same answer for the LC I bicycles; we gave bicycles to 52 districts so far – all of them were covered. We had estimated Shs 8 billion to cover the remaining 59 districts. But again due to the limited resource envelope that we have, this Shs 8 billion could not be accommodated in the budget. So, we have to wait for the coming financial year to have these funds in the Budget.

On the question of inter-district border demarcation, there is a standing directive by Cabinet that border demarcation is the responsibility of the Ministry of Lands, Housing and Urban Development because in that ministry, there is a department of mapping, that of physical planning and the department of surveys. We think that borders should be demarcated in a scientific manner because in some cases, they have been politicised. The Minister of Lands is putting a team together to settle border issues in West Nile and other parts of the country once for all.

Staffing remains a problem in local governments. We made a proposal that if we could get Shs 46 billion, we would be able to have optimum staffing at 65 percent at least in all districts. We think that is the minimum local governments would need to be able to offer services to the people without interruption. This money is not forthcoming again because of the same reason – the resource envelop is tight. We have not been able to get it and so, we have to work within the available means.

Hon. Ndeezi talked about councillors with disability. I agree with you that they need special attention and the Permanent Secretary is working on modalities of assisting elected councillors who have disability to perform their roles in local councils effectively. I have already got a letter from you and we are working on this within the ministry.

The entire country is now a planning area; this is captured in the Physical Planning Act and the Ministry of Urban Planning has a programme under the Department of Physical Planning to carry out planning for urban areas. Some town councils already have physical plans – not all of them have because of lack of funds since we have 174 town councils, 22 municipalities and it is not possible to cover all of them at ago. The Ministry of Urban Planning has been carrying out physical plans for some town councils, one at a time. Once these physical plans are done, we expect the local council administrations – we also expect developers *(Member timed out.)*

**THE DEPUTY SPEAKER:** Please, wind up.

**MR MWESIGE:** Thank you, Mr Speaker. On local council elections, I would like to say that the Bill for election of LCs I and II will be in this Parliament this month of September and it will give us a way forward on local council elections.

The roads under the CAAIP programme are on course; they have been phased. Some of them are being done now while others have been advertised to be done. But if any Member wants specific information, I am ready to give this information to them – information regarding his or her constituency.

To the Shadow Minister of Local Government, we shall definitely consider municipalities later under the procurement of vehicles for political leaders in local governments. Thank you, Mr Speaker. *(Applause)*

**THE DEPUTY SPEAKER:** Hon. Members, the motion is for the adoption of the report of the Committee on Public Service and Local Government on the ministerial policy statements and budget estimates for the financial year 2014/2015. Recommendations have been made and figures have been proposed and recommended in the report. What we adopt now will also be subject to what the Budget Committee will eventually come up with for supply when we later do appropriation.

I put the question to this motion.

*(Question put and agreed to.)*

*Report adopted.*

**THE DEPUTY SPEAKER:** Thank you very much committee chair, vice chair and members and all Members for engaging in this debate.

PRESENTATION, CONSIDERATION AND ADOPTION OF THE REPORT OF THE SECTORAL COMMITTEE ON PRESIDENTIAL AFFAIRS ON THE MINISTERIAL POLICY STATEMENT AND BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2014/2015

12.22

**THE CHAIRMAN, COMMITTEE ON PRESIDENTIAL AFFAIRS (Col (Rtd) Fred Mwesigye):** Thank you, Mr Speaker. The committee report is available on the iPads and I have the hard copy in addition to the minutes of the six committee meetings, which I would like to lay on Table.

**THE DEPUTY SPEAKER:** Let the records capture the minutes and also the full text of the committee report.

**COL (RTD) MWESIGYE:** Mr Speaker, I beg to be allowed to read the executive summary, in the interest of time.

**THE DEPUTY SPEAKER:** Please, proceed.

**COL (RTD) MWESIGYE:** Thank you, Mr Speaker. In accordance with Articles 90 and 155(4) of the Constitution of the Republic of Uganda and Rule 177 of the Rules of Procedure, committees are mandated to, among other things:

1. Examine critically government recurrent and budget estimates and make recommendations on them for general debate in the House and;
2. Examine and comment on policy matters affecting ministries covered by them.

In line with this mandate, I have the honour and pleasure to present, for your consideration and adoption, the report of the Committee on Presidential Affairs in respect to the policy statements and budgetary provision for the fiscal year 2014/2015 covering the following votes:

1. Vote 001 - Office of the President
2. Vote 002 - State House
3. Vote 003 - Office of the Prime Minister
4. Vote 107 - Uganda AIDS Commission
5. Vote 112 - Ethics and Integrity
6. Vote 159 - External Security Organisation
7. Vote 122 - Kampala City Council Authority

VOTE 001 - OFFICE OF THE PRESIDENT

Observations and recommendations

Patriotism

The committee observed that patriotism, which literally means love for one’s country aims at inculcating the norms and values among the youth and students in post primary schools. However, it has not achieved its objectives, yet the government spends a lot of money on conducting these studies and trainings.

The committee recommends that the impact of patriotic studies should be evaluated regularly in order to assess its effectiveness. The committee further recommends that Government should provide a well-defined scope within which patriotism clubs should operate.

Strategic plan

The committee observed that the Directorate of Economic Affairs and Research has developed its strategic plan to provide strategic direction to the directorate. However, there are no funds to implement this in the current financial year.

The committee recommends that Government should prioritise funding to this Directorate of Economic Affairs and Research this financial year 2014/2015 to enable it provide well-researched information to the President for policy development and review.

Resident District Commissioners (RDCs)

The committee observed that RDCs are doing a good job for the country despite poor facilitation, which has sometimes led them to being compromised while implementing Government programmes.

The committee recommends that RDCs are mandated by the Constitution to know, monitor and supervise all the projects within their districts. Therefore, the government should consider improving their welfare, which will motivate them and their efforts will be re-focused on their constitutional mandate.

The committee further recommends that RDCs should concentrate on their core mandate and they should separate managerial from political issues. The committee further recommends that RDCs should be regularly rotated after every two years and should be appraised annually to check their performance.

Presidential Affairs

The committee observed that presidential advisers are very many totalling 102 and it is very difficult to quantify their output and contribution to national development. The value for money that arises out of their development is of concern. The committee recommends that in view of the economic budgetary interest of the country, the number of presidential advisers should be reduced because there is no economic justification for such a big number.

VOTE 002 - STATE HOUSE

Model villages

The committee observed that there are no criteria for selection of model villages for the Poverty Alleviation Action Plan (PAAP). Designation of model villages is normally done by the President and is based on individual lobbying. The committee recommends that the Directorate of Economic Affairs and Research should carry out a needs assessment and advise the President on selection of the location of model villages per district to ensure that every district benefits.

Medicine monitoring units

The committee appreciates the work of the Medical and Health Service Delivery Monitoring Unit in apprehending wrong doers in the health service. The committee further observed that medical professionals’ ethics and standards have improved in areas inspected by the unit. However, not all districts have been covered.

The committee recommends that the Health Service Delivery Monitoring Unit should reach all health facilities countrywide. This will improve health service delivery and promote professionalism in medical services.

VOTE 107 - UGANDA AIDS COMMISSION (UAC)

Fragmenting budgets for HIV/AIDS

The committee observed that budgets for UAC have remained constant at Shs 5.4 billion for the last three years despite the HIV/AIDS prevalence rise of 7.3 percent. The committee also notes with concern that the Shs 5 million external financing is available to UAC. However, it will not be accessed due to lack of the 35 percent of Shs 1.57 billion counterpart funding from the Uganda Government.

The committee further observes that during the financial year 2012/2013, UAC received a wage bill increase of Shs 400 million to recruit more staff. However, this was not matched with increase in staff related costs in respect of NSSF, gratuity and medical allowances amounting to Shs 0.856 million, some of which are statutory in nature and could cause litigation. The committee strongly recommends that Government should re-focus its attention towards the smooth running of UAC as the multi-sectoral coordinator of the fight against AIDS.

Government should renew its assurances in the fight against AIDS and this should be reflected prominently in the national priorities. The committee has reallocated a total of Shs 1.55 billion from various items in the Office of the Prime Minister and the Office of Ethics and Integrity to partly cover the 35 percent counterpart funding to enable UAC access the available external financing of Shs 5 billion from development partners. The table is also provided in that report.

VOTE 112 - DIRECTORATE OF ETHICS AND INTEGRITY

Workshops

The committee observed that over time, the Directorate of Ethics and Integrity has conducted several workshops to coordinate anti-corruption efforts but there are no tangible outputs from those workshops as corruption remains rampant in Uganda. The directorate has plans to spend Shs 1.1 billion on workshops and seminars in the financial year 2014/2015.

The committee recommends that the Anti-Corruption (Amendment) Bill and the Leadership Code (Amendment) Bill, which are in Parliament should be expedited.

The committee further recommends that in view of the little output from this docket, Shs 0.5 billion be reallocated from workshops and seminars to Uganda AIDS Commission to contribute to the counter funding gap.

VOTE 159 - EXTERNAL SECURITY ORGANISATION

Security in the country: The committee observed that ESO has got accumulated arrears to regional and international security bodies amounting to $635,000 in respect to their contributions which limits sharing of intelligence security information – there are security threats in the country, which require the authorities to come up with adequate information to sensitise and alert citizens.

The committee recommends that Government as a matter of urgency should provide $635,000 to enable ESO pay the outstanding arrears to other security agencies. It should equally be well facilitated because security matters must be taken seriously.

VOTE 003 - OFFICE OF THE PRIME MINISTER

Observations and recommendation

Resettlement of residents in Mt Elgon

The committee observed that Shs 8 billion was approved for acquisition of land to resettle households that were at risk in Mt Elgon. However, procurement was not completed during financial year 2013/2014 as a result of repeated administrative reviews directed by PPDA. Although this item did not perform, funds were reallocated with authority from Ministry of Finance to handle emergencies, which included influx of refugees from the South Sudan conflict, current occurrences like hail storms, which affected many districts. The districts which were affected included Kasese, Kamuli, Kayunga, Mukono, Nakaseke, Luwero, Iganga, Kyankwazi, Kalungu, Kiboga, Butaleja and Jinja.

The committee further observed that some funds were used for feeding and upkeep of over 500 expellees from Tanzania and for feeding people affected by famine in Karamoja region.

The committee recommends that Shs 8 billion for the purchase of land to resettle people from disaster prone areas on Mt Elgon be approved as long as Office of the Prime Minister fulfils due procurement processes.

Bududa landslide victims

The committee observed that Government had a target to construct permanent houses in Kiryandongo to resettle 603 households from IDPs in Bududa. However, efforts have been made to construct houses; out of 30 houses planned last financial year, only five houses were completed.

Currently, 70 new houses are proposed to be constructed. The committee further observed that most of the households are still sleeping under tarpaulin due to the slow pace at which construction is taking place. The committee strongly recommends that Government should complete the unfinished houses and expedite the process of construction of the new houses to achieve the target of resettling 603 households.

Monitoring and evaluation

The committee observed that monitoring and evaluation is vital. However, dissemination and implementation of the policy requires Shs 19 billion for funding. The policy will streamline and harmonise the conflicting activities of monitoring and evaluation in all government ministries, departments and agencies in order to strengthen the monitoring and evaluation function of Government.

The committee further observed that despite the progress, challenges do exist that require argent redress. For instance:

1. Management and evaluation systems in most sectors are weak due to absence of management and evaluation department.
2. The management information systems tend to be dysfunctional and many top government officials seem not to appreciate management and evaluation.

The committee recommends that Government should strive to develop and strengthen monitoring and evaluation capacity in policy tracking and evaluation. Shs 4 billion should be identified to kick-start the monitoring and evaluation policy implementation process.

*Barazas*

The committee observed that *Barazas* are such an important initiative that create a platform for citizens of Uganda to participate in the development cycle through effective monitoring and demand for accountability of the use of public resources in delivery of services at local government levels. *Barazas* also encourage open accountability.

The committee recommends that funding for *Barazas* should be increased since service delivery at grassroots remains a big challenge to Government. The RDCs should be empowered to do the monitoring and supervisory role as a way of executing their constitutional mandate.

Gratuity payment: The committee further observed that the Office of the Prime Minister plans to spend Shs 25 billion on one off cash gratuity compensation *(Akasiimo)* and other interventions will cost Shs 9.7 billion to cover the 43 districts within Luwero Triangle.

It was further observed that civilian veterans face a livelihood problem, which would call for a more sustainable approach like distribution of material items. However, budget provision for cash hand-outs further exceeds that of material items, which may not solve the long-term problems of veterans’ sustainable levels.

The committee recommends that veterans’ payments services should be decentralised to districts and at sub-county levels as this would reduce on corrupt tendencies, reduce distances and ease follow-up locations by beneficiaries.

The committee further recommends that Shs 27.9 billion proposed for Luwero Triangle region should be shared between Teso and Bunyoro regions because all regions participated in the liberation of this country.

The committee further recommends that Government should establish veteran citizens in the whole country and pay off all the remaining claimants. Government should mobilise the requisite funds for full scale implementation of Luwero Rwenzori Triangle with greater focus on livelihood improvement programmes.

Re-stocking of Teso Sub region

The committee observed that the programme of restocking Teso sub-region was a good idea but it lacked serious supervision and monitoring, which led to purchase of poor quality, sick and costly cows hence there was no value for money. The committee further observed that there are some planned activities within Teso sub-region like the procurement of 591 ox-ploughs for *Abarata Keere* Teso group and the procurement of 2,005 iron sheets for IDPs, which would benefit the entire nine districts of the Teso sub-region.

The committee recommends that Government should consider restocking regional ranches in the countryside with improved cattle breeds to improve indigenous breeds for enhanced productivity. For example, crossbreeds of Sahiwara and Zebu; Boran and Zebu can produce good breeds.

The committee recommends that the procurement process should be decentralised to districts, monitored by RDCs and Government should distinguish between compensation and restocking to avoid confusion.

Distribution of Teso Region programme

The committee observed that programmes of Teso have been concentrated in Kumi District, which creates an imbalance within Teso region.

The committee further observed that in financial 2014/2015, 10 motorcycles and 591 ox-ploughs will be procured and shifted to *Abarata Keere* Teso Group, whose identity is doubted.

The committee recommends that funds budgeted for the purchase of motorcycles to *Abarata-keere* Group and purchase of iron sheets should be used to increase the number of ox-ploughs to be distributed equally across this region.

The committee further recommends that the minister should ensure that the implementation of the Teso programme is equally distributed within the entire region.

VOTE 122 - KAMPALA CITY COUNCIL AUTHORITY

Physical Planning

The Committee observed that for many years, the physical planning function has been unfunded with no resources allocated from the Central Government. A meagre allocation has been made from local revenue compared to other directorates at KCCA. Physical planning has not prominently featured as a priority for KCCA through resource allocation.

The committee recommends that to enhance planning and reduce the growth of slums, Government needs to engage development partners to mobilise resources to fund the development of detailed neighbourhood plans; KCCA should prioritise physical planning this financial year since it directly reflects on its core mandate.

Agriculture in the city: The committee further observed that for the good of the urban poor and the unemployed, there is need for KCCA to put emphasis on the regulation and implementation of agriculture because this would improve on the livelihood of the urban poor and unemployed youth although this is not KCCA’s core mandate.

The committee recommends that KCCA should licence and verify protected agricultural farming and ensure that animals do not loiter in the city. NAADS programme should not be under KCCA but rather be taken to districts where it can be efficiently and effectively implemented.

Procurement of USAFI Market

The committee observed that KCCA has done a tremendous job regarding agricultural trade improvement through the construction of markets. For instance, in financial year 2013/2014, Wandegeya market was completed under MATIP I; Busega Market funding was also secured under the same programme in the current financial year. All was done in order to decongest the city. KCCA has also proposed to procure USAFI market, which is strategically located and is an economically and socially viable venture for Government to undertake.

The committee recommends that KCCA should go ahead and procure USAFI Market as long as the due procurement procedure is followed in collaboration with the relevant government agencies at the price recommended by the Chief Government Valuer.

Transport

The committee further observed that KCCA has good plans for decongesting the city by introducing mass transport like trains and buses that would transport a large number of people. However, some projects like cable cars, bus rapid transport and flyovers are projects that will be implemented in the long-run.

The committee recommends that KCCA should gazette areas for the construction of parking towers in the city to abolish street parking, which will automatically increase road capacity and decongest the city in the short-run.

Revenue Collection

The committee observed that some sources of revenue are not maximised, for instance, property rates. Valuation of property has slowed down leaving a lot of revenue untapped. The committee recommends that KCCA should expedite the process of valuation of property in the city. This will increase the revenue base.

Public Accounts Committee

The committee observed that KCCA has since its inception operated without a public accounts committee. The absence of this committee limits the internal oversight function of its operations. The committee recommends that the Public Accounts Committee be constituted with immediate effect.

Conclusion

Mr Speaker, in conclusion, the committee on Presidential Affairs during consideration of the ministerial policy statements of the Presidency, OPM and KCCA noted that in order for government ministries, departments and agencies to be able to fully register high performance in delivery of planned outputs in their respective vote functions, there is the need to generally:

a) Strengthen the monitoring and evaluation function of government and the various units in Government and MDAs as it was noted that poor monitoring of programmes played a key role in the underperformance of most vote functions in delivery of services; and

b) Appreciate the different roles played by both the political and technical arms of Government in order to reduce on conflicts which hinder the delivery of services and stagnate the progress of government projects/programmes.

In light of the above, the committee, therefore, recommends that the House do approve the following proposed budget estimates for the respective government ministries and departments for the FY 2014/2015:

Vote 001 - Office of the President

1. Recurrent expenditure, Shs 81, 728,608,000
2. Development Expenditure, Shs 4, 976,137,000

Vote 002 - State House

1. Recurrent expenditure, Shs 233, 352,292,000
2. Development expenditure, Shs 18, 684,030,000

Vote 003 - Office of the Prime Minister

1. Recurrent expenditure, Shs 49, 760,748,000
2. Development expenditure, Shs 141, 336,736,000

Vote 107 - Uganda AIDS Commission

1. Recurrent expenditure, Shs 6,870,000,000
2. Development expenditure, Shs 227,809,000

Vote 112 - Ethics and Integrity

1. Recurrent expenditure, Shs 4, 205,805,000
2. Development expenditure, Shs 1, 210,597,000

Vote 122 - Kampala City Council Authority

1. Recurrent expenditure, Shs 155, 372,022,000
2. Development expenditure, Shs 99, 346,264,000

Vote 159 - External Security Organisation

1. Recurrent expenditure, Shs 16,195,802,000
2. Development Expenditure, Shs 392,000,000

Mr Speaker, I would like to inform you and the House that the Opposition wrote their views and most of them were adopted except the one on freight and reduction of ministers. I now beg to move, Mr Speaker. *(Applause)*

**THE DEPUTY SPEAKER:** Thank you very much, chairperson of the committee. It has come to my attention that there is a minority report on this matter on issues that have not been accommodated by the committee. So, I will use the Speaker’s prerogative to apply rule 194 of our Rules of Procedure on minority reports, which reads as follows:

“(1) *A Member dissenting from the opinion of a majority of a committee may state in writing the reasons for his or her or their dissent, and the statements of reasons shall be appended to the report of the committee*.” This has not been done but I am doing it now; I am appending it.

“(2*) The Member dissenting from the opinion of the majority of the committee shall be given time to present the minority report at the time of the consideration of the committee report*.” This would be the appropriate time when the honourable member dissenting can approach the House to present his minority report.

12.54

**MR MATHIAS MPUUGA (Independent, Masaka Municipality, Masaka):** Thank you, Mr Speaker, for your indulgence on this matter. We have tried to harmonise this matter with colleagues in the committee and with the minister as well and the whips. We agreed that actually, a minority report is not a disagreement but it is just the other view of the members. I thank you for your indulgence in allowing my views to be heard. I thank the chair for his presentation. By and large, we agree on the bulk of the issues in the committee save for the issues, which I informed the committee about in his absence that I would prefer a minority view, and these matters are principally on KCCA.

Whereas the Minister for the Presidency laid before Parliament the above policy statements for the Presidency and all the attendant votes and the same was referred to a committee of Parliament for scrutiny and analysis and reporting on behalf of Parliament, as a member of the committee I dissent from the main report in particular on vote 122, Kampala City Council Authority.

I, therefore, move under rule 194 of our Rules of Procedure –(*Interjections)–* I passed on a copy to the relevant authority to circulate to Members on their iPads. If they cannot follow on their iPads, there are some two hard copies around. I beg that Members listen as they wait for the copies to come so that we can save time.

I have essentially three issues on which I dissented from colleagues on this matter. From the onset, I told the minister and colleagues that is was my considered view that the minister was moving illegally in presenting the budget before Parliament and therefore, the committee by extension. Whereas section 5 and 6 of the KCCA Act provide for the composition of the Authority, section 7 provides for the functions of the Authority, which include, among others: powers to initiate and formulate policy; determination of taxation levels; and setting of service delivery standards.

Whereas section 49 of the KCCA Act provides for the Authority’s budgetary powers and procedures, section 16 further provides that the Authority shall have standing committees whose duty –

i) in section 16(b) is to receive and approve quarterly and annual work plans of directorates;

ii) in section 16(c) is to make reports to the Authority on a quarterly and annual basis on the performance of directorates;

iii) in section 16(f) is to receive, scrutinise and recommend to the Authority proposals for the budget of the departments of the Authority.

It is from the reports of the above committees that a budget proposal is generated and approved by the Authority under section 49 of the KCCA Act. To date, there is no committee in place and there is no functional committee of the Authority. The Minister for Kampala tried to put in place what he termed as working groups to replace the committees under the Act. The law does not envisage working groups as appropriate channels of doing council business.

Under section 31, the division town clerks are mandated to present divisional budgets to the divisional councils, which are later passed on to the Authority for scrutiny and inclusion in the overall budget of the Authority. While the Minister for Kampala informed the committee that there were reports and minutes from the divisions, the committee did not receive these documents as promised by the minister. As it has come out, it is very clear no division ever participated in the budget process and no Authority councillor or committee participated in this particular budgeting process.

The Minister for Kampala informed the committee that the appropriate Authority committees made their input to the budget but no reports or minutes have been received by the committee as promised by the minister. If they are there, I would be glad to even receive them here.

It is very clear from the above that the Authority’s budget was the handiwork of an individual and does not carry the aspirations of the people of Kampala through their elected representatives at various levels. Under the KCCA Act, the Members of Parliament from within the jurisdiction of the Authority are *ex officio* members of the Authority. *(Interruption)*

**MS BINTU:** Mr Speaker, the honourable member is making statements and giving information, which Members would have loved to look at, especially now that he has finished explaining the issues and is now going to the recommendations.

We have not seen that document on our iPads and we have not even got the hard copies. Is it procedurally right for us to proceed and just listen yet the Member is making serious recommendations with figures? Is it procedurally right for us to continue listening when we are losing some information along the way?

**THE DEPUTY SPEAKER:** It is not procedurally correct but honourable members, the document has been submitted to the office of the Clerk for uploading and we are hoping that it is uploaded or it is coming up now.

**MR MPUUGA:** If only colleagues could listen, the beauty about this is that it is a small document and there are no figures for cramming. If the Clerk could hasten the process and make them available, I would be most obliged.

Under the KCCA Act, the Members of Parliament from within the jurisdiction of the Authority are *ex officio* members of the Authority and would of necessity be interested in the process that generated such an important document for their people. However, none of the Members I consulted was involved or was consulted on the budget. The question is: whose budget did the Minister for Kampala present to Parliament? I invite Parliament to reject being used to usurp powers of a lawful entity; otherwise, the precedent would mean that even districts can present their budgets directly without going through their councils. The powers of the minister under section 79 of the Act do not overlap into budgeting and policy making.

Procurement of USAFI Market

While it is our duty as political leaders at various levels to ensure that our people are afforded decent work environments given the congestion and difficulty of finding workplaces, I take exception to the manner in which KCCA has moved to procure USAFI Market.

1. It should be recalled that the procurement of this market was a subject of dissent in the finance committee of Parliament; sections of the Authority attempted to procure this market through a supplementary budget, a proposal that was rejected by the finance committee. The view of the finance committee then was that save for the undeclared interests in the market, this was never an emergency to warrant a supplementary.

2. The land on which this market is situated was shrouded in ownership controversy and when the minister appeared before the committee, he did not provide proof that these were resolved, and yet the issue was appropriately raised.

3. The procurement procedure preferred by KCCA was the subject of a query by PPDA. The minister did not prove to the committee that this was resolved since PPDA had queried the direct document arrangement preferred by the Authority and demanded clarification on a number of issues.

Mr Speaker, I find it inappropriate and an abdication of duty for the committee, to which I belong, to conclude that the Authority should work with the relevant government agencies and then, without evidence, go ahead and vote funds and yet the value of the property is still in dispute. The conclusion of the committee is that we proceed; in other words, funds have been voted for a procurement that is still shrouded in controversy, for which I take exception.

Mr Speaker, KCCA was supposed to construct six markets under MATIP over the last three years as part of the plan to expand agricultural markets within and around the city. However, you realise that only Wandegeya Market was completed and no appropriate explanation was given as to what became of the funds for the remaining five markets, which would have provided more market space for our people in order help de-congest the city.

Before funds are voted for USAFI, the minister should table evidence before Parliament that all the controversies surrounding the market have been resolved, and table a report regarding the five markets whose funds were made available under MATIP but not constructed.

Public Accounts Committee

The committee rightly observed that KCCA has, since inception, operated without a public accounts committee whose absence limits the internal oversight function of its operations.

Mr Speaker, the Minister for Kampala informed the committee that he was advised by the Attorney-General not to approve the names that were recommended to this committee until further notice. While the minister promised to tender in the written advice of the Attorney-General to the committee, no such document has been received to-date, to my recollection. If the document was availed, I will be glad to receive a copy.

I find the reason given by the minister on this matter suspect and untenable. The same minister claims to have a litany of powers under the law to undertake various actions and issue directives but the same law does not seem to empower him to enforce accountability.

I wish to invite Parliament to interest itself in the public funds that are being expended in KCCA. A number of reports by the Auditor-General, including reports of Parliament, have pointed to irregularities in the management of public funds under the Authority. The frustration and reluctance of the minister to appoint a public accounts committee does not augur well with prudential management of public affairs.

I invite Parliament to halt voting funds for the Authority until appropriate steps are taken to secure public funds under this entity through enforcement of accountability. This matter has been pending for the last three years. While the minister is desirous of enforcing the KCCA Act on various fronts, he is clearly very reluctant in enforcing accountability, for which I invite Parliament to assist the minister and the general public.

In conclusion, the Committee on Presidential Affairs, during consideration of the ministerial policy statements of the presidency, to which KCCA is a part, observed a number of achievements but also raised a number of concerns relating to governance and accountability as well as the manner in which certain functions of the Authority are being undertaken.

The committee also observed that there were several programmes being undertaken by the Authority through public pronouncements without appropriate plans and policy to back them up; these included cable cars, cycling lanes, among others. Some of these programmes have already been sanctioned by sections of the Authority while side-stepping the right procedures and public funds are being spent on feasibility studies.

Mr Speaker, halting the voting of funds for this entity would go a long way in helping the minister reflect on the methods of work to which Parliament is being conscripted.

In view of the above, it is my considered opinion that Parliament needs to rethink about a model that will enable the Committee on Presidential Affairs to function better. I acknowledge and appreciate the fact that this committee is overloaded and does not seem to have enough time to do justice to all the entities under it. We may have to look at our rules and consider whether KCCA can be transferred to another committee or whether an entirely new committee should be set up for this entity given its size and functions, so that justice is done especially for public funds.

Mr Speaker, thank you for your indulgence. I beg to move. Thank you. (*Applause)*

**THE DEPUTY SPEAKER:** Honourable members, I thank the committee chair and his committees for putting the efforts they have put to produce this report and the chair for presenting it eloquently. I also thank the honourable member for Masaka Municipality for raising the issues in his minority report.

The minority report relates to a section of the committee report. The committee report covers seven votes and the minority report is in relation to only one of the seven. That means issues one to six have nothing to do with the minority report. I think we could proceed either by dealing with the issue raised on KCCA and finish it and then we come back to debate the general report and see how to proceed from there; or we can proceed with the rest of the votes and then come back to KCCA. We can choose whichever is appropriate, so that we can finish with the recommendations, because they both have recommendations.

The recommendation coming from the minority report is that vote 122 should be stayed and not passed until certain things are done; that is the prayer. It substantially says that vote 122 should not be considered by this House and that no money should be allocated to vote 122. That is the substance of the minority report. The majority report is saying that the money, which is proposed under this sector, should be passed by Parliament as proposed in the policy statement. So, that is one issue in contention – whether or not to pass the vote for KCCA.

The reasons given include the process of raising the budget that has come to this House and secondly, the procurement process, which the Member has problems with. So, those are the two issues. How do we proceed?

**MS KASULE LUMUMBA:** Mr Speaker, I would suggest that we handle the issue of KCCA and the minority report and then we proceed to the main report.

**THE MINISTER FOR THE PRESIDENCY (Mr Frank Tumwebaze):** Mr Speaker, I appreciate the views of my colleague, which he raised in the committee. There are very obvious pieces of misinformation and with your permission, Mr Speaker, I wonder whether I should not clarify on them before Members begin the debate.

I will give an example. In the report, there is a matter that is being referred to as a KCCA matter yet it is a matter of another ministry. I can give you an immediate example, where it says that KCCA was given money under a programme called MATIP yet MATIP was a loan approved by this House under the Ministry of Local Government. Why should Members go on to debate based on glaring pieces of misinformation? Shouldn’t I be allowed to respond to these issues in detail? With your permission, I could proceed.

**MS OSEGGE:** Mr Speaker, I stand on a procedural matter. I thought you had guided and I think my counterpart, the minister responsible for KCCA, should have held on until we reached that point in time. My proposal is that we deal with the section of the report that does not have contentions to avoid wastage of time. Once we are done with that, we can come to the one on KCCA and then we can proceed to other matters.

With good intentions, I think we could cover - (*Interjections)-* Probably, it would help Members as copies are being brought to them. Probably, one of the reasons is that there has not been enough understanding. I thank you, Mr Speaker.

**MR KYAMADIDI MUJUNI:** Mr Speaker, we are considering the committee report and in here we get a minority report, which becomes a point of contention as it deviates from the main report. My understanding is that we then must dispose of the contention and then discuss the main report. If we do not do that, how do we adopt the report?

Mr Speaker, it is my considered opinion, like the Chief Whip said, that we begin with the minority report. If the matter of KCCA is set aside, then we shall proceed with the main report.

**DR LULUME BAYIGGA:** Mr Speaker, I beg to differ from that position because we were going to debate the substantive report of the committee and the minority report has also come. I would consider that the matters, which do not have a lot of contention or disagreement, are easier to dispose of. Thereafter, we can deal with the matters where there is contention. Thank you.

**THE DEPUTY SPEAKER:** Honourable members, this is my direction on how we are going to proceed with this matter: I will use the analogy of processing laws or motions. When a motion is presented to the House, proposals for amending the motion can be made. When a provision of law has been proposed to the House for adoption, amendments can be proposed to what has been proposed for adoption. When an amendment is proposed, you handle the amendment first and then you come to the issue of the final text. (*Applause)*

In the circumstances, I would consider the majority report to be the substantial report before the House and the minority report is proposing amendments to the main report; in which case, we would have to deal with the amendment before we go to the substantive report. That is my guidance on that matter. Let us deal with the issue that has been brought that deviates from the main and then we come back to the main. That is how we are going to proceed.

The specific matter that has been raised, which deviates from the main report, now proposes an amendment to what the committee is proposing in general, that the whole vote under the seven votes be adopted by the House. The minority report is saying only adopt six and one should not be adopted. So, let us deal with that one first and then we see how we can handle the main.

**MRS CECILIA OGWAL:** Mr Speaker, I totally agree with what you have said but I would like to seek your guidance. Since the issues that were raised in the minority report touch on legality, we would wish that we vote on the final decision and if possible, we vote individually because it is a matter that touches on legality. I totally agree with you but we must vote on the issues because we are dealing with legality. Thank you, Mr Speaker.

**THE DEPUTY SPEAKER:** It is okay but, honourable members, we do not start with a vote; should I now put the question? I think the Chief Opposition Whip is moving too fast for the House. She wants to vote before a debate. I think we need to debate then we come to vote and when we come to voting, we can then agree on how to do the voting. Is that correct? That would be the proper procedure.

Honourable members, just for the avoidance of doubt my ruling is based on rule 123(8) of our Rules of Procedure. You could go and look at it and then you will know that the basis for this ruling is contained in our Rules of Procedure.

The matter, which is in contention here is that the majority of the committee has proposed that the budget for KCCA be passed. However, the minority report has proposed an amendment to that saying it should not be passed for the following reasons, and the reasons are stated. So, that is the matter that we need to resolve. Should we pass the recommendation of the majority on KCCA or should we not pass it based on those issues that have been raised in the minority report? That is the matter.

Whether it has been raised by one person or 20 people, it has been raised on the record and so we need to debate it. The number really does not matter; the issue is the substance before the House for consideration. So, can we have debate on this subject of whether or not-

**MR KYEYUNE:** Thank you, Mr Speaker. When hon. Mpuuga was raising issues in the minority report, he was accusing the Minister for Kampala for not tabling evidence. Wouldn’t it be procedurally right to first give the minister a chance to prove whether the accusation is correct?

**THE DEPUTY SPEAKER:** Well, I think it makes sense that this response should be given so that the debate can be done on those two fronts.

**MR NZUGHU:** Thank you, Mr Speaker. Hon. Bintu raised a matter to do with Members do not have copies of the minority report on their iPads.

**THE DEPUTY SPEAKER:** Honourable member, if that is the only procedural point, let us proceed with the honourable minister.

1.24

**THE MINISTER FOR THE PRESIDENCY (Mr Frank Tumwebaze):** Thank you, Mr Speaker. I appreciate the report by hon. Mpuuga and when we consulted with the Opposition Chief Whip, I did not have a problem receiving the issues.

There are three points, essentially, that he raised. The first point is that the process that led to this budget was illegal. I do not think so. If you look at the *Hansard* of Parliament of last year and the *Hansard* of the Parliament of the other year concerning the same matter, the point has been made that given the legal circumstances affecting KCCA, where you have a mayor out of office and the cases are in court, essentially the Authority is not fully constituted and therefore sitting. The point that has been raised before and which hon. Mpuuga raised today, is whether in that circumstance we should transact the business of KCCA including passing the budget.

Our view is different, and we have been guided by the Attorney-General. Courts of law have upheld, in the case of Mayambala v. the Attorney-General *–(Interjections)–* I am explaining; it is important that we explain. Section 79 – *(Interruption)*

**DR BAYIGGA:** Mr Speaker, the minister is trying to explain legal matters but we know that in this House there should be an Attorney-General who should guide this Parliament in taking decisions on matters of the law. I take exception to the explanations being given by a lay person as he attempts to explain legal issues to this Parliament. It is in that vein –*(Interruption)*

**MR KYAMADIDI:** Thank you, Mr Speaker. I had no intention whatsoever of disturbing my colleague, who is also my friend, but he raises a substantial issue about the conduct of this House. We are all aware that the institution of Parliament and specifically, the decorum of this House are guided by the Speaker. The guidance of the law in that respect can only be a matter of the decision of the Speaker and not the Attorney-General.

Is the honourable member – a whole doctor - in order to mislead this House that in the absence of the Attorney-General to guide this House in legal matters, the House has no moral authority to discuss legal issues? Is he in order?

**THE DEPUTY SPEAKER:** Honourable members, Article 119(1) of the Constitution says “*There shall be an Attorney-General who shall be a Cabinet Minister appointed by the President with the approval of Parliament*.” In (3) it says, “*The Attorney-General shall be the principal legal adviser of the Government.”*

Honourable members, in as far as it relates to procedural and other matters in the House, when the House is in session, the Speaker is the one in charge. *((Applause)* Any attempt by any honourable member to even be caught thinking -*(Laughter) –* that there is such a remote possibility that any other person’s decisions other than that of the Speaker would be superior to that of the Speaker would be extremely wrong. *(Applause)* The Speaker takes decisions in this House, legal or otherwise, and takes full responsibility for them. So, the House is fully constituted even when the Attorney-General is not around. *(Applause*) Please, proceed.

**MR TUMWEBAZE:** Thank you, Mr Speaker, for your wise guidance. In summary on that point, we informed the committee *– (Interjection) -* the guidance of the Attorney-General was already given to us.

Section 79 of the KCCA Act puts in place a minister. When that Act was being made, I was a backbencher; I did not know I would become a minister for Kampala. It gives the minister some general and specific powers. Under section 79 (3), the minister is given powers to veto decisions of the Authority that he or she considers inconsistent with national policy or any other law. That is the law. It says that he shall do any other duty that the Authority has failed to do. So, in the event that the Authority is not fully functioning, I do what they are supposed to do. Of course, I report to committees of Parliament and whatever budget we have is passed by Parliament.

Mr Speaker, when we went to the Committee on Presidential Affairs, it was unfair of my friend to allege that we did not table any minutes. I laid before the committee –(*Interruption)*

**MS OSEGGE:** Mr Speaker, while the honourable minister is trying to give us his roles as stipulated in section 79 of the Act, I do not see where it says that he should usurp the powers of the Authority where they have failed to do work. It is not even indicated anywhere that they failed to do their work.

Can the minister prove to us, as the supervisor of KCCA, that the Authority failed to do their job? First of all, it implicates him as the supervisor; where was he when the Authority failed to do its job? I want the minister to be honest about his roles and responsibilities because what we are trying to do here is for the good of all this country; it is not about individuals. We need to be objective and honest. There is nowhere in section 79 where it states that the minister can do or should do what the Authority has failed to do.

**THE DEPUTY SPEAKER:** I thought that is what the minister was trying to explain. Can you allow him to finish? If it is not right, we will take a decision.

**MR TUMWEBAZE:** Thank you, Mr Speaker. What I was reading is the law, section 79, on the powers of the minister *– (Interjections) –* Section 79(2) says, *“The Minister shall have general powers to give directives on policy and general development of the Capital City and the Authority shall comply with the directives”.*

Section 79(3) says, *“The Minister may veto decisions taken by the Authority which appear to the Minister to be illegal and where the Authority fails to perform any of its duties, the Minister may by writing, direct the Authority to carry out those duties*”. (*Applause)*

Now, she is asking where the Authority failed. Mr Speaker, courts have ruled and there are pending cases in court. The Authority meeting cannot be convened because of the obvious legal challenges we all know, which I would not want to delve into given the cases in court. Last year, the same issues were raised and we explained in the same way.

When you read Article 5 of the Constitution, you realise that it places the management of Kampala in the hands of the central Government. That is why this Act puts in place a minister to whom the Authority reports. So, if the Authority fails to its work, I do it –*(Interjections)*– Just give me a minute; I will take your clarification. Besides this, we report to Parliament; we brought the budget to a committee of Parliament.

When appeared before the committee of Parliament, we were asked whether the division councils were consulted. Much as the law does not say we should consult them, – *(Mr Fungaroo rose\_)* – I will take your clarification if you could wait – we laid before the committee a report of minutes detailing the consultative process in all the divisions of Kampala. I hereby lay the same copy that I laid before the Committee on Presidential Affairs here. I hereby lay it on the Table.

**THE DEPUTY SPEAKER:** Honourable minister, what is that?

**MR TUMWEBAZE:** The document is the approval of the budget framework paper for divisions and urban councils. It contains minutes of the consultative meetings between KCCA management and the urban councils to capture their division development priorities. We did this and the minutes are here. I had tabled this before the Committee on Presidential Affairs so I took exception when my brother said that we did not lay the minutes on the Table. We did lay them and I hereby do re-table the copy here.

**THE DEPUTY SPEAKER:** No, this is the first time you are tabling them here.

**MR TUMWEBAZE:** Yes, Mr Speaker; it is the first time here.

**THE DEPUTY SPEAKER:** Let the records capture those.

**MR TUMWEBAZE:** The other point is on the procurement of the market *– (Interruptions)*

**MR FUNGAROO:** Thank you, minister, for giving way. Mr Speaker, I also thank you very much. In the KCCA Act - unfortunately, I do not have it here – there is a section that says that where KCCA fails to do its work, the minister is empowered to direct KCCA to do the work. Is it the same as the minister doing the same work or you should just direct KCCA to do the work?

**MR TUMWEBAZE:** I can help you. The same Act creates the position of the executive director who is appointed by the President but supervised by the minister responsible for Kampala. The directive I give is to the management of the Authority to prepare the budget estimates ready for presentation to Parliament –*(Interjections)*– Yes! That how it is done, and the Committee on Presidential Affairs is well empowered to scrutinise *–(Interruptions)*

**MS OSEGGE:** Mr Speaker, it has taken a lot of energy for me to stand and put my colleague to order. While we all studied and passed English, and that is why we speak English in this House, the honourable minister is trying to confuse us through language.

Is the minister in order to lie to this House that by directing the Authority to do its work, it means that the wrong organ should do the work that another organ is supposed to do? Can we make a distinction between the role of the executive director and that of the policymakers? Is the honourable minister in order to confuse this House as to whether the right organs have done their jobs at KCCA? Is he in order to make us think that the absence of the Lord Mayor at KCCA means the absence of the whole Authority when there are supposed to be committees? Why are these committees not functional? Is the minister in order?

**THE DEPUTY SPEAKER:** Honourable members, let us look at this properly and let us just handle it the way we handle any other business in the House.

One, the law creates an Authority and gives it functions and powers to do certain things. Two, where the Authority fails to do something the minister has the prerogative to direct the Authority to do it. Where the Authority is incapable of being directed because it is not in place and so not functional, then what happens? Here is a situation where the law gives the minister the powers to direct the Authority but which Authority is not there because of the legal operations, court cases and all those things that are going. So, there is no Authority to direct. In the circumstances, what would happen to an institution that has to operate, that has a budget to be proposed for approval by the House? Can I get an answer to that question?

**MR TUMWEBAZE:** Thank you, Mr Speaker, for your guidance that we should be sober. Section 19 of the KCCA Act provides for the functions of the executive director. Mr Speaker, I would like to inform the House that the law empowers the executive director to be the custodian, chief implementer and chief legal adviser of the Authority. Section 19 (a) states, *“to be the head of the public service in the Authority and to head the administration of the Authority, including divisions and wards.* Section 19(d) says, *“be responsible for coordination and implementation of national and council policies, laws, regulations, byelaws, programmes and projects.”* That is the executive director. Section 19 (f) in particular says that the function of the executive director is to“present the annual budget to the Authority.” *(Interjections)*– Yes! So, now the Authority has failed –*(Interjections)*

**THE DEPUTY SPEAKER:** Honourable members, let us listen to each other.

**MR TUMWEBAZE:** You asked whether the Authority is not functional. There is an executive director, who is the head of administration and who should prepare budget estimates because it is his or role, to present them to the Authority. The Authority is not able to do that duty; I do it. *(Interjections)*

**THE DEPUTY SPEAKER:** If you have a point to say to the House, you know the procedure; you do not just show up. Please, do it in an orderly manner.

**MS SANTA ALUM:** Mr Speaker, I need clarification from the minister. The minister read the KCCA Act, which gives him the obligation to direct the KCCA management and not the Authority. He also read the functions of the executive director which includes, among others, to present the budget estimates to the Authority and not to Parliament or to the minister. So, Mr Speaker, why do they want to tag us to the Authority? Why do they want to tag Parliament to the Authority? Why do they want to drag us into their mess? Are we really proceeding right? I need clarification before we move on.

**MR TUMWEBAZE:** Mr Speaker, I will try to as much as possible to read the law. Section 79 is on the powers of the minister and subsection (1) (c) says, *“to receive and take appropriate action on reports submitted by the mayor, executive director or a commission of inquiry*.” So, the executive director reports to the minister and the executive director is the chief legal adviser and administrator of the Authority. So, any directive on government policy from the minister has to go to the executive director just like you have the Clerk to Parliament. Any directive goes to the accounting officer to take the action.

In this case, the Authority is impaired by the circumstances it is caught up with; the Executive Director is unable to present to an Authority meeting, so she seeks guidance from the minister, who is the overall supervisor. Therefore, the directive I give to the Executive Director is, “prepare the budget estimates and I will take them to Parliament.” (*Interjections)* I do not see any contradiction.

**MR MUWANGA KIVUMBI:** Mr Speaker, I thank you very much. We are presented with a scenario that is clear-cut - there is no functioning Authority because the Authority –(*Interruption)*

**MS ROSE NAMAYANJA:** I thank you very much, Mr Speaker. I would like to raise a procedural matter. Right now, we are engaging in legal issues that are before the courts of law. These are issues that are being determined and are being disposed of by the courts of law. For us to engage in a discussion of the same is actually *sub judice* and contrary to our Rules of Procedure. The only thing we can do in order to allow the Authority to proceed, is to consider their budget, allow the Authority to proceed and the courts dispose of what we are going through. I thank you.

**THE DEPUTY SPEAKER:** Honourable member, you rose on a point of procedure. Now, what is before court for determination? (*Laughter)*

**MS ROSE NAMAYANJA:** Mr Speaker, what is before court is actually the functionality of KCCA, and in particular issues to do with the roles of the Lord Mayor, the Executive Director and as to whether the Authority is fully constituted. These are issues that are not yet determined in the courts of law. It would be *sub judice* for our deliberations here to border on the same. Let us handle what is precisely within our mandate - to pass the budget - and then proceed.

**THE DEPUTY SPEAKER:** I still want some advice on this particular issue; what is before court, honourable member for Butambala?

**MR MUWANGA KIVUMBI:** Mr Speaker, there is a court case at the Court of Appeal having been directed there by the decision of the Supreme Court. The matter therein is to determine a court ruling by the one judge of the High Court as to whether the Lord Mayor of Kampala should be in office pending the hearing of the case. That is one issue before court. The other issue before court is whether the Lord Mayor of Kampala was illegally impeached -

**MR TUMWEBAZE:** Mr Speaker, cases before court are known; is it in order -

**THE DEPUTY SPEAKER:** What is before court?

**MR TUMWEBAZE:** I rose on a point of order.

**THE DEPUTY SPEAKER:** Yes, so state what is before court!

**MR TUMWEBAZE:** The cases before court are many. One, an application was taken to the Supreme Court to stay and quash the orders of Justice Kavuma of the Court of Appeal; it was struck out. A wrong procedure had been used to go to the Supreme Court and the person who took the case there was advised to apply to the bench of three judges in the Court of Appeal.

Another case before Justice Nyanzi in the High Court was halted by orders of a judge of the Court of Appeal. There is nothing in court by anybody challenging the illegality of the removal of the Lord Mayor. That aside, the matter we are discussing here is: with those cases in court, should the Authority shut up?

**THE DEPUTY SPEAKER:** I need to rule on this matter, honourable members. I need to ask the question if the Authority is fully constituted; the answer is no, it is not.

Two, what is the process going on to determine whether the Authority is fully constituted? Whether the Mayor would be in office or whether the Mayor would not be in office; that question is before court. The determination of that case is before court. I think for the Authority to be fully constituted, its membership must also comprise of the Mayor. That is my understanding; I have not read that law again for a while.

The Authority is not fully constituted; it is not functional as the Authority anticipated by the law. (*Mr Fungaroo rose\_)* Honourable member for Obongi, can I finish this! If you think you can supply better information and guidance on this matter, please, proceed. (*Laughter)* I am speaking and you are up and down. Can I now finish on this issue and guide how we are going to proceed on this matter?

The question whether the Authority is functional or not is before court. To that extent, that matter will be *sub judice;* we cannot discuss the issue of the improper or proper constitution of the Authority. What happens in that situation? Does the law anticipate the absence of an Authority or the non-functional situation of the Authority? What the minister is reading, and I have not crosschecked, is that where the Authority fails to perform a particular function, the minister has power to direct the Authority to do it. The Authority he is directing to do it is not there. If there is an alternative institution *–(Interjections)–* Please, you are interfering with my thinking.

Is there an institution in place that can take that responsibility by the operations of the Act? Is it there?

From what the minister has said, the office that is responsible for preparation of the budget is the office of the executive director. However, upon preparing the budgetary proposals, the executive director is supposed to submit them to the Authority. Now, this Authority is not there. We have a situation with the minister giving direction that the budget estimates be prepared and obviously, the person who receives this directive is the executive director. In any situation, anyway, it would be the executive director to receive any directive from the minister. Now, she has received the directive to prepare and submit budget estimates according to the law. According to the law, there is nobody immediately to present this budget to because the Authority is not there. So, who does she submit these estimates to? By operation of the law, it would be the minister. The minister is giving a directive but the person who should have transmitted it to him is not there, so the executive director can directly pass it to the minister.

**MR FUNGAROO:** Thank you, Mr Speaker. The issue of the minority report is not about the absence of the Lord Mayor incapacitating the functionality of KCCA; it is the absence of the committees that are supposed to be put in place. *(Interjections)* Yes! First read the minority report. Now, means that the issue of *sub judice* – that there are certain things before the courts of law which should not be discussed here - will not arise in this matter.

Mr Speaker, I would like members to look into –

**THE DEPUTY SPEAKER:** Honourable members, let us have this cleared; the executive director does not submit budget estimates to the committees but rather to the Authority, which Authority is not there.

**MR SIMON ALEPER:** Thank you, Mr Speaker. If I recall well, yesterday when you adjourned the House, you made it clear that the House had performed well because we managed to handle two reports. Today, we came here knowing well that we would accomplish our tasks. It is therefore quite disappointing that we are taking almost two hours engaging in a game of ping-pong.

There are two reports before this House – the main report and the minority report. I thought that you ruled very well that we should first discuss the minority report and then we return to the main report. Now that the trend is almost pitting the minister against members of the Opposition, are we procedurally right to continue debating in this manner and yet we have two reports to consider? I suggest we give time to the minister to clear what has been raised in this report so that the House debates and we conclude on it. That is the point of procedure I would like to raise, so that we save time.

**THE DEPUTY SPEAKER:** Honourable members, this matter needs to be looked at carefully and it is now 2 o’clock. I suspend the House for one hour so that we resume at 3 o’clock and finish this off before going on to the next report. Please, while the House is suspended, I encourage you people to consult amongst yourselves and see how we can move forward in this matter. House suspended.

*(The House was suspended at 2.01 p.m.)*

*(On resumption at 3.09 p.m., the Deputy Speaker presiding\_)*

**THE DEPUTY SPEAKER:** Can we proceed. Honourable members, at the time we suspended the House, it was 2 O’clock and it was time for lunch. Secondly, there were issues that needed to be resolved; I do not know how far we have gone with them. The issue was about the proposal not to pass the budget of KCCA; that is where we were and we were having some discussions on that. Can we proceed.

**MR SSEBAGALA:** Thank you, Mr Speaker. By the time you suspended the House, you had requested for some kind of interactions –

**THE DEPUTY SPEAKER:** No, I did not request; I said that while in recess, we can find an opportunity to talk. I did not request you to go and talk.

**MR SSEBAGALA:** Okay, that is exactly what you said, Mr Speaker. I believe the minority report submitted by hon. Mathias Mpuuga would give us a way forward.

**THE DEPUTY SPEAKER:** Honourable members, there are things that we might need to desegregate or separate if we are to find a solution to this situation that we face now.

This is not the first time KCCA, particularly the Authority, has been in this kind of situation. This is not the first time a budget has been proposed to this House under similar circumstances, except that maybe that time the matters were not raised the way they have been raised right now but they were similar circumstances. The Authority was in the same situation and the budget still came here and this House still passed it. So, we have a precedent of more than two years that we have used to go forward on this matter.

Secondly, what is before us as Parliament as of now, and the matter that we can debate substantially and take a decision on, is actually the budget. The question of the constitution of the Authority is a matter that is before court and by us using it to guide our debate we could be making a mistake, which might not be something that we want to do. We cannot determine those matters; somebody else is determining them.

What is before us is an Authority - KCCA - with staff and other people who need to be paid, people that need to be helped with these processes and a budget is before this House. That is where we are and I think we should adopt a situation which does not impose any suffering on those people who are employed by KCCA and those who benefit from them. We should not take a decision that would affect them adversely because we cannot speed up what is going to happen in court. We cannot direct court to deliver judgement tomorrow such that we are free in all aspects, and like the honourable member is saying that until those matters are sorted out, we should not pass the budget. I think that would be throwing the baby out with the birth water.

We might have to find a more purposive way of dealing with this while recognising that there is a problem. The House recognises that there is a problem and this matter has got to be sorted out. However, moving forward, we might have to see how to deal with this, pass the budget and let those people function and let those staff be paid. They might end up suffering and things like that. We can then deal with the core issue that is causing those delays and the structural issues, the Act and so on; we can find an opportunity to resolve them.

Honourable members, you will recall that this is not the first time we have had issues with KCCA. It really has been a problem. If it was something we could treat medically, we would have done surgery and just cut it and thrown it somewhere so that the body can live without problems. It is becoming cancerous and beginning to eat into other things, which is not proper. So, honourable members, I really seek your indulgence on this matter so that we save the baby and deal with the birth water later. Hon. Mpuuga, what do say?

3.14

**MR MATHIAS MPUUGA (Independent, Masaka Municipality, Masaka):** Thank you, Mr Speaker, especially for your guidance on how to proceed on this matter. It should be properly understood that it is not in my interest or even in the interest of colleagues with whom we concur to stifle business at the Authority. We only seek that things are done right.

It is going to be very difficult for us if the minister stood here and insisted that he is proceeding rightly. I am only waiting for him to come here and concede that something is amiss and see how this House can respond to these issues with your guidance. However, if he insists and puts on a straight face saying that he is proceeding right, I have the law on my side; I will take him on about this matter. If he is willing to speak the language of “how do we help this entity move better?” *–(Interjection)–* It is different and we are leaders, which is why variously I mentioned that I appreciate that our duty as leaders is to help our people.

I want to see my friend, the minister, move forward and make one statement and say, “Yes, I appreciate something is amiss; how does Parliament help this Authority to function better?” Like you have mentioned, this Authority has suffered multiple organ failure and we need to find an amicable way of helping it.

Mr Speaker, you remember well that this very Parliament did institute a select committee to investigate a botched report of the Authority. They came up with a damning report implicating colleagues on how they moved on the Authority. In my minority report, I am saying that I would not want to see Parliament being conscripted again into committing an illegality. I would like to see Parliament proceed right on an understanding that something is amiss and therefore we need to find a collective way forward. I submit.

**THE DEPUTY SPEAKER:** Honourable member, there is no question at all, not in my mind or in the law, that there is a problem at KCCA. I do not think that there is anybody in this House who believes that there is no problem at KCCA. There is a problem; even what the minister is doing is because there is a problem in KCCA. So, let us agree that there is a problem which we need to deal with properly and solve so that it stops affecting people who are innocent.

3.17

**THE LEADER OF THE OPPOSITION (Mr Phillip Wafula Oguttu):** Mr Speaker, thank you very much. We all want KCCA and the rest of Uganda to run well; we all want our people to get services. We all know that KCCA has a problem and Parliament has concerned itself with the issues of KCCA on several occasions.

Mr Speaker, you remember that at one time there was a small committee that was set up, which included the Prime Minister and the Leader of the Opposition then – I was not yet the LOP - and the Prime Minister promised to bring here a political solution to KCCA issues. He has never come back and actually the LOP pulled out his team from those discussions. This Parliament then set up the infamous Kintu-Magyezi committee –*(Laughter)*– which doctored reports and it caused trouble. Again, we have not solved that problem. *(Interruption)*

**MR MAGYEZI:** Thank you, Mr Speaker. I duly respect the Leader of the Opposition but is he in order to try to blame the problems and challenges facing KCCA on somebody called Magyezi, with whom I share a name? *(Laughter)* Is he in order to associate me with the challenges of KCCA?

**THE DEPUTY SPEAKER:** Honourable member, if only you had raised a point of order in relation to how your name was mentioned, I would have been well briefed to respond to that. but the Point of Order is dealing with something else which was not before this House. *(Laughter)*

**MR WAFULA OGUTTU:** Thank you, Mr Speaker, for your wise ruling and guidance.

Parliament has done that on several occasions because we are all concerned about KCCA and we are all aware that there are legal issues in KCCA, some of which are before court. We know how budgets should be made in all departments of government. The issue of concern is that the KCCA budget process did not follow the law. So if we follow that route, we may hit a stalemate.

We would like our colleagues on that side to treat this KCCA matter as an apolitical issue, which may not be solved here through debates but through negotiation and dialogue outside there. That is what we think. Because KCCA has a huge budget – over Shs 200 billion - that money is given to a few individuals to control without political approval and oversight.

We are all aware that the reason there is representation is because taxpayers were involved; those who pay tax must have representation to be able to know how their money is spent. Kampala City Council Authority does not have that representation now. We are going to present in the debate a legal position on what we think about this and if the minister insists, then we can as well take it to court, which we do not want to do. Thank you, Mr Speaker.

3.22

**MR JACOB OBOTH (Independent, West Budama County South, Tororo):** Thank you, Mr Speaker. I have listened to you and you have guided more than twice, and I was particularly touched by the author of the minority report; what a gesture of reconciliation that was, a gesture of dialogue to find solutions to what is affecting our city. When hon. Mpuuga said, “We want an acknowledgement”, I thought the debate on the minority was coming to an end. When the Speaker guided that there is a problem and nobody doubts this, I thought the Speaker had nailed it.

Mr Speaker, would it be in order for us to ask, through your chair, the minister to come up and give an acknowledgment. It is not an admission but acknowledgement of a problem. Everyone knows that Kampala Capital City Authority has a problem. This is the city that houses this Parliament and most of you – I am lucky I do not sleep here. Taking advantage of the problem for this House to be seen to be stifling the operations of the corporate body called KCCA without a political head would be very unfair.

I want to thank hon. Mathias Mpuuga and the Leader of the Opposition; they have made a concession, in my understanding. The Minister for the Presidency and the Minister in charge of KCCA by doing what he is doing, as the Speaker has said, he acknowledges that there are some problems. If that is all, through you, Mr Speaker, is it possible for the minister to comfort the members by saying, “Yes, there is a problem and all is necessary to help solve it soon or later.” We all know this and I do not want us to take it – Mr Speaker, I should not have said more than what I have said.

Having a capital city without a Lord Mayor – the other day I met him at the Budget function and somebody else was making fun of him by asking, “Are you a road mayor or a lord mayor?” This gentleman was polite enough to say, “You choose which to refer to me by.” That touched me. Kampala City Council Authority needs a win-win situation; when we go to a situation where the winner takes it all, we shall continue to have that problem. I go by the proposal for the minister to come up and acknowledge and we move on to another report. This is my humble – *(Mr Sseggona rose\_)*

**THE DEPUTY SPEAKER:** Now, are you taking the position of the Minister for KCCA? *(Interjection)* Okay let me listen to hon. Sseggona.

**MR OBOTH:** Mr Speaker, he was rude to stand up while I was still holding the Floor but I know that is his nature. *(Laughter)*

3.27

**MR MEDARD SSEGGONA (DP, Busiro County East, Wakiso):** Thank you, Mr Speaker, for ruling that I stand up while he is still holding the Floor. To me that meant that he would sit down; nevertheless, for the generosity of humour, I also thank my colleague.

Mr Speaker, I think it is not in doubt that there are problems in KCCA. The minister, as he gave his presentation earlier, said he has taken over certain functions of the Authority because it is not there.

I honestly have a lot to speak about and against the minister in these issues but I wish to restrain myself and I will, for purposes of harmony and going forward. I have a lot, including judicial pronouncements *–(Interjections)-* I actually would not wish to be interrupted by the Government Chief Whip especially on matters that she knows less about but for her information, I am only witnessing –*(Interruption)*

**MS KASULE LUMUMBA:** Mr Speaker and honourable members, I am one member who has sat in this House from the beginning to this time. The member on the Floor has just come in despite the Speaker’s request that plenary would begin at 10.00 a.m. I have sat here as a Member of Parliament for Bugiri District and a member who has listened to issues of KCCA from the time they were making the law of KCCA in which I participated.

Is the honourable member in order to demean me and the people of Bugiri that I know little about KCCA when he has not even mentioned what gauge he has used to measure my knowledge about KCCA? Is he in order? Is it the size of the head or the height? Is it the size of the skin? Is he in order?

**THE DEPUTY SPEAKER:** Did you say the size of the skin –*(Laughter)–* because I would have to rule on that one separately? *(Laughter)*

Honourable members, that said, I think I communicated the spirit in which we should proceed with this matter. I communicated clearly; this matter of KCCA that has been before us and we know it. The reason the minister is doing the things he is doing is because there are structural problems that need to be handled. At an appropriate time, we should find time and put this matter to rest so that we can move forward without these hiccups.

A request has been made that the minister should make a comment on this and I am going to ask the honourable member who has proposed this to take some decisions that can make us move forward. Honourable member for Busiro I think you had finished – *[Mr Sseggona: “No, I had not finished”] -* Okay then, maybe I will rule on the point of order. I may rule you out of order and ask you to sit down. *(Laughter)* Okay, please conclude.

**MR SSEGGONA:** Thank you, Mr Speaker, especially for protecting the size of my skin. I am saying what I am in utmost good faith and for the good of the city because I am in Kampala 365 days of the year.

Mr Speaker, there are two problems in KCCA; the first is legal and the second is political and we are faced with both here in Parliament. The legal question is actually a result of the political problems in KCCA but I think we can achieve a way forward and not stifle the work at KCCA by engaging in undertaking a political process. At one point, this had been achieved but I think some forces were again ill-advised to reverse that gain.

My view and understanding of the proposals of my colleagues is that whereas in the past political processes have failed, still a political engagement involving stakeholders in the affairs of Kampala would bring us to a solution. I will give you an example. This question that the Authority is not fully constituted in accordance with section 6 of the KCCA Act in my view can be solved within one week. We have had judgements of court, we have had reversals and the net effect of them can lead us to one inevitable conclusion - we can fully constitute the Authority.

I am privy to a number of judicial decisions on this. There has not been any judicial decision to the effect that there is no Lord Mayor; it is not there. The latest of these judicial decisions on that particular question is that there is a Lord Mayor. What do we need to reconstitute or to fully constitute KCCA? Just one meeting of the political leadership at a national level, another meeting of the political leadership at KCCA and we shall have the Authority fully functioning.

Two, the fundamental question raised in the minority report is that there is no budget proposed by the Authority for that reason. Being a lawyer, I know that if the Authority is constituted today and it sits tomorrow, it is very simple to ratify this budget, present it to us and we pass it.

Today we are a Parliament that is concerned with oversight functions, accountability, procedures and good governance and we are being tempted to say, “Give money to an entity that has no political leadership and that is not fully constituted, and where there is no political oversight and accountability.” We are not dealing with civil servants as Parliament. We do not give money to civil servants; we give money to elected leaders.

Mr Speaker, the minister has some residual powers under section 79 of this Act and he has talked about them. I have a different view –*(Interruptions)*– Mark my words and I thought the decorum of this House requires us to listen. We have never constituted the minister into KCCA, which we constituted by an Act of Parliament. What do we need to do? Let the minister engage the political players on either side.

I participated in the dialogue chaired by the Prime Minister of the Republic of Uganda and there is only one reason why we failed to reach a conclusion. I wish he was here because I told him, “Mr Prime Minister, I do not think that you have been fully delegated to undertake this exercise.” I have seen in this country an honourable respected minister jumping onto a presidential jet to go and negotiate with Joseph Kony and when he comes back, somebody says, “We were not aware of his undertakings”. So, I asked, “Are you fully mandated?” At the end of the day, that lack of mandate led to the collapse of those discussions.

May I suggest that my brother, hon. Frank K. Tumwebaze, the Minister for the Presidency and Kampala - I am happy he liked that - the minister for those two dockets, consults with the leadership in the Opposition, his colleagues in Government and even the Lord Mayor. Mr Speaker, you rightly pointed out that at one point we had the same issue of the budget come up. It took the involvement of hon. Fred Ruhindi, the Deputy Attorney-General, to clarify and an Authority meeting was called within two days and they presented the budget and we were able to sort out that problem without controversy. What stops us today, apart from ego, from making similar undertakings?

The central government has not taken over KCCA; Kampala still has an elected leadership. Let us deal with that elected leadership to find the solution. Otherwise, I find extreme difficulty in giving my nod of approval to such a process that I consider illegal – I will not say immoral. Thank you, Mr Speaker.

3.38

**THE MINISTER FOR THE PRESIDENCY (Mr Frank Tumwebaze):** Thank you, Mr Speaker. I want to welcome the statement of the Leader of the Opposition. I have personally stated that there is nothing hard to discuss but that discussion should be based on honesty and not in an adversarial manner or an attempt to score political gains on either side.

The discussion, first of all, must separate the political problem that the Leader of the Opposition has articulated. Before I was appointed the Minister for Kampala, these disagreements in the Authority were there. I remember debating as a backbencher here, giving my opinion but sometimes we hear issues being personalised; there is nothing personal and we must put this on record. Be it the person of the minister or the person of the executive director, we are performing roles that this Act defines.

There is no dispute that there is a disagreement within the political wing of the Authority. If the Leader of the Opposition suggests that we can discuss these matters, I am willing to discuss them but that should not be used to mean that we are not following the law *–(Interjections)–* That is where my disagreement comes.

My brother, hon. Sseggona, has been part of a big legal team and they know the cases we have engaged in court. Some of the issues we are discussing here either collectively or separate have been discussed in courts of law and some have been ruled on. Even the courts had initially said, “Go and talk”. So, sometimes when someone says we are not doing the right thing when I know there is a ruling of court saying something different – I would suggest that if you want dialogue, then do not make conclusive judgments faulting others –*(Interjections)–* Let me conclude.

Rule 135 of our rules says, *“Each minister shall cause to be prepared and submitted to Parliament a policy statement of the relevant ministry on the preliminary estimates submitted under rule 137 by the 30th Day of June each year.”* These are estimates. Not the minister or the internal process has power *– (Interjections) –* Mr Speaker, I beg to be protected.

It is the obligation of the minister to present a policy statement to Parliament. The same law, as hon. Sseggona knows, states what my duty is, the duty of the mayor, and the duty of the executive director. If there has been a clash, that is what we should go and sit and talk about, but to judge who is right and wrong will not give us a solution.

I am willing to engage in any discussion. The Leader of the Opposition can come up with a team and I will seek guidance from the Prime Minister and the Chief Whip and the leadership of this side. We can have the dialogue, but you should bear in mind that as those discussions are pending, the people of Kampala want services. These services have been on-going and there is glaring improvement in the city, the political disagreements aside. Kampala is better than it was five years ago. Thank you, Mr Speaker.

**THE DEPUTY SPEAKER:** Honourable members, in the VIP gallery this afternoon we have a delegation from the People’s House of the Republic of Somalia. The delegation constitutes 25 Members of Parliament from the Committees of Truth, Reconciliation and Restitution and Natural Resource. The delegation is being led by the Chief Whip, hon. Abdullahi Hassan Roble. *(Applause)* They are here to benchmark and share experiences with their counterparts. Please, join me in welcoming them. You are very welcome. *(Applause).*

Honourable members, there is something called financial initiative. Financial initiative in all matters budgetary rests with the President. It is the President who proposes the budget; all other institutions act to inform the President to propose a budget and there have been procedures on how that consultation process can be done to facilitate this doctrine of financial initiative. The procedure is clear; in parliaments all over the world, financial initiative rests with the chief executive of a particular country. He or she proposes and Parliament disposes. So that is the foundation of all these things.

The processes that go into consultation and lead to the final figures that the President proposes for approval to Parliament are important but they cannot stop the President from proposing a budget. *(Applause).* The President will still propose a budget even if nobody was consulted; there would still be a budget proposed under the Constitution. However, those processes are important. That is what we are saying.

Where we have reached now is that we have a proposed budget before the House for approval and we are citing the absence of a particular institution that should have done some particular functions. Its absence is now what we are citing to stop or delay the process of approving this budget. In my opinion, I do not think that is being fair to that institution and the people who serve under it. *(Applause)*

Like I said earlier, we should not throw away the baby with the birth water. We should find opportunity to deal with those issues - hold consultations and then deal with this KCCA matter and get to the root of it and solve it. All these things we are proposing and debating left and right are like applying ointment to a cancerous wound; it will never heal. It may give you temporary relief but certainly, the wound will not go away. Unless we agree that we need a red-hot knife to place on that wound and cure the cancer, we will be chasing our tails.

I would advise for now that we separate these issues. Let us not inhibit the budgetary process but let us take the opportunity later and deal with these issues comprehensively. If it means amending the law, let us have the law amended, –*(Applause)–* whatever it will require.

We cannot be having this debate every time. A debate that should have taken one hour has taken four hours just on one aspect of a whole big sector, because a problem that should have been solved has not been solved. So, I would still propose to the members that let us desegregate this issue. Let us deal with the budget first and table those issues separately so that we can effectively handle and finish them. We know that immediately we finish this process, we should come back with the proposal of how to finally solve the issue of KCCA.

**MR MPUUGA:** Mr Speaker, I appreciate your guidance especially in reference to the financial initiative. I know, for example, that the President is the Minister of Finance *de facto* but the same does not apply to a minister. I am also aware of the provisions of section 5(4) of the KCCA Act to the effect that provisions that relate to local governments also relate to the Authority but the Authority relates differently.

The earlier discussion, to me, was a more feasible outcome of this. Just like I said in my earlier submission, the minister insists that he is proceeding right and I insist that he is proceeding unlawfully. If that is going to be the debate, then we go back to section 16 of the Act and how it empowers committees of the Authority.

The minister submitted here what he called a report from consultations out of the divisions, but that consultative process is not provided for under the law. The law only provides for reports from divisions, and I would like to share with the minister those reports. The town clerk of a division is mandated under section 35, if I recollect well, to initiate and table before these divisional councils a budget which results into a report, which would go to the Authority for approval. That is the process. In the absence of that procedure and the minister brings –*(Interruptions)*

**MR ODONGA OTTO:** Thank you, Mr Speaker. Now that the Lord Mayor is not in office, who is responsible for the law enforcement in Kampala on a daily basis? Who is responsible for paying the traffic warders we always meet on our roads? As I was coming here, I saw people in yellow clothes arresting vendors on the streets. Should they also go home because the Lord Mayor is not in office?

My understanding is that there is a semblance of the Authority though it is not complete. So, should we close shop and everyone goes home until the Lord Mayor comes back? *(Applause)*

**MR MPUUGA:** Mr Speaker, the clarification that the honourable member is seeking, I think, is misplaced and micro to this debate. It is misplaced because we are debating the principle of voting money to an entity that is devoid of political superintendence. The affairs that the honourable member is trying to refer to – perhaps he joined the discussion late from a late lunch - are much broader. I would rather that we have our energies concentrate on that. If we proceed like this, we will be legislating an illegality indirectly and before we end this debate, when we come back here – *(Interruptions)*

**MS KAWOOYA:** Thank you, Mr Speaker. I wish to thank the honourable member for giving way.

For some time now, the issue we have been faced with is whether we should continue debating on the issues of KCCA or not. Mr Speaker, you have ably guided this House. You have tried all efforts to carry this House through the budgetary process. You have guided that this is not the first time that this House is faced with issues of KCCA. You have gone a step further to appeal to the House that for the sake of harmony and moving forward and having this House acknowledge and put on record that there are pertinent problems in KCCA, you have rightly said that we cannot stop the process that we are undergoing.

The honourable member for Masaka Municipality produced a minority report, which was not attached to the main report. However, for purposes of harmony, you allowed it to be presented and debated. The people in KCCA have got the right not to be disenfranchised from resource allocation.

Having said that, I have been looking at your face, trying to read your mind; you have constrained yourself from moving under rule 8 of our Rules of Procedure, which is about procedure in case not provided for and precedents. Rule 8 says, *“In case of any doubt and for any question or procedure not provided in these rules, the Speaker shall decide, having regard to the practices of the House, the constitutional provisions and practices of other Commonwealth parliaments in so far as they may be applicable to Uganda’s Parliament.”* The issues of KCCA and the budget of that institution –

**THE DEPUTY SPEAKER:** Honourable member, did you rise on a point of clarification?

**MS KAWOOYA:** I am now seeking guidance. *(Laughter)* Mr Speaker, I would like to ask whether it would not be procedurally right –

**THE DEPUTY SPEAKER:** Honourable member, you cannot rise on a point of clarification then turn it into procedure, to guidance and maybe very soon you are going to go to a point of order – *(Laughter)* – and you might end up with a motion.

**MS KAWOOYA**: Mr Speaker, I am now back to guidance. *(Laughter)* Wouldn’t it be -

**THE DEPUTY SPEAKER:** Please, allow the Member for Masaka Municipality to conclude.

**MR MPUUGA:** Thank you, Mr Speaker. Just like I was submitting, I would be interested to hear from my colleague, the honourable minister, whether the documents he submitted are reports from the divisions or actually his own consultative notes. That is the issue I raised in the committee and the minister promised to submit requests from the divisions that were never submitted and which –

**THE DEPUTY SPEAKER:** Honourable member for Masaka Municipality, are we going back on this or had we moved away from what you are now trying to present?

**MR MPUUGA:** Mr Speaker, it was my wish until the minister dragged me back to the trenches. I was actually trying to carry him up so that we can be at the same level but he still insists that he is right and that I am wrong. I am trying to say that I can only be humbled by a superior argument of the law but I can also be defeated politically. However, he is insisting –

**THE DEPUTY SPEAKER:** Honourable Member for Butambala, please; earlier today we moved on that road you are taking and we had already passed that bridge and we are now moving towards harmonising how to move onto finalising this debate.

Honourable minister, there is a spirit we are trying to develop here that we move and deal with this thing. This conditional debate that you would like to engage in may not help the process of harmony. The conditional debate does not help the process of concluding some of these things. So, I wish you could read the spirit communicated from the chair and take it and run with it and we conclude this debate.

**MR TUMWEBAZE:** Mr Speaker, I have acknowledged the proposal of the Leader of the Opposition and I have accepted your guidance. However, I get constrained when my brother goes on to discuss substantive issues to give his opinion which I disagree with.

A point has been made that KCCA is an institution that has employees, has the duty of traffic control, has the duty of cleaning the streets, it has a duty of building roads -

**THE DEPUTY SPEAKER:** It also has problems.

**MR TUMWEBAZE:** Yes, it has political problems amongst its political leaders. I acknowledge that and I am very willing to humbly participate in any discussion where the people disagreeing in KCCA can be brought to share and discuss. But what –*(Interruption)*

**MR SSEBULIBA:** Thank you, Mr Speaker. I have listened to your guidance and I have listened to the submissions from my colleague from Masaka and also the minister. As a resident of Kampala, a Member of Parliament representing one of the areas of Kampala and an *ex officio* at KCCA, as much as we would like to pass this KCCA budget, I think we need to put some riders. Like my colleague submitted, basing on the arguments fronted by the minister and my colleague here, we still see that there are problems there, like you rightly put it.

How do we move forward? I actually thought the minister would come out with open hands, with an olive branch but I still see him reneging to an argument. We would like to see how to politically solve this because it is now a political matter. The mood in the House is that everybody is yearning for a way out that will benefit all of us. If we are to pass this budget, we want some kind of commitment that yes this budget is going to be passed but there is this problem; how are you going to handle this problem which has been presented by hon. Mathias Mpuuga? It cannot go into the dustbin of history. We cannot wish away hon. Mpuuga’s issue.

The ball is still with the minister. How do we handle this and accommodate this issue because it is real and it is a fact? Is it prudent to move in that direction he is moving?

**MR TUMWEBAZE:** Mr Speaker, the impression I am getting –

**THE DEPUTY SPEAKER:** Honourable minister, please help the House move forward.

**MR TUMWEBAZE:** Mr Speaker, I acknowledge there are problems in KCCA. *(Applause)* If there were no problems, different parties would not be in court. If there were no problems, this House would not have constituted those two committees to discuss the problem. That, for sure, I acknowledge.

I am proud to say that I am not the problem; the problem has been here. I appeal to Members that the problems aside and with our commitment, let us discuss them honestly and genuinely. I appeal to the House to pass the budget for the better delivery of services in Kampala to continue.

**MR MUWANGA KIVUMBI:** Mr Speaker, he has moved a step forward in the right direction. There is a noble duty for everyone to move and we narrow the gap and ensure that there is a functional Authority in Kampala in terms of service delivery, irrespective of the fact that there are known problems. However, this has been on-going and commitments even on this Floor of Parliament have not been met. As we do so, we would like some kind of timeframe and solid solutions on the way forward.

We acknowledge we need a timeframe on the political side. The legal side can take its own course; it is not in our mandate to control. We do not want an open cheque because we have given open cheques many times before. So, as we narrow the gap, let us be specific and hear from the minister.

I would have loved if he said that he would consult with the Leader of Government Business and maybe with the President and come back within a certain timeframe to this Parliament with solid proposals on how we are going to resolve the impasse in Kampala. This city cannot be run like that year after year, and we cannot keep on giving money in a manner like this.

The other solution I would like propose is that you make solid commitment on this. As much as we are going to agree on the main framework of the budget, in his report we will take exception with Usafi as a component, later on. There are two ways to this, and I do not want to go into legalese here, but we want to go to the political side and make a solid commitment. This is Parliament and these are people’s representatives –

**THE DEPUTY SPEAKER:** Honourable members, the committee responsible for this sector must pick up this issue. As soon as we finish the budgetary process, - the issues are clear and they have been lingering in the committee for a long time - come and make a substantial report on these issues to the House so that we debate and conclude this matter.

All these issues that have been raised should come in a more structured way. What I am saying is that this debate cannot be housed in the budget debate. It needs its own housing so that we can come to conclusions on it properly. I see every time we stand up we are going back to the same issues that we could have an opportunity –

**MR SSEGONA:** I want to thank you, Mr Speaker. We had a similar problem during the oil debates and it is because of the guidance received from your chair that we made progress. At the end of the day, of course, the numbers took the day but you did your work as ever.

May I suggest now, being straight to the point and gauging from debate, that we have a three-man delegation from either side –*(Interjection)*– Okay, man and woman from either side of the House and we give them an opportunity to dialogue on these issues. We give them a specific number of days, say up to Friday or Tuesday, and they come back with a harmonised position. I am afraid, Mr Speaker, we have concrete issues of law which we do not want –*(Interjection)*– You know, it is disturbing when I am talking about issues of law and –*(Interruption)*

**MR SSIMBWA:** Thank you, Mr Speaker. I wanted to restrain myself from talking about this issue but the issue on the Floor is very important. At one time I decided not to talk about it but I have realised that it is important that this House handles the Kampala issue and have it disposed of. This will enable the people of Kampala to have peace of mind and avoid disturbance, whether politically or legally.

After the committee of hon. Kintu and hon. Magyezi, another committee was put in place by this House to review the report that had been written by hon. Magyezi and hon. Kintu. Up to today, this committee has not reported back to this House and now we are talking about setting up another committee. Is it procedurally right for us to continue setting up committees without the previous committees reporting back to this House?

**MR MUWANGA KIVUMBI:** Mr Speaker, is the honourable member in order to mislead this House about the committee that was constituted by the Speaker to which hon. Mpuuga, hon. Ibi, hon. Isingoma, I and others presented a report to this House, which was unanimously adopted? If I can recall the reaction of the Speaker in the Chair at that time, she said, “I cannot believe this was done by the Parliament of Uganda”. She even made a commitment to immediately act on the recommendation of that report, prominent of which was to re-constitute a special committee of this House to look into Kampala matters afresh. Is the honourable member in order to speak in ignorance? *(Laughter)*

**THE DEPUTY SPEAKER:** Honourable member, now you know that the matter was brought back to the House and a decision was taken.Honourable members, we have spent four hours on this subject and one way or the other, we need to conclude it.

Honourable members, please, resume your seats and allow me say something here. We have debated this matter for more than four hours now and we do not seem to be making any headway but somehow we have to make a decision, one way or the other. I am going to call on that decision now.

**MR WAFULA OGUTTU:** Mr Speaker, this morning I watched a programme on TV and I also heard in yesterday’s news that the leadership of Kampala Central Division sat down and resolved to sue the KCCA because they have not been consulted for three years in approving or getting involved in the budget process of KCCA. I just want Members to have that information.

There are already people who are preparing to sue KCCA. This morning it was the Mayor Nyakaana who was speaking on television. So when you take a decision, be aware that more lawsuits might be coming. Thank you.

**MR OBOTH:** Thank you, Mr Speaker. You rightly observed that we have used up four hours debating this matter. I also know that there is a game called ping-pong in which it is very difficult to know the winner because they keep on playing the ball back and forth. I am not trying to suggest that we are playing it here but, Mr Speaker, whether we like it or not, we have to make a decision on this matter.

The procedural issue here, as you have rightly guided, is that we may be tempted to turn this great House into a constitutional court because there are legal issues on both sides. We were looking for shortcuts to move forward and safe shortcuts. The Leader of the Opposition spoke together with the author of the minority report and the only thing that was left was for the minister to acknowledge, which he has done. *(Interjection)* Mr Speaker, I am constrained as the chair of the Committee on Rules, Privileges and Discipline to be attacked by members while I am on the Floor. *(Laughter)*

Mr Speaker, the proposal on which I was seeking procedural guidance is whether it is not appropriate at this point to determine, bearing in mind that you have guided and there is some bit of consensus that these issues need to be resolved *–(Interjection)–* There is general consensus on both sides. There is the issue of timeframe, probably – to give Government time, for example within three months they can report back –*(Interjection)*– I am proposing since I am the one holding the Floor; honourable member, stop being rude to a gentleman. *(Laughter)*

Mr Speaker, this is my proposal as the way forward procedurally, to avoid having ourselves engaging in ping-pong. The minister has softened my heart by acknowledging and that is wonderful. He made several steps. This other side, I know hon. Mpuuga is in total agreement for us to get a timeframe, and I am sure even the government side would be happy to report back on the way forward.

So procedurally, Mr Speaker, a question on this should be put with a rider on the timeframe. The question on the adoption of the minority report should be put with a rider giving the government side time as to when they should report back on this. This will allow us to handle the substance of the budget process here. I beg to move.

**MR AYENA:** Mr Speaker, the issue that concerns us this evening is a question of budget and I think you guided very well when you said we should separate political and other issues from the issue of budget.

Therefore, when you rightly guided about the question of finances that the principle is that it belongs to the province of the President and, therefore, there is no impediment whatsoever for us to proceed, I thought you were spot on. The only thing you will allow me to say is that we can only proceed after sufficiently warning ourselves of the danger of perhaps being wrong but if we are right, I do not see any reason we should mix up constitutional legal issues that should be left to me and a few others outside this House to handle.

Therefore, you will allow me to emphasise and give a partingshot that we should only proceed on the matter of passing the budget now if we are sure that there is no legal impediment about it but I do not want a situation where we shall, from time to time, be looked upon like we do not know what we are doing because every time we pass a law, a budget or something for that matter, a resolution, we are taken to court and defeated. But I must say that because we are only concerned with matters of the budget, I propose that we proceed along the guidance you have given. Thank you very much. (*Applause)*

**THE DEPUTY SPEAKER:** Honourable members, I think we have heard this for a long time. Procedure on this same issue? I thought we had ruled and ruled on this. No, I am talking about procedure. You do not have to speak on procedure when it has been ruled upon.

**MRS CECILIA OGWAL:** Mr Speaker, I am one person who would wish the budget to be passed today -

**THE DEPUTY SPEAKER:** No, we are not passing the budget today. We are passing the committee report.

**MRS CECILIA OGWAL:** I mean to approve this statement of the committee. However, looking at page five of the main report, we are talking about Votes 001, 002, 003, 107, 112, 159 and 122. We have been told in this House, and I believe the *Hansard* captured it correctly, that we have a problem with the authority and that the authority is not functioning normally. The minister was very honest to tell us that even on the issue of the budget, he is the one who received the budget from the management, he is the one who scrutinised it and he is the one who approved the budget and brought it here.

For me, it is a matter of integrity and ethics for Parliament as an institution and we are talking about accountability. The Office of the President already has a budget. If we are to approve Vote 122, where will it go? That is my problem because the minister has clearly stated that he is the one who receives, who scrutinises and who is now running KCCA instead of the authority. He has stated it and the *Hansard* has captured it.

I have been with the minister; I spent one hour with him when we adjourned and I am telling you what I know unless he has information contrary to the one I am giving you now. He must tell me who is now running the authority in the absence of KCCA because he has told us that KCCA does not exist anymore, it is non-functional and he is the one who is running - *(Mr Tumwebaze rose\_)* I will give you an opportunity after making my point and you know I will always give you space.

So, I want to know, to whom are we giving the money? It is a procedural matter. We must know where we are putting the money and who is accountable for that money because the role of Parliament is appropriation and oversight. Who is responsible for that money?

**THE DEPUTY SPEAKER:** Honourable member, the accounting officer for KCCA is the Executive Director under the KCCA Act. *(Applause*) She is asking who will account for the money. The accounting officer is the Executive Director of Kampala City Council Authority. Under the law, that is it so there is no debate on that subject.

**MR MUWANGA-KIVUMBI:** Mr Speaker, I think you have answered very well and I think there is convergence on this matter. I want to put a question - maybe you would guide us on. How can we supply to KCCA without seeming to circumvent the authority because when you do it now, it would mean that the authority would be relevant today and even in the future. As such, you would not need the authority at all you can come to Parliament and continue to be supplied the money. How are you going to insulate Parliament against that?

**THE DEPUTY SPEAKER:** Honourable members, this is the situation. Let me summarise it again and I am going to go very slowly. One, there is KCCA, which is a body corporate capable of suing and being sued in its own name. That KCCA has an Executive Director. In the KCCA Act, which is the law, an authority is created. That authority has not been functional for obvious reasons that we have been discussing; matters in court and all those things that have been going on. We have heard before that they have been operating without an approved budget by the authority for all this time. We heard that before.

What does section 79 say about situations of this nature? What section 79 says is where the authority fails to perform a certain act, the minister shall direct the authority to do it. I said it earlier but now if the minister directs the authority to pass the budget, he is directing an authority, which is not functional, so, what happens? That direction will be communicated to the Executive Director of KCCA who is the recipient of the directions because the minister will not write to the Mayor. The minister will give directions to the policy person in that department who is the Executive Director. She will receive them and communicate to the council.

So, if the minister gives a directive to KCCA - What I am saying is the minister can give directions to KCCA but the person who will receive it will not be the Mayor, it will be the Executive Director who is the accounting officer and who is in charge of policy implementation and all these other things. That is what I am saying, that is the obvious fact I am saying.

Now that the authority is the one supposed to approve the budget, which is given by the Executive Director to the authority - that authority is not there; now what happens? The law cannot be interpreted in a way that it would create absurdity. The law is never absurd in any situation. To contemplate that the law says that because there is no authority and because the minister cannot be the institution to receive the budget, so KCCA should not function. That would be an absurdity; law is never passed to create an absurd situation; law always has a solution to whatever situation that is anticipated.

So, what has happened in this situation? The minister gave a directive to the Executive Director that the budget be prepared, who under the law is the person who is supposed to propose the budget to the authority. It is the Executive Director –*(Interjections)–* please; the person mandated under the law to prepare and submit a budgetary proposal to the authority is the Executive Director. But that authority is not there. So, to whom does she submit this budgetary proposal; because KCCA has to function. So, she submits it to the minister *– (Interjections) –* that is what I am clarifying hon. Sseggona, and I have read the law a few times now. I have sufficiently briefed myself on this subject.

Now, if the law cannot be interpreted to create an absurd situation - the absurdity we are trying to avoid here is to interpret the law as if to suggest that KCCA cannot function because the Lord Mayor is not in office. That is absurd because KCCA has staff, it has functions, it has roads to maintain and so, it has some functions even if the Lord Mayor is in court.

So, the guidance I am giving the House is that we need to deal with the issue of the budget and leave the other issues that are crippling the operations of KCCA and the authority itself to the political solutions to be coached. But for now, we deal with the matter of the budget. (*Applause)* And the proposal from the minority report says that the budget should not be passed. So, I am going to put the question to that – I am going to put the question to the motion that the budget of KCCA should not be passed. We have 124 Members in the House, from the clerk on Table. I put the question.

*(Question put and negatived.)*

**THE DEPUTY SPEAKER:** So, do we have sufficient time to handle the report. Honourable members, it will be treated that there is now no minority report on this report.

**MR MUWANGA KIVUMBI:** Mr Speaker, you have put the decision to a vote, which I cannot object to. But the whole debate centred on one issue; the illegality. And the honourable member raised two issues: One of them was a position on USAFI and I remember saying that whatever decision we take - *(Interjections) -* which has not been touched. And you seem in your ruling to have put the whole minority report to a vote, yet in the entire debate the whole afternoon has centred on the illegalities of whether we have an authority or not.

**THE DEPUTY SPEAKER:** Honourable member, what I have done is, the report in its final recommendation says that the budget of KCCA should not be approved and the reasons are given why it should not be approved. So, the question I have put is, “Should the Budget of KCCA be approved or no”? That is the question I have put and the answer has been “No”, - clearly. So, that is the only recommendation in the minority report that it should not be approved and the House has said “no”, it should be approved; or at least it should be discussed at that level and if other reasons are found that it should not be approved, then it will be it. What that now leaves us with is to go back to the main report and deal with the issues raised there.

So, honourable members, the motion as stated earlier is that this House adopts the report of the Committee on Presidential Affairs on the ministerial policy statement and budget estimates for the Financial Year 2014/2015. I propose that question for your debate. The debate only centred on one aspect, not on the whole report. Now, I propose it for your debate and since we have spent four hours on one aspect of this report we should not spend some time discussing the general report and we see what decisions we can take.

**HONOURABLE MEMBERS**: Put the question.

**THE DEPUTY SPEAKER:** I put the question?

**HONOURABLE MEMBERS:** Yes.

**THE DEPUTY SPEAKER:** Okay, I put the question that the report of the Committee on Presidential Affairs on the Ministerial Policy Statement on Budgetary Estimates for the Financial Year 2014/15 be adopted.

*(Question put and agreed to.)*

*(Report adopted)*

PRESENTATION, CONSIDERATION AND ADOPTION OF THE REPORT OF THE SECTORAL COMMITTEE ON FOREIGN AFFAIRS ON THE MINISTERIAL POLICY STATEMENT AND BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2014/2015

**THE DEPUTY SPEAKER:** I thank the chairman and the committee for presenting this report. I now invite the chairman for the Committee on Foreign Affairs to make the presentation.

4.37

**THE CHAIRMAN, COMMITTEE ON FOREIGN AFFAIRS (Dr Sam Okuonzi):** Thank you, Mr Speaker. I know we have had a long day, so, I am going to be brief. I will only highlight the main findings and then, go to the proposals.

Article 155 of the Constitution and Rule 177 of the Rules of Procedure mandate the Committee on Foreign Affairs to examine the policy and budget estimates for the Ministry of Foreign Affairs and Missions Abroad. I am just going to highlight some of the budget issues and performance before I get to the main observations and proposals.

On the budget allocation for 2012/2013, the Ministry of Foreign Affairs received a budget increase of 86 per cent from Shs 13.9 billion to Shs 25.8 billion in 2013/2014. This increase was to cater for the renovation of mission buildings.

In 2014/2015, the budget reduced by 25 per cent to Shs 20 billion. The budget released at the Ministry of Foreign Affairs headquarters ranged from 79 per cent to 98 per cent by the different votes. While at the missions, the release was 100 per cent.

Some of the achievements that I would like to mention in order to make members know what this ministry has been doing include:

Peace and Security

The Ministry of Foreign Affairs has been coordinating peace, security and stability processes in the DRC and South Sudan mainly but also in Somalia and other countries in the region.

The ministry contributed to the African Union decision to establish an African capacity for immediate response to crisis and coordinated an agreement with the Russian Federation on the mutual protection of classified information.

Regional integration

The Ministry of Foreign Affairs led and coordinated discussions on the East African Protocol on foreign policy coordination on peace and security on the implementation of a joint project on oil refinery in Hoima and on the fast-tracking of the East African political federation and enhancing ICT in the region.

The ministry also facilitated a joint permanent commission between Kenya and Uganda on various areas and fields of cooperation.

Commercial and Economic Diplomacy

The ministry coordinated the signing of memorandum of understanding with Sri-Lanka on trade and investment with the Russian Federation, to construct and operate the proposed Uganda Oil Refinery, among others and with China, to secure $250 million for the Sukulu Phosphate Project in Tororo and also signed an agreement for the employment of 263 Ugandan health professionals to go and work in Trinidad and Tobago. The ministry also coordinated Uganda’s participation in tourism and exhibitions in various countries.

Training and Transfer of Technology

The ministry secured scholarship from Greece, Mauritius, the United Nations, Switzerland and 163 scholarships from South East Asian countries. The ministry also secured training opportunities in Egypt, Turkey, Israel, South Africa, Germany and Saudi Arabia. It further facilitated collaboration with the Russian Federation on research and development and with Sri Lankan assistance on the construction of Masuulita Vocational Institute. It also made an agreement with Brazilian Agricultural Research Co-operation.

Resource Mobilisation

Under this, the ministry coordinated many visits and negotiations to donor countries and institutions and coordinated the signing of a grant agreement for a water project in the Acholi Sub Region to be funded by JICA, a Japanese Agency and an Egyptian grant of $250,000 for the construction of staff houses at Itojo Hospital.

The ministry also mobilised $8 billion to build Karuma and Isimba hydro-electricity dams.

Promotion of International law

Under this aspect, the ministry participated in consultations with several countries on peace and security, participated in meetings of human rights, conflict prevention, natural resource exploitation and similar ventures, but also participated in the African Union Summit on the International Criminal Court.

Institutional capacity

The ministry opened a mission at Mogadishu in Somalia and also initiated construction work that has progressed in Kigali, Juba, Kinshasha, Ottawa and Pretoria. These mission buildings are being worked on now.

But the ministry also finalised a feasibility study on the Uganda Institute for Diplomacy and International Affairs.

Mobilisation of the Diaspora

The ministry participated in diaspora conventions in the UK, US and Nordic countries to mobilise and talk to Ugandans in the Diaspora. The ministry engaged in the development of the Diaspora policy that I believe is now nearing completion. Further, the ministry also engaged in anti-human trafficking work.

Diplomatic protocol and consular services

The ministry provided diplomatic and protocol services to the President and other national and foreign dignitaries. It also provided consular services to Ugandans both here and abroad.

Mr Speaker, I now want to move to the proposals – this is on page 20 of the report.

Observations and Recommendations

The committee noted with concern that some activities planned in the last financial year were not implemented. These included: promotion of trade, investment, tourism, technology transfer, acquisition and development and maintenance of properties abroad. These were not funded as required. So, the recruitment of the required additional staff was not conducted.

The committee recommends that the Ministry of Trade, Tourism and Industry – should recruit and post staff to handle technical issues because the Ministry of Foreign Affairs has no mandate to recruit such staff. Besides, Government needs to provide funds to do economic diplomacy.

Settling contributions to international organisations

The committee is concerned that Government is now indebted to international organisations to a tune of Shs 29.3 billion. Yet, only Shs 11.8 billion has been allocated. Failure to pay annual subscriptions fees to international organisations to which we subscribe means that we cannot effectively attend international meetings. We cannot cast votes. We cannot influence decisions at such meetings. A list of organisations to which Uganda subscribes is attached in Annex Three.

The committee recommends that Government identifies a priority list for international organisations in which Uganda’s interests are paramount and ensure that annual subscription fees are paid in time.

Arrangements should be made in the next financial year to settle arrears to the selected priority organisations to enable full participation.

Management and Development of Uganda’s Properties Abroad

During the last year, the committee identified the following issues in respect to Uganda’s properties abroad:

1. That the ministry lacks a policy and legal framework for sustaining financing acquisition, management and development of Uganda’s properties abroad.
2. There is inadequate funding to maintain property under the control of the ministry. The ministry has informed the committee that a cabinet memo on the issue about the legal framework for financing and development of properties is before Cabinet and was scheduled for consideration last month. I do hope that that has been discussed. The committee recommends that Cabinet expeditiously considers the principles in the said cabinet memo to enable the ministry fast-track the development of a legal framework, and modalities for financing and developing a guiding framework for the co-operation between Uganda Property Holdings and the ministry of finance to ensure that diplomatic protection is extended to our properties under the control of Uganda Property Holdings Ltd.

Foreign policy

The committee has over the last couple of years questioned the guiding principles of Uganda’s foreign policy. Over the first two years, the ministry has been developing a foreign policy document for the country. This has not yet been finalised and it has remained in a draft form almost in the same situation as were last year. The committee is concerned that the continued operation of the ministry without a foreign policy document knew that our response to international issues and events will remain ad hoc and largely reactive.

The committee therefore recommends Cabinet to fast-track the finalisation of the foreign policy of Uganda and development of foreign service legislation is completed to provide a clear set of guiding principles for Uganda’s foreign policy to guide actions of Uganda’s diplomats and Ministry of Foreign Affairs staff.

The crisis in South Sudan

The committee would wish to note that Uganda has been actively involved in the South Sudan conflict sending in troops on the request of the elected Government in South Sudan. However, it is now clear that a stalemate has emerged between the warring parties in the conflict with peace efforts seemingly hitting a dead end. The minister explained to the committee that Uganda supports the mediation efforts by IGAD, which have of recent led to the formation of a deterrent and protection force composed of forces of Ethiopia, Kenya, Burundi, Rwanda and others yet to join.

Uganda also participates in the IGAD joint verification mechanism to ensure compliance with parties with cessation of hostilities agreement.

However, the positive effect of these efforts are yet to be seen. Unfortunately, the ministry could not provide an exit strategy for the country Uganda in the event of unforeseeable eventualities in this conflict given the current unpredictable trend.

The committee recommends the Government to form a working committee to bring different players on table mainly UPDF, the Ministry of Foreign Affairs, ISO and the Ministry of Finance to analyse the South Sudan question effectively and generate possible scenarios with the aim of developing a long term strategy for the country with respect to the conflict and in particular I would like to say a strategy for exit in that conflict.

Facilitating employment of Ugandan health professionals in Trinidad and Tobago

The committee learnt that the ministry has finalised negotiations and plans to sign an MOU with Government of Trinidad and Tobago on behalf of the Government of Uganda to govern the recruitment of Uganda’s doctors, nurses and other health practitioners to be sent to Trinidad and Tobago.

The committee is concerned that Government is considering such an agreement despite the health sector service delivery gaps that still exist in the country.

The committee recommends that a thorough study and consultation be done with key stakeholders including the Health Service Commission, Ministry of Health, the Ministry of Gender, Labour and Social Development, Uganda Nurse and Midwifery Council and the Ministry of Public Service before committing the country to such an agreement.

The committee noted that effort is being made to mobilise Uganda’s Diaspora for development. However, it is of concern to the committee that these efforts are not backed by adequate information and policy framework to enhance their stability.

For instance, the ministry has not adequate statistics as to the number and classification of the Ugandans in diaspora.

In addition there exists no policy for handling Ugandans in Diaspora. As a result the ministry seems to be following on initiatives of the diaspora themselves and especially those of the associations in the US and Europe. It is, therefore, harder to find any initiative elsewhere than those where associations are asking when the diaspora contributes immensely to the economy through remittance from all over the world.

The committee recommends that the ministry should expeditiously finalise the draft Diaspora policy based on factual information about Uganda’s diaspora to guide Uganda’s actions towards Uganda’s diaspora everywhere in the world.

In addition, a special budget line would be created for this activity given the increasing cases of distress befalling Ugandans in countries such as China, Europe and the Middle East.

The security situation in the missions abroad

The committee found out during its oversight activities that the security of Uganda’s missions properties abroad was wanting and the case here mainly is that of Nairobi. For instance, despite the Al Shabaab threat in Kenya the security of Uganda’s House in Nairobi is so laxed. Other missions with security issues include Riyadh in Saudi Arabia, Addis Ababa in Ethiopia. This is besides Uganda Government providing security to embassies of these same countries in Uganda here.

While a budget provision has been given in the 2014/2015 to procure and install security systems in Uganda House in Nairobi and the chancery and also the official residence. Diplomatic protocols require that the host country provides adequate security to our missions that it hosts.

The committee that Government should seek for reciprocity with respect to security matters from the other countries. Particular interest should be taken in high risk missions of Nairobi, Addis Ababa and Saudi Arabia.

Imprudent management systems and practices in missions abroad

During the financial year the committee got information about several issues emerging as a result of imprudent managerial and financial practice. These include:

Non-use of the mission charter: It has come to the knowledge of the committee that some embassies were operating without mission charters. This was evident in missions such as the United Arab Emirates, Berlin in Germany, Beijing in China, which were sampled by auditors.

The ministry informed the committee that it had developed and provided he missions with mission charters. However, when auditors went to audit these were not availed to them meaning that they had not been developed or indeed, they were not available.

The officers did not know what mission charters were meant for and why they had got these mission charters.

The committee recommends that the ministry fast-tracks the transmission of mission charters and carries out an induction of mission officers with the value of charters to do the work.

Financial management issues at the following missions: Our Embassies in Addis Ababa and Beijing were reported by the annual audit report in the year ended 2013 to be operating without any procurement plans. In addition it was reported that in some missions staff were deployed without being inducted about their roles in the missions.

The committee is concerned that if no corrective measures are taken, it will bring into question the capability of our missions to efficiently and effectively absorb and utilise funds appropriated by Parliament. For instance, according to audit findings (2013) in financial year 2012/2013, Shs 1,703,180,000 was appropriated for foreign missions but only Shs 1,470,117,897 was utilised by the missions. As such, the balance was kept in the Consolidated Fund by Ministry of Finance, Planning and Economic Development at the close of the year.

The committee recommends that the ministry strengthens its supervisory powers over foreign missions. Further, all accounting officers and other foreign service officers must be inducted on financial management procedures and practices in the public sector before deployment.

Conflict at the Cairo Mission

In the recent past, Uganda’s daily newspapers have been awash with reported conflicts between staff and the ambassador of the Cairo mission. Preliminary investigations by the committee revealed that this was a result of two factors. On the one hand, the ambassador reported financial impropriety and disinterest by staff of the mission to follow prescribed procurement processes, especially with respect to construction works while technocrats from the Ministry informed the committee that this was a result of the ambassador’s interest in meddling in technical financial affairs of the embassy. The second dimension is that being politicians other than career diplomats, some heads of missions always meet resistance from the technocrats at the embassies. Either way, this is a symptom of a broader issue of recruitment policies; staff capacity, financial prudence and professionalism at our missions.

The committee is still investigating this matter and a comprehensive report will be presented to the House in due course. However, while the ambassador was summoned back to Kampala for consultation, the ministry needs to develop a comprehensive response to questions of financial prudence, capacity of staff at the missions and functional relations of mission heads and the technical staff at missions.

Various reports of findings of the committee delegations abroad revealed that our foreign service officers are not facilitated equitably in comparison to their counterparts in the East African Community region. For instance, they do not receive educational allowances for children’s education, and are not facilitated to travel back home occasionally to unite with their families. At the UAE embassy, for instance, a foreign service officer, Grade V was accommodated within the Chancery for three years for lack of funds to rent accommodation till January 2014. The ministry has been allocated Shs 1.5 billion this financial year to cater for educational allowance for foreign service officers’ children.

The committee recommends that a comprehensive policy and legal framework to put in place to handle the welfare of foreign service officers in all areas including but not limited to accommodation, facilitation of travel at least once a year to be united with family and improved emoluments generally. This should take into consideration the distance, cost of living and climate conditions in places of deployment, among others.

Increase in Non-wage Budget 2014/2015

The committee has noted an increase in the non-wage budget for missions from Shs. 58.2 billion in financial year 2013/2014 to Shs 64.9 billion in financial year 2014/2015. The ministry informed the committee that this money would be used as follows:

1. Running the UNGA Presidency – Shs 2.6 billion
2. Opening Mission in Kuala Lumpur - Shs 1.832 billion
3. Funding Education allowance for children of FSOs - Shs 1.5 billion
4. Opening a Consulate in Mombasa - Shs 400 million

The committee takes note that activity i) takes almost half of this allocation – that is running the United Nations General Assembly presidency. While we recognise the importance of running the UNGA Presidency, the committee would like to recommend that the ministry re-considers re-allocating part of these funds to cater for more pressing needs at foreign missions including the settlement of Shs 158,679,788 debt owed by the Cairo Mission.

Underfunding of the missions

The committee noted that some of Uganda’s most strategic missions are underfunded. These include the Mission in Australia and Guangzhou. Without adequate funding, missions cannot promote bilateral, multilateral, trade and investment portfolios, tourism, diplomatic, protocol and consular services.

For instance, Uganda Embassy in Cairo was indebted to a tune of Shs 158,679,788 by the end of the last financial year as a result of underfunding. The ministry reported that this is debt owed to local staff in lieu of social security and other benefits as per the labour laws of Egypt.

The committee recommends that a re-allocation of Shs 158,679,788 be made from the Shs 2.6 billion meant for the running of the United Nations General Assembly Presidency to settle this debt.

Annual Celebration of Uganda’s National Independence Day

The committee notes with concern that Uganda’s missions abroad have no budgetary allocations for the celebration of its Uganda’s Independence Day. In some missions, the day is celebrated with funds solicited from donors. The committee noted that such a day provides diplomats with an opportunity to host their counterparts on national days. It also provides an opportunity for Ugandans in the diaspora to converge and share their experiences while celebrating a national day of pride and hence promoting nationalism.

The committee recommends that Government provides at least US$10,000 annually to allow for missions to carry out this important activity.

Mr Speaker, in conclusion, subject to the above recommendations, the committee recommends that the ministry’s budget be approved by the House as follows:

Vote 006: Ministry of Foreign Affairs (including arrears and taxes)

(i) Recurrent expenditure Shs 19,289,666,000

(ii) Development expenditure Shs 891,722,000

Total Shs 20,181,388,000

Votes 201 – 233 Missions Abroad (including arrears)

1. Recurrent Expenditure Shs 79,472,015,242
2. Development Expenditure Shs 15,930,200,000

Total Shs 95,402,215,242

Grand total for the Ministry Shs 115,583,603,242. I beg to move.

**THE DEPUTY SPEAKER:** Thank you, committee chair together with your members. Your presentation has been good and also you have observed time very well. Thank you very much.

Honourable members, the motion for your adoption is that this Parliament adopts the report of the sectoral Committee on Foreign Affairs on the ministerial policy statements and the budget estimates for the Financial Year 2014/2015. That is the motion for your debate. We can start the debate now.

5.08

**MR VINCENT SSEMPIJJA (Independent, Kalungu County East, Kalungu):** Thank you very much, Mr Speaker. I would like to thank the chairman of this committee and your team for the elaborate work and I support the motion. I also want to say that it is a bit unfortunate that generally, the budget for this sector is meagre and, therefore, we cannot fund all that we would have wanted to fund.

It is also unfortunate that we do not have a breakdown of the development budget but at one point, my Committee on Agriculture had gone to Rwanda and we were embarrassed by what we found there because we had to visit the embassy. We found that we were allocated a plot in Rwanda but we could not develop it and you know these days, Kigali is a very clean city. The plot that we could not develop had overgrown with a bush and the mission did not have the money to maintain the allocated plot and they did not have money to develop it. So, I just wanted to say this and it is one of many examples of this nature where we have missions.

As such, I would really request the Members here and members of Cabinet to think about developing our assets and even maintaining them that we have abroad. On the other hand, at this level, we cannot do anything. There is nowhere we can pull this money from but I want the chairperson and the minister to note this. Thank you very much.

5.11

**MR RAPHAEL MAGYEZI (NRM, Igara County West, Bushenyi):** Thank you, Mr Speaker. I would also like to thank the committee for the report. I have two comments and one is on page 21, the crisis in South Sudan. The narrative there does portray our involvement not so clearly especially when you say the committee notes that ”Uganda has been actively involved in the South Sudan conflict.” It is as if we have been part of the warring parties. I think it is good to point out clearly that we have been involved in attempts to find a solution. The chairperson of the committee should put it clearly.

The feeling of the committee seems to be that this war is not going to end and they were asking the minister to state the exit strategy but I do not think that this is really giving us the right position. We should be recommending that the government of Uganda continues to play an active role, together with other players in the IGAD, towards finding a lasting solution rather than compelling the ministry to immediately exit. I did not find that a good position.

The other one is on page 25 regarding the budget for the United Nations General Assembly presidency; the Shs 2.6 billion. The statement and recommendation that follows; tends to give me the impression that the committee thinks this is a lot of money, which should be reduced and part of it used elsewhere but I thought this was a one off. We have been clamouring for this and we have got it as a government. Surely, we do not want our president to be looking - Much as we come from the third world, I think it is good to defend this position. So, I am not convinced that the committee feels that this one off event that we have for Uganda to shine as the president of the United Nations should be scaled down and the money used elsewhere.

I would like to propose that we actually maintain the budget as proposed by the ministry. I am sure they have a good reason for it. I thank you, Mr Speaker.

5.13

**MR IDDI ISABIRYE (NRM, Bunya County South, Mayuge):** Thank you, Mr Speaker. I thank the chairman and the committee for the report. On page 24, the report indicated that there is a clear lack of Uganda’s foreign policy. This is very important and in the recommendations, the report urges the minister to expedite the process of coming up with a foreign policy.

We have seen our daughters and sons in the diaspora suffering especially those who do business. We have seen it in South Sudan and recently, our sons who were executed in China. We could not do anything because of lack of a clear policy. So, I want to support the report and actually the recommendation by the committee that the minister and the ministry should make sure that a foreign policy is developed such that we have a very clear policy for our country.

Secondly, we have ambassadors who were appointed in embassies that do not exist like the ambassador who was appointed to go to Malaysia. The embassy is not there and the recommendation is urging the government to make sure that the embassy is established. So, I strongly want to urge the minister to explain why we appointed an ambassador to an embassy that does not exist. I thank you.

5.15

**MR MUDIMI WAMAKUYU (NRM, Bulambuli County, Bulambuli):** Thank you, Mr Speaker. I also thank the committee for the report. The issue of policy comes up in almost every report every year. Let us have a way of how the executive briefs Parliament on policies, which they have in their respective ministries. Otherwise, it is becoming an issue.

Mr Speaker, the issue of payment of international obligations has been a challenge. In the last Parliament, we went for a conference and when we reached there, we were told that Uganda had not paid its obligations. We were so embarrassed. The Ministry of Finance should look into the issue of meeting our international obligations.

Secondly, on utilisation of non-tax revenue, there are some embassies, which need to realise some income but the money is put on the Consolidated Fund, yet, they have challenges. Recently, I was in London and the elevator was out of service. The tenants were harassing people at the embassy because they had to get permission from here to repair the elevator and the tenants were bitter. To make matters worse, they were all ladies so they were panicking how they should handle those people of the Burundi Embassy. So, we need to give some of these embassies an opportunity to utilise the empty house other than going through the lengthy process of having the money of the Consolidated Account and then if something small happens, they have again to write to the Minister of Finance and then it goes to the Contracts Committee – that is a lengthy process.

There are also missions; I have seen that Government wants to sell a commercial building in London. But that building is generating 240,000 pounds annually; and they want to sell it at a giveaway price. Why do they go selling instead of maintaining it? It is bringing income into the country. I do not know why they are rushing to sell it when it is generating 240,000 pounds per year.

There are also areas where governments of other embassies like China and Rwanda gave us land to construct our embassies –(*Member timed out.)*

5.19

**MS ANIFA KAWOOYA (NRM, Woman Representative, Ssembabule):** Thank you, Mr Speaker. I would like to thank the chairperson and members of this committee for the good work done. I have one issue in regard to bilateral relations. On page 14 and 18, the committee looked at what the ministry is trying to do in areas of bilateral relations.

My problem is that this august House passed resolutions which were presented by the Committee of Equal opportunities, at the time I chaired regarding the issue of human trafficking. Recommendations were made; the Speaker directed the inter-ministerial sectors to come to this House with a comprehensive report on what they were going to do and the mechanisms they were going to put in place. Up to date, it has not been done. Even the ministerial statement does not address that issue.

Recently, some Ugandans were executed in China. Yet, this august House has made resolutions requesting the government and more so the Minister of Foreign Affairs to ensure that it negotiates with the Government for amnesty for Ugandans who were in imprisons abroad, especially in China. I had an opportunity to – as we speak there are more than 20 Ugandans on death row. I was perturbed to hear sweeping statements from officials or senior members from the ministry saying that there isn’t much they can do as a country or as the Ministry of Foreign Affairs.

Mr Speaker, I read in the newspapers this week that the Prime Minister, while on his tour in USA, acknowledged that there are more than 2,000 Ugandans in prisons. What I want to know from the ministry is why is it very difficult to negotiate bilateral agreements for exchange of prisoners to serve their sentences here. They have done so in other country; why is this difficult to do with China; they have signed MOUs on politics with other countries like Angola.

Mr Speaker, I was perturbed by my members delegation to find elderly Ugandan prisoners on death row; aged about 60 years; they are HIV positive, very sickly and the missions cannot do much. *(Member timed out.)*

5.23

**MS HARRIET NTABAZI (NRM, Woman Representative, Bundibugyo):** Thank you, Mr Speaker. I have one point. But before I mention it, I have to thank the committee because it has done the best. They summarised and the points are very clear.

One of the issues I want to raise is that of scholarships. The minister has done a lot in lobbying for scholarships for our country. But the challenge here is that most of them are not communicated to all the stakeholders. The way they distribute them is not equitable. Some have gone to a single region and other regions have not benefited. Yet, we need all these disciplines across the country. Would the minister educate us on how he allocates these training among the people of Uganda? And the training is good but the other challenge has been that many people go to our areas convincing the youth that they are taking them abroad for training and they have ended up doing things that hon. Kawooya has been talking about. So, how should we differentiate between genuine organisations and those which are taking our children for other things? Some of them have gone for homosexuality; others have been trafficked and others gone through many things. So, how should we differentiate between them? We do not have clear information from the ministry on how to know whether our children are going to genuine course or not. Thank you.

5.26

**MR ROBERT SEBUNYA (NRM, Kyadondo County North, Wakiso):** Thank you, Mr Speaker. I have a few points and I will rush them. About the scrambles in our foreign missions among what they call professional diplomats, the ministry should come out with guidelines as to which people they post to those embassies and if they are to post those who are not professional, please, have a way of telling them so that they are not undermined.

On the underfunding of our missions, I think the committee should have proposed that we ring-fence the MTR that comes out of these foreign missions and we fund those that have no money using this very fund. Otherwise, once you bring the money to the Consolidated Fund, we have many other things to do and we always forget the foreign missions. This has always been the debate; the underfunding of the missions. We can even use the Public Finance Bill that is coming to the Floor to make sure that we get money for them.

On the issue of the ministry trying to find work for our doctors, I think the committee was not very helpful. We have so many unemployed doctors here. Much as we do not have these health workers in Uganda, it is not that we do not have these doctors who are unemployed. The underfunding in our health sectors in Uganda has nothing to do with the unemployed doctors. So, instead you would recommend that we expedite this process for our people to get employment in Trinidad and Tobago. We have so many unemployed on the streets and we would like to see them employed in such opportunities. So, please expedite that process.

Lastly, there are people who talked about the policy. I would like to say that all these issues - proliferation of small arms, human and drug tracking - should be anchored in the policy. So, once the policy does not come, we can’t solve anything to do with our Ugandans who are suffering from abroad. I would like to suggest that the minister gives us a timetable as when this policy will come.

5.28

**COL. FRED MWESIGYE (NRM, Nyabushozi County, Kiruhura):** Mr Speaker, I would like to appreciate the report on the budget proposal submitted by the Committee on Foreign Affairs.

Mr Speaker, I also would like to appreciate Uganda’s foreign policy that emphasises Pan-Africanism and further appreciate Uganda’s courage in the job politics in the region that has led Uganda into assuming the leadership of the United Nations Assembly.

At this point I take the opportunity to appreciate our own, the hon. Sam Kutesa for assuming that prestigious leadership position of the Presidency of the United Nations. However, Mr Speaker, I also want to appreciate my colleague’s views about the state of our assets at Uganda’s foreign missions. I have seen some of them when we travelled out as a budget committee of Parliament.

From that point, I would like to suggest that we allow these embassies to use some of the funds collected at source to improve the image of our embassies abroad to match our state in the world. Thank you, Mr Speaker.

5.31

**MR JULIUS BIGIRWA (NRM, Buhaguzi County, Hoima):** Thank you, Mr Speaker. I also would like to thank the committee for a job well done.

Last year, as the Committee on Budget, we visited some of the few embassies and among them was our embassy in Nairobi. I am talking in respect to the issue of underfunding. While there, we carried out a study on issues to do with non-tax revenue particularly to see if these embassies could effectively utilise part of this money at source. But we also looked at the issues of whether the embassies have the infrastructure to use that money properly. I actually thought that the chairman would have presented this matter because we even made a report in regard to this matter.

Mr Speaker, a lot has been said about this issue. So, I just want to say that one of the ways of redeeming our embassies is to just allow them use that resource as they collect it. It is actually a shame, Mr Speaker, for example, at our embassy at Nairobi, issue of buying small items like builds, minor repairs, doing to the plumbing systems and all those simple repairs, require the permission from Uganda through the normal process of budgeting. That is why I propose to the committee to recommend to this Parliament that our embassies use the non-tax revenue collected from abroad to do some of these works.

On security, I want to reveal that our embassy at Nairobi – I don’t know how it has managed to survive with these threats from the Al Shabaab – there isn’t a single gun at the embassy. All the security guards in Nairobi carry only baton. But you can’t imagine a whole embassy being guarded by security guards with only batons. In fact we recommended that our Ministry of Foreign Affairs work with the Security Ministry of Kenya to ensure our embassy is guarded properly.

Finally, Mr Speaker, let me say something about our foreign policy. I just don’t know whether our embassies are actually working, if so, what then guides them? And just like my colleague was raising this issue –*(Member timed out\_)*

5.33

**MS OLERU HUDA (NRM, Woman Representative, Yumbe):** Thank you, Mr Speaker. I also would like to appreciate the work done by the committee. I would like to find out from the Ministry of Foreign Affairs at what level they have gone in developing a policy that can help Uganda improve on its property at the missions abroad. I am raising this in respect of money that we appropriated in this House to build a market in South Sudan yet as we talk the market is not yet built and the latest information is that the money was diverted into building a house.

We have so many staff from the Ministry of Foreign Affairs who have been travelling to do surveys and to do the bill of quantities. I just noticed that all the money we appropriated has been used in paying for people’s travels. That is why we need a policy because we had thought that we would have had a market by now or at least a residence for our ambassador in South Sudan. But because we are doing things without a proper policy, people take advantage of this to divert money to whatever activities they wish. Therefore, can the minister really give us an update on developing this policy regarding the developing of our property abroad?

The other thing I want to raise in order to reinforce the recommendations of the committee is about the relationship between the ambassadors and the staff attached there. That problem is not only in Egypt; it is the same thing in France and many of these embassies. But one of the problem we got to realise was that during deployment of staff, a lot of funny things take place. There is a lot of nepotism that sees people being deployed without any experience; whoever is a relative – *(Member timed out \_)*

5.35

**MS ELIZABETH KARUNGI (NRM, Woman Representative, Kanungu)**: Thank you, Mr Speaker. I also would like to appreciate the work of the committee. I have a brief comment. I feel disappointed to know that there are unfunded projects yet they are important. Look at the issue of tourism. From the report of the committee tourism had been planned to be marketed outside Uganda but nothing was done. How could this happen when we are getting a lot of money from tourism? So, I still don’t know how the ministry concerned forget to think about something important like this one. Our country has benefitted greatly, yet, we still have untapped opportunities in the tourism industry. This is not good.

Yes, the committee is suggesting that staff be recruited to go specifically and open out tourism offices. But I think the mandate of the officers at our missions abroad should be broadened. I want to believe that if every staff there is mandated to also sell Uganda’s tourist attractions like lions and others, I think it would work for us.

5.37

**MR SIMON ALEPER (NRM, Moroto Municipality, Moroto):** Thank you, Mr Speaker. I need to be educated on this one; the committee is very passionate and very concerned about our image that one of our embassies is highly indebted. That is Cairo and they have identified a source where some money can be got. I feel that when somebody is elected to the position of a president there is a system in place that takes care of that person.

Give a case of our country Uganda, when you elect a president definitely there is a system of governance that takes care of him. I want to be educated that when somebody is elevated to the position of the President of a UN body that person requires to get some money from the country and take care of what we do not know. That is why I beg to be educated on this matter. What is the Shs 2.0 billion supposed to do for this particular office of the presidency under the UN system, which I thought was well empowered and planned to take care of its presidency? We need to be educated and see how we can support the committee.

Time and again, when we are debating on issues of doctors and nurses you see controversies coming out in this very House; members saying that they do not have doctors or nurses. Here we have information that we have a number of our doctors who are unemployed, could we in future have the Ministry of Health here and Public Service to explain whether it is true that we have a number of our doctors who are unemployed and yet we are saying that our villages do not have doctors. I want that clarification because there is a lot of contradiction before we allow our doctors to go out when we still have a problem in the country. I am not against our doctors going out but we should also address the home challenges.

5.40

**MR DAVID MUHUMUZA (NRM, Mwenge County North, Kyenjojo):** Thank you, Mr Speaker, I also wanted to add my voice on some issues which were raised in the report. I want to ask the ministry about what they are doing to connect our businesses abroad.

Uganda is one of the leading countries in producing some foods in agriculture. We have been relying on South Sudan market. Now there is war in Sudan. Our people can no longer trade freely with Sudanese so we have been trying to get more markets abroad and I think one of the obligations by these missions abroad and embassies is to promote what we have in the country. We are producing a lot of food which we are not exporting.

Recently, I was contacted by my people and I moved around to see whether we can export some food abroad. I went to Ministry of Trade and they sent me to Export Promotions Board. When I reached there they had no data that they could show that they are doing something and up now I have never got any response.

I went to Ministry of Foreign Affairs to see whether some people could connect us to China, Middle East or Europe but up now I have got no response. So I want to know whether the ministry can help people abroad who can help our traders in Uganda to get some trade opportunities.

These people who try to do research on their own and take food, they end up being duped or they take some goods and they are robbed. Why can’t the ministry get enough staffs in those embassies to promote our commodities and even to connect our business abroad?

Secondly, it is about our daughters and sons who go to seek jobs abroad and after getting jobs and there are difficulties and they cannot be assisted to come back home when they are involved in a bad deal. Some of them end up being used and we get problems.

5.42

**MR MILTON MUWUMA (NRM, Kigulu County South, Iganga):** Thank you so much, Mr Speaker. I appreciate the committee for the report. I will emphasise the issue of foreign policy. I have had the opportunity of visiting our troops in both Somalia and in South Sudan.

The key concern we have always shared with our forces that side is what our country is doing to define our foreign policy because we always shed blood, pacify those country, our neighbours smile but do we tangibly or economically benefit. This has to be defined in our foreign policy.

It is my appeal that the Minister of Foreign Affairs scales up his effort in this regard. Specifically like hon. Muhumuza has just said; we have so many business opportunities outside but people feel insecure, they are not well connected.

I have a business person whose truck was captured that side but they have worked with security what remains is Foreign Affairs to also define their involvement in these matters to help our people. It is my prayer that the Ministry of Foreign Affairs be felt by us back home and even the other side where we are designating them.

We also have information that even the foreign attaché stayed for a few days and abandoned the mission. He could not stay in Juba. The same thing happened to the one in charge of trade. We only have a military attaché that is helping our people there but those who are supposed to define economics have absconded and they are nowhere to be seen.

It is an appeal that Ministry of Foreign Affairs takes it up. The issue of buying more land in Ethiopia and the like is good but we also have land –(*Member timed out\_)*

5.44

**MR XAVIER KYOOMA (NRM, Ibanda County North, Ibanda):** Thank you very much, Mr Speaker and through you I want to thank the committee for the report especially those achievements in training and resource mobilisation.

I just have a concern under resource mobilisation. I think that is from page 13 to 14. For the other resources you have mobilised, you have indicated whether they are grants or otherwise for the USD 2 billion for Karuma and Isimba Hydropower dams from China. You have not specified whether it is a grant or a loan.

My question is, may I know whether it is a grant or a loan and if it is a loan may I know if it is concessional or semi-concessional? Why am I asking? USD 2 billion is quite a big amount that is more than Shs 5 trillion which is almost half of our Ugandan budget and it has an implication in as far as the economy is concerned.

When you look at page 17, you look at the tables presented there; you will find that non-wage is Shs 64.9 billion while development expenditure is Shs 15.9 billion. I want to believe that the non-wage largely goes for rent. From what colleagues have been submitting could you in future exploit an opportunity of using what should be for rent to pay for some of these assets or buy these assets as they are for foreign affairs and therefore for the country? I thank you.

5.46

**MS ROSEMARY NYAKIKONGORO (Independent, Woman Representative, Sheema):** Thank you, Mr Speaker. I want to thank the committee for this important report. Last year the Speaker of Parliament together with her entourage came up with a very big report that raised various issues with regard to foreign missions and we laid them on Table thinking that the ministry was going to handle it but up to now we do not know whether they handled it or not because it was raising most of these issues.

For instance, the dilapidating structures especially in the embassies in USA Washington DC, it was embarrassing, yet this is the face of Uganda outside there. We were told that we are wasting a lot of money on not utilising those structures. Other embassies have constructed buildings where they are actually getting a lot of income rather than looking at those structures and yet we are not even utilising them.

The ministry is talking about mobilising the Diaspora for development, why don’t you empower the embassies to do that work.

When you look at our embassy in Washington DC, they are handling a wider coverage geographically – but they do not have the capacity even to reach those states to mobilise Ugandans in the Diaspora; to connect with businesses and yet putting it in the ministry here and you think of a one-off meeting to go to mobilise Ugandans in the Diaspora, how are you going to do it? I thought it would have been better to empower your embassies since they are no longer merely diplomatic missions but business avenues for mobilising Ugandans in the Diaspora. They should also be able to extend those services to other states where they can mobilise business partners.

Mr Speaker, I was looking at the national independence celebrations as one of the activities that are not funded. This is really embarrassing; other countries –*(Member timed out\_)*

5.48

**MS LILLY AKELLO (Independent, Woman Representative, Kaabong):** Thank you, Mr Speaker. I join my other colleagues in thanking the committee for this good report. However, I have one concern that has been left out by the committee – the issue of Ugandans going to other countries and being mistreated. For example, when South Sudanese come to Uganda, they are very free – they are handled well – but when our citizens go to South Sudan, they are mishandled. Even at the entry points, they are checked thoroughly and yet when citizens of other countries come here they can do anything they feel like. What is the ministry doing about this? If Ugandans are being mistreated in other countries, why do we handle their citizens here with kids’ gloves?

Secondly, I come from a border district but the issue of borders – foreign affairs minister, you are looking at me but it is a crucial issue because it also affects you. I think you should handle it with other line ministries before it worsens. Last week I was in my district and we were handling a border dispute between the Kenyans and the Dodoth; they were referring us to your ministry. So you have to do something before it is too late. Thank you.

5.50

**MR GODFREY LUBEGA (Independent, Kassanda County North, Mubende):** Thank you, Mr Speaker. The committee suggested in its report that the Ministry of Finance should come and explain why money allocated to foreign affairs ministry was not released. But personally, I want to come up with a policy – *(Laughter)*

But before the Minister of Finance reallocates funds, Parliament should be consulted because we take time to discuss issues concerning budgets. And when we sit back, confident that things will go smoothly, you will find that the money was not released. So if we can find a way of coming up with a policy, we shall feel comfortable that once money has been allocated to a certain sector, it will reach.

When you look at the ministries, some of them are more sensitive than others. For example, how many people visit Uganda? But when they visit our embassies, at least they can have an idea of what Uganda is. So I suggest that ministries like Defence and others should not be tampered with; let the minister come here and consult us regarding what to do. This will help us come up with a policy. *(Laughter)* That is my suggestion.

**THE DEPUTY SPEAKER:** Member for Kassanda, please lay a copy of your policy on the Table. *(Laughter)*

**MR LUBEGA:** I will do it later. *(Laughter)*

5.52

**MS CONNIE GALIWANGO (NRM, Woman Representative, Mbale):** Thank you, Mr Speaker. I would also like to add my voice to those of my colleagues in thanking the committee for the good work. However, my concerns are:

The Ministry of Finance – I do not know why they classified foreign affairs ministry as a consumptive ministry yet it is productive. This is because this ministry really does good work by advertising our country and attracting investors. This makes it a productive ministry.

Mr Speaker, one of my colleagues was trying to raise a point but she was timed out – and this is about the celebration of the National Independence Day. Why doesn’t the ministry budget for the celebration of this day at our embassies? This is also another way we can attract investors, tourists and many other people who can be of benefit to our country. And on that note, I request that the ministry puts aside some funds for this as the committee has recommended.

Lastly, I would like to talk about the missions operating without charters. This is very unfortunate because if people are deployed outside the country and yet they have no right of being in those countries, it is embarrassing. I suggest that the ministry expedites the process and –(*Member timed out\_)*

5.55

**MR ROBERT MIGADDE (NRM, Buvuma County Islands, Buvuma):** Thank you, Mr Speaker. I want to join my colleagues who have already made submissions to thank the committee for the good job. However, my issue is on countries where we have consulates instead of embassies. Some of the staff of these consulates are doing a great job in destroying the image of this country. Take an example of Malaysia; we happened to travel there as a delegation of this Parliament and members of the consulate staff were the ones involved in defrauding members of our delegation. Right from the airport where they even provided a bill of Shs 10 million to the hotel – just to pick us from the airport! It was the same story the next day when a member of the consulate staff told us how they recruit Ugandan girls as sex slaves to rich men in that country. And actually they term them as “Ugandan meals”. I asked a member of the consulate staff if that was part of the consulate and he was telling us that, “Malaysian people here love the ‘Ugandan meals’ so much.” And what they were calling “Ugandan meals” were Ugandan girls. So at what level do you look at the integrity of some of these people – *(Member timed out\_)*

5.57

**MS PHYLLIS CHEMUTAI (Independent, Woman Representative, Kapchorwa):**  Thank you, Mr Speaker. My concern is about students who study in outside countries; some of them meet problems while there. I can give an example of students who have been studying in Libya; the war found them there and they are now stranded there because the embassy is no longer there. The embassy is no longer there, I understand it has been relocated. I do not know where to but I call upon Government and especially the Ministry of Foreign Affairs to look into such problems immediately they occur so that our students are evacuated. Thank you.

**THE DEPUTY SPEAKER:** Honourable Minister of Finance, do you have anything to say on this subject before the Ministry of Foreign Affairs - Okay, Foreign Affairs.

5.58

**THE MINISTER OF STATE FOR INTERNATIONAL AFFAIRS (Mr Okello Oryem):** Mr Speaker, first let me apologise for coming late in the House and let me thank the committee for the report and for the continuous co-operation that we have with them and the continued engagement that we continue to have with them in improving the management of our foreign policy as foreign affairs and in the image of this country. I thank them for the cordial relations that we have with them.

Permit me to go directly to issues raised by colleagues. Let me start with hon. Magyezi. I think his was a statement rather than a question. He raised the issue of IGAD and he is supporting the report on IGAD being a tool for dealing with issues of crisis in the region. He questioned the issue of the exit strategy and he supported the office of the 69th presidency of the United Nations General Assembly, which has now been taken over by hon. Sam Kuteesa.

Hon. Iddi Isabirye and many other colleagues asked about the lack of a Ugandan policy. Colleagues, there is a draft policy that is in place. It has been developed following wide consultations and we hope to present it in Cabinet soon and thereafter bring it to Parliament. We are working on that and I can assure you that I will expedite the process.

On the appointment of ambassadors when you said we appointed ambassadors where there were no missions, I do not think this is right. Ambassadors are normally appointed and only after the appointment are they designated to a particular mission. So no ambassador can be designated to a particular mission if there is no mission to go to because we have to seek the country he or she is going to for accreditation to that country. So it is impossible to appoint an ambassador to a particular mission unless that country accepts his accreditation. So that is a misplaced question.

Hon. Mudimi raised the issue of payment of international obligations and he said there have been embarrassing situations where they have been asked not to attend meetings because of failure to pay our international obligations. I sincerely apologise about this. We are engaging the Ministry of Finance on this subject matter so that all payments by Uganda for international obligations can be made as a one off check from the Ministry of Finance. That is something I am engaging the Ministry of Finance on and I hope that by this time next year, we will have found a solution to payment of our international obligations to avoid us getting these embarrassing situations.

On the utilisation of NTRs in London and the failure of our elevator, I sincerely apologise about the failure of our lift but the use of NTRs is something that the Ministry of Foreign Affairs has continuously sought a way around with the Ministry of Finance so that our missions can utilise the NTRs as a first point to dealing with many of the issues that we face such as issues of plumbing, fixing of leaks and so forth. This is an accounting issue in the Ministry of Finance that they have to deal with and we are pushing them to be more flexible.

In fact, what happens normally is that individual ambassadors or high commissioners seek a waiver from the Secretary to Treasury in order to use NTRs in emergency cases. So I hope that we can find a faster and smoother way of dealing with NTRs so that they can be used and accounted to the Ministry of Finance rather than the current tedious process.

On the selling of our commercial building in London, this is not true. His Excellency the President has put a total embargo on any attempt or sale of any Ugandan property abroad. On the contrary, he is saying that we should be looking at purchasing or developing more properties. Following an attempt to sell a property in London, I believe several years back, the President has put a total embargo on the sale of properties so there will be no selling of any Ugandan properties abroad for the foreseeable future.

On the issue of Uganda being offered land in various countries, yes China, India and other places have offered land for us to build our embassies. The problem however is unavailability of funds to develop or build such properties. We are working with Finance so that on an annual basis, they give us some capitation so that we can be able to build properties as we go on and as they give us money.

In the case of Rwanda however, I am surprised this was raised because for the land in Rwanda, money was given to us to construct our embassy there and the development has started and the property is almost up and running. It is not complete but it is already being built and I have seen it with my own eyes. There is no doubt about that. So the Rwanda case is different.

My sister hon. Anifa Kawooya raised an issue of bilateral relations and the issue of Ugandans being executed in China. I am on record as having expressed my condolences to the families of those who lost their loved ones in China and I have sympathies for those who have their loved ones still in prison particularly on death row. However, I also take a very strong position on Ugandans who engage in illegal activities particularly exportation of drugs irrespective of what excuse you give. The ignorance of carrying drugs, calling yourself a muleor carrying your own drugs is no excuse when it comes to dealing with drugs.

We are negotiating with China now to try and see how Ugandans can serve their time in Ugandan prisons particularly those who are on death row. However, there is the principle of reciprocity in diplomacy which I am sure everybody is aware of. One of the challenges we have is that the law on dealing with drugs in Uganda is considered very soft. The issue of being imprisoned for six months or paying Shs 1 million is unacceptable world over. In the world over, the rules on narcotics and other drugs are extremely strict. China has told us, as part of our negotiations, that if we amend our laws to reflect how serious Uganda is with persecuting and dealing with the issue of drugs, they are willing to consider Ugandans serving their terms in Uganda. If not, they say they will bring these Ugandans here, they will serve six months in jail and after coming out of jail, they will go back to the same trade and they will be back in China.

I am sure most of you have seen the consequences and social problems that drugs cause the world over and some countries take these matters seriously. So I urge and pray to colleagues that this is something we should look at as Parliament in amending the law on those who either traffic or deal in drugs so that they get heavier penalty and spend more time in jail or even the keys can be thrown away when they are put in jail. I think only then will China and others consider Ugandans service their sentence in prison here.

We are also negotiating with the UK and the US because we are aware of Ugandans in the UK and US service either life or death row in those two countries. There is tremendous progress, particularly for the UK because they are more flexible than the Chinese on this matter. I hope that at some stage I will be able to brief Parliament on this subject matter once we make conclusive progress.

On the issue of scholarships, I think it was asked by the honourable member for Bundibugyo. On how to differentiate between genuine and none-genuine scholarships, one of the things about scholarships is that the Ministry of Foreign Affairs work over time to procure as many scholarships as possible for Uganda particularly in areas of strategic interest to this country: petroleum, ICT, health and so forth. However, when we get these scholarships from the respective countries, we channel them to the Ministry of Education which has a scholarship board, which identifies the beneficiaries of these scholarships.

So I would like my colleagues to channel their concerns about nepotism and one-sidedness in which scholarships are being given to the Minister of Education because they are the end-users and they are the ones who distributes the scholarships. We just receive them and pass them on to them who then identify beneficiaries.

On the issue of the member from Kyadondo North, regarding political appointees and career diplomats – Mr Speaker, this is something that is of a challenge to the ministry and is of great concern. However, it comes down to leadership and it is something I have always told ambassadors whenever we hold ambassadors’ meetings at the end of the year.

Even in ministries, we have challenges between political leaders and our technocrats. But then it comes down to the particular political leader in that particular ministry. Similarly, it comes down to the particular ambassador or high commissioner in a particular embassy.

If you engage your staff, consult them and deal with them appropriately. I am sure, like some other missions which are very successful and have no quarrels, then you should have less scuffles in your mission. And if the ambassadors, who are the political leaders and the career diplomats each engage in the particular roles clearly identified for them and they do not crisscross between each other’s roles, we will have less conflict in these missions.

However, we are in the process of working out a mechanism in which they handle issues between political appointees and career diplomats in order also to give opportunities for career diplomats to become heads of missions and ambassadors in their own rights; that is something we are trying to work out with the leadership *–(Interruption)*

**MR SSEMPIJJA:** Mr Speaker, we are aware that some of these appointees are not career diplomats but we would have expected the ministry, before they send someone as a political appointee, to have them inducted or give them some kind of management training so that they are able to manage staff and other issues. Please say something about that.

**MR ORYEM:** Every political appointee that is appointed to the post of ambassador and every foreign service officer are normally got through an induction and training courses to prepare them for their missions. There is a four weeks orientation and preparation particularly of political diplomats and appointees to prepare them in issues of diplomacy, etiquette, protocol and negotiations – all that comes with the job.

But then, as I said earlier, we are all different and I sincerely believe, having been on this watch for the last 14 years, I sincerely think it comes down to individuals and how they manage their missions. You might have been a fantastic minister before; you might have been a fantastic Members of Parliament before, but once you reach a mission, it becomes challenging. Sometimes political appointees have very high expectations, but once they reach their mission, the environment is different and hence it brings them some problem.

So I sincerely believe that that is something we have to work on and I will continue counselling political appointees where challenges are on how to improve their positions. As we said, we want to give them more opportunities so that they can move up their career in order to become heads of missions which they all aspire for.

We are looking for work for Ugandans abroad. There are two ways in which we do this. There are the high-end jobs; what you call white-collar jobs, which we try as much as possible to advocate for and we promote. When we identify a particular position, for example, the former Justice Sebutinde, we all went out to promote and ensure that she got the job. Sam Kutesa’s job, we went all out. But also for the lower cadres; normally we leave the lower cadres to the Ministry of Labour who then appoint agents in Uganda. The agents have to be satisfied, cleared by ESO before they are allowed to export Ugandans. So it is the Ministry of Labour which monitors and coordinates the lower cadres. For example, there has been room in Malaysia for jobs either for security, waitresses, ICT and so forth. So there is need for us to work more with the Ministry of Labour.

However, one of the challenges we have and it applies also to colleagues in this House and most Ugandans – it seems when Ugandans travel abroad, they seem to despise our missions and do not want their missions to know that they are there for whatever reasons. Only when they are in crisis do they then start looking for the Ugandan missions.

It is standard practice among other countries that whenever they reach abroad, they immediately contact their missions or the nearest consulate to inform them of their presence in the country in the event that they have problems.

Secondly, it is standard practice; I do it and hope that everybody should do it as Members of Parliament, when you travel abroad, you should get an insurance; a health insurance and a life insurance so that if you fall sick abroad you can get medical treatment and God forbid, I do not pray for anyone of you to die abroad; but should it happen, the insurance will also be able to bring back your body.

However, when Ugandans go abroad, they are suspicious of taking insurances for their health and worse still nobody wants to take death insurance because they are suspicious that then death will befall them. But if you are sitting in a plane with 400 people, why do you think you will die alone when that plane comes down? I do not know why people do not want to take insurance. But I urge and pray that we will take insurance both for health and life; it is not very expensive; it takes about US$50 to cover everything in the event that somebody has a problem.

On the cases of Trinidad and Tobago, I will come back to this House –

**THE DEPUTY SPEAKER:** Honourable minister, are you concluding now?

**MR OKELLO ORYEM:** Yes, I am. There is the issue of Trinidad and Tobago and I am aware of them. I am aware that there is the issue of looking for doctors and nurses to go and work abroad. I also know that there are many colleagues with people in their constituencies who are struggling to take up positions in those places. I will come back here within a comprehensive position on that matter in regard to how far we have reached. I know that Trinidad and Tobago offered about 300 positions for nurses and doctors to work there. I can also state that we have had enormous pressure to handle this though we now started a selective process from which I will be able to give a list of those who have been successful.

However, I want to state that all those who have to travel there, have to seek clearance from the Ministry of Health before they are allowed to travel. Without that clearance, nobody will be allowed to be on that list.

I want to thank the hon. Col (Rtd) Fred Mwesigye for echoing his congratulations to the hon. Sam Kutesa for his new appointment. I would like to ask Uganda as a country and Parliament in particular to support him.

On the issue of the bill of Shs 2.6 billion, I think that is less than one million dollars and I think that is worth that office. The office only gets $300,000 as support from the United Nations. The rest comes from the mother country. But you realise that we are giving hon. Sam Kutesa less than one million dollars. I think he deserves more for that office because the results will be more worth than one million dollars. Also the benefits that he can source for our country are far beyond anybody’s imaginations.

The hon. Sam Kutesa today has the capacity to pick a telephone and ring any head of state world over. That head of state will pick up that telephone call immediately, including the President of the United States. That is the position of the President of the United Nations General Assembly. That is why I am saying that the benefits that he has lined up for Uganda will be far beyond the value of one million dollars that we are talking about here.

Mr Speaker, I would like to inform the honourable members that the Ministry of Foreign Affairs is in a transition because the hon. Sam Kutesa will be taking up his post on 16 September 2014 as the 69th President of the United Nations General Assembly. I will be taking over the ministry in his absence and I hope that during that period, I will be able to engage the colleagues –*(Interjections)*– I am just warming up the chair, please don’t misinterpret that. But as I was saying, my doors will be open and I hope that where possible, I will be able to update this House on issues regarding foreign policy and the Ministry of Foreign Affairs. I urge you not to hesitate when you need assistance from the Ministry of Foreign Affairs. Thank you very much.

**THE DEPUTY SPEAKER:** Thank you very much, minister and the chairperson of the committee. Honourable members, I now put the question to this motion – I think the issues have been well articulated – that the Report of the Sectoral Committee on Foreign Affairs on the ministerial policy statement on the budget estimates for the financial year 2014/2015 be adopted.

*(Question put and agreed to.)*

*(Report adopted)*

PRESENTATION, CONSIDERATION AND ADOPTION OF THE REPORT OF THE STANDING COMMITTEE ON NATIONAL ECONOMY ON THE PROPOSAL BY GOVERNMENT TO AMEND THE RESOLUTION OF PARLIAMENT DATED 8 OCTOBER 2013 AUTHORISING GOVERNMENT TO BORROW AN ADDITIONAL SDR 8 MILLION EQUIVALENT TO $12 MILLION FROM THE INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA) OF THE WORLD BANK GROUP FOR FINANCING THE UGANDA ENERGY FOR RURAL TRANSFORMATION

**THE DEPUTY SPEAKER:** Honourable members, you will recall that this motion was already adopted by this House. However, there are some figures affected by the exchange rates that were not incorporated. So, this is just an amendment; it is not another motion. It is an amendment to take care of the exchange rate issues. So, I don’t expect it to generate a lot of issues because it was already approved.

2.23

**THE CHAIRMAN , COMMITTEE ON NATIONAL ECONOMY (MR XAVIER KYOOMA):** Thank you, Mr Speaker. As you have rightly said, this is simply an amendment of the resolution already passed by this House.

Mr Speaker, I beg to lay on Table, the Report of the Committee on National Economy on the Proposal by Government to amend the Resolution of Parliament dated 8 October 2013 authorising Government to borrow an additional SDR 8 million, an equivalent to $12 million from the International Development Association (IDA) of the World Bank Group for financing the Uganda energy for rural transformation adaptable Programme Loan, Phase II Project. I beg to lay.

**THE DEPUTY SPEAKER:** Let the records capture that.

**MR KYOOMA:** Mr Speaker, I also beg to lay on Table the related minutes.

**THE DEPUTY SPEAKER:** Let the records capture the minutes too.

**MR KYOOMA:** Mr Speaker, this is a Report of the Committee on National Economy on the Proposal by Government to amend the Resolution of Parliament dated 8 October 2013 authorising Government to borrow an additional SDR 8 million equivalent to $12 million from the International Development Association (IDA) of the World Bank Group for financing the Uganda Energy for Rural Transformation adaptable Programme Loan, Phase II.

The proposal was presented to this august House by the Minister of Finance on 19 June 2014 and accordingly, it was referred to the Committee on National Economy for consideration in line with Rule 166 (2) (b) of the Rules of Procedure of Parliament.

The committee considered and scrutinised the proposal and now we beg to report. Mr Speaker, since this is an amendment of a resolution of Parliament, I beg that I skip the background and move on to the observations.

The committee observed that prior to the World Bank’s approval of this loan, the SDR value against the dollar had depreciated from 1.5 as at 21 March 2013 – this is based on information from the project appraisal documents during the loan negotiation – to 1.481 as at May 2013, after the World Bank Board approval.

Mr Speaker, the committee observed that as result of a slight exchange rate depreciation of SDRs to the dollar, an SDR being equivalent to 1.48 as the new exchange rate, would only fetch an equivalent of $11.851 million, which is less than the required amount of $12 million. The effect is summarised in the table.

By the time this Parliament approved 8 million SDR, at a rate of 1.5, that money was equivalent to $12 million. But at the time the World Bank Board meeting took place to approve the loan, SDR 8 million, at the rate of 1.48, would fetch only $11.8 million, which is less than what Government intended to borrow.

So, the required adjustments would be to the effect that we revise upwards to 8.1, in other words, we just add SDR 0.1million at the rate of 1.48, which would result into USD 0.2 million that would be added to what would result from US $8.1 million at 1.48 of 11.8 to get the required amount of 12 USD.

In order for the Government to be able to realise the amount authorised by Parliament as I have already said, there is need for an upward adjustment of the equivalent of SDR to be borrowed from 8 million to 8.1 million.

This contracted loan will be paid in USD and not at special going rate. Therefore, there is no extra cost that will be incurred by Government as a result of the adjustment from 8 SDR to 8.1 SDR. Initially what was intended to be borrowed was USD 12 million and even now it remains USD 12 million, what is important to be captured is that when Parliament approved the exchange rate was USD 1.5 but by the time of the board it had changed and therefore the minister signed a financing agreement which had a new exchange rate.

In conclusion, the committee noted that this resolution seeks to adjust upwards the earlier resolution of Parliament dated 8 October 2013 that authorised borrowing by Government of SDR 8 million which is an equivalent of USD 12 to cater for the exchange rate variation by SDR 100,000, the correct total borrowing therefore should be SDR 8.1 million equivalent to USD 12 from the world Bank Group for financing the Uganda energy for rural transformation adoptable programmes loans phase II project.

The committee therefore supports and recommends to this august House to approve the amendments of the resolution of Parliament dated 8 October 2013. The correct total borrowing should be SDR 8.1 million equivalent to USD 12 million from the World Bank Group for financing the Uganda energy for rural transformation adaptable programme loan phase II project. I beg to report.

**THE DEPUTY SPEAKER:** Thank you chairperson and the committee for bringing this forward in a time when it is needed to feed into the budgetary process.

Honourable members the motion for your adoption is to adopt a report of the Committee on National Economy in the proposal by Government to amend the resolution of Parliament dated 8 October 2013 authorising Government an addition SDR 8 million, which is the equivalent of USD 12 from the International Development Association IDA of the World Bank Group for financing the Uganda Energy Rural Transformation Adaptable Programme Loan Phase II project. Is there need for debate? It was USD 12 and it is still USD 12.

**MR RAPHEAL MAGYEZI (NRM, Igara County West, Bushenyi):** I thank the chair for the report but does this mean that tomorrow should the exchange rate varies then we have to come back. I am looking at the resolution of 8 October 2013 and I thought we were very clear. We resolved and we agreed the terms and conditions stated in the financing agreement and all along wherever you have the 8 million SDR (12 USD). The terms and conditions as the chairperson has stated are such that the payment will be in USD. I thought that this is taking us back for nothing. We were very clear that this loan should be as per the terms and conditions of the financing agreement. It makes no difference but I hope that we do not have to come back when there is a change in the rates tomorrow because our resolution was very clear.

**THE DEPUTY SPEAKER:** Honourable members, the challenge here was that at the time of signing the final documents you could not sign for 8 million SDR because the exchange rate had changed. So instead of 8 million it has to be 8.1 clearly on the agreement. That is the situation but any other changes which will come will not affect this because it will now be signed.

**MR MAGYEZI:** Mr Speaker, this is straight and I would like to move a motion that we approve the report.

**THE DEPUTY SPEAKER:** That motion had been moved by the chair. I put the question to the motion for adoption of the report of the Committee on National Economy on the proposals by the Government to amend the resolution of Parliament dated 8 October 2013.

*(Question put and agreed to.)*

**THE DEPUTY SPEAKER:** Thank you, honourable members for your indulgence to push this far. We were supposed to have risen at 6.00p.m., now we have exceeded beyond that time. I thank you for your indulgence. We have business tomorrow and as we agreed we should resume tomorrow at 10.00 O’clock and proceed with the business of tomorrow.

I also remind that at 3.00 O’clock we shall be doing that motion for the late Angelo Andrew Banya. It was supposed to be yesterday but the family was not able to travel. So they are travelling today and we will be able to do the motion tomorrow.

The representative of the Prime Minister will move the motion and we will have the facts in the morning prepare for presentation in the afternoon. House adjourned to tomorrow 10.00 O’clock.

*(House rose at 6.35 p.m. and was adjourned to Thursday, 4 September 2014 at 10.00 a.m.)*