



IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

FOURTH SESSION - 35TH SITTING - THIRD MEETING

Thursday, 29 May 2025

Parliament met at 2.00 p.m. in Parliament House, Kampala.

PRAYERS

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

The House was called to order.

COMMUNICATION FROM THE CHAIR

THE SPEAKER: Honourable members, I welcome you to this afternoon's sitting. You recall that the House was adjourned *sine die* last week, and we did it without prorogation of the House. At the end of every sitting, we formally prorogue the House, marking the end of the Fourth Session of the 11th Parliament. That means you successfully finished four years and are waiting for a hectic year of elections. Today, we will prorogue the House. As we wait for the State-of-the-Nation Address, we will give you time to look for votes because we need all of you back in the House; not so, Hon. Francis? Remember, we have the State-of-the-Nation Address on 5 June 2025 and I request all of you to attend.

Honourable members, you recall that on the 5th February and 17th April, this House passed resolutions to authorise reallocation of the budget estimates 2024/2025 and the revision of work plans for institutions affected by the Rationalisation of Government Agencies and Public Expenditure (RAPEX). It was envisaged that these expenditures, among others, would enable us to settle terminal benefits and other

forms of severance packages for the staff that were affected.

Notably, these institutions that we are talking about are institutions like Uganda National Roads Authority (UNRA) and Uganda Road Fund. However, to date, the money has not been paid to the people who were retired out of RAPEX and this House passed Shs 61 billion for these people to be paid and because these people have not been paid, they have ended up going to court. We want the Government to make a follow-up on this payment and ensure that these people are paid for the work they did.

Since we already allocated money for that and nothing has taken place – and one of the reasons for rationalisation was not to make the people disadvantaged. These people have been working for this country, and we ought to pay them for what they have been doing. Therefore, Government Chief Whip, you need to make a follow-up on that with the Minister of Public Service and ensure that these people are paid.

Honourable members, the Parliamentary Pension Scheme will hold a member-centred seminar for Members of Parliament on Wednesday, 11 June 2025, in the Parliament Conference Hall, starting at 9.00 a.m., and you are accordingly notified and requested to attend. That is your scheme.

Honourable members, allow me to invoke Rule 26(1) of the Rules of Procedure to vary the Order Paper to accommodate some urgent issues. The first is an urgent loan request by

the Government, pursuant to Article 159 and Rule 162 of the Rules of Procedure, and this loan is a budget support. Remember, we passed the budget last week, and one of the sources of funding for that budget was from borrowing, and this is budget support.

Secondly, to lay a bi-annual report of the Parliamentary Pension Scheme (PPS), by the chairperson of the Board of Trustees.

Thirdly, we shall also lay the reports from the Auditor-General. Thank you. Yes, Dr Bhoka?

2.06

DR GEORGE BHOKA (NRM, Obongi County, Obongi): Thank you, Madam Speaker. I thank you for raising in the House the plight of staff that got affected by the rationalisation exercise. While I was travelling yesterday from the constituency, I had an opportunity to interact with the staff of Obongi-Sinyanya Ferry. These are staff, some of whom have been put on as skeletal staff to continue the operation of the ferry services. Their salaries have not been paid for long.

There are staff who have been laid off, expecting their severance package, as well as their terminal benefits. These have not been paid. Further still, just across the ferry, there is a very bad spot that threatens to cut off the ferry service. Call-off orders have been put to the Ministry of Works and Transport, and six months down the road, no work has started.

Vehicles travelling from Arua to Juba via Obongi incurred losses, damages to their vehicles, rotting of goods because of inaction by the Ministry of Works and Transport, caused by the inaction of the Ministry of Finance, Planning and Economic Development to make resources available. This beats the spirit and the intentions of RAPEX.

We urge the Government, as you have already stated, to take action to address the plight of the workers who are languishing.

I submit.

THE SPEAKER: Government Chief Whip, take note of what Members are raising and remember that we passed Shs 61 billion in this House. But then, the problem that is coming up is the calculation of terminal benefits. Whereas the Ministry of Public Service is saying the people should be paid only Shs 25 billion, the normal calculation says Shs 61 billion; so the issue must be reconciled. Yes, Hon. Ssewungu?

2.09

MR JOSEPH SSEWUNGU (NUP, Kalungu West County, Kalungu): Thank you, Madam Speaker, for your communication. Through you, I also wish to inform the Government Chief Whip to take note of this: It seems after the transition under RAPEX, people who got these entities did not know some of the areas they are controlling, Madam Speaker. I have raised to the Permanent Secretary of the Ministry of Works and Transport about Kalungu Road, but he does not know that the road is for the Government.

When I ask him, he tells me to contact the district engineer, but these roads are different. There are roads manned by the district and roads under UNRA. When we used to have –

THE SPEAKER: The “late” UNRA.

MR SSEWUNGU: We used to communicate with Ms Kagina and station managers in Masaka about the weaknesses and the challenges on our roads. They would have come out very fast to work on those roads, but as we speak – I have taken a month communicating with the Permanent Secretary of the Ministry of Works and Transport, because he is the immediate person we can communicate with about these roads but it seems he does not know the roads he is supposed to work on.

Lastly, Madam Speaker, as you talked last time, Masaka Road has a challenge. It has been four years since the road was diverted to go through Mpigi. You make diversions when you’re trying to work on the road as quickly as possible. We want to know from the Ministry of Works and Transport; has Mpigi Road become the permanent Masaka Road or must

it remain as it was before? What are they doing on Masaka Road that they have failed to clear the area they had closed for four years now? The road is closed and we do not know what is taking place, but accidents are occurring every day.

Lastly, whenever they divert roads, those roads where they divert to are not worked on. They leave them as they used to be. When Katonga Bridge broke down, they were using Kalungu-Villa Maria Road to Nyendo. The road was spoiled –

THE SPEAKER: Honourable members, we have a report on roads and we are going to discuss it. There is a procedural matter.

MR SILWANY: Madam Speaker, I rise on a procedural matter: I first thank Hon. Ssewungu because he is raising very pertinent issues concerning our roads. However, when I look at the Front Bench, my boss, the Government Chief Whip looks so constrained when the other ministers are not there. The Floor has been left to him alone yet we have 85 ministers.

Wouldn't it be procedurally right that when we are talking about roads, the Minister of Works and Transport should be here in the House to listen to the plight of Ugandans and the population?

Madam Speaker, wouldn't it be procedurally right for you to direct the ministers to be here to enable us to continue with this House properly and with responses from the Government?

THE SPEAKER: Honourable members, as I have already said, we have a report from the ministry for works. We should be able to discuss it extensively.

MR SSEWUNGU: Thank you, Madam Speaker, for your indulgence. I am very comforted when the Government Chief Whip is around because our work cannot stall because of them. In the Committee on Education and Sports, we have moved four years without the substantive Minister of Education and Sports appearing. We said we cannot stop doing

business because Madam Janet Kataha is not appearing; so we have moved on. Whether she appears or not, it is on her record. Therefore, if the Government Chief Whip is here, let us move on, honourable members, as they come.

THE SPEAKER: Hon. Gonzaga, a minister is not a person but an office. She is even online now. If you want, come and see. *(Laughter)*

MR SSEWUNGU: Madam Speaker, that is not my role, but at least I am sure she is not there.

2.13

MS BETTY NALUYIMA (NUP, Woman Representative, Wakiso): Thank you, Madam Speaker. Yes, before you –

THE SPEAKER: I hope you are not raising matters of national importance because you have two hours of that.

MS NALUYIMA: We are responding to your communication, Madam Speaker. Being part of the Committee on Public Service and Local Government, we want to appreciate you –

THE SPEAKER: And a Shadow Minister.

MS NALUYIMA: And the Shadow Minister for Local Governments, given that many local governments are also affected by our rationalisation as far as those former Uganda National Roads Authority (UNRA) roads were concerned. I also have an input.

Madam Speaker, when we are handling this matter of the effects of rationalisation, could we get to know and hear from the Ministry of Finance, Planning and Economic Development? Many times, whenever the Minister of Public Service has appeared, we have inquired about why our former staff have not been handled. How come they have not yet been settled? All the answers get back to the ministry for finance. Unfortunately, many times the Ministry of Finance, Planning and Economic Development does not honour our invitation to the Committee on Public Service and Local Government.

Can we get a Cabinet response to this very matter of rationalisation? Let us have a joint statement, whether it is going to be the Prime Minister giving it to us or otherwise. We have already re-voted but some ministries are referring to others. The Ministry of Public Service refers to the Ministry of Finance, Planning and Economic Development – that it has not released the money such that it fully handles this matter of paying off all affected staff.

I request that let the ministry for finance also give us a response as to whether the money has already been sent to the Ministry of Public Service to settle this. I thank you.

THE SPEAKER: Honourable members, the Committee on Public Service should look at all these issues on the settlement of terminal benefits and report back to the House in the next sitting. It is a very urgent issue and this must be handled. We thought that these people should be given their settlement allowance, but to date, they have not been given their money. Yes, Leader of the Opposition (LOP)?

2.16

THE CHIEF OPPOSITION WHIP (Mr John Baptist Nambeshe): Thank you, Madam Speaker. The victims of the Rationalisation of Government Agencies and Public Expenditure (RAPEX) are blamed solely on the ministries. The delays in reintegrating the staff from the merged agencies has caused many – by the way, soon you will be receiving petitions, Madam Speaker.

Most of the staff, under stringent measures, are now supposed to apply afresh for the jobs. That would not be bad under normal procedure. However, the recruitment exercise is lopsided; it is paying more attention to those who are fresh applicants, rather than giving priority and preferential treatment to the older staff who are affected by the RAPEX.

Madam Speaker, as you give directives to the line Ministry of Public Service, those affected ministries must take note and give preference to the older staff who were already there.

Thank you.

THE SPEAKER: Thank you. Next item.

LAYING OF PAPERS

(I) THE BI-ANNUAL REPORT OF THE INSPECTORATE OF GOVERNMENT

THE SPEAKER: Honourable members, Article 231(1) of the Constitution of the Republic of Uganda, 1995, requires the Inspectorate of Government (IGG) to submit a report to Parliament, at least once in every six months, on its performance and functions and making such recommendations as may be considered necessary for action by Parliament. The reports are available. I will request the Commissioner to lay them as per Rule 33 of the Rules of Procedure of Parliament.

2.18

MR SOLOMON SILWANY (NRM, Bukooli Central, Bugiri): Madam Speaker, I beg to lay the Bi-Annual Performance Report to Parliament from the Inspectorate of Government, July-December 2024.

THE SPEAKER: Thank you. Pursuant to Rule 33(5) of the Rules of Procedure of Parliament, the reports are sent to the Committee on Legal and Parliamentary Affairs.

(II) THE REPORT OF THE AUDITOR-GENERAL ON THE FORENSIC INVESTIGATION INTO THE MANAGEMENT OF COURT FEES USING THE ELECTRONIC CASE MANAGEMENT INFORMATION SYSTEM

2.19

MR SOLOMON SILWANY (NRM, Bukooli Central, Bugiri): Madam Speaker, I beg to lay the Report of the Auditor-General on Forensic Investigations into the Management of Court Fees using Electronic Court Case Management System.

THE SPEAKER: Honourable member, please lay all the reports from Auditor-General at once.

2.19

MR SOLOMON SILWANY (NRM, Bukooli Central, Bugiri): Madam Speaker, I also beg to lay the Report of the Auditor-General on Forensic Investigation into the Suspected Fraud in Gorilla and Chimpanzee Permit Booking Systems at Uganda Wildlife Authority for the period 1 July 2020 to 30 September 2023.

THE SPEAKER: Thank you. The findings in all the reports are criminal in nature and the investigations have been going on. These are referred to the Criminal Investigations and Intelligence Directorate (CIID) for action.

(III) THE REPORT OF THE PARLIAMENT OF UGANDA DELEGATION TO THE SITTING OF THE PAN-AFRICAN PARLIAMENT, PERMANENT COMMITTEES, AND OTHER ORGANS FROM 18TH TO 28TH FEBRUARY 2025, IN ACCORDANCE WITH RULE 34 OF THE RULES OF PROCEDURE

THE SPEAKER: Honourable members, I notice that none of the Pan-African Parliament (PAP) Members are in the House. First of all, they are breaching the rules by not always reporting on what is being discussed in the Pan-African Parliament. Therefore, I will require a written explanation as to why they are not here and are not submitting their reports to the House. Government Chief Whip and LOP, we need an explanation from your Members.

(IV) REPORTS OF THE COMMITTEE ON PRESIDENTIAL AFFAIRS ON OVERSIGHT VISITS TO:
A) KITEEZI LANDFILL; (B) KIRYANDONGO DISTRICT, TO ASCERTAIN THE STATUS OF INTERNALLY DISPLACED PEOPLE (IDPS) FROM BUDUDA; (C) THE CITY ABATTOIR; (D) THE STATUS OF MARKETS IN KAMPALA IN ACCORDANCE WITH RULE 35 OF THE RULES OF PROCEDURE.

THE SPEAKER: Honourable members, pursuant to Rule 35 of the Rules of Procedure of this Parliament, I invite the chairman of the

Committee on Presidential Affairs, Hon. Alex Byarugaba, to table the reports of the committee and briefly highlight the recommendations.

2.22

THE CHAIRPERSON, COMMITTEE ON PRESIDENTIAL AFFAIRS (Mr Alex Byarugaba): Madam Speaker, as you have guided, I would like to lay on the Table four reports of the Committee on Presidential Affairs, in the order as provided on the Order Paper.

Madam Speaker, I beg to lay a report of the Committee on Presidential Affairs on the Oversight Visit to Kiteezi. I beg to lay.

THE SPEAKER: Please lay.

MR BYARUGABA: Madam Speaker, I would like to lay on the Table a report of the Committee on Presidential Affairs on the Oversight Visits to Kiryandongo District to ascertain the status of Internally Displaced Persons from Bududa. I beg to lay.

THE SPEAKER: Please do.

MR BYARUGABA: Madam Speaker, I would also like to lay on the Table a report of the Committee on Presidential Affairs on the status of the City Abattoir. I beg to lay. I will provide a summary.

THE SPEAKER: That is per rule 35(2).

MR NAMBESHE: Madam Speaker, you had guided earlier, before my honourable colleague came to lay, to highlight the salient issues that have been captured in these reports before laying. But I see the Member just laying without paying heed to your directions.

THE SPEAKER: He is going to give it.

MR BYARUGABA: Madam Speaker, thank you for your wise ruling. I was very clear and said I was going to give just a few highlights on each of these reports, as guided by the Speaker.

Finally, I would like to lay on the Table a report of the Committee on Presidential Affairs on the Oversight Visit to Assess the Status of Markets in Kampala.

Madam Speaker, I will start with a brief report on the Kiteezi Landfill. In response to the tragic collapse of the Kiteezi Landfill on August 10 2024, which resulted in the loss of over 23 lives, the Committee on Presidential Affairs conducted an oversight visit to assess the circumstances leading to the disaster, evaluate the current state of waste management, and recommend actionable measures to prevent such occurrences in the future.

Madam Speaker, the Kiteezi Landfill was established in 1996 and is located in both Kampala and Wakiso Districts. The landfill has been a primary waste disposal site for Kampala, receiving approximately 2.5 million tons of waste every day. Despite reaching its capacity as early as 2012, the landfill continued operations without significant upgrades or expansion, hence leading to environmental degradation and health hazards for the surrounding communities.

Key findings

The hazard risk and vulnerability assessment identified 505 households at high risk, including 81 households submerged by floods caused by the landfills disaster as a secondary impact of the collapse.

Madam Speaker, only 35 dead bodies were exhumed and verified, but 29 families received condolence funds, indicating an urgency to ensure that all affected families receive the promised support— So, not everyone got some compensation of sorts.

The quality of shelter provided was certainly not sufficient enough and two or three families were sharing a tent at the time of the visit.

Over 80 children who were eligible for nursery to university-level training had been affected by the dump slide. Fortunately, the situation has since improved because they were given

some compensation, and those who had been displaced left the site.

Key recommendations

- i. Governments should expedite the compensation and relocation of 171 households that were displaced by the waste slide.
- ii. The Government should also expedite the roll-out of the National Garbage Management Plan.
- iii. The Kampala Capital City Authority (KCCA) should prioritise the establishment of modern waste disposal sites in identified locations such as Menvu, Nansana, Ddundu, and Busumamula in Kira Municipality, incorporating advanced waste management technologies like incineration and recycling.
- iv. KCCA should invest in training and equipping waste management personnel with the necessary skills and protective gear to ensure safe and efficient operations.

Madam Speaker, in conclusion, the oversight visits to Kiteezi Landfill revealed critical failures in waste management, generally in the country and Kampala in particular. Regulatory oversight and emergency preparedness were quite lacking.

The collapse of the landfill devastated social, economic, and environmental impacts on the surrounding communities, which highlighted the urgent need for improved waste disposal infrastructure, entrenched regulatory frameworks, and timely interventions to prevent future disasters.

That was a summary of the summary on Kiteezi Landfill.

The brief report on the Internally Displaced Persons from Bududa and Kiryandongo.

In March 2010, a devastating landslide struck Bududa, in Eastern Uganda – where my friend comes from, whom I was with when we visited that very particular place – leaving a trail of destruction and loss of 350 people; it was very tragic.

This was triggered by heavy rainfall. The landslides buried entire villages on the slopes of Mount Elgon, claiming hundreds of lives and displacing thousands of people. The disaster, which mainly affected the villages of Nametsi, Kubehe and Namakansa, highlights complex issues surrounding land management, disaster preparedness, resettlement planning, and environmental conservation. They were very unavailable there at that time.

While exercising its mandate, the Office of the Prime Minister relocated 603 families to Panyandoli in the Kiryandongo District.

In 2011, the Government initiated the construction of permanent low-cost houses for survivors of the March 2010 landslides who were relocated to Panyandoli Hills in the Kiryandongo District.

The resettlement programme was implemented in phases, including the acquisition and allocation of 2.5 acres of land to each household, the provision of relief food for 10 complete months, support for land clearance, supply of seeds and agricultural inputs and access to education and health services within the settlement.

The oversight visit to Kiryandongo revealed significant challenges faced by IDPs from Bududa, including inadequate shelter, land security, food and health care. Some of the structures were already showing signs of collapse, unfortunately.

The committee, therefore, recommends that the Government prioritises the provision of essential services and support to the IDPs.

Furthermore, the committee also calls for increased transparency and accountability in the management of funds allocated to IDP support.

The Government should also develop a comprehensive plan for the sustainable resettlement and reintegration of IDPs in the entire country to avoid the repetition of what is happening in Kiryandongo.

Unfortunately, when I talk of integration, what I saw there was a little bit distressing. The people there still believe they are not part and parcel of Kiryandongo; they still believe that they are part of Bugisu. They do not want to integrate with the local communities and that alone, of course, brings in quite a number of challenges. The details are within the report because I was given just only 20 minutes.

Another summary is on the report on the Kampala City Abattoir. We only have one city abattoir, that is around Port Bell Road. The Kampala City Abattoir is the largest slaughterhouse in Kampala, processing livestock for both local consumption and distribution to various markets within Kampala and its environs. It operates under the supervision of Kampala Capital City Authority's health department, veterinary services and other regulatory agencies.

The Kampala City Abattoir is located on Plots 1, 2 and 3 Old Port Bell Road in Kampala and has been a site of significant controversy and legal disputes over its management and oversight.

The abattoir initially was managed by Kampala City Council (KCC) and became the centre of complex conflict involving multiple stakeholders, including KCCA, Basajjabalaba Hides and Skins and Company Limited, Dan Kwantampola Katarihwa, and also the City Abattoir Traders Development Association (CTDA). All those were entangled in horrible conflicts that have gone through the decades.

On 27 March 2016, Madam Speaker, His Excellency President Museveni, met the informal sector members, including City Traders Development Association (CTDA) and directed that the abattoir be repossessed by KCCA and tendered to the sitting tenants, which was CTDA. The President also instructed KCCA to determine reasonable rates for the traders.

Findings

- i. The Kampala City Abattoir is not fully owned and managed by KCCA due to

unsolved ownership issues, which gives traders a leeway to illegally collect money and run the abattoir without any regulation whatsoever;

- ii. The Kampala City Abattoir has shifted from its primary purpose and now operates more like a market, very disorganised, extremely very unhealthy and dirty. Anytime, we can face another disaster. When you go there, you do not feel like buying meat. But anyway, that is for us to consume.

Recommendations

- i. KCCA should restore the abattoir to its original purpose so as to create trade order in that particular market;
- ii. KCCA should prioritise the construction of new structures at the abattoir. The current ones are in a sorry state; they are an eyesore. Those of you who have been there –

The last summarised report is on the status of markets within Kampala. There are 17 markets in different divisions of Kampala.

In February 2010, His Excellency, the President of Uganda, directed the then Kampala City Council to stop selling city markets to outsiders but rather hand them over to vendors within those particular markets.

This prompted the Government to compensate a city businessman known as Hassan Basajjabalaba, who had at the time secured a contract to manage Nakasero and Owino markets in particular.

With the new management of Kampala under Kampala Capital City Authority, the February 2010 directive was implemented and the markets were leased out in April 2014 to the different groups who were already vendors in those markets.

In 2018, a new presidential directive was issued, guiding vendors to return markets to the local authorities, hence leading to court battles and mayhem in these markets.

Key findings

The Government markets in Kampala are owned and managed by the Kampala Capital City Authority, following the presidential directives that aimed at providing affordable trading spaces for vendors. However –

THE SPEAKER: There is a point of procedure from Hon. Francis.

MR ZAAKE: Thank you, Madam Speaker. The matter that is being presented is very important that the Minister of Kampala Capital City Authority and Metropolitan Affairs needs to pay attention to but I am wondering why the minister is absent.

We are going to be giving our views and it needs to be put on record that the Minister of Kampala Capital City Authority and Metropolitan Affairs was around. Is it procedurally right to have this report when the Minister of Kampala Capital City Authority and Metropolitan Affairs is absent?

We need your guidance, Madam Speaker.

THE SPEAKER: We are laying the report under rule 35; laying of committee field reports. However, what he raises is very pertinent because Members will need to understand what is happening right there. Much as you are laying the report, the minister ought to be here to respond to what one Member or two Members ought to say.

The Government Chief Whip may not be able to respond to what is expected because this is within Kampala and Kampala has a minister. Let us go ahead and receive the report and we will allocate time to debate it. *(Applause)*

MR BYARUHANGA: Thank you, Madam Speaker. Everybody is right; honestly, this is a very important report. We are all residents –

THE SPEAKER: All of them are very important.

MR BYARUHANGA: Very important indeed. Thank you, Madam Speaker. Everybody is right; honestly, this is a very important report.

THE SPEAKER: All of them are very important.

MR BYARUGABA: Very important indeed. Thank you, Madam Speaker, for that emphasis.

However, in Owino, Nakasero, Bugolobi and Nakawa, property developers who invested their resources to develop these markets were not compensated by the Government when Kampala Capital City Authority(KCCA) assumed management, especially in Bugolobi; they are all up in arms with the KCCA.

Finally, recommendations, Madam Speaker.

- i) The Government should find money and compensate the property developers, or the so-called landlords, as they are known. Most of them are retired public servants who used the little money available to them at that time to develop the market to what it is today, most specifically Bugolobi.
- ii) Kampala Capital City Authority(KCCA) should take charge in collecting taxes in these markets so that the Government can increase its tax base and uptake.

Madam Speaker, I beg to move. Thank you.

THE SPEAKER: Thank you so much. Government Chief Whip, ensure that the minister for Kampala is available in the next sitting for us to discuss these reports. In the meantime, we are going to deposit these reports in the library for easy access. Yes, Government Chief Whip?

2.41

THE GOVERNMENT CHIEF WHIP (Mr Denis Obua): Madam Speaker, I can confirm to the House that before the end of the sitting, if not one, both ministers in charge of Kampala will be here, the senior minister and the minister of state. They are both confirmed and on their way. Thank you.

THE SPEAKER: Thank you. Then we will create time to discuss your reports. I want

to thank you because you find most of the committees to date have not produced even a single report. Thank you for the report. Whereas they complain, no money but- Next.

MOTION FOR A RESOLUTION OF
PARLIAMENT TO AUTHORISE
GOVERNMENT TO BORROW UP
TO EURO 270 MILLION FROM AFRI
EXIM BANK AND UP TO EURO 230
MILLION FROM ECOBANK AND THE
DEVELOPMENT BANK OF SOUTHERN
AFRICA LIMITED TO FINANCE THE
GOVERNMENT OF UGANDA BUDGET
FOR THE FINANCIAL YEAR 2024/2025

THE SPEAKER: Honourable members, pursuant to Article 159 of the Constitution of the Republic of Uganda, 1995, and Section 36 of the Public Finance Management Act, and Rule 162 of the Rules of Procedure of Parliament, the Government wants to borrow money.

Remember, we passed a budget in this House, and one of the sources of funding for it was through borrowing. Now the Government is here to borrow money to finance it.

It is a budget support loan. I want to invite the Minister of Finance, Planning and Economic Development to move a motion seeking for approval of the House for the Government request.

I think you are the most popular minister –
(*Laughter*)

2.43

THE MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (Mr Matia Kasaija): I am honoured to be the most popular minister. Madam Speaker, I would like to move a motion for resolution of Parliament to approve the proposal to borrow up to Euro 270 million from African Export-Import Bank, and up to Euro 230 million from Ecobank Uganda Limited and Development Bank of Southern Africa Limited to finance the Government of Uganda budget for Financial Year 2024/2025.

Madam Speaker, in line with Article 159 of the Constitution of Uganda 1995, Section 34 of the Public Finance Management Act 2015 (as amended), and the old Rule 155, and the new Rule 162(1), of the Rules of Procedure of Parliament, I beg to move a motion for the resolution of Parliament to approve the proposal by Government to borrow Euro 270 million from the African Export-Import Bank, and up to 230 million from Ecobank Uganda Limited, and the Development Bank of Southern Africa Limited to finance the Government of Uganda's budget for the Financial Year 2024/2025.

THE SPEAKER: Is the motion seconded? Seconded by the Government Chief Whip, Hon. Cuthbert Abigaba, Hon. Silwany, Hon. Acora, Hon. Chemaswet, Koluo, Col Nekesa, Hon. Ayeku, Hon. Muhamad Nsegumire, Hon. Baka, Hon. Alex, Hon. Nambozo, and the whole side.

Would you love to speak to your motion?

MR MATIA KASAIJA: Madam Speaker, in June 2024, Parliament appropriated a total budget for the Financial Year 2024/2025 amounting to Shs 72.137 trillion for implementing Government activities. Out of this, Shs 34.318 trillion was appropriated, and Shs 37.817 trillion was approved for statutory expenditure.

The total appropriated budget support financing was Shs 1,393.66 billion -

THE SPEAKER: Honourable minister, the appropriation was done on 17 May 2025. As stated, continue. We have corrected the record. Do not disorganise the old man. Let him continue.

MR MATIA KASAIJA: Madam Speaker, my ministry has now concluded negotiations for Euro 500 million (approximately Shs 1,982.65 billion) to finance these approved expenditures from external sources. This comprises a loan of up to Euro 270 million from African Export-Import Bank, as I have said before, to finance the budget as appropriated, and up to Euro 230 million from Ecobank Uganda (Ltd), and the Development Bank of South Africa.

The two loans were also approved by Cabinet on the 26 of May this year. The two loans were approved by His Excellency the President on 20 May 2025, by Cabinet on 26 May 2025, and a certificate of financial implications as shown in Annexe III, IV, and IX of my detailed brief to Parliament, respectively.

Terms and conditions of the loan

The financing of the African Export-Import Bank loan are as follows;

- (a) Loan: €270 million
- (b) Tenure: 10 years
- (c) Grace period: Three (3) years
- (d) Base rate: Six (6) years Euribor (2.151 per cent as of 7 May 2025)
- (e) Margin: 5.00 per annum
- (f) Interest rate: Base rate plus margin
- (g) Placement fees: 1.75 per cent (payable one-off upfront)
- (h) Commitment fees: 1.2 per cent per annum (not applicable if the Government of Uganda draws down the entire loan amount within 90 days from the date of signature of the financing agreement).

The all-in cost-effective interest rate for the facility is 7.33 per cent, based on the six-month Euribor rate of 2.151 per cent as of 7 May 2025.

The terms of the Ecobank Uganda Limited and the Development Bank of Southern Africa Limited (DBSA) loan are as follows:

- (a) Loan amount: €230 million
- (b) Tenure: Seven (7) years for the commercial tranche (€130 million) and 10 years from the DFI tranche (€100 million).
- (c) Grace period: Three (3) years for the DFI tranche and three (3) years for the commercial tranche.
- (d) Availability period: Ninety (90) days.
- (e) Base rate: Six (6) months Euribor (2.151 per cent as of 7 May 2025).
- (f) Margin: 5.00 per cent per annum for the DFI tranche and 4.85 per cent per annum for the commercial tranche.
- (g) Interest rate: margin plus base rate (for each tranche).
- (h) Arrangement fees: 1.25 per cent of the facility amount.

- (i) Agency fee: €30,000 per annum.
- (j) Commitment fees: 0.5 per cent per annum (not applicable if the Government of Uganda draws down the entire loan amount within 90 days from the date of signature of the financing agreement).
- (k) Default interest: 1.5 per cent.

The all-in cost-effective interest rate for the two Ecobank facilities is 7.28 per cent for the DFI tranche and 7.18 per cent for the commercial tranche, based on the six months Euribor rate of 2.151 per cent, as of 7 May this year.

Conditions precedent to the disbursement of the loan

The condition precedent to effectiveness and disbursement of the loan are highlighted on pages 6 and 7 of the brief to Parliament.

Justification for the loan

Madam Speaker, the €270 million loan facility is to finance the Financial Year 2024/2025's budget as approved by Parliament in May 2024 –

THE SPEAKER: May 2025. I am correcting the year. *(Members rose)* Let us finish first. Shadow minister, I will allow you to speak.

MR MATIA KASAIJA: I repeat, Madam Speaker. The €270 million loan facility is to finance the Financial Year 2024/2025'S budget as approved by Parliament in May 2024 to be sourced externally, while the additional €230 million is to finance the Supplementary Expenditure Schedule No.3 approved by Cabinet and later Parliament on 12 March 2025 for Financial Year 2024/2025.

A copy of the Supplementary Expenditure Schedule No. 3 will be attached and marked as "Annex 8" of my detailed brief to you.

The loan and the current date situation of the country

Madam Speaker, the loan will slightly increase our current debt stock. As at the end of June 2024, the total public debt stock stood at

\$25.55 billion, increasing from \$23.6 billion as at the end of 2023.

Of the total public debt stock, external debt constituted \$14.59 billion and domestic debt stood at \$10.96 billion. Uganda's debt remains sustainable with the nominal value of public debt to GDP of 46.86 per cent at the end of June 2024, compared to 47.40 per cent at the end of June 2023.

Madam Speaker, I wish to lay on the Table the brief to Parliament with the following attachments.

1. Cabinet Minute 19 CT 24 on the performance of the budget for expenditure for Financial Year 2024/2025.
2. Cabinet Minute 93 CT 2025 on Supplementary Expenditure Schedule No. 3 for Financial Year 2024/2025.
3. Letter from H.E. the President providing clearance to the two loans, dated 20 May 2025.
4. Resolution of Parliament for Supplementary Expenditure Schedule No. 3.
5. Certificate of Financial Implications.
6. Draft Financing Agreement for the €270 million to be provided by the AFREXIM Bank.
7. Draft financing agreement for the €230 million to be provided by ECO Bank and the Development Bank of Southern Africa.

I beg to lay.

THE SPEAKER: Thank you. Honourable minister, I wanted to find out: which budget is the money that we are borrowing meant to finance? Is it the current budget that we are on or the 2025/2026 budget?

MR MATIA KASAIJA: It is for this running –*(Laughter)*– yes, she has asked me a question. This is not going to be financing the coming financial year's budget. We have a lot of –

THE SPEAKER: It is for us to finish the budget of 2024/2025.

MR MATIA KASAIJA: Yes, Madam Speaker.

THE SPEAKER: When is the financial year ending?

MR MATIA KASAIJA: Well, if you give me the authority, this money will go out to the spenders before the weekend comes. *(Laughter)*

THE SPEAKER: Honourable minister, if we give you the authority – I thought we were giving you authority to borrow? How long will it take for you to borrow the money?

MR MATIA KASAIJA: Let me explain carefully. Let us listen to each other.

THE SPEAKER: Honourable members, let us listen to the minister.

MR MATIA KASAIJA: There are expenditures, now, in the Treasury, that we need to pay - *(Interjections)* - Yes, with scientific means these days - *(Interjections)* - Yes, by the end of the weekend. *(Laughter)* You can go and check on the Treasury.

THE SPEAKER: If the money is for the current year, the minister was right that the money was appropriated in 2024. Yes, it is for the current budget.

MR MATIA KASAIJA: Thank you. *(Laughter)*

THE SPEAKER: Yes, Hon. Baka?

3.00

MR STEPHEN BAKA (NRM, Bukooli County North, Bugiri): I rise under rule 61, paragraph(d), for a motion without notice to suspend rule 162 paragraphs (ii), (iii), & (iv), to enable this House debate this matter and consider the motion to borrow without necessarily referring it to the Committee on National Economy.

Madam Speaker, if my motion is supported, I can proceed to justify it.

THE SPEAKER: Is the motion seconded? *(Members rose)* It is seconded by Hon. Kanushu, Hon. Okwir, Hon. Chemaswet, Hon. Silwany, Col. Nekesa, on suspension of rule 162, to allow the House to debate the loan without referring it to the Committee on National Economy.

MOTION ON SUSPENSION OF RULE
162 OF THE RULES OF PROCEDURE
TO ALLOW THE HOUSE TO DEBATE A
LOAN WITHOUT REFERRING IT TO THE
COMMITTEE ON NATIONAL ECONOMY

MR BAKA: Thank you, Madam Speaker.

Madam Speaker, I have heard you say that today you are likely to prorogue the House. If that is the case, it practically means that this matter cannot be referred to the Committee on National Economy for them to sit, consider the matter, and then for you to call us again to handle this matter as a House.

Madam Speaker, I propose that since this House is the Committee of last resort - because those other committees of the House work on our behalf – let us handle this matter and conclude it today. *(Applause)*

Besides, agencies need the money which we do not have, and the Government cannot get stuck because there is no money when we can borrow expeditiously. I thank you, Madam Speaker.

THE SPEAKER: Thank you. Hon. Ssewungu, you will come last. Okay.

3.02

THE CHIEF OPPOSITION WHIP (Mr John Baptist Nambeshe): Madam Speaker, given the urgency of this loan, it is crucial for this House to give it due consideration for its approval. I would not be a roadblock.

However, Madam Speaker, you are the custodian of the rules. Now that it is not going to be, under normal procedure, referred to the relevant committee - rules are being suspended - I implore you to consider the rule that requires you to ascertain whether the Members present

form quorum, for such an important decision to be made, so that we do not find ourselves on the wrong side of the law.

THE SPEAKER: Let us establish the number of Members physically present and on Zoom.

Yes, Hon. Gonzaga Ssewungu?

3.04

MR JOSEPH SSEWUNGU (NUP, Kalungu West County, Kalungu): Madam Speaker, in good spirit, it would have been very proper if the honourable minister for finance moved the motion to suspend the rules. This is because the justification Hon. Baka is giving is not proper, after having passed the UPDF Bill in one day –

THE SPEAKER: What is the justification?

MR SSEWUNGU: He is not the right person to move –

THE SPEAKER: Honourable, remind me, what did Hon. Baka say?

MR SSEWUNGU: He said there is no time and it is urgent. I do not agree with him, but to be proper –

THE SPEAKER: How is that related to the UPDF Bill?

MR SSEWUNGU: The way he rushed it, what he did, so filthy – He cannot be the person. *(Laughter)* Even after I met him on the veranda and I asked him to present my issues, he gave me the date of Monday, but he brought the Bill the following day. It does not look nice. It looks ugly before us.

THE SPEAKER: There is a point of order. Hon. Eddie Kwizera?

MR EDDIE KWIZERA: Madam Speaker, on the issue that the minister has presented, and what Hon. Baka has subsequently added to, we have a ministry for finance with a number of ministers, and this budget is now coming to 12 months; the minister should have given a justification as to why there was a delay in planning. Is it procedurally right –

THE SPEAKER: We needed this to come before the appropriation.

MR EDDIE KWIZERA: Yes, because for this one, we approved the expenditure aside and we also assumed that the Government had met the relevant sources of the funds. Therefore, when you come here with a loan when we are actually closing today, it means that Article 90 of the Constitution will not be complied with. The Government makes Parliament actually look like it is not doing its work. A loan of 7 per cent is actually a commercial loan.

Therefore, we should appeal to the minister to give us a justification as to why Parliament must be rushed. We agree that we can suspend the rules, but we need to have it on the *Hansard* as to why the Government has brought a loan that is commercial, to support a budget that is ending on the 30th.

THE SPEAKER: No, the budget is ending, that is agreeable, but there is no money. Can we agree that since we do not have money, nobody should be paid salary, we should stop working on the roads, we should – that is what the minister is saying, that we need money to meet all our obligations.

MR EDDIE KWIZERA: Madam Speaker, you are right. We are on the question of planning. That is the ministry responsible for economic planning. Do they plan? If they plan, they should have come and given us sufficient time.

THE SPEAKER: Government Chief Whip - Let the Chairperson of PAC, Central Government speak first.

3.07

THE CHAIRPERSON, PUBLIC ACCOUNTS COMMITTEE (CENTRAL GOVERNMENT) (Mr Muhammad Kivumbi Muwanga): Madam Speaker, I thank you for this opportunity.

Madam Speaker, before my committee is one of the reports on our debt management. You are speaking to a minister who has undisbursed money that was borrowed; Shs 16 trillion. It is out there. We are paying interest on it.

THE SPEAKER: Is it undisbursed or unutilised?

MR KIVUMBI MUWANGA: I am coming to that. That is money undisbursed. We have Shs 222 billion in the Bank of Uganda that is dispatched and unutilised. I have looked at both the Uganda Shillings and the US Dollar accounts in the Bank of Uganda.

One of the reasons that the Auditor-General is consistently advancing for this predicament is the way Parliament approves borrowing. We approve borrowing, one, without taking all the necessary conditions to ensure that this money will be absorbed. *(Applause)* Parliament as an institution is indicted for not doing a good job.

Madam Speaker, this minister for finance, who is trying to borrow this amount of money, must first ascertain that he has the capability to absorb the money because the system of Uganda closes on the 15th of the month. You have only fourteen days remaining from now.

Two, the arrangement time for the money to be wired from wherever to the Bank of Uganda account can - unless he went and got the money, borrowed, he had it here, and that is unconstitutional. Therefore, he has come to Parliament for a post-mortem kind of approval. He was stopped from borrowing money without parliamentary approval. The only way he can borrow from an international market in the remaining days is hard because he does not have time to arrange a loan. Unless he borrowed it, got it, and has come here to say, please rubberstamp. And if we are rubberstamping, that is unconstitutional.

Madam Speaker, as I conclude, the other thing that the minister, where he is indicted, this Hon. Kasaija, is on - the President of Uganda clearly stated conditions under which borrowing must be undertaken, and gave three reasons only:

1. To support the security needs of the country.
2. To support infrastructure development.
3. Human capital development.

He said, "No further borrowing of money to spend on recurrent expenditures, including wages". Is the President rescinding his position on borrowing? This is because I heard you say that you do not have money for people's wages for June. The President said that you cannot borrow to pay wages.

THE SPEAKER: Who said that?

MR KIVUMBI MUWANGA: That was the argument I got. I am not a minister. Now for general support, we want the minister to come here and say this whole money, item by item, will go to defence, infrastructure and human capital development, but generally for budget expenditure is recurrent. For how long shall we borrow money to eat?

THE SPEAKER: The budget expenditure is both recurrent and development.

MR KIVUMBI MUWANGA: Yes, that is what I said. Borrowing can only be for development. Is this minister a serious gentleman today?

THE SPEAKER: *Mzee*, are you a serious gentleman? *(Laughter)*

MR MATIA KASAIJA: Hon. Kivumbi, I do not know whether some of us here have done business. You heard you can hear ghosts, but you need money. You can take a service or a good, and this is what the Government is undergoing. We have a number of pending invoices. Who has been traveling on the road between Mityana to Mubende?

Is there anybody? On that road, you are there.

THE SPEAKER: Hon. Zaake and Hon. Margaret are there.

MR MATIA KASAIJA: Are you comfortable on that road? Yet there is a contractor. That is what I told you. Yes, I failed to pay him because I did not have the resources. Therefore, the year is ending and the debtors are demanding for their money. Hon. Kivumbi, this money we have is not for *cam-cam* - *(Laughter)*

THE SPEAKER: The contractor has been there on the road.

MR MATIA KASAIJA: We need to pay him. We do not want to carry it to the next financial year when the opportunity is available.

THE SPEAKER: Thank you. Hon. Okwir and then the Government Chief Whip.

3.13

MR SAMUEL OKWIR (NRM, Moroto County, Alebtong): Madam Speaker, this borrowing is to support the budget. I really want to plead with Members. Having looked at the status of our roads, and the pending projects, we really need to support the Government to access this money so that we can deliver services to the people of Uganda.

THE SPEAKER: Thank you. Honourable members, there is a report from the Ministry of Works and Transport, where they said that the contractor for the Kampala-Mityana-Mubende Road has been convinced to go back on the road, though they have not paid, so they want to make payment to that contractor. If we are talking about that - and Hon. Zaake can confirm that the contractor has been there for one week now. Hon. Ssekikubo of Lwemiyaga County?

3.14

MR THEODORE SSEKIKUBO (NRM, Lwemiyaga County, Ssembabule): Thank you very much, Madam Speaker. I can understand the Honourable Minister of Finance, Planning and Economic Development who presented the loan request. Madam Speaker, I wanted to be clear. This Parliament is not against this loan, only that it was brought on the eve of the new financial year, which is late.

Madam Speaker, as I listened to the minister, we have new conditions: the management fee, the agency fee, the commitment fee, the base tranche, and the commercial tranche. It is a problem for this House to approve such a huge loan on the hoof.

We are ready to support, but who is to blame once you stampede Parliament at this last

minute? We, as people's representatives, to just sit by and we say, "aye, aye" on a matter that is critical - Yes, we want this infrastructure, but can you do us a favour by letting us know so that we walk together and do not commit the country to such an arrangement we are borrowing from Ecobank, a commercial bank, and we need to be careful about borrowing from a commercial bank. We are competing with other Ugandans at commercial rates.

As a country, I do not think we are moving in a proper way. Yes, it is true we want to pay off the pending expenditures, but as Parliament, we need to walk out with our heads high that we have done our duty to the country. We have scrutinised and have given our approval. But the way we are doing it - the honourable colleague is suspending rules, it seems we are unprepared as a country.

Madam Speaker, I will give my approval, but can we be given exactly what it is? Can we unpack this loan? Can we consume the technique, given that there is agency money and there are people who are ready to share this money? It is now a package and people are in there ready as agents to see how much they take out of this loan. I think once the Government has borrowed - you can give the information.

THE SPEAKER: Hon. Ssekikubo, have you now taken over my seat?

MR KIVUMBI MUWANGA: Madam Speaker, I have a point of information. When you see agency fees, we need to be careful in borrowing. That means that somebody out there is willing to give money to Uganda, which is currently in the bag. Then he will take over this loan, and that is a very expensive arrangement. So, may Hon. Kasaija, as I have given you information, do us a favour and tell us the total cost of this loan? Take us through the agency fee and the commitment fee, and tell us at the end of the day what the cost of this loan is.

This will help to know what we are doing and where we are going.

Where you have involved in an agency, it is something which is so hard for a country to swallow. Tell us the total management fee for the whole arrangement. Hon. Ssekikubo, it was an information to you.

THE SPEAKER: Thank you.

MR SSEKIKUBO: Thank you very much, Hon. Kivumbi, for the information. My worry was that between the bank, the lending institution and the Government, there is a middle entity called the agent, who is going to get free money, yet, as an agency, he is there to arrange the money and to carry away part of it.

That is why, Madam Speaker, you put it to the ministers to tell us why they are packaging this entire thing together, without allowing us to look into what we are going to spend and incur as a country.

Otherwise, Madam Speaker, we are ready. We want that road, the Mityana-Mubembe Road, like yesterday. However, at what cost are we doing this? That is where my issue is.

THE SPEAKER: The Government Chief Whip?

3.20

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua): Madam Speaker, let me give some fundamental information to this Parliament. Why are we coming now with this borrowing? There are basically two reasons why we are coming now, when we are hardly one month to the end of the financial year.

One is that we have had prolonged and protracted negotiations with the banks that we are borrowing from, in order for us to reach the terms and conditions read by the minister.

The second is that we approved Supplementary Schedule No.3 on 12 March 2025. Part of this funding will also go into funding Supplementary Schedule No. 3 this House approved. I beg to give this information, because all these are subject to the approval of Parliament. Thank you.

THE SPEAKER: Thank you. Hon. Basalirwa? I thought you were standing. Yes, Shadow. Let me have the Shadow Minister.

3.21

MR KARIM MASABA (Independent, Industrial Division, Mbale City): Thank you very much, Madam Speaker. I have about two or three issues of concern. One is that the Minister needs to clarify when this loan request was supposed to be brought. When were you supposed to bring it? In my view, when you look at the law, the Public Financial Management Act (PFMA), you are bringing it at the wrong time.

It was supposed to be brought to the House before we passed the next annual budget, before consolidating all the supplementary budgets that we did, and before us passing the deadline was the 20th of May, which passed for us to consolidate -

THE SPEAKER: That is the response that the Government Chief Whip gave. It was because of the protracted negotiation that they have gone through, which has taken all this long.

MR MASABA: Yes, us passing it right now, we are rather breaking the law, as Parliament. Passing it after consolidating the budget - the PFMA, and the Constitution - you can crosscheck. Honourable minister, maybe, you do not have the PFMA with you, but we were supposed to pass it before the 20th of May, before us looking at it, and the Committee of Supply, approving the next annual budget.

The other issue of concern is about the Supplementary Schedule No.3, which the Government Chief Whip is justifying to be going to cover - when I look at Supplementary Schedule No.3, I notice that there is only Shs 61 billion, which is supposed to go to the Ministry of Works and Transport. Every time a Supplementary Schedule comes, it comes with its source of funding, where that money is supposed to come from. You are coming at this time after we approved and passed, because when we passed the Supplementary Schedule

No.3, we included the sources from where this money is going to come.

Thirdly, it concerns the terms, which we are getting this loan. This is not a concessional loan, and the majority of this money, over 90 per cent, is going into consumption.

Members are being convinced that it is going to do infrastructure development, but when you look at it, you notice that Shs 61 billion, out of the over one trillion, cannot be justified. Most of the money is going into consumption. Borrowing at about 7.3 per cent to consume is wrong, and I think the honourable minister knows this quite well.

MR MATIA KASAIJA: Sorry, we will need to classify it later on. But two things: one is that we are having, as I said, pending invoices. The invoices were raised in the hope that we would get this money.

Unfortunately, the lenders dragged their feet. If we had closed with them two or three months behind, I would not be standing here. If we do not approve these loans, we are going to default - *(Interjections)* - no, listen. Let me clarify. Let me again go to Mubende Road, because there are so many roads. If my colleague, the minister-in-charge of roads, were here, he would tell you. I am telling you, Mubende Road, because it leads me to my home - *(Interjections)* - yes! Money ran out of that project, but for the specifics, we can give. Otherwise, I will tell you the trend itself. When the money got finished, the contractor laid down his tools - *(Interjection)* - you can go and ask him. The contractor had started before - *(Interjection)* - my goodness -

THE SPEAKER: Honourable members, please listen to the minister.

MR MATIA KASAIJA: Have you been on that road? Does it not move from Mityana now, almost to Kiganda-

THE SPEAKER: Let us have respect for each other.

MR MATIA KASAIJA: When you tell me that Kasaija is a liar, I get agitated. Tell me how I have lied. Let Hon. Ssewungu tell me how I have lied, Madam Speaker.

MR SSEWUNGU: Madam Speaker, there is no way you can get a contractor before getting the money. When you say that the road construction is not going on because you do not have the money, it is not proper. You are a liar, and I am insisting on that.

Can you tell this House how you contracted a company to work on Mityana Road without getting the loan? I thought you first get the money, approve the loan, then you go through the process of getting the contractor. Why are you a liar?

THE SPEAKER: Honourable members, I refer you to Supplementary Schedule No.2, which we passed in March. In that resolution, which was there, the money the minister is labouring to talk about was in that Supplementary Schedule. The €230 was part of the money. That is the money we approved. That now goes back to what the Government Chief Whip was saying: that they have been negotiating with the lender. The document is here; I had to retrieve it from the archives.

MR KIVUMBI MUWANGA: Madam Speaker, you are talking about the money for the road. This total borrowing, if you convert it into Ugandan shillings, is Shs 2 trillion.

THE SPEAKER: I am not speaking about the money for the road.

MR KIVUMBI MUWANGA: It is Shs 2 trillion. The Mityana Road, which is being blackmailed on us -

THE SPEAKER: Hon. Kivumbi, I am not speaking about the money for the road. What I am speaking about is the money that we approved in this House for external borrowing of Euros 230 million. The minister has come here to say, "We have got the money; these are the terms". The document is here; you may need to look at it.

MR KIVUMBI MUWANGA: Madam Speaker, when we approve a supplementary, we approve funding the other side; it is credit and expenditure. We approved money without the minister ascertaining exactly where he was going to get it from, yet now he has come to tell you he is going to Ecobank, and there is an arranger. He is telling you that we are being blackmailed for Mityana Road. July is 30 days away. Even if we do not get a contractor, you can finance it from 1st July.

My point of view, Madam Speaker, is that the issue where you are saying we approved a supplementary and a corresponding borrowing for external funding, which is supposed to generate this money. Let me ask the minister this: first of all, the law does not permit you to put a contractor on the road without ascertaining funding. What if we do not approve it, how will you pay it? He is operating outside the ambit of the law.

THE SPEAKER: Hon. Kivumbi, when you look at the resolution of Parliament on Supplementary Expenditure Schedule, No. 3 for Financial Year 2024/2025, you will notice that the external borrowing that we approved is part of the money that the minister is talking about; that is the Euros 230 million. The resolution is here and signed.

Honourable minister, what the House is raising is one: how did you take the contractors on the road when you did not have the money? At the end of the day, it is you, me and everybody who experience the conditions of the road that push the Ministry of Finance to have these contractors on the road.

Two, to help the House, Hon. Masaba, can you tell us the section that does not allow the minister to bring a loan request at this time to the House? Let us resolve things one by one. Hon. Kivumbi, let us resolve this one.

MR KIVUMBI MUWANGA: Madam Speaker, if Parliament approved a borrowing in the supplementary and permitted the minister to have money, what we are required to approve right now are the terms and conditions of the borrowing.

THE SPEAKER: That is what the minister is asking for.

MR KIVUMBI MUWANGA: That is why I asked the minister to tell us the cost and the terms of this loan, and we approve them.

THE SPEAKER: Which he has given.

MR KIVUMBI MUWANGA: The terms and conditions have been presented without attaching a cost and I am asking him very deliberately. Tell us: out of the Shs 2 trillion we are borrowing, how much of that money is going to pay for the arrangement of this loan?

3.32

MR CHEMASWET KISOS (NRM, Soi County, Kween): Thank you, Madam Speaker. Now that we have two motions, one moved by the Minister of Finance and the second one moved by Hon. Baka, I would request you, Madam Speaker, that we expedite the motion moved by Hon. Baka on the question of suspension.

THE SPEAKER: The motion moved by Hon. Baka was sorted; we suspended the rule. We are now looking at the terms of the loan. Borrowing is not an issue; we are looking at the terms.

MR KISOS: Now that we have debated and heard from the Minister of Finance, the opposition and everybody, let the question be put, Madam Speaker, to this motion, so that we can vote on it. Thank you.

THE SPEAKER: Is the motion to put the question seconded? Okay, it is seconded by Hon. Okwir, Hon. Silas Aogon, the Government Chief Whip, Hon. Sanon, Hon. Nekesa, Hon. Samuel, Hon. Nsegumire and Hon. Ogwang. Physically, we have 62 Members and 112 Members virtually.

Honourable members, I put the question that this House authorises the Government to borrow up to Euros 270 million from AFREXIM Bank and up to Euros 230 million from Ecobank

and the Development Bank of Southern Africa Limited to finance the Government of Uganda budget for Financial Year 2024/2025.

(Question put and agreed to.)

(Motion adopted.)

MINISTERIAL STATEMENT ON THE STATE OF ROADS AND RAMPANT ROAD ACCIDENTS

THE SPEAKER: Yes, Minister of Works and Transport? Honourable Government Chief Whip, we want the Minister of Works and Transport to handle the issue of roads. Hon. Nankabirwa, the Floor is yours. *(Hon. Muruli-Mukasa rose_)* Minister of Public Service, kindly, do not go away. We need an answer on the terminal benefits for the people you sacked out of RAPEX.

MOTION FOR APPROVAL OF THE PROPOSED DISPOSAL OF SELECTED PLOTS OF LAND IN KAMPALA BY THE KAMPALA CAPITAL CITY AUTHORITY, PURSUANT TO SECTION 34(6) OF THE PUBLIC FINANCE MANAGEMENT ACT, 2015

THE SPEAKER: Honourable members, you will recall that on 14th May, I referred to the sectoral Committee on Physical Infrastructure, a request by Kampala Capital City Authority for the disposal of five selected plots in Kampala.

The referral was to enable the committee to process a request for approval by this House, and that is made, pursuant to Section 34(6) of the Public Finance Management Act, 2015. This House could not approve that request without the Minister in Charge of KCCA moving a motion himself. The minister is here and will require a report from the Committee on Physical Infrastructure; I hope they are here. Do you have the report? Okay, can you move the motion?

MR WAMAKUYU: Thank you, Madam Speaker. The motion talks about section 34(6),

but when you look at the Public Finance Management Act, Cap 171, it talks about the authority to raise loans. Section 36 states that “notwithstanding subsection (5), where a loan is raised for treasury operations...” It does not talk about the subject matter.

THE SPEAKER: I think the person who captured it is the one who made a mistake.

MR MUDIMI: Madam Speaker, it talks about a different issue. I beg that we move under section 32(6), which talks about asset management, which states thus: “*An accounting officer shall not pledge or otherwise encumber the land or any other asset of a Vote without the permission of Parliament.*”

THE SPEAKER: Hon. Mudimi, 34 is on asset management and 34(6) says, “*An accounting officer shall not pledge or otherwise encumber the land or any asset of a Vote without the permission of Parliament.*” Maybe we are using different Acts.

MR MUDIMI: Madam Speaker, the role was revised and we are now dealing with Cap 171.

THE SPEAKER: Anyway, the subject matter is what matters. Thank you, for the correction, Hon. Mudimi.

MR SSEKIKUBO: Thank you, Madam Speaker. For the many sittings I have had, it is the first time I am looking at a motion for Parliament to approve the disposal –

THE SPEAKER: It is not the first time.

MR SSEKIKUBO: No, I am coming to that, Madam Speaker. To allow the selling off of five plots of Kampala for whatever reasons or for a loan and we are talking about the properties of this country, where we would be borrowing to buy more properties, we need to consider the future of this country, as we legislate today, but we are consumed by disposing of what is there, as if someone is carrying these plots on their head –

THE SPEAKER: Hon. Ssekikubo, why don't we allow the minister to move his motion and he explains it so that we all understand what it is? This is because as of now, we do not even know what it is.

And if I wanted it the other time, I would have passed it, but I said no, let the committee go and visit this land. Let us receive a report, assess it, and if it is something viable for the authority, we will allow it; if it is not, then we will not.

MR SSEKIKUBO: I will take it, but it is a disturbing motion. Even when you want to look away and listen, you don't find any rational *Ab initio* as to why a minister who has a lot of work and business to do, is carrying a motion to say that we dispose of the five plots of Kampala. It is alien to the aspirations of the people of Uganda -

THE SPEAKER: Let us listen to the motion, the report and the justification. Honourable minister -

3.42

THE MINISTER OF STATE FOR KAMPALA AND METROPOLITAN AFFAIRS (Mr Kabuye Kyofatogabye): Madam Speaker, I beg to move a motion for approval -

THE SPEAKER: Hon. Kyofatogabye, do not listen to Hon. Kivumbi.

MR KYOFATOGABYE: Moreover, he is my uncle, so I will report him back home. Anyway, I beg to move a motion for the approval of the proposed disposal of selected plots of land in Kampala by Kampala Capital City Authority (KCCA) pursuant to those two sections of the Public Finance Management Act.

THE SPEAKER: Honourable Leader of the Opposition (LOP), why don't you allow him to -

MR NAMBESHE: Madam Speaker, respectfully, I have a procedural issue to raise pertaining to the subject matter, which could even require this motion to be stayed. Your office received a correspondence from the

Speaker of KCCA and incidentally, I have a copy -

THE SPEAKER: Honourable, I know what I am doing. Please, can I have the motion moved so that we dispose it of?

MR NAMBESHE: I wish you could extend me the courtesy and I develop the procedural issue -

THE SPEAKER: I know what you are saying. Now, if you are in receipt of my letter -

MR NAMBESHE: A copy was given -

THE SPEAKER: No, it is mine.

MR NAMBESHE: Most obliged.

MR KYOFATOGABYE: Madam Speaker, the justification of this motion is, under section 34 -

THE SPEAKER: 32(6) as corrected.

MR KYOFATOGABYE: 32(6), thank you very much, of the Public Finance Management Act (PFMA), states thus: "*An accounting officer shall not pledge or otherwise encumber the land or any other asset of a Vote without the permission of Parliament.*"

Kampala Capital City Authority, is seeking to lease plot 2, Kenneth Close, Kamwokya; plot M731, Old Kira Road; plot M880, Offspring Road; plot 406, Namirembe Road; plot M69 and plot M70, Lugogo.

Leasing of the land will help bring development to the city and also help the city to raise revenue to provide services to the residents of Kampala.

The authority obtained all necessary approvals required to lease the land mentioned. The lessees are already in occupation of these plots intended to be disposed of. I therefore, request the House to approve the motion so that Kampala Capital City Authority can go ahead to lease the above-mentioned plots. I beg to submit

THE SPEAKER: The motion is seconded by Hon. Nsegumire and Hon. Okwir. Yes, Hon. Kivumbi.

MR KIVUMBI MUWANGA: Madam Speaker, can you give me a few minutes to internalise this?

THE SPEAKER: Can we also allow the chairperson to present his report?

3.46

MR MUHAMAD NSEGUMIRE (NRM, Mityana County North, Mityana): Thank you, Madam Speaker. I stand under the capacity building of Members of Parliament. I have been assigned this report by my chairperson to present a report on the Committee of Physical Infrastructure on the request by Kampala City Council Authority (KCCA) to lease specific land parcels.

This is –

THE SPEAKER: Senior members, why are you harassing the new members of Parliament? Why don't you build the new Members?

MR SSEKIKUBO: Thank you, Madam Speaker, you called out the chairperson of the committee –

THE SPEAKER: He is a Member of the committee, and I have been duly informed that the chairperson is out of town and has delegated him to present the report as a Member of the committee. You have been in this House longer – Hon. Ssekikubo, you are the one who mentored me in the 10th Parliament. Now, why don't you mentor Hon. Nsegumire?

MR SSEKIKUBO: Madam Speaker, you are right in all respects. Only that he has a conflict of interest. Having formerly been with the Central Division under KCCA –

THE SPEAKER: Is the land being allocated to him?

MR SSEKIKUBO: No, having been there, he has a conflict of interest, which he has not

declared to this House. That he was formerly working within the KCCA as a leader –

THE SPEAKER: Is the land being allocated to him? When we allocated him to the committee – Honourable Government Chief Whip, didn't you allocate him on the Committee on Physical Infrastructure? The microphone is there.

MR SSEKIKUBO: Madam Speaker, he is using information privy to him in his previous employment to influence a matter of this motion.

THE SPEAKER: Yes, Hon. Nankabirwa? He is not conflicted. It is I to rule on whether he is conflicted or not. You do not come just to debate that when you have not been in the House.

MS NANKABIRWA: Madam Speaker, some of us are anxiously waiting for this motion to be tabled so that we can debate it and bring out our issues. My concern now is how we are proceeding by allowing honourable colleagues like Hon. Ssekikubo to bring up allegations on a Member of Parliament –

THE SPEAKER: He is debating in anticipation.

MS NANKABIRWA: Debating a motion, which has not yet been tabled worries me at a time where we expect Members to respect the Rules of Procedure. When the Speaker rules and she has allowed a Member to present a motion, can we respect the Speaker so that we have time to debate? You either support or oppose. I raised this, Madam Speaker, because I was lost and request that you guide us.

THE SPEAKER: Thank you, good guidance. Government Chief Whip?

MROBUA: Madam Speaker, I wish to confirm to this House that during the designation of Members into sessional or sectoral committees, the Central Executive Committee (CEC) of the National Resistance Movement (NRM) approved Hon. Nsegumire to be designated as a member of the Committee on Physical Infrastructure.

I proceeded, in this House, to put in his name among others and this House approved him. Under the Rules of Procedure of Parliament, a chairperson of a committee can delegate the deputy chairperson or any member to present the report of the committee. I wish to confirm this.

THE SPEAKER: Thank you, Government Chief Whip. Hon. Sam, when your boss has talked – now you want to make a maiden speech. No.

MR NSEGUMIRE: Thank you, Madam Speaker. I am here as a Member of Parliament –

THE SPEAKER: Present your report.

MR NSEGUMIRE: At the same time, I am a member of the Committee on Physical Infrastructure and in the right position to present this report.

THE SPEAKER: Present the report.

MR NSEGUMIRE: Madam Speaker, this report is by the Committee on Physical Infrastructure on a request by Kampala Capital City Authority (KCCA) to lease:

- i) Plot 2, Kenneth Close, Kamwokya;
- ii) Plot M731, Old Kira Road;
- iii) Plot M880, Offspring Road;
- iv) Plot 406, Namirembe Road; and
- v) Plots M69 and M70, Lugogo.

The committee scrutinised the request and now begs to report.

Introduction

On Wednesday, 14 May 2025, the Rt Hon. Speaker of Parliament referred a request from the Executive Director of Kampala Capital City Authority seeking Parliament's approval to lease five specific land parcels in accordance with Section 32(6) of the Public Finance Management Act (PFMA), Cap. 171, to the Parliamentary Sectoral Committee of Physical Infrastructure for urgent consideration and report to the House.

Background

Kampala Capital City Authority, being the registered proprietor of the following land, is requesting for parliamentary approval to lease the above plots. The aforementioned land parcels are to be disposed of by way of lease to the developers who have been in occupation of the parcels for a number of years - these are not new occupants but they have been on that very land - except Plot 2, Kenneth Close and Plot 880, Offspring Road, which are vacant and Plot 406, Namirembe Road, which is being leased to Buganda kingdom.

Methodology

The committee:

- i) Interacted with officials from Kampala Capital City Authority;
- ii) Scrutinised the request by the Executive Director and the survey and valuation reports; and
- iii) Reviewed letters of no objection from the Ministry of Finance, Planning and Economic Development.

Observations

The committee observed that:

- i) Section 61 of the Kampala Capital City Authority Act, Cap. 195, mandates the Authority, in performance of its functions, to have due regard to the provisions of the PFMA;
- ii) Section 32(6) of the Public Finance Management Act, Cap. 171, mandates any accounting officer to seek parliamentary approval before pledging or encumbering land or any other asset – (*Interruption*)

THE SPEAKER: Point of order against who?

MR SEWUNGU: Madam Speaker, the Minister of Finance, Planning and Economic Development is very rare here. We have given time to his business and now he is running out of the House. Is he in order to behave the way he

is doing yet we have other issues to consider? Can't he keep around until this House ends?

THE SPEAKER: The honourable minister has gone to drink water.

MR NSEGUMIRE: Madam Speaker,

iii) The committee noted that leasing off the land by KCCA will not only bring development to the city but also raise revenue for KCCA in form of ground rent and property rates. Furthermore, the land will be protected from the increasing number of encroachers;

iv) The committee was informed that the land parcels are to be disposed of by way of lease to the developers who have been in occupation of the parcels of the land they are on - the people to be leased to are the ones on the land. (*Interjections*) I am going to read the names;

v) The committee was informed that Plot 2, Kenneth Close is to be leased to Pinnacle Concepts Limited to construct a furniture showroom after having emerged as the best bidder after a competitive bidding process in compliance with the Public Procurement and Disposal of Public Assets Act, Cap. 205.

vi) The committee was further informed that Plot 880 Offspring Road is to be leased to a developer who lost land to KCCA after being displaced from a plot along Nakivubo Channel as a result of ongoing developments in the area. After the developer lost his land along the Nakivubo channel due to ongoing developments, the committee and KCCA agreed that he should be given alternative land as compensation;

vii) Further, the committee was informed that Plot M7 – (*Interjections*)

I am coming to that –

THE SPEAKER: Honourable members, can we have silence, please.

MR NSEGUMIRE: Furthermore, the committee was informed that lease of Plot M731, Old Kira Road is a sub-lease intended to normalise the occupation of an allocation to Youth Alive to support its HIV response activities and for construction of permanent offices as pledged by His Excellency the President.

Madam Speaker, this land we are talking about is in Kamwokya. It has been there for a long time and Youth Alive have been occupying it. KCCA thought it best that it should be leased.

The committee was also informed that while Plot 406, Namirembe Road, is a property of the Buganda Kingdom, an official communication from the Government on its return to the kingdom is yet to be communicated hence the lease by KCCA to the business arm of the kingdom.

The committee was informed that Plots M69 and M70, Lugogo are to be leased to the Mango Tree Fraternity.

The committee observed that while the request for the five parcels of land was tabled in Parliament for approval, Plot 2 Kenneth Close in Kamwokya and Plots M69 and M70 at Lugogo lacked valuation reports from the office of the Government Chief Valuer, while Plot M731 on Old Kira Road lacked documentation on clearance from the Ministry of Finance, Planning and Economic Development, as stated prior in the request letter, except for Plot 2, Kenneth Close, and Plot M880, Offspring Road, which are vacant, and Plot 406, Namirembe, which is being leased to Buganda – (*Interjections*) - Listen, honourable members.

Committee's recommendations

The committee, therefore, recommends that Parliament approves the lease of Plot M880, Offspring Road, and Plot 406 at Namirembe, and urges KCCA to find fast-track valuation of Plot 2, Kenneth Close, in Kamwokya and Plots M061 and M7 at Lugogo, and further attain clearance from the Ministry of Finance,

Planning and Economic Development for Plot M731 -

THE SPEAKER: Correction, honourable member. The committee therefore recommends that Parliament gives approval to KCCA...

MR NSEGUMIRE: Yes.

THE SPEAKER: We do not have the powers to lease. We give powers to KCCA to lease out the land.

MR NSEGUMIRE: Yes, Madam Speaker. In other words, regarding the five plots, apart from the ones that lacked clearance and valuation reports, the committee is recommending for only two and for these other ones to be fast-tracked for clearance.

THE SPEAKER: Which ones are the committee recommending?

MR NSEGUMIRE: The committee recommends that Parliament approves lease of Plot M880, Offspring Road, and Plot 406 at Namirembe, and urges KCCA to fast-track valuation of Plot 2, Kenneth Close in Kamwokya – the one of Youth Alive – and Plot M69 and Plot M7 at Lugogo, and further attain clearance from the Ministry of Finance, Planning and Economic Development for Plot 731, Old Kira Road, in order to attain parliamentary approval. I beg to submit.

THE SPEAKER: Thank you. Hon. Tonny? *(Members rose)* Do you have a minority report? *(Hon. Ssekikubo rose)* Just a minute. For clarification, out of the five, the committee has only approved Plot M880, off Spring Road – where is off Spring Road? – and Plot 406 at Namirembe -

4.01

MR TONNYAYOO (NRM, Kwanja County, Kwanja): Thank you, Madam Speaker. I thank the committee chairperson and I support the recommendation by the committee that Parliament moves ahead to authorise KCCA to lease out the two plots that they have done due diligence on and found necessary.

Madam Speaker, I am only concerned that for quite a long time – for many plots and public land in the cities and municipalities, the accounting officers have been disposing of them without following Section 32(6) of the Public Finance Management Act.

I would want to propose that we consider all the pieces of public land in the cities that were disposed of by the accounting officers without the express authorisation of Parliament as being illegal, and then we constitute a committee to go and review all of them so that we do due diligence to know what the outcome of the lease or encumbrance would be to that city.

THE SPEAKER: Hon. Tonny, it is not only the city or municipality plots, but all land that belongs to the Government under a Vote holder or an accounting officer, including land in your constituency that belongs to the Government, which the accounting officers are giving out.

MR AYOO: Thank you, Madam Speaker, for that guidance. As we speak, apparently we have lost most of this public land due to a lot of fraudulent processes that have been done to dispose of them. Development happens on land, not in the air. Therefore, for purposes of this particular request by KCCA that has been brought to the attention of the Parliament, I ask honourable colleagues that we support and authorise them to go ahead and dispose them off because due diligence has been done by the committee, and the purpose for which it is going to be disposed of is very clear to us.

In the cities of Mbarara, Kampala, Lira, Soroti, Gulu and Arua, most public land has been fraudulently disposed of. We should put our feet on the ground and form a committee so that we are able to go through them. If we do not do that and this process of disposing of public land in a fraudulent way continues, the Government will lose a lot of public land.

Madam Speaker, it is also true that we cannot leave this public land in the cities redundant for long, yet we can authorise investment on it. You cannot talk about development when there is no land. As long as there is due diligence and

there is going to be value, we can go ahead and lease this land.

Madam Speaker, I thank KCCA for bringing this to the attention of Parliament. I also thank the committee for the work. What is important, going forward, is for us to put our feet on the ground.

THE SPEAKER: Honourable members, you have heard – and the committee did work on our behalf. The committee was vigilant enough to say the three plots should not be approved.

I put the question that this House authorises the disposal of the following plots of land in the Kampala Capital City Authority, pursuant to Section 32(6) of the Public Finance Management Act, 2015:

1. Plot M880, off Spring Road; and
2. Plot 406, Namirembe Road.

(Question put and agreed to.)

PROCLAMATION BY THE RT HON.
SPEAKER ON THE PROROGATION OF
THE FOURTH SESSION OF THE 11TH
PARLIAMENT

THE SPEAKER: Honourable members, before I formally prorogue the House, I take this opportunity to thank the whole House for your dedication throughout the Fourth Session. It has been a difficult one in which we lost two honourable colleagues: Hon. Sarah Mateke and Hon. Muhammad Ssegirinya. May their souls rest in eternal peace.

Despite the setbacks, the Lord has also been kind to us and we praise Him for that.

During this Session of the House, the House has held 75 Sittings, during which we have been able to:

- i) Administer two oaths to newly elected Members of Parliament: Hon. Grace Akifeza Ngabirano, Woman Member of Parliament for Kisoro, and Hon. Elias Luyimbazi Nalukoola.

- ii) Passed 33 Bills.
- iii) Concluded 33 petitions.
- iv) Passed 43 resolutions.
- v) Adopted 53 reports.
- vi) Considered 213 urgent questions. (*Hon. Naluyima rose*) Member for Wakiso, can you sit?
- vii) Considered 45 ministerial statements.
- viii) Considered seven statements by the Leader of the Opposition in Parliament.

This remarkable performance would not have been possible without the individual and collective commitment by you, Members. As we transition to the Fifth Session, I would like to urge you to maintain the same level of commitment.

Honourable members, here is the Proclamation by the Rt Hon. Speaker of Parliament on prorogation of the Fourth Session of the 11th Parliament.

THE SPEAKER: “*WHEREAS Article 95(3) of the Constitution of the Republic of Uganda provides that the Speaker may, after consultation with the President, prorogue Parliament by Proclamation;*

AWARE THAT the necessary consultation with His Excellency the President has been carried out and it has been agreed that Parliament be prorogued;

NOTING THAT the Fourth Session of the 11th Parliament commenced on 6 June 2024;

NOW, THEREFORE, in exercise of the powers conferred on the Speaker by Article 95 (3) of the Constitution of the Republic of Uganda, it is proclaimed that the Parliament shall stand prorogued with effect from the 29th day of May 2025. The pending business before the House and its committee is hereby saved.

GIVEN under my hand at Parliament of Uganda this day of the 29th May 2025.

*Anita Annet Among (MP)
Speaker of Parliament.”*

Honourable members, if you are trying to look for votes on the last day, the House has been prorogued until 5 June 2025.

(The House was prorogued at 4.10 p.m.)