



PARLIAMENTARY DEBATES

(HANSARD)

OFFICIAL REPORT

FIRST SESSION - THIRD MEETING

THURSDAY, 3 FEBRUARY 2022



IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

FIRST SESSION - 5TH SITTING - THIRD MEETING

Thursday, 3 February 2022

Parliament met at 2.05 p.m. in Parliament House, Kampala.

PRAYERS

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

The House was called to order.

COMMUNICATION FROM THE CHAIR

THE DEPUTY SPEAKER: Honourable members, I welcome you to today's sitting. We do appreciate the time and commitment you put in to make sure that you are in the House and representing the views of your people.

As you recall, I gave notice that Item No. 5(I) on the Order Paper is related to Item No. 7. I will amend the Order Paper to begin with Item No. 7, after Item No. 5(I), so that we can receive a statement from the minister. We will also receive a statement from the Leader of the Opposition on the same issue – that is, the fuel crisis in Uganda – and then the whole House will debate the three reports.

To Government – I do not know who is representing Government: it is hon. David Bahati – just as a reminder, there was an issue that was raised in this House about the people who are being tortured and the people who are missing.

The list was laid on the Table and we need an explanation from the Attorney-General on

the whereabouts of the missing people and on what Government is doing to have these people released. We gave you two weeks and the two weeks end on Tuesday.

Therefore, on Tuesday, we need a comprehensive report in this House on what action has been taken. We should not work like everything is normal. There are people who are being tortured. There is somebody who was tortured in Kasese. Let us have this resolved so that we may live in harmony. I, therefore, need a comprehensive report on that. Thank you.

2.10

THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (INDUSTRY) (Mr David Bahati): Madam Speaker, we will work on that report and have it presented to the House next week.

THE DEPUTY SPEAKER: I want a report plus the action taken. Let us have action. If there are people who are missing, let the relatives of these people get to know where they are. We need to coexist.

2.10

THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga): Thank you, Madam Speaker, for your kind indulgence, in particular, for acknowledging the fact that on several occasions, colleagues on this side and I have brought to the attention of this House and the country, matters pertaining to the disappearance of citizens detention without trial – including our own Members

of Parliament; hon. Ssewanyana and hon. Ssegirinya – extra-judicial killings by the state apparatus, including the latest version of all manner of torture.

Hon. Bahati is representing Government today and I am sure his statement that will come next week is in jest: it is not a serious statement –

THE DEPUTY SPEAKER: Honourable Leader of the Opposition, for your information, I personally took the initiative, yesterday and today, to call the Attorney-General. I have told them that I need them in the House and I that do not just want what is being done, but I want action.

If there are people who are missing, they should show their relatives where they are. I have asked for action. I have taken it upon myself. You may not trust hon. David Bahati, but he is going to deliver the message. I called the Attorney-General when some of you people were with me.

MR MPUUGA: Madam Speaker, I take your guidance very seriously. We had a meeting in your office in November last year with hon. Jim Muhwezi and afterwards, with hon. David Muhoozi, the Minister of State for Internal Affairs.

They were doubting the claims we were making until I tabled lists. I gave them addresses of these citizens, including contacts of their families. That was last year, Madam Speaker.

The fact that the two gentlemen – one in security and another in internal affairs – did not take that seriously, it is very clear they do not think the Speaker is very serious about the demands she made.

For me as a leader to whom people come every day to complain about the conditions of their relatives, some of whom they have not seen in two years, Madam Speaker - The Frontbench thinks that is okay.

The beauty about this, Madam Speaker – and I take your concerns very seriously – is that this

matter is not partisan. I expect every Member of this House to consider this as an affront on our civility as a people, an attempt to grab power from the people by a section of armed people in this country.

As Parliament –

THE DEPUTY SPEAKER: Honourable Leader of the Opposition, with due respect, I have guided with humility that I want a report on Tuesday. You will say everything that you would like to say, on Tuesday.

I request that we give Government the last chance. If they do not bring the report, I will allow you to -

MR MPUUGA: Madam Speaker, the beauty is that this is the Parliament and I have said it severally that we are the last firewall between the rights of the citizens and an eternally criminal state, especially the one we have today.

If you interviewed Member by Member, including those timid to speak out, they will tell you that we have given these people a lot of time; they are taking us for granted. With due respect, after the pictures of humiliated and tortured citizens, it takes the indulgence of the Speaker to demand for them to come and make a statement. Are we dealing with serious leaders? This is unacceptable.

The appeal of the Speaker for us to give them up to Tuesday is understandable, but between now and Tuesday, we shall have a death, a disappearance and a humiliation.

I beg for your indulgence, as the head of this House, today to move with the people that are suffering and have this House suspended until they are able to come and coherently deal with this matter.

The Order Paper is full of very serious matters for our business on behalf of our people. What about fuel prices in the face of death; the economy in the face of humiliation? What about energy in the face of disappearances?

This House should enjoin the cries of the people and reject any overtures by the Executive to give them time. I seek your indulgence for the very last time that you invoke the rules and suspend this House, which is why you do not have, on the front bench today, a single senior minister. The Ministry of Defence and Veteran Affairs has three ministers. The Ministry of Internal Affairs has two; there is no Prime Minister; no Deputy Prime Minister; and no Government Chief Whip.

THE DEPUTY SPEAKER: Honourable Leader of the Opposition, I do not understand when you say there is no senior minister – when you start heckling – you have not even got a ruling to what the Leader of the Opposition is asking for – and you are heckling? That is not called for.

Leader of the Opposition, if you feel that you cannot wait for Tuesday – as I have requested – as we look into the issues of fuel that are affecting everybody – On Tuesday, that should come as the first item for us to discuss because while today it is happening on one side, tomorrow it will be on another person.

Therefore, I am really begging that because we have a crucial matter on fuel issues happening in the country, let us discuss it because I need your input as an alternative Government – the one making noise, I will get you out of this House. Let us discuss the fuel matter today and Tuesday and on this, I can give you guarantee, if nothing takes place, we will wait for it to take place; we will wait for a report to be discussed by this House on the issue of our people who are missing. If you are in agreement with me, let us first discuss issues around fuel prices today and have the matter of missing persons discussed as the first item on Tuesday.

MR MPUUGA: I have been with you through and through this matter, which is why today, I must come to your defence and protect you from this attack from the Executive because for all your indulgence, they are unmoved.

Apparently, they are waiting for the House to move with you and support you. I am here

today to support you and your endeavours and reject any further Government actions until this matter is properly and finally addressed, Madam Speaker.

I am very sure that if you announced this House is suspended until proper action is taken, your Members from all sides of the House are going to support you.

I am waiting for a Member from this side to rise and say that we can wait until another person is killed; that we debate other issues until another person is disabled or until his nails are plucked out by people who are supposed to protect them.

Madam Speaker, the citizens are tortured by soldiers from the Special Forces Command and/or by the military at Mbuya and we are here saying that we conduct fuel business?

Madam Speaker, with due respect –

THE DEPUTY SPEAKER: Honourable Leader of the Opposition, let us reach a middle ground. Instead of talking about this thing without anything written, go and prepare a motion in respect to that then you come and present it. We will debate it and make resolutions to that effect. I have set you free now.

MR MPUUGA: Madam Speaker, your guidance is most appreciated. The actions and statements I made are, in part, to protest inaction, collusion, tacit and direct abuse by the State and its actors and I am moving to be your bidding –

THE DEPUTY SPEAKER: Leader of the Opposition, go and put that in your motion. The anger is too much.

MR MPUUGA: The anger is understandable and I will not put it in the motion, but I would like these people to understand that enough is enough. (*Applause*) I will return to the House in two weeks, as a protest, with the motion. Thank you.

(Thereupon the members of the Opposition exited the Chamber.)

THE DEPUTY SPEAKER: So, I will wait for you in two weeks with your motion. Good luck.

BILLS FIRST READING

THE PUBLIC HEALTH (AMENDMENT) BILL, 2021

2.24

THE STATE MINISTER FOR TRADE, INDUSTRY AND COOPERATIVES (Industry) (Mr David Bahati): Madam Speaker, on behalf of the Minister for Health, I beg to move that the Bill entitled, “The Public Health (Amendment) Bill, 2021” be read for the first time.

THE DEPUTY SPEAKER: Please, lay the Certificate of Financial Implications.

MR BAHATI: It is accompanied by the Certificate of Financial Implication.

THE DEPUTY SPEAKER: This Bill stands referred to the Standing Committee on Health and in accordance with Rule 129 of the Rules of Procedure.

MR MACHO: Madam Speaker, I rise on a point of procedure. The Parliament of the Republic of Uganda is an august House where I believe leaders should have legislative battles. It is not the first time for Governments in Africa and in Uganda to have issues of this kind.

It surprises me, as a leader who was elected to come and speak on behalf of my people, for good or bad, when issues in the Republic of Uganda of such a kind happen, we decide, as legislators, to walk out in protest than have issues spoken in the House because this is the temple of legislation.

I, therefore, say that I do not think we are proceeding well as leaders of this country

when we move in such a way. When 10 things happen in a year, we shall move out 10 times. When shall we solve problems?

This brings me to a question, Madam Speaker, on whether Uganda is mature for multiparty democracy and whether Uganda is ready to champion the growth of multipartism in this country. I, therefore, see a lot is lacking.

Lastly, Madam Speaker, I think there is a deliberate move by the Executive to trap Parliament because in the last Parliament, hon. Bahati was a habitual representative of the Ministry of Finance. We have come back in the 11th Parliament. The name Bahati - again it is the same person - and this time with the honourable State Minister for Finance are now habitual visitors in the august House.

I believe that the purpose of the President to elect a big number of prime ministers, and also to have full ministers and their deputies, is to make sure that there is total representation of Government. These things are arising in this country because the Executive have abandoned their dockets and left us legislators to do their work.

Therefore, Madam Speaker, I do not know whether we are proceeding well when issues that pertain to ministers are raised and they are always away. I do not know when I last saw all the prime ministers in this House. I do not know when I last saw half of Cabinet in this House. This is challenging and it brings tears to the taxpayers of this country. I think the big Cabinet is simply a burden and it is making Government look like a failure.

Therefore, as I summarise my point of procedure, the Executive should release hon. Bahati because he has turned into a punching bag. Good, bad, left, right; hon. Bahati. Hon. Bahati needs to rest as a leader.

If they had known that hon. Bahati will be always coming to represent her, he would be the Prime Minister of this country. I rest my case, Madam Speaker. *(Laughter)*

THE DEPUTY SPEAKER: Thank you. Honourable members, I have issues of national importance, but I do not see any of the ministers to address these issues. Just like hon. Macho said, hon. Bahati answers everything. I am going to forward these issues to the Government Chief Whip to make sure that he whips the ministers to be in the House.

When a Member is raising an issue of national importance, the minister should be there to respond himself, other than saying, “I am recording and then I will bring feedback”.

2.29

MR SOLOMON SILWANY (NRM, Bukooli County Central, Bugiri): Thank you, Madam Speaker. Whereas all of us, as Members of Parliament, stand against torture in this country and mistreatment of any Ugandan, I strongly condemn the act of Members of Parliament walking out.

The only platform that a Member of Parliament has is here. This is where you are supposed to table your issues. This is where you are supposed to bring all the challenges that are happening in the country. If we just leave this to go without condemning it, Madam Speaker, it will be unfortunate.

So, I stand to condemn it. If you have a challenge, bring it here because we have several issues in this country that are affecting our population and our people; for example, the issue of torture and abuse of human rights.

Madam Speaker, you rightly ruled that Government returns on Tuesday to give a statement. It was wrong for the Members on the other side to walk out because now, where have they gone to debate from? Are they going to debate from Nasser Road? Issues should be presented here in the national Parliament and everybody knows.

So, Madam Speaker, in future, we should not proceed like this because tomorrow, if you have a challenge on fuel, you walk out. The next day, if you have another problem, you walk out. I think we should sit here and not run

away from our problems. We should sit here, debate our problems and then conclude them in the House.

THE DEPUTY SPEAKER: Hon. Silwany, unfortunately, we do not have control over the Members who have walked out. It is their decision to walk out. This is a place where we should discuss issues and resolve them. I gave them a solution; they did not respect it. So, let us continue. I mean, we are representatives of the people.

The worst thing I would have done as a Speaker is to suspend the House. However, I will not do that. *(Applause)* why should I adjourn the House, after I have given you a solution? Never! I had a solution that the report is coming on Tuesday. Action is being taken on those people. So, let us move on. *(Applause)*

2.31

MS NORAH BIGIRWA (NRM, Woman Representative, Buliisa): Madam Speaker, I rise on Rule 218(2). As you may recall, during the House proceedings held on 26 October 2021, Hon. Martin Ojara Mapenduzi tabled a motion for a resolution of Parliament, urging Government to sign and ratify the treaty on the prohibition of nuclear weapons, which was referred to the Committee on Foreign Affairs for scrutiny within 45 days, in accordance with rule 218(1) of the Rules of Procedure.

The committee has since been meeting various stakeholders to dispose of the matter and still waits to receive views –

THE DEPUTY SPEAKER: Members, it is free sitting. There is a lot of space this side; do not squeeze yourselves - free sitting. Hon. Macho is the “Leader of the Opposition.” *(Laughter)*

MS BIGIRWA: Madam Speaker, if you may allow me to continue. *(Laughter)* The committee has since been meeting with various stakeholders to dispose of the matter and still awaits receiving views from the critical Government institutions on the same.

In accordance with rule 218(2) of the Rules of Procedure, Madam Speaker, I rise, therefore, to request you to grant extra time to the committee to enable it conclude on the assignment. I beg to submit, Madam Speaker.

THE DEPUTY SPEAKER: How much time do you want?

MS BIGIRWA: Madam Speaker, if you may allow, three weeks would do because right now, the most critical ministries have not been dealt with, yet their input is very critical, if we will have to have a report on this matter. Thank you very much.

THE DEPUTY SPEAKER: We will give you three weeks to bring a report to the House. We need that Bill.

MS BIGIRWA: Most obliged, Madam Speaker.

THE DEPUTY SPEAKER: Thank you.

2.33

DR EMMANUEL OTAALA (NRM, West Budama County South, Tororo): Madam Speaker, I am also rising in accordance with rule 141(2) of the Rules of Procedure of this Parliament that requires the Committee on Environment and Natural Resources to request for time, to enable it process the Mining and Minerals Bill.

Madam Speaker, as you may recall, the Minister of Energy and Mineral Development, between 5 October 2021 and 27 January 2022, sponsored three very important Bills as follows:

1. The East African Crude Oil Pipeline Bill that this honourable august House passed into an Act and has been assented to.
2. The Mining and Minerals Bill that was presented to this House on 18 November and is still before my committee for scrutiny; and

3. The Electricity (Amendment) Bill that was presented before this House on 27 January 2022.

We have started processing this Bill as well.

Madam Speaker, due to the heavy committee schedule between November and January, including the scrutiny of the National Budget Framework Paper, my committee has not been able to report back on the Mining and Minerals Bill within the stipulated time.

Right now, the Ministry of Energy and Mineral Development, that is sponsoring all these Bills, is prioritising the amendment of the Electricity Bill, 2022. Therefore, I beg for your guidance that my committee has two Bills before it, but the sponsoring ministry is prioritising a Bill that was presented later.

For that matter, in view of the fact that very soon, we shall be entering the budgeting cycle that will again require my committee to scrutinise the ministerial policy statements and process the budget for two ministries and the five agencies, I therefore, request that this august House gives us 90 days within which to process the Mining and Minerals Bill. I beg to request. Thank you.

THE DEPUTY SPEAKER: Chairman, I am giving you three weeks to have the report in this House. *(Laughter)* We cannot afford to rely on one thing that we give you 90 days; we are giving you three weeks.

DR OTAALA: Most obliged. And for that matter, I will proceed as guided, Madam Speaker. Thank you.

2.38

MR ROBERT KASOLO (NRM, Iki-Iki County, Budaka): Thank you, Madam Speaker. I also rise to request for more time to consider the Physical Planners' Registration Bill, 2021. On 29 September 2021, the Physical Planners' Registration Bill, 2021 was read for the first time and referred to the Committee on Physical Infrastructure for consideration.

On the same date, the Landlord and Tenant Bill, 2021 was also read for the first time and referred to the committee for consideration. The committee decided to begin with the latter Bill. Along the way, Parliament granted the committee more days to consider the said Bill which was passed this week on Tuesday, 1 February 2022.

The committee has embarked on the consideration of the Physical Planners' Registration Bill, 2021 and requests for three more weeks in order to finish the task and present its report for consideration. I beg to submit this request.

THE DEPUTY SPEAKER: Clerk, mark when the three weeks end.

MR KASOLO: Most obliged, Madam Speaker.

THE DEPUTY SPEAKER: (*A Member rose*) My issue with matters of national importance - At least I know all the issues that are being raised – is that the ministers are not around. I have these issues of national importance, but no minister is here; (*Interjection*) there is no line minister.

2.40

THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (TRADE) (Mr David Bahati): Madam Speaker, this is to let you know that we have the Minister of Finance, the Minister of Gender, Labour and Social Development, the Minister of Public Service, the Minister of Tourism, the Minister for the Presidency and the Minister of Trade. If there are any issues along that line, we can attend to them.

THE DEPUTY SPEAKER: On tourism, raise it.

2.41

MR SOLOMON SILWANY (NRM, Bukooli Central County, Bugiri): Madam Speaker, I thank you and I rise on a matter of national importance. My matter of national importance regards the many fires that have gutted forests and properties belonging to Ugandans.

Fires, believed to have started from national parks that are managed by the Uganda Wildlife Authority have ended up destroying properties worth millions of shillings including crops, the very animals that they protect, businesses, and lodges, among others. Ugandans are losing a lot of money and property.

This is because the Uganda Wildlife Authority has failed to create the buffer areas as required to prevent such fires from spreading while they are bush-burning, and this causes the destruction. In the recent past, three lodges around the country have been burnt. In fact, the UPDF barracks at Queen Elizabeth National Park was saved by soldiers before it was gutted.

While the Uganda Wildlife Act provides for compensation for injury or damage caused by wild animals, our Constitution, under Article 26, provides for the right to own property either individually or in association with others. This Article further makes provision for prompt payment of fair and adequate compensation for property that has been destroyed.

It is common knowledge that most business-owners, especially in this time of COVID-19, are operating on hefty loans. However, right now when their properties get destroyed, the Uganda Wildlife Authority pays a deaf ear. They failed to control the fires in the parks and also to give adequate compensation, and I have several petitions. After my prayers, you will allow me to lay the petitions.

My prayer is that can the Minister of Tourism, Wildlife and Antiquities explain to this House the plans Uganda Wildlife Authority has in place for those people whose properties have been destroyed by fires started by the Uganda Wildlife Authority?

I have here several petitions by several people; I have a document from Kyambura Parish signed by 100 members of the population. Kyambura Parish is in Rubirizi District. They brought me this document. I beg to lay.

THE DEPUTY SPEAKER: Hon. Silwany, a petition should come formally. Prepare and

bring a petition to the House as per the rules. However, you can finish your prayers.

MR SILWANY: Much obliged, Madam Speaker. I thought I would lay the documents as evidence because the petitioners brought me the documents. But since you have guided, I will follow your guidance.

I, therefore, request the minister in charge of wildlife to come and explain because people are in pain, have lost properties, have been injured and nothing is being done. These communities are all over the country; from the areas of Pakwach, western Uganda, eastern Uganda and all the areas that surround the game parks are affected. It does not only affect one district, but the whole country.

THE DEPUTY SPEAKER: Actually the most recent hotel that was burnt was the one of hon. Kateshumbwa and I am not sure if you are waiting for him to take you to court before you call him to talk. None of you has ever called the Member - he is your colleague. Instead of calling your fellow Member and saying, "This unfortunate incident has happened, can we talk?" You have not.

MR SILWANY: Madam Speaker, allow me to take information from hon. Aber. She comes from an area near the game parks.

THE DEPUTY SPEAKER: Yes, hon. Aber.

MS ABER: Thank you, Hon. Silwany, for giving way. The issue of massive destruction of property by the wildlife is now a very serious one. Madam Speaker, some time back in this House, I raised a matter of national importance about an area in Kitgum District, Orom Subcounty, where the elephants are destroying people's crops and houses. Up to now, nothing has been done.

This area not only suffers from the issue of the elephants. There is also cattle raiding. The areas of Orom, Namukora, Omia-Nyima have never seen the peace we are talking about in this country.

Madam Speaker, I seek your advice and ask the honourable minister to give us a way forward. If the elephants are more important than the lives of human beings, then we may need to find a way of dealing with the elephants. If the community begins slaughtering these elephants, they will be arrested; so, what should they do?

We need the honourable minister to come up with a clear strategy and provide an answer to this issue. It is not pleasant to come and stand here and every time, raise matters of national importance on the same issues, yet no action is taken. We need to value the lives of Ugandans and their property. Thank you.

2.47

THE MINISTER OF STATE FOR TOURISM, WILDLIFE AND ANTIQUITIES (Mr Martin Mugarra):

Thank you, Madam Speaker. I would like to thank Hon. Solomon Silwany and Hon. Lillian Aber for raising these issues. Indeed, they are pertinent. On the issue raised by Hon. Solomon, I know it and I have been engaging Hon. Kateshumbwa. Investigations are still going on with UWA to come up with a concrete report from which we can act, either side, depending on who could have probably started the fire.

Of course, he raised other issues, Madam Speaker and you duly guided. I do not have the rest of the information. When he furnishes us with the petition, then we can verify the information and probably, respond adequately.

On the issue raised by hon. Aber, I think you guided, Madam Speaker. Last year, we moved across this country, gathered a lot of evidence and I came to you. We have the report ready to present before Parliament on what we think should be done to solve the human-wildlife conflict once and for all. We have it ready and whenever we have time, we can present it before the House. Thank you.

THE DEPUTY SPEAKER: Clerk, get that report. Honourable minister, you will give us a report on the burnings because that was the gist of the whole discussion.

MR SILWANY: Madam Speaker, I would like to seek clarification from the honourable minister. I am not talking about an individual; I am talking about something that is happening all over the country in areas around the game parks. Several people have been coming to UWA with complaints, but UWA gives them a deaf ear.

Therefore, honourable minister, I would like you to give us an answer. What does UWA plan to do for these other Ugandans? There are Ugandans who cannot even come here to talk; they are down there and we are their voices. They are bringing petitions and are waiting for the Solomons of today, who are talking for them. Honourable minister, what is the plan to compensate, including what all other Members are saying? When?

MS NAMUKUTA: Further clarification. I would like to thank you, Madam Speaker. I seek clarification from the honourable minister because the point hon. Aber has also affected my area.

In my area is a swamp called Lumbuye. There are several hippopotamuses that come to eat people's plants. The hippopotamuses have destroyed all the crops. At some point, I contacted UWA and they only helped by coming to shoot -

THE DEPUTY SPEAKER: Hon. Cecilia, can you have a seat? Your issue is on the Order Paper.

MS NAMUKUTA: They came and shot bullets to scare the animals. However, up to now, nothing has been done, yet people's crops are being destroyed in this tough period of drought. Thank you.

THE DEPUTY SPEAKER: Honourable members, a report is to be brought. Madam Ikiror, put the report on the issue of wildlife on the Order Paper for Tuesday so that we can debate this issue exhaustively. Can we have Aleper?

MR MOSES ALEPER (NRM, Chekwii County (Kadam), Nakapiripirit): Thank you, Madam Speaker for this opportunity. I would like to address a serious concern affecting a section of Uganda Peoples' Defence Forces (UPDF) soldiers, including those hailing from my constituency.

In September 2020, UPDF contingent codenamed Uganda Battle Group (UGABAG-30) was dispatched for duty in Somalia, under the AMISOM Peacekeeping Mission. The assignment ended in October 2021 and the team returned to the country.

The concern is that since the completion of their assignment in 2021, the contingent has not received their emoluments for that assignment, which is normally done a month after they return from assignment.

You will also note that the media has been awash with the news that this money has been "eaten" and no explanation whatsoever has been afforded to the victims and the country at large.

My prayer is that the Minister of Defence and Veteran Affairs or the UPDF should afford a very comprehensive explanation on this matter because citizens of this country are bleeding and making noise about it.

Another prayer is that the affected persons should be paid their money within this month since they have waited for too long. We know that this money is normally availed immediately after the assignment is over.

Lastly, where possible, a select committee of Parliament should be instituted to investigate the matter and bring the report to Parliament within a month. The reason is to avoid future occurrences, which will affect the core of the security of this country. I beg to move. Thank you.

2.53

THE MINISTER OF STATE FOR DEFENCE AND VETERAN AFFAIRS (VETERAN AFFAIRS) (Ms Huda Oleru):

Thank you. I have heard the concerns of the Member who has raised the issues. I know he has raised three prayers. Give us some few days and we will bring a comprehensive report to answer the prayers he is looking for. Thank you.

2.53

MR ACROBERT KIIZA (Independent, Bughendera County, Bundibugyo): Thank you, Madam Speaker, for giving me this opportunity -

THE DEPUTY SPEAKER: Members, I would like you to come in big numbers on Tuesday because we are handling the Succession Bill. We will continue with Bills whether Members are there or not. *(Applause)*

MR ACROBERT KIIZA: Madam Speaker, I rise on a matter of national importance concerning the rampant tree cutting and security threats on the mountain slopes of Rwenzori, specifically in Bughendera, Bundibugyo District.

You are aware that Bughendera – and Rwenzori region – is prone to floods and all sorts of problems. In 2020, we lost 17 people as a result of floods. In 1997, we lost over 1,000 people as a result of ADF culminating from the bad terrain in the area.

Madam Speaker, tree cutting is rampant up to now, as I speak. These tree cutters claim to have “orders from above” and they underrate the local councils I, II and III. They are untouchable. I wonder where these orders come from.

To make matters worse, these tree cutters are suspected to be collaborators of ADF for they do not report any ADF infiltration. Madam Speaker, on 4 January 2022, I personally rose and mobilised the local councils and GISOs and we had a meeting. From the meeting, we got a series of reports regarding ADF infiltration -

THE DEPUTY SPEAKER: Hon. Acrobert, what are your prayers? Do not tell us the stories.

MR ACROBERT KIIZA: Madam Speaker, let me get to the point. *(Laughter)* The urgent matter is that even yesterday – Members, give me audience -

THE DEPUTY SPEAKER: What are your prayers?

MR ACROBERT KIIZA: Madam Speaker, the problem is escalating. Yesterday, the ADF attacked the border –

THE DEPUTY SPEAKER: Okay, what do you want this House to do?

MR ACROBERT KIIZA: Okay, the prayers now, Madam Speaker, are that:

1. The ministry responsible for environment should intervene to stop these tree cutters immediately.
2. The ministry for security should investigate these tree cutters since we do not trust them now because they cannot report the problem of infiltration.
3. The Uganda Wildlife Authority (UWA), in collaboration with the UPDF and civilian guides, should comb the mountain slopes and divides of Rwenzori Mountain, especially in Bughendera, since they border the DRC.

I beg to submit, Madam Speaker.

THE DEPUTY SPEAKER: Thank you. Government Chief Whip? Now, this is where we get problems. Why don't we have ministers in this House? This is an inside talk: why do you make us look ugly? When the Opposition raises the issue of ministers not being in the House, they say it is a problem. Now, this is an inside talk; we have 83 ministers, but we do not even have 15 here. There are no senior ministers here. You are going to make us look ugly in this House.

3.00

THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (INDUSTRY) (Mr David Bahati):

Madam Speaker, as we have promised in the past, we will improve this situation. As we speak, one of the deputy prime ministers is on the way. We will ensure that beginning next week, at least we will have a representative of the ministry. However, I would also like to let you know that the Cabinet Minister of Trade, Industry and Cooperatives is here. We will ensure that this matter of environment is attended to and a report – *(Interruption)*

3.02

THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (TRADE) (Ms Harriet Ntabazi):

Thank you very much, my colleague, for giving way. Thank you, Madam Speaker.

The issue that has been raised by my colleague, the Member of Parliament for Bughendera County, is very pertinent. I happen to be a leader from that area. The issue that is being raised here has been raised at several levels and steps have been taken. Of course, the speed at which Government works may not be the speed at which Members of Parliament would want it to.

There is a step already being taken. Yesterday, there was an attack by the ADF in a place called Nziapande, neighbouring Lamia Border – Busunga. I immediately raised the issue with the CDF and the Minister of Defence and Veteran Affairs and a team of soldiers and all the weapons have already reached the site.

Therefore, our soldiers are there, but maybe you cannot control up to inside, where there is another government. That is the only challenge. If we could control Congo as well, we would be very safe, but we cannot control Congo because it is another country, with another government. That is the only challenge. Nonetheless, the Ugandan borders, right from Congo to the other borders of Elegu and wherever, are very safe. Thank you.

THE DEPUTY SPEAKER: We need the minister responsible for that sector to come up with a report. As usual, the minister may be covering a situation, but we need the minister responsible to come up with a report.

Honourable members, for the first time - I am forced - I am going to write to the President and ask him whether he appointed his ministers only to attend Cabinet meetings, and whether it is his instruction that the ministers should not come to the House. I am writing that letter today. *(Applause)*

3.04

MR EDDIE KWIZERA (NRM, Bukimbiri County, Kisoro):

Madam Speaker, thank you very much. I have two issues of national importance to raise; one is on the appointment of accounting officers and the other is on rationalisation of Government.

Madam Speaker, the Minister of Public Service has issued circulars to Government agencies that there should be no more recruitment or filling of positions for those who have retired, yet the minister knows that Parliament appropriates funds for those very officers, who are all in the post.

Therefore, bearing in mind that we are going to have ministerial policy statements, and knowing that we must emphasise service delivery, why should the minister anticipate rationalisation of Government without him coming here to repeal some laws? Instead of repealing laws and abolishing those positions, the minister is acting under circulars.

My question is that when will rationalisation take place and what should Parliament know? Madam Speaker, I beg to submit.

THE DEPUTY SPEAKER: First, I need clarification: did you talk about officers who are about to retire?

MR EDDIE KWIZERA: Even those who have retired cannot be replaced. There are vacant positions in Ministries, Departments and Agencies (MDAs). The minister has

stopped recruitment into vacant positions in all MDAs, which is contrary to different Acts of Parliament.

My second issue is about appointment of accounting officers. Under Articles 164 and 175 of the Constitution and Section 45 of the Public Finance Management Act, a ministry is supposed to have a permanent secretary to whom Parliament allocates funds to use in a ministry. However, it is now the practice of the Ministry of Finance, Planning and Economic Development to selectively appoint some of their officers, who are not permanent secretaries, to the level of permanent secretaries. This has resulted into management problems in the different ministries like the Ministry of Energy and Mineral Development, the Ministry of Internal Affairs as well as the Ministry of Defence and Veteran Affairs.

Madam Speaker, we should recall that to avoid tempting permanent secretaries into being corrupt, the President of Uganda issued an instruction that each permanent secretary should earn a salary of Shs 15.4 million, although that is also questionable because a permanent secretary is now earning more than the minister, who earns Shs 11.4 million.

Anyhow, now the Undersecretary who has been appointed as or assigned accounting officer duties is earning like an undersecretary, who is not earning like a permanent secretary. This is breeding corruption in those ministries.

Therefore, may I know why some permanent secretaries are not accounting officers while others are? This is contrary to Article 21 of the Constitution, which states that permanent secretaries are equal before the law.

Further, may I be informed why and what are the qualifications for one to be appointed permanent secretary to be an accounting officer while another is not? I thank you.

THE DEPUTY SPEAKER: Thank you. Minister of Public Service?

3.08

THE MINISTER OF STATE FOR PUBLIC SERVICE (Ms Mary Mugasa):

Thank you very much, Madam Speaker, for this opportunity. I would like to thank the honourable Member for raising this pertinent issue.

First of all, I would like to assure Members that the Ministry of Public Service is in advanced stages of rationalisation. We are about to produce a Cabinet Paper with 54 agencies on it. We will give you information when it is approved by Cabinet.

On the issue of why other permanent secretaries are not accounting officers, I would like to say that at the moment, we are in the process of standardising and harmonising salaries and structures. I beg that you give us some more time because we are about to finalise this, together with the Cabinet Paper and we will give you reports.

I beg to submit.

3.09

MR NATHAN BYANYIMA (NRM, Bukanga North County, Isingiro): Thank you, Madam Speaker. It is true that you gave us an assignment to ensure that we look into issues about rationalisation, mergers and mainstreaming; it has not been easy.

We have done a job whose report we will soon bring to this House. However, the issue is that the Ministry of Public Service has gone an extra mile to intimidate all the agencies. They are not given time even to discuss with them any issue. This is an issue we have found out. As for some of the agencies we invite to our committee, their bosses and ministers keep telling them, “do not appear in the committee.” Some of them come behind to attend because they are scared and as you know, it is not easy.

To cut the long story short, we have done the job and next week, we shall meet some of the local government officials and get their views, especially the Chairperson LCV, Chief Administrative Officers and many others upcountry.

Otherwise, Madam Speaker, I would like to inform you that the Ministry of Public Service has not been fair to some of these agencies. They come and lecture to them about the structure that is coming up and tell them thus: “You will not come back; you have to find a job somewhere else.”

And so, most of our people do not have the morale to work, yet it took Government very many years to create these agencies. It cannot take you few months to destroy them. We cannot go backward. All the same, I am happy we are soon reporting to you. I thank you.

THE DEPUTY SPEAKER: Thank you. Honourable minister, most of these institutions were formed by an Act of Parliament. I do not think that you should start acting in anticipation: by saying so and so’s contract should not be renewed and they should not recruit.

You have been singing of your report going to Cabinet. For your information, our committee report is ready and I have a copy. I do not know where you people get the powers from. There is a lot of impunity in this country. Where do you get the powers to tell an institution not to appear before a committee of Parliament? I would like to tell you that it is only Parliament that makes decisions for this country. Whether good or bad, it is Parliament –(*Applause*)- you are not going to come up with a decision from Cabinet and impose it on us.

Therefore, do not intimidate these institutions. We want the institutions to work efficiently, but before you present your paper, you are already saying A, B, C and D.

Part of the problem we had in the House was from your office. We agreed with the Attorney-General to send you to the House early and respond to these people’s issues and give them an explanation on how far – you came when the “guys” had walked out. You “guys” in Attorney-General’s Office help us; we need a report on what is happening.

I am only giving you this information because I have seen you going. You came when there

was circus here and now you are going back peacefully. We still have an issue that concerns you here. Therefore, stay. (*Laughter*)

MR MACHO: Madam Speaker, I would like to thank you for the guidance concerning an issue in the Ministry of Public Service.

I rose on a point of clarification. True, we want to appreciate that through your wise guidance, you set up an Ad hoc committee.

Madam Speaker, the minister is running - however, through your wise guidance, you set up an Ad hoc committee. The chairperson - hon. Byanyima, one of the quality leaders from western Uganda - had submitted that they are almost finalising with the report.

When the minister came here, through her submission, she said that as Public Service, they had already started working on the reforms and they are soon tabling them before Parliament. In the last Parliament, we had these issues that brought conflict between the Executive and the Legislature.

Therefore, I would like to get clarification from the minister on whether the Minister of Public Service is undermining the authority of the mighty Speaker in the Chair who directed that a report should be brought before the House?

This is not the first time. The same was done by the Ministry of Education that went ahead and abolished teachers’ colleges through the National Teacher’s Policy, yet it had come on the Floor and you, Madam Speaker, had directed that you had started to organise to see how to implement. That has not gone through the Parliament.

There is an intended plan, that is why I am not shocked that my brother, the Deputy Attorney-General, was smuggling himself out of the ministers undermining the august House. I keep telling them that Government should work together as one – the Executive and the Legislature should be one. The Executive must know that the Legislature is a stakeholder in the leadership of this country and we are partners

together, we are not porters. Do not do things and come to impose them on us.

I, therefore, want the minister to clarify whether her office undermines the authority of the Speaker of the Republic of Uganda. Thank you.

THE DEPUTY SPEAKER: Of course, you should know that we shall not accept to be being undermined. As Parliament, we will not accept to be undermined. But what we need to do is to co-exist; to work together. Minister, if you are saying that your report is ready, bring it. We are sending our report to the President, so, we would see how to harmonise.

THE MINISTER OF STATE FOR PUBLIC SERVICE (Ms Mary Mugasa): Madam Speaker, with due respect, the Executive is not undermining the Legislature. However, each is contributing to nation building. We indeed intend to work together. There is no animosity between the Executive and the Legislature because we are serving the same person.

I would like to categorically state that the Ministry of Public Service has never intimidated agencies from meeting with the committee. We were also invited to meet with the committee and we submitted our reports.

Therefore, we cannot go behind and begin intimidating other members not to meet the committee because it was legally formed by the Speaker.

The Ministry of Public Service is implementing a Cabinet directive. There is no way we can stop implementing a Cabinet directive as Ministry of Public Service. That would be insubordination.

However, I would like to agree that let the committee submit the report to the President as we also submit our report to the same authority. I think there is no animosity between us. We shall harmonise it.

THE DEPUTY SPEAKER: There is something you have not addressed on the

accounting officers. Can you handle the issue of accounting officers?

3.18

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi): Madam Speaker, I would like to address the issue of who should be an accounting officer.

It is true, Article 164 of the Constitution says that a permanent secretary or an accounting officer in charge of a ministry or department shall be accountable to Parliament. And when it comes to the Public Finance Management Act, section 45(6) is explicit that an accounting officer may delegate a function or responsibility of an accounting officer specified in this Act to a public officer under the control of the accounting officer.

Therefore, whereas the law envisages that a permanent secretary must be the accounting officer, it is not always that they must be. There is where Permanent Secretaries prefer to —(*Interruption*)

MR EDDIE KWIZERA: Thank you very much for giving way. If you read the Constitution, Article 174 on the powers and functions of the permanent secretary, (d) says that one of the functions is the responsibility for proper expenditure of the public funds given to the ministry.

If the permanent secretary is supposed to be responsible for expenditure, then how do you appoint the undersecretary within that ministry, yet you know that decision-making is causing a problem - that there is an institutional conflict? Why are you creating that conflict? Read Article 174(d). If we want, the Attorney-General can have proper interpretation of the law.

MR MUSASIZI: Madam Speaker, the issue I was trying to address is that the law allows permanent secretaries to delegate the function of accounting officer to another officer within the ministry. That is what I would like to make explicit.

MR KWIZERA: Madam Speaker, we want the minister to refer to that law that allows the permanent secretary to delegate.

THE DEPUTY SPEAKER: Hon. Kwizera, what was your issue?

MR EDDIE KWIZERA: Madam Speaker, the appointment of permanent secretaries under 164 and 174 explains their mandate, one of which is to be charged with the expenditures in the ministries.

However, the Ministry of Finance, Planning and Economic Development goes on to appoint undersecretaries even without the knowledge and authorisation of the permanent secretaries. It has created conflict.

So, why can't the ministry of finance tell this House who qualifies and why should the permanent secretary in the ministry of agriculture be an accounting officer and that of energy cannot be, yet they are all appointed and charged with the responsibility of decision making on human and financial resources of the ministry?

THE DEPUTY SPEAKER: You are looking at a situation where an undersecretary is the accounting officer and not the permanent secretary. When you look at Article 174, (1) *"Subject to the provision of this Constitution, the ministry or department of the Government of Uganda shall be under the supervision of the Permanent Secretary whose office shall be a public office."*

- (2) *A Permanent Secretary shall be appointed by the President, acting in accordance with the advice of Public Service Commission.*
- (3) *The functions of a Permanent Secretary under this Article include ...*" what he is saying in part (d).

The issue he is raising is, how can you have an undersecretary like in the Ministry of Energy and Mineral Development, the Ministry of Internal Affairs and the Ministry of Defence and Veteran Affairs where you have an

undersecretary being an accounting officer? Have you failed to find out who gave them powers to be accounting officers?

MR EDDIE KWIZERA: Under section 45 of the Public Finance Management Act, although they give the ST power to appoint accounting officers, there is no undersecretary who should be a vote manager – an accounting officer – where there is a Permanent Secretary unless the other one is disqualified that he is not supposed to be – or he is blacklisted by either the PPDA or the Auditor-General.

THE DEPUTY SPEAKER: This is something that should be looked at. We may not have an answer now. Maybe there is a reason that was done. So, Minister of Finance, find out what could have happened and then report back.

MR MUSASIZI: Madam Speaker, when we were enacting the Public Finance Management Act, we envisaged a situation – that time, if I remember properly, the Ministry of Energy had a Permanent Secretary who preferred not to be an accounting officer.

Also, in the Ministry of Finance, we had a Permanent Secretary - and even now - who preferred to delegate functions of the accounting officer to another office. And so are other ministries, like hon. Eddie Kwizera said.

How can we give this protection of the law? That is how we introduced, under section 45 of the Public Finance Management Act subsection (vi) to give the accounting officer the leeway to delegate this function; unless hon. Kwizera wants to say that it is wrong to delegate, we would come back to the law and amend. Otherwise, as it is now, the law allows the Permanent Secretary to delegate the functions of the accounting officer to somebody else within the ministry.

THE DEPUTY SPEAKER: When you look at section 45(vi), *"An accounting officer may delegate the function or responsibility of accounting officer specified in this Act to a public officer under the control of the accounting officer."*

The undersecretary is under the control of the accounting officer. It still goes ahead under subsection (vii), *“Where an accounting officer delegates a function or responsibility under this subsection (vi) the accounting officer shall give directives as may be necessary to ensure the proper exercise or performance of the function of responsibility.”*

MR EDDIE KWIZERA: Madam Speaker, the Minister of Finance, Planning and Economic Development said that they did it because of the Ministry of Finance - I would like to inform him that the Permanent Secretary/Secretary to Treasury, in a normal management service, is called “chief accounting officer”. So there is no way he can appoint himself because he is the one who appoints other accounting officers.

Secondly, an accounting officer is supposed to manage one vote, not two votes. So, if there is a treasury vote and there is A Ministry of Finance Vote, it cannot be managed by one person; that is why he delegated it to the undersecretary.

I would like to put you on notice that this Public Finance Management Act is violating the Constitution and it can be challenged.

THE DEPUTY SPEAKER: Anyway, the accounting officers are appointed by the President; that is one thing that you should appreciate. The Permanent Secretary/Secretary to Treasury is appointed by the President and once an accounting officer is not there or even if he is there, the law allows him to delegate and that is why it is indicated under the Public Finance Management Act, section 45(vi) and (vii). Can we have hon. Kamuntu?

DR BARYOMUNSI: Thank you, Madam Speaker. I am the acting Government Chief Whip, but I am just returning from Mbarara.

THE DEPUTY SPEAKER: Excuse me, just a minute.

DR BARYOMUNSI: I rose to comment on a matter which was raised by hon. Nathan Byanyima regarding how ministries interface with Parliament.

Recently, the Speaker ruled on the Floor of this House that no committee of Parliament should attend workshops or trainings organised by ministries, unless those trainings have been cleared by the Office of the Speaker.

Similarly, the way we work in the Executive, the minister is responsible to Parliament particularly on matters of policy and, therefore, when a committee of Parliament wants to engage an agency, you do that through the minister responsible for that agency.

I remember the committee which is handling the issue of rationalisation invited the Uganda Communications Commission to directly appear without my knowledge as the minister who supervises them. The matter being discussed was an issue before Cabinet, yet the Uganda Communications Commission does not sit in Cabinet.

I beg your indulgence that the Executive works harmoniously with Parliament. No ministry would not want to come to a committee and explain.

It is only proper that when any committee wants to interface with an agency of Government, you liaise with the minister - particularly matters of policy - because there is no way UCC will come and start discussing matters of Cabinet which they may not even be in full knowledge of.

We need to harmonise how we relate so that there is no friction at all between Parliament, its committees and the ministries and agencies. I thought I should clarify that because it has been the practice.

3.31

MR MOSES KAMUNTU (Independent, Rubanda County West, Rubanda): Thank you, Madam Speaker. I am rising on a matter of national importance. I have a community in Rubanda – the pygmies - the Batwa community that was evicted from Bwindi Impenetrable National Park and Echuya Forest Reserve in 1990, but to date, they have never been resettled.

They have been surviving on well-wishers and the well-wishers, including me, were hit by the Coronavirus and cannot afford to support them. I have over 5,000 people living in cages on steep slopes around Bwindi and Echuya forest.

When Government was supporting the vulnerable groups, the Batwa were left out. Today as I speak, they are dying one by one and when they attempt to go back to the forest, they are killed by forest rangers and buried in the forest.

My prayer is that we should reinstate these people back to the forest like the Aborigines in Australia, if we cannot get them where to stay.

Secondly, we should urgently get them food relief because they are starving and last week one family almost killed their last daughter to feed the rest of the members. Thank you.

3.33

THE MINISTER OF STATE FOR TOURISM, WILDLIFE AND ANTIQUITIES (Mr Martin Mugarra): Thank you, Madam Speaker, and thank you, hon. Kamuntu for raising that matter. Indeed, there are people called the Batwa that were removed from the forest and protected areas and settled elsewhere.

I know that it has not been fully done – I have been to Rubanda and interacted with some of them, but it is high time we agreed, as both sides, to find a comprehensive package so that we can be able to support them outside these areas so they can live harmoniously. But having them back in the parks would be very dangerous for them and even for the wildlife.

THE DEPUTY SPEAKER: You are not going to agree with both sides because Hon. Kamuntu is from this side. What you need to do is to agree as Cabinet. You are not from that area. *(Laughter)*

MR MUGARRA: Thank you very much, Madam Speaker. I agree with Hon. Kamuntu that these people are in Bundibugyo and across

the country. I believe we shall come up with a programme that can see how we solve their issue once and for all.

THE DEPUTY SPEAKER: Hon. Kamuntu, follow it up with him in his office.

3.34

MR NOMAN OCHERO (NRM, Labwor County, Abim): Madam Speaker, the fact that I come from Karamoja already tells Members of this House that I come from one of the most disadvantaged parts of this country.

Madam Speaker, I have risen up on matters of national importance on two grounds. One of them is insecurity that pertains there. The second is compensation. It is good to make Members here know exactly what is happening inside Karamoja.

It is extremely unfortunate that there is a part of this country called Uganda, where we lose over 13 people on a daily basis. It is very serious, Members.

Madam Speaker, before I pray –*(Laughter)*– Members need to know that prayers always follow problems. You do not hurry to pray when you have not assembled the problem properly. I beg the indulgence of Members and the Rt Hon. Speaker that I alert this House briefly about what pertains on the ground so that we appreciate it.

Members, there are serious problems inside Karamoja. As we speak, Karamoja has become a theatre of wars; it is now serious. It is no longer a Karamoja issue because as we talk, the Toposa who are in South Sudan, are liaising with part of the Karimojong in Kaabong. The ones in Kenya are now liaising with the ones on Moroto side and they are now fighting inside Uganda.

As I talk, a lot of guns have flooded Karamoja. No wonder, the impact is now being felt in other neighbouring districts. The trouble in Karamoja does not only affect Karamoja; it affects even neighbouring districts and causes a lot of financial loss to this country.

I call upon Members, first and foremost, to join us in calling upon Government to take action on this matter. Madam Speaker, I would like to allay the fear that the people causing trouble in Karamoja now are not Karimojong; they are bandits. It will be unfortunate - colleagues, it would be unfortunate to say that Karimojong are disturbing because even in Masaka, when some people were cutting people with pangas, we did not say the Baganda were cutting people. The problem is that we generalise and lose focus -

THE DEPUTY SPEAKER: Can you give us your prayer?

MR OCHERO: My prayer is that - in my constituency, Labwor County, in 1979, we lost all resources; everyone was displaced. We lost all the animals to rustling. Even in other districts in Karamoja, as we speak, animals were handed over to the soldiers to protect and we lost those ones. In Karamoja, animals protected by Government and others owned by the people are all taken.

My first prayer is that since there is compensation going on in this country, I appeal to Government to find a budget, so that compensation equally takes place in Karamoja, like in other districts where it is currently taking place.

On the disarmament budget - I beg your indulgence, Madam Speaker. During 2002-2010, there was a successful disarmament in Karamoja. Why? It is because Government provided adequate resources for the exercise.

As we speak, with the insecurity, there is an assertion that there is disarmament, but not coupled with resources. You can see the escalation of insecurity. In this coming budget, we want to see a Karamoja-specific budget; a budget specifically for disarmament in Karamoja by Government of the Republic of Uganda.

My humble appeal is that - I wanted to bring this in the form of a motion - we need to cut the cycle of the raiders. Members, people

graduate to become raiders; people graduate from childhood. You are born in a kraal, you do not see a school, and you only see a gun and cows -

THE DEPUTY SPEAKER: Can you conclude?

MROCHERO: Madam Speaker, I think on this one, I need to bring a Private Member's Bill - *(Laughter)* - urging Government to provide free compulsory primary and secondary education such that we cut the cycle of raiders because people graduate.

THE DEPUTY SPEAKER: Honourable member, you have intermingled your issue. We cannot understand what you need. First, you are talking about resources and you are not the one doing disarmament. How sure are you that the people doing disarmament are not well facilitated? Otherwise, it is security that is doing it; not you. The other people have a classified budget; you may not be able to know.

Secondly, you are talking about compensation. The Attorney-General will talk about compensation. However, you need to be secure first, before you - *[Member rose]* - Please sit. You need to be secure first, before anything is given to you. Even if we are to do the compensation now, then it will go. Attorney-General, any response on compensation?

3.42

THE ATTORNEY-GENERAL (Mr Jackson Kafuuzi): Thank you very much, Madam Speaker. Hon. Ochero Jimbricky is my friend. I listened carefully, but I failed to understand his presentation.

Madam Speaker, now that you said it has something to do with compensation - and he mentioned the fact that he is from the Karamoja Subregion - the President has pledged to give me a directive, specifically on some areas in Karamoja. However, currently, as the Attorney-General's Chambers, the compensation we are carrying out is for the three subregions, for which verification has already been done and money allocated. That is Acholi, Lango and

Teso. Otherwise, the President has agreed to extend to the other subregions and he is going to give us clear directives and guidelines on where those places should be.

THE DEPUTY SPEAKER: Thank you. Members, there is something I need to clarify that happened yesterday, where hon. Mugema said hon. Bahati was a shareholder in Aponye (U) Ltd. I endeavoured to send my legal team to go and get a list of the shareholders. The shareholders are Apollo Nyegamehe, Harold Byamugisha, Annet Twebaze and Brodice. I have not seen hon. Bahati anywhere in the shareholding. Maybe that was just a misstatement from hon. *Panadol*.

MR NSEREKO: Thank you, Madam Speaker, for the wonderful clarification. I think hon. Bahati can now rest.

Madam Speaker, the reason people are very uncomfortable with that issue – which I knew, definitely, was a wrong allegation against hon. Bahati – is because of the way we have handled the compensation of traders of Ugandan origin in South Sudan.

We have talked about this issue. This House has discussed this matter. People have lost their lives and property, but we are all looking away. The notion that a few shall be helped while others hover on with loans and have their property and companies under par is what is creating that discontent and bringing my brother here, hon. Bahati, into all that circus.

I remember, about a year ago, hon. Bahati committed on this Floor and stated that by this time, nearly all claimants would have been screened and the Ugandan Government would have made an intervention to see that we help these people recover their resources. Why people invest in the strength of a nation is that the nation must stand for them during times of trial.

Madam Speaker, time after time, we have approved monies meant for compensation and the only beneficiaries are about 10. That cannot continue. Uganda must work for all of us.

(Applause) It must work for all our constituents. “Small people” lost trucks and everything. We want to see the ministries of trade and finance, now, come back with a meaningful answer on when and how our people will be compensated or when they will give leverage to others to also have a say. Otherwise, people are committing suicide.

THE DEPUTY SPEAKER: Honourable member, this is actually an item on the Order Paper. We are going to get a report. However, I went and looked for the agreement that was laid on the Table at the time – that was signed – for the 10 companies. Now, for the 10 companies that we have paid – and I really understand why hon. Bahati was suffering – when you look at the directors of Aponye, they are the same directors of Rubya, who all got paid. However, hon. Bahati is not a member.

However, there was a disclaimer in the agreement – in the memorandum of understanding – between the Government of Uganda and the Government of South Sudan where it said, “unverified claims”. The presumption was that the other people who were not paid were unverified. Now, what the agreement says is that the parties agreed that any eligible, but unverified claims by Ugandan traders, shall be verified by a joint verification team to be constituted within 30 days from the date of signing this agreement.

The date of signing this agreement was in 2016. The 30 days have passed. The verification team was not formed. Honourable minister, can I have a verified list in two weeks’ time? I know you are new in that ministry and you may not have known the history, but we need the verification team. The verification was supposed to be by a team constituted by the two governments. It was not to be done by Ernst & Young. What they did was to give the contact of Ernst & Young, which is against the agreement.

MR NSEREKO: Madam Speaker, before the minister comes, you are actually very right. I would like to draw a scenario. The Government of South Sudan states that Lubega supplied

me – it does not deny. Then, Government of Uganda comes and says Lubega must prove to us that he supplied you. And, this is not money to be paid by Ugandans. This is money where Uganda is guaranteeing, but South Sudan has accepted to pay. Then, you find that the same Government of Uganda or some of its officials, through schemes, come up, blocking their own people from accessing payment.

That is where we are talking about equity. What basis did you use to approve the 10 and deny the rest of Ugandans who have lost property, whose families have lost people – some have been killed – and you say “come and prove to me that your person died”. The South Sudanese have already said in their report, “We have no doubt Mr or Mrs X supplied us”. The role of Uganda -

THE DEPUTY SPEAKER: Honourable member, that will be debated when they bring the list of the 23, including the amounts that they are supposed to get.

3.51

THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (INDUSTRY) (Mr David Bahati): Thank you, Madam Speaker. I would also like to thank you for making that clarification and confirming that I have no interest in those companies.

Yesterday, when my colleague raised this issue, I felt betrayed because he is my very good friend. So, I would like to say that, now that we have cleared that, I forgive hon. Panadol for making that false allegation. Thank you.

3.51

THE MINISTER OF INFORMATION, COMMUNICATION TECHNOLOGY AND NATIONAL GUIDANCE (Dr Chris Baryomunsi): Thank you very much, Madam Speaker. The Rules of Procedure require us to treat each other with decorum and courtesy, as hon. Nsereko is reminding us. Yesterday, a Member of Parliament stood on the Floor and said “those companies, which were paid are owned by these ministers” and he was looking at me.

Later on, he mentioned hon. Bahati. The records of Parliament have hon. Bahati as somebody who is dishonest or who was conflicted as he did his work. The honourable member pledged that today, he would bring evidence, but he has conveniently absented himself. Probably, he failed to get the evidence.

May I move that we move, according to rule 229, that his submission be expunged from the record of Parliament because in future, people who will read the *Hansard*, much as hon. Bahati has forgiven him –(*Interference in the recording.*)- Is hon. Panadol interfering with the microphones? (*Laughter*)

Madam Speaker, the rule reads that where the Speaker is of the opinion that the words that have been used in debate are defamatory, indecent, un-parliamentary or undignified, the Speaker shall order that such words be expunged from the official record of Parliament.

Although hon. Bahati has forgiven hon. Peter Mugema, the record shall keep that while hon. Bahati was in the finance ministry, he was conflicted, which is not correct. So, may I request that you find it appropriate to rule in favour of rule 229 of the Rules of Procedure and have that submission of hon. Panadol expunged from the record of Parliament?

THE DEPUTY SPEAKER: Honourable minister, you have made a clarification, which is even beyond expunging that from the record. So, it would be unfair for us to do it in the absence of Hon. Peter Mugema. I would like hon. Mugema to come and do it himself because now I have evidence that hon. Bahati is not a director in any of the companies. I am going to summon him to come; he must do it.

LAYING OF PAPERS

REPORT OF THE AUDITOR-GENERAL OF THE FINANCIAL YEAR ENDED 30 JUNE 2021

THE DEPUTY SPEAKER: Honourable commissioner, read the title of the book.

3.55

MS ESTHER AFOYOCHAN (NRM, Woman Representative, Zombo): Thank you, Madam Speaker. I stand to lay on the Table a book from the Office of the Auditor-General –

THE DEPUTY SPEAKER: A report.

MS AFOYOCHAN: A report from the Office of the Auditor-General entitled, “Report of the Auditor-General to Parliament for the Financial Year ended 30 June 2021.” I beg to lay.

THE DEPUTY SPEAKER: Thank you. I refer the relevant parts of the report from the Auditor-General to the respective Public Accounts committees, which include PAC (Local Government), PAC (Central) and COSASE.

I would like to remind these committees that under Article 163, the House has six months within which to consider, debate and take action on this report. I, therefore, expect the committees to report back within five months, from today.

I also urge the committees to desist from cherry-picking of different institutions. They should look at all the institutions that have been audited. Do not leave UCAA and rush for REA or for a,b,c,d - all the institutions must be audited and it is upon this House for a decision to be taken.

Further, I urge you to avoid having backlog in your committees. Please, handle the committees’ reports and finish them, bring them back to the House at an appropriate time; especially these accountability reports. The chairpersons are hearing wherever they are. They will handle them together with the committee members.

STATEMENT BY MINISTER ON THE FUEL CRISIS IN THE COUNTRY

THE DEPUTY SPEAKER: Honourable members, as you recall, while the House was on recess, the country suffered a shocking rise in fuel prices, which affected almost the

entire economy. We are working very hard, as a country, to revive the economy as part of the post COVID-19 breakdown recovery.

I tasked the relevant minister to come up with a statement to this House for a debate. I also directed the Committee on Tourism and Trade to go to the field to check on our reserves and come back and inform this House. Please recall that there was a letter written by the Opposition for us to recall the House to come and discuss the issues of fuel, but our committees were already working on it that time. So, we felt that it was not necessary to recall the House because something was already being done.

We will receive the two reports: a report from the minister and the report from the committee. We will debate them at ago. We were supposed to receive three reports. One was from the Leader of the Opposition, but in his absence, we will debate the two for now. The other will be debated maybe when the fuel prices go up again. Yes, honourable minister.

4.01

THE MINISTER OF STATE FOR ENERGY AND MINERAL DEVELOPMENT (MINERALS) (Mr Peter Lokeris): Madam Speaker, this report was made immediately the crisis set in. We came to this place and the House was postponing it for some time. Maybe when I read, some Members will say, “That is an old report.” However, this is the report, which was uploaded.

Madam Speaker, concerns were raised over the petrol scarcity and escalating pump prices for petrol and the need for Parliament to be informed about the causes of the scarcity and rising prices.

The purpose of this statement is to explain the current fuel supply situation, the high pump prices for petrol in the country, causes for the petrol products scarcity and options available to stabilise supply of pump prices.

Uganda is a net importer of petroleum products and operates a liberalised market where prices are determined by forces of demand and supply.

The subsector is guided by the Petroleum Supply Act, 2003 and the attendant regulations and guidelines.

Local pump prices have been competitive until January 2022 when petrol prices increased due to its scarcity. Ninety five per cent of the country's petroleum product requirements is supplied through Kenya route using the open-tender system, which Uganda joined in 2011 after a series of engagements with the Kenyan Government.

The Open Tender System stabilised supply to Uganda and the supply interruptions that used to occur during the Christmas and Easter travel festivals were addressed. The remaining 5 per cent of Uganda's product requirements are supplied through Tanzania, which has not been popular due to the long distance and associated transport costs, which results into high landed prices per litre.

Fuel Supply Shortages

In the week commencing 1 January 2022, the country experienced sharp supply drop of petroleum imports, in which the 10-day stock requirement reduced to seven days for diesel, four days for Jet A-oil (A-1) and 0 days for petrol by 10 January 2022. Reduction in stock levels and the resultant stock out of petrol in the country was caused by the control of COVID-19 spread, when the Ministry of Health gave a directive that required all truck drivers to be tested. The decision resulted in a riot by truck drivers which even blocked petroleum trucks that had been given priority lanes to secure supply of petroleum products.

To secure supply to the airport, my ministry had earlier got no objection from Kenya Pipeline Company to work during Christmas holidays and load Jet A-1 transit trucks to Uganda. However, during the driver's strike, even Jet A-1 trucks to Entebbe were blocked.

The issues were escalated by the breakdown of the scanners operated by Uganda Revenue Authority (URA) and Kenya Revenue Authority to clear the goods at the entry points.

I am further advised that even last week, one of the scanners again broke down.

As of 24 January 2022, the vehicle queue on Malaba and Busia side were of a distance of 35km and 40km, respectively. You may note that petroleum products are highly flammable and this is being worsened by mixing the trucks ferrying the products with dry cargo. This calls for the need to beef up safety and security measures to avoid related accidents.

The stock out in Western Kenya has necessitated oil marketing companies to pick products from Nairobi which requires an additional two days to deliver the products into the country.

Localisation of products meant for export was the introduction of a new trucking system by Kenya Revenue Authority, which requires trucks to install new tracking devices, which also affected product supply into the country.

Prior to 2016, when the KPC infrastructure was constrained, my ministry used to allocate storage space in the Kenya system to Uganda's active Oil Marketing Companies that were importing products to Uganda. Even with this constrained storage space, Uganda was well supplied and Uganda's pump prices were and remained competitive in the region.

KPC has improved its infrastructure with a new line from Mombasa to Nairobi, improved storage space in Nairobi and completed the Jetty at Kisumu, which are in position to keep the region well supplied with no need for allocating storage space.

Since taxes are paid at the loading terminals, Uganda's Oil Marketing Companies can load petroleum products from Mombasa, Konza, Nairobi, Nakuru, Eldoret and Kisumu. Even when there are low stocks in Western Kenya, my ministry usually collaborates with the Kenyan authorities to load products in other terminals including Jomo Kenyatta International Airport for Jet A-1 to Entebbe. Irrespective of the current delayed clearance at Malaba and Busia, Entebbe International Airport has remained active and has not given notice to airmen.

However, with the current delays that have adversely affected the turnaround time for trucks, we continue to critically monitor supply of Jet A-1.

From the pipeline, road transport is used for almost all products since the existing wagon ferries on Lake Victoria can only bring a maximum of eight million litres of diesel per month, yet the current normal monthly total consumption is 195 million litres. Currently, the wagon ferries cannot lift petrol because the loading facilities for petrol at Kisumu have not been commissioned. In addition, the private facility owned by Mahathi Infra Uganda Limited scheduled for commissioning in June 2022 will improve utilisation of lake transport by the oil marketing companies.

Some Oil Marketing Companies still import 5 per cent of the industry requirements through Tanzania although the route is still more expensive by US\$ 60 per 1,000 litres. The road which used to pose challenges was improved by the United Republic of Tanzania. In this respect, some companies are using the route.

The Oil Marketing Companies have also been obligated to keep the 10 days' operational stock as required by the Petroleum Supply Act of 2003. This move is partly responsible for the current stock levels for diesel and Jet A-1, which remained in stock irrespective of a long impasse at Malaba and Busia.

Uganda's oil marketing companies have private storage capacity at their active depots, excluding storage at service stations of 62,673,596 litres. When combined with the Government storage facility at Jinja of 30 million litres, now operated by Uganda National Oil Company (UNOC) in a joint venture with the One Petroleum Limited, this results in a total national storage capacity of 92,673,596 litres.

The ministry has continuously requested for funds amounting to \$30 million to restock the reserves, but this item has remained unfunded. The Jinja storage facility can store 20 million litres of diesel and 10 million litres of petrol.

The facility can be served by both road and railway transport, and there are plans of connecting a pipeline that will supply products to the terminal from a barge on Lake Victoria.

Plans are underway to develop the Kampala Storage Terminal at Namwabula-Mpigi, with a first phase of 140 million litres expected in 2024. The facility will consequently be expanded to its full capacity of 340 million litres after two years, in line with the refinery completion.

Fuel prices

Madam Speaker, Uganda's pump prices have been stable and would move with the global trends until January 2022 when petrol prices increased due to scarcity. The price for petrol has increased by Shs 550 from Shs 4,450 per litre – *(Interjections)* – from the time the prices increased when there was scarcity. This is the year when they declared that “Do not move.” I am saying per litre as of 17 December 2021 to Shs 5,000 per litre in January 2022. Over the same period, the price for diesel has remained stable. Before the increase, things were okay.

Due to the fact that pump prices are determined by the market, the price of diesel, which is available, has remained stable while petrol that is scarce forced some traders to buy from other retailers that have petrol to resell at pump prices and consequently those secondary retailers sell at higher prices to recover the money that is invested in buying at pump prices.

When there was scarcity, those who did not have fuel went to those who had and then they went and took to theirs. As that happened, those who took fuel to resell increased the prices. This was very fast; speculators are very good at guessing – together with the associated handling costs. With supply anticipated to return to normal at the end of this month, prices are expected to be competitive again.

You will recall that in September 2021, Kenya's motorists were travelling to eastern Uganda to refuel their vehicles and transit trucks were all buying petrol from Uganda – *(Interjections)* – I have already told you the year.

In view of the above, therefore, the high petrol pump prices of petroleum products are caused by product scarcity and once supply returns to normal, prices will stabilise.

On one hand, margins of the oil marketing companies have stagnated in their efforts to keep them competitive. In addition, their return on capital employed has lowered as a result of using more money to trade in the same volumes.

On the other hand, consumers have increased expenditure on petrol in conducting their daily businesses. This has, in turn, increased private transportation costs, which further impacts negatively on our travellers.

Pump prices per litre for Eldoret and Kisumu in Kenya are Kshs 130.13 for petrol and Kshs.101.32 for diesel. At the exchange rate of Shs 34 per 1 Kshs, it comes to Shs 4,424 and Shs 3,785 for the two products, respectively. This implies that on average, the prevailing petroleum prices in Uganda are Shs 576 above those in Kenya due to scarcity. Eldoret and Kisumu have been used because they are the main trading terminals for Uganda's products.

From this analysis, it is evident that competition when supply is normal in the downstream petroleum subsector in Uganda has taken root and thereby, rendering the intended benefits to the population. Once supply constraints at the border are addressed, prices of all products will return to normal and competitive for the benefit of all customers.

Other constraints

We still have problems of supply as a result of constraints at the border clearance, thereby forcing some oil marketing companies to buy at retail prices and further retail. This has resulted in increased pump prices and declining margins for companies and dealers.

This increase in pump prices ultimately increases the cost of living.

Once clearance at the borders is addressed, supply, together with the pump prices, should

return to normal. We are saying that they will return to normal by this month. My ministry continues to engage with the Uganda Revenue Authority on this matter. Some people say it is because of the high taxes.

Actions taken

In order to expedite the clearing processes at both the Busia and Malaba border entry points, the Ministry of Works and Transport and the Ministry of Trade, Industry and Cooperatives went to the border with some of our representatives. Some rules were immediately instituted:

- a) The testing for COVID-19 for truck drivers has been halted until further notice. These abrupt decisions can cause problems.
- b) I have directed SICPA-SA, the company undertaking fuel marking at entry points, to have their services available on a 24-hour basis at the two border points, with effect from 24 January 2022.
- c) As a Government, we plan to put in place a priority route with one special clearance point at the border and work with URA and have trucks use the newly constructed road from the Busia Border to Lumino-Musita-Jinja Road. Instead of following the one going towards Tororo, there is a new one now coming that joins the Jinja Road.
- d) There is need for bilateral talks, which we have already initiated with the Kenyan authorities on issues pertaining college allocation, prioritising export market among others. We are telling them to give us enough fuel all the time. Not to waste our time and cause delays.
- e) Building capacity of various players in the petroleum supply chain to form associations for better communication with ministries, governments in addition to having regular meetings with various players in the value chain.

- f) In the event that pump prices go beyond the acceptable levels, the Petroleum Supply Act, under section 30, empowers the minister responsible to take action on the errant operators. The action can constitute closure of petrol stations, issuance of penalties or revocation of licences in extreme cases. If the companies defy completely, some action must be taken.
- g) There is need to introduce a tax rebate for products from the southern route through Tanzania in order to diversify the supply routes.

I have informed you that the fuel coming from Tanzania attracts higher prices because the supplier said the route is long. So, we propose that a tax rebate is imposed so that when that fuel lands in Uganda, it has the same price as that coming through Kenya.

The medium and long-term solution is to invest in fuel storage reserves to enable the country to deal with such occurrences in a sustainable way. When these chocks happen, they affect us, but if we had huge volumes of reserves, then we would take some time to discuss with them. But the moment they open their mouths and say “we should stop”, we are finished and crying inside. We should be thinking.

As I conclude, I once again take this opportunity to thank you and the august House for listening *(Applause)*

THE DEPUTY SPEAKER: Thank you very much, honourable minister, for the statement. As we said, we will have all these statements at ago and then we will debate. Can we have a brief statement on the status of the cargo traffic flow at Busia Border that was raised by hon. Macho?

4.29

THE MINISTER OF TRADE, INDUSTRY AND COOPERATIVES (Mr Francis Mwebesa): Thank you, Madam Speaker, for the opportunity for Government to provide an update on the status of cargo traffic flow at Busia Border. I also thank the honourable

member for raising this matter for the attention of this House.

We, indeed, experienced an interruption in traffic flow at the Uganda-Kenya Border, as a result of the introduction of the new COVID-19 containment measures in mid-January, occasioned by the desire by Government to stem the spread of the newly discovered COVID-19 variant at the time.

The two governments of Kenya and Uganda have since worked to normalise the traffic flow. This was informed by the new science findings, which indicated that the variant was not as much a threat as earlier variants. As such, containment measures had to be relaxed accordingly.

Strategically, Government conducted an engagement with the Kenyan authorities and agreed on common mitigation approaches to deal with the new variant while ensuring smooth flow of international trade. Mutual recognition of each other’s test results was upheld and this has greatly helped us normalise traffic flow. Currently, traffic is flowing normally. Thank you for listening to me. *(Applause)*

THE DEPUTY SPEAKER: Thank you, Minister of Trade, Industry and Cooperatives. As I said, we will have debate on all the three. Do you want to present for the Opposition? I have a report from the Committee on Tourism, Wildlife and Antiquities. Chairperson of the Committee on Tourism, Wildlife and Antiquities, since the report was uploaded, kindly summarise. Give us your observations and your recommendations.

REPORT OF THE SECTORAL COMMITTEE ON TOURISM, TRADE AND INDUSTRY ON THE FUEL CRISIS IN THE COUNTRY

4.31

THE CHAIRPERSON, COMMITTEE ON TOURISM, TRADE AND INDUSTRY (Mr Mwine Mpaka): Thank you, Madam Speaker. First and foremost, on behalf of the committee, we wish to extend our sincere appreciation

for the support you gave us in executing this task. I beg to lay the minutes and supporting documents for the report of the Committee on Tourism, Trade and Industry.

In the interest of time, I will be referring you to the pages where most of the information is and I will be summarising a few details.

Page 1 is the introduction. I will give a brief background. Fuel is a key economy driver since the factors of production depend on fuel. The fuel crisis in the country emanated from the alleged fuel scarcity in circulation at the various fuel pumps and stations.

All that information is on page 1. On page 2, we have the backdrop of the committee's oversight exercise. On page 3, we have the rationale. On page 4 – allow me to, briefly, give you the committee's terms of reference:

The committee adopted the following terms of reference;

- i) To ascertain the causes of fuel scarcity and the skyrocketing fuel prices in the country in general and Hoima in particular.
- ii) To examine the contribution of Uganda National Oil Company (UNOC) as a Government enterprise in propelling Government's agenda in stocking and maintaining fuel reserves that can make interventions in times of need when there is fuel scarcity in the country.
- iii) To scrutinise the utilisation of funds provided by the Government of Uganda to UNOC enterprise.
- iv) To propose recommendations to enable the efficiency and effectiveness in the operations of UNOC as a Government enterprise in a bid to support it and in achievement of its objectives and to ensure the creation of a positive impact on the people of Uganda.

On page 5, we have the methodology: we carried out field visits to Malaba and Busia

border points. We visited the Jinja Storage Terminal and Hoima District, respectively, and entered into the western part of Kenya at the Busia Border.

We had meetings with key stakeholders. We had memoranda received from various stakeholders, the LCI chairperson, area Members of Parliament of Hoima and all the other leaders as stated in the report. We also had desk research and triangulation of findings.

Allow me to go straight into the causes of the fuel crisis.

COVID-19 testing at the border

The first cause was COVID-19 testing at the border, which I believe the honourable minister stated was scrapped off. Therefore, I may not need to go deep into the detail. However, allow me to present the committee's recommendations.

The committee observed that, previously, truck drivers were allowed entry into the country based on negative results obtained elsewhere, within a 48-hour timeframe along their journey. However, with the change in the testing, truck drivers started a protest against the new fees, insisting on abandoning the process, hence causing a 10-day gridlock.

This, consequently, reduced the fuel supply in the country, leading to the hiked prices. The committee notes that it is unclear as to how many of the trucks involved in the strike were fuel transport trucks. Much as this could be a cause, we were not sure how many of the trucks in that queue were fuel transport trucks.

Depletion of super petrol both in Kenya and Tanzania

According to One Petroleum Uganda Ltd, the fuel crisis was also further compounded by the depletion of super petrol in both Kenya and Tanzania. However, it was observed that diesel was not greatly affected since, aside from the diminished number of trucks available for reload, diesel stocks were sufficient in Kenya and only suffered from logistics.

A majority of the mainland Uganda receives fuel primarily from Kenya while part of western Uganda is supplemented from Tanzania.

In the month of January, both these gateway countries had vessel scheduling delays;

- (i) In Tanzania, owing to the increased demand from Zambia and Malawi. In the month leading to December 2021, there was accumulated backlog of super petrol vessel demand as compared to the supply. This impact was felt in January 2022 on petrol vessels delaying due to other vessels being scheduled before them. The local Tanzanian market had already received enough products in December and, as such, was spared from the shortage in January.
- (ii) In Kenya, there was a mix-up in the vessel scheduling which would not have been a problem if enough trucks had returned to load the fuel.

In Kenya, super vessel line-up was as follows:

1. MT CLIO: Arrival date was 25 to 29 December – those were the schedule dates of the vessels bringing fuel to East Africa.
2. MT Front Future: Arrival date was 30 December 2021 to 2 January 2022.
3. MT NAVIG & Promise: Arrival date was 17 January to 21 January.

Mt Front Future was scheduled to arrive between 30 December 2021 and 2 January 2022, delivering super petrol to the open tender system in Kenya. However, it was delayed by over 10 days, arriving on 12 January 2022.

The committee observed that the vessel delays caused a super petrol supply shortage, which happened as companies were depleting their super petrol stocks and customers were panic-buying, resulting in faster depletion of the super petrol stocks.

It should be noted that as a country, we consume about 6.5 million litres a day, yet the existing strategic stocks have the capacity of only 10 million litres of super petrol and 20 million litres of diesel, which is only equivalent to three days of the country's stock.

Hoarding of fuel

According to the Uganda Revenue Authority commissioner for enforcement, URA cleared more fuel trucks in January than they did in December.

Between 1 and 31 December 2021, Uganda Revenue Authority cleared an average of 122 fuel trucks per day. By 22 January 2022, the day of the committee's oversight visit, URA had cleared, on an average, 126 trucks per day in January, which is much more than the daily average of 122 fuel trucks cleared per day in December and several months before.

In June 2021, per day, we cleared 108. In September 2021, we cleared 113, on average per day. In December, we cleared 122 trucks, on average per day. In January, when we had a shortage, we cleared 126 trucks per day – which is much more and these are supported by the taxes these companies have been paying and the amount of fuel they were importing.

When you look at the Busia One-Stop Border Post (OSBP) home-bound fuel truck in comparison to the months, it is the same information. When you look at 10 and 12 January when we cleared only 37, these could have been the only days when we cleared fewer trucks, but when you do the average, we had 126 trucks per day.

The last table is on the companies that have been importing fuel and the volumes between 1 and 22 January. You can see Vivo Energy has brought in 31 million litres. Total brought in 22.8 million litres.

What this means is that if there is hoarding, it is VIVO Energy and Total because they are the ones importing a significant amount of fuel.

The committee observed that with these statistics, it is clear that fuel is getting into the country, but some fuel-importing companies and fuel stations are taking advantage of the current situation to hoard and sell fuel expensively.

The country needs 6.6 million litres a day, which is an equivalent of approximately 180 trucks, to meet the daily demand and consumption.

The truck averages and volumes show that the Ugandan market received more average volumes than in the last six months before the crisis, as you have seen in those graphs.

During our visit to Hoima, one of the petrol station owners told us that they did not have fuel, but when we went to check his fuel tanks at the petrol station, we discovered that he had 12,0000 litres –

THE DEPUTY SPEAKER: Honourable members, the interruption is because some people are stepping on the wires. That is what I have got from the technical team. So, if there is any wire near you, please -

MR MPAKA: Lastly, is the breakdown of the scanners at the border. The scanner at Busia border used by customs officials to check vehicles was knocked in the middle of the truck pile up between January 14 and 17. Uganda Revenue Authority has six mobile scanner trucks (NUCTECHMT series), namely; UAA 765T, UAA 766F, UBK 998T, UBK 635J, UBK 814X, respectively. When the scanner at the border was knocked, Uganda Revenue Authority had to request their head office –

THE DEPUTY SPEAKER: Excuse me, which microphone is that?

MR MPAKA: When the scanner at the border was knocked, Uganda Revenue Authority requested their head office in Kampala to send a mobile scanner, UBK 814K, to help replace the Busia scanner that had been knocked. However, the above equipment moves at a standard of 30 kilometres per hour and therefore, taking over eight hours, all factors remaining constant, to reach its destination.

The committee observes that the faulty scanner caused a backlog of over 400 trucks cleared daily at the Busia border, since its temporary replacement was over eight hours away, all factors remaining constant, and this is one of the possible causes of the current 50 kilometre-plus queue of trucks in western Kenya trying to go through the Ugandan border entry points in Busia and Malaba.

Underlying factors that have exacerbated the negative impact of the crisis

These are factors that cause it to go to the extreme, but were not the causes.

The absence of fuel reserves

You are going to realise we not only do not have reserves, but we also no longer own the reservoirs.

The importance of fuel reserves to Uganda's economy – I think you all know the importance.

Challenges at the reserve

(i) The capacity of the national reserves

The Jinja Reserve was commissioned in 1988, specifically to serve Eastern Uganda and the current fuel consumption per region stands as follows in the Table I.

In 2021, Central Uganda consumed 1.3 million litres. Eastern Uganda consumed 303,000 litres. Northern Uganda consumed 220,000 litres and Western and South-Western respectively.

Financing

The committee was informed by UNOC that there has been a resource constraint to allocate funds for procurement and stocking of strategic reserves in the country, and funding to strategic petroleum supply infrastructure.

The UNOC stated that a proposal for funding reserves and strategic petroleum supply infrastructure is being discussed with the Ministry of Energy and Mineral Development.

Legal and regulatory frameworks

The committee was informed by UNOC that Uganda imports all its fuel through Kenya and Tanzania and the logistics of fuel supply are affected by regulatory frameworks in these transit countries. Ninety per cent of imports are through Kenya Open Tender System (OTS) where sometimes, there are inadequate allocations for fuel transiting to Uganda. This is one of the constraints to importing and supplying petroleum products in bulk to the country.

Transportation

The committee was informed by UNOC that the absence of bulk and efficient transportation means that the country levys oil marketing companies with the only option of picking products from Kenya by trucks direct to retail stations.

Comparative analysis

Different countries have employed different strategies in maintaining reserves, depending on the capabilities to adapt to different disruptions in the supply chain. I will read a few, for the interest of time.

In landlocked Malawi, stocks are held by their National Oil Company in Government terminals across the country. A levy is charged on all stocks imported into the country to fund reserves and petroleum infrastructure. Ghana and Botswana use related policies to fund petroleum infrastructure and reserves. We have given examples. All these are in the report uploaded on your iPad.

Analysis of UNOC management of the Jinja National Reserves and Storage terminal

Uganda has a 30 million-litre storage facility at Jinja meant to hold national reserves. This is equivalent to 4.6 days of stocks, as per daily demand of 6.5 million litres. Government is meant to ensure that the national reserves have at least 12 million litres – this is 40 per cent - of the total 30 million litres capacity storage facility in Jinja.

Government had, since March 2012, handed over the operations of the national reserves to M/S Hared Petroleum Limited. However, owing to the challenges encountered in restocking the facility, the operator returned the facility to Government.

On 29 May 2017, the Ministry of Energy and Mineral Development handed over the National Strategic Reserves facility at Jinja to UNOC and entrusted it with the responsibility of restocking, operating, managing and maintaining to fulfil both national strategic and attendant commercial purposes of the facility, for and on behalf of Government of Uganda, in accordance with the Petroleum Supply Act, 2003 and other relevant policy and legislation.

The ministry noted, in its handover letter dated 29 May 2017, signed by Frank Tukwasibwe, Commissioner Petroleum Supply Department, for Permanent Secretary, that it is paramount, among others, that UNOC does whatever it takes to effectively run the facility and particularly ensure that 40 per cent of the storage capacity at the facility is available and always stocked with national strategic stocks, if the facility's objective in the Petroleum Supply Act, 2003 is to be fulfilled.

On 31 May 2017, UNOC entered into a Joint Venture Agreement with a consortium of three companies, which are: One Petroleum Ltd, One Petroleum (U) Ltd and Mbaraki Bulk Terminal Limited for the management and operation of the Jinja National Reserves and Storage Terminals.

On 9 May 2017, UNOC sent out invitations to companies to submit bids to manage the storage terminal. UNOC undertook a Joint Venture Agreement with a consortium. According to clause 8.3 of the Agreement, the consortium undertakes to stock the facility with petroleum products to its full capacity by 31 July 2017.

When UNOC gave these reserves to this consortium of companies, clause 8.3 stated that they must stock these reserves to their full capacity by 31 July 2017, which is 30 million litres.

Further still, under clause 8.4, the consortium was to ensure that the facility would, at all times, have not less than 40 per cent of the storage capacity, which UNOC would keep as strategic reserves. The parties signed the second addendum, etcetera. as follows.

Committee observations

The committee observed that whereas the Ministry of Energy handed over the Jinja Storage Terminal facility to UNOC on 29 May 2017, UNOC had, on 9 May 2017, 20 days earlier before they gave them this facility, already invited bids from companies to manage the facility, which they were not in possession of legally.

The committee further observed that UNOC evaluated the bids and selected a consortium of One Petroleum Limited, One Petroleum (U) Ltd and Mbaraki Bulk Terminal Limited to manage and operate the Jinja National Reserves and Storage Terminals through a Joint Venture Agreement, signed on 31 May 2017, just two days after the handover letter and before receiving the handover report, which was due in two weeks' time, as per the letter dated 29 May 2017 of Rev. Frank Tukwasibwe, for the Permanent Secretary.

The committee observed that the agreement was signed on 31 May 2017 for a period of 10 years. The first addendum to the agreement, however, which extended the contractual period by five more years, was signed on 1 August 2018, one year into the ten-year agreement. They signed another agreement to extend for five more years.

Section 23(1) of the Public Finance Management Act, 2015 provides that a vote shall not enter into a contract, transaction or agreement that binds Government to a financial commitment for more than one financial year or which results into a contingent liability, except where the financial commitment or contingent liability is authorised by Parliament.

The committee observed that in the second addendum, clause 8.16.1, in the consortium

was supposed to design and develop the lake transport developments at the JST for utilisation of transport of petroleum products over Lake Victoria at their own cost. So, they gave them five more years and told them to build infrastructure at their own cost.

These were the facilities stated in clause 1 of the first addendum, required to enable transportation of petroleum products over water on Lake Victoria from the port of Kisumu and or any other port on Lake Victoria and over land.

The committee observed that the Cabinet Minister for Energy and Mineral Development wrote to the Minister responsible for Finance on 18 January 2022, communicating a decision of Cabinet to finance UNOC to a tune of \$30 million for commencing the process of procuring fuel reserves for five days and \$8 million for construction of a jetty and pipeline system, so as to connect the terminal to Lake Victoria and therefore, deliver fuel by barges from Kisumu.

It is the considered view of the committee that this amounts to Government undertaking an obligation of the consortium under the joint venture agreement with the UNOC, thereby attempting to duplicate and if done, tantamount to causing financial loss to Government, because they have already constructed the company to do it, yet Government is looking for money to do it.

The committee observes that whereas clause 8.4 of the joint venture agreement, which was deleted in its entirety in the second addendum last year, in around August 2019, they signed another addendum and deleted clause 8.4, which ensured that that company was to maintain a certain number - 40 per cent in their reserves.

Maintenance at Jinja reserve, this can no longer be achieved under the current undertaking, and is one of the reasons that exacerbated the fuel crisis in the country. The committee was shocked and dumbfounded that the second addendum to the agreement now requires

Government through UNOC to pay the consortium for storage in the facility, should they be required to store reserves at the facility. It means that even if we want to store fuel in the reserves, we now have to pay over Shs 5.5 per litre that we store there.

The committee further observed that between May 2017 and August 2021, clauses 8.3 and 8.4, which were in for fulfilment of the country's strategic reserves requirement, were continuously breached, but instead the consortium was rewarded by deleting the clauses, which would have been a fall-back position for the country during a fuel crisis.

Unregulated fuel stations

In Hoima, it was established that a number of smaller fuel stations without the capacity to import their own fuel were forced to purchase fuel at a retail price. When the big companies hoarded fuel, they started selling the fuel to the smaller stations at the retail price as opposed to the current wholesale price.

This is probably why the fuel prices in Hoima went up to Shs 20,000 per litre in some areas under the watch of both security and local leaders who are left with no choice, but to lament.

Conclusion

General recommendations of the committee

1. The joint venture argument between UNOC and the consortium should be terminated with immediate effect, since the second addendum to the agreement is a fundamental deviation from the mandate of UNOC under the Petroleum Supply Act, 2003; and the handover letter of the Ministry of Energy, in which the company is supposed to ensure at all costs that it effectively runs the facility and particularly ensures that 40 per cent of the storage capacity in the facility is available and always stocked with national strategic stocks.

Further still, the consortium breached the following terms in the agreement. Clause 8.3 where the consortium undertook to stock the facility with the petroleum products to its full capacity; clause 8.4, where the consortium was supposed to ensure the facility will at all times have not less than 40 per cent; clause 9.1, the second addendum where in the consortium is supposed to meet the minimum throughput.

These breaches warrant termination of the agreement without causing Government financial loss.

2. Upon the termination of the joint venture agreement in the consortium and UNOC, Government should urgently prioritise and avail the necessary financial resources to UNOC, to procure fuel for their reserves, as well as development of the necessary water transport infrastructure in Lake Victoria, which would save transport companies Shs 30 per litre using water transport as opposed to road transport. It would also be less likely to be affected by road transport related challenges and inefficiencies.
3. Government should fast-track the consumer protection law; we need a consumer protection law because even now we are lamenting that fuel prices have gone up. But we do not have a law we can use to protect the consumer, which, if had been in existence, would have protected the consumer from exploitation through discriminative pricing, deceptive weights and measures where pump owners intentionally give less fuel than what is paid for at the pump and misleading fuel prices displayed at stations. This was in Hoima, where someone would display Shs 3,000, but the station attendant would charge you more than Shs 5,000.
4. The last time the country had a similar crisis was in the days of the post-election violence in Kenya 2008 when Uganda was cut off from its main supply route. Similarly, Kenya elections are due this year, which may have a repeated effect.

Therefore, Government should fast-track the construction of the Kampala storage terminal, which is to store about six million litres of fuel as this would treat the issue of the obsolete oil reserves in Jinja.

5. Government should also expand the road infrastructure at the border for safety especially at the current highly populated border points, towns where fuel trucks park in long queues, and improve traffic flow of the cargo trucks in and out of the country, especially in instances where they are transporting perishable or highly flammable products. This was raised by hon. Macho yesterday. The Minister of Trade does not have a solution to this problem; it is the Ministry of Works to expand the road infrastructure.
6. The committee recommends that Government purchases and installs a second scanner at all border points, to mitigate the economic impact of any seemingly unforeseen related crises.
7. Government should also implement all its directives harmoniously in consultation with all relevant ministries and agencies and take into consideration the impact assessment so as to mitigate the challenges.

In conclusion, according to the committee's findings, there are a number of reasons as to why the current fuel crisis still exists as discussed in the report. However, it is pertinent to note that Uganda has no fuel reserves/reservoirs, currently. This renders it vulnerable to the crisis, being that the country is locked down.

Also, UNOC has to up its effort to be up to its task; being a state enterprise, it should jealously guard the interests of Government and Ugandans as a whole. I beg to report. *(Applause)*

THE DEPUTY SPEAKER: Honourable Chairperson, I sincerely would like to thank you and the committee for the good work. *(Applause)* I hope the minister noted some issues that the chairperson was talking about.

However, before I allow the debate, I would like the minister, as part of his response to the report, to inform this House why, to this day and age, we do not have fuel reserves leaving us in a vulnerable position of what we have gone through today. I would like you to respond to that - I am still asking you.

Secondly, it is not a secret that this is a disturbing situation that was created artificially. The people that created it are the Ministry of Health and URA. Did we need to do all that? We should be able to make policies for the people of Uganda and not just to achieve our own ends. What do we want to achieve at the expense of Ugandans? This obviously affected the poor Ugandan out there. These are policies that they did without consultation. They rushed in a haphazard manner and affected poor Ugandans.

As observed in the committee report, under item 6.1, in pages No.6 and No.7 of the report, these are management and administrative issues, which should have been sorted out. Do we still have managers in Uganda? What are they doing, if they are there? This is not the first time this haphazard designing or implementation is being done. It was also done during the cash bonanza of Shs 100,000 for boda bodas - the report that was discussed yesterday. It is still going to be done on the teachers.

Members, are we going to allow this kind of thing to continue? *[MEMBERS: No.]* You may recall how there was chaos at the airport the first time the testing at the airport was introduced; how people were bundled into buses. Even those who are not sick would eventually get infected.

The Ministry of Health is hereby directed to critically study the implications of their policies and the design. As we struggle to revive the ailing economy, we should all play our part not to be part of the problem of Uganda. *(Applause)*

COVID-19 is here to stay and if we continue acting the way we are, then we will break the economy. Let us have policies that are friendly to the local Ugandans. The fuel prices - some

of us have not felt it, but so many people have. We must continue to be conscious and vigilant in whatever we do as an institution and be humane in the policies that we make.

As observed by the committee, the absence of the consumer protection law is greatly harmful to the population. If the law was in existence, it would protect the consumers from exploitation and then indiscriminate pricing. What we are saying is that if you went to a fuel station, a pump attendant would tell you Shs 5,000, yet another person would be told a different price.

Therefore, we need this law in place for us to be able to protect our people who are suffering out of other people's negligence. Let us give people better policies.

Honourable minister, you need to do a lot in this. We may claim that the prices have come down, but they are still high. You need to go and hold those people who are hoarding fuel, culpable. People who are hiking the prices must face the law. Why would they hike the prices? *(Applause)* This is your department and you must be seen to work for the poor Ugandans. I would like to thank you very much. I am opening the debate.

5.06

MS MARGARET MAKHOHA (Independent, Woman Representative, Namayingo): Thank you, Madam Speaker – *(Interjection)*

THE DEPUTY SPEAKER: Let her finish. She does not know the procedures. This is her maiden speech. *(Laughter)*

MS MAKHOHA: Thank you, Madam Speaker, for the opportunity you have given me. I take this opportunity to appreciate the Minister for the statement and also the committee for the report.

However, it is disheartening to learn that people who would have planned for our country are instead hindering our development. Fuel is a key factor in the development of the economy

and when we do not have control over it, many things are messed up.

Just like the minister said - the committee said that we do not have the oil reserves in this country, something that is terrible. I think we need to task those who are supposed to handle or plan for our country to make sure that we provide the resources to put in place the oil reserves.

The minister also talked about –

THE DEPUTY SPEAKER: Honourable members, two minutes so that everybody speaks.

MS MAKHOHA: Madam Speaker, in my remaining one minute, the minister talked of having a priority route for our fuel to come from Kenya to Uganda. That was the Lumino-Majanji up to Musita. That route goes via Namayingo. Already, the road is okay, but what has made the route unutilised for us to get to the extent of the fuel prices going up - the crisis coming up? All this can affect our economy.

Therefore, I would like to implore the minister to put in place what is required so that we can get this fuel via that route because it is now okay and clear. I appreciate you, Madam Speaker, for the opportunity.

5.08

MR NATHAN TWESIGYE (Independent, Kashari South County, Mbarara): Thank you, Madam Speaker. Since I am seated this side of the House, I would like to speak the language of this side. *(Laughter)*

Madam Speaker, I thank the chairman of the committee for the wonderful report. However, I am disappointed with the minister. Honourable minister, there is a book of Lamentations in the Bible. This Parliament made for you an Act, that is, the Petroleum Supply Act, 2003. In your report, you have even quoted section 30 of that Act, where you have the powers to act on those who are hoarding fuel. Since that time up to today, what are you doing with the Act?

Last night, I was watching the senior minister, Hon. Ruth Nankabirwa saying the same that she has identified a section in the Act and she is going to act. When are you acting, Mr Minister?

In marketing, we say that a customer expects a good service, but not an excuse, which you are giving us. Chancellor Bismarck said, *“The great question of the day is not answered by your speeches and resolutions, but by the acts.”* Can you act now! The customers are suffering – Ugandans are suffering. Please honourable minister, act now. Thank you.

5.09

MR AMOS KANKUNDA (NRM, Rwampara County, Rwampara): Thank you, Madam Speaker. I appreciate my colleagues and the contributions they have made so far. I also appreciate the observations made by the minister, but more especially the chairman of the committee.

Whereas we are cognisant of the fact that there has been an increase in the oil prices; when you refer to Brent, shifting to \$86 per barrel, whereas it is true that shipping costs have gone high and also true that there was an interruption by the recent COVID-19 test policy, we have had a big stopgap measure that has lacked with Government.

I would like to refer to these issues. Like my colleagues have said, the Petroleum Supply Act – honourable minister you have told us that they have been observing 10-day reserves, but you have not talked about the 100-day reserves that we already have, which is very critical. This is the problem.

Whereas you have said that there is a problem with a scanner at the border and the congestion, I do not think up to now, we should be enforcing the fuel-marking policy. It should be suspended indefinitely because we know that once fuel is loaded, taxes have already been paid for it.

We have these gadgets that do the tracking system. Why do we have to stop them and have these companies to do the fuel marking? That also exaggerates the problem.

I appreciate the observation that we are now interesting ourselves to use the central corridor. In your report, you called it the “southern corridor,” but now it is called the “central corridor” - the corridor through the Port of Dar es Salaam. That is what is very important for us as a country.

Unless you observe this issue, we are going to remain paying high costs at the Port of Mombasa. We will have a congested northern corridor. I pray – *(Member timed out.)*

Thank you, Madam Speaker, for allowing me another minute because of this interruption.

If we promote the central corridor, we will be decongesting the northern corridor. We do not need even to give rebates like you have proposed. It is a matter of promoting this under the Ministry of Trade by mobilising our traders and using the central corridor. Yet we know very soon, because of these high costs in shipping lines, we are going to have our ports - the Port of Mombasa, particularly overloaded and we shall pay high costs. Even the impending politics that is in Kenya, like the chairperson of the committee has observed - we should, therefore, promote the use of the central corridor. Thank you, Madam Speaker.

5.13

DR CHARLES AYUME (NRM, Koboko Municipality, Koboko): Thank you, Madam Speaker. I will lament a bit. Mine is in relation to stability of the fuel prices. I think a couple of years ago, the country had the opportunity of buying fuel stations, when Shell was selling them off. Unfortunately, Vivo Energy seized the opportunity. As a country that was going down the petroleum sector, I think that was a very good opportunity.

We heard H.E. the President, about a week ago, lament why we sold Uganda Commercial Bank (UCB). Some of these instabilities in terms of interest rates are because we do not have such government entities. I think in the future, whenever we are planning, we should think 50 years ahead.

Secondly, the queues at the border are quite unfortunate. Cognisant of the fact that the health sector also had its objectives, I think we can coexist better in future.

It is also high time we put our border entry points to the international standards. It was such a pity when Kigali opened up. They have beauty on one side and we are failing on the other side. Therefore, the line ministries should think better and put the right infrastructure in place. Thank you.

5.14

MR GEOFFREY MACHO (Independent, Busia Municipality, Busia): Thank you, Madam Speaker. I would like to thank the minister for his good submission, concerning the long line of trailers on the border which, in his statement, he said, has cleared.

Hon. Minister, you are living in another country. In Busia, as I talk now, we have three lanes of trailers, and they stretch up to Busitema checkpoint. Right now, the Minister of Internal Affairs, Gen. David Muhoozi, is in Busia. Madam Speaker, we face the problem of ministers coming to our constituencies, where we were elected with massive support, without telling us.

Rt Hon. Prime Minister, we need you to help us because the only job we can do is to represent our people and talk. However, the ministers meet civil servants who tell them what they want and bring that as a report in the Cabinet. I do not know how you will help us solve this problem.

Nonetheless, Gen. David Muhoozi, the Minister of Internal Affairs, is in Busia right now because Tororo Road has trailers stretching almost up to Mawero. Majanji Road has trailers almost up to Madibira; Custom Road has four lanes – *(Interjection)* – I am a born again Christian. Jinja Road also has trailers. In case the Minister of State for Trade, Industry and Cooperatives wants to prove this, I refer her to the RDC and Minister of Internal Affairs who is in Busia now.

THE DEPUTY SPEAKER: Honourable members, it is out of courtesy that when your colleague – excuse me, Madam Minister.

MR MACHO: Madam Minister, I would like you to respect the Speaker of Parliament. She is giving a directive.

THE DEPUTY SPEAKER: *[Ms Harriet Ntabazi rose]* All of you should sit. Honourable minister, it is out of courtesy that when your colleague is talking, you do not heckle. Request for time and then respond. He comes from Busia. Maybe, you need to find out from your colleague, hon. David Muhoozi, whether it is true or not. That is what you need to do.

We are not in this House to fire-fight. If he is giving information, receive it. When you receive it, you will come back to his House and say, “Hon. Macho was lying.” All he has raised is: “When you go to my constituency, please have the courtesy to inform me.” If you go to Bukedea, I will chase you; if you go to my constituents without telling me, I will chase you. *(Applause)*

MR MACHO: Madam Speaker, I would like to thank you for your guidance. The fact of the matter is that I left Busia at midnight to come here because of this debate today. As I talk, the business community at customs are watching trailers that have been parked for almost 14 days. They are not selling their products because the trailers have blocked their shop doors.

I have a witness here; the Chairperson of the Committee on Trade, Industry and Cooperatives. I also have a second witness, the only Woman Member of Parliament for Busia, hon. Hellen Auma. The fact is that if the people of Busia had seen you standing here to question me – let me reserve that.

Lastly, Madam Speaker –

THE DEPUTY SPEAKER: Hon. Hellen Auma, do you want to give information? Please, give information.

MR MACHO: Information permitted from Hon. Hellen Auma, Madam Speaker.

MS AUMA WANDERA: Thank you, Madam Speaker. I have information. Yes, I confirm that I was in Busia on Monday. There is a traffic jam of trucks; the customs are blocked. Actually, there is no way for one to cross from one place to another. It takes some good time. Thank you.

THE DEPUTY SPEAKER: Thank you. Can you conclude?

MR MACHO: Chairperson of the Committee on Trade, Industry and Cooperatives, I would like to thank you for a good comprehensive report concerning the issue of oil and fuel. *(Applause)* The truth of the matter is that the oil route from Kisumu to Jinja was given to one company, which I think was done in an unclear way. The oil reserves in Jinja were given away in a wrong way.

My prayer, Madam Speaker, is that, at least where possible, a commission of inquiry should be set up to dig into the issues of oil hoarding and the results of this country.

Lastly, Rt Hon. Prime Minister, help us to address the issue of ministers who come to our constituencies without informing us. In fact, I think they do not want us to come back. What shall we do, when we do not come here, yet our role is to talk to our people? Thank you, Madam Speaker.

THE DEPUTY SPEAKER: Member for Hoima.

5.21

MR MUHAMMAD NSEREKO (Independent, Kampala Central Division, Kampala): Thank you, Madam Speaker. I think my colleague is still –

THE DEPUTY SPEAKER: *Hajji* - I called for the Member that comes from Hoima.

MR NSEREKO: But there is Hoima Road in Kampala Central Division. *(Laughter)* Thank

you, Madam Speaker. I heard something like Hoima Road, which is just near Bakuli and there is a fuel station called Total.

THE DEPUTY SPEAKER: The problem is that hon. Muhammad Nsereko is defiant. Just let him speak and he goes.

MR NSEREKO: Madam Speaker, I would like to thank you. First of all, allow me to join the House in thanking the chairperson and the Committee on Trade, Industry and Cooperatives for the good report. The honourable minister tried to throw light, but it was short of truth. I would like to say that he was probably sanitising his report; it is not in bad faith. I have a lot of respect for *Mzee Lokeris* and he knows that.

Let us look at the statistics around us. We are landlocked. Rwanda is and so are Burundi and South Sudan. If I talk about Tanzania and Kenya, you will say they have access to the sea. The pump fuel prices of these countries, from the data we have, are much lower than those of Uganda; some of them have transit points through Uganda, like Rwanda and Eastern Congo. Eastern Congo is partly landlocked because it does not have access through the sea from the other side.

Now, we have much lower prices. You have given all the reasons. We have resorted to reserves and talked about X, Y and Z, but you have not explained the reason as to why in the last five years, the price of fuel in Uganda has risen by over Shs 1,100. Every time we talk about it, you have a reason.

Now, when we were here in 2016, we talked about the reserves. You stated that you would come up with the Uganda National Oil Company (UNOC) and that UNOC would be in charge of the results. Indeed, time came to pass and now, from the report of the honourable colleague, you can clearly see that there is mismanagement of the reserves.

We were on the Committee on Finance, Planning and Economic Development and

colleagues can bear me witness. I posed a question to the Attorney-General and UNOC that were present to give the committee the status of the fuel reserves in Jinja. Since we have recordings of the proceedings of the committees, this must tantamount to perjury: telling lies to this Parliament. They stated that we have reserves. I insisted and even Members of the committee can bear me witness. I said, "Time will tell that in this country, we no longer have decent people that can tell the countrymen the truth". Indeed, there were no fuel reserves.

When a junior officer attempted to make a statement about the matter and stated that they were under renovation, the chairperson gagged him and said: "You cannot speak; wait for the minister." When the minister came, they spoke lies. I am on record and I have Members who are here to bear me witness – he is a member, he is a member and he is also a member.

Madam Speaker, like you have stated – and I welcome your remarks – these are administrative matters. Every loss that we have made as countrymen in the last one month, from every litre you have been consuming, just know that there is some of your wealth that has been taken away just because someone went to sleep. Do not take it lightly that fuel prices go up and it is normal. From your payment here, you are paid on town run, based on the fuel you use, meaning it is paid at a certain price that includes your movement to the constituency and even an ordinary Ugandan moving his child to school. When fuel prices go up, there is some inflation that goes up in the economy, meaning the real income of people goes down.

Therefore, we cannot sit here and take it as business as usual that people just come and explain and walk away. Where has the regulator been? You cannot say that you have only discovered that there is a section in the Act that gives you powers to reign on these people. No, you are paid to have legal advisors in your ministries in order to brief you on all these.

Now that you have discovered that it is as such, what have you done? The fuel price is at Shs

5,000 and above, depending on where you stay. It is worse in western and northern Uganda.

Therefore, you cannot sit here and just say, "Fuel is determined by the forces of demand and supply". It does not happen anywhere in the world – on fuel! Why? Fuel prices determine prices of nearly everything, ranging from food to other supplies that we use.

Madam Speaker, as I wind up, the hoarding of fuel in this country cannot be done without people having an eye and ear somewhere. If you want to know that systems function here, just tweet even a message: you will understand the wrath of the state. Therefore, for you to tell me that people are hoarding fuel and the State does not come out with this coercive machinery to reign on this, that means you are passing a vote of no confidence on yourself.

You must stand up and state that companies X, Y and Z, after our tour, we found out that they were hoarding fuel.

Then, there is a given reserve under section 26(2) of this Act that every fuel station or fuel operator that is licensed must have reserves of 10 days plus, before you even look at the national reserves. Who is the regulator and enforcer? It is you, the ministry. Therefore, you should take responsibility and apologise. Do not come here with reasons.

Say, "Probably, we have been in a slumber and this has been an awakening call. We apologise to you, countrymen, and we are going to start tomorrow." People will then have confidence that yes, we have a Government that listens and cares, not a Government that pays a deaf ear when its people are crying. Fuel affects you; it affects me – although it affects you partially since you have a fuel card. Thank you, Madam Speaker.

THE DEPUTY SPEAKER: Honourable minister, we want you to carry out an operation on petrol stations that have hiked prices. We have security operatives. We want you to carry out an operation and make sure that fuel prices are back at the price it is supposed to be and the

reserves of 10 days plus must be observed. Do not just sit and say, “It will come down. We are going to act.” No. I wish I were you, I would take time and read this report –(*Interference in recording*_)

DR BARYOMUNSI: Thank you very much, Madam Speaker. We are being disrupted by technology. I would like to move that we adjourn the House so that – because we cannot follow and there is a lot of disruption. I am afraid more damage might be done to the IT system.

Madam Speaker, I request that you put the question and we adjourn. Maybe, we shall continue next week when the IT officers have sorted out the technical issues.

THE DEPUTY SPEAKER: Members, personally I cannot even hear what is being said. The question is: are we safe? The other issue is that I am also impressed that everybody appreciates the report.

I now put the question that the report of the sectoral Committee on Tourism, Trade and Industry on the fuel crisis in the country be adopted by this august House.

(Question put and agreed to.)

(Report adopted.)

THE DEPUTY SPEAKER: Members, the House is adjourned to Tuesday at 2 o’clock. Hon. Mutembuli, our Succession Bill.

(The House rose at 5.32 p.m. and adjourned until Tuesday, 8 February 2022 at 2.00 p.m.)