

6th September, 2005.

**LEGAL NOTICES SUPPLEMENT**

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Legal Notice No. 15 of 2005.

**THE COMMISSIONS OF INQUIRY ACT (CAP. 166)**

**The Commission of Inquiry (Allegations of  
Mismanagement of the Global Fund to fight AIDS,  
Tuberculosis and Malaria) Notice, 2005.**

*(Under section 1 of the Commissions of Inquiry Act, Cap. 166)*

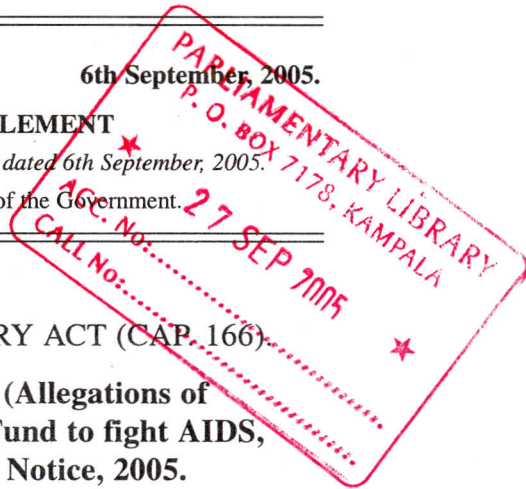
IN EXERCISE of the powers conferred on the President by section 1 of the Commissions of Inquiry Act, this Notice is issued this 6th day of September, 2005. Cap. 166

**1.** This Notice may be cited as the Commission of Inquiry (Allegations of Mismanagement of the Global Fund to fight AIDS, Tuberculosis and Malaria) Notice, 2005. Title.

**2.** There is established a Commission of Inquiry into the matters set out in paragraph 4 of this Notice. Establishment of Commission of Inquiry.

**3.** (1) The Commission shall consist of the following persons— Members.

- (a) The Hon. Justice James Ogoola—*Chairperson*;
- (b) Mr. Emmanuel Tumusiime-Mutebile—*Member*;
- (c) Mrs. Lydia Obonyo-Jabwor—*Member*;
- (d) Mr. Gerald Mbalire Kasanya—*Member*; and
- (e) Ms. Margaret Mungherera—*Member*.



(2) Mr. Andrew Kasirye shall be the Secretary to the Commission.

(3) Mr. Phillip Karugaba and Ms. Angela Kiryabwire Kanyima shall be Lead Counsel and Assistant Lead Counsel to the Commission, respectively.

(4) The Commission shall, at any time, be deemed to be fully constituted if any three of the members are present, including the Chairperson.

4. The terms of reference of the Commission are—

(a) to investigate specific allegations made by the Global Fund on the mismanagement of its aid to Uganda (the Global Fund to fight AIDS, Tuberculosis and Malaria- GFATM), by the Project Management Unit (PMU) of the GFATM, and in particular, allegations relating to—

(i) the basis for procurement and expenditure decisions within the PMU, particularly with respect to those decisions which were not consistent with the Global Fund project criteria, or Government of Uganda procedures;

(ii) the PMU's selection of sub-recipients, and their competence to carry out their assigned tasks and the PMU's failure to follow up the sub-recipients who did not account for their funds;

(iii) the involvement by officials of the PMU in the alleged loss of public funds through the application of inappropriate exchange rates to transfers of moneys from the Global Fund;

(iv) any vested interests on the part of the employees of the PMU, either in terms of links to the sub recipients, or to the suppliers of goods and services contracted by the PMU;

(v) the PMU's failure to deliver full accountability for its own expenditures;

(b) to investigate and establish—

(i) the basis for recruiting all the PMU officials, and their competence to do their jobs;

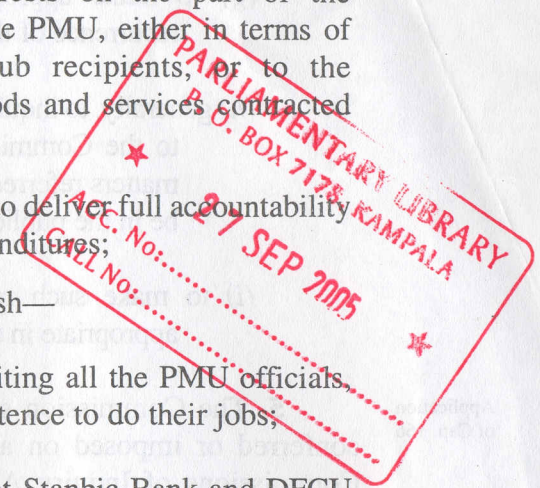
(ii) the allegations that Stanbic Bank and DFCU Bank applied exchange rates that were significantly below the market rates in the case of conversions of Global Fund foreign exchange transfers and if so, the criteria for such action;

(c) to investigate whether any other individual, apart from the staff of the PMU, benefited from the loss of public finances;

(d) to examine the sub recipients of the GFATM funds and determine the criteria of awarding funds to the sub recipients;

(e) to make appropriate recommendations upon their findings for criminal prosecution or other action against any person found to have engaged in criminal or improper conduct;

(f) to make appropriate recommendations, where it is established that money from the GFATM has been misappropriated, for the recovery of that money from source or from any person found to have misappropriated it;



Terms of reference.

(g) to make appropriate recommendations to avoid a recurrence of the matters inquired into;

(h) generally, to inquire into any other matter which appears to the Commission to be reasonably related to the matters referred to in sub paragraphs (a) to (g) and to be in the public interest;

(i) to make such recommendations as it may consider appropriate in the public interest.

5. The Commission shall have all the powers and duties conferred or imposed on a Commission of Inquiry under the Commissions of Inquiry Act and shall comply with and give effect to the provisions of that Act.

6. The Commission shall submit a report of its findings and recommendations under paragraph 4 to the President within two months after commencing its duties.

7. The Commission may, at any time before the submission of the report referred to in paragraph 6, submit to the President, an interim report on any matter within its terms of reference.

8. The report of the Commission shall, after it is submitted to the President under paragraph 7, be published in such manner as may be appropriate.

YOWERI KAGUTA MUSEVENI,  
*President.*