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**Wednesday, 26 September 2018**

*Parliament met at 02.02 P.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 welcome you to this sitting. We have a full Order Paper but we want to finish what is before us today without letting it pass to tomorrow. Therefore, let us start business.

2.03

**MR OKIN OJARA (Independent, Chua West County, Kitgum):** Thank you, Mr Speaker. I rise on a matter of national importance. We are all aware that the Government of Uganda education policy clearly states that they will open seed senior secondary schools in all the subcounties.

Mr Speaker, my constituency has about five sub counties and out of the five, only two *–(Interruption)*

**THE DEPUTY SPEAKER:** Procedure.

**MR SSEMUJJU:** Mr Speaker I raise on a procedure matter. I remember you had guided and which I take as your ruling- in fact, as our rules say that the matters that require urgent answers should spontaneously be answered. The question he is raising is about education; there is only one cabinet minister here responsible for borrowing; shouldn’t this question be raised later when Government is fully constituted in Parliament otherwise he will give the usual promise of the minister responsible will come here to answer and you had guided on this matter.

**THE DEPUTY SPEAKER**: Honourable, it might also be a matter that requires borrowing –*(Laughter)-* or maybe it is being addressed to the right person. However, like I said, these matters are better when they are handled as they are being raised. Can we defer urgent matters until the proper time when we can proceed with these issues?

BILLS

FIRST READING

THE ROADS BILL, 2018

2.06

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr David Bahati):** Mr Speaker, I beg to Lay at the Table the Bill entitled, “The Roads Bill, 2018” for first reading accompanied with a Certificate of Financial Implication.

**THE DEPUTY SPEAKER:** What is your motion again?

**MR BAHATI:** Mr Speaker, it is, “The Roads Bill, 2018” for first reading.

**THE DEPUTY SPEAKER:** What motion are you moving?

**MR BAHATI:** Mr Speaker, I beg to move that the Bill entitled, “The Roads Bill, 2018” be read for the first time.

**THE DEPUTY SPEAKER:** Is the copy of the Bill accompanied by the necessary documents? Is the Certificate of Financial Implication there?

**MR BAHATI:** Yes, Mr Speaker. We have attached the Certificate of Financial Implication.

**THE DEPUTY SPEAKER:** Honourable members, this Bill stands referred to the appropriate committee in charge of – Procedure?

**MR NZOGHU:** Thank you, Mr Speaker. I think the honourable minister is skipping some steps. If it is the Certificate of Financial Implication, he should read the heading and tell us the date when it was prepared so that we know and move clearly. However, to just say the certificate is here is not enough, Mr Speaker. Is it procedurally right for the honourable minister to skip some steps and casually present it like this?

**THE DEPUTY SPEAKER:** The last time I read the rules, there were no such requirements, has it been change since I last read it?

**MR NZOGHU:** It is the practice, Mr Speaker.

**THE DEPUTY SPEAKER:** No. There is no practice like that. If the certificate for financial implication is not attached, because this matter is going to committee, it will be brought back. This matter stands referred to the committee responsible for roads to handle expeditiously within the time frame provided in the rules and come back to this House and advise.

Honourable members, you recall that we have quite a number of Bills that are pending and we need to finish them in time and that is what we are going to be assessed on. Therefore, let us do this. Next item.

PERSONAL STATEMENT

2.10

**MR ALEX BURUNDO (NRM, Bulambuli County, Bulambuli):** Thank you, Mr Speaker. Honourable members, I am here to make a personal statement pursuant to Rule 54 of the Rules of Procedure of the Parliament of Uganda.

Mr Speaker, you might have read in various print media especially the *Red Pepper* of 31 of August 2018 and subsequently of the 22 September 2018 in which various allegations were made against me pertaining to the alleged kidnap of a one Gashali Tom, a resident of Buyaga Town Council Bulambuli District. The allegations are that I kidnapped a one Gashali Tom to stop or scare him from standing against me in the year 2021 parliamentary race.

Mr Speaker, the stories that appeared in the *Red Pepper* are untrue and baseless. I wish to state that I only got to know of the alleged kidnap of Mr Gashali Tom from my personal assistant, and then later in print media where my name was adversely mentioned. I was also shocked like any other person; I prayed for his return, and indeed he resurfaced after five days.

Whereas I know Mr Gashali Tom as a neighbour and a person to whom I made available some of my buildings in Buyaga Town Council to operate and run a secondary school from 2013 to 2015 free of charge, I have not had any relationship with him beyond that.

Honourable members, as most of you will attest, I am and have always been a law-abiding citizen. The allegations that were published in the *Red Peppe*r are untrue, baseless and intended to tarnish my good name and divide my people who are now united. Since I joined active politics in 2001, I have always conducted myself with upmost respect and decorum. I have stood against numerous people and defeated them. I have never used dirty tricks to win elections and I will not stop today.

Mr Speaker, since these allegations were made against me, I sought the advice of the commandant of Parliament, who escorted me to seek the guidance of the directorate of criminal investigation at Kibuli headquarters. I have voluntarily availed myself for the investigations including handing over my communication gadgets to allow police carry out necessary investigations in order to clear my name.

These allegations have not only affected me but have also affected my family and constituency; where some people have even threatened to lynch me and burn my property. I would like to thank the regional police commander, Elgon sub region and the District Police Commander of Bulambuli who worked tirelessly to secure my home. Otherwise, now, I would be dead.

Honourable members, as 2000 draws nearer, stories like mine are going to be common where your challengers will concoct-

**THE DEPUTY SPEAKER:** The year 2000 passed long time ago.

**MR BURUNDO:** Oh, Sorry. Honourable members, as 2021 draws nearer; stories like mine are going to be common where your challengers concoct all sorts of allegations against you. There is need for a concerted effort to fight such allegations and smear campaigns for police to investigate these allegations. Where they find them to be baseless, action should be taken to protect the good image and dignity of the honourable Members of Parliament.

In conclusion, Mr Speaker, I kindly request that the investigating arm of Government, especially the police expedite its investigations into these allegations in order to bring the perpetrators of these baseless allegations to justice. I beg to move.

**THE DEPUTY SPEAKER:** Thank you. Honourable members, it is within the right of each Member of this House because we have all listened to the collective presenceof all the parliamentarians. If there is any statement that challenges a Member, it would be challenging the reputation of the House; where a Member that is affected ought to explain to this House, the circumstances under which such things happened.

If they are true or false – that is why the Member has done exactly that**.** Thank you, honourable member for the clarification. The Members now know what happened.

PRESENTATION OF PAPERS

* 1. MOTION FOR A RESOLUTION OF PARLIAMENT TO AUTHORIZE GOVERNMENT TO BORROW UP TO US$210M FROM THE ISLAMIC DEVELOPMENT BANK (IDB) FOR FINANCING THE RWEKUNYE-APAC-LIRA-ACHOLIBUR ROAD PROJECT

2.16

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING)(Mr David Bahati):** Mr Speaker, I beg to lay at the Table a request from Government to borrow up to $210 million from the Islamic Development Bank (IDB) for financing the Rwekunye-Apac-Lira-Acholibur road project; which has been demanded by the Members of this House.

**THE DEPUTY SPEAKER:** Honourable members, this matter does not attract debate at this stage. It stands referred to the appropriate Committee on National Economy to examine within the framework of our rules and report to the House on how we handle this particular request. Thank you.

* 1. MOTION FOR A RESOLUTION OF PARLIAMENT TO AUTHORISE GOVERNMENT TO BORROW UP TO US$110 MILLION FROM THE ISLAMIC DEVELOPMENT BANK (IDB) TO FINANCE UPGRADING OF MUYEMBE-NAKAPIRIPIRIT ROAD PROJECT

2.18

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING)(Mr David Bahati)**: Mr Speaker, I beg that we adjust the Order Paper and I come tomorrow because this loan was already approved by the House and the committee considered it. However, there were some changes in the terms of the financing which require to be approved by the House in the right way as we did in the past; is to move a motion for the whole House to consider the little changes that have been made instead of referring it back to the committee. I beg your guidance over this.

**THE DEPUTY SPEAKER:** Okay, the matter was already approved by Parliament. Therefore, if there are variations of the terms and the committee is agreeable then we will not have any problem tomorrow to deal with this matter.

This matter is deferred to tomorrow. Please clerk, redraw the reference to this particular item to capture the interest of the item on the Order Paper. Thank you.

QUESTION FOR ORAL ANSWERS

Q15/01/10 TO THE MINISTER OF WORKS AND TRANSPORT

2.18

**MS HELLEN KAHUNDE** **(NRM, Woman Representative, Kiryandongo):** To ask the Minister of Works and Transport the following:

*“When will the Kigumba-Bulima road be tarmacked?”*

**THE DEPUTY SPEAKER:** Is the honourable member for Kiryandongo here today? Where is the Minister of Works and Transport? You hold the portfolio of the Government Chief Whip.

2.19

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING)(Mr David Bahati):** Mr Speaker, the ministers for Works and Transport and Health are on their way coming. I would like to apologise on their behalf for coming late to the House.

**THE DEPUTY SPEAKER:** That will also affect the next item. Honourable members, this Order Paper was published yesterday. Both the ministers and Members knew what was on the Order Paper and they know that the House starts at 2.00 p.m. Yesterday, the same minister caused such a delay!

On what matters, do you rise honourable?

**MR SSEMUJJU:** Mr Speaker, it is a procedural issue. We come here to process mainly Government business and hon. David Bahati who is holding various portfolios including Leader of Government Business is aware. Our rules require that the Speaker gives priority to the Government business.

The matters that were starting were postponed because ministers are not here. We are now on another matter and it is also being postponed.

The procedural issue I am raising is whether Parliament should waste its time and public resources, to come here to process business of people who are unwilling. If they do not want their businesses processed, maybe we can use this time to do committee work and come back and we process work from committees.

This minister, who is obsessed with borrowing, usually arrives here on time with papers. He cannot delay with borrowing. However, when it comes to matters affecting people and where they are supposed to provide the answers, he is just moving around making phone calls –*(Interruption)*

**MR BAHATI:** Mr Speaker, the Opposition Chief Whip, together with Members of this House passed the budget here on the 31st of May. You did authorise Government to go and borrow, as part of financing the budget, to raise seven trillion. It is this borrowing that I come with here, because the Constitution requires that every single project be approved by Parliament.

Is he in order, after having participated in the decision, to show direction to the Executive on how to raise resources to finance the services and the manifesto of the NRM Government, to come here and scandalise the source of financing as if it is a bad thing?

**THE DEPUTY SPEAKER:** Honourable members, it could have been referred to wrongly, but clearly that is what has been happening. That most of the issues to do with seeking revenue sources which are in the area of borrowing, most of the time you have been doing it. It might not be a very far reference that you are actually in charge of borrowing -*(Laughter)-* because you come from the ministry responsible for that purpose under the Constitution. Probably, any imputation of other motives, that would be irregular under our rules and if you intended to make that imputation, you would not be proceeding properly. So, where are the ministers?

Honourable members, the dilemma I have is; these are private Members’ issues. These questions were raised by Members within the rules and they require responses from the Executive. Therefore, it is not entirely Government business. It is the people’s business that we are dealing with here. The absence of the minister is beginning to give me some discomfort and it is beginning to look bad.

**MS ADONG:** Thank you, Mr Speaker. Under Rule 42(1) and (4), it states that, “*A minister shall attend sittings of the House to answer questions asked of him or her*”. Then 42(4) says, “*It shall be disorderly conduct of a Member to fail to ask or for a minister to fail to answer a question listed on the Order Paper without the leave of the Speaker.”*

It is becoming a habit; last week, we had a question raised by the Member from Ajuri but the same minister did not turn up to answer the question on works. Today, again, the minister is absent. Mr Speaker, is it procedurally right for the minister to fail to answer the questions and yet it is clearly stated as part of her work? Shall we be wrong if we say the minister is disorderly and we give her time – *(Mr Kasibante rose)*

**THE DEPUTY SPEAKER:** There is nothing like further procedure in our rules because when a point of procedure is raised, I need to respond to it so you cannot say “further procedure”. *(Laughter)*

Honourable members, there are, I think, about three ways known to me our people make mistakes when the provision of the law is clear. Sometimes people do not fulfil the terms of the law because they are ignorant of the provision. That is forgivable. However, there are times when people make mistakes in spite of the clear provision of the rules. That is impunity. They act in total disregard of what the rules say and they continue to conduct themselves in that manner. Honourable members, we will be dealing with these matters in more serious ways. I will be communicating this shortly. Thank you.

**MR KASIBANTE:** Thank you very much, Mr Speaker. Attendance of ministers to the parliamentary sittings is mandatory. I would like to refer to Rule 113(1) which says, *“For any ministry, the minister or at least the minister of state shall attend sittings of the House; and where none of them is able to attend, a minister shall request another minister to represent that ministry’s interests in the House and notify the Speaker accordingly”*. Rule 113(2) says “*The Leader of Government Business shall ensure that sub rule (1) is complied with*”.

In this House, we were introduced to the Leader of Government Business and the post is not vacant. There is also a Deputy Leader of Government Business but at the same time in this very sitting, we have the minister in charge of “borrowing” *(Laughter)* and at least two other ministers.

Meaning therefore, if they were compliant and not defiant, the ministers who are not present could have delegated the interests of their ministries to the ones present. It had been mentioned already and it is a custom that Government business is given priority in this Parliament.

**THE DEPUTY SPEAKER:** Are you still on a point of procedure?

**MR KASIBANTE**: Yes, Mr Speaker.

**THE DEPUTY SPEAKER:** Then why don’t you proceed with it?

**MR KASIBANTE:** Thank you for the guidance. The point of procedure I would like to raise, therefore, is whether we are proceeding correctly when we do not give chance to the ministers who are present here who seemingly could have been delegated by the ministers who are not present to attend to the questions that were raised by private Members.

**THE DEPUTY SPEAKER:** If the ministers who are present had been briefed, we would not be having this debate. They would have called the question and the responsible person would have just gotten up and addressed the matter. In your assessment, do you think any of these have the responsibility. *(Laughter)*

Honourable members, the reason I am delaying this is because these are private Members issues. If it was a government matter, we would not be sitting here now. We would have all gone home. Since this is a matter raised by private Members and the people they represent need answers; that is why I am doing my best to be patient and wait for these answers to come, as they must, and today.

Honourable members, maybe we could stay this issue. I do not see the minister responsible for health, or the one responsible for works.

**MS HELEN KAHUNDE:** Thank you very much, Mr Speaker. Rule 42(6) of our rules of procedure states that, *”A minister shall not take more than two weeks to respond to a question from a Member.”*

I asked this question when I had just joined the Tenth Parliament – possibly during the first two months. Therefore, is it procedurally right for a minister to take almost two years to respond to a question? The reason why most of us are coming to the Office of the Speaker to raise matters, which are not urgent, as matters of national importance is because when we ask the ministers these questions, they never respond in time. It takes more than a year for a minister to give a response to a given question.

Are we proceeding right by even having this kind of arrangement where a minister takes more than two years to respond to a simple question when even some of them have been overtaken by events?

**THE DEPUTY SPEAKER:** Honourable members, it is not only bad procedure but it is even bad manners. *(Laughter)* Decency really requires that you accord peers some respect. If you have no capacity to accord your peers respect, then something must be not right. However, honourable members, I think we can now deal with the question. I do not know whether the minster, who has come, has a brief to deal with these matters.

**MR MWIRU:** Thank you, Mr Speaker. I rise on a matter of procedure. Under Rule 42 of the Rules of Procedure of Parliament, the minister is supposed to attend the House and answer questions and rule 113 actually makes it mandatory. We have been raising matters in this House. For instance, I raised a question to do with sachet *waragi* and you directed that the minister would make a statement but she disappeared and never came back up to today.

I wonder, Mr Speaker, whether it is not procedurally right that maybe you make a formal ruling on the question of ministers attending the House for them to know that it is not optional for them to come to this House. This would make them understand that there is a record to that so that they would even come and attend to our matters and we do not come to you to raise matters of national importance. For instance, I was intending to come and raise the ban on sachet *waragi* which you had already assigned the minister to come and respond to. Thank you.

**THE DEPUTY SPEAKER:** You see, the presumption of a person qualified to be appointed a minister is in the Constitution – somebody to be appointed a minister is somebody who qualifies to be a Member of Parliament and that means you have advanced level or its’ equivalent. Therefore, to really start reading rules for honourable ministers to understand would be asking for too much from the Speaker.

**MR BAHATI:** Mr Speaker, as I said, we apologise for the late coming of the minister. However, the minister in charge of works and transport is here and ready and the minister in charge of health is on the way. We apologise once again but we are now ready to transact business properly.

**THE DEPUTY SPEAKER:** The matter was already called.

QUESTION FOR ORAL ANSWERS

QUESTION 15/01/10 TO THE MINISTER OF WORKS AND TRANSPORT

2.38

**MS HELEN KAHUNDE (NRM, Woman Representative, Kiryandongo):** T ask the Minister of Works and Transport the following:

*“Hon. Minister, when will the Kigumba-Bulima road be tarmacked?”*

2.38

**THE MINISTER OF STATE FOR WORKS AND TRANSPORT (WORKS) (Gen. Katumba Wamala):** My apologies, Mr Speaker. I am going to respond to question 15/01/10, asked by hon. Helen Kahunde.

Mr Speaker, Government secured financing from the African Development Bank for the upgrading of Kigumba-Bulima Road as part of the Kigumba-Bulima-Kabwoya Road Project. The works contract was signed in March 2017 and construction works are ongoing. That is the response. Thank you.

**THE DEPUTY SPEAKER:** Thank you very much. Do you have a supplementary question?

2.39

**MS HELEN KAHUNDE (NRM, Woman Representative, Kiryandongo):** Thank you, Mr Speaker. It is true that construction works are ongoing and like I said, the question has been overtaken by events. However, I thank the minister for responding. Thank you.

QUESTION 48/03/10 TO THE MINISTER OF WORKS AND TRANSPORT

**THE DEPUTY SPEAKER:** Hon. Paul Mwiru is standing in for hon. Lufafa.

2.39

**MR PAUL MWIRU (FDC, Jinja Municipality East, Jinja):** *“a) Honourable minister, what is the progress of implementing the Standard Gauge Railway* *(SGR); and could you furnish the House with an up-to-date list of the project-affected persons?*

*b) Why were some of the affected residents in Mafubira Subcounty, Jinja District excluded from the list of those to be compensated?”*

2.39

**THE MINISTER OF STATE FOR WORKS AND TRANSPORT (WORKS) (Gen. Katumba Wamala):** Mr Speaker, question 48/03/10 was asked by hon. Nelson Lufafa, the MP for Butembe County.

Mr Speaker, in 2014, Uganda together with her Northern Corridor partner states of Kenya, Rwanda and South Sudan signed the regional Standard Gauge Railway (SGR) protocol which provided a framework for the construction of a seamless SGR network to interconnect their cities and connect them to the cost.

Would the minister:

1. Explain to the House the progress of implementing the SGR?
2. Furnish the House with an up-to-date list of the project affected person indicating the following -
3. those compensated;
4. those yet to be compensated;
5. a schedule for compensating those not yet compensated?
6. Explain why some of the affected residents of Mafubira Sub county in Jinja District were excluded from the list of those to be compensated?

The response to question No.1

Mr Speaker, the Government of Uganda continues to fast-track the development of the Standard Gauge Railway. A total of 1,724 kilometres is planned to be developed in Uganda in a phased manner, starting with the Malaba-Kampala Eastern Route Standard Gauge Railway section of 272 kilometres. The following is the progress of the implementation of the Standard Gauge Railway Project.

Mr Speaker, an EPC/Turnkey Commercial Contract for the Eastern and Northern routes, totaling 926 kilometers route was signed in March 2015. An addendum to prioritise development of the Malaba- Kampala Route of 273 kilometers, at a contract value of $ 2.295 billion, was signed in September 2015. Most efforts are on this route at the moment. The contract price is currently being reviewed with the intention of reducing it without affecting the agreed upon standards.

A design review and supervision contract was signed in December 2015. Preliminary works including bankable feasibility studies and preliminary engineering designs have been completed.

Sourcing financing from the EXIM Bank of China is in advanced stages. Appraisal of the project by the EXIM Bank of China was undertaken in September 2017.

Land acquisition is ongoing. To date, assessment has been done for 92 per cent of the entire route and 101 kilometers, in terms of length of right of way, have been acquired.

A total number of 2,895 project affected persons out of 10,764 project affected persons assessed, have been compensated at a cost of Shs 50.81 billion. The total compensation value is estimated at 543.6 billion. The details in response related to this are answered in question two. The process to acquire the rest of the right of way continues.

SGR harmonisation between the Government of Uganda and the Government of Kenya has been undertaken. A Bilateral Agreement on seamless and joint operations of the Mombasa-Kampala SGR Section has been signed between the two countries.

Additionally, a communique on construction completion timelines for the Naivasha-Kisumu-Malaba and Malaba-Kampala SGR sections was signed. During the 14th Northern Corridor Infrastructure Project (NCIP) Summit that was held in June 2018, in Nairobi, the heads of state directed that a financing framework agreement for Naivasha-Kisumu, Kisumu-Malaba and Malaba-Kampala be signed during the forthcoming Forum on China-Africa Cooperation (FOCAC) Summit in September 2018, but it wasn’t because negotiations still continue.

National or local content mainstreaming is ongoing. A plan has been prepared for at least $ 700 million to be spent locally during the construction of the Malaba-Kampala SGR section.

A Local content database for local providers is being developed in consultation with key stakeholders. My ministry has already engaged some local providers of cement and steel to share the required standards to enable them to undertake the necessary preparations.

A local content symposium will be held later this year where key information will be shared with the key stakeholders. In this effort, Hima Cement, Simba Cement and Uganda Roofing Limited in Zzana have already been highly qualified for the standards required. Otherwise, they have already provided some of these materials for the construction of the soon to be opened Nile Bridge.

Construction quality assurance strategies have been put in place. My ministry is working hand in hand with Uganda National Bureau of Standards, Ministry of Foreign Affairs, especially the Directorate of Immigration, Uganda Revenue Authority, Engineers Registration Board (ERB) among others, to ensure quality of the project.

Plans to establish railway industrial parks, inland container depots and silos along the Malaba-Kampala SGR Route are underway.

Plans to relocate utilities and other infrastructure projects from the SGR corridor are underway including plans to extend electricity to the SGR traction substations.

Design review and harmonisation of SGR project with other planned infrastructure projects is ongoing. Social and environment safeguards have been mainstreamed into the SGR project.

A draft capacity development plan has been prepared to ensure skills transfer to Ugandan nationals. To ensure sustainable development of the railway subsector in the country, my ministry is pursuing a grant from China that will be used to develop a roads and railway training institute at Rubongi in Tororo District. Proposals to start railway related programmes at key Ugandan universities are being discussed.

Post construction operation and management plans are underway. In order to harness the opportunities of the SGR and ensure a seamless regional railway system, the 13th NCIP Summit agreed and directed that the Mombasa-Kampala section of the SGR be managed and operated as one system by a one operator and that the contractors undertake operations of the section, in the interim, as the two partner states build their local capacities.

Government of Uganda signed a Memorandum of Understanding with

China Harbour and Engineering Co. Ltd (CHEC), the contractor, in November 2016 to undertake the operations in the interim period, as local capacity in operations and maintenance is being built. Kenya and Ethiopia have also used the same strategy.

Progress on the Northern Route

Mr Speaker, preliminary engineering designs and environmental impact assessment undertaken by a western consultant from Canada were completed.

A bankable feasibility study undertaken by China Harbour Engineering Company Ltd has been completed on the northern route.

Progress on the western and southern routes

Preliminary engineering designs and Environmental Impact Assessment undertaken by a western consultant GAUFF from Germany were completed.

Bankable feasibility study undertaken by a China Civil Engineering and Construction Company has been completed on the southern and western routes.

Greater Kampala Metropolitan Area Light Rail System (GKMA LRT)

Government has also decided to develop the GKMA LRT system to provide cheap, reliable, convenient, comfortable and safe public mass transport in the Greater Kampala Metropolitan Area. The LRT project has been submitted to the Public Private Partnership (PPP) unit of the Ministry of Finance, Planning and Economic Development for screening into the Government PPP projects pipeline. The project has also been selected among the projects that will be presented to FOCAC in China for financing.

Response to question two

Mr Speaker, compensation of project affected persons is ongoing. To date, a total of 2,895 project affected persons out of 10,164 assessed project affected persons have been compensated at a cost of Shs 50.81 billion.

A compensation assessment summary as at 6 August 2018 indicating the project area, acreage to be acquired, total number of project affected persons, compensation award, number of approved reports, yet to be approved reports, compensation status among others is as appended as Appendix I and I will be laying that on the Table.

1. Those compensated

A detailed list of compensated project affected persons is appended as Appendix II.

1. Those yet to be compensated

A list of project affected persons yet to be compensated both approved reports and draft reports are appended as Appendix iii. On the schedule for compensating those not yet compensated, if any, the Ministry of Works and Transport continues to engage the Ministry of Finance, Planning and Economic Development on all aspects of the project, including on the required funds for compensation. We have had the total requirement of Shs 536 billion. The compensation schedules are made as funds are released, other than when the funds are released and that is when we pay. There is, therefore, no compensation schedule in place for all affected persons who are not yet paid.

Response to question three

Mr Speaker, compensation of Project Affected Persons (PAPs) is being undertaken as per the laws of Uganda, including the 1995 Constitution of the Republic of Uganda, as amended, the Land Acquisition Act, Cap 226, the Land Act, Cap 227 and the Registration of Titles Act, Cap 230, among others.

An assessment has been done in Jinja and the report is still with the Chief Government Valuer for approval. The following are the affected properties with unresolved matters, pertaining to Standard Gauge Railway compensation in Mafubira and other sub-counties in Jinja District. There are a number of them and again, the details will also be seen in the appendix.

1. In Mafubira A, number of affected properties is 16. The assessment of Project Affected Persons (PAPs) with fish ponds is still ongoing.
2. In Mafubira C, the affected people are three. Assessment of the Project Affected Persons (PAPs), again, with fish ponds is still ongoing.
3. In Wanyange Lake, there are three. Encroachment on Uganda Railway Corporation reserve is a matter which is yet to be resolved.
4. In Kitovu area, there are 97. Again, assessment is ongoing.

The issue of fish ponds in swamps, which is Government land, is being handled in consultation with the Ministry of Agriculture, Animal Industry and Fisheries. The project continues to engage the affected PAPs and other stakeholders to ensure that the above challenges are resolved so as to enable acquisition of the required Right of Way.

Mr Speaker, I beg to submit. In here are the details of the affected persons, those who have been paid and those who are yet to be paid. They are all contained in this document. I beg to lay.

**THE DEPUTY SPEAKER:** Let the records capture that. Honourable members who have interest for this sector, you might find that it is a document of interest when you conduct some of these assessments. Thank you, honourable minister. *(Applause)* Any supplementary question?

2.55

**MR PAUL MWIRU (FDC, Jinja Municipality East, Jinja):** Thank you, Mr Speaker and honourable minister for attempting to answer the questions.

Honourable minister, are you aware that SGR is an NDP II project and that NDP II is ending next financial year? The next question is about compensation. Wouldn’t it be procedurally right for the ministry to declassify some of the areas of the project affected persons, since, from the record you have shown us, there are over 10,000 to be affected? So far, you have spoken more around 2,800 people yet people cannot use their property. They cannot even go to banks because whenever they try to access loans, they tell them that actually, they are affected by the project.

Don’t you think it would be wise that since they do not know when you will decide to compensate them, you declassify those areas so that people can use their properties to access loans to do business until when you get ready? Thank you.

**GEN. WAMALA:** Mr Speaker, thank you. I am definitely sure about this NDP II project but again, we are not living on Mars; we know what is happening.

First of all, the project must be harmonised and we must synchronise with our neighbour, Kenya. We cannot move until all those matters have been synchronised. It will not make economic sense for us to have a hanging Standard Gauge Railway before we connect to Kenya and that is a matter which is still ongoing.

We have to do that in liaison - because this is a Northern Corridor Infrastructure Project - it is not a single state project. It is for all the states within the Northern Corridor.

On the issue of payments, definitely we would have loved to pay everyone as soon as we assess but we are operating a cash budget. As soon as or whatever money comes in and whatever is apportioned for that item, that is what we spend. We cannot spend what has not been appropriated to us. If Parliament can appropriate more money on that item, definitely we shall pay.

**THE DEPUTY SPEAKER:** Thank you very much. Can we move to the next item?

**MR MUKITALE:** Additional question, Mr Speaker, on the Standard Gauge Railway? It is very important, having listened to the minister –

**THE DEPUTY SPEAKER:** No, we proceed with the rules, honourable member. Please respect the rules. Can we deal with the – because I do not see the Minister of Health here again yet the next question is for that minister. Can we move to the item that we deferred yesterday? Please call out item seven.

MOTION FOR A RESOLUTION OF PARLIAMENT TO AUTHORISE THE MINISTRY OF ENERGY AND MINERAL DEVELOPMENT TO ACQUIRE LAND FROM HOIMA DISTRICT LOCAL GOVERNMENT

**THE DEPUTY SPEAKER:** Honourable members, before the minister proceeds with this motion, in the public gallery this afternoon, we have students and teachers from Namalu Seed Secondary School, Nakapiripirit District. They are represented by hon. Lokeris Teko Peter and hon. Anyakun Esther. They are here to observe the proceedings. Please join me in welcoming them. You are welcome. *(Applause)*

We also have pupils and teachers from Katiyi Primary School. They are represented by hon. Etuka Isaac and hon. Osoru Mourine. Please join me in welcoming them. Thank you. *(Applause)*

**MR BASALIRWA:** Mr Speaker, I rise on a matter of procedure, with regard to the motion for a Resolution of Parliament to authorise the Ministry of Energy and Mineral Development to acquire land from Hoima District Local Government.

The procedural issue I would like to raise is with regard to the method of acquisition of land in this country in reference to Land Acquisition Act, the Land Act, the Registration of Titles Act. These laws outline methods in which Government can acquire land, especially the Land Acquisition Act.

Would we be procedurally right to discuss the motion authorising the ministry to acquire land, in total disregard of the laws that provide for land acquisition?

**THE DEPUTY SPEAKER:** The challenge is you did not look into the motion. If you did, that matter would not have arisen. The matter has come under the authority of the Public Finance Management Act. It is a requirement under that law that before these acquisitions are made, Parliament must approve.

The other processes under the Land Acquisition Act and all the other laws will follow suit but this particular one is a requirement of a particular law, passed by this Parliament to authorise first before those other things can be done. That is why that motion is here. Therefore, we are proceeding very well.

3.01

**THE MINISTER OF STATE FOR ENERGY AND MINERAL DEVELOPMENT (ENERGY) (Mr Simon D’Ujanga):** Mr Speaker, at the sitting yesterday, I moved a motion for a resolution of Parliament to authorise the acquisition of land by the Ministry of Energy and Mineral Development from Hoima District Local Government.

Some debate ensued but the three seconders to the motion were not in the House and therefore, debate was suspended. I am glad to report that the three seconders are now present and I would like us to proceed with the debate on this motion.

**THE DEPUTY SPEAKER:** Honourable members, I need the apologies from the three members who put their signatures on this particular motion and did not show up at the time when the motion came for debate. Hon. Stephen Mukitale, hon. Lawrence Bategeka and hon. Tophace Kaahwa, please advance the necessary apologies and speak for two minutes to this motion.

3.02

**MR STEPHEN BIRAAHWA MUKITALE (Independent, Buliisa County, Buliisa):** Mr Speaker, my apologies for not being here yesterday. I was in the constituency due to a related pressure in Buliisa - (*Interjections*)– national dialogue for next time but this is also one way of achieving it.

I would like to thank the minister and more so, you, for bringing this matter. Hoima District Council in 2015 –

**THE DEPUTY SPEAKER:** Honourable member, you are not seconding the motion. We were almost taking a decision on the motion. So, all I need from you is an apology and a confirmation that you still support the motion. No debate; you lost that right yesterday.

**MR MUKITALE:** Mr Speaker, I have already registered my apology. I would like to confirm that Hoima District Council resolved, in 2015, to host another Government entity’s headquarters, aware of the need for on-spot supervision of both institutions we created in the law and the directorate, the petroleum authority and related institutions within the region. The only -

**THE DEPUTY SPEAKER:**  Thank you. Honourable member, for Hoima District - give us an apology and a confirmation that you still second the motion.

3.03

**MS TOPHACE KAAHWA (NRM, Woman Representative, Hoima):** Thank you, Mr Speaker. I apologise for not being in the House yesterday but I was handling the related issues of land that my area Member of Parliament raised here concerning the people of Bukinda.

I would like to thank the minister for moving the motion for Ministry of Energy and Mineral Development to acquire land from Hoima Local Government. However, after consultation, I have come with another view of not selling the land. Maybe, we lease it so that it remains in the hands of the people of Bunyoro. Oil is not permanent; it will get finished. When oil gets done, we shall regain our land. I beg to submit.

3.04

**MR LAWRENCE BATEGEKA (NRM, Hoima Municipality, Hoima)**: Mr Speaker, my apologies. I was not here yesterday because of constituency demands. I am ready to proceed and second the motion. I reserve my comments until I am called upon. I also request that two minutes is not enough.

**THE DEPUTY SPEAKER:** No, honourable member, you lost that right yesterday. All I need you to do is to confirm that you still second the motion.

**MR BATEGEKA:** I confirm that I still second the motion though with some observations because this process has taken four years. In those four years, many things have changed. The valuation has changed. It is no longer Shs 50 million since the valuation was done. Even the resolution of council was about a direct negotiation with the Ministry of Energy and Mineral Development. Those direct negotiations did not mean outright sale. What we are talking about is a lease so that the people of this area continue enjoying incomes.

Otherwise, we would want the regional coordinating headquarters to be located in Hoima for various reasons including provision of local content. Even other coordinating institutions like NEMA, Ministry of Lands, DWD, NOC; we would expect them to also locate there because that is where the activity is. Oil development is in Hoima District.

So, it is welcome but the modality of land acquisition is the issue we need to discuss further, Mr Speaker.

**THE DEPUTY SPEAKER:** Thank you, honourable members. We were now winding up on debate on this matter. Honourable members, you know I do not like debate by procedural issues.

3.07

**MR WILLIAM NZOGHU (FDC, Busongora County North, Kasese):** Thank you, Mr Speaker. I am at crossroads because Government is Government whether it is at local or central level. Actually, whatever Hoima District Local Government delivers is on behalf of and in trust for the people of Uganda. Therefore, if the land is owned by the District Local Government, that is Government land.

There are certain avenues on which Government can spend money and where Government must be seen to act. It would be fair for Government to look at other priority avenues of spending money otherwise Government to spend money on itself is not fair. I feel that this Parliament - (*Interruption*)

**MR JAMES KAKOOZA:** I would like to give you information. The land that Hoima District Local Government is holding is in the asset registry of the district. If it is in the asset registry of the district, it helps it to generate revenue. I would love to hear from the minister if he had come with an option of leasing because revenue collected can help the people of Hoima because this is their land.

Even if the lease expires, it reverts to the district and it even has an economic multiplier effect. The offices and everything else return to the district rather than stripping and selling it off to Government.

However, this company transacting and establishing business will strip off this asset and it will no longer be - since this is Government company and it can run its solvent. What will happen then? They will strip off the assets like the Uganda Commercial Bank and the community of Hoima will lose out. So, the best way to do it is to lease that land so that the revenue collected benefits the community -

**THE DEPUTY SPEAKER:** Are you giving information or debating?

**MR JAMES KAKOOZA:** That is the information I was giving. (*Laughter*)

**MR NZOGHU:** Thank you, Mr Speaker. My personal opinion would be that if Government is to approve any money that goes to Hoima, let it be for a health centre or school but not to buy land from a Government entity and yet even the Uganda Land Commission holds lands in public trust.

I know that if Hoima District Local Government is to lease this land it is still the Uganda Land Commission that would process it. So, who is actually supposed to do what, where and when? That is my perspective. I feel this money could still be taken to another sector instead of Government buying land from itself. Thank you.

**THE DEPUTY SPEAKER:** Honourable members, let us recast the motion. The authority being sought from Parliament is the authority to acquire. The details of the acquisition will be up to the parties to either lease or sell it outright but the authority to commence that process is why they are here.

However, the view is already being put to you that when you go to negotiate consider seriously the issue of leasing rather than outright purchase and taking over the land of – but that is now secondary. What is before us is: do we grant this authority for them to proceed with the acquisition issue? That is the issue.

3.12

**MR PIUS WAKABI (NRM, Bugahya County, Hoima):** Thank you very much, Mr Speaker. I support this motion but with some reservations. One is that the energy ministry took some land from my people who had been affected by the oil refinery. They entered into a memorandum of understanding with these people that they would construct houses for them - houses with electricity, water and that they would give them land with titles.

However, the energy ministry constructed houses as if these people are in camps, without water and electricity up to now. Therefore, I cannot trust the energy ministry with land unless they are clear this time. My people are suffering up to now yet they gave out their land. I would only support the energy ministry to acquire land in Hoima if they settle the people in my county. Thank you very much.

3.14

**MS ANNET NYAKECHO (Independent, Tororo North County, Tororo):** Thank you, Mr Speaker. The question of land acquisition always raises mixed reactions and a lot of anxiety. However, to me, if Government had sat down with Hoima Local Government and come to an agreement, and settled all pending demands, I see no reason as to why Parliament should not grant Government opportunity to acquire land.

I heard my sister hon. Kahwa Tophace say that she has some amendments to the arrangements that were there before that they now want to opt for lease. If that is the general feeling in the district, it is a better option because it also helps the local government continue getting more revenue to sustain them.

Therefore, for me, I would support it as long as there is a general consensus. Thank you for the opportunity.

3.16

**MS REHEMA WATONGOLA (NRM, Kamuli Municipality, Kamuli):** Thank you so much, Mr Speaker. As you had already earlier on put it that we debated this motion yesterday and the only one pending issue was that the seconders were absent. The three seconders have confirmed that it is a true document and that they second it. I would like to request you, Mr Speaker, to put a question to Parliament to vote on this issue so we can continue. I beg to move.

**THE DEPUTY SPEAKER:** Honourable members, if it had not been for the provision of the Public Financial Management Act requiring this process, probably by now these people would have signed this contract and finished this issue so many years back.

However, it is because of this provision that if this is going to happen and that there is need for Parliament to be involved to approve the acquisition. We are not talking about the details of what that acquisition will be, whether outright purchase or lease, those will be terms negotiated by the party. What is before us is to authorise the acquisition to go under the requirements of the Public Finance Management Act. That is why we are here.

Yesterday, we had debated this matter and almost came to a conclusion except that all the three seconders who come from the region and district and municipality were not in the House. Therefore, we asked, did they just intend to avoid this decision or was it some act, which they could not have avoided? That is why we came back to day. Now that they have now confirmed, do we need to debate this matter further? Do we? A question as a motion has been moved that I put the question but under the rules, when that motion is moved, I am required to put the question to that motion first.

Therefore, let me put the question to the motion that the question be put. The question I am going to put is to the motion that the question be put. Okay? Not yet for decision on whether the acquisition to should take place or not.

Therefore, if you think you have not got enough debate, you can vote against the motion that the question be put but if you are satisfied with the results that now we need to take this decision to facilitate the district and the ministry to proceed with this matter, you can vote in support of the motion.

Honourable members, I now put the question to the motion that the question be put? I put the question.

*(Question put and agreed to.)*

**THE DEPUTY SPEAKER:** I now put the question to the motion that Parliament authorises the Ministry of Energy and Mineral Development to acquire land from Hoima District Local Government. I put the question to that motion?

*(Question put and agreed to.)*

*Motion carried.*

QUESTION FOR ORAL ANSWERS

Q17/01/10 TO THE MINISTER OF HEALTH

3.19

**MR HELLEN KAHUNDE (NRM, Woman Representative, Kiryandongo):** To ask the minister of Health the following:

“*Hon. Minister, why is there no Rotavirus Vaccine in Government hospitals yet it appears on the immunization cards?”*

**THE DEPUTY SPEAKER:** Yes, honourable minister. You need to start with an apology to the House.

3.20

**THE MINISTER OF STATE FOR HEALTH (GENERAL DUTIES) (Ms Sarah Opendi):** Thank you, Mr Speaker. I would like to apologise that I did not get these questions in time until about a few minutes to midday when I got a call from the Office of the Government Chief Whip and I had to start preparing. Therefore, my apology; I am always punctual as you know.

Mr Speaker, you are aware that Rotavirus infection is the leading cause to diarrhoea in children under five years and it is highly contagious. The virus may cause several dehydrating diarrhoea in children and can sometimes lead to death in untreated cases.

I would like to inform the House that the Government of Uganda rolled out the rotavirus vaccine into the routine immunisation schedule on 26, June 2018, to protect children less than five years of age from diarrhoea.

This is 11th vaccine that is being provided to infants and children at all Government health facilities as well as the private non-profit and private profit-making facilities free of charge across the country.

The rotavirus vaccine together with others on the routine immunisation schedule is delivered at health facilities countrywide on a monthly basis. The vaccine is meant for children aged six weeks, 10 weeks and one year.

However, some parents take their children as old as five years to receive the vaccine whereas the virus poses no threat to the older children; this practice brings about shortages in some of these facilities.

The Ministry of Health has embarked on a campaign to intensify sensitisation of the population as well as health workers about the appropriate administration of the vaccine. I beg to move.

**THE DEPUTY SPEAKER:** Thank you. Can we have a supplementary question from the Member for Kiryandongo?

3.23

**MS HELEN KAHUNDE (NRM, Woman Representative, Kiryandongo):** Thank you very much, Mr Speaker and thank you, honourable minister for responding to the question. The supplementary question I would like to raise relates to sensitisation. In my district most people do not know about rotavirus.

Since it causes excessive diarrhoea and vomiting many people take it to be like a witchcraft related kind of diseases yet our health centres do not have the necessary equipment and expertise to test or diagnose rotavirus. So, I would like to find out what plans the ministry has to sensitise people and health workers regarding rotavirus.

**MS OPENDI:** Thank you, Mr Speaker. Before the launch of this vaccine into the country - we have been talking about it for the last three years. Mr Speaker, diarrhoeal diseases are one of the leading causes of deaths among infants and children below five years of age in this country and it is for that reason that we had to introduce this rotavirus vaccine.

Training of the health workers was done across the country. The district health offices were empowered with adequate information to complement our effort to sensitise the population in the various districts about this vaccine. If there is a specific problem in Kiryandongo we will take this up and sensitise the public. Thank you.

**THE DEPUTY SPEAKER:** Is the honourable member for Kashongi present? Has he delegated? No. Okay, let us get to the next question. Thank you, very much.

Q31/01/10 TO THE MINISTER OF HEALTH

3.25

**MR JACK WAMANGA-WAMAI (FDC, Mbale Municipality, Mbale):** To ask the Minister of Health the following:

“*What is the Ministry of Health doing to mitigate the rampant increase of Cancer cases in Uganda?”*

3.26

**THE MINISTER OF HEALTH (GENERAL DUTIES) (Ms Sarah Opendi):** Thank you, Mr Speaker. We would like to acknowledge that the burden and threat of cancer and other non-communicable diseases is on the rise and we as a ministry are committed to address this challenge.

Uganda has taken steps in line with the World Health Organisation recommendations to adopt a planned response to the cancer crisis by initiating a comprehensive national cancer control programme.

The key components include: the cancer prevention, comprehensive care delivery with the national cancer centre of excellence at the centre, a comprehensive cancer service network, cancer service support system, cancer research, training, collaboration and partnership and a strong national policy on cancer.

The Uganda Cancer Institute has been mandated to lead the national effort in prevention and control of cancer not only in Uganda but also in the entire East African region. There has been a remarkable growth of the institute in terms of infrastructure and services over the last 50 years.

The Uganda Cancer Institute has also been chosen as a centre of excellence in Oncology in the whole of East Africa housing the East African Oncology Institute to train specialists in areas of cancer treatment and care.

The capacity building process is very vital if we are to make headway in combating cancer not only in Uganda but also in the entire region.

Government plans to establish regional cancer centres in regional hospitals in Arua, Mbale, Gulu - the one in Mbarara is already operational and serving the western region. These facilities will help with decentralisation of cancer treatment services, detection and general cancer care services.

The Uganda Cancer Institute also set up a centre at Kidandalo Health Centre IV in Mayuge District, a rural community centre set up due to the many rampant cancer cases that we were receiving from this district.

The facility does the screening of cancer and once detected they are referred to the Jinja Regional Referral Hospital where surgeries are done. This hospital is also a facility for training cancer fellows.

With support from partners as one of the other interventions the Government has rolled out a national programme for the human papillomavirus vaccination. This programme targets adolescent girls aged nine to 13 years as a way of combating cervical cancer, which is the leading cause of cancer mortality among women in Uganda.

The Tobacco Control Act was enacted, which is a major Government commitment towards reducing tobacco use as an important risk factor for cancer.

The parents and guardians are also advised to vaccinate their children against Hepatitis B, which is a risk factor for cancer of the liver.

This vaccine is in the routine childhood immunisation schedule and all children must complete immunisation by the time they are one year.

We also have the Hepatitis B vaccine, which members are very much aware of. We are giving it to adults in a phased manner due to lack of funding beginning with the districts with the highest prevalence. I am glad to report that we have covered the districts of Acholi, Lango, West Nile, Teso, Karamoja region and vaccination is ongoing in Busoga.

This financial year we are rolling out the vaccination to Bukedi, Bugisu, selected districts in Buganda, Masindi and hope to cover the rest of the country in the next financial year 2019.

We have also increased public awareness on the non-communicable diseases especially the four shared risk factors namely; tobacco use, physical inactivity, unhealthy diets and harmful use of alcohol. I would like to thank all those who turned up for the physical fitness exercise at Kololo this year.

We continue to sensitise the public to follow simple but effective steps to prevent cancer and other non-communicable diseases. The steps are about the regular exercises, eating healthy food, avoiding tobacco and harmful use of alcohol, regular health checks, the necessary immunisation and Mr Speaker, these messages have been all over; it is not something new.

We normally commemorate the International Cancer Day and we use this day to also sensitise the population about cancer and the need for early detection. Thank you.

**THE DEPUTY SPEAKER:** There is a supplementary question.

3.32

**MR GILBERT OLANYA (FDC, Kilak South County, Amuru):** Thank you, Mr Speaker. I would like to appreciate the honourable minister for the good response.

Early detection of cancer can save life. What we have realised is that our people go to the hospital to screen for cancer when it is already at an advanced stage. That is why very many of our people are dying. What you need to do is extend early detection of cancer especially to the school going children and our mothers who are in the villages? Thank you.

**MS OPENDI:** Thank you, Mr Speaker. One of the things we have been doing is to encourage Ugandans to go for early detection. The Uganda Cancer Institute has been undertaking various outreaches. They may not have reached every district but at least they have been to some. They have to plan annually.

We also have various partners helping us with screening; *Marie Stopes* International has been doing this, Reproductive Health Uganda and other partners. However, most of our people sometimes ignore most of these messages to go for early screening and that is where the danger is. Even when some of them have challenges, instead of going to hospital, they resort to the wrong places that we all know. They sometimes go to traditional healers and waste a lot of time there. By the time they go to hospital, it is already too late. Let us encourage our people to go for early screening.

We have also trained most of the mid-wives across the country to at least detect this cancer. Somebody does not need to move to the cancer institute or the regional referral hospital if he or she is unable to do so. Even at the lower health facilities, mid-wives can be able to detect and advise the person accordingly.

Therefore, let this be not only for our people in the rural areas but also honourable members generally. Most of us, when we organise screening exercise here, the turn up is not as expected. Let everybody take this as an important issue if we are to deal with this cancer across the country.

We are talking about cervical cancer but we have prostate cancer that affects men and other cancers. I would like to advise men man that the moment you clock 40 years, please go and check for prostate cancer. Thank you.

Q41/01/10 TO THE MINISTER OF HEALTH

**MS GRACE KASANDE (NRM, Woman Representative, Rubirizi):** To ask the Minister of Health the following:

*“Can the Minister of Health explain the Government strategy to ensure that all women with fistula are treated and for fistula to be wiped out completely.”*

**THE DEPUTY SPEAKER:** Is the honourable Woman Member of Parliament for Rubirizi District here or has she delegated? Okay, the honourable Woman Representative for Butaleja District is standing in.

3.36

**THE MINISTER OF STATE FOR HEALTH (GENERAL DUTIES) (Ms Sarah Opendi):** Thank you, Mr Speaker. Hon. Grace Kasande, the Member of Parliament for Rubirizi District asked us to explain what strategy Government was putting in place to completely wipe out Fistula from Uganda.

Mr Speaker, Obstetric fistula remains a public health problem in the country. Currently between 75,000 and 100,000 women; that is about one per cent of the women of reproductive age, suffer from Obstetric fistula and 1,900 new cases are reported annually.

Uganda has been commemorating the International Fistula Day since the year 2013 and this day is normally used to educate the masses about fistula and how to prevent it. We also usually have week-long activities to repair those cases of women with this challenge wherever the celebrations are taking place.

Although 2,000 repairs are carried out every year, a good proportion of women affected by the Obstetric fistula are not receiving the required fistula treatment or surgeries hence leaving a backlog in the communities.

The Ministry of Health, with support from partners, has put in place a number of interventions to address this growing problem. One of them is the multi-tested fistula management programme that is aimed at prevention, treatment and rehabilitation of fistula clients.

Mr Speaker, you are aware of the prevention we have been talking about. Early child marriages; we have been encouraging the girl-child to stay in school so as to prevent this challenge because it usually occurs majorly amongst the under age children.

We have also been providing more skilled health personnel to perform fistula repairs and re-integrating those who have undergone repairs back into their communities. We have been training community health extension workers to enhance community mobilisation for skills delivery attendance. You are aware that most of these cases are as a result of obstructed labour.

We have been building capacity for districts and health facilities across the country in emergency obstetric care and management including the use of photographs to detect deviation from normal labour.

We have also been improving the referral system, although this still remains a challenge of moving our mothers from one lower facility to another sometimes due to lack of transport *–(Interruption)*

**MS JOY ATIM:** Thank you, Mr Speaker. I am sorry for putting the honourable minister to order. The minister is saying the issue of fistula is a challenge and she knows for sure that one per cent of the women of this country in the reproductive age are affected with this case.

It is the Ministry of Health that plans for this country and for women whom they have to take as a priority most especially this case of fistula appreciating that it is the young girls who are so much affected in this case.

Of recent, they have set a very high charge in the women centre to repair the women with fistula - Shs 2.5 million. Is she in order to stand on the Floor of Parliament to say it is a challenge when they are charging the women and many of them are dying of this result? Thank you.

**THE DEPUTY SPEAKER:** That is a big concern but it cannot amount to a point of order. *(Laughter)*

**MS OPENDI:** Thank you, Mr Speaker. I wish my colleague waited until the end, she would then know what we have been doing but that is a specialised facility that she is talking about. For those who want to walk in and get the service, they can do so. Otherwise, allow me to read, maybe the Member will appreciate by the time I conclude my message.

We have also been promoting family planning. At an old age, women can get this fistula. It is, therefore, encouraged that mothers need to embrace family planning. Recruitment of skills, service providers (midwives) and the critical cadres in lower level facilities has been on-going.

We have been equipping our facilities with lifesaving commodities and supplies - all of which are geared to improving maternal and new born survival at all levels. What I am talking about here, Mr Speaker, are the various theatres at health centre IVs, although we still have challenges that we need to address.

We are happy that Busitema University has started a bachelor’s degree in anaesthesia. We have very few anaesthetic officers in this country. Even where we have doctors at the health centre IVs without anaesthetic officers, they have been unable to undertake these caesarean section operations and therefore, the mothers with obstructed labour are being referred to other facilities. Sometimes they end up with this challenge of fistula if they do not reach the next level in time.

Also as Government, we have put up treatment centres which were initially lacking. We have done this with support from our partners, especially the US Government. We have put up free fistula – we have listed hospitals where free surgeries are done and it costs about $1,000 for every one case.

Therefore, for the benefit of my sister that had raised this;

1. Mulago National Referral Hospital was one of the centres providing free fistula surgeries
2. Mbarara Regional Referral Hospital
3. Mbale Regional Referral Hospital
4. Fort Portal Regional Referral Hospital
5. Arua Regional Referral Hospital
6. Jinja Regional Referral Hospital
7. Lira Regional Referral Hospital
8. Soroti Regional Referral Hospital
9. Masaka Regional Referral Hospital
10. Hoima Regional Referral Hospital
11. Moroto Regional Referral
12. Kabale Regional Referral Hospital
13. Kagando Mission Hospital
14. Kitovu Mission Hospital
15. Kamuli Mission Hospital
16. Lacor Mission Hospital
17. Kisiizi Mission Hospital
18. Virika Mission Hospital
19. Kumi Mission Hospital

What has been happening is that money is paid to the facilities and the 23 surgeons that we have – they are the only trained fistula surgeons in this country. They have been moving from one region and maybe for a week, they camp in place X and Y in order to undertake this fistula repairing.

We have procured fistula repair equipment for all the above facilities and trained teams for fistula repair. These include the surgeons, anaesthetists and nurses. Fistula repair has been on-going.

Consequently, we did three interventions and the prevalence of fistula from 2 per cent in 2011 to 1 per cent in 2015, while the estimated backlog of cases reduced from 140,000 in 2011 to 75,000 in 2016 because of the surgeons we have had in place and the various campaigns against teenage pregnancy. During the safe motherhood day that is commemorated every October - we have also been talking to the mothers about this.

Mr Speaker, I have already talked about the 23 fistula surgeons and 10 out of the 13 regional referral hospitals have fistula treatment teams and capacity for simple repairs. Thank you, Mr Speaker.

**THE DEPUTY SPEAKER:** Thank you. Is there a supplementary question?

3.45

**MS MUGENI (NRM, Woman Representative, Butaleja):** Thank you, Mr Speaker. I would like to thank the minister for the statement, although I would like to express a few concerns. She spoke about the payment of $1000 per operation. May I know from her who pays this money? I discovered that these local women in our villages cannot afford some of these things and this comes back to the members of Parliament.

Secondly, do you a plan for training specialists to handle this problem at district level since most of the camps that are organised by the ministry are always done at the regional level?

Thirdly, I have some cases from Butaleja District with fistula and others from Rubirizi - from the Member that asked the question. When we approached the doctors in Mulago Hospital, we were informed that the section for operating fistula patients is not yet operational and we were to wait for another full month. Some of these women are not in good condition. What should we do, Madam Minister? Thank you.

**THE DEPUTY SPEAKER:** Honourable minister, under what rules are we proceeding now? *(Laughter)*

**MS OPENDI**: Thank you, Mr Speaker. The honourable member from Butaleja – I did indicate that it costs about $1000 to repair or to have a surgery conducted on a woman with this fistula. And I thanked the US Government because they have been the ones providing this funding to all the regional referral hospitals. So the surgeries are conducted free of charge; you do not have to pay.

My sister, you are aware that Mulago National Referral Hospital is being transformed into a specialised hospital; construction and renovation has been on-going. You are from Butaleja - you can use Mbale Regional Referral Hospital. We have teams there. They will provide the service free. You can refer the patient to Jinja Regional Referral Hospital or any other referral hospital around. They will be attended to free of charge. That is my advice for now.

**THE DEPUTY SPEAKER**: Thank you very much. I am advised that the other question - the honourable member has sent a Member to represent her. Can we go back to that question for the honourable member for Kashongi? That is Question 64/30/01/10?

Q41/01/10 TO THE MINISTER OF HEALTH

3.49

**MR GENENSIO TUMURAMYE (NRM, Kashongi County, Kiruhura):** To ask the Minister of Health the following:

*“When will Kitura Health Centre II be upgraded to a health centre III and Kashongi Health Centre III upgraded to a health centre IV?*

*b) Hon. Minister, could you justify the reduction in Primary Health Care (PHC) funding in Kitura Health Centre II?”*

**THE MINISTER OF STATE FOR HEALTH (General Duties)(MS Sarah Opendi):** Mr Speaker, hon. Genensio Tumuramye, the Member of Parliament for Kashongi wanted to know when Kitura Health Centre II will be upgraded to a health centre III and when Kashongi Health Centre III will be upgraded to a health centre IV.

Mr Speaker, allow me to inform him and the people of Kiruhura District that Kitura Health Centre II is on the list of the 94 facilities scheduled for upgrade by the end of this financial year. We have already earmarked Shs 500 million to the district for the construction of this health facility and the procurement process for this construction is on-going.

Mr Speaker, allow me to inform him that Kashongi Health Centre III – upgrading health centre III to health centre IV - I already made a statement here and I told Members that out focus in this financial year is upgrading health centre IIs to health centre IIIs; where there are no health centre IIIs.

I already informed Members that we are still looking for the money to upgrade health centre IIIs to health centre IVs. However, there are a few that were earmarked under the World Bank loan and we brought the list here. Unfortunately, this one was not among them. Therefore, at an opportune time - this matter is already at the Cabinet level. The minister of finance was asked to find funding to upgrade health centre IIIs in constituencies where they do not have the health centre IVs.

The other question is for us to explain why PHC for Kitura Health Centre II was reduced. I would like to inform the honourable member that the budget for Kitura Health Centre II has been Shs 4.4 million for the last four years.

Quarterly, the Ministry of Finance, Planning and Economic Development releases Shs 1.1 million and therefore, there is no reduction in the PHC funding. What has been happening – I think that when they see Shs 1.1 million instead of Shs 4.4 million, they imagine that we have reduced it but this has been the quarterly amount released for the last four years. Thank you, Mr Speaker.

**THE DEPUTY SPEAKER:** Thank you. Any supplementary question?

3.51

**COL (Rtd) FRED MWESIGYE (NRM, Nyabushozi County, Kiruhura):** Thank you, Mr Speaker. The minister did not clarify. She said that it is planned at the end of the financial year. It is not clear because when you say, “at the end of the next financial year” - that is what I heard; I do not know whether my colleagues did not hear that.

**THE DEPUTY SPEAKER:** Honourable Minister, what do you mean; is it in June or 30th of June?

**MS OPENDI:** Mr Speaker, allow me clarify. We earmarked Shs 500 million for Kitura Health Centre II to be upgraded to a health centre III. The process will be done within the financial year and we hope that by close of Financial Year 2018/2019, it should be complete; that is what I want to indicate but the money is already available to the district. Thank you, Mr Speaker.

**THE DEPUTY SPEAKER:** Thank you very much. This is the way to go. If these questions are answered in time, we would reduce the burden of these urgent matters and we would be dealing with these urgent matters in a very comprehensive way.

You can see the responses are much more thorough than the ones they give during matters on issues that are not actually urgent. Therefore, let us stick to this; it actually works better for the person raising the question and for the constituents affected by the matter that is being addressed by raising the question and answer from the minister. I think let us focus on this procedure. It works betters for all of us. Thank you.

MOTION FOR A RESOLUTION OF PARLIAMENT TO BORROW UP TO UA 57 MILLION (USD 76.95 MILLION EQUIVALENT) FROM THE AFRICAN DEVELOPMENT BANK TO SUPPORT THE AGRICULTURE VALUE CHAIN DEVELOPMENT PROJECT (AVCP) 1

**THE DEPUTY SPEAKER:** Procedure!

**MR MUHEIRWE:** Mr Speaker, I rise on a procedural matter. Last week on Wednesday 19th, I raised a matter of national importance concerning the plight of the neighbours of Kyangwali refugee camp, where Government was expanding the boundaries of Kyangwali.

The Prime Minister was directed to halt the exercise of expanding the boundaries of Kyangwali from 50 square miles to 64 square miles. It is a week since that directive was made here in Parliament but people are still going on splitting people’s *Bibanja* and distributing them to the Internally Displaced Camps that they created in 2013. Mr Speaker, this is a procedural matter; are we just here to beautify and pass occasions and yet directives are not followed?

**THE DEPUTY SPEAKER:** Rt Hon. Deputy Prime Minister, the matter came here of this particular refugee camp and I think the Speaker advised that the matter should be stayed until the position of the committee comes and we take a decision so that the expansion can now be done properly. This was made here; would you like to say something about it?

3.56

**THE FIRST DEPUTY PRIME MINISTER AND DEPUTY LEADER OF GOVERNMENT BUSINESS IN PARLIAMENT (Gen. (Rtd) Moses Ali):** Mr Speaker, I heard the honourable member but I also want to inform the House that before the Prime Minister left for America, he asked me to chair a meeting of the concerned ministers and members of Parliament.

I chaired that meeting yesterday for over three hours and the honourable member was present. The district woman representative she also attended although she came a bit late. He participated very effectively; he brought so many documents and we gave him almost all the time. I am now surprised to hear him asking Parliament to stay.

When the minister asked Parliament to stay this issue, for us in the Executive had already started and we shall continue as we wait for his question to be solved. I have written a comprehensive letter out of that meeting explaining the plan for that exercise to continue and that was a directive from the President. We were actually working on a directive before even this matter came here.

Therefore, I do not see how the honourable member, having participated in the meeting yesterday, raises this type of question. However, he is a Member of Parliament and we cannot say that he should not say anything but I think this is just a contradiction and causing people to delay for nothing.

**THE DEPUTY SPEAKER:** Rt Hon. Deputy Prime Minister, it looks this matter came before Parliament and the Speaker made some direction.

**GEN. (RTD) ALI:** Mr Speaker, the Speaker directed the Minister of Presidency who attended the meeting yesterday and we discovered that the directive should have been to the Minister of Disaster Preparedness because refugee affairs are under that ministry. All the same, we cannot say that the Speaker is wrong but we have considered the directive and in due course, we are preparing for the Minister of Disaster to come here and give a comprehensive answer to the Speaker’s directive to the Presidency. Therefore, everything is in order and in the right direction.

The honourable member is completely aware. Therefore, I think as the Executive, we should be given chance to handle this case with good intention. Thank you, Mr Speaker.

**THE DEPUTY SPEAKER:** Leader of the Opposition, are you rising on this? On what matter do you rise - procedure or clarification?

**THE LEADER OF THE OPPOSITION (Ms Betty Aol):** Mr Speaker, issues to do with land are very sensitive. I also received calls from Hoima two days ago about land being grabbed from people. I asked them why they have not involved their members of Parliament.

Mr Speaker, I think while we talk about Presidential directives, the Prime Minister should clarify this issue. Is it a directive to oppress the indigenous people and give options to the refugees? Why should we stay in our country as if it is not our country? You should give these people liberty to live fairly in their country. We must love Uganda. Thank you. Let him clarify that.

**GEN (RTD) ALI:** Mr Speaker, you see issues of land are very difficult to discuss clearly here in the House and I sympathise with my honourable Leader of the Opposition on what she has said because she has not visited the place. She just heard what people said and she is now blaming us that we are oppressing people - how?

This is not fair because if it is a court, then it could be termed as a Kangaroo court because you have not seen the place or even participated in anything. Therefore, it is unfair to blame somebody on one side – (*Interruption*)

**MR AOGON:** Mr Speaker, the Leader of the Opposition has the right to defend the citizens of this country. By the First Deputy Prime Minister and Deputy Leader of Government Business trying to intimidate her indirectly, I think he is attempting to annoy this House.

Mr Speaker, is it in order for the First Deputy Prime Minister and Deputy Leader of Government Business to act in such a manner by intimidating the Leader of the Opposition? Did she need to visit the place to voice the concerns of these citizens of Uganda?

**THE DEPUTY SPEAKER:** I am surprised that Gen. (Rtd) Moses Ali has not raised the matter of, “You cannot order a four-star General.” (*Laughter*) You have survived that one today.

However, honourable members, I think the two leaders have made valid points. The Leader of the Opposition has said that there are issues that she has been informed are taking place. The First Deputy Prime Minister and Deputy Leader of Government Business is saying: well, you have just heard; what evidence is there to substantiate what you have said? It is only that it may not have been coordinated properly. The words could not have come in those forms but I think that was the intention.

However, the respect should be accorded to either side or when we debate we should respect this.

**GEN. (RTD) ALI:** Thank you, Mr Speaker. However, the guidance I seek is, what should we do as the Executive? The Prime Minister has received a written directive from the President since 2016 and it has taken time. The Prime Minister went to Kyangwaliand came back. There have been a lot of ups-and-downs and it has dragged up to now and we have started implementing that directive.

We would like Parliament to advice or tell us whose directive we are going to implement now. Should we continue with that of the President or should we stay the directive of the President because the Speaker has directed? That is where we are totally in darkness and we shall be happy to be guided. If we are to stop the President’s guidance, according to the directive from the Speaker, well and good. Which way do we take now? Thank you.

**THE DEPUTY SPEAKER:** The guidance I would give, since you have sought some guidance from the Speaker, is that when such directives are made and they affect citizens of this country in the cause of the implementation, their representatives should be involved and informed so that they do not come back here and raise it as if it is a surprising matter.

If they were part of it and they were informed about the parameters of the decision – how the people are going to be affected – they would be part of the group that would go to talk to the people that you see, this is going to happen. There is nothing bad but it is in the national interest that we should do this”. If this is done, the honourable member would not come here and say that “we have a crisis”.

If we did this and implemented this directive with information and briefing of the representatives of the people, it would help so that we do not come back to Parliament and come up with these directives. These directives are based on the emotive submission of the Member. When a Member comes, what do you expect the Speaker to do? A Member comes and says that this is happening and people are being evicted – and of course the emotions that go with it.

The Speaker, in trying to give support to the Member, would come up with this kind of guidance that probably should be said until we find out what is actually happening. This is because nobody knows, from Parliament side, what is happening. Maybe in future, it would help if the Members are involved early enough so that they are part of the briefing team to the community.

That is what I would suggest to you.

**GEN. (Rtd) ALI:** Mr Speaker, I would like to thank you for the guidance. However, I still wonder. I said that yesterday, we had a three-hour meeting with two Members of Parliament yet he can still come here and say what he is said. I agree that if people informed each other earlier then this issue would not have reached here. Therefore, the letter that was written to the Prime Minister is answered and you are copied in that letter. We even copied this letter to the Resident District Commissioners and Chief Administrative Officers so that everybody is aware of what we are doing. Thank you.

**MR MUKITALE**: Mr Speaker, BUKITALEPA, the Bunyoro association in charge of the customary land, petitioned court over the Government’s change of land use for areas which were originally given, say,for resettlement or ranches. This is also the case in Acholi, where the Central Government got land from the communities ages ago. Those leases expired and even some projects like settlements had changed. The Central Government again continued to change land use without going back to the community, which gave them that land in the first place.

Mr Speaker, the problem of that refugee camp and other ranches in Bunyoro, like the Kiryandongo case and the Aswa Ranch in Acholi, is a case of the Central Government not going back to the actual owners. If Government gets lease for a ranch, resettlement scheme or barracks and they later change the land use, they should go back to the community.

Mr Speaker, I beg that this matter should not be isolated as Kyangwali, Kiryandongo or Aswa but Government should take cognisance because there is a court ruling to the effect that the Central Government has no mandate in using the land which belongs to that community because the community still exists, much as you have had your refugees or other people. I think if we do not take the bigger picture, we shall continue getting petitions. Tomorrow it will be Kiryandongo and I know there is another petition from Aswa Ranch. Mr Speaker, we need your guidance on that matter.

**THE DEPUTY SPEAKER:** You have already guided. *(Laughter)* You just used a back hand to make your point. Hon. Deputy Prime Minister, would you like to wind up?

**GEN. (RTD) ALI:** Mr Speaker, being a lawyer, I cannot talk about matters that are before court. *(Laughter)* I do not understand why the honourable is fighting me.

Secondly, the land that previously belonged to the Government under different use such as ranches and others is still under the Government. When we were discussing some problems concerning land during the making of the 1995 Constitution, people said that since the 1995 Constitution came into existence, all land reverted to the people and Government ceased to own land.

Is this affecting even the land which was owned by Government before this Constitution or that is going to be the land which is acquired by Government after the 1995 Constitution? That clarification also needs to be made. I think, this question you have asked is very pregnant and we refer the matter to the policy matters.

I wouldn’t just claim to talk about it here, particularly when I know some of my colleagues are talking about – some of them are lawyers but I think on this practical part, they will stop being lawyers *(Laughter)*

**MR MUHEIRWE:** Mr Speaker, the circumstances that are going to be caused by this exercise are permanent in nature. This is why I still insist that the exercise be stayed and the committee that was tasked to examine all these allegations – I have heard that the President directed, I do not know if it was verbally or in writing. Even in that meeting I asked for a communication which was not produced.

Also, the five villages – I understand they were supposed to relocate five villages and give them part of the resettlement land and they ended up extending to the gardens of wanainchi, grabbing 17 square miles. It is the committee that should be given enough time to examine these allegations. If there is that presidential directive, we also read through it and we know that it is the President who has given away wanainchi’s land. That is the procedure I am requesting for, Mr Speaker.

**THE DEPUTY SPEAKER:** Honourable members, this directive has already been made. It has been served on the Right Honourable Prime Minister. They are acting on it.

Has the committee commenced any work on this from the time the Speaker directed them to go and find out what is going on? The committee responsible for this, have they started any move?Yes?

**MS ABABIKU:** Thank you, Mr Speaker. We were assigned, as THE Presidential Affairs committee, to go and verify the information and come back to this House. We have written to your Office for clearance of the whole programme. Yesterday, I talked to my colleagues so that we can harmonise a full programme because we need to work as a team and ensure that a drawn programme will be respected. That is how far we have gone. Thank you.

**THE DEPUTY SPEAKER:** Okay, can you have your first meeting with the Office of the Prime Minister and the Prime Minister so that you can agree on how to proceed?

**MS ABABIKU:** Yes, but in our proposal, we wanted to meet the MPs who brought the issue to the House first so that we get real insight of the allegations before meeting the Office of the Prime Minister and subsequently going to the field. This is so they can give us detailed information.

**THE DEPUTY SPEAKER:** The Speaker had already written to that effect that all those processes should be coordinated and one should be stayed. I think you should handle it within that framework.

**MS ABABIKU:** Thank you so much. We shall harmonise our programme and report back to the House.

MOTION FOR A RESOLUTION OF PARLIAMENT TO BORROW UP TO UA 57 MILLION (US$76.95 MILLION EQUIVALENT) FROM THE AFRICAN DEVELOPMENT BANK TO SUPPORT THE AGRICULTURE VALUE CHAIN DEVELOPMENT PROJECT (AVCP) 1

4.16

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr David Bahati):** Mr Speaker, I beg to move a motion for a resolution of Parliament to borrow up to US$76.95 million from the African Development Bank to support the Agriculture Value Chain Development Project

**THE DEPUTY SPEAKER:** Is the motion seconded? It is seconded by Members for Kibuku, UPDF, Abim, Adjumani. I do not want the front bench people. You have already done yours in Cabinet. We want ours here. *(Laughter)* Would you like to speak to your motion?

**MR BAHATI:** Mr Speaker, the objective of this project is to improve household incomes, food security and climate resilience through commercial agriculture practices, sustainable natural resources management and agricultural enterprise development.

The project area mainly focuses on crop and dairy. On the maize crop we have Kyegegwa, Kamwenge, Masindi, Buhweju, Mitooma, Gulu, Oyam, Amulatar, Pader, Iganga, Kamuli, Mbale, Jinja and Pakwach. The project will also support the growing of rice and the whole supply chain and it will be done in Sironko, Kamuli, Bulandila, Bukedea, Gulu, Amolatar and Pader.

For dairy, this will mainly focus on the cattle corridor districts which include Ibanda, Kiruhura, Luweero, Lyantonde, Mbarara, Mitooma, Ntungamo, Ssembabule, Gomba and Isingiro.

We think this project is within the National Development Plan objectives and targets to increase our productivity in the agricultural sector and household incomes across the districts that I have informed the House about. It is the project that we need to improve our agriculture and expand our economy. I beg to move.

**THE DEPUTY SPEAKER:** Thank you, honourable members. When this particular request was brought, it was forwarded to our Committee on National Economy and I am sure the committee would like to brief us on what to do with this particular request. Chairperson?

4.20

**THE VICE-CHAIRPERSON, COMMITTEE ON NATIONAL ECONOMY (Mr Lawrence Bategeka):** Mr Speaker, I am here to present the report of the Committee on National Economy on the proposal by Government to borrow, Units of Accounts (UA) 57 million, equivalent to US$76.95 million from the African Development Bank to support the Agriculture Value Chain Development Project.

Before I proceed, I would like to lay on Table, the following documents; the signed report of the Committee on National Economy, signed minutes, project appraisal documents, the loan agreement and project development programme. I beg to lay.

**THE DEPUTY SPEAKER:** Let the records capture that, the minutes and the accompanying documents and a copy of the report of the committee.

**MR BATEGEKA:** Mr Speaker, the Committee on National Economy considered the request by Government to borrow US$76.95 million from the African Development Bank (ADB) to support the Agricultural Value Chain Development Project (AVCDP) in accordance with Rule 175(2)(b) of the Parliamentary Rules of Procedure.

The request was presented to this House by the honourable Minister of Finance, Planning and Economic Development on 17 July 2018 and was accordingly referred to the Committee on National Economy for consideration.

The Committee considered and scrutinised the request and now begs to report.

I am aware that this report is uploaded on the iPads and thus I will skip some parts and highlight only what I consider most important.

Methodology

The committee held meetings with the following:

1. The Minister of Finance, Planning and Economic Development.
2. The Minister of Agriculture, Animal Industry and Fisheries.

We also looked at various documents that included:

1. The Minister of Finance, Planning and Economic Development's brief on the loan request.
2. The draft loan agreement between the African Development Fund and the Republic of Uganda for financing the project.
3. The project appraisal report.
4. The ADB board approval letter for credit financing of the Agricultural Value Chain Development Project dated 12 December 2017.
5. The ADB no-objection letter on the appointment of the Agricultural Value Chain Development Project Coordinator.
6. The ADB letter of acceptance of the request by the Minister of Finance, Planning and Economic Development to extend the provisions of the loan cancellation notice to 30 September 2018.
7. The National Planning Authority report on the evaluation of the proposed Agricultural Value Chain Development Project.
8. The Ministry of Finance, Planning and Economic Development's Certificate of Financial Implications dated 11 April 2Ol8 for the Agricultural Value Chain Development Project confirming that the Government of Uganda’s counterpart funding for the project amounting to US$ 10.37 million approximately (Shs 38 billion) over the five years will be availed within the agriculture sector medium term expenditure framework.
9. The procurement plan for the Agricultural Value Chain Development Project.
10. Parliamentary Budget Office analysis report on the Agricultural Value Chain Development Project.

The committee conducted a field visit to Namulonge Research Station as a beneficiary of the project interventions in order to assess the extent to which the project addresses the beneficiary’s needs.

Mr Speaker, in the interest of time and since the report is very long, allow me to skip the background, which I think the Minister of Finance, Planning and Economic Development has ably gone through. Let me briefly touch on the project objectives.

Just to recap what the Minister of Finance, Planning and Economic Development has said, the overall goal of the project is to contribute to poverty reduction and economic growth in Uganda through enhanced productivity and commercialisation of agriculture.

The specific project objective is to improve household incomes, food security and climate resilience through commercial agricultural practices, sustainable natural resources management and agricultural enterprise development.

I will skip the project target areas because the minister mentioned them but say something on the project components. Basically, the project has the following components:

Production and productivity enhancement

In summary, production and productivity enhancement is a component that looks at production of high-yielding seeds for specific cereals, especially rice and maize and supporting the institutional framework for doing that.

Infrastructure development

The component of infrastructure development focuses on irrigation. There is the Sironko gravity irrigation scheme – I do not think I should go through all the irrigation schemes. However, there are two major irrigation schemes and several smaller irrigation schemes.

Market development and trade facilitation

The third component is market development and trade facilitation for the said commodities.

The fourth component is on project management.

Loan terms and budgetary implications

The African Development Bank will make available US$ 76.95 million to support the Agricultural Value Chain Development Project under the terms indicated below:

The loan amount is Unit of Accounts (UA) 57 million equivalent to US$ 76.95 million. The loan maturity period is 40 years and the repayment period is 30 years. The loan grace period is 10 years and the interest rate is two per cent of principal per annum from the 11th to the 20th year inclusive and at four per cent of the principal per annum thereafter. Service charge is 0.75 per cent per annum on disbursed and outstanding loan. Commitment fee is 0.5 per cent on undisbursed amounts.

The above shows that there are two interest rates to be used in different periods: the first interest rate is two per cent per annum between the 11th to the 20th year inclusive; and the second interest rate is at four per cent for the period thereafter. This demonstrates the rise in interest rates by the creditor to Uganda. A commitment fee of 0.5 per cent will be applied per annum on the undisbursed amounts of the loan. This implies that the conditions of disbursements should be met as per Article (V) of the draft agreement.

Mr Speaker, allow me to skip some of these provisions since they are easily read and go to the observations and recommendations of the committee.

Mr Speaker, the committee noted that the project intends to register farmers, processers, exporters, large buyers of maize and rice and to collect demographic information, production as well as input and market demand data. However, this is being undertaken by the Agriculture Cluster Development Project under the Ministry of Agriculture, Animal Industry and Fisheries.

In addition, the ICT-based services for the same enterprises under the Agricultural Value Chain Project (AVCP) are also being provided under the Agriculture Cluster Development Project, except the latter use a voucher system where the farmer makes cash contributions for selected farm inputs. Both projects cover the same enterprises in some districts. For example, maize is covered in six districts for the same projects doing more or less the same activities while rice is covered by both projects in Gulu District.

The committee further observed that under the diary value chain, interventions are going to be undertaken along the cattle corridor covering 12 districts. However, the north and eastern parts that are also engaged in diary production are not included in the cattle corridor. In addition, there are areas that are not part of the "traditional" cattle corridor but are currently engaged in livestock production.

The committee also noted that buyers of maize and rice already have village buying agents but some will need to recruit more, including in selected locations of the project. An ICT platform provider will be recruited to set up the platform and provide digital training to village agents. Data will be collected by village agents and integrated into the ICT platform. The capacity of village agents on good agricultural practices, quality standards, improved post-harvest handling technologies, among others, will be enhanced via training organised by district and sub-country extension workers and extension service providers in the project areas.

However, provision of the above services through private actors to farmers is unnecessary as organised farming groups can obtain direct services from the public extension system that is currently being developed. In addition, village agents will be provided with loan facilities to procure post-harvest handling equipment such as moisture-meters, drying, grading and storage infrastructure as the case may be.

The committee recommends the following:

1. The project beneficiary districts that benefited from the Agriculture Cluster Development Project for the same enterprises be replaced with other districts that grow the same crop and have not benefited from either projects.
2. The project should be redesigned in such a way that no district benefits from more than one enterprise to allow other non-benefiting districts to be part of the project, especially the new districts. In this regard, the committee recommends that the project be implemented as follows:

1. For maize, the committee recommends that the project focuses on the following districts: Kyegegwa, Kamwenge, Masindi, Kiryandongo, Kasese, Buhweju, Mitooma, Mukono, Luwero, Mityana, Kiboga, Buikwe, Wakiso, Buyende, Mayuge, Gulu, Oyam, Amolatar, Pader, Iganga, Kamuli, Mbale, Arua, Jinja, Rukiga, Kapchorwa, Kyenjojo, Gomba, Bukedea, Buvuma and Soroti.
2. That rice should be implemented in the districts of Sironko, Kamuli, Bulambuli, Bukedea, Kamuli, Gulu, Oyam, Amolatar and Pader. The soft components including training, input delivery, extension service delivery and capacity building would be extended to all irrigation schemes in the districts of Nebbi, Oyam, Kween, Butaleja, Kasese, Kitgum, Buvuma, Amuria and Namutumba.
3. For dairy, the focus of this intervention should mainly be on cattle corridor districts from West to North corridors with the livestock breeding centre in Mbarara District as the springboard. These districts will include Ibanda, Kabale, Kiruhura, Luwero, Lyantonde, Mbarara, Mitooma, Nakasongola, Ntungamo, Ssembabule, Gomba, Isingiro, Mpigi, Bukedea, Ntoroko, Buikwe, Pader, Abim, Amudat, Nakaseke, Tororo, Buhweju and Mitooma.
4. There should not be any costs incurred by the project on village buyers for commodity traders. Instead, farmer cooperatives should negotiate directly with traders or off take buyers while any training that may occur to empower farmers on market developments or extension services should be offered directly to farmer organisations.
5. The budget allocated to provision of credit to village agents in acquisition of equipment should be reallocated to farmer organisations to procure their own post-harvest handling equipment and capacity to build in-farmer institutions in the utilisation and maintenance of such equipment.

Cost of the Loan

The committee noted that the credit financing of this project is non-concessional since its grant element, which is 29 per cent, is less than the threshold of 35 per cent for concessional loans. It is therefore paramount that the project generates economic and financial returns to enable the country repay the credit.

However, according to National Planning Authority economic assessment of this project, the assumptions on conversion factors are lacking. Fertilisers and agrochemicals were considered at their market values in economic analysis due to consideration of lack of distortions. However, considering the foreign exchange premium of 7.25 per cent, the conversion factor for fertiliser inputs is 1.0725, which should have been used in the computation. Other conversion factors are provided by the Ministry of Finance, Planning and Economic Development for other crops. The conversion factors used could overstate the economic returns of the project.

The committee further noted that the risk analysis that was undertaken in the form of sensitivity analysis was underestimated. A rate of 10 per cent variation for agricultural commodity prices was used yet prices have fluctuated to rates over 40 per cent from the previous season.

The committee recommends that in the estimation of project economic and financial returns, Government should use more realistic assumptions, taking into account current developments in the economy. The conversion factor that has been developed by the Ministry of Finance, Planning and Economic Development should be used in all projects when estimating their economic returns in order to determine project viability, given the cost of debt.

High dependency on consultants

The committee observed the high dependency of the project on consultancy services. According to the project procurement plan, a total of about 12,326,300 million Units of Accounts, which is approximately US$ 17.3 million, will be spent on consultancy services. The majority of consultancy costs will finance the recruitment of a consultant to operate a value chain governance service platform. The figures are in the report.

The committee recommends that Government scales up plans for deliberately building capacities of Ministries, Departments and Agencies (MDAs) in conducting studies, designing and supervision of projects in order to cut down on the exorbitant amounts of project funds spent on consultancy services.

Productivity in the agricultural sector

The committee noted that productivity is a driver of profitability and efficiency along commodity value chains. Increased agricultural productivity is a direct consequence of the use of yield enhancing agricultural inputs such as quality seeds of improved varieties, fertiliser and other agrochemicals, as well as timely access to water for production during the crop growth cycle. The use of agricultural inputs, especially fertilisers, remains very low in Uganda compared to its counterparts in sub-Saharan Africa that include Kenya, Malawi, Nigeria, Tanzania among others.

The committee further noted that only three out of eight regulatory elements for a strong plant protection framework are in place in Uganda. While the project will facilitate farmer organisations by engaging service providers to acquire and manage market infrastructure for example threshers, dryers, silos, warehouses, equipment for measuring moisture content, grading and weighing to improve on quality of seed or grain, the cost of maintaining the market infrastructure by farmers will continue to be a challenge.

Regarding this matter, the committee recommends the following:

(i) Achieving positive total factor productivity growth requires better technology from agricultural research and dissemination of that technology through qualified extension services focused primarily on knowledge transfer. The current extension system should be reformed to achieve knowledge transfers while NARO funding needs to be sustained to develop such technologies.

(ii) Extension should be supported by adequate staffing, data collection systems and capacities and be supplemented by radio programmes and farmer field schools.

(iii) Government should increase resilience of agro-ecological systems through enhanced early warning mechanisms and better land and water management on the one hand while efforts to foster irrigation from its current low levels should be accelerated.

(iv) Government should optimise the connectivity of rural users to the potential made available by international undersea fiber optic cable, encourage participation of the private sector in ICT infrastructure development and enforce and raise awareness of ICT related laws. This will cut costs of uncertainty, information asymmetry and make information on transactions among a large number of small, widely dispersed farmers secure using mobile phones.

Institutional capacities within the agricultural sector

The committee noted that the agriculture sector is characterised by a weak public institution base for promoting agricultural productivity at small farm level, inefficiencies in agricultural public expenditures, inadequate agricultural regulations and policies and lack of collateralised farm assets.

Regarding this matter, the committee made the following recommendations:

1. That Government should re-direct the present extensive public funds spent on procurement of agricultural inputs for redistribution on a free or subsidised basis to strengthen the institutional capacity of the sector.
2. The Ministry of Agriculture, Animal Industry and Fisheries, National Agricultural Advisory Services (NAADS), National Agricultural Research Organisation (NARO) as well as the Ministry of Finance, Planning and Economic Development need to work in a more coordinated way and have capacity to generate and use policy analyses, monitor programmes and undertake public expenditure reviews and technical evaluations.

Livestock sub-sector

The committee noted that the productivity of milk of traditional breeds is low; two to three litres a day compared to 10 to 15 litres a day for Friesian animals or 7.5 litres for an FI breed. Similarly for beef, a traditional Ankole cow requires three to four years to mature and weighs 400 to 500 kilogrammes while an improved Brahman will require two years to reach maturity and weight of 500 to 600 kilogrammes. In addition, fodder availability in Uganda is inadequate and prices too high for smallholder dairy farmers to access. This is constraining milk output and ability to expand production.

Under the project, there will be three approaches of breed improvement to improve productivity of livestock products and they include-

1. artificial insemination;
2. build local capacity in feed production and marketing; and
3. animal disease and vector control.

However overtime, the size of land under NAGRIC has reduced due to encroachment and under funding of the agency to increase its breeding programme, failure of projects like National Livestock Productivity Improvement Project (NLPIP) and pastoral resilience projects to expand and maintain the country's breeding programme, absence of animal disease control centres and clinics, including attendant infrastructure and poor livestock extension services.

The committee recommends the following:

1. While the project will support the construction and establishment of two zonal animal disease control centres in Mbarara and Arua, they are not sufficient to cover the entire cattle corridor. Other areas of the cattle corridor should be provided with disease control laboratories, animal clinics, vaccine storage infrastructure and holding ground for at least 100 heads of cattle.
2. The project should provide support to NARO in the research of nutritious pastures and the development of their foundation seed as farmers continue to face a challenge of low nutrition in existing pastures.

**THE DEPUTY SPEAKER:** Chairman, are you going to summarise the recommendations?

**MR BATEGEKA:** I am about to conclude, Mr Speaker. I do not want to annoy the House by skipping the most important things.

Performance of on-going projects under the agricultural sector

The story is that sometimes performance is very low; varied but in some instances, it is disappointing.

The committee recommends that Government should strengthen the Public Investment Management System to adequately prepare projects for financing when the requisite regulatory, institutional and operational mechanisms, including provision of counterpart financing in the Medium Term Expenditure Framework (MTEF) are in place.

Unorganised and inefficient primary production

The committee recommends the following:

1. That Government should embark on instituting deliberate reforms in the agricultural sector that will enable smallholders to compete successfully and sell their produce at competitive, and stable prices and become efficient and organise themselves to access modern market chains. Commercially oriented smallholder farmers have to organise themselves into strong farmer organisations that are able, motivated and sufficiently independent to effectively represent farmers’ interests.
2. The project should target formation of formal farmer groups that should be empowered to develop market infrastructure along the value chain and trade their products, including access to export markets, rather than working through agents. In addition, all agricultural services programmed in the project should directly be provided to farmer organisations.

Weak input regulatory services

Regarding that matter, the committee recommends that for effective regulation of the quality of seeds and agrochemicals, there is need for appropriate laws, backed by commensurate punishments that act as a strong deterrent. This is the core of any programme that seeks to make improved technologies widely available to farmers and should be put in place by Government as soon as possible.

Currently, manpower and material resources at the National Seed Certification Service in the Ministry of Agriculture, Animal Industry and Fisheries is inadequate to cope with the challenge of ensuring quality seeds planted by farmers. In order to mitigate these challenges, concerted efforts need to be made to strengthen the capacity of the National Seed Certification Services in Uganda in regulating the seed industry.

Government should embark on regulatory reforms to ensure consistent quality of inputs and outputs without undue compliance burdens. While the project will strengthen the capacity of the National Seed Certification Service at MAAIF through training newly recruited seed certification officers, producers of seed should also be trained.

To improve input quality, the regulatory burden should be shifted from controlling registration such as licensing of traders, to controlling actual operations through random sampling, in addition to regular controls of seed companies.

Availability of agricultural land

Regarding this, Government should take the lead in simplifying procedures for land registration, titling and administration as well as reduce the costs involved. In addition, Government should support relevant courts for faster resolution of land disputes.

Financing agriculture along the value chain

The committee recommends that Government should improve access to agricultural financing along the value chain if the project objectives are to be realised.

Mr Speaker, in conclusion, the committee recommends that the request by Government to borrow US$ 76.95 million from the African Development Bank to support the Agricultural Value Chain Development Project, as herein described, be approved subject to these recommendations. Thank you very much.

**THE DEPUTY SPEAKER:** Thank you very much. Honourable members, that is the report of the committee. The question that I now propose for your debate is for a motion that Parliament authorises Government to borrow up to Units of Account 57 million, equivalent to US$ 76.95 million from the African Development Bank to support the Agricultural Value Chain Development Project (AVCP) I.

That is the motion I propose for your debate. Debate starts now, each Member taking two minutes. Three minutes? Okay. I will start from Isingiro.

4.51

**MR ALEX** **BYARUGABA (NRM, Isingiro Country South, Isingiro):** Mr Speaker, I would like to thank you for this opportunity. I would like to thank the committee led by their fantastic chairperson for a job well done.

My concern is on page 31 about the high dependency on consultants within this project. I would like to hope that it is not going to be another redo of NAADS.

When you read the report, they say about US$ 17.25 million, which is almost a quarter of the total money borrowed, is going to consultants. I would have hoped that the committee, having seen this, would have made a definite recommendation that this figure be reduced tremendously. This is my concern. Why didn’t you, as a committee, come up – You showed us that there was a problem but you did not go ahead to make a substantial recommendation regarding that problem. This is where I would like us to focus.

Almost 20 per cent of the total money is going to consultants. What am I going to get? What is going to be given? What kind of consultants do you want the people of Isingiro to get in procuring a milk cooler? What do you want a person from Bunyoro –(*Member timed out.*)

4.53

**MR STEPHEN BIRAAHWA (Independent, Buliisa County, Buliisa):** Mr Speaker, I will initially move on a point of procedure to seek your indulgence if it is proper for Parliament to consider more borrowing before the Minister of Finance, Planning and Economic Development presents to this Parliament the debt sustainability, debt stock and the fiscal space, aware that in the current budget, 30 per cent of the budget is financing debt servicing. It would not be healthy and Parliament would be indulging in what we do not understand.

The second related procedural matter is to the effect that we are in SDGs where nobody should be left behind in terms of inclusion, participation and entitlement for all regions. The Ministry of Agriculture, Animal Industry and Fisheries and the Ministry of Finance, Planning and Economic Development have not, up to now, exhibited that there are interventions in all regions of this country. This country, at independence, was formed as a republic with regions. We would like to know if this agricultural value chain is being rolled out in the whole country. Otherwise, we will become unconstitutional to have projects –(*Member timed out.*)

**THE DEPUTY SPEAKER:** Thank you.

**MR BIRAAHWA:** The final procedural - Mr Speaker, I request you allow the procedural matter because -

**THE DEPUTY SPEAKER:** No, honourable member. You rose to debate and there is no procedural matter you are raising. You are just raising queries that the minister should answer. If I attempt to answer those questions, I will be participating in the debate. How do you want me to rule on questions to do with debt sustainability and compliance with SDGS? Those are debate issues that the ministers should respond to.

4.56

**MS JESCA ABABIKU (NRM, Woman Representative, Adjumani):** Thank you, Mr Speaker. On face value, I support the proposal. However, I request for an assurance that this project is going to be unique and that we shall be able to achieve what we want. This is because from earlier projects, we have failed to achieve the intent for which money was borrowed.

Mr Speaker, I would like to know whether the committee came up with all the names of the districts that did not benefit from any of the projects. It is because in their recommendation, they are saying the districts that benefitted from other projects should not benefit from this one. Can we get the entire list so that we understand how some of these districts became beneficiaries?

Thirdly, the committee also talked about the weak farming households that we have. However, it is beyond the households. We also have weak cooperative societies in this country and the committee is recommending that these associations be trained. I would like to say that as long as we do not put funds aside to revive our dead cooperative societies, individuals who are engaged in farming are going to take opportunities on behalf of our farmers who are big in numbers –(*Member timed out.*)

4.58

**MS SANTA ALUM (UPC, Woman Representative, Oyam):** Thank you, Mr Speaker. I also join my colleagues in thanking the committee for coming up with this important report. I am very happy this evening because this is where the country should be going because agriculture is the engine of everything and this is where the majority of our people are engaged.

If we are to address the challenges in agriculture, we have to tackle the issue of input, market and post-harvest handling. From the report, this project will help farmers get high value seeds. However, right now, as a country, we are grappling with the issue of market. We have produced a lot of maize and yet we do not have markets. I have not heard how this project is going to address the issue of markets and yet one of the objectives is to increase the income of the people in the project areas.

Therefore, I would like to ask the minister how we are going to help our farmers if we have not addressed the issue of markets in this programme.

Second is the issue of regional balance. We have talked of dairy production but I have not heard the Karimojong sub-region being mentioned here. I do not know whether, when you talk of the Northern Corridor, it will also benefit –(*Member timed out.*)

5.00

**MR OJARA OKIN (Independent, Chua West County, Kitgum):** Thank you, Mr Speaker, for giving me this opportunity. Let me thank the committee chairperson for bringing an elaborate report on the matter on the Table. However, I would like to comment on the issue of consultancy. Many times we tend to hire consultants from outside the country and we have been spending quite a lot of money. When you look at the money that is going on consultancy only, it is too much.

However, when you come down to the respective ministries, you will find a lot of qualified people. When we were doing a sample in the Ministry of Agriculture, Animal Industry and Fisheries recently, we realised that majority of the staff in the ministry have PhDs. These PhDs are being wasted because we hire consultants from outside and eventually, we pay them a lot of money. This is not only in the Ministry of Agriculture, Animal Industry and Fisheries but it also cuts across the board.

Recently, we had an issue with Bank of Uganda where consultancy services cost the Bank of Uganda nearly Shs 9 billion at some point. How do we reduce on this?

Honourable minister, we request that for this motion to be supported holistically, you need to reduce the consultancy cost. This will warrant us *–(Member timed out.)*

5.02

**MS DOROTHY AZAIRWE (NRM, Woman Representative, Kamwenge):** Thank you, Mr Speaker. I would also like to thank the committee for the report.

I have three issues to raise from the committee recommendations and observations. It is true that they have allocated money for consultancy services and we have been meeting, as regional members of Parliament, in the Office of the President to better understand how we should harness agriculture since it is the backbone of our country’s economy. Research has already been carried out to know which areas and regions of this country can better grow certain types of crops.

Therefore, what type of research are these consultants going to do? In each and every district we have in this country, we have agricultural extension officers and agricultural officers at the district and sub-county level. What is their work? This financial year, we increased money for extension officers. What are they doing?

We have a problem of mechanisation of agriculture in this country. The people we are talking about are using hand hoes. How are we going to increase production for commercial agriculture when we are not allocating money to buy tractors and therefore increase output?

Mr Speaker, we also have a problem of fake seeds and other inputs. Have we tried to control this? We have research institutions like NARO, Rwebitaba, Kawanda and the rest but our farmers are still getting fake seeds, herbicides and acaricides.

Therefore, how are we going to reach our goals if these areas are not being controlled and mobilise our farmers into cooperatives?

5.04

**MS ROBINA RWAKOOJO (NRM, Gomba West County, Gomba):** Thank you, Mr Speaker. I rise to support the motion and I would like to comment on page 36 under 15.6 on the livestock sub-sector.

It is true we still have to make improvements on our milk productivity and supply of beef. However, we have a problem of disease control. We have been receiving a lot of fake acaricides and drugs and ticks have increased. This is a problem throughout the cattle corridor. You find cows getting Foot and Mouth Disease and their productivity decreases so much that they die off at a fast rate. Therefore, I appreciate this loan.

Regarding availability of water, unless we undertake irrigation for crops and also construct dams for our cattle, we will continue to have a problem because we have unpredictable rains.

I support the idea of disease control laboratories and that they should be in other cattle corridor areas apart from Mbarara and Arua. I also support the formation of formal farmer groups on page 38 that should be empowered to develop market infrastructures. If you notice, this season, farmers planted a lot of maize and they are stuck with it; they cannot get value for money from that maize. These are my two proposals. Thank you.

5.06

**MS JANET OKORI-MOE (NRM, Woman Representative, Abim):** Thank you very much, Mr Speaker, for the opportunity. I would like to thank the committee for their very good report. I would like to support the motion.

This loan is directed at supporting 68 per cent of poor people who are still held up in subsistence agriculture. Our focus, as a country, is to increase production and productivity and agriculture is one of the sectors, which relies on or consumes a lot of water.

Therefore, when I see the issue of climate change resilience here, I support it very much because the sector is heavily affected by effects of climate change. Of course women, being the backbone of the economy, are more affected.

In addition, the project is also focusing on key priority crops that are identified in the agricultural sector strategic plan; crops like maize. The plan of the sector is to raise the production of maize to 10 million metric tons annually by 2020. Therefore, this is a very good project.

The other concern I would like to raise is that sometimes when we borrow money, we tend to concentrate on certain areas even *–(Member timed out.)*

5.08

**MS BEATRICE RWAKIMARI (NRM, Woman Representative, Ntungamo):** Thank you very much, Mr Speaker, for the opportunity and I would like to thank the chairperson of the committee for a very informative report. Any effort towards improving productivity and production in agriculture is very welcome.

However, I would like to seek clarification on component No.4, which is project management. Project management is going to consume US$ 6.6 million. My colleague, hon. Alex Byarugaba, has talked about consultancy, which is going to consume about US$ 17 million. When you add project implementation cost to consultancy, it comes to a total of about US$ 23.6 million.

US$ 23.6 million out of US$ 76 million dollars is a big percentage. My question is, how much money is remaining for actual implementation of the project: buying of seeds, acaricides and many other things that should go directly to increasing productivity and production in the country? I would like the chairperson to clarify. Thank you, Mr Speaker.

5.10

**MR JAMES KAKOOZA (Independent, Kabula County, Lyantonde):** Thank you, Mr Speaker. I rise to support the motion for borrowing. Maize, rice, dairy and beef are among the commodities prioritised by Government since 2011 to address the supply side constraints impacting on food security, household incomes and exports.

However, I would like the minister of agriculture to identify people who have already taken off and invest in them to increase production. What happens is, this money is given to people who have not taken off and by the time they start, they have wasted a lot of money. Identify people who have already taken off to benefit from this money.

Secondly, Government should invest in more irrigation schemes that will facilitate economic transformation in this country. As we speak, five per cent of irrigation in the country is exploited but we need more.

I represent people in the cattle corridor. When it is a dry season, the production of milk comes from almost 70 per cent to 30 per cent. Since we have people who already have their own money, we should invest in irrigation for water for production so that we have sustainable production throughout the year. However, the only problem is that Government identifies people who have not taken off and they waste a lot of money - *(Member timed out.)*

5.12

**MR KENNETH EITUNGANANE (Independent, Soroti County, Soroti):** Thank you, Mr Speaker, for the opportunity. I support the motion. However, we have a problem of pest and disease control in the country and it is like there is less attention being paid to this by the ministry yet it is costing farmers a lot of losses.

Traditionally, where I grew up from, we used to have communal cattle dips and they used to be very effective in pest and disease control. They have disappeared and those that were still there have broken down. Unfortunately, the ministry is not looking at this as one of the critical areas that they can use to boost production especially for animals. Sixty-nine per cent of those involved in agriculture are smallholder farmers. However, when I go through the report, it looks like the target is commercial farmers.

I think there is a missing link somewhere that the ministry must put emphasis on. How do we move the smallholder farmers to the next level of production, which is critical? If these programmes are meant to benefit the 69 per cent, then there is need to target areas where most of these activities for animal production are indicated.

The other issue is that most of the soils in the country -*(Member timed out.)*

5.14

**MS CD LOWILA (NRM, Woman Representative, Pader):** Thank you, Mr Speaker. I thank the committee for the report. I support the motion and specifically, the recommendation to this House to approve the loan request.

Many people are concerned about the very low allocation of resources to the agricultural sector, which is a very key sector that takes less than three per cent of the national budget. The talk about the importance of agriculture is not always reflected in the budgetary allocation. Therefore, supporting this loan request in a bid to avail resources to the agricultural sector is prudent.

Over the past few weeks, we have been discussing the very low maize prices. This happened not because of over production but because of failure to access good markets, poor quality, no value addition, fake inputs, seeds and chemicals among others. This loan will help to address some of these challenges. Also, like my brother from Buliisa was saying, many are concerned about the level of borrowing but as long as we are borrowing to support this key sector, which is the heart of the economy, I stand to strongly support -*(Member timed out.)*

5.16

**MS VIOLET AKURUT (NRM, Woman Representative, Katakwi):** Thank you, Mr Speaker, for giving me this opportunity. I would like to thank the committee for the report.

The idea of borrowing is good but I think we are misplacing priorities, because we are going to spend about 48 per cent of this loan on works. In the report, they are talking of construction of bridges, irrigation schemes, laboratories and administration blocks. This almost takes the bulk of the loan. Also, when you add the implementation and consultancy costs, at the end of the day, over 70 per cent of this loan is spent but not on what we are borrowing it for.

Knowing that we have post-harvest challenges in handling our crops and poor storage facilities, I expected much of this money to have gone into supporting our smallholder farmers to be able to store their crops well using silos. I also expected it to go towards providing them with the markets to be able to sell these crops, so that in the end we improve on our economy, which depends so much on agriculture. However, now we are talking of building bridges, administration blocks and training workshops; what are they for? I think this is misallocation of priorities.

Talking of the cattle corridor –*(Member timed out.)*

5.18

**MR ROBERT KASULE (NRM, Nansana Municipality, Wakiso):** Thank you, Mr Speaker. I support the motion. If you look at page 18, the loan seems to be well structured and according to part (i) on infrastructure, much of the loan is going to be spent on this irrigation facility. I implore honourable members to look at this page to see how it is structured.

I would also be mad not to support the loan request because the two centres of excellence, Kawanda and Namulonge, are in my constituency and are beneficiaries. I will support the loan request for that selfish interest. Having recently instructed the Ministry of Agriculture, Animal Industry and Fisheries to reinstate extension services in the ministry, this loan will go a long way in supporting these extension services.

We have also been talking about the value chain. Cassava, rice and beef are being streamlined lately. My only worry is the interest rate; the Ministry of Agriculture, Animal Industry and Fisheries will need to work very hard because of this. I hope the Committee on National Economy processed this loan in consultation with the Committee on Agriculture, Animal Industry and Fisheries. (*Member timed out.)*

5.20

**MR GODFREY ONZIMA (NRM, Aringa County North, Yumbe):** Thank you very much, Mr Speaker. I stand to support the borrowing of this money to improve the agricultural value chain. Many times, we have challenges with our agricultural products because we export them raw without adding value to them. If this loan is procured to improve the value of our agricultural products, I support it.

However, I have reservations about implementation. We have procured many loans here, purportedly to carry out activities that should improve the livelihoods of our people, but when you evaluate the implementation, much of this money goes to useless spending that does not have an impact on the people. Money will be spent on capacity building, training and workshops. Sometimes, it is spent on equipment, refreshments and allowances. Money going to those areas is more than the money that goes to the actual things that create an impact on our people.

We have seen very many programmes implemented, for example, restocking. Much money is borrowed but one village might be selected out of a whole parish and only one animal is given. *(Member timed out.)*

5.23

**MR ELIJAH OKUPA (FDC, Kasilo County, Serere):** Thank you, Mr Speaker. This loan would be appreciated but - I wish the honourable Minister for Agriculture, Animal Industry and Fisheries could listen. I would appreciate this loan if it started by addressing the issue of reviving those old irrigation schemes, but I do not see that here.

There is an old irrigation scheme in Kasilo County called Labori Irrigation Scheme that sits on 978 acres. To date, it has never been revived. What the Minister of Agriculture, Animal Industry and Fisheries did was to give it to some pseudo investor. Five years down the road, nothing has happened. This is where you should have started.

We are looking at the issue of research; what about Serere Research Station? You cannot imagine that eggs are produced in Serere but they are brought to be hatched at Namulonge because they do not have a hatchery at Serere Research Station. Why don’t we have Serere Research Station included here? We would be able to hatch chicks and supply to the local community in that region. How do you have such a big project and the East African Research Station in Serere is ignored? I would find it difficult to support this loan request.

On the issue of the silos, last month, I went to a place called Spokane in Washington State in the United States of America (USA). I visited the company that produces silos. This is where we would be going. A simple silo of 20 tonnes –*(Member timed out.)*

5.25

**MR PECOS KUTEESA (UPDF Representative):** Thank you, Mr Speaker. I support the whole project. However, I have two questions about implementation.

Using 17 per cent, which is about one third of the loan, on consultancy is what irritates me. I was born in a cattle corridor and I grew up there. I have grown coffee since I was four years old. I know what happens. You are talking about irrigation, but the rain that we have is enough to keep our production throughout. Why don’t they ask the farmers, instead of sitting here in town and assuming what is going on? If you are to go and visit the people, they will tell you what they want. Please, do not come with solutions before asking what the illness is. There is no one cure for all. Each illness has got its peculiarities. We know what we need.

I was once invited by National Agricultural Advisory Services (NAADS) and they spent three days in a hotel teaching us how to grow maize – in a hotel! They were paying me. That is how the money goes. Let us get that cleared. Thank you. *(Laughter)*

**THE DEPUTY SPEAKER:** Honourable Member of Parliament for Butaleja District, if you are still laughing, give the opportunity to the Member from Kumi District.

5.28

**MS MILLY MUGENI (NRM, Woman Representative, Butaleja):** Thank you, Mr Speaker. Please, protect me from the Members. I would like to thank the honourable member for the report. I support the motion as Butaleja is one of the beneficiaries of the loan.

There is a component of having women and youth benefit from this loan, but there are no details on how they are going to benefit. What we have been seeing in most cases is that most of our youth who are engaged in projects like rice growing need machinery that can help them in harvesting, milling, threshing, branding, drying and storage.

We have Doho Rice Scheme in Butaleja but when we have high production, farmers are faced with a problem of storage. It is my prayer that we take note of this on the ground because most of these areas that –*(Member timed out.)*

5.29

**MS MONICAH AMODING (NRM, Woman Representative, Kumi):** Thank you, Mr Speaker. I would like to support the motion mainly because of the money that is going to this important sector, which employs 70 per cent of our people. Given that this is the situation, I would like to inform the minister about my district, Kumi. I guess the reason as to why it is not included in this particular project is that Kumi is a beneficiary of the Pastoral Livelihood Project, which is being implemented.

However, that project is four years into its implementation; it started in 2015 but by 2019, it will be expiring but so far, it is at 46 per cent in terms of its implementation. The challenge of counterpart funding needs to be examined. I believe that even when this money is borrowed, it might be affected if there is counterpart funding required.

I would like, however, to lobby for Kumi District. Honourable minister, Kumi, Katakwi and Amuria in Teso are known to be districts that grow the best rice – Super rice. You are borrowing good money here but we are not seeing those districts emerging anywhere and yet every year, we produce into this country’s economy that particular rice.

I would like to move the House to support us so that the minister can include those three districts in this particular project. When it rains, a whole subcounty in Kumi is affected by flooding for six months. Those parishes around Lake Kyoga –*(Member timed out.)*

5.32

**MR AMOS LUGOLOOBI (NRM, Ntenjeru County North, Kayunga):** Thank you, Mr Speaker. I would like to beg for the attention of the minister.

My first concern is that for the years I have been in Kayunga, I have not seen the presence of the Ministry of Agriculture, Animal Industry and Fisheries. I thought this would be an opportunity for Kayunga. Unfortunately, we are not included again. I really would like to seek the indulgence of this House to help Kayunga to also benefit from a project of this calibre.

The minister is asking, “How can the Chairperson of the Committee on Budget be crying?” Sincerely! *(Laughter)* I would not be coming here to present Kayunga but in a case like this, surely, the minister should remember Kayunga. He knows very well that we had bananas but the banana wilt destroyed all the bananas. We used to sell bananas here in Kampala. We are now selling nothing; instead, we are importing bananas from the west. We used to have coffee, but coffee wilt destroyed all the coffee and we are suffering.

We need the presence of the Ministry of Agriculture, Animal Industries and Fisheries. Projects are coming here but you will never see Kayunga being part of any of those projects. What did we do to the Ministry of Agriculture, Animal Industry and Fisheries? This is the quarrel I have with the ministry.

Gen. Katumba is saying that we need affirmative action. Indeed, we do. We really need it from the ministry so that when I come back here to this microphone again, I will be reporting the results from the intervention of the ministry.

Having said that, Mr Speaker, I am concerned about the –(*Member timed out.*)

5.34

**MR PATRICK ISIAGI (NRM, Kachumbala County, Bukedea):** Thank you, Mr Speaker. I would like to thank the chairperson of the committee for the report. However, I would like to make one observation.

On paper and in words, we have extension workers and extension services. However, these officers are incapacitated. They do not have transport to go to the field. The minister is here, he can testify. These officers do not even have official telephone lines on which they can be called when there is an emergency. They use their personal numbers, which they can switch off any time. They go to the field and they do not leave anyone behind. Somebody goes to their home when they have an emergency but they will ask for a knife as if you are supposed to avail it to them.

For this project to achieve its intended objectives, part of the money, which is for consultancy, should go towards empowering the extension officers in those areas. Because these officers are incapacitated, most of the results from the NAADS programmes are always negative. I wish that could be captured in the report. However, I support the motion.

5.35

**MS CECILIA OGWAL ATIM (FDC, Woman Representative, Dokolo):** Thank you, Mr Speaker, for the opportunity to contribute to this motion.

I have already informed the minister that this is a very important loan, which targets the rural people, or ought to have targeted the rural people. Unfortunately, it is badly packaged. Therefore, I pray that at the end of the day, after this debate, maybe the ministry will sit down with the committee and make adjustments so that we can make use of this loan facility.

Mr Speaker, I cannot hide my interest. I am a farmer and I grew up in a home where our livelihood depended on peasantry farming. Definitely, I am there to support anything that concerns farming.

I am very surprised that this committee talks very well about the importance of the agricultural sector. In fact, the committee went as far as saying that 70 per cent of our population derives their livelihood from farming. They also went as far as saying that half of our export is agricultural products and a quarter of our Gross Domestic Product (GDP) is from agriculture. So, you can see how important this sector is. However, when it comes to budgeting, the same ministry does not see –(*Member timed out)*

5.38

**THE LEADER OF THE OPPOSITION (Ms Betty Aol):** Thank you, Mr Speaker. Much as we all support the motion, we also need to be careful. We have always talked about agriculture being poorly funded, so we have to support the sector. However, we also see that in the last five years, the growth of agriculture has been very poor - only two per cent per annum. That is very low, and yet it is agriculture to propel us to a middle income status by 2020.

At the same time, while we support the motion, we also need to question the sustainability of the project. We must remember NAADS, *Boona Bagagawale,* among others. I support this project 100 percent but we must be mindful about its sustainability.

The Minister of Agriculture, Animal Industry and Fisheries is here. Mr Minister, can you explain to us or clarify the passing of six loan requests up to –(*Interruption)*

**MR BURUNDO:** Thank you, Mr Speaker. I am here to raise a point of order. Whereas the Leader of the Opposition is seriously talking to the honourable Minister of Agriculture, Animal Industry and Fisheries, he is busy engaging himself with the Minister of Finance, Planning and Economic Development. Is it in order for the minister to ignore the Leader of the Opposition when she is addressing him? Is he in order?

**THE DEPUTY SPEAKER:** Being tactful will be a very serious problem. If only the minister did that, because this is his opportunity to persuade the Leader of the Opposition to support him. If he was doing that – You know, people have different ways of listening. *(Laughter)*

**MS BETTY AOL:** Mr Minister, I was raising a very important issue; we have passed six loan requests here and out of the six loans, worth US$ 411 million, only US$ 60 million has been disbursed. Why? What is the explanation for that? You really need to explain to us. This means the Committee on National Economy should pay keen attention to these loan requests that we pass. Monitor the loans properly. Ministry of Finance, Planning and Economic Development should also update the House on the performance of all these loans. That is one of my prayers.

Two, the Agriculture Cluster Development Project (ACDP) should aim at production for food security, commercialisation as well as for export to boost the revenue of Government. Honourable minister, those are my prayers and we need to be serious.  *(Interruption)*

**MS CECILIA OGWAL ATIM:** Mr Speaker, I would like to inform the Leader of the Opposition that the only way that this loan could benefit the rural farmers is to ensure that –

1. The cooperative societies are revived so that this money trickles down to the people we are targeting;

2. The post-harvest management is targeted so that farmers get to enhance the sun to dry the produce and be able to sell quality products;

3. Part of the components should go into sensitisation and educating the farmers so that this time, as farmers we can embrace modern methods of farming.

Finally, I would like to inform the Leader of the Opposition that we should demand for proper marketing systems for our products. We do not want to enhance our production; they are asking us to increase production of maize and yet we are still stuck with maize in our homes and stores. Therefore, can the Leader of the Opposition include in her submission that the Ministry of Agriculture, Animal Industry and Fisheries and the Ministry of Finance, Planning and Economic Development should factor in some of those elements if this loan is to benefit the rural farmers?

**MR AOGON:** Mr Speaker, I would like to inform the Leader of the Opposition that the minister and the committee are all silent on the issue of agricultural insurance. We are talking about a lot of money that we are going to inject down to the farmers.

**MS BETTY AOL:** Thank you for the information. Honourable minister, people have said a lot. You also need to work with the Minister of Trade, Industry and Cooperatives, who is not even on the ground. That is why our farmers complain about the little maize, which is produced but there is no market. Those days when we had marketing boards, things were easy for our people. Please, let us love Uganda. Wherever I travel, I still find that Uganda is the best country. We must love Uganda and work very hard to make sure that every Ugandan is comfortable. We should also remember that agriculture is the backbone of our economy. Therefore, honourable minister, it is a big task for you. Thank you, Mr Speaker.

5.46

 **THE MINISTER OF AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (Mr Vincent Ssempijja):** Mr Speaker, allow me to wholeheartedly thank the honourable members for the good contributions and support to the sector. The only thing is that this money is not enough to cater for everybody and everything in agriculture; you still have to support us to get more money.

The honourable Leader of the Opposition mentioned the two per cent growth. We are getting three per cent of the budget; therefore, it is up to all of us here in Government and Parliament to see to it that this sector, which is very important to everybody, is funded adequately.

The rest of the contributions have been very good input. I would like to accept the resolution of Parliament that we should make sure that we include these very important suggestions, especially mobilisation of the farmers, capacity building and organisation of the farmers.  *(Interruption)*

**MR OLANYA:** Thank you, Mr Speaker. I would like to seek clarification from the honourable minister. Members raised very important issues, especially concerning recruiting technical advisors. There is normally a tendency, when such a project is coming, to disregard the district officials. We have district agricultural officers and extension workers everywhere in all the parishes and sub-counties. Instead of hiring those technical people and consultants, why don’t you use those ones in the districts so that the little money you have stays at the districts, other than hiring someone from outside?

**MR SSEMPIJJA:** Thank you, honourable members. There are new innovations in these programmes, especially the agricultural value chain programmes and ACDP; for example, there is the registration of farmers and using the e-voucher system. In these programmes, we are not going to give free things. We are moving away from that. We are introducing, for the start, a kind of subsidy and eventually, we will get out of the subsidy system and give farmers things on loan and they will pay back using an e-voucher system. Therefore, some of these systems are also new to our own technical officers. We want them to learn and they will definitely be included in subsequent projects.

The other thing is that the Ministry of Agriculture, Animal Industry and Fisheries, like other sectors, is not fully staffed. As we improve on our staffing levels, we still have to work to implement programmes like this. Therefore, we need support from elsewhere.

The other issues raised had very good information for us, which we need to look at. However, I would like to inform Members that irrigation is very expensive. The Achomai Project, which we are going to include under this project, is over 9000 hectares. It is big and very expensive and we need infrastructure. Therefore, where you see water coming from up, you will need roads and bridges. I would like to thank you, honourable members, for supporting the project.

**THE DEPUTY SPEAKER:** Thank you very much, honourable members.

**MR NZOGHU:** Thank you, Mr Speaker. There are two issues, which I would like to seek clarification on from the honourable minister. First, on page 29, the committee was very clear that districts that are going to benefit will not benefit from more than one enterprise. However, after further reading and clearly looking at the report, districts like Gomba, Mitooma and Luweero have benefited both in the maize and dairy enterprises.

Secondly, the committee suggested that new districts be given priority. I therefore mentioned to the committee that Bunyangabu and Kasese districts should be included but they were not considered. Now, why do you have districts that are benefiting from more than one enterprise? The honourable members have requested that we substitute these districts, which are benefiting from more than one enterprise, with those districts that have not benefitted at all. I would like to propose that we consider Kayunga and Kumi districts and choose one district from another sub region. Thank you.

**MR SSEMPIJJA:** Mr Speaker, I would like to remind the Members that under the Regional Pastoral Livelihoods Resilience Project in Karamoja District, which is more funded than this one, we are talking about with $120 million -

**THE DEPUTY SPEAKER:** Honourable minister, what is wrong with this recommendation?

**MR SSEMPIJJA:** Mr Speaker, I concede. I will ask the chairperson to make sure that we include those areas. Thank you.

**THE DEPUTY SPEAKER:** Thank you very much, honourable members. Can I put the question and we finish with this matter? I put the question to the motion that Parliament authorises Government to borrow up to UA 57 million ($76.95 million equivalent) from the African Development Bank to support the Agriculture Value Chain Development Project (AVCP) I. I put the question.

*(Question put and agreed to.)*

MOTION FOR A RESOLUTION OF PARLIAMENT TO BORROW UP TO $84.73 MILLION FROM EXIM BANK OF CHINA TO FINANCE THE NATIONAL SCIENCE, TECHNOLOGY, ENGINEERING AND INNOVATION SKILLS ENHANCEMENT PROJECT (NSTEI-SEP)

5.55

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr David Bahati):** Mr Speaker, I beg to move a motion for a resolution of Parliament to borrow up to $84.73 million from the Exim Bank of China to finance the National Science, Technology, Engineering and Innovation Ski11s Enhancement Project. I beg to move.

**THE DEPUTY SPEAKER:** Is the motion seconded?

*(Motion seconded.)*

**THE DEPUTY SPEAKER:** It has been seconded by the Members of West Moyo, Ntenjeru, Nyabushozi, Kashari, Kyadondo, Gulu Municipality and Chua East. Would you like to speak to your motion briefly?

**MR BAHATI:** Mr Speaker, over the world, science, technology, engineering and innovation have played a key role in the development of countries such as China, India, Singapore and Korea, now considered as the world’s biggest economies. China, for example, has the second largest and fastest growing economy in the world with a growth rate of 10 per cent average over the last 30 years. One of the key ingredients of this has been science and technology.

This project will specifically establish the National Science, Technology and Engineering Skills Enhancement Centre to enhance the technological, innovative and skills base of Ugandans. This will be done through flexible manufacturing industry learning models, covering the technology areas of construction machinery, automotive engineering, electro pneumatics and hydrology, industry technology and agricultural mechanisation. We shall also establish a technology innovation and business incubation centre in two areas where the Uganda National Council for Science and Technology has land, that is, in Sanga and Mukono District.

The overall objective of the project will be to drive us towards competitiveness through access to advanced technologies, retooling manpower by offering opportunities for technical skills, provision of technical and business advisory support to scientists, and generally to support science and innovation in the country. I beg to move.

**THE DEPUTY SPEAKER:** Thank you, honourable minister. Honourable members, you remember this matter was referred to the Committee on National Economy. Before I propose the question, I would like to hear the report from the committee chairperson.

5.59

**THE VICE-CHAIRPERSON, COMMITTEE ON NATIONAL ECONOMY (Mr Lawrence Bategeka):** Thank you, Mr Speaker. I am here to present a report of the Committee on National Economy on the proposal by Government to borrow up to US$ 84.73 million from the Exim Bank of China to finance the National Science, Technology, Engineering and Innovation Skills Enhancement Project (NSTET-SEP). Before I continue, I beg to lay on the Table the following documents:

1. The report of the committee, signed by 23 members of the committee;
2. Signed minutes of the meetings;
3. The project appraisal document;
4. The loan disbursement schedule;
5. An environmental impact assessment;
6. A letter from the National Planning Authority; and
7. Confirmation of availability of counterpart funding.

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

**MR BATEGEKA:** Mr Speaker, in the interest of time, allow me to summarise this report. The loan we are talking about is a technology and innovation loan aimed at turning research ideas into products. The traditional lenders, like the Organisation for Economic Development with their development assistance committee, may not support this type of project because they focus their support on social lending for the Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs). However, here we are talking about a loan that is intended to catapult this country beyond the SDGs to economic transformation. Therefore, there are issues you may observe, but it is because basically, the traditional lenders are not available for some of these loans and support.

When this matter was referred to the committee, we held meetings with the Minister of Finance, Planning and Economic Development, the Minister of Science, Technology and Innovation, and Uganda National Council of Science and Technology. That is how we got to appreciate that there are limited sources of such funding.

We reviewed documents and these included:

i) The Minister of Finance, Planning and Economic Development’s brief on the loan request;

ii) The draft buyer credit loan agreement between the China Exim Bank and the Government of Uganda for the establishment of the National Institute for Technopreneurship (NIT) in Uganda project;

iii) The project proposal document;

iv) The second National Development Plan;

v) The Science, Technology and Innovation policy.

We also conducted visits to ascertain availability of land where the project will be located. Uganda National Council for Science and Technology has land in Sanga and industrial area at Namanve. That is where the project will be located.

Since the issues are explained and the report is uploaded, I will maybe look at a few observations and recommendations that the committee made, particularly regarding youth or the people that will be trained.

The committee recommends that the project design and implementation should provide synergies with existing public interventions in enhancing skills in the various sectors, with a view of empowering existing institutions to achieve the project objectives.

The committee recommends that Government should put in place a deliberate mechanism through which the trainees, graduates and innovators that will graduate from the various institutions or centres are absorbed directly into the job market.

Subject to the recommendations in this report, the committee recommends that the request by Government to borrow US$ 84.73 million from the Exim Bank of China to finance the National Science, Technology, Engineering and Innovation Skills Enhancement Project be approved. Thank you. I beg to report.

**THE DEPUTY SPEAKER:** Thank you, honourable members. The question that I now propose for your debate is for a motion that Parliament authorises Government to borrow up to US$ 84.73 million from the Exim Bank of China to finance the National Science, Technology, Engineering and Innovation Skills Enhancement Project. Debate starts now. I will pick Members who did not contribute earlier on this matter. So, I will start with the Member for Kumi Municipality.

6.04

**MR SILAS AOGON (Independent, Kumi Municipality, Kumi):** Thank you, Mr Speaker. I support this loan request, but I have a concern.

The last time we raised an issue about too much borrowing, the minister said at the time of budgeting in May, that we had decided to support borrowing up to around Shs 7 trillion to support our budget. I think that it is proper for the minister to be coming up with cumulative figures because we are not certain which loan belongs where. Does this loan belong to the category of loans that are financing the budget that we approved or not? I think that is very important.

You should not always be silent on these issues. Whenever you come here, you should tell us the cumulative figure. You can say that as of now, we have borrowed up to maybe US$ 300 million, with the inclusion of the current loan, so that we keep track of where we are going. Otherwise, we are going to lose track. We are not ready to pay back loans for the rest of our lives. I am worried because some people are spending on our behalf and then we are paying on their behalf. That is not in order. Thank you.

6.06

**MR FRED MWESIGYE (NRM, Nyabushozi County, Kiruhura):** Thank you, Mr Speaker. I thank the committee for the wonderful job they have done. I support this motion because this project will lead us, as a country, in the right direction - research, innovate and make - which has been lacking.

Our interest, as leaders, is to see to it that our young people who are coming out of university and other institutions of higher learning should be able to make products after a bit of research and innovation. That way, we can also have products made by Ugandans and made in Uganda, because what we see on the market is from other countries.

I will give the example of the project which is here in industrial area. I have visited that place and they have an incubation centre where they train some young Ugandans to make products. If it can be duplicated in most of the areas they are talking about, it would balance development in most parts of Uganda. If we are able to learn how to make products, in the next two to three years, you will find many products made in Uganda from materials that are grown or produced in those areas.

In Sanga, for example, where this project is going to be located, if the products are coming from the cow - hides, skins, beef and dairy products - all the people in that region will learn how to make products from – *(Member timed out.)*

6.08

**MR JOHN TWESIGYE (NRM, Bunyaruguru County, Rubirizi):** Thank you, Mr Speaker. I support the motion, especially because of the objective that the project is intended to achieve. However, I would be very happy if at the end of the day, the innovations that are going into the enhancement of those skills benefit the youth. This is where we need to put a lot of emphasis as far as skills are concerned.

Colleagues, I would like to be educated. Sometimes I see loan requests coming in and we worry about the ability to absorb these loans. Secondly, I would like the minister to educate me on what kind of security these people who give money attach to the money they give us. I am concerned that one day they will take our assets and we shall remain with nothing. I thank you.

6.09

**MS MARGARET BABA DIRI (NRM, Woman Representative, Koboko):** Thank you, Mr Speaker. I rise to support this motion because we are going to use these funds for science, technology, research and innovation. These are programmes that will propel us to a middle income status.

I would just like to urge Government to get this money and train our own men and women so that we use them here. We should not train them and leave them and then other people take them away to utilise their knowledge somewhere else. Yesterday, we talked about Dr Amos Nyathirombo who invented medicine for river blindness and he stayed outside there; we need to bring him back. Therefore, whatever we develop here, we must use it to develop our country.

Secondly, we talked of counterpart funding. Quite often, we get the money but it takes years for Government to get its part of the contribution. As a result, the loan funds remain unused for a very long time and it attracts a lot of interest. Therefore, we would like to see to it that the counterpart funding is available so that we utilise this one. Otherwise, I support this motion because of science and technology.

6.11

**MR TOM AZA (NRM, West Moyo County, Moyo):** Thank you, Mr Speaker. I would like to thank the chairperson of the committee and the minister for the motion for a resolution to borrow and I highly support the motion.

Mr Speaker, if we are to focus on technological advancements or development of science in Uganda, we should equip our schools with computers. Honourable minister, when you go to primary and secondary schools in rural areas, there are no computer laboratories and most of the science labs are not well equipped. How can we really achieve technological progress when we do not have computers in most of our schools in the rural areas?

Secondly, we have been hearing about this vehicle called Kiira EV, which was introduced in Uganda by Makerere University students, but we do not know where it ended. Where is the vehicle? We have also been hearing about the assembling of buses in Uganda; how far has that issue gone?

Thirdly, Mr Speaker, we really need industrial parks in most of the districts in Uganda, especially in the north. When you go to the north, we have mangoes. We really need to have fruit juice factories. Thank you very much.

6.13

**MR GILBERT OLANYA (FDC, Kilak South County, Amuru):** Thank you, Mr Speaker. If you study the education system in Uganda, we train our youth for white-collar jobs. Every year we graduate more than 40,000 youth and after they graduate, they go to the streets looking for jobs. At this time, we need to embark on skills training.

If you go to China, for example, they start training children when they are still young. If a child wants to become a pilot, they start moulding that child in that particular idea and when the child grows up and graduates, he will be perfect. Therefore, if we are borrowing this money for skills training for our youth, I really feel there is no way we can reject this particular loan request. We need to embark on the training.

Mr Speaker, we have the capacity as a country and we have all the resources, but our education system does not support what we really have. Therefore, at this time let us look at skills training. Let us build the capacity of our youth. Let us start making bicycles from here rather than importing them. Let us start making vehicles. It is very possible and we can do it.

Therefore, Mr Speaker, I really support this particular loan request for skills training. Thank you.

6.16

**MR NATHAN NANDALA-MAFABI (FDC, Budadiri County West, Sironko):** Mr Speaker, I am going to talk in general terms.

One, we are borrowing money from China but what we are noticing is the issue of capacity building - local content is not there. All the money, the sweepers, the materials come from China. In short, the money benefits the Chinese Government more than us. There is no local content. Mr Speaker, I would be very glad if the Minister of Finance, Planning and Economic Development told me the percentage of the local content in this project *– (Interjection) -* Where? Well, you may have seen it but I have not.

Mr Speaker, the Chinese are very good at bringing Chinese things which die the following day. If you have been to China, there is a market for the Europeans and Americans and there is one for Africans. Why? It is because Africans take inferior goods and the other ones take things of high standard. Who is going to supervise this money? The problem we have is that the money coming here is not being properly supervised and at the end of it, we are getting low value for expensive loans from Exim Bank.

Thirdly, I would like the minister to tell us why he is tying this money we are getting from Exim Bank only to Chinese companies. It is our money; why don’t you allow international bidding so that even other companies from other countries can bid? If money is tied as it is, it becomes very expensive for us because you buy materials from China and the contractors are Chinese. It is very dangerous and that is why we are having problems.

**THE DEPUTY SPEAKER:** Thank you. All the Members have now contributed. Can we roll this up, honourable members? Let me have the last one and then I have the Leader of the Opposition.

6.17

**MR STEPHEN MUKITALE (Independent, Buliisa County, Buliisa):** Mr Speaker, Information Communication Technologies (ICTs) and science and technology innovation is the way to go, but I am only concerned about the delivery mechanism. Narendra Modi became visible in India because of Gujarat Science City. He was in a state and he was not using central government money. He only availed space for all the big gurus in ICT, science and technology at Gujarat and all of them brought their innovations and worked with students, scientists and researchers.

My biggest problem is not the money but the delivery mechanism. A university may pick one bright innovator but if that programme was in Mbarara University of Science and Technology, Gulu University, Muni University, Makerere University Business School, Makerere University, Kyambogo University and Busitema University, that would be the best way. We can then use their redundant space. One time I made a proposal to Makerere University as an alumnus, that they could use their empty spaces; instead of wasting billions of shillings on fences which collapse, they could allow these big companies to come and interact with the students.

That is the best way to implement this programme and have it succeed, as opposed to just thinking that a company will come from China and do it for you. Innovation must target colleges, universities, researchers and innovators in the ICT department. That is the best way to achieve results and make this sustainable so that when the money is over, you will have already *–(Member timed out.)*

6.20

**THE LEADER OF THE OPPOSITION (Ms Betty Aol):** Thank you, Mr Speaker. I would like to thank the committee for the work well done.

I think we know that we have not yet grown in science and technology, so we need more funding and training. However, we should always be mindful about some of these loans which come with strings attached. We need to untie those strings. I saw something which happened in Zambia, where the Zambians were crying that they were being sold. That is why I am cautioning the Government.

Secondly, when they insist that we should take all the materials from them, we should also be very careful about what is usually brought to us. I remember that we were making steel, but in construction of Karuma Dam, they insisted on importing steel from their country. That means they want market and more benefits for themselves. We want you to evaluate the benefits and see if we are benefitting more. This is because when we go for loans, the loans should also benefit us and the projects should be sustainable.

We must also ensure that we employ the people we train. Why do I say this? I have noticed that there is a shift to engaging soldiers. We do not want this. You cannot train a solider for one week and then you expect that soldier to do the work of a professional who has been trained for four years at the university. We do not want this because it is the reason why we have failed many times in some projects like those under the National Agricultural Advisory Services (NAADS) and Operation Wealth Creation. Those are some of the projects where we have left out professionals that were trained from the universities for four years and employed people that are trained for only two weeks.

I am a scientist and so I love anything concerning science. Thank you.

**THE DEPUTY SPEAKER**: Honourable members, can I conclude this matter? Let me put the question to this motion. I now put the question that Parliament authorises Government to borrow up to US$ 84.73 million from Exim Bank of China to finance the National Science, Technology, Engineering and Innovation Skills Enhancement Project (NSTEI-SEP)

*(Question put and agreed to.)*

*Report adopted.*

**THE DEPUTY SPEAKER:** Thank you. The honourable member for Buliisa has a procedural matter to raise.

**MR MUKITALE:** Thank you very much, Mr Speaker. The Public Finance Management Act, Section 42, provides that the minister will always submit a report on loans, grants and guarantees to Parliament before the end of the budget period; actually, it clearly states “by 1st April” -

**THE DEPUTY SPEAKER:** That means it should accompany the budget.

**MR MUKITALE:** Yes, it should accompany the budget. Mr Speaker, whereas I have seen this report in some circles, it has not come to the Floor of Parliament as it should have.

This report is actually more important today than even before because we have Public Private Partnerships (PPPs) which give sovereign guarantees and contingent liabilities. So, beyond the 30 per cent of debt financing on our budget, we have other commitments of PPP nature, including the new production sharing agreement, which is not a loan by our laws but a debt.

Mr Speaker, I would like to seek your guidance on whether it wouldn’t be procedurally right for Government to present before this august House a comprehensive debt stock report in line with the debt strategy so that when Members of Parliament are discussing – It was not specific only to this loan but for all the loans. I think the practice should be that every financial year, after the budget, we comprehensively discuss the debt stock, threats and the fiscal space, because we should only borrow within the fiscal space. I would like to request that this should be done.

Secondly, we had a practice here that the Committee on National Economy should not process a loan request, for example for agriculture, without input from the sectoral committee because the committees on a daily basis interact with these sectors. The members of the committees on agriculture or ICT are aware of the challenges that we are discussing in those sectors. I think this would make us move in harmony and solve the problem.

Finally, I would like to inform the Minister of Agriculture, Animal Industry and Fisheries that we have about 12 projects in the ministry. The value-chain project still exists in the millennium village in Ruhira in Isingiro. There is a replica in Karamoja dry-lands and other pastoral areas. There is also a component of the Community Agricultural Infrastructure Improvement Programme (CAIIP) in different areas. We have ATAAS - US$ 100 million - which has just ended.

Honourable minister, is it possible for you to bring to Parliament a report on the performance of all these projects in the country - what is in Acholi, Soroti and what CAIIP did in those areas? In that way, when there is a new project, we can identify the best practice; for example, if CAIIP was okay, we could continue with it.

Otherwise, we are going to end up duplicating projects and some areas will feel isolated; for example, Buliisa is not mentioned in any of these projects. My suggestion is that the minister should give us a comprehensive report of the performance of these projects in the different regions of the country. I thank you very much, Mr Speaker.

**THE DEPUTY SPEAKER:** Thank you very much, honourable members. On the issue of debt stock, we normally receive a report from the Ministry of Finance, Planning and Economic Development as at 1st of April. It is supposed to be one of the documents that accompany the budget - the Appropriation Bill and all those documents that come on the 1st of April. If they did not come, then that was an omission.

However, I was presiding at that time and I remember that it was laid on the Table with the budget and all the other documents accompanying it. It is just a matter of looking at them and requesting that we should debate them at an appropriate time. I think that would be a more sustainable way of dealing with this. If Members want the copies to be made available or electronic copies to be uploaded on their iPads, that would be an easy thing to do, and I say it should be done so that Members have information each time they are discussing issues of borrowing.

Honourable members, we have finished this matter. I would now like to make some specific announcements on business that will start from tomorrow. First of all, we have all done very well today; we cleared the Order Paper with the exception of the issue that the Minister of Finance, Planning and Economic Development stood over under item No.5(2). That item will be coming up tomorrow.

Secondly, I am going to use my prerogative as Speaker to re-classify matters that are due for responses from ministers. There are those categories that have been named “urgent matters”, which were not urgent. I am going to call them as such and classify them as such, and the responses will be solicited in accordance with rule 42 of our Rules of Procedure. There are those which were urgent and I will classify them as such, but they will be processed under rule 46 of our Rules of Procedure.

I will guide as follows: With the exception of what we have already agreed to handle under item No.5 (2), the following matters will come up tomorrow to be responded to by the ministers - I would like the Leader of Government Business and the Government Chief Whip to listen to this: Under “business to follow”, we have two items that I consider urgent, and that is items No.17 and No.21.

Item No.17 under “business to follow” is a question raised by hon. Pius Wakabi, MP Bugahya County, over the four missing people at Murchison Falls. We need a response tomorrow. The second urgent matter that I classify as such is item No.21 under “business to follow”. It is a question raised by hon. Elizabeth Karungi, Woman Representative, Kanungu District, about a broken bridge. This matter is urgent. If a bridge is broken, the minister should tell us what is going to be done about the broken bridge. That should come tomorrow.

The rest of the other items that were classified as “urgent” whereas they were not will be handled under rule 42 of our Rules of Procedure. That includes items No. 18, 23, 24, 25 and 26 under “business to follow”. Those items will be handled in accordance with rule 42 as questions for oral answer, and they will be dealt with as such. The ministers are directed to pick out these issues and respond to them as questions for oral answer; they were not urgent but they should be dealt with as such. I instruct the Clerk to extract them and forward them to the ministers in form of questions under rule 42. This is an attempt to clear the backlog that we have with these kinds of statements, so that we can handle them.

We also have items No. 20 and 22 under “business to follow”. Item No. 20 is a question raised by hon. Ouma George Abbott, MP Bukooli Islands, on the shooting of two people in Bukooli. We substantially referred that matter to the committee, so it should not appear on the Order Paper again. We debated the issue of fishing and all those things yesterday and referred them to the committee. Therefore, they are removed from the Order Paper and forwarded to the committee. Clerk, extract the minutes and forward this matter to the committee that is handling issues of fishing in Lake Victoria and other places so that they can deal with it.

It is the same with item No.22 under “business to follow”. It is the same matter raised by hon. Onyango, MP Samia Bugwe County North - fatal shooting of Mr Moses Oundo, a resident of Busitema Forest and those numerous issues. It should be handled together with issues of the fishing community. So, they should be taken off the Order Paper. The Order Paper is now structured to be handled that way.

Therefore, tomorrow, the urgent matters that have to be dealt with are those two - the disappearance of the people, raised by the Member of Bugahya County, and the broken bridge from Kanungu. They should be handled tomorrow. All these ones which are due and pending, which were raised as urgent matters and we were expecting statements from ministers for them,should be lined up for tomorrow’s business so that we can clear the backlog and see how to proceed with the Bills that are almost maturing in the committees. We will have sufficient time to deal with them. So, from now on we shall try to actually call urgent matters “urgent matters” and call other matters “questions for oral answer”. Thank you.

**MR JAMES KAKOOZA:** Thank you, Mr Speaker, for giving me this opportunity. I would also like to seek guidance. I would like to request the Executive to look at Section 61 of the Public Finance Management Act, which states thus: *“The Minister shall - not later than 30th September, table before Parliament the estimated petroleum revenue for the financial year, which shall be based on the underlying assumptions including the projected production levels and the average price of petroleum and recommendations for the reconciliation and adjustments needed to account for any deviations so that the estimated inflows and outflows of the Petroleum Fund match the actual of the financial year.”*

We are remaining with only four days until 30th September, and we have already started the budget cycle. However, the report has not been laid on the Table. It is important for Parliament to also know how the Petroleum Fund is utilised and how it is going to be used in the budget. It is important for this House, as we move on to the next budget cycle, to know exactly what is happening with the reports on the Petroleum Fund to Parliament.

**THE DEPUTY SPEAKER:** Thank you very much. I think the point is well taken.

For the avoidance of doubt, let me actually inform the Members of what questions I was referring to, so that we do not mix them up and the ministers know their responsibilities. Item No. 18 is a question from hon. P.P. Okin Ojara, MP Chua County West. It is to the Minister of Defence and Veteran Affairs on the activities of the Uganda Peoples Defence Forces (UPDF) on 692 acres of land in his constituency. That should be processed tomorrow because it has been pending.

The next item, which is No.19, was a question raised by hon. Macho Godfrey about the women traders who were arrested on the Kenyan side of the Busia border. That is a question to the Minister of Internal Affairs, who should be able to come and brief Parliament about this matter.

Item No. 23 is a question from the honourable member for Masindi District on the roll-out of the Social Assistance Grant for Empowerment (SAGE). That is to the Ministry of Gender, Labour and Social Development and we expect a response from the minister to clear this issue, so that we do not have it pending.

We have a question from hon. Onyango Gideon, MP Samia Bugwe County South, on the procedure for SIM card registration. This is for the minister responsible for ICT, I think. Is the registration of SIM cards under the Ministry of Internal Affairs? It is the ministry responsible for ICT which is doing SIM card registration under Uganda Communications Commission and others. This should be responded to so that we clear this tomorrow. That is item No. 24 under “business to follow”.

Item No.25 is a question raised by the honourable member for Nakaseke County South, hon. Luttamaguzi, on the shortage of the hepatitis B vaccine and Septrin drugs as a result of the directive by the Ministry of Finance, Planning and Economic Development. This matter was debated and finalized; what is it still doing here? We sorted it out here. Can this be struck off the Order Paper, please, because this matter was settled.

Item No.26 is a statement by the Rt Hon. Prime Minister and Leader of Government Business and the Minister of Agriculture, Animal Industry and Fisheries on the giveaway of Government ranches in some parts of the country to investors. That should also be handled.

Under item No. 27, we have seven statements and some of them are duplicated –

1. The absence of teachers of English in schools. That should be dealt with. I think the schools were known.
2. The ongoing destruction of the forest reserve in Yumbe District. That should not delay because it is an on the spot thing and then you come and tell us what is going on.
3. Eviction of local communities from land in Nakaseke District by Maj. Mwesigwa John. That should not delay; it should be concluded tomorrow.
4. The unlawful arrest and detention of some people in Jinja District beyond the mandatory 48 hours. Is this still valid? Are they still in detention or they have already been prosecuted or released? Please, come and brief us so that we clear the Order Paper of all this other pending business.
5. Payment of gratuity to veterans of World War II. This one should also be handled tomorrow. These are short issues which should not clog our Order Paper.

The other two issues are on land grabbing in Chua County and the state of security in the country. We have handled the state of security in the country. If another matter comes in, that is different. Please, remove the statement on the state of security from the Order Paper because we dealt with it. On the issue of land-grabbing in Chua, I already said earlier that it should be handled.

If we do this, we will have finished with issues on the Order Paper and cleared ourselves, ready for business that will follow.

**THE MINISTER OF AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (Mr Vincent Ssempijja):** Mr Speaker, thank you very much. I would like to request you, through the Rt Hon. Prime Minister, that we bring the answer to the question under item No.26 - Is it a question for oral answer?

**THE DEPUTY SPEAKER:** Now it is classified as such. Which one is it?

**MR SSEMPIJJA:** Item No.26, on the ranches.

**THE DEPUTY SPEAKER:** But that issue has been there for very long; what are you still doing with it, honourable minister?

**MR SSEMPIJJA:** On Wednesday, Sir, I will be ready.

**THE DEPUTY SPEAKER:** Today is Wednesday, so proceed. *(Laughter)*

**MR SSEMPIJJA:** Next Wednesday, Sir. I beg for your indulgence. Thank you.

**THE DEPUTY SPEAKER:** Okay, we shall then schedule that for next week on Wednesday, but the rest of the items should be on the Order Paper tomorrow so that we conclude them.

**MR NANDALA-MAFABI:** Thank you, Mr Speaker. I have two issues. The first one is about our public debt. This is also an urgent matter. We request that we should discuss it because it is causing a lot of issues in the economy. We should know our debt and what effect it has on the economy. As much as they laid the report on the Table on 1st April, I suggest we get space on the Order Paper, maybe next week, and we debate it because it is a serious matter.

**THE DEPUTY SPEAKER:** How will we debate it? Would you rather move it by a motion or the minister makes a statement?

**MR NANDALA-MAFABI:** Mr Speaker, I would like to move a motion that next week on Tuesday, we debate the report of the minister on the debt -

**THE DEPUTY SPEAKER:** Honourable minister, would you like to prepare some write-up so that we come and have a one-hour debate on this issue, so that we get it out of the way? This is because Members are anxious about this thing.

**MR NANDALA-MAFABI:** That is the first issue. Again, there was something which I think has been deleted. Sometime back, there was an issue which was raised about our property abroad. The Minister of Foreign Affairs promised a report about the state of our assets abroad and he asked to be given 30 days. I have been here and the 30 days have passed - I do not know how many times - and the minister has never brought that report.

It was a directive. Therefore, Mr Speaker, we would like you to direct again that the Ministry of Foreign Affairs brings that report. I am raising this because we are losing assets abroad at a terrible rate. If we do not do it, at the end of the day Uganda will have no assets. What happens is that those houses are left to become places for thugs and those governments take them over or sometimes, even our officials collude and sell them. Therefore, I suggest that you direct the Minister of Foreign Affairs to bring the report tomorrow, which he had promised to bring in 30 days.

**THE DEPUTY SPEAKER:** Please, capture that and we see how to formalise it. Clerk, would you like to extract those minutes again in relation to this same statement and remind the Minister of Foreign Affairs to deal with it.

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr David Bahati):** Thank you, Mr Speaker. We shall prepare a statement regarding the debt situation of the country and it will be debated when we are given an opportunity on the Order Paper next week.

I just wanted to get clarification from you on item No.5 on the Order Paper - the motion for a resolution. Will it be debated tomorrow?

**THE DEPUTY SPEAKER:** Yes.

**THE FIRST DEPUTY PRIME MINISTER AND DEPUTY LEADER OF GOVERNMENT BUSINESS IN PARLIAMENT (Gen. (Rtd) Moses Ali):** This is a very important move in order to clear business on our Order Paper. However, I think it will be difficult to deal with some of these issues tomorrow since most of the ministers are not here. It would be a bit difficult to get them now and ask them to prepare. I would rather appeal that you give them until next week so that they do a good job, and we will also have time to inform them. Otherwise, it will be difficult to fulfil this instruction tomorrow. I so appeal.

**THE DEPUTY SPEAKER:** Rt Hon. Prime Minister, some of these issues are very brief; they are not like ministerial statements. They are very specific questions - Two people were killed on this day; what has happened? I propose that we deal with what we can tomorrow in the afternoon and what we cannot, we roll to next week.

**GEN. (RTD) MOSES ALI:** Most obliged.

**THE DEPUTY SPEAKER:** Okay. Honourable members, House adjourned to tomorrow at 2 o’clock.

*(The House rose at 6.47 p.m. and adjourned until Thursday, 27 September 2018 at 2.00 p.m.)*