**Tuesday, 8 December 2016**

*Parliament met at 2.15 p.m. in Parliament House, Kampala.*

PRAYERS

*(The Speaker, Ms Rebecca Kadaga, in the Chair.)*

*The House was called to order.*

COMMUNICATION FROM THE CHAIR

**THE SPEAKER:** Honourable members, I welcome you all to this afternoon’s sitting. I just have a few matters to communicate. You may recall that when we had the debate on the issues of Kasese, we agreed to augment the Committee on Defence and Internal Affairs by adding five other Members. I, therefore, want to nominate the honourable Lt Gen. Ivan Koreta, hon. Lyandro Komakech, hon. Lydia Chekwel, hon. Edmond Ariko and hon. Stella Namoe. They will beef them up. They should work quickly to give us a report.

Honourable members, there is some work which has been going on in our committees since September; I want those reports to be completed as quickly as possible. When we adjourn today, we shall reconvene for our last sittings on 20th and 21st. During that time, I want the Committee on Local Government Accounts, the Committee on Commissions, Statutory Authorities and State Enterprises and the sessional Committee on Health to complete their reports so that we can debate them before we go for recess.

There were a few Members, who had matters of national importance to raise. Hon. Daniel Mpamizo, you had something to raise.

2.15

**MR DANIEL MUHEIRWE (NRM, Buhaguzi County, Hoima):** Madam Speaker and honourable members, I rise on a matter of national importance.

In my constituency, Buhaguzi, Hoima District, in a parish called Buhuka, a livestock disease called lumpy skin disease has emerged. The disease has strange symptoms like boils on the skin, fever, miscarriages and others. There are close to 3000 heads of cattle that have been affected and the district production officer has declared that there is no vaccine in the stores both in Kampala and Hoima. Even when the locals collected money for at least one dose for each cow, they were told that the clearance was delayed. We are now slaughtering these cows and they are the cheapest in the market.

In the same area, there is also an outbreak of rabies and the story is as above. The people of Buhuka Parish feel neglected by their Government since this has taken three months.

Therefore, I request that today’s Parliament sitting prevails over the Ministry of Agriculture, Animal Industry and Fisheries to act quickly and that the Committee on Agriculture visits the area to investigate and quantify the magnitude of the problem. I thank you, Madam Speaker.

**THE SPEAKER:** Thank you very much. I expect the Minister of Agriculture to come here this afternoon. I hope he will be able to say something about this; if not, I do not know what the Government Chief Whip has to say because this disease has been affecting these people for three months.

2.21

**THE GOVERNMENT CHIEF WHIP (Ms Ruth Nankabirwa):** Madam Speaker, I will take up the matter with the minister concerned. I know that the issue is very urgent but because today is Thursday, we will probably be able to report next week.

**THE SPEAKER:** Okay, please ensure that he comes up with some answers so that we can help the people in that parish.

2.21

**MR JACKSON KAFUUZI (NRM, Kyaka South County, Kyegegwa):** I rise on a matter of national importance. In 1964, the Government gazetted part of my constituency as a refugee reserve and it was called Kyaka 1 Refugee Settlement. Since then, our own people have settled in this area and they are around 47,000 people going by the last census results.

Immediately after elections, around April this year, the Government came and we agreed that they would not evict those people. However, they wanted to resettle 5000 Ugandans who had been expelled from Tanzania. Because of that reason, we agreed with the Prime Minister’s office that anyone that owned 10 acres of land and below would not be evicted and we also agreed that those with land more than that size would have their land subdivided.

Unfortunately, Madam Speaker, some officials from the Prime Minister’s Office are corrupt and they have now created a tribalism problem. The rich have been able to pay them to retain their land but the poor, even though they have less than 10 acres, have had their land subdivided almost to half an acre.

I had come with the LC III chairperson and he was supposed to sit in the gallery, but I do not know if they have allowed him in yet. We are facing a big problem because this issue is breeding tribalism. What is happening is that it appears as if the Batoro, who are my colleagues, are the rich ones in the area and their land is not being affected. However, the land of the Banyankole, who are poor, is being affected and so there are skirmishes.

Madam Speaker, I would like to request your office to order an investigation into this matter. As we speak today, there are some people who had been settled on some rich man’s land; his name is Irumba. It is said that he called officials from the Prime Minister’s office, slaughtered a cow for them on his land and now they are going to withdraw the poor people they had settled there so that the land is free of any encumbrance.

If that exercise goes on, we are going to have a real problem on our hands. I am calling upon you to ask the Prime Minister’s office to investigate this matter and not to withdraw those people from the land onto which they were placed, especially the land of that rich man. That is my prayer.

**THE SPEAKER:** I do not know whether the Prime Minister is aware of that redistribution of land in Kyaka.

2.19

**THE FIRST DEPUTY PRIME MINISTER AND DEPUTY LEADER OF GOVERNMENT BUSINESS (Gen. Moses Ali):** Madam Speaker, indeed we are aware of a land problem in the Prime Minister’s office. However, as I heard the honourable member speaking, you realise that basically, there is corruption because he has talked about some people in the Prime Minister’s office being corrupt.

According to his prayers, we need to go and investigate. However, he also should not just come here and talk about it. He should go the Anti-corruption Court and report those corrupt people – *(Interjection)* - Point of order may not save this House. *(Laughter)*

**MR KAFUUZI:** Madam Speaker, I am the area Member of Parliament. I came here and placed my plea on the table. The Prime Minister concerned is the person with solutions, but he is asking me to go to court? Is that in order? Has he opted to vacate his responsibility? Is he in order to ask me to go to court instead of reporting the matter to Parliament?

**THE SPEAKER:** This is your first court of call. Prime Minister, he talked about corruption in relation to the exercise going on; I would like to know from you if your office is conducting a re-distribution exercise first of all, before we know whether they are corrupt or not. We want to know if that is what you are doing, so that we know how to move.

**GEN. (RTD) MOSES ALI:** Madam Speaker, I will go and find out, because when I came in, I was not aware that this type of question would come up. *(Laughter)* I am, therefore, not ready with a response. However, I will come back with an answer to the question that you have asked.

I really pity my colleague. I am not denying but saying that – *(Interjections) -* This business of points of order all the time before somebody finishes making their submission! – *(Interruption)*

**MS ANYWAR:** Thank you, Madam Speaker. When Members of this House have issues to raise to Government, the Office of the Leader of Government Business and the holder of the office on the Floor is supposed to answer questions on behalf of Government. A colleague who held the Floor previously raised an issue and Madam Speaker, you directed that the House gets to know whether the Office of the Prime Minister is aware of such an exercise taking place.

Is the Rt Hon. Prime Minister holding the Floor in order to allude that when he comes to the House, he is not aware that he is not going to be questioned on issues of Government? Is he really in order to display such ignorance? When he is holding that position, we expect him to give us answers. Moreover, he is a chief and the Second Deputy Prime Minister in this House and my elder, who is supposed to be counselling and giving us on-spot responses from Government. Is he in order, Madam Speaker?

**THE SPEAKER:** He is in order because yesterday he answered all the questions, which are required under the Rules of Procedure.

**GEN. (RTD) MOSES ALI:** Thank you, Madam Speaker. I am sure this House must be guided the way you are doing now. I still maintain that our brother has to go to the Anti-corruption Court because he has the details about the corrupt people *–(Interjections)-* Order all the time! *(Laughter)* I am also going to call you to order *–(Interjections)–* Yes, order! –*(Laughter)–* What can we do now? *(Laughter)*

**THE SPEAKER:** Rt Hon. Prime Minister, we are expecting an answer from you on whether the exercise is going on or not. That is the first question. The other is whether you handled it. However, what we would like to know is: is the exercise going on? That is what we expect you to come back and report to us on.

**GEN. (RTD) MOSES ALI:** Madam Speaker, I answered and said that I will come back with the required information. It is true that when I came in, I was not aware that this question would come up on the Floor of Parliament. I am therefore not ready, but I will come back with the information after we have investigated the issue. However, I was talking about the corruption -

**THE SPEAKER:** No, Rt Hon. Prime Minister, leave that issue of corruption.

**GEN. (RTD) MOSES ALI:** The person who has the information about corrupt officers in my office is him. So, he should go and help the police. *(Laughter)*

**THE SPEAKER:** The other question will be answered here, about whether the exercise is on or not, and then we can also look at the issue of corruption. However, we can also file a report.

Okay, honourable members, I invite hon. Ssemujju to make his submission. However, before that I would like to remind you, honourable members, that on 21 December, we shall have “kyamucation” - the end of year party will be here in the South Wing. So, get your dancing shoes so that we do the needful - Oh, you could also bring your spouses. Dressing code is just fun, just fun. *(Laughter)*

**MR OKUMU:** Thank you, Madam Speaker. First of all, I would like to appreciate the communication you have given to Members that at least once a year we have a party and we interact amongst ourselves. However, I would like just to add that this Parliament is blessed with different professionals. We would also appreciate if some professionals are given the opportunity on that day to demonstrate their talents; I mean our very own.

The reason I am raising this issue is because I have seen that every year we bring people from outside but since this Parliament is now blessed with people from within and they are quite a number, they should be able to keep the House booming and excited. Instead of spending money to bring people from outside, I think we should use our own. Thank you, Madam.

**THE SPEAKER:** I think that would be a good idea. We have dancers amongst us, singers and even comedians. I think it would be very nice indeed. *(Laughter)*

2.32

**THE OPPOSITION CHIEF WHIP (Mr Ibrahim Ssemujju):** Thank you, Madam Speaker. In January this year, Government tabled a request to borrow money to do preparatory work for the Bukasa Inland Port. On the day that request was presented, a colleague and I raised issues of compensation. Subsequently, the matter was postponed but it was brought back and passed.

The matter of national importance I am raising is: Government has, through the National Environment Management Authority (NEMA), issued a notice of vacation to an estimated 25,000 people who live on the land where there will be a port, two major road projects, the Southern Bypass, Jinja Express Highway and the Standard Gauge Railway. The notice is that people must vacate immediately without compensation.

Madam Speaker, at some point in time, we were involved in some discussions with Government because the biggest part of that land belongs to the National Forestry Authority (NFA) although Government allowed people to settle on it. We now have 25,000 people who live on that land, a number bigger than the people in Ntungamo Municipality. We have people more people than those in Ntungamo Municipality being told that they must leave within 21 days.

Madam Speaker, I raised that matter on that day, but you said that auto transport is important, but it is also important for Government to re-settle its population. Government says they are not re-settling anyone and that those people must leave immediately; it is a crisis. Imagine an area which has more than three villages, more than 10 schools, more than 20 places of worship and they have a notice to leave and now by the countdown I think they have just 18 days remaining.

Police is establishing a barracks there. We are more or less in a Kasese scenario, where the police are waiting for the clock to tick and they pounce on people and begin demolishing houses, among others. I do not know where they will be sending them.

My prayer to you and the House is to ask Government – They initially said that they would compensate for the value of property but not for the land. However, they are now saying they will not compensate for anything and people should leave immediately. Apart from being a Member of Parliament from that area, I live near the place and there is some sort of insecurity. We do not know what is going to happen because if you tell 25,000 people to leave immediately, where would they go. I do not know.

Therefore, my prayer is to ask Government, first of all, to postpone the notice to vacate and also to allow some negotiations so that least people can be compensated for the value of the property on their land. I also pray that Government does not terminate life so mercilessly like they are threatening to do.

**THE SPEAKER:** Honourable members, all these are Government programmes. The Standard Gauge Railway is a Government programme. I do not know what the Leader of Government Business can tell us on how they are proposing to move on the acquisition of that land.

2.35

**THE SECOND DEPUTY PRIME MINISTER AND DEPUTY LEADER OF GOVERNMENT BUSINESS (Gen. (Rtd) Moses Ali):** Madam Speaker, I wish you could allow me to come back with the answer. I am being honest; I will investigate and report.

2.36

**MR DENIS OGUZU (FDC, Maracha County, Maracha):** Thank you, Madam Speaker. Our Constitution provides for recognition of the dignity of people with disabilities. However, some eight years ago, Government decided to close centres that were meant to provide rehabilitation services to people with disabilities. One of the centres affected was Ocoko Rehabilitation Centre, West Nile’s only rehabilitation centre that was taking care of all the disabled people in the region.

While this is happening, no effort has been made to provide a remedy to disabled people. We have a lot of them becoming destitute. Their livelihoods have been affected and for all these years, there has never been a provision in the budget to take care of such concerns. Therefore, I would like to make a plea that from the next financial year’s budget, Government should be able to provide for the opening of the rehabilitation centres.

We also need to get a status report on all these rehabilitation centres in the country. What is happening to the equipment; in whose names are the titles of the land? This will help us to take a decision as a nation.

**MS RUTH NANKABIRWA:** Madam Speaker, I am seeking clarification on item No. 3. I think it is designated to the wrong person. It should be for the Minister of Water and Environment. I was not here when the matter was raised, but when I looked at the Order Paper I realized that for the disease attacking the Eucalyptus plantations in Kyenjojo to be followed up by the Minister of Disaster Preparedness was not proper.

**THE SPEAKER**: The day it was raised, hon. Ecweru undertook to follow it up. I do not know whether it is himself coming or he was going to pass it on to his colleague, but he was here and undertook to follow it up.

MINISTERIAL STATEMENT ABOUT FUNDING FOR UNIVERSAL SECONDARY EDUCATION (USE) SCHOOLS

2.39

**THE MINISTER OF STATE FOR EDUCATION AND SPORTS (HIGHER EDUCATION) (Mr John Chrysostom Muyingo):** Thank you, Madam Speaker. I rise to make a ministerial statement about funding for Universal Secondary Education (USE) schools.

Funding for USE is triggered by a national headcount in all USE participating secondary schools, both Government and private, which is conducted every year. The eligibility of students for USE capitation grants is determined by the following:

1. Enrolment of a student in a USE participating school. As of Financial Year 2016/2017, there are 962 Government USE schools and 856 private secondary schools under the Public Private Partnership (PPP) arrangement;

2. The Primary Leaving Examinations (PLE) score of the student, which should be between 4 and 28 aggregates.

Madam Speaker, the Government pays a unit cost of Shs 41,000 per student per term in a Government USE school, while the unit cost in PPP schools is Shs 40,000 per student per term. For the Universal Post O’ Level Education and Training (UPOLET), that is, A’ level students, Government pays a unit cost of Shs 80,000 per term in a Government school and Shs 85,000 per term in a private school.

Currently, there are 912,394 eligible USE students in both Government and PPP schools, while in UPOLET, there are 70,771 in both Government and PPP schools. The disbursement of capitation grants to USE/UPOLET schools is effected termly, that is, two weeks before the commencement of every term.

The Status of Payment of USE/UPOLET Schools for Financial Year 2016/2017

The total appropriated budget for USE/UPOLET schools for Financial Year 2016/17 is Shs 129 billion, including KCCA schools, against a derived financial requirement of Shs 146 billion based on head-counted numbers at a unit cost as indicated above. The sector, therefore, experienced a shortfall of Shs 16.91 billion based on the national USE headcount conducted in June 2015. This negatively affected the release, which could not match the approved unit cost.

In term III of 2016, the Ministry of Education and Sports through the Ministry of Finance, Planning and Economic Development made a capitation grant disbursement totalling to Shs 40.09 billion. This was 31 per cent of the appropriated budget for USE/UPOLET for Financial Year 2016/17.

Madam Speaker, while each school is allocated funds basing on the above mentioned criteria, the funds released to schools vary depending on the financial resources available in the Treasury. The local government budget for the USE capitation grant for financial year 2016/17 was maintained at the same ceiling level as for the financial year 2015/16 despite the increase in enrolment across the local governments. This further affected the amount of USE/UPOLET capitation grant released per school.

Madam Speaker, the creation of new districts and municipalities, where the mother districts and offspring shared the available budget, also caused variations in capitation grant allocations in terms of movements of schools and institutions. The distribution budget between old and new districts was not proportional to the number of beneficiaries in the districts. The ministry noted this anomaly and further discussed with the Ministry of Finance.

The Ministry of Education and Sports was advised to seek for a technical supplementary so that the affected schools could be compensated in the subsequent school terms. The Ministry of Finance responded by requesting for the harmonization of data used to release the capitations to schools, especially UPE schools. The information includes misspelt school names and names of schools not yet captured by local governments.

Madam Speaker, we provided a comprehensive response to Parliament clarifying on the issue of school names. The harmonisation of the two datasets from the local governments and the Ministry of Education and Sports is being done and is expected to be completed by the end of next week. The harmonised data will be submitted immediately it is ready. The Ministry of Finance will then go ahead and prepare to issue the technical supplementary as requested. I beg to submit.

**THE SPEAKER:** Thank you very much, honourable minister. The matter was raised by hon. Mbwatekamwa but there are other matters which are yet to come. So, I think we shall debate it when the harmonised data is brought.

LAYING OF PAPERS

2.46

**MR JAMES BABA (NRM, Koboko County, Koboko)**: Madam Speaker and honourable members, I beg to lay on the Table a report of the delegation to the 39th Conference and the 69th Session of the Executive Committee of the African Parliamentary Union (APU) held in Rabat in Morocco, from 5 to 9 November 2016. I beg to lay.

**THE SPEAKER:** Thank you very much. A date for its debate will be communicated.

MOTION FOR A RESOLUTION OF PARLIAMENT SEEKING LEAVE TO INTRODUCE A PRIVATE MEMBER’S BILL ENTITLED “THE LOCAL GOVERNMENTS (AMENDMENT) BILL, 2016”

**THE SPEAKER:** I do not see the hon. Rose Mutonyi. In the circumstances, can we go back to item No. 3 (II).

MINISTERIAL STATEMENT ON THE COMPREHENSIVE UPDATE ON THE OIL AND GAS DEVELOPMENT PLAN

**THE SPEAKER:** Honourable minister. I hope the Minister of Agriculture will also come soon. Honourable members, as the minister comes up, we shall adjust the Order Paper briefly to allow the chairperson of the Committee on Human Rights to make a statement.

2.47

**THE MINISTER OF ENERGY AND MINERALS** **(MINERALS) (Mr Peter Lokeris):** Madam Speaker and dear colleagues, I would like to table this brief on - *(Interruption)*

**MR MUGUME:** Thank you, Madam Speaker. We do not have copies of the Order Paper. I have tried to check for it on my iPad but in vain.

**THE SPEAKER:** There are some hard copies. Can you give them to the honourable members. There is good sharing between the Government Chief Whip and the Member for Rukungiri Municipality. *(Laughter)*

**MR PETER LOKERIS:** Madam Speaker and dear colleagues, I would like to take this opportunity to brief Parliament on the updates of petroleum activities as a response to an issue raised on the non-participation of host communities in the development activities in the Albertine Region.

Following the discovery and confirmation of commercial oil and gas resources in Uganda where we have had –*(Interruption)*

**MR NIWAGABA:** Madam Speaker, this is very important information for which I believe all Members of Parliament must be given the opportunity to have copies to read and appreciate. I have not seen the statement being delivered by the honourable minister on the iPads nor has any copy been furnished to us and yet this is an equivalent of a ministerial statement.

**THE SPEAKER:** Honourable member, the Members behind you are holding copies. Are those copies of the Order Paper?

**MR NIWAGABA:** That is the point I am raising. Could we then be given copies of this statement for us to follow and pose relevant questions in form of clarification and other points? This is an important subject in which some of us have personal and key interests.

**THE SPEAKER:** Honourable members, I have been briefed by the Clerk that there is a problem with the internet and that is why the documents have not been uploaded. Does anyone have a copy? Okay, can I ask the Clerk to make more copies. We can defer this matter. Minister, you will have to hold on a bit while we get more hard copies.

**MR SSEWUNGU:** Madam Speaker, you procured for us very good iPads and indeed I was happy when I saw the report of the minister here. However, I think something must be done about these iPads*.* They are very expensive but the information does not flow well. By the time we leave here, the internet is not functioning well and yet that is what we need to read.

**THE SPEAKER:** I do not think the iPads are the problem; I think it is with the system.

**MR SSEWUNGU**: That is what I am trying to say. The bundles given to us are very few. One time I went to ICT and had wanted them to load my own but they could not allow me. You know I am a researcher. *(Laughter)* I read and investigate to find a lot of things. It is painful to some of you but that is what it is; I research. Thank you, Madam Speaker.

**THE SPEAKER:** Okay, we shall address the issue with the service provider. Now we shall go back to item No.6. In the meantime, join me in welcoming Mr John Bosco Olwoch, Speaker of Agago District Council and Mr John Bosco Oloya, the deputy speaker. They were here on Tuesday but they have come back today. They have come to close the week with us. They are represented by hon. Makmot and hon. Judith Franca Akello. *(Applause)*

I would also like you to join me in welcoming a delegation from Rwentuha Subcounty in Kyegegwa. They are represented by hon. Jackson Kafuuzi and hon. Stella Kiiza. You are welcome. *(Applause)*

**MR KATUNTU:** Thank you very much, Madam Speaker. Item No. 3 (i) on the Order Paper is about an action plan for the mitigation of the disastrous food insecurity in the country. I think this is a very important matter. The country is facing a real crisis and the ramifications of these are dire. Can I therefore, request that the minister concerned or Government takes this as a priority and makes a statement?

If we do not take relevant steps, there is a real crisis in our constituencies upcountry because of the prolonged drought. We must make a serious decision to ameliorate these problems. May I request, Madam Speaker, that the Government makes this statement because this is a matter of life and death to our own people.

**THE SPEAKER:** Honourable members, as you recall, it was this House that directed the four ministries to come with an action plan on production, marketing and storage because of what is happening.

We do not want to go for recess without getting advice on this. So, Prime Minister, I think this is the most important statement we have today because of what is happening in the country. We really need this statement.

2.55

**THE FIRST DEPUTY PRIME MINISTER AND DEPUTY LEADER OF GOVERNMENT BUSINESS (Gen. (Rtd) Moses Ali):** Madam Speaker, yesterday a committee was formed in Cabinet, under the Office of the Prime Minister, to handle threats of famine in the country and see how to respond, even if it means making cuts across the budget for the sake of protecting our people.

This decision has been taken and the Prime Minister has called the first meeting for tomorrow morning. By next week, they will present to Cabinet and the Government will report what actions it is taking to avert this threat of famine. Many steps will be taken but we shall come back next week. Thank you.

**MR ALEX BYARUGABA:** Thank you, Madam Speaker. We all know what is happening in this country. The issue of food security was raised about three months ago. Because of the intensity of the situation, we agreed that we should have a sitting of all Members of Parliament concerned. We sat and made a presentation in this House.

Madam Speaker, since that time, we have been promised, day in day out. I would like to agree with hon. Katuntu that enough is enough. We are not going to wait until people start dying due to starvation. Actually, they are already dying and you know this. I come from Isingiro and you know what has been happening; they just bring in a few seeds and drops of posho and we are being ridiculed left, right and centre. Every time we talk about the food situation in this country, we are promised an upcoming programme or solution. When are they coming up with this solution, Madam Speaker?

People are continuing to starve and die because of inactivity in as far as the Ministry of Agriculture is concerned. I have had a bad time dealing with the Ministry of Agriculture. As chairman of the committee in charge of agriculture, when I was processing the most recent report I presented here, I called these people twice but they never appeared. We are currently processing a Bill on biofuels; I have invited them three times and none of them has appeared.

We are now expecting a report from the ministry but as I speak there is nobody to give a serious report in as far as the food situation is concerned. I think it is high time we penalised – I do not know how – the Ministry of Agriculture, Animal Industry and Fisheries. We all think that agriculture is very important and that we should put all our money in that ministry but there is nobody to show cause.

Madam Speaker, I want a clarification on that issue. For how long are we going to continue being told that the solution regarding food security is coming - three or two months down the road?

**THE SPEAKER:** Honourable members, what I would like to tell Government is that if this report does not come, there will be no loan request processed by this House. You have six loan requests waiting. If you do not bring this statement, the loans will wait until February. Let us go to the next item.

BILLS

SECOND READING

THE COMMON MARKET FOR EASTERN AND SOUTHERN AFRICAN TREATY IMPLEMENTATION BILL, 2016

**MS SAFIA NALULE:** Madam Speaker, you had kindly allowed the Committee on Human Rights to make a statement before we go back to the Order Paper.

**THE SPEAKER:** I did not say that. I said I would amend the Order Paper to allow the committee. I did not say that it would come before this or the other. Where is the minister in charge of trade? Let us go to item No.7. Yes, hon. Aogon, what is the problem?

**MR AOGON:** Madam Speaker, today is Thursday; right from the other week, we have been having a challenge with the attendance of ministers. We are singing a song that we must all practice now about the ministers. Until when will this continue? Every time a minister is supposed to respond to an issue, they are absent. Instead, we always have people who are not supposed to respond to such issues. What brings about this mismatch?

Madam Speaker, I am a Member of Parliament and I have been given powers by my constituents to demand for something. I, therefore, stand here to demand that Government does something. If you know you are going to present, respond or do something, why don’t you come here? They do not inform you of their absence. This is where we bring all the sins of the country; it is the altar for the whole nation.

So is it okay for us to proceed without these ministers coming here? Isn’t it better for us to even stop this House from running? Should we continue without the relevant ministers being present here?

**THE SPEAKER:** Honourable members, I have made a ruling in respect of the same situation. This statement has the highest priority over everything. If they do not bring it, they should forget their loans.

BILLS

SECOND READING

THE LEADERSHIP CODE (AMENDMENT) BILL, 2016

3.01

**THE MINISTER OF STATE FOR ETHICS AND INTEGRITY (Fr Simon Lokodo):** Madam Speaker and colleagues, I beg to move that the Bill entitled, “The Leadership Code (Amendment) Bill, 2016” be read for the second time.

**THE SPEAKER:** It has been seconded.

**FR LOKODO:** Madam Speaker, the objectives and principles of this Bill are to amend the Leadership Code Act 2002, Act No. 17 of 2002, to give effect to Article 235A of the Constitution of the Republic of Uganda; to establish the Leadership Code Tribunal; to provide for the composition and functions of the Leadership Code Tribunal; to strengthen the enforcement of the code; and to provide for other related matters.

The proposal to establish the Leadership Code Tribunal intends to enforce the values of integrity and proper conduct in the leadership of Uganda. These are values which are critical in the pursuit of development, democracy, good governance and promotion of the rule of law.

Defects in the Existing Law

Madam Speaker, at present there is no tribunal to enforce the Leadership Code Act, 2002 as was held in the case of John Ken Lukyamuzi v. the Attorney-General and Electoral Commission. It was said that the Inspectorate of Government is not the appropriate tribunal provided for under Article 83(1)(e) of the Constitution.

Further, some provisions of the code were declared unconstitutional by the Constitutional Court. This was stated in the case of Fox Odoi-Oywelowo and James Akampumuza v. the Attorney-General in the Constitutional Petition No.8 of 2003; hence there is a need to repeal them.

Remedies

Madam Speaker, it has, therefore, become necessary to operationalise Article 235A of the Constitution, which gives Parliament the power to prescribe by law the Leadership Code Tribunal, its composition, jurisdiction and functions in order to effectively implement the Leadership Code Act, 2002, Act No. 17 of 2002. It also allows for Parliament to repeal the provisions of the code that were declared unconstitutional by the Constitutional Court.

Provisions of the Bill

The Bill has 30 clauses. If it is in the interest of Members, I can go through them, clause by clause, so that Members get to know -

**THE SPEAKER:** No.

**FR LOKODO:** Madam Speaker, the Bill has 30 clauses. Clause 1 will take care of the *– (Interruption)*

**THE SPEAKER:** Honourable minister, at this stage you are just justifying why you are amending the law. That is all you have to do and then the committee will report.

**FR LOKODO:** I beg to move, Madam Speaker.

**THE SPEAKER:** Thank you very much. Can we hear the report of the committee; is there any member of the committee around?

3.07

**MR WILFRED NIWAGABA** (**Independent, Ndorwa County East, Kabale):** Madam Speaker, if there is a copy of the report, which I signed, I can present it. Thank you, Madam Speaker.

This is a report of the Committee on Legal and Parliamentary Affairs in respect of the Leadership Code (Amendment) Bill, 2016. I am aware of course that we have a problem with the network but soon or later, it will be uploaded on your iPads.

The report is rather lengthy and so I will not read the whole of it. However, briefly, we have the introductory part, which details the methodology the committee used in looking at this Bill. We received memoranda from the following:

1. The Minister of State for Ethics and Integrity;
2. The Inspector General of Government;
3. The Director of Public Prosecutions;
4. Uganda Law Reform Commission;
5. The Office of the Leader of the Opposition in Parliament;
6. Law Development Centre;
7. Uganda Christian University;
8. The Anti-Corruption Coalition Uganda;
9. Transparency International Uganda;
10. Uganda Debt Network;
11. Uganda Women’s Network;
12. Mr Okumu Jaffer from Wakiso District;
13. Mr Semugabi Jimmy, Gabi Consulting Agency; and
14. Jerry K. Othieno.

The committee also made benchmarking visits to Tanzania and Nigeria. The findings from those benchmarking visits played a role in the recommendations and findings of this committee – *(Interruption)*

**MR JONATHAN ODUR:** Thank you very much, Madam Speaker. The report of the committee, as has been noted, is not available on the iPads neither is it available in hardcopy form. This afternoon, we have a precedent that has already been set that this report must be availed to Members. I am seeking guidance on whether we are actually ready to proceed in the absence of the copies of this report.

**THE SPEAKER:** Clerk, is it there or not? Honourable members, for the same reasons, it is not on your iPads yet. The Clerk is making efforts to run photocopies.

**MR SSEWUNGU:** Today the situation is very funny. The chairperson and the vice-chairperson are both not there. How were they working with the minister? This is their report and they are supposed to be here.

**THE SPEAKER:** The committee has members and hon. Niwagaba is willing to present the report.

**MR JONATHAN ODUR:** What if he was not around?

**THE SPEAKER:** There are other members. There are more than 30 members on that committee. *(Laughter)*

**MR NIWAGABA:** Madam Speaker, this could be the first Bill this particular august House is considering. If Members could allow me to read the executive summary only verbatim, maybe debate would only commence after Members have gotten copies of the report and internalised it. Otherwise, if we adjourn this particular presentation and wait for another presentation and then debate – *(Interjections)* - I am just appealing to Members. We need to be seen doing something especially since the frontbench that side is failing us.

**THE SPEAKER:** Honourable members, can we just receive the report? By the time we finish receiving it, the copies will be here and then we can debate; if not, then we will defer it. Let us receive, please.

**MR NIWAGABA:** Most obliged.

**MR KIBALYA:** Madam Speaker, the honourable member who is requesting us to proceed is the same honourable member who raised the issue of copies not being available for other ministries. I do not think we shall be proceeding right to allow someone to say that we receive the report unlike others. We cannot to be seen practicing double standards in Parliament, which is the workshop of democracy.

For a better precedent, whenever there is no copy submitted to the Members - We cannot be told that the network was down; the ministers concerned and whoever else was concerned, including the chairperson of this committee, knew that today this report was going to be presented. I wonder why they waited for today morning to have them printed when the network has failed them so that they would come this evening and begin giving us those excuses.

I do not think we are proceeding well. I wonder if we are proceeding well looking at the double standards being practised here as some are being favoured. Thank you.

**THE SPEAKER:** Honourable members, you know we are about to go on recess and we would want as much work as possible to be done. The issue of oil and gas is very controversial in this country. It is the most controversial issue in this country and that is why I allowed that we defer it.

As for the Leadership Code Bill, honourable members, the IGG has been complaining that her work is hampered by not having this tribunal. This is about the tribunal. Just receive and if the papers do not come by the time he finishes, we shall adjourn. Just listen.

**MR NIWAGABA:** Most Obliged, Madam Speaker. Honourable members, let me now present the background to the Leadership Code Act and proposed amendments.

Background

In 1992, the National Resistance Council (NRC), the then interim Parliament of Uganda, enacted a statute called the Leadership Code. It was to be enforced by a Leadership Code Committee. This Leadership Code Committee was never constituted and so the Leadership Code was not enforced.

In 1995, a new national Constitution was enacted. The ideas of the Leadership Code of 1992 greatly influenced the enactment of the provisions of the Constitution in Chapter Fourteen on the Leadership Code of Conduct. Article 233(1) of the Constitution provides thus: “*Parliament shall by law establish a Leadership Code of Conduct for persons holding such offices as may be specified by Parliament”.* Article 234 vests the powers of enforcing the Leadership Code of Conduct in the Inspectorate of Government or such other authority as Parliament may by law prescribe.

Section 1(2) of the Constitution (Consequential Provisions) Act, 1995, provides that until Parliament prescribes any other authority to be responsible for enforcing the Leadership Code of Conduct, the Inspector General of Government (IGG) shall be responsible for enforcing the code.

In 2002, the Leadership Code, 1992 was repealed and the Leadership Code Act, 2002 was passed. Section 2 (2) of the Leadership Code Act provides that provisions of the code shall constitute the Leadership Code of Conduct under Chapter Fourteen of the Constitution. Political leaders and specified officers who are bound by the provisions of the code are listed in the second and third schedules of the Act.

Section 4(1)(b) of the Act requires every leader to submit a written declaration of his or her income, assets and liabilities, and the names, income, assets and liabilities of his or her spouse, child and dependents once every two years during the month of March to the IGG. Failure to submit such a declaration without reasonable cause constitutes a breach of the code under section 4(8) of the Act. The penalty for this under section 35(b) is dismissal from or vacation of office.

Court Decisions Affecting Enforcement

The enforcement of the Leadership Code Act, 2002 has run into controversy as a result of certain court decisions. The court decisions meant that the Act could not be enforced against some of the persons it was intended to regulate. The first case is that of hon. Fox Odoi-Oywelowo and James Akampumuza versus the Attorney-General, which was Constitutional Petition No. 8 of 2003 and which was never appealed against by Government.

That petition was brought under Article 137 (3) of the Constitution, which provides that any person who alleges that an Act of Parliament or any other law, act or omission is inconsistent with or in contravention of a provision of the Constitution, may petition the Constitutional Court for a declaration to that effect. The petitioners sought a declaration that the application of sections 5(2), 12(2), 13(4), 14(3), 35(b), (c) and (d) of the Leadership Code Act rendered them inconsistent with articles 144, 56, 60(8), 120(7), 146(7)(c), 161(5), 163(10), 165(8), 167(9) and 238(5) of the Constitution.

The provisions referred to in the Leadership Code Act are the ones that provide that a leader who commits a breach of the Code such as failure to submit a declaration without reasonable cause, failure to clarify on an omission or discrepancy in a declaration, engaging in prohibited conduct, misuse of public property, misuse of official information, failure to disclose any gift or benefit to the IGG, conflict of interest or failure to disclose personal interest is liable to vacation of office or dismissal from office.

The articles of Constitution cited are the ones, which provide for the tenure of office of presidential appointees. The cited articles of the Constitution provide that those specified officers can only be removed from office by the President under circumstances and procedures specified in the Constitution.

The issue for determination in that case was whether those provisions of the Leadership Code Act were inconsistent with those articles of the Constitution in as far as they fetteredthe discretion of the President in the removal of office bearers from their respective offices.

In that judgement, the Constitutional Court held that sections 19(1), 20(1) and 35 (b) and (d) of the Leadership Code Act were inconsistent with and contravened the stated articles of the Constitution in that they fettered the discretionary powers conferred on the President by the various articles of the Constitution in disciplining his or her appointees.

The effect of that case was that certain provisions of the Leadership Code Act, especially those which relate to breaches that result in dismissal or vacation from office could not be enforced against presidential appointees since such powers are only exercised by the President under the provisions of the Constitution. In that case, that particular decision crippled the enforcement of the Leadership Code Act.

In 2005, Parliament amended Chapter Fourteen of the Constitution to include Article 235A, establishing a Leadership Code Tribunal whose composition, jurisdiction and functions shall be prescribed by Parliament, according to that Article. However, Article 234 of the Constitution, which vests powers of enforcement in the Inspector General of Government or such other authority as Parliament may by law prescribe, was not changed. However, to date, the envisaged tribunal has never been actualised. This provides a backdrop to the landmark decision cited above.

The second decision was that in the case of John Ken Lukyamuzi v. the Attorney-General and Electoral Commission, which is Supreme Court Constitutional Appeal No. 2 of 2007. The facts in the John Ken Lukyamuzi’s case are that hon. John Ken Lukyamuzi, who was a Member of the Seventh Parliament, was informed by the Speaker of Parliament then in 2005 that he had ceased to be a Member of Parliament because he had breached the Leadership Code, 2002 by failing, without reasonable cause, to declare his income, assets and liabilities to the Inspector General of Government.

The appellant therefore lost his parliamentary seat and was barred from any other public office for a period of five years from the date of his removal as provided for under section 20(3) of the Leadership Code Act as it was then.

The appellant filed a petition in the Constitutional Court challenging his removal from Parliament and his being barred from standing in the 2006 parliamentary elections. The Constitutional Court dismissed his petition with costs and he appealed to the Supreme Court. In its judgement, the Supreme Court relied on Article 83(1)(e) of the Constitution, which provides thus: *“A Member of Parliament shall vacate his or her seat in Parliament-(e) if that person is found guilty by the appropriate tribunal of violation of the Leadership Code of Conduct and the punishment imposed is or includes the vacation of the office of a Member of Parliament.”*

The Supreme Court held thatthe IGG is not the appropriate tribunal envisaged under Article 83(1)(e) of the Constitution. It, therefore, ordered that the removal of the appellant from his seat as Member of Parliament was null and void; that he was entitled to the entire emoluments he should have earned as a Member of Parliament from the date of his removal up to the expiry of his tenure in the Seventh Parliament; and that his disqualification from being nominated as a candidate in the 2006 elections was null and void.

The effect of this judgement of the Ken Lukyamuzi case was that a Member of Parliament who breached the Leadership Code Act could not, under Article 83(1)(e), lose his or her seat since there was no appropriate tribunal envisaged under that Article, which could recommend such vacation.

The third case is the one of engineer Thomas Mulondo versus the IGG and Kayunga District Local Government and the Electoral Commission. It was High Court Miscellaneous Application No. 007 of 2009. Briefly, the facts of that case are that Mr Thomas Mulondo was the Chairperson of Kayunga District Local Government. He was found by the IGG to be in breach of section 8(3) of the Leadership Code Act as it was then, because he put himself in positions that conflicted with his duties and responsibilities as a chairperson. The IGG directed Mr Thomas Mulondo to vacate his office, pursuant to sections 31(2) and 35(d) of the Leadership Code Act.

The speaker of Kayunga District Local Government was directed to table the IGG’s report before the council for implementation. The council sat and resolved that the report be adopted and implemented and the council’s minutes were sent to the IGG. The IGG directed the Chief Administrative Officer (CAO) of Kayunga District to inform the Electoral Commission that the seat was vacant and it was accordingly declared so.

The applicant applied to the High Court for judicial review of the decision of the IGG to remove him from office since he was never invited to defend himself against the allegations, and the evidence on which the IGG relied was never availed to him. He sought orders of *certiorari* to quash the report of the IGG in which the decision to remove him from office was made. The issues for court’s determination – a court presided over by the current IGG - were:

1. Whether the IGG availed the applicant an opportunity to be heard in the inquiry into his alleged breach of the Leadership Code Act;
2. Whether the applicant was denied his right to appeal against the IGG’s decision;
3. Whether the applicant was entitled to a hearing before Kayunga District Council implemented the IGG’s decision to remove him from office; and
4. Whether the applicant was entitled to the remedies sought.

The High Court held thus:

1. The IGG acted in a manner similar to that in the case of John Ken-Lukyamuzi by constituting itself into an investigator, accuser and finally a judge. So the court held that the IGG failed to observe the principles of natural justice when it failed to afford the applicant an oral public hearing before directing his removal from office;
2. The IGG failed to fully comply with the provisions of section 19(1) of the Leadership Code Act by not availing the applicant with a copy of its decision. He was therefore never afforded the right to appeal to the High Court as provided by section 33 of the Leadership Code Act;
3. The only procedure provided for by law for the removal of a district chairperson - and this is important - is that which is laid out in Article 185(1) of the Constitution and section 14 of the Local Governments Act. It provides that the chairperson may be removed from office by a council by resolution supported by two-thirds of all members of the council on any of the stipulated grounds including abuse of office, corruption, incompetence etcetera.

Section 31(2) of the Leadership Code Act, which makes it imperative for district local governments to enforce the decision of the IGG, cannot put the provisions of Article 185(1) of the Constitution out of operation. The council was, therefore, entitled to debate the findings of the IGG and then pass a resolution if supported by two-thirds majority to remove him from office. The local government council was meant to be - and these are the words of the judge - a rubber stamp to simply implement the findings of the IGG without any debate.

1. The fourth finding by the learned judge was that the IGG did not have the power to act as a tribunal because of the provisions of Article 235A of the Constitution. So, the IGG’s decision to remove the applicant from office was therefore both *ultra vires* and an error of law. Mr Thomas Mulondo was, therefore, entitled to the prerogative order of *certiorari*to quash the report of the IGG.

1. Finally, court held that the decision by the Kayunga District Local Government Council to remove the applicant from the office of the district chairperson was illegal, null and void.

In light of the above decisions, it meant that the provisions of the Leadership Code Act, as it stands now, if applied in their entirety, would only be applicable to a few categories of leaders in Uganda. Even the amendment to introduce Article 235A of the Constitution that established the Leadership Code Tribunal under Chapter Fourteen of the Constitution did not remedy or avert the damage caused to the Leadership Code Act. The provisions of the Act would require significant amendments before the Act could fully meet its objectives.

It is important to note the following words of the Supreme Court Justice Jotham Tumwesigye on page 29 of his judgement in the case of Lukayamuzi - remember Justice Tumwesigye was a former IGG: *“It is important that an amendment to the Leadership Code which includes the establishment of the Leadership Code Tribunal be urgently enacted by Parliament so that the Leadership Code of Conduct can be effectively enforced against specified leaders.”*

Therefore, in compliance with the above court decisions, Government proposed the Leadership Code (Amendment) Bill, which all of you have. You have heard the purpose of the Bill from the mover of the Bill. The committee did consider the budgetary implications as follows: The certificate of financial implication indicates that the establishment of the Leadership Code Tribunal requires Shs 2,677,333,666 only, annually over the medium term. This amount is provided for under the Directorate of Ethics and Integrity vote, which implies that the directorate will transfer the funds to the tribunal once it is established.

It is important to note that information emanating from the Ministry of Finance, Planning and Economic Development together with the Directorate of Ethics and Integrity is to the effect that the original itemized budget was computed several years ago, as the draft Bill was still in the offing. Due to the passage of time and after review, it was found that various important items were either under-costed or omitted. Furthermore, various staff positions such as accountants, internal auditors, information scientists and registry officers were erroneously omitted and yet they are essential to the operations of the tribunal. These additional items are costed at Shs 629,388,976 only. Therefore, the revised grand total for the tribunal is Shs 3,306,722,642 only.

The IGG informed the committee that the establishment of the tribunal would call for more funding by Government to the Inspectorate of Government to facilitate verifications and investigations of breeches of the code. The cost of verifying assets is, on average, Shs 5 million per leader.

The IGG explained that while the IGG’s Leadership Code database had 25,000 leaders, the inspectorate had only been able to verify the declarations of 50 leaders and had investigated only 20 breaches of the code due to limited resources, particularly financial and human. She requested more operational funds to enable the inspectorate to increase the number of verifications and investigations of the breaches.

On the revenue side, the Bill, once passed into law, is expected to generate revenue for Government in form of fees and penalties that will arise from breach of the code, including gifts and donations given to leaders on public occasions. The Parliamentary Budget Office informed the committee that it estimated revenue to Government to rise over the medium term based on the outcomes of the verification exercise conducted during the Financial Year 2014/15. The medium term revenues would average around Shs 80 million, excluding tribunal fees and charges.

The economic implications of the Bill indicate, according to the Parliamentary Budget Office, as follows:

1. The estimated relationship between economic growth rates and the corruption perception index indicates that a one per cent increase in the corruption perception index is associated with a reduction in the Gross Domestic Product (GDP) growth rates of 0.76 per cent. This implies that assuming this Bill is passed into law and reduces the country’s corruption perception index by one percentage point, economic growth will increase by 0.76 per cent relative to the current growth rate of 4.6 per cent.
2. A one unit rise in Uganda’s corruption perception index score reduces Government tax revenues by 0.12 per cent. Again, assuming the Bill reduces the country’s corruption perception index score by one unit over the medium term, Government tax revenues are likely to increase by 0.12 per cent relative to current levels.
3. The estimated relationship between total investments and the corruption index score indicates that a one per cent increase on the corruption perception index increases, incidentally, investments by an average of 0.31 percentage points. It is argued that corruption in certain ways – and those are not my words - facilitates trade and investments. This could be caused by a weak public sector governance system that warrants bribery to be able to invest.

In conclusion, with respect to the actualisation of the tribunal, the committee received further information from the line ministry and the Ministry of Finance, Planning and Economic Development to the effect that the revised grant total for the estimated annual budget for the tribunal is Shs 3,306,722,642 only.

Furthermore, in the event that this Bill is passed in the calendar year 2016, the process of appointments, which will be managed by the relevant service commission, will commence shortly thereafter. The tribunal was projected to be fully established and functional by the beginning of the Financial Year 2017/18.

The committee observes that this Bill will improve the institutional mechanism for fighting corruption if fully implemented and the relevant institutions strengthened to undertake their respective mandates.

Subject to various recommendations, on clause by clause basis, the committee recommends that the Bill be passed into law. I beg to move.

**THE SPEAKER:** Thank you very much, hon. Niwagaba. Let me now invite the vice-chairperson to speak on part two only. I think that Members now have copies. For those who do not have copies, raise your hands. The report is now on your iPads. Hon. Abala, you do have your iPad. I can see that hon. Ssemujju has the report on his iPad. Please check your iPads.

Honourable members, you have listened to the report. I would like to thank the Member for the elaborate report. You are now free to make your comments. The report has been signed by the necessary minimum one-third of the members of the committee and is therefore eligible for debate.

3.38

**THE VICE-CHAIRPERSON, COMMITTEE ON LEGAL AND PARLIAMENTARY AFFAIRS (Ms Robina Rwakoojo):** Thank you, Madam Speaker. Pardon me for reasons I have mentioned to you.

Observations, Recommendations and Conclusion

This section of the report provides a critical analysis of the proposed amendments to the Leadership Code Act, 2002 as contained in the Bill. It, among others:

1. states the proposed amendment and in some cases the provision being amended;
2. explains the effect of the proposed amendment, including on other laws or provisions in this Bill;
3. highlights stakeholders’ views and draws comparisons with provisions in other jurisdictions;
4. makes a legal analysis; and finally,
5. provides the committee’s recommendations on the clause.

**THE SPEAKER:** Thank you. Let us use three minutes.

3.39

**MR JOSEPH SSEWUNGU (DP, Kalungu County West, Kalungu):** Thank you, Madam Speaker. I would like to thank the committee chairperson and members for making this report.

It may be a blessing in disguise that some Members who were part of these cases are not here. I can only imagine hon. John Ken Lukyamuzi in front of us here, citing the ruling against him and how he won the case; he would have enjoyed this Floor.

This tribunal is long overdue. I only disagree with the committee on the economic implications mentioned in point No.1.33 – *(Interruption)*

**MR NIWAGABA:** Madam Speaker, I am sorry I did not lay the report on the Table because I only came in as a “dangerous substitute”.

May I now lay before this august House the report of the committee. The report has been signed by the required number of members and initialled on each page. Together with the report is a file containing the minutes of the meetings between the committee and relevant stakeholders and their respective submissions. I beg to lay.

**THE SPEAKER:** Thank you very much.

**MR SSEWUNGU:** Madam Speaker, I do not agree with the statement in the report that corruption in certain ways facilitates trade and investment. We should not allow corruption even if it is giving us some gains. I cannot agree with that.

Madam Speaker, I often use Masaka Road and these days UNRA and the police are doing a very good job of arresting drivers without permits. However, I would like to tell you that in Europe a lot of money is spent in fighting this vice. The highways in Uganda would have cameras installed by this time to catch these over speeding drivers, if it was not for corruption taking root. So, if you talk of corruption facilitating trade, then I do not agree.

Nonetheless, I thank the committee because everything seems okay. Let us support this motion so that we can have a tribunal in place that will curb corruption. Uganda as a country will not fight corruption without spending because those who are corrupt are spending a lot to continue stealing. Those suffering as a result of corruption are dying and will never come back. I thank you.

3.42

**MR THEODORE SSEKIKUBO (NRM, Lwemiyaga County, Ssembabule):** Thank you very much. I would like to thank Members who scrutinised the Bill.

I have been wondering about this vice of corruption. We may enact many laws but there should be a will to fight corruption. Our current system of declaration forms for leaders’ wealth has a good provision therein; one declares their wealth as and when they assume office and this is done periodically. There is also a provision in those forms to show how the wealth was accumulated. Even without this amendment, I wonder how that has been followed.

I say all this because you will find many people holding public offices but whose property and wealth far outweighs their means. For such cases, there is no need to enact a law but it is an issue of enforcement. Fortunately, the minister is here with us; she should know where the problem lies. There are many leaders who have taken advantage of the silence of the current IGG and law. The IGG has not followed up on that provision. She has not asked leaders how they were able to accumulate that wealth. So, let us walk the talk.

I also wonder where the amendment on the confiscation of the property of the corrupt was dropped. If you do not confiscate this property, you make it a very good and tempting venture for people to acquire property in a corrupt way. Recently, a Swiss bank declared $ 354 million whose owners were traced to Uganda and Nigeria and had not stepped forward to claim that money, so the Swiss bank was taking away that money.Imagine this is public money from poor Ugandans and Nigerians. When they were asked to declare how they got the money, they run away. Now the Swiss bank was profiting from the misery of Ugandans.

The picture I am trying to draw for Members is that as long as there is no will to fight graft, we may come up with good amendments but they will gather dust on our shelves because enforcement is lacking; there is no will. Even under the current circumstances, how many leaders have been asked to show how they acquired those properties? We earn the same and we are not drunkards to say that some of us spent our money in bars. We do not drink alcohol and yet after a short time, you cannot compare us with them and yet they earn far below us MPs.

Therefore, Madam Speaker, let us walk the talk and not enact laws just for the sake of it because however many laws we enact, as long as there is no will to fight graft, it will continue unabated.

**THE SPEAKER:** Thank you very much. Honourable members, join me in welcoming a delegation from the International Development Institute, Kumi. I do not know where they are seated. Stand up please. They are represented by hon. Aogon and hon. Monicah Amoding. Welcome to Uganda Parliament. *(Applause)*

3.46

**MR DAVID ABALA (NRM, Ngora County, Ngora):** Thank you very much, Madam Speaker. The Bible says, *“Thou shalt not steal”* and Members know that very well. When they go to church, that message is preached. Unfortunately, they even have Christian names and yet they are not ashamed to steal.

Corruption is destroying all the tenets of morality and development in this country. That is why I want to thank the committee for a job well done. Since it is a constitutional mandate that the tribunal must be in place, we do not have to waste time; we must actually support the motion and have it approved. However, the only challenge, as my colleague stated, is that the will and the commitment to fight corruption are very critical at this stage. Once we get to do that, we shall save this country but if we ignore the reality, we shall all be affected.

Therefore, Madam Speaker, I suggest that *–(Interjections)*– I am sorry. There are contradictions in the current law with regard to the Constitution of Uganda of 1995. The proposals here are that this is one of the ways of harmonising our laws that govern the operations of the IGG and the tribunal. I propose that we pass this law and bring it into operation such that some of these challenges are reduced. Thank you very much, Madam Speaker.

3.48

**MR RAPHAEL MAGYEZI (NRM, Igara County West, Bushenyi):** Thank you very much, Madam Speaker. I listened carefully to hon. Theodore Ssekikubo. You are right, and it is a disappointment to all of us. The laws are there - the Penal Code Act and the anti-corruption laws are there - but the issue is the will to fight corruption. However, I think as Parliament, we should do our part. Let us not be blamed for what we have heard in the judges’ comments, that the law is in place but the IGG is not the tribunal therefore they cannot enforce it.

Let us, therefore, go ahead and do three things; I heard two proposals but I want to propose a third. The first should be to establish the tribunal. We are required to do this and my hope, honourable minister, is that you have gone through the law to ensure that it has total independence and the strength necessary to enforce the Leadership Code Act.

Secondly, there is the issue of the budget. The minister is asking for Shs 3.3 billion to finance this tribunal. For me, this is a noble cause and so we should ensure that in next year’s budget, expressly and not under the minister or anybody else, we should have a clear budget for the tribunal.

Thirdly, I would propose that we ensure that this law further strengthens the IGG. For the IGG to report that they have been able to verify the assets of only 50 leaders for all this time! To verify the assets of one leader costs Shs 5 million, so for all these years, the IGG has used only Shs 250 million, I am wondering what my own forms went to do because in all these years I have been submitting I have not had feedback. It appears to be an exercise in futility. We need to find out, apart from not having a tribunal, what problem makes the IGG weak in terms of verification and enforcement.

Finally, I want to agree with hon. Ssewungu here that the findings the committee is giving to the country about corruption in Uganda are very dangerous. The committee report says that a one per cent increase in the perception of corruption leads to a 0.3 per cent increase in investment. This is extremely dangerous. I think you must revise the figures you used.

You know, statistics is dangerous and it can mislead sometimes. You are telling the world that in Uganda, the more corrupt we get, the more investment we attract. I do not think the ordinary Uganda will agree with you and I also do not think an investor will agree with you that for them to come to Uganda, they will be facilitated more when there is corruption. Therefore, honourable chairperson of the committee, I request that you revise this observation of yours on the relationship between corruption and the economy. Thank you very much, Madam Speaker.

3.53

**MR JAMES KABERUKA (NRM, Kinkizi County West, Kanungu):** Thank you very much, Madam Speaker. I think the committee deserves to be thanked. They have exhaustively reported in regard to the task they were given.

Madam Speaker, as other honourable members have alluded, this issue of corruption is not a matter of laws. We need to agree, and maybe the minister and the Government should tell us what other challenges Parliament has to address other than hiding under the absence of laws.

The Budget Committee visited Uganda Human Rights Commission, and the core role of the Uganda Human Rights Commission is dependent on the donors. Government is not concerned with the core role of the Uganda Human Rights Commission. When you hear that the IGG handled only 50 leaders, it means that there is a problem. When I relate it to the Uganda Human Rights Commission, Madam Speaker, Government is maybe deliberately intending to stifle those agencies that would bring about order. We need clarification on why those particular agencies fail to operate and yet you find supplementary budgets going to other areas.

Madam Speaker, these agencies, most of the time are denied money. He is asking us for Shs 3 billion and Parliament is going to allocate Shs 3 billion but tomorrow you will find that they have given them less than Shs 1 billion. Therefore, the issue of corruption is only about the will of the Government to fight it. What do you say about these figures that hon. Magyezi is talking about? Why should you hide? It means we embrace corruption in Uganda. *(Member timed out.)*

3.56

**MR KENNETH LUBOGO (NRM, Bulamogi County, Kaliro):** Thank you, Madam Speaker. Thank you, too, honourable colleague, for the report.

This particular report and the Bill should remind all of us of the urgency and the need to declare our assets and liabilities. If there is anybody who has not done it, the Bill that we are passing is for you. You should, therefore, go ahead and declare because this is going to make what has been un-operational to be very effective now. However, because we are law-abiding citizens, we generally support that the report be adopted and the Bill be passed.

That said, I know that we have got some tribunals in this country, but I am seeking some clarification on this one because I actually did not have time to read about it. My question to the committee is whether the membership of the tribunal is a full-time assignment. The Constitution gives us the mandate to determine how it is going to be set up. However, if it does not, I am wondering whether the law we are making should not make it in such a way that we make it cheaper in terms of the costs that are involved.

Secondly, there has been justification given for this tribunal in terms of how much revenue we are going to collect. In the short run, Shs 80 million has been set as the figure to be got from fees and penalties. I would, however, think it is not right for us to measure the importance of this tribunal in terms of how much money we are going to collect in fees and licences but on how much we are going to save in terms of efficient application of the resources and the taxpayers’ money, which is being stolen every day. Therefore, even if it were not bringing in any money in terms of fees and licences, we need it. This figure here of Shs 80 million as a justification I think kind of undermines it and I think it should not be the subject.

Similarly and lastly, there is this economic implication, which has been highlighted by the committee – giving a corruption perception index, if it is increasing or reducing and so on. It gives an impression as though these increases were going to be as a result of the tribunal. However, we have got several bodies, which are fighting corruption here but corruption is not going away; it is persisting and every other day it is even getting worse. So the point is: what is really happening? What are we going to do to ensure that this tribunal makes an impact?

Yesterday we heard what hon. Katuntu presented before this House. It is very shameful that Uganda has the most expensive road in the world. That is totally unacceptable. So, is this tribunal going to do - *(Member timed out.)*

3.59

**MR SILAS AOGON (Independent, Kumi Municipality, Kumi):** Thank you, Madam Speaker. First, I want to support the committee and thank them for their work. It is now our duty, as Members of Parliament, to do our part.

I know most people talk about the will to fight corruption but you know that you cannot rush and try to develop the will to fight when you do not have a gun. First get a gun or any other weapon, load it appropriately before you say that you have the will to go and fight.

Honourable members, the purpose of the Bill, according to the report, is to amend the Leadership Code Act, 2002, Act No.17 of 2002 to give effect to Article 235 of the Constitution to establish the Leadership Code Tribunal. I think that is where we have been lacking.

However, like my colleague said, I think it is very important even as we talk about passing this Bill, that we first consider ourselves. We must put our house in order so that we are in good standing before the law. I know that we can make the law but before we even implement it, it first catches up with us. *(Laughter)* I therefore stand here to request Members, like my colleague did, if you have not gone to the other side, please rush and finish up with what you have not done because this is a law and it is not a joke.

I thank you, Madam Speaker, for giving me the opportunity to give my side of the story, but at the same time I want to make a comment. Recently, we had a lot of issues with UNRA; a lot of money is suspected to have been corruptly taken away. If you went to my constituency and district, you would find that we are doing very badly in terms of roads. The Tirinyi-Pallisa-Kumi Road is not tarmacked and I guess part of the money, which was supposed to have tarmacked that road, is what the thieves took away. Secondly, the Kumi-Ngora-Serere-Soroti Road up to now is not tarmacked and I guess it is the corrupt people who took away our money. That is why we are suffering up to now.

Madam Speaker, there are very many things that I guess should have come to my district by now but we have lost all of them because of corrupt people. Therefore, for someone to say that when the level of corruption increases, it will aid trade, I am an accountant and I do not think that is realistic. Do you have the figures to show that? The increase in corruption only aids those who are rich to become richer and the poor to become poorer. Come to Teso and see how we are getting poorer every day because of the vice called corruption.

I stand to support the recommendations of the committee but what is very important is that we first put our house in order. Those who do not have driving permits should also go and get them so that they do not struggle with the police and yet they are Members of Parliament. Thank you.

4.03

**MR JACOB OPOLOT (Independent, Pallisa County, Pallisa):** Thank you, Madam Speaker. I join my colleagues in thanking the committee for the job well done.

I wonder why the presenter was talking about the tribunal being in place next financial year yet in the report we are being told that the budget for the tribunal is with the Directorate of Ethics and Integrity. Therefore, if a tribunal was established today, that directorate would transfer the money.

I would think that we should expedite the process of passing the amendments so that as soon as the Bill is assented to, the tribunal is put in place. This is because the more we delay, the more we are giving the corrupt the opportunity to clean their houses before the tribunal comes in place.

You talked about the revised amount of Shs 3.3 billion. I would think that now that the first half of the financial year is already gone, even if we do not have the Shs 3.3 billion and we have the Shs 2.7 billion or around there, this tribunal would be able to start. It would then prepare for the new financial year by putting together its work plan and constituting its house, including the staffing.

Madam Speaker, when it comes to the issue of the IGG saying that they have 25,000 leaders in their database and that they have only handled 50 declarations, I am not very sure what timeframe they are referring to. Are they trying to say that for all the time of their existence, they have handled 50 declarations or could these 50 declarations have been handled within that month when they appeared before the committee? When you look at this, you realise that almost nothing has been done. I hope when the tribunal comes into place, something more serious will be demonstrated. Thank you very much, Madam Speaker.

4.06

**MR CHARLES ILUKOR (NRM, Kumi County, Kumi):** Thank you very much, Madam Speaker. I rise to add my voice to thank the committee for the work well done, although we wonder why it took all these years for such a Bill to be brought and passed before this Parliament.

However, I would like to inform the honourable members that good laws can be made but the implementation depends on the resources allocated. The IGG and the tribunal can do a lot but are we giving them money, honourable Members of Parliament? If we are ready to fight corruption, we should make sure that when this office comes to request for resources, it gets the money to fight this vice called corruption.

Madam Speaker, I want to use this analogy: I do not think it is possible to assign a person who sleeps on your veranda to investigate you. This is because that person will fear, knowing that if they tackled their boss, they would be thrown out. The Inspectorate of Government does not even have operational independence. It has no home to start with.

If the Inspectorate of Government was empowered, some of the cases it investigates, prosecutes and probably wins would not even need to go to the tribunal because people would trust that the cases were thoroughly investigated. However, because people are aware that IGG is impoverished, they know the investigations are shallow, the decisions are rushed and therefore they can have leeway by going to the tribunal. Let us empower this office to do the job. Otherwise, the law can be there but it may not be implemented if the money is not allocated. I thank you very much, Madam Speaker.

**THE SPEAKER:** Honourable members, I have only heard support and I have not heard any objection to the Bill. I now put the question that the Leadership Code (Amendment) Bill, 2016 be read for a second time.

*(Question put and agreed to.)*

BILLS

COMMITTEE STAGE

THE LEADERSHIP CODE (AMENDMENT) BILL, 2016

Clause 1

**THE CHAIRPERSON:** Honourable members, the question is that clause 1 do stand part of the Bill. Is this the interpretation section? Okay, let us leave it and go to clause 2.

Clause 2

**MS RWAKOOJO:** Madam Chairperson, we would like to substitute clause 2 of the Bill with the following:

“Enforcement of the Code

The Leadership Code shall be enforced by the inspectorate and the tribunal.”

**THE CHAIRPERSON:** Honourable members, I put the question that clause 2 be amended as proposed.

*(Question put and agreed to.)*

*Clause 2, as amended, agreed to.*

Clause 3

**MS RWAKOOJO:** Madam Chairperson, we move to insert a new clause 3A immediately after clause 3. The justification is for clarity and better drafting; to require the inspectorate to refer offences committed under the code for prosecution by the DPP; and to provide for the inspectorate to prosecute breaches of the code before the tribunal.

It reads as follows -

**THE CHAIRPERSON:** No, let us start with clause 3 before you insert a new one because it seems clause 3 remains as it is and you are introducing a new 3A. I put the question that clause 3 do stand part of the Bill.

*(Question put and agreed to.)*

*Clause 3, agreed to.*

**THE CHAIRPERSON:** Honourable chairperson, you can now proceed with your new proposal.

**MS RWAKOOJO:** Clause 3A is an insertion, Madam Chairperson, and it reads thus:

“Functions of the Inspectorate

In enforcing this code, the inspectorate shall carry out the following functions-

(a) receive, examine and verify declarations lodged with it under this code;

(b) investigate or cause an investigation to be conducted into any alleged breach of this code by a leader;

(c) make a report on any breach of this code and refer the matter to the tribunal for adjudication;

(d) prosecute breaches of the code before the tribunal;

(e) make a report to the Directorate of Public Prosecutions on offences committed under the code;

(f) recommend awards, disbursements and such payments or rewards as it may consider appropriate in connection with any assistance rendered in the enforcement of this code;

(g) collaborate with other law enforcement agencies to facilitate the enforcement of this code;

(h) investigate the actions or omissions of a former leader for breach of this code; and

(i) carry out any other functions prescribed by or under this code.”

**THE CHAIRPERSON:** What is the justification?

**MS RWAKOOJO:** The justification is to allow for clarity and better drafting; to require the inspectorate to refer offences committed under the code for prosecution by the DPP; and to provide for the inspectorate to prosecute breaches of the code before the tribunal.

This is because we realised that for criminal offences, the offenders have to be prosecuted by the DPP. We know that the IGG prosecutes the breaches within the code and then after that, that gets to the tribunal.

**MR MAGYEZI:** Thank you. If the IGG is to prosecute before the tribunal, why should it then be the prosecutor to recommend the awards and penalties? Why isn’t this left to the tribunal?

**MS RWAKOOJO:** Madam Chairperson, if you remember the judgment of Justice Tumwesigye, he said that these two bodies could work hand in hand; the IGG does the investigation and also does some prosecution, after that she transfers the work to the tribunal and it takes over.

**MR NIWAGABA:** I could give you information to clarify the Member’s concern. This particular Bill is in respect of breaches of the code, which are civil in nature. Therefore, when you invoke the question of prosecution, under this particular code we are not talking about prosecution but the investigations and making reports to the tribunal. Matters to do with prosecution remain with the Anti-corruption Court. So, here it is breaches that are almost civil in nature.

**THE CHAIRPERSON:** Honourable members, the question is that a new clause 3A be inserted as proposed.

*(Question put and agreed to.*)

Clause 4

**MS RWAKOOJO:** Madam Chairperson, clause 4 –

**MR NIWAGABA:** Madam Chairperson, just for purposes of procedure, under clause 3 there is an amendment of the committee. I think the challenge is that the Bill has two 3s. So, there is an amendment on clause 3 itself and I beg that it should be considered at this stage instead of bringing it back. I request the chairperson to look at page 18 of the report to read the proposed amendment of the committee.

**THE CHAIRPERSON:** This document is not paginated.

**MR NIWAGABA:** I could guide you, Madam Chairperson, just on that particular issue. The pages are in the extreme right end. On page 18, there is clause (3) amending section 4. I beg that we consider it now instead of standing over it.

**MS RWAKOOJO:** Pardon me, please. Section 4 of the principal Act is amended by substituting subsection (3) with the following:

“A leader shall, before the expiration of his or her term of office, declare his or her income, assets and liabilities, the names, income, assets and liabilities of his or her spouse, child or dependant under this code, if his or her term of office expires six months after his or her last declaration.” So, you do not only declare your assets and income but also those of your people, who are related to you – your spouse, child and dependants.

**MS ATIM JOY:** Thank you, Madam Chairperson. She has proposed that amendment but I do not know whether I would be wrong - You talk of somebody declaring their assets and liabilities and then name, income, assets and liabilities of his or her spouse, child or dependant. Supposing they have more than one child, what happens? I felt that it should be “children or dependents”.

**THE CHAIRPERSON:** I notice there is no difference between what is in the Bill and what is here. What is the difference? You have re-produced exactly what is in the Bill.

**MS RWAKOOJO:** We did substitute clause 3 of the Bill; we have a substitution there and it is a long one. If you look at your page 71, it refers to declaration of property and liability and the new clause says, “(1) A leader shall-

1. within three months after this code; and
2. thereafter every two years, during the month of March, - submit to the inspectorate a written declaration of the leader’s property and liability in the prescribed form.

(2) A person shall-

(a) within three months after becoming a leader; and

(b) thereafter every two years, during the month of March, - submit to the Inspectorate a written declaration of his or her property and liability in the prescribed form.

(3) A leader shall, before the expiration of his or her term of office, declare his or her property and liability, if his or her term of office expires six months after his or her last declaration.

(4) A leader shall state how he or she acquired or incurred, as the case may be, the property or liability included in a declaration submitted to the inspectorate.

(5) Notwithstanding anything to the contrary, a leader shall only declare property or liability-

(a) in which he or she has an interest; or

(b) which is owned by any other person but was, with or without consideration, bequeathed, donated, sold, assigned, transferred by the leader having been declared as his or her property in a preceding declaration.

(6) In this section, a leader shall be taken to have an interest where-

(a) In the case of property-

(i) it is matrimonial property;

(ii) it is owned by the leader…” –

**THE CHAIRPERSON:** Honourable chairperson, I do not know where you are –

**MS RWAKOOJO:** I am sorry, Madam Chairperson

**MR SSEWUNGU:** Madam Chairperson, I do not know whether I have a wrong copy of the report; I am trying to find the part that the chairperson is reading but I have failed and yet I would like to submit. Can I kindly be helped? I would like to see where we are reading from; I have both the Bill and the report. Honourable members, I do not know whether you are in the same “boat” as I am; I have failed to find where the chairperson is reading from.

**THE CHAIRPERSON:** The Bill is talking about expiration of the term and yet this one is talking about the commencement of the term. Can we stand it over? I would like to hear from the chairperson.

**MS RWAKOOJO:** Madam Chairperson, what is your concern?

**THE CHAIRPERSON:** This is about expiry and now you are talking about commencement. Your amendment is on commencement of the term of office but this one is on the expiration of the term of office. Can we stand over it until we find our feet? Okay, let us stand over this one.

**MR MAGYEZI:** Chairperson, as we stand over that, I thought that the committee would also look at whether it is before expiry or after. If it is before and it is within six months, it does not make sense. It can be three months to expiry, it can be four months.

I think that their intention was that if you have declared in March and your term of office expires six months after March, then you should declare. However, if you leave it as before expiry, then you can declare again in July or June or May. I think they should look at those words again and see whether this really makes sense, that somebody has declared in March and again in June or July you want him to declare.

**THE CHAIRPERSON:** We stand over that. Let us go to clause 4.

Clause 4

**MR SSEWUNGU:** I do not agree with the committee on clause 4 where they propose giving 30 days after failing to comply. That is a very long period. You are asked to declare your assets and property but you have failed and then the IGG wants to know why you have not declared, why should you be given another 30 days? That is a very long period. *(Interruption)*

**MR NIWAGABA:** The information I want to give the honourable members is that clause 4 is repealing subsection (2) (b) of the principal Act; that is all. The committee has no objection to repealing it as court directed.

**THE CHAIRPERSON:** Honourable members, the question is that clause 4 do stand part of the Bill.

*(Question put and agreed to.)*

Clause 5

**MS RWAKOOJO:** Madam Chairperson, I think there is a bit of confusion. We deleted clause 4, if you remember. We deleted clause 4 before we inserted the new clause 4A and- (*Interruption*)

**MR NIWAGABA:** Madam Chairperson, we did not delete clause 4, only that the committee proposes to insert a new clause 4A immediately after clause 4 –(*Interruption*)

**MR MAGYEZI:** Madam Chairperson, we are here seated watching drama; a committee chairperson and a member of the committee are not agreeing. One says we deleted and the other says we did not delete. We are here to process a serious law, which looks unserious. I think the committee is not giving us proper direction in this case. I think, Madam Chairperson, you should guide us on how we should proceed.

**THE CHAIRPERSON:** Honourable members, we gave responsibility to the chairperson and the vice-chairperson to lead this debate. Therefore, hon. Rwakoojo, please tell us what you want us to do.

**MR KIBALYA:** Madam Chairperson, with due respect to the committee chairperson and the honourable colleagues, we are making a law, as one colleague said, that should stand the test of time. It will affect us in one way or the other and affect those ones that are innocent and are not here as we watch what is going on.

We all appreciate the speed at which we need to have this law passed and the speed at which we need to have this put in place. However, I wonder whether we are proceeding well when some things are not clear to the Members who are debating and who are supposed to contribute. They are not sure of what is being put in the law.

I would request that for the best interest of everybody and of this country, we should stay this until everything is sorted. This is because hon. Niwagaba was the first person who defended this and put it on the Floor and now he is disagreeing with somebody. Therefore, at the end of the day, none will claim responsibility. Thank you.

MOTION FOR THE HOUSE TO RESUME

**THE CHAIRPERSON:** I just want to give ourselves time to study the amendment.

3.33

**THE MINISTER OF STATE FOR ETHICS AND INTEGRITY (Mr Simon Lokodo):** Madam Chairperson, I beg to move that the House do resume and the committee of the whole House reports thereto.

**THE CHAIRPERSON:** Honourable members, the question is that the House do resume and the committee of the whole House do report thereto.

*(Question put and agreed to.)*

*(The House resumed, the Speaker presiding)*

REPORT FROM THE COMMITTEE OF THE WHOLE HOUSE

3.33

**THE MINISTER OF STATE FOR ETHICS AND INTEGRITY (Mr Simon Lokodo):** Madam Speaker, I beg to report that the Committee of the whole House has considered the Bill entitled, *“*The Leadership Code (Amendment) Bill, 2016” and passed clauses 1, 2, 3, and stood over clause 4 and the rest.

MOTION FOR THE ADOPTION OF REPORT FROM THE COMMITTEE OF THE WHOLE HOUSE

3.34

**THE MINISTER OF STATE FOR ETHICS AND INTEGRITY (Mr Simon Lokodo):** Madam Speaker, I move that the report of the Committee of the whole House be adopted.

**THE SPEAKER:** Honourable members, the question is that the report of the report of the committee of the whole House be adopted.

*(Question put and agreed to.)*

**THE SPEAKER:** Honourable members, I want to direct the Clerk to reorganise the sequence of these amendments so that they flow in a proper manner. We shall continue in another sitting. Thank you.

Is the Minister of Trade, Industry and Cooperatives here? What of the chairperson human rights? I do not know whether the report on oil has been uploaded now. Do we have the report on oil and gas? Okay, let us do the human rights report and then we go to oil and gas.

STATEMENT ON THE COMMEMORATION OF THE INTERNATIONAL HUMAN RIGHTS DAY

4.34

**MS JOVAH KAMATEEKA (NRM, Woman Representative, Mitooma):** Madam Speaker and honourable members, the International Human Rights Day is commemorated annually on 10 December, to mark the coming into force of the Universal Declaration of Human Rights in 1948 as the mother document for the human rights movement in the world.

The Universal Declaration of Human Rights promises to all the economic, social, political, cultural and civil rights that underpins a life free from want and fear. These rights are equal and inalienable to all human beings. The day is marked annually in Uganda with joint participation from various stakeholders.

The overall objective for commemorating this day is to raise awareness about human rights. The theme for this year’s commemoration is, “Stand up for someone’s rights today”. This follows a decision by the United Nations Human Rights Office to launch its year-long “Stand up for someone’s rights today” campaign on 10 December 2016. The theme emphasises engagement and getting people to take action for human rights on behalf of others.

In the four weeks leading up to this day, all stakeholders participate in a number of activities throughout the country. These activities are aimed at encouraging each and every one of us to rededicate our commitment to the protection and promotion of human rights. This year’s activities were scheduled right from the 16 November to 10 December. A statement was read here by UWOPA giving highlights of the 16 days of activism. On the Saturday, 10 December there will be a public procession that will take place and all honourable members are encouraged to join. Activities included media campaigns, radio talk shows, SMSs and others.

Honourable members, as you are aware, Parliament has a duty to defend and protect human rights while Government has a responsibility to promote and protect universal rights as enshrined in international and regional human rights instruments as well as our national Constitution. Members of the Committee on Human Rights as vital stakeholders, on your behalf, have participated in the ongoing activities as well as previous activities in commemoration of this day. The work and achievements of the Committee on Human Rights of Parliament emulate this year’s theme. Honourable members, you will read the achievements of the committee thus far in the statement; I will not read all of them.

Permit me to say that after its establishment in 2012, the committee embarked on clearing the backlog of Uganda Human Rights Commission reports that had not been looked at by Parliament because the Committee on Legal and Parliamentary Affairs, which had the responsibility to do so, was overwhelmed. The committee has engaged Government ministries and other relevant stakeholders in respect of whom these recommendations were made, thus holding Government accountable for their implementation.

The constant engagement of the committee with Government has led to innovations such as the creation of human rights desks in ministries, human rights committees in prisons and others. All of these have helped check abuses by state agencies through exposure of violations. The oversight visits to places of detention and refugee settlements help establish whether the conditions meet the minimum human rights standards. The public hearings and consultations with stakeholders in each region help raise awareness.

Madam Speaker, when the committee was established, there was no guidance to alert Members of Parliament on the inconsistencies that are embedded within the Bills, policy statements, budgets or other business handled by Parliament. There was dire need for a simple criterion against which an assessment of human rights compliance would be made.

To address this need, the committee, with the help of the British High Commission and other stakeholders, developed a human rights checklist - the Parliamentary Checklist on Human Rights Compliance - to provide certainty to Members of Parliament but also to the Executive on what they need to comply with before introducing any business in the House.

The committee has constantly urged ministries and Government departments to fulfil their state reporting obligations to treaty bodies on the status of implementation of international human rights obligations. Consequently, an inter-ministerial committee was recently established to coordinate preparation of state reports to treaty monitoring bodies to ensure timely reporting. The recent participation of members of the Committee on Human Rights in reviewing of the state report to the Universal Periodic Review Session in November 2016, speaks to the commitment of the committee to monitoring Government’s compliance to treaty obligations.

The committee also recently tabled the Human Rights Enforcement Bill, 2015 to provide a procedure for human rights cases to be prosecuted in our courts of law.

Our Prayers:

1. We urge Parliament to take into consideration the committee’s proposal to amend the Rules of Procedure to require all committees to use the Parliamentary Checklist on Human Rights compliance in vetting Government programmes and all business of Parliament so as to embrace the human rights approach.

2. Furthermore, we urge Members to popularise the checklist amongst different stakeholders when undertaking our legislative and representative roles.

3. We pray that Parliament passes the Human Rights Enforcement Bill, 2015 that is currently before the Committee on Legal and Parliamentary Affairs.

4. We also pray that Parliament empowers the Uganda Human Rights Commission with more resources and capacity to undertake its civic education and monitoring roles effectively, so that Ugandans may know their human rights, duties and responsibilities to the state.

In conclusion, despite the achievements registered so far, a lot more needs to be done because human rights are constantly and continuously trampled upon and abused on a daily basis. It is important that as people’s representatives, we put on human rights lenses in everything that we do and hold Government accountable.

Therefore, in recognition of the critical role of Parliament and as key stakeholders in furtherance of human rights, I take this opportunity to call upon all honourable colleagues to participate in the activities organised to commemorate this day. I wish to thank you, Madam Speaker and honourable members; stand up for someone’s rights today and always. I beg to move.

**THE SPEAKER:** Thank you very much, honourable chairperson and the members of the Committee on Human Rights. We shall have some limited comments on it. However, I would like to find out from the Government why you have consistently failed to table reports, which you take to the United Nations, to this House.

You have been reporting on the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and we do not know what you say; we just hear that you are there reporting. For ten years we have been asking the minister and there is nothing that has been coming here for all the treaties. We have been asking the Ministry of Gender to bring the CEDAW report here, but you guys are just reporting your own things. I do not know why you do not want to report here. Yesterday, I talked to you about the Conference of the Parties 21 (COP 21) and COP 22, you made agreements there on our behalf, but we do not know what you have agreed to do and life is going on.

I gave instructions that the clerk’s reports must contain a statement on the certificate of gender equity and an evaluation of the human rights checklist; I have not yet seen it in these reports.

4.43

**MR THEODORE SSEKIKUBO (NRM, Lwemiyaga County, Ssembabule):** Thank you very much, Madam Speaker. I had earlier on wanted to rise on a point of procedure but knowing that the chairperson is one of us, I said at least she is doing a good job.

Human rights covers a full chapter in our Constitution. Chapter 4 of our Constitution is about protection and promotion of fundamental and other human rights and freedoms. Now it is becoming a practice that Government fails to come up to give a statement to the country about such fundamental points and chapters in our history.

It is surprising that we are learning from the committee that on Saturday, 10 December 2016, we shall be having a day to honour rights and the theme is, “Stand up for someone’s rights today”. This is very pertinent at this point in time and more pertinent to Uganda in particular, knowing the kind of turbulence existing in the country. Why should it always be a far-cry from the committee and yet there is the Government which should have led in giving a statement and the chairperson of the Committee on Human Rights would come to supplement, so that we move together as a country. That shows that the Government is either not serious about human rights or they are dodging or are not aware.

Imagine, the Uganda Women Parliamentary Association (UWOPA) and the Committee on Human Rights are the ones spearheading issues of human rights in this country. Madam Speaker, for how long must we, the backbenchers, try to wake up the Front Bench on matters of extreme public importance like human rights? Is there a way the Front Bench is going to seek for pardon and henceforth commit that they are going to seriously follow up on the calendars of international days and not always to be woken up? Imagine none of them is even ready to come up and respond to the statement of the committee chairperson. It shows that they are not prepared. The Minister of Justice and Constitutional Affairs is not in the House. The Leader of Government Business is busy with other notes. *(Laughter)* Now, where do we stand with this kind of situation?

Now, more than ever before, we have rights being violated in Kasese and in detention centres and these issues should not be provoked by the Back Bench but by the Government. It would show that Government is committed to the protection and promotion of human rights rather than us trying to come up to urge Government and yet it is reading from a different page. Thank you, Madam Speaker.

4.46

**MR JOSEPH SSEWUNGU (DP, Kalungu County West, Kalungu):** Madam Speaker, I am happy that even the iPads have refused to load the report because they think that what is happening is not good *–(Interjection)-* Mine is not loading.

Madam Speaker, I would like first to thank you for having institutional memory. The issues we are raising are pertinent. However, human rights are not just a matter of reading reports; they must be felt by the citizens of the country. When you talk about human rights, you must also feel them. They are expressed in Chapter Four of the Constitution.

Madam Speaker, the honourable chairperson of the committee should not expect me to come; I will not appear and I will mobilise others not to come for this International Human Rights Day because our country has failed to reach that target. We have prisons in Kalungu where prisoners are still using buckets. We have given a number of recommendations here and nothing has changed. Prisoners are being sodomised by officers in prisons. The Central Broadcasting Services (CBS) recently had a full programme about people who are misusing prisoners. In all these, it is only we, the Members of Parliament, who first come here with matters of national importance about violation of human rights before the Government comes out to answer.

When you talk about human rights, Madam Speaker, I must feel them. I must observe them and everybody must enjoy them. I raised this problem and when we are going to amend our Rules of Procedure, we must turn the human rights committee into an accountability committee. The Government cannot account to itself. It is committing atrocities against its people and it is the one coming out to talk about how they have worked on human rights; that is not fair. Who is mistreating people? Who is arresting people? Who is killing people in Kasese? Government must protect these people.

You come here because we are going to have an international day and you give a statement and after the statement, we go back very happy that in our country there is human rights - after eating, marching and putting caps on our heads! We shall not allow that when the Speaker is seated here. You go and sign agreements and treaties and you think that is Government!

Madam committee chairperson, I know you really love human rights and feel people should not be mistreated, but you are suffering and you are not going to meet the target because we need Ugandans to feel human rights. Even dogs must be handled very well. Even when you are transporting cows, you should not mistreat them.

The level of mistreatment of citizens of Uganda is unbecoming. We should not just be celebrating. Let us, Members of Parliament, work around the clock to see to it that we get back on course. Otherwise, down there people are suffering and violations of human rights are continuing. We are not respecting Chapter Four of the Constitution *–(Interruption)*

**MR MUGOYA:** Thank you very much, honourable member, for giving me way. The information I want to give you is that if this committee was to move just around the police stations of Kampala, they would find suspects who have been detained for months and they are moving them from one police station to another and calling them “lodgers”.

What is funny with our police officers is that even where a matter is purely civil, they will criminalise it. Recently, I handled a matter where somebody purchased goods worth Shs 20 million and paid Shs 10 million and the balance was Shs 10 million. The police took this matter as criminal and the suspect was appearing on a charge of obtaining goods by false pretence. This is the problem.

Madam Speaker, I would like to inform this House as a legal practitioner that the situation with the court system is pathetic. You go to City Hall here; I was a magistrate in charge of City Hall and when I made some changes, I did not envisage a situation where I was stepping on people’s toes in the High Court. I found Magistrates Grade II who had been in that place for 16 years. There were clerks who had been in that place for 20 years.

They would arrest a vendor with merchandise worth Shs 5 million; why? Because he has failed to pay a trading licence of Shs 50,000. As the leader of the court, I said if one has failed to pay for a licence of Shs 50,000, he should be allowed to go and look for the Shs 50,000 and in the meantime the goods should be left in the hands of court. When I put that as a regulation to manage that court, it caused me problems because what they were doing was to make sure that this man who is charged with trading without a licence is taken to Luzira and he does not appear before any magistrate or any court. They could even go ahead and misplace the court file. These are some of the key areas that I wanted to put across to this House. Thank you.

4.53

**MS BETTY AOL (FDC, District Woman Representative, Gulu):** Thank you, Madam Speaker\_

**THE SPEAKER:** Can we use two minutes?

**MS AOL:** We are actually still observing the 16 days of activism against sex and gender-based violence, which was launched on the 25th of November by H.E the President at Imperial Royale. To some of us, the statement made there was a little demeaning to, probably, what we are talking of in terms of the action that we should take concerning sex and gender based violence, especially the Marriage and Divorce Bill. He said, “That Bill, The Marriage and Divorce Bill”; this portrayed that it is not something, which is taken seriously by him and yet that is a very important area that should concern all of us, instead of leaving it to the women alone.

When we talk about activities which will culminate into the international celebrations on the 10th, indeed what hon. Ssewungu said is true. We even asked why we should launch this here and yet there are those rural areas where we have a lot of problems. Tomorrow, the celebration is also going to be here in Kampala, leaving out areas which we should focus on most. Some of us will not appear here for this celebration. We will go to our homes and remain with the people.

Indeed, human rights are not taken seriously in Uganda. Madam Speaker, you can imagine we have the Human Rights Commission but this commission has not been effective. It looks like when it comes to funding human rights, the Uganda Human Rights Commission is not given enough funds. Instead of opening up the eyes of people so that they know their rights and what is in the Constitution – *(Member timed out.)*

**THE SPEAKER:** Honourable members, join me in welcoming a delegation of district council members and technical staff from Buhweju. They are represented by hon. Mwijukye and hon. Olive Koyekyenga. Please stand up. You are welcome to Parliament. *(Applause)*

4.56

**MR ABDULATIF SEBAGGALA (Independent, Kawempe Division, Kampala):** Thank you very much, Madam Speaker. When you talk about human rights, it is everybody’s responsibility to ensure that human rights are protected. When you talk about human rights, we are looking at what the individuals are entitled to. When we go to the health sector, you see people yearning to get medication as they are not treated the way they are supposed to be treated. Many hospitals here in Kampala lack basic facilities. Many hospitals are overwhelmed by patients; patients wait for a full day without treatment and sometimes they go back without any treatment.

Madam Speaker, I consider the human rights committee an accountability committee and I sympathise with the chairperson of the committee. Unless we reconsider our Rules of Procedure and we put our human rights committee where it belongs, its work will not be done effectively especially with regard to the Opposition.

I also sympathise with the chairperson of that committee; how can she come out with each and everything in order for us to pin the Government? I hope when the time is ripe to consider some amendments to our Rules of Procedure, the Committee on Human Rights will go to the Opposition so that we can demand for accountability in as far as human rights are concerned. Thank you, Madam Speaker.

**THE SPEAKER:** Honourable members, as the head of this institution, I do not think I want to agree with you because that committee has worked very fast. They did work of 10 years in a very short time; they brought the report here and we debated it. I do not think there is anything the committee is hiding. We may discuss placement but I do not want to agree that they have not done a good job. They have done a good job.

4.58

**MS BEATRICE RWAKIMARI (NRM**, **Woman Representative, Ntungamo):** Thank you very much, Madam Speaker, for giving me this opportunity to speak. I would like to thank the chairperson of the committee for a job well done and also for talking very well on behalf of Parliament on television last night.

Madam Speaker, I am actually wondering whether the women of Uganda should celebrate the International Human Rights Day when they continue to be battered every day, raped, killed, burnt, among others things, and yet nobody rises to their support. Much as you are going to celebrate this day, I feel that as a woman and as women of this country, there is a lot of work to be done if we are to enjoy our human rights.

Look at the high maternal mortality in this country; 16 women die every day, not to mention the babies in their wombs dying needlessly. Therefore, while we are discussing human rights, I would like to call upon Government to look at the issues of high maternal mortality in this country, domestic violence and defilement. Our women and girls are being defiled yet when the cases are taken to the police, the defilers pay money or give goats to the parents of the girls for compensation. This is injustice. I do not think I am going to enjoy that human rights day and neither will the other women of Uganda.

Madam Chairperson of the committee, please help us to highlight some of these issues and bring them to the attention of Government so that they can do something about these issues, so that the women of Uganda can also be part of this International Day of Human Rights. Thank you.

5.01

**THE VICE-CHAIRPERSON, COMMITTEE OF HUMAN RIGHTS (Ms Safia Nalule):** I would like to respond to the question he raised about the commitment Uganda has made by ratifying a number of international conventions, regional conventions and subregional conventions.

Madam Speaker, to allay your fears, the Committee on Human Rights recognises that there are number of commitments Uganda has decided to undertake under those conventions. As a committee, we are going to consider the recommendations done under the Universal Periodic Review (UPR) process like the recent one in Geneva and all the concluding observations from the different treaty bodies. We are going to get those concluding observations and we are going to invite the relevant institutions of Government like the ministries and then we ask them what they are doing to implement those concluding observations.

Madam Speaker, we are also devising a strategy of working with different institutions to make sure that during the process of compiling the reports to the United Nations, the draft report is brought here to Parliament for Members to debate so that they know what the country is taking to Geneva. We are going to adopt that kind of practice from South Africa where the Members of Parliament and the entire public participate in the development of those reports before submission to Geneva. Madam Speaker, this will not be business as usual.

**THE SPEAKER:** Honourable member, I am glad that you are making some changes. You can imagine Government and civil society going to speak for us! Civil society is not elected by the people yet they are the ones who go and the elected Members are here *–(Interjections)-* I do not know who elected them, but we, who were elected by the people, are here.

5.03

**MS SYLVIA RWABWOGO (NRM, Woman Representative, Kabarole):** Thank you very much, Madam Speaker. When we talk about human rights in Uganda, we still have a very long way to go. Although I appreciate what the chairperson has presented to us this afternoon and much as I appreciate the celebrations, we still have a long way to go in achieving human rights in our institutions.

Madam Speaker, in my district, there is a prison where women go without sanitary towels for their monthly periods. If you see where they are staying, where they are sleeping, how they are being handled, you will know that these women are suffering. These women are suffering and yet we are here as women Members of Parliament and other Members representing the different groups planning to celebrate.

The problem comes from us not committing resources to our policies. When you look at such women, we are not committing enough resources to human rights and we cannot go on year after year celebrating International Human Rights Day.

Madam Speaker, in other sectors like gender, the orphans and widows are also suffering. We have the National Orphans and Other Vulnerable Children’s Policy, but it is not facilitated. There is no money to implement it. We make good laws, but there are no resources to implement them and we go on celebrating every day thinking we are supporting human rights. Madam Speaker, thank you very much.

**THE SPEAKER:** I want to pick up on the issue you raised. In the Ninth Parliament, when hon. James Baba was the Minister of State for Internal Affairs, this House directed the ministry to make a budget to purchase sanitary pads. He came here and said he had set aside that budget to buy those sanitary pads. I think we need to check whether it was just on paper.

**MS RWABWOGO:** Madam Speaker, these people have been approaching me to help them -

**THE SPEKAER:** No, we shall want the Minister of Internal Affairs to tell us where that money is because we passed it here. (*Interjection*) No, he did his work. We shall want to know from his successor.

5.06

**THE SHADOW MINISTER FOR HUMAN RIGHTS (Mr Moses Kasibante):** Thank you very much, Madam Speaker. I am the line minister of human rights on this side.

**THE SPEAKER:** You are the shadow - (*Laughter*)

**MR KASIBANTE:** Shadow minister, I beg your pardon. Madam Speaker, I would like to thank the chairperson of the committee for the statement that she has made. I expected the line minister to beef it up but I am very surprised that there was no interest from that side as far as the issues of human rights are concerned.

Madam Speaker, most human rights violations in Uganda are done by Government departments, especially the police, UPDF and other security agencies. The most challenging thing is the fact that the same Government that owns these departments now owns the committee in charge of human rights.

Madam Speaker, you made a clarification which I actually accepted in principle- (*Interruption*)

**MR KAFUUZI:** Madam Speaker, my colleague has just alluded to the fact that members of the Committee on Human Rights are not independent minded by alleging that the Government, which he said commits violation of human rights, also owns the members of the committee. It means that the members of this committee are themselves not independent minded. Is that in order?

**THE SPEAKER:** Honourable members, he is out of order. First of all, why didn’t you bring the statement as the shadow minister? (*Laughter*) It is the chair who brought this statement so that we can discuss it. Do not address which side they are on, just address the subject. Anybody who raises that issue again, I am going to put you down. They have done a good job and you did not object when they brought their reports; you debated them happily and thanked them. Therefore, focus on the subject and not the members.

**MR KASIBANTE:** Thank you very much, Madam Speaker, for the good guidance. The issue of human rights is actually a very big issue. Just like the shadow minister has been guided to bring a statement, I believe even the minister responsible for human rights in the Government should be doing the same. We would expect the Government of Uganda to be in charge and not what it is doing now.

Madam Speaker, the point I wanted to make is that human rights violations actually disturb the physique and also the psychology of human beings. That is why it needs very urgent attention. I believe that is why you expected the shadow minister to come up with a statement which I actually promise I will bring at a later stage. I will bring a very comprehensive statement about human rights violations in the country.

There are facts we cannot keep blind eyes to. Today, as I speak, the former presidential contender, Col (Rtd) Kizza Besigye, is under illegal house arrest. That is a big human rights violation against him. Just yesterday, court in Kasangati ruled that it is illegal for police to continue besieging his house. Today, the same police are still denying Col (Rtd) Kizza Besigye the right to get out of his house to transact his business. Madam Speaker, in my comprehensive statement I promised to bring, I will have details of what has actually happened to Dr Besigye *vis-à-vis* that kind of arrest.

Lastly, and this is very important, when we talk of human rights, at times we think in terms of the mature Ugandans. We are allowing Government to continue keeping our children in schools without lunch. When you read the Universal Declaration of Human Rights, feeding is an inherent right. The Minister of Education and Sports yesterday was telling parents to pack food in flasks. When the Universal Primary Education was being initiated, it was - (*Member timed out.*)

5.12

**MR FRANCIS MWIJUKYE (FDC, Buhweju County, Buhweju):** Thank you so much, Madam Speaker. Human rights abuses are the biggest contributors of conflicts around the world. As Parliament, we are not just the ears and eyes, but we must stand out and be seen doing whatever is humanly possible to prevent human rights violation. Preventive measures of conflict are less costly compared to when we let people cause conflicts and then we have to get costly solutions.

I would like to urge all legislators and the ministers to realise that human rights abuses have contributed immensely to conflicts here and the world over. Therefore, on that note, I would like to thank the committee for the good work but ask Government to respect whatever we recommend as Parliament. Thank you.

5.13

**MS ROSEMARY NAUWAT (Independent, Woman Representative, Amudat):** Thank you, Madam Speaker. I would like to thank the chairperson of the committee for the statement.

As we prepare to commemorate this day, I would have imagined that the chairperson would have hinted briefly on what so far has happened as far as human rights are concerned. In the Ninth Parliament, when the committee was created, they did a good job. They moved around and presented their reports on the Floor of this House.

There was a serious concern about female inmates at that time. Members were concerned about the number of cows that are given to the prisons to take care of the babies there because some of these babies are produced while the mothers are in prison. This House was very concern. The chairperson would have hinted on some of these things; they could have told us that on some of the recommendations that they brought to this House, these are some of the improvements they have so far seen and then we see how to continue tackling the others which are still not being addressed.

Therefore, Madam Speaker, it is very important that the committee keeps updating us on the improvements so far achieved. Then on the parliamentary checklist that the chairperson is talking about; it is true, I personally participated in the launch of that checklist at Hotel Africana.

However, you are requesting the members to popularise it. I just wonder how many members of the Tenth Parliament have those copies because it is important that the members are availed with these copies so that we get to know what it is all about and then we see how to apply it in our parliamentary work. I thank you.

**THE SPEAKER:** I would like to clarify that they are not reporting about their committee. They are just reminding the country that there is the 10th December when human rights are commemorated. Their report will come but this was information about activities and not a report.

5.17

**MR PAUL AKAMBA (Independent, Busiki County, Namutumba):** I thank you Madam Speaker. I would like to thank the chairperson of the committee for the effort to give a wakeup call on matters of human rights. Apparently, the country is in serious trouble because they violate the rights of the citizens of Uganda with impunity and these are Government agencies.

Madam Speaker, I would like to report to this committee that Uganda Police violates people’s rights with impunity. Around this country, you find people in police cells who have been there for months without being taken to court and-(*Interjection*) - even when lawyers or advocates of this nation try to go and secure these people’s liberty, police have reached an extent of detaining lawyers who go to rescue these people whose rights are being violated.

I am a practicing lawyer and I know what is happening. There is a public out crying – (*Member timed out*.)

5.17

**MS HELEN ASAMO (NRM, PWD Representative, Eastern):** Thank you, Madam Speaker, and I would also like to thank the chairperson of the committee for reminding us about the celebration. We are all aware of the so many abuses of rights of people out there and I would like to bring one of them which is right to news by the people with hearing impairment.

Whereas Ugandans do not pay to listen to news, these radios cannot put any sign language interpreter into this programme. I am very sure that on the 10 December 2016, when we are celebrating, we shall not have anybody to communicate to this group of people. Therefore, as we talk about standing up for rights of others, we need to demonstrate it. Demonstrate it by action because they say it is my right- if you affect other person’s rights then you are violating that person’s right.

Madam Speaker, I would also like to recognise that we have children being defiled and these cases have remained under the carpet. As we celebrate this day, we need some of these cases to be brought forward so that we know what the effects are. How are these people going to live in future as we talk about their rights?

I would like to agree with you on the issue of the reports that are presented in international countries. Let me give you an example in the convention on the rights of people with disabilities, where the minister goes and she does not even want to tell the civil society - she presented a personal statement and all the members of the committee were surprised. That is a very big violation of rights because you need to involve the other members.

As we celebrate this day, some of us will be mourning because we know many human rights have been abused of Ugandans -(*Member timed out.*)

5.20

**MS MARGARET BABA DIRI (NRM, Woman Representative, Koboko):** Thank you, Madam Speaker. I would like to thank the chairperson of the human rights committee for bringing this report; and for reminding us that on Saturday, 10th December, we are all celebrating the international day of human rights.

Madam Speaker, it is good that that day, we need to show exactly how different categories of people are being abused and denied their rights. I would like to associate myself with the children; the people whose rights are abused most are children. They are abused as they are denied a right to life in the womb through abortion, yet we are here planning to legalise aborting. That proposal must be rejected because you are going to kill children before they are born.

Madam Speaker, even protection of the children; the children are not protected. Many are living on the streets, being abused and we are just looking at them and talking of protecting the children. The children are being sacrificed for wealth and they are suffering. Are these the human rights you are talking about?

Education; children with disability are abused more than any other group of people. Once you are a child with disability, blind or deaf, you are considered useless. You are not even taken for treatment so that you die quickly and they produce a health one. Their rights are being abused. What can we do for these children who are suffering and yet we crave to have children? Once we have them, we abuse them. Even some of you who are seated here *– (Member timed out.)*

**THE SPEAKER:** Honourable members, this debate has reminded me; in the other financial year, we removed taxes from sunscreens for the Albinos and the minister was supposed to issue an instrument identifying which cream is free of tax. It seems it has not been done and they are still paying tax on sunscreens which facilitates them to see as they are walking around.

Therefore, we want the minister of finance to give us an update on the issue of the sunscreens for Albinos in this country.

5.24

**THE MINISTER OF PUBLIC SERVICE (Mr Muruli Mukasa):** Madam Speaker, I would like to thank the chairperson of the Human Rights Committee for bringing this report and indeed stressing the importance of human rights day that is going to be observed on the 10 December 2016.

Madam Speaker, human rights is a subject that is very critical and vital to all of us because we all cannot operate and live well without those human rights. However, full observance and enjoyment of human rights so that the human rights become a matter of cause can be realised or likened to a long journey which any society or country must travel. That journey is unfortunately not very smooth but full of potholes.

We know in Uganda, Madam Speaker, we come from a background where human rights are grossly violated with impunity. However, we are standing here confidently with our heads high because we have moved far as a country under the community -(*Interjection*) - what is there to prove, yes we have the legal foundation in place, the Constitution, good policies, good laws and we -(*Interjection*)- What do you want to be clarified on hon. Ssekikubo? You know everything, what do you now want clarified?

**MR SSEKIKUBO:** Thank you, Madam Speaker. This House and country very well know that until recently, the Minister for Public Service was synonymous with the security ministry under whose docket human rights abuse was unabated.

The first commissions of inquiry set up by this Government in 1986 were those that investigated the human rights violations in this country. I have been in this House since then, with the minister but he has never at any given time presented to this House the progress on the protection and promotion of human rights save for now that he is the Minister for Public Service.

May the honourable minister, therefore, tell this House about the so called potholes that he is talking about and the efforts he took to make sure that those potholes are left to the past regimes and do not reoccur again – we wasted public funds setting up commissions of inquiry, which we have not learnt from and put to use for this country.

**THE SPEAKER:** I think that is what he was explaining. Please continue to explain honourable minister.

**MR MURULI MUKASA:** Madam Speaker, incidents of people being transported in the boots of cars and locked up to die or burnt alive have seriously receded. This is what gives me the confidence to say that we are on the right track.

As I said, it is a long journey. We are not going to wake up one day, after having gross violations of human rights and live like angels the following day.

We are on the right track because the legal and policy foundations are in place and indeed the Government has taken the effort to make sure that those people, especially the security operatives who should support and defend the human rights are given the right and appropriate training so that they stop impunity.

Madam Speaker, as a country, we have a commission in place, the civil society that has been completely conscious and is ready to defend its human rights.

As a country, we are anxious to make sure that there are no gross violations of human rights and this anxiety is good. All I can say is that we should steady the course and make sure that whatever gaps are there are plugged and slowly but surely, we shall move and attain the ideals that we want where human rights are respected and we shall enjoy ourselves as Ugandans in this country.

Some of the shortcomings as a result of the budget are good and talking about them is good. Even raising our consciousness is good. All I can say is that because we are responsive, we go and nip them in the bud. We go plug and stitch them up. We shall certainly enjoy the human rights as we should be enjoying them.

As a country, we are not the worst; I do not think we are going to walk back to those difficult days because we are moving forward. Let us steady the course, we shall get there. I thank you very much.

**THE SPEAKER:** Honourable members, we have other items on the Order Paper. Hon. Kamateeka, if you have a brief conclusion – we shall debate more when the full report comes. I understand that there is a report about to be concluded.

**MS KAMATEEKA:** Thank you, Madam Speaker. I am gratified that this statement has achieved its purpose of raising awareness among the honourable members so that they can go and stand out for our people’s right.

I listened to members speaking about women and children rights, hospitals without drugs and facilities and the prisons still using the bucket system.

I would like to assure the members that the committee has gone round visiting some of these places and we have held Government accountable. We will bring a report and you will have an opportunity to discuss further.

Madam Speaker, you asked Government about the issue of international reports and it has been our concern. So through the Speaker, we would like that the finance ministry tables before this House the draft UPR Report before it goes for final submission and adoption in March.

There is a draft report that was tabled before the committee that has been adopted but still in the process of being finalised.

The committee has already requested the gender ministry to submit a full list of all the conventions and international obligations that fall under the ministry because there are many of them that deal with women, children, people with disabilities and the youth. We shall be tabling a report before the august House.

I would like to end by thanking everyone and urging members to sensitise our people about these rights and also hold Government responsible in our various constituencies.

I have heard people saying that they are not going to celebrate. This is a commemoration and the purpose is to remind us that we should speak for these rights and raise awareness among our people. Our people must stand up and demand for their rights from government. They should not think that Government is doing them a favour when rights are observed.

I thank you, Madam Speaker, for the opportunity. I would like to invite you all to the Human Rights Day commemoration on Saturday 10 December, 2016. I thank you.

**THE SPEAKER:** The honourable members want to know the venue for the national celebration, if any.

**MS KAMATEEKA:** The venue will be Hotel Africana and if it changes, we will come and update the House *– (Interjections) -* yes, we will send out messages. I thank you.

MINISTERIAL STATEMENT

5.33

**THE MINISTER OF STATE FOR ENERGY AND MINERALS (MINERALS) (Mr Peter Lokeris):** Madam Speaker. I would like to give updates of the petroleum activities as a response to an issue raised by my friend hon. Mukitale and also highlight the participation of host communities in this industry.

Following the discovery and confirmation of commercial oil and gas resources in Uganda amounting to 6.5 billion barrels of oil of which 1.4 to 1.7 billion barrels is estimated to be recoverable, progress has been made towards the commercialisation of these resources in line with Uganda Oil and Gas Policy of 2008.

A legal and institutional framework has been put into place to guide the sector and progress has been made in the areas of licencing, petroleum infrastructure development and promotion of national content to ensure community and national participation in the sector.

Legal and institutional framework

Madam Speaker, the policy and regulatory framework which has been put in place to govern the petroleum sector includes the following – in addition of course to other cross cutting legal frameworks for land, environment and finance. We have in place the policy of 2008; we also developed the Petroleum Act of 2013 to guide upstream activities. We also passed Act 2013 to guide the midstream activities; we have the Petroleum Supply Act, 2003 which guides the downstream.

Regulations regarding the above laws are present. Furthermore, the following institutions have been established to manage the sector. These are:

1. The Director of Petroleum to advise the minister of policy matters.
2. The Petroleum Authority of Uganda to carryout regulatory functions.
3. The Uganda National Oil Company to carry out our business as Government.
4. Boards of directors and chief executive officers for the Oil Company and the authority are in place and recruitment of the other line managers is underway.

Madam Speaker, the performance of the above mentioned institutions is going to be impeded by lack of adequate and timely funding unless the Public Finance Management Act is amended to reflect direct funding of these institutions.

We have regulations in place and the following – that is for upstream and midstream acts. The following regulations exist: Upstream Regulations (Gazetted on 24th June, 2016) on local content, that is the statutory instrument No.44 of 2016 on metering (that is measuring the oil being dispatched). Then there is statutory instrument No.45 of 2016 on health and safety and environment. These ones are instruments No.46 of 2016 and all the instruments guiding the activities - that is instrument No.47 of 2016.

On the midstream side, we also have issues and regulations on local content that is regulation No.34 of 2016; on health and safety statutory instrument No.35 of 2016 and that of storage conversion regulation instrument No.36 of 2016.

The above and other documents governing the oil and gas sectors were laid before this Parliament in August 2016.

The Cost Recovery Matter

Madam Speaker, the Petroleum Development and Production Agreement, 2013 sets the mandate of monitoring the cost of petroleum activities in the Petroleum Authority of Uganda (PAU). Before the formation of PAU, which was operationalised in 2016, this role was being carried out by the Petroleum Exploration Development and Production Department (PEDPD) which was housed in the ministry.

A Cost Monitoring Framework (CMF) has been under implementation with the petroleum exploration and production departments, which includes four stages of monitoring. When you are doing it:

1. You approve first of all the programme of the work to be done and the budgets before the activities are carried out.
2. You approval of procurement guidelines and regulations for goods and services to be used in the petroleum activities.
3. You do a 24 hour monitoring of field activities
4. Do a detailed cost recovery audit by the Office of the Auditor-General working in close collaboration with the ministry of finance.

The cross monitoring framework will not be taken forward by the regulatory entity – that is the one which is now in place; the Petroleum Authority of Uganda.

On licencing, the oil and gas industry has two licencing regimes: the production licences. On 31 August 2016, Government granted a total of eight petroleum production licences over fields in exploration areas: (EA2) and exploration area (EA1) respectively.

Five petroleum production licences including Kasamene-Wahrindi, Nsonga, Kigogole-Ngara, Ngege, and Mputa-Nsisi-Waraga were granted to Tullow Uganda Operations Pty Limited. Tullow is the operator in this area.

The operator for EA2, and three production licences including Ngiri, Jobi-Rii and Gunya were granted to Total E&P Uganda and they are the operators of area EA1.

The eight production licences granted are in addition to the production licences earlier granted in 2012 over the Kingfisher Field to CNOOC Uganda Ltd., which is also the operator of that field.

The review of the applications for Production licences for Mpyo and Jobi-East development in area EA1 operated by Total are still on-going, while Lyec discovery also in EA1 is still under appraisal.

The grant of petroleum production licences paves way for the companies to move into the development phase and put into place the necessary infrastructure prior to commencement of production.

Government and the oil companies are taking the necessary steps in accordance with the implementation schedule of the memorandum of understanding entered into between the operating oil companies and the Government of Uganda with respect to commercialisation of the oil and gas discovery to ensure that the first oil is delivered in 2020.

Exploration licences:

Government is nearing conclusion of undertaking the first competitive licencing round for oil and gas exploration, development and production in the country. This licencing round was announced on 24th February 2015, where six high potential blocks were offered. The offered blocks included the following – they are in figure No.1:

1. The Karuka-Taitai Block, located at the northern edge of the Lake Albert in Buliisa District.
2. Kanywatab Block located at the southern edge of Lake Albert in Ntoroko District.
3. Ngassa Block which is located in the central part of Lake Albert shores in Hoima District. This block largely lays offshore on the Lake Albert; it is in the water.
4. Turaco Block, located south of Lake Albert in Ntoroko District
5. Ngaji Block, located in the Easter part of Lake Edward in Rukungiri and Kanungu districts.

Karuka-Taitai and Ngaji blocks did not attract successful bidders, while the Kanywataba, Ngassa, Turaco and Ngaji blocks attracted a total of four successful bidders.

The licensing round has progressed to the stage of negotiation of Production Sharing Agreements. Negotiations, which commenced during early August 2016, are currently on-going with the following companies for the respective blocks:

1. Armour Energy Limited for Kanywataba Block.
2. Waltersmith Petroman Oil Limited for Turaco Shallow and Deep Plays.
3. Oranto Petroleum International Limited for Ngassa Shallow and Deep Plays.

And upon conclusion of successful negotiations, it is expected that a total of five new exploration licences will be issued after cabinet approval.

When you see where they say, “Shallow and Deep” – hydrocarbons have been found at some layer and then in-between they were not there but when you go further down you will find another layer. But they are in the same place.

Licensing of more acreage in the country is aimed at expanding the country’s hydrocarbon resource base, enhance sustainability of oil and gas production and the revenue from oil and gas activities.

The Lake Albert Basin Development Committee

Madam Speaker, the Lake Albert Basin Development Committee was set up in the year 2012 to coordinate the legal, fiscal, financial, commercial and technical requirements for oil and gas developments in the Albertine Basin. The committee has representation from the oil companies and government institutions including: State House; Ministries of: Energy and Mineral Development; Justice and Constitutional Affairs; Finance, Planning and Economic Development; Lands, Housing and Urban Development; Trade, Industry and Cooperatives; Tourism, Wildlife and Antiquities; Works and Transport; Local Government; Uganda Revenue Authority; and National Planning Authority.

The committee’s main deliverables include:

1. A harmonised oil and gas sector development plan.
2. A roadmap with key milestones for the agreed development plan and implementation of upstream, midstream and downstream projects and
3. A coordinated implementation of the development plan.

The achievements of the committee are summarised below:

1. A revised high level commercialisation plan as contained in the memorandum of understanding signed between government and the oil companies on 5 February 2014. The commercialisation plan provides for three main projects, that is:
2. A 60,000 barrels per day refinery developed in two phases of 30,000 barrels per day each, with the refinery having rights of first call on supply of crude oil. Whoever is producing oil is required to first bring it to the refinery.
3. Export of crude oil through an export pipeline or any other viable option.
4. Use of petroleum for power generation – where necessary.
5. A harmonised understanding of the oil and gas resources available and the commercialisation process.
6. An implementation plan for the development of the oil and gas resources in the country aligned with the proposed midstream and downstream projects – contained in the memorandum of understanding implementation plan.

A coordinated execution of the implementation plan, including completion of the legal and regulatory framework; improvements in infrastructure; establishment of the Petroleum Authority of Uganda and Uganda National Oil Company; acquisition of land for the refinery; selection of the most optimal route for the crude oil export pipeline; and issuance of eight production licences have been concluded.

The coordination process to ensure execution of the implementation plan is continuing. This however, requires a dedicated multi-sectoral implementation committee. The establishment of this committee is under consideration by the ministry.

Status of Refinery Development

Madam Speaker, there are a lot of issues about the refinery. But the Government of Uganda is planning the development of a 60,000 BPD Greenfield refinery in Kabaale – some people thought it was Kabale but it is Kabaale in Hoima District. The project included a 201 kilometre-refined-products pipeline from the refinery to Buloba near Kampala. So it will bring the products to Kampala, where they are required.

The Greenfield oil refinery will be developed in two modules of 30,000 BPD each, with the first one expected to be completed in 2020 and the second train to come on board two years later.

They call the refineries “trains” because it looks like a train.

The Government of Uganda invited East African Community Member States to participate in the public shares. The Republic of Kenya confirmed 2.5 percent and the United Republic of Tanzania intimated eight percent participation. Rwanda says it will respond.

Government is currently in the process of identifying the private/lead developer to partner with on the project. The project is estimated to cost approximately US$4 million. The lead investor is required to source for the debt component and provide the technical expertise to build and operate the refinery.

A tender process for the procurement of a lead investor was issued in 2013 and a number of firms participated. Following evaluation of the bids, two firms were selected to progress to the negotiations stage – with RT-GR (Russian) as preferred winning bidder and SK-E&C (South Korean) as alternate preferred bidder.

Negotiations were conducted with RT-GR Consortium and concluded in May 2016 with all the project principle agreements agreed upon. The contract was however not entered into as the lead investor consortium decided to reopen for negotiation issues that were already closed. The government, therefore, called off the negotiations with the lead investor consortium.

Following the collapse of negotiations with the preferred bidder, government invited the alternate preferred bidder (SK Engineering and Construction from the Republic of Korea) to commence negotiations on the refinery project. The consortium, however, was not able to proceed with the negotiations with the projects citing the following:

1. The inability to raise its equity of 60 percent and consequently asked that government raises its equity contribution from 40 percent to 70 percent – meaning that government should contribute more.
2. Crude supply guarantees and requiring government to guarantee its profits through the lifetime of the project – that they must be making profits until the end. So it was not palatable to us.

However, a number of companies/firms (over 25 firms) have since expressed interest in the project. The selection process is to progress with a view of selecting the most suitable partner for the project by mid-2017.

Development of Pipelines and Storage Facilities

Madam Speaker, at the 13th Northern Corridor Integration Project (NCIP) Summit which was held on 23 April, 2016 in Kampala, a decision was taken to develop a crude oil export pipeline from Kabaale, in Hoima District of Uganda to Tanga Port in Tanzania. The 1,445 km long, 24 inch diameter, heated pipeline is being developed to provide access for Uganda’s crude oil to the international market.

The Project Development Committees has been established, that is:

i) a Pipeline Project Team (PPT) which is handling the day-to-day activities of the project;

ii) the Joint Project Development Committee (JPDC), which receives updates from the Project Management Team and provides progress reports to the Project Steering Committee (PSC);

iii) the Project Steering Committee chaired by the Permanent Secretaries of both states that is Uganda and Tanzania. This committee provides leadership and support to the Joint Project Development Committee of the two countries;

iv) an Advisory Committee (AC) chaired by ministers in Uganda and Tanzania provide strategic direction and political leadership to ensure effective implementation of the project.

These committees meet every four months alternately in Uganda and Tanzania to review the progress of the project. Three such meetings have so far been held, and the next ministerial meeting is planned to be held in Kampala in February 2017. As mentioned, the Pipeline Project Team Committee works on the project implementation processes on a daily basis.

Currently, the major on-going activities of this committee include:

i) Negotiation of an Intergovernmental Agreement (IGA) with the Tanzanian Government is progressing well. The IGA is planned to be completed in January 2017, which will be submitted to Parliament since it is a treaty which requires ratification. Therefore, any discussion in another country should be ratified in this honourable House.

ii) The contract for Front End Engineering Design was awarded on 1 December 2016 and the study is expected to be completed in 12 months.

iii) Route survey for the entire pipeline route is on-going using LIDAR Technology. The Ugandan section has been completed, while the Tanzanian section is expected to be completed in December this year.

iv) Procurement of advisory services by Government of Uganda for legal, financial and commercial aspects of the project is on-going. The award of contract is expected in February 2017.

v) Development of a harmonised fiscal regime for the East African Crude Oil Pipeline (EACOP) Project is on-going. The Government of Tanzania has issued a letter of comfort on the progress they are making. Uganda is in the process of addressing this matter too.

Planned Activities include the following:

i) Geophysical and geotechnical surveys for the terminals are planned to commence in December 2016.

ii) Offshore bathymetric and Geotechnical surveys at Tanga Port are planned to commence by end of this year.

iii) Metocean study at Tanga Port is planned to commence in December this year.

iv) Onshore Geophysical and Geotechnical surveys for the pipeline and above ground installations (pump stations, heating station) are planned to commence in January 2017. The way it works is that it solidifies shorter distances so you have areas where you should keep heating the pipe so that the flow of oil can continue.

v) Resettlement action plan for the EACOP corridor is planned to commence in January 2017.

vi) Engagements to be held with local and political leaders are planned to start in January next month.

Uganda’s investment in the project is yet to be finalised. A Cabinet memorandum on the development of pipelines and infrastructure requirements in Uganda has been sent to the Ministry of Finance, Planning and Economic Development, for consideration and issuance of a certificate of financial implications, prior to its submission to Cabinet.

Hoima-Kampala Refined Products Pipeline

The Hoima-Kampala refined products pipeline is being developed as an essential infrastructure for the refinery project. In addition, the planned storage terminals near Buloba, North West of Kampala will be developed to serve both as a central bulk storage facility and a distribution terminal. Therefore, Buloba is near to store and distribute products.

The pipeline is planned to be developed within an integrated utility corridor, which will accommodate a highway, power transmission, and Information Communication and Technology (ICT) infrastructure that has been recommended. Once developed, this will be the first integrated infrastructure corridor in Uganda, with the objective of optimising land use and reducing the environmental footprint for the various infrastructures, sharing of utilities, and enhancing infrastructure security.

The detailed routing of this corridor, together with the environmental baseline survey studies were completed in September 2016.

The land acquisition process for the infrastructure corridor has commenced with a Resettlement Action Plan (RAP) study that is on-going. This will be followed by land acquisition once the valuation surveys are completed and compensation values are approved by the Chief Government Valuer.

Future outlook on petroleum pipelines

Madam Speaker, my ministry, with support from the Royal Norwegian Government, has been working on a strategy and a plan for petroleum transportation and storage in the country. The implementation plan component is being finalised.

As the sector develops, other pipelines to be developed in the country will link up with regional pipelines in Kenya and Rwanda. Related feasibility studies were carried out to provide a framework for future investment promotion in these pipelines.

As you may be aware, the Ugandan-Kenya pipeline has been delayed due to the priority requirements to develop a refinery in Uganda.

Land Acquisition

Upstream/Field Development

Madam Speaker, having been granted petroleum production licenses, the three oil companies operating in the Albertine Graben have embarked on the process of acquiring land for the development of infrastructure to facilitate production of oil. CNOOC Uganda Limited has already conducted a resettlement action plan study for acquisition of land for its facilities in Buhuka, and the report has been submitted to the Chief Government Valuer for approval.

Implementation plan for early 2017, the RAP study for the feeder pipelines from the Central Processing Facilities in Kingfisher Development Area, to the refinery is to be undertaken subsequently.

Tullow Uganda Operations Ltd and Total E&P are to undertake joint land acquisition for their areas of operation in Buliisa and Nwoya.

The companies have together undertaken a Land Access and Resettlement Framework (LARF) in the Nwoya and Buliisa areas, where extensive consultations with communities have been done. This activity will be followed by the Resettlement Action Plan study.

Midstream: that is the production area

The Government is concluding the acquisition of 29 square kilometres of land in Kabaale Parish in Hoima, for the development of a petroleum-based industrial park that will host the oil refinery, an international airport, and petrochemical industries among others.

More than 98 percent of the project-affected persons, who opted for cash compensation, have been paid. Construction of houses for those who opted for relocation is nearing completion. The relocation process is expected to be completed by January 2017. A consultant is currently preparing a master plan for the Industrial Park

Madam Speaker, when I was there one day, one lady looked at a very big house and said: “Where will I put my goats and my pigs?” I said that the pigs can be put the other side and you will sleep in the house *-(Laughter)-* it was funny.

Refined Products Pipeline

The Resettlement Action Plan Study for the infrastructure corridor, which will host the refined products pipeline from the refinery in Hoima to the storage, and distribution terminal at Buloba near Kampala, is on-going. The land for the storage terminal at Buloba has already been acquired.

Crude Export Pipeline

The process of procuring a consultant to undertake a Resettlement Action Plan study for the acquisition of land for the crude export pipeline from Hoima to Tanga is ongoing.

We are facing challenges of land acquisition in the petroleum sector. There are various challenges being encountered in the process of acquiring land required to develop the petroleum sector. These include the following:

1. Land disputes pitting individuals who sometimes have land titles against communities.
2. Speculation targeting compensation hence resulting in distortion of land markets and is also a threat to the land rights of customary owners and communities.
3. Absence of some relevant technical officers in the land offices of the districts of Buliisa, Nwoya and Hoima to assit us.

The actions being taken to address the challenges including the following

1. Ministry of Lands, Housing and Urban Development has cancelled land titles in the Kingfisher Development Area. There were disputes in which the communities were saying that their land has been taken over by “these people.”
2. The Ministry of Lands, Housing and Urban Development facilitated the community of Buhuka Parish in the Kingfisher Development Area to register a communal land association to protect their communal land rights.
3. The Ministry of Lands, Housing and Urban Development is undertaking physical planning for some petroleum areas to develop plans for land use in those areas.

Promotion of national content in the oil and gas sector:

The Government has been and continues to undertake specific actions that will result into increased participation by nationals in the oil and gas sector, both in employment and service delivery. These include:

Policy, Legal and Institutional Framework:

The following achievements have been made in this regard:

i) Carried out an opportunities and challenges study for nationals participation in 2011

ii) Established a National Content Unit in the directorate.

iii) National Content Policy has been submitted to the Cabinet Secretariat

iv) National Content Regulations for Upstream and Midstream were gazetted in June 2016.

v) Plans are underway for establishing a Multi-Sectoral National Content Steering Committee.

Skills Development:

i) Over 200 Government of Uganda personnel from various ministries, departments and agencies have been trained in petroleum related aspects (Geosciences, Engineering, Accounting, Law, Economics and Security, among others.

ii) Established Uganda Petroleum Institute Kigumba (UPIK) for training of artisans. To date, 88 students have graduated with diplomas in petroleum studies.

iii) Introduced petroleum geosciences at both Bachelors and Masters Levels at Makerere University. There are also other institutions

iv) Ninety students have been certified by City & Guilds in welding and electrical installation.

v) Supported a number of training institutions to enhance their curriculum in order to meet the oil and gas industry needs.

vi) Offered placement & Internship for students and also supervised research students.

vii) Capacity skills needs analysis for the Oil and Gas Sector undertaken and a Workforce Skills Development Strategy and Plan, put in place.

viii) Two training institutions (UPIK and Q-sourcing assessed by OPITO (an internationally recognized oil and gas skills certification company) on their capability to offer OPITO qualifications. Both institutions were found to have capability to offer foundation and level I (Electrical and Mechanical maintenance)

Certain companies must certify you in order to get employment at these international bodies. So, we are really endeavouring to get this done.

ix) Signed an Implementation Agreement with GIZ for 11.2 Million Euros for Oil and Gas Skills Development.

x) Finalised negotiations with the World Bank for USD500,000 grant to support National Content Development.

On-going Activities in advancing national content in the sector include the following:

i) Implementation of Skills for Oil & Gas (SOGA) project: To train Ugandans in skills related to oil and gas at craft and basic level.

ii) Commencement of training of 200 certified artisans in Welding (3G), Electrical, Scaffolding by Q- Sourcing and St. Simon Peter Vocational Institute Hoima

iii) Training of 150 small scale enterprises in the Albertine Graben by Living Earth Uganda

iv) Upgrading of five vocational training institutes by Volunteer Services Organisation.

v) Establishment of a national talent register.

vi) Support Training institutions to acquire international accreditation and certification.

Enterprise development

Achievements have also been made in promoting enterprise development in the oil and gas sector, including the following:

i) Workshops organised by the industry and private sector to disseminate opportunities in the oil and gas sector.

ii) Supported farmers’ associations to undertake training in market access

iii) Supported the establishment of the Association of Oil and Gas Service Providers and 30 of these companies trained.

iv) Developed standards to enable Ugandans participate in the sector.

Ongoing initiatives to further promote enterprise development include the following:

1. Establishment of the Industry Enhancement Centre (IEC) - Design completed. The IEC will provide training, matching and financial advisory services to enterprises.
2. Establishment of a supplier data base design completed.
3. Development of standards for all the goods and services reserved for Ugandans.
4. Implementation of the Agriculture Development Programme design completed.
5. Establishment of industrial park for oil and gas related industries.
6. Drivers Training (Trans-aid and Safe Way Right Way).

d) Employment by the licensed oil companies

Uganda’s oil and gas sector has registered overall growth in the employment of Ugandans. By the end of 2015, a total 281 Ugandans were employed by the licensed oil companies in the country. This accounts for about 80 per cent of the licensees’ employees.

Indirect and induced employment of Ugandans accounts for 95 per cent. Figure 1shows highlights of the trend of employment of Ugandans by the licensees since 2010.

Those employed in 2010 were 175 of which 131 were Ugandans, in 2011, 202 with 160 Ugandans, 2012 were 496 of which 371 were Ugandan, in 2013 of which 373 were Ugandan, 2014 had a decline in the activities and the number of employees reduced to 490, with 392 Ugandans; 2015 before we issued licenses the activity had scaled down and the employees were 281 with 243 Ugandans.

Use of locally produced or available goods and services in the country.

Madam Speaker, in line with the National Oil and Gas Policy which emphasises the need to promote use of locally produced goods and services in the country, there has been growth in the percentage of contract value of locally produced goods and services in the country. So, the growth of the percent is going high. So, there was growth in percentage contract value spent with Ugandan companies from 17 per cent in 2009 to 42 per cent in 2016.

A slight decline was registered between 2014 and 2015 from 42 per cent to 36 per cent and this was due to the low level of activity in the oil and gas sector globally.

Figure 3illustrates the trend of total contracts spent with local companies. On average, the supplies by local companies was about 28 per cent of the total spent of $3.2 billion equivalent to $900 million. This shows you what we were spending in that area.

In 2009, $17 million, it goes up in 2010 then declines in 2011. It then increases in 2012, but declines in 2013. In 2015, it is coming down because we had scaled down the activities.

Madam Speaker, there has been a lot of effort to communicate and sensitise communities and other stakeholders especially regarding the status of developments and prior to undertaking certain activities within communities. We have sometimes done sensitisation activities together with some of our partners, Civil Society Organisations (CSOs).

A lot has been achieved in the sector despite the fact that first oil will not come out as earlier scheduled in 2018. It is important to point out that the period of low activity has allowed Government to put in place the right legal, regulatory and institutional framework.

Therefore, our slowness was not for nothing. *(Laughter*) We have worked very hard and we will move together with this august House to put in place the necessary legislation to guide the industry in the future. Thank you, colleagues for listening.

**THE SPEAKER:** Thank you very much, honourable minister. First, I want you to join me in welcoming a delegation from Nakaseke South County, Nakaseke District represented by hon. Lutamaguzi and hon. Najjuma. *(Applause*)

Thank you, honourable minister, for the comprehensive brief. My only comment for now would be that in the future, we would want to know of these 281 people, how many are men and how many are women in that industry? (*Applause)*

We have the certificate of gender equity that is supposed to be taken into account. Secondly, with these contracts, how many women or men are actually participating in supplying goods to that industry?

It was raised by hon. Mukitale. I think let us start with him.

6.22

**MR STEPHEN MUKITALE (Independent, Buliisa County, Buliisa):** Thank you, Madam Speaker, for your directive because this request was made on 5th October. I would like to thank the ministry for acting in two days what they had failed to do in two months. Therefore, you can see how the Speaker can empower the mandate of Parliament when she directs.

I appreciate the minister very much because this is what Parliament deserves. We made the laws, we give the budget and we put in place a communication strategy. In future, we request that you do not wait for us to demand but using the communication strategy you have, this information should have come in timely.

I hope that is not the reason you avoided the Extractive Industries Transparency Initiative (EITI) because in the policy you made in 2008 and referred to, Government promised to join the EITI so that there is more transparency and more disclosure.

We also expected the minister to have laid at the Table the development and production agreements as provided for in the law. We thank you for the regulations you laid but the development and production agreement have not yet been brought on the Table as required and the development plan is nowhere. How I wish you could also bring it to us.

Madam Speaker, the Ministry of Energy and Mineral Development is doing a lot of work and as they have rightly put it here, there are many achievements. However, in 2009, when we pushed for the inter-ministerial - now called the Lake Albert Development Committee, we expected you to give road map with timeline, activities per sector and budget.

This report is very good in terms of - for me as somebody who did Literature but as the investments we are going into, it is silent. It has not disclosed to us in terms of the commitment this country is about to enter.

Madam Speaker, I would like to inform Members that the economy during the 10th Parliament, if all that the minister is telling us is going to take place, we are going to get between $ 15 to 28 billion investment in either the Production Sharing Agreement or Public Private Partnership (PPP) by the lead investors of the refinery and the pipeline.

This commitment is going to double what our economy currently stands at $35 billion and this Parliament classified not less than $ 5 billion.

Madam Speaker, this report is silent; can I request that the other ministry - if we are going to get a comprehensive picture as this Parliament responsible for committing this country to double the economy - This has macro-economic stability issues. You are doubling the economy without increasing the other production. You are going to have a shilling devalued and very soon, you will import food.

That should be brought to this House so that we know-we do not want to be like Angola where you get dinner at $ 150.

Madam Speaker, can I request that we get another submission from the Ministry of Finance, Planning and Economic Development informing us of the cost - we have so far spent close to $ 3.5 billion in the exploration. We are now going to spend another close to $30 billion, which takes us to $37 billion. Nobody is giving us what this means but we can add up the figures.

There is also an aspect that these other investments we are seeing are a frontloading from the Ministry of Finance, Planning and Economic Development. The Standard Gauge Railway, the roads we were discussing yesterday. All these billion dollar loans we are getting is a frontloading. This is not a mandate of Ministry of Energy and Mineral Development, which has done a very good job to give us oil.

What we have not done as a country is to engage the other sectors. You have heard the challenges the minister is facing, to try and speak for Ministry of Education in terms of skilling and capacity. There is a ministry in charge of that.

There is nothing here about infrastructure. For this oil to be delivered, there are airports to be made. It is not in the statement. There is some equipment, which will never come by road up to the refinery it can only come by rail; it is not here in the statement.

Down there, the so much required roads are not yet there. With these, we cannot force my good friend hon. Peter Lokeris and the new PS and the ministry to give that information, which is a grey area to them.

Madam Speaker, I would like to request that we get a real comprehensive multi-sectoral, inter-ministerial Lake Albert Development Plan giving each ministry a task, a timeline, a date and a budget.

The ministry of Finance, Planning and Economic Development will help to give us options. Why have we chosen to do this much of crude oil. This is not an area for energy; it is a financial simulation. It requires studies and we are here depending on what is coming from one ministry.

One of our arguments was, now that Energy has done a good job to discover the crude oil and make it commercial, can we allow a refineries industry; so where is the input of Ministry of Industry.

The roads are coming from UNRA, the multimodal transport requires railway and water transport. Five of the fields are in water, we are talking of the old connection of Masindi Port and Namasagali- that water transport between Pakwach needs to be brought here.

I thank the Ministry of Energy and Mineral Development, they have done what they should be doing but we do not even have - this is an environmentally sensitive area. Where is NEMA.

Honourable minister, the budget we passed ending July 2017 does not have funding for all these. The oil institutions that were put in place are not funded. Check the budget.

Petroleum Authority has no money, the National Oil Company has no money and they are the ones supposed to regulate. The other one is supposed to do the state participation on behalf of Government. For example, when the Russians pull out, in case we had gone three or four years, the fall-back position for Government should have been the National Oil Company but it has zero funding. So, what is our fall-back position.

Madam Speaker, this document gives us just one side from a very good success story of Ministry of Energy and Mineral Development, and I would like at an appropriate time to move a motion to thank our geologists, the Kasambuzi’s as heroes.

It is this 10 Parliament going to commit Government in PPPs, which up to now, by the time we passed the law and the PSA - I moved a request on the Floor that we require them to become loans. It is only Parliament which is mandated by the constitution Article 159 to give a go for Government but we are going to commit the biggest ever money in oil and gas; the recoverable cost in my simple understanding is a loan. A PPP has engagements.

Madam Speaker, as we debate, we request Ministry of Finance, Planning and Economic Development and all other ministries to tell us what are the options, scenarios, why have we chosen this and what it means for the country.

For Ministry of Water and Environment, a lot of water is going to be used. NEMA is not here for environment issues; Buliisa is a tourism area. And, Madam Speaker, I would like to thank you yesterday for launching the Busoga Statute. We want to launch the Bunyoro one next.

However, if NEMA and Ministry of Water and Environment have not put in their input to make sure that we do not lose that future when the oil is finished, we shall have a problem.

I would like to thank the minister and the Government Chief Whip who reminded the ministry and that is why I can see they are referring to the Chief Whip’s reminder for this input.

Honourable colleagues, it is the 10th Parliament as the President did put it, which is going to take this country into the middle income economy, as the cabinet does. But that means is the per capita-

**THE SPEAKER:** Honourable member, please, wind up.

**MR MUKITALE:** Madam Speaker, as I conclude, the Shs 35 trillion makes you by capita become a middle income. It does not mean the poverty of your people has gone. It could mean you are importing food, you have a devalued shilling.

Members of Parliament, I thought that I should bring in that angle so that we can understand what we are discussing. I thank you very much.

**THE SPEAKER:** Honourable members, three minutes each.

6.32

**MR WILFRED NIWAGABA (Independent, Ndorwa County East, Kabale):** Thank you, Madam Speaker. I have specific areas where I would like the minister to clarify but I would like to remind the minister that the downstream law is still being awaited by this Parliament.

When we passed the upstream and midstream, there was a condition that you bring the downstream one, because the current one is obsolete. We are still waiting for it. I hope you do not want us to remind you again.

Secondly, we did provide for various reporting mechanisms in both the upstream and mainstream laws. And the minister has never complied. Do you still want us to continue reminding you to follow the provisions of the law we passed? I hope you will not make us reach that stage.

In the minister’s statement, he has mentioned infrastructure development and I would like to know from him whether this country is prioritising the pipeline or the refinery. If it is prioritising the refinery, where is the infrastructure for the refinery?

Could it be true that actually, your officials in Government are more interested in the pipeline to export our oil for commissions going to be received on the pipeline, leaving Ugandans without their oil which they should be getting when there is a refinery here? If you are serious with the refinery, where is the railway, the airport, where are the roads?

Secondly, I have seen a list of the companies on page four that have been awarded licences. I am afraid and I have heard information I want to hear it from the minister – that one of them is from Nigeria, with a chequered history. I hope it is not true but you will let us know from which countries these companies come as well as their credentials.

Honourable minister, on page 7 of your statement, you mentioned a company with public shares and you are inviting states to join and subscribe to that company. Can we know, which company that is where you invite only states? Public companies for all intents and purposes, must be public. You invite people and maybe states and companies subscribe through a prospectus. So, which company is this? Is it something under the ministry, which people do not know?

Finally *–(Member timed out.)*

**THE SPEAKER:** One minute to complete.

**MR NIWAGABA:** Finally, on land acquisition, I would like to caution the ministry; let us not have a resettlement action plan where people are paid money that is only enough for them to buy *boda bodas*. We are creating a social problem. Let us not give people money and forget about their actual resettlement. Let us not forget the women and children when you are dealing with men only. I hope you will not do it in the next round of pipeline and refinery.

Lastly, you have talked about local content and particularly mentioned local companies. Can we know which these local companies are? Who are the shareholders and directors because we have a situation where companies are registered here but they are for all intents and purposes foreign. We have companies registered but they belong to you people in Government and the locals are not benefitting. *(Applause)*

We need the list of these local companies, their shareholders and directors. Even the service – *(Member timed out.)*

6.32

**MS FLORENCE NAMAYANJA (DP, Bukoto County East, Masaka):** Thank you very much, Madam Speaker. I would like to find out from the minister - On page 7 under item 29 the minister is talking about negotiations, which were concluded with RT-GR Consortium. However, he is saying that even after negotiations, the contract was never entered into by that lead investor. The second investor was considered but negotiations also failed.

Honourable minister, you have not given us the reasons. We would like to know because it seems each company that you want to involve loses interest.

You have also talked about the Ministry of Lands, Housing and Urban Development cancelling land titles. I would like to be clarified; why is the ministry cancelling land titles and to what extent were you committed to these land titles?

Lastly, some people do not want to leave retire because they want to see oil coming out. I do not know whether this is something to cling on because you are saying that even after 2018 you do not expect to see any oil. We are anxious to see people relinquishing power after oil has come so that we take over. (*Laughter)* Could you, please, clarify why we are not getting this oil out?

Is it a tactic or something else? Thank you very much, Madam Speaker.

6.39

**MR JACOB OPOLOT (Independent, Pallisa County, Pallisa):** Thank you, Madam Speaker. I thank the minister for this statement. My focus is mainly on page 7. I would like to be sure. The minister said the first module of the refinery will be ready by 2020. You may be aware that over time, we have been given different years and different expected target dates.

I would like to know what happened to the previous targets. What guarantees do you give us that this will be fulfilled and not another air supply?

Related to what hon. Niwagaba said, on page 7 under item 26, it is said that the East African member states have been invited. To put it differently, I would also be interested in knowing that other than Kenya, which has confirmed 2.5 per cent and Tanzania, which has intimated eight per cent and others that have not yet even indicated, which other parties or investors have been invited to invest in this project?

Finally, there has been this back and forth game with the lead investor/developer, which the minister tried to touch on. By the time you say you are currently in the process of identifying one in replacement to the Russians, I would have also expected you to give me a timeline because you are leaving it open and yet, you are telling us that we should expect the refinery by 2020. To be sure that it will be there by 2020, when will you be able to have the lead developer in place? Thank you, Madam Speaker.

6.42

**MR DANIEL MUHEIRWE (NRM, Buhaguzi County, Hoima):** Madam Speaker, I thank the minister for coming out with this statement. When it comes to compensation, actually, the people who were to be compensated were given some good money. However, we are lacking in the area of sensitising them on how to use the money.

Also, the ones who were given the option of relocation were not treated fairly. They were told that this land has been gazetted and they were not allowed to carry out any development on the land. Since 2012, they cannot grow cassava and their houses have since been blown off by wind, yet they are supposed to survive.

Even when you see the houses where they were supposed to be taken – much as they are saying they are good houses – they were told that they were going to a modern village. These are people who were used to growing crops and grazing. Now, you have been taken to an equivalent of the former railways quarters. Where are you going to tie your goats as the minister says? *(Laughter)* Livelihood has to continue. Being in that camp or estate does not mean that you are going to start earning every month. *(Interruption)*

**MR LOKERIS:** Madam Speaker, what happened was that there were pledges for houses and alternative land for each household, equivalent to what they used to occupy**,** which were for carrying out other activities. The houses were a bonus different and the others were also there. When I was talking to them, they said that their land and the houses were there. But we requested them to keep the pigs and animals on the land and sleep in the houses. The land is there for both purposes.

**MR MUHEIRWE:** Thank you for that information but what is on ground is different. The place is well fenced - if you constituted a committee here to go and see what is on ground, you will be able to know who is telling the truth and who is lying.

Madam Speaker, we were told that Hoima is going to be a special planning area because of oil. Yes, roads have been built but the constructions of the Hoima–Kaiso–Tonya Road had many diversions. These diversions were creating pressure on the tenderness of the district roads. You can imagine heavy equipment, which is going to the refinery, passing on a district road designed to carry specific weight. All the bridges of these roads are broken. The indicative planning figures have remained - (*Member timed out*.)

**THE SPEAKER:** I give you one minute because you are from that area.

**MR MUHEIRWE:** Yes, I am just three kilometres from the refinery. Madam Speaker, we have not been told about how they are managing the waste. Since we started exploration, there has been waste. The waste management units that are there - we do not know how capable they are to handle waste of that nature.

What are the plans to curb the environmental impact that are coming with oil? They tell us we are going to plant trees. It is now 10 years; where are the trees? I come back to the question, which was raised by one of the Members. Why is it that we are developing interest in exporting crude not the industry or even the oil? Today, we have studies – *(Member timed out.)*

**THE SPEAKER:** I gave you extra time. Half a minute to conclude.

**MR MUHEIRWE:** Today, we have studies for the resettlement action plan for the pipeline taking oil from the area to Buloba. The pipelines from the oil wealth to the refinery; the studies are not yet there, which is an indication that there is a plan to export but not to develop the industry. I thank you, Madam Speaker.

6.48

**MR RAPHAEL MAGYEZI** (**NRM, Igara County West, Bushenyi):** Thank you very much, Madam Speaker. I do carry out some research and sometimes, I am like hon. Ssewungu. Last year, I investigated the level of preparedness of local authorities to manage oil and gas.

I can confirm to the honourable minister that the local governments are totally not in the know at all. You look at their plans, budget, their meetings; they simply see this thing as totally external. Maybe, this is why in your book, you are saying we shall involve the local authorities in 2017 January. That will be too late.

The level of infrastructure today; the road from Masindi to Buliisa and from Buliisa to Hoima, are the worst roads in this country. You cannot believe that this area is preparing to produce oil tomorrow. Kigorobya Town Council is in the worst state, if you want to look for a town council.

Environment management - I personally saw the trucks carrying extremely hazardous material. Those trucks lead nowhere. When you ask the people of Masindi, where those trucks are going, they tell you they do not know. You ask those in Buliisa, they also say they do not know and even those in Nakasongola. Therefore, honourable minister, where are these companies depositing the extremely hazardous materials?

You also look at the royalties because in the law, we expect royalties to go to local governments. The fight between South Sudan and Sudan is on metering. I am wondering what mechanisms we have in place to ensure that if we have produced 60,000 barrels per day - This is actually what is produced and what is marketed and metered. This should be taken care of because will require the local authority’s royalties, come the time.

Madam Speaker, the Parliament seems to be excluded. We are told that the treaty with Tanzania will be brought to us in January and yet, institutions under that treaty are already going on and are being put in place. Why don’t you involve Parliament? You cannot have this scale of investment without an approval of Parliament.

Madam Speaker, we need to do about two things. One, we must ask for a multi-sectoral development plan for oil and gas in this country. We cannot talk about agriculture and road separately. We have the National Development Plan but we now expect the minister to table the National Development Plan, medium term and cost for the development of oil and gas – (*Member timed out.)*

**THE SPEAKER:** You still have something? Half a minute.

**MR MAGYEZI:** Thank you very much, Madam Speaker. The second one is about debt. I was surprised – colleagues look at Section 27 on page 7. We have the document. The lead investor is required to source for the debt component. Goodness gracious, we know the cost is Shs 4 billion. Why are we leaving debt sourcing to the investor? Why can’t you table this and we approve this debt as Parliament?

I think we need a little more seriousness from the Government generally and not just the ministry. Thank you.

**THE SPEAKER:** Honourable member, is that what we discussed yesterday that they urge the Exim company to get the consultancy and the money.

**HON. MEMBERS:** Yes.

**THE SPEAKER:** It is now a method of work.

6.52

**MR JOHN BAPTIST NAMBESHE (NRM, Manjiya County, Bududa):** Thank you, Madam Speaker. I thank the minister for the updates on the petroleum sector activities. However, I would like to take him to page 10, paragraph 43, where it concludes that, “As you may be aware, the Uganda Kenya Pipeline has been delayed” due to whatever reasons he gives. Honourable minister, which pipelines are you talking about? I vividly recall there was a pipeline, which was constructed from Eldoret meant to channel petroleum from Mombasa to Uganda. It was abandoned and constructed at the expense of our tax payer.

There is also the proposed pipeline from Buloba to Kenya. These are two pipelines and you have not clearly stated which is which.

Two, is about the cost effectiveness of these two projects. Madam Speaker, the construction of the refinery - the focus was on construction of that refinery but that focus shifted to construction of a pipeline from Uganda to Kenya, which eventually was changed to Tanga through Tanzania.

That is why even the East African Member States are skeptical about committing themselves on buying shares. I am talking about the cost effectives. Fitting that pipeline all the way from Uganda to Tanzania requires a huge amount of money and it may not be as cost effective as constructing a refinery. I do not know whether those that are doing the studies are misadvising the ministry.

Secondly, is about the chart where you put the nationals - The key is missing. You cannot draw a dichotomy between nationals, total employment and the non-nationals. This is very confusing. Even the Y-axis is not labelled. These are all a conundrum of issues.

Finally, when you mentioned royalties; they are very good. I am reliably informed that royalties will be accorded to the local Government authorities: maybe districts and lower local Governments but also the cultural institutions- (*Member timed out.*)

6.56

**MR RICHARD OTIENO (NRM, West Budama County South, Tororo):** Thank you, Madam Speaker. I am going to interest myself with the delays in the production timeline. I would like to thank the minister for the report. However, my concern is the continued postponement of the production timeline. The minister is now saying we should expect the first production to start in 2020.

Whereas I appreciate that all the work in this sector is actually on the first time basis, we need to borrow from what other African countries have done. In Ghana, for instance, production started only three years after the discovery of oil. Although I would like to appreciate this, it is imperative that as we delay the production, oil prices are falling.

This country continues getting loans on the calculation that we are going to pay back using the revenues from this oil. As you continue to delay, this is likely going to hurt our economy very dearly. Just recently, Bank of Uganda warned that should the country fail to start off the production of oil by 2020, the country will not be in position to service its debts. What it means is that we shall go back to ask for debt forgiveness.

Madam Speaker, this is why at times, they say oil is a curse because we made it a situation; we borrow money on the understanding that we shall use the oil revenue to pay the debts. When it comes to 2020, the oil is not there and we cannot pay, we shall start asking for forgiveness. We shall be in the same position the Arab countries were in the 1960s where they found themselves more indebted than they were even before the oil production started.

Therefore, Madam Speaker, my appeal is that Government should fast-track the production timeline to ensure that we do not fall in the trap of failing to meet our debt obligations, which is stitched on the oil production. Otherwise, the country will be plunged into a very serious economic crisis and it will be very hard for us to pull it out of that situation. This issue should not be seen as a joking matter as an honourable colleague put some. It is something very serious. The Government must have a serious consideration on the implications it is going to have on this economy because if we fail-

Madam Speaker, the oil prices are falling every other day. Even in our -(*Member timed out.*)

6.59

**MS MILLY MUGENI (NRM, Woman Representative, Butaleja):** Thank youvery much, Madam Speaker. I would like to interest myself on page 13 where the minister is talking about establishment of a petroleum institute in Kigumba and training of students. I know absorbing these students that have been trained will take more time and you know very well the challenges of unemployment that we have in this country. The minister did not tell us whether there is a plan B for these students because the only hope that they have is for this plan the Government is hoping to establish in future.

You may also see that the minister is only hoping for the grants that they signed for in the agreement and also the negotiations with World Bank. What if we do not realise this grant? Does the ministry have any Plan B for this country? I am sure if we continue borrowing such big amounts of money in return for what we expected and did not realise, we might not go to heaven as Ugandans.

I do not know whether the minister has any plan for any corporate social responsibility because other than just resettling these people that you have talked about, I did not hear of establishment of schools and health centres because I remember when these people of Bududa were resettled to another place, the cry that was there were about schools and health centres, which were not put in place. I do not know whether you have thought about that because it is also another challenge.

Lastly, we might also face a problem of brain drain because once these students come out of university, they may go out to look for jobs elsewhere and by the time you establish the plan you are talking about, we shall not have any other Ugandan to work in that. How are you going to handle this issue? Thank you very much, Madam Speaker.

7.01

**MR HENRY KIBALYA (NRM, Bugabula County South, Kamuli):** Thank you, Madam Speaker. I would like to pick from where my colleague ended. The minister was talking about people that have been trained, the institutions that have been set up and the skills that have been developed. However, the area I come from, I have not heard anybody that has been trained in the skill of oil refinery and mining. I just wish to know from the minister how these people get the information, how you train them and where you recruit them from.

I just want people to know that when my grandparents were growing cotton and coffee, it benefitted the whole of this country. I do not want anybody to imagine oil will only benefit a few. It is a product for all of us Ugandans and we shall not allow only a small section to benefit from it. Even if it is one person’s project, we shall not entertain that.

Secondly, - (*Interruption)*

**MR SSEWUNGU:** Thank you, hon. Kibalya for giving way. Madam Speaker, in the Ninth Parliament, I went with the Minister of Energy with hon. Anywar to that school we have talked about. In that school of co-operatives and other courses, that is where they had allocated a section for oil students who are well privileged. Among the sixty students, 58 were from Western Uganda, Ankole region and there were about only two who were probably from Karamoja. *(Interjections*) That is the information I am giving you.

**MR KIBALYA:** Thank you. Honourable minister, if this country is for us all, I think it is high time we came back onto the drawing board. Similarly, I am getting worried. We have so far borrowed to do the refinery and pipelines but we are not anywhere –(*Information*)

**MR ANGURA:** Thank you, my colleague for giving way. Madam Speaker, what hon. Kibalya is saying is very sensitive. Recently, we had an opportunity to interact with one oil expert. The problem we have is that our institutions here that are training those we expect to work in the oil sector are not certified. He told usthat even from this welding institutions that we have here; we are not going to get even one person who will be employed in that sector to work in the welding of that long pipeline that will go up to Dar es Salaam.

Most of our institutions are not certified. That is the one excuse they give that you do not have those who have recognised qualifications to work in this sector. Thank you very

**MR KIBALYA:** Thank you. Honourable minister, I request to help us with this company called Strategic Friends International that are wining contracts of resettlement –(*Member timed out.)*

**THE SPEAKER:** Please, close with that statement.

**MR KIBALYA:** Maybe with time, help us with the directors of this company. Let us know how it wins these contracts of resettlement. It won one for refinery, it is winning one for the pipeline. Therefore, kindly, feed us with the information how you qualify this company to be the only one to be engaged in resettlement. Thank you.

7.05

**MR DAVID ABALA (NRM, Ngora County, Ngora):** I thank you, Madam Speaker, for giving me the opportunity and at this time I would like to thank the minister for the first time. Yesterday, I was not comfortable but today I can thank you for this information and this is very important.

I would like to begin from where you ended in terms of employment. Now, the report here is saying in 2015 and not 2016. In 2015, they were 281 Ugandans who were employed. The question is, who are they? Where do they come from? At the same time, how many foreigners are employed right in the oil fields? Because when we talk about this, Ugandans should be- What we are talking about is to fight unemployment in Uganda. However, now if everything goes to the foreigners, what are we talking about?

Secondly, I would request that today we knock off point no. 27 about $ 4 billion whereby they asked a company of the project to raise that money. Yesterday, we had the same issue here. My proposal is that we should lock this one off; the company should not be the one looking for money because they will disturb us as they go.

Thirdly, I am concerned about the collapse of negotiations. Look at point no. 30, here they have talked that the Government being unable to raise 60 per cent and this is where the problem is. We are crying saying by - earlier on they told us by 2017, the oil would be available. They extended to 2018/2018, 2019. It has become a song 2017, 2018, 2019 and now 2020.

In this arrangement, if little is going to be done, I am shocked. We shall be in a dilemma. That is why I am also concerned about the inability to get the bidder to cover the area for Kaluka Taitai and Ngaji blocks. This is another problem. That is why we need to get a report from the minister to tell us what really happened and afterwards what happened.

There is somewhere you talked about negotiations as early as August. Up to now, negotiation are going from August up to December, no resolutions, nothing has been done and that is where the problem is. My proposal here is the minister should tell us why we are taking long in negotiations. Why are we wasting time of Parliament because by now they should be telling us why they have taken all this time?

I would like to thank you very much but –(*Member timed out*.)

**THE SPEAKER:** Honourable minister, I shall want you in relation to paragraph 27, to explain why you are not using the PPP law because we made that law. We do not know why you are quietly sourcing. We made that law for this kind of thing. You will have to explain.

7.09

**MR THEODORE SSEKIKUBO (NRM, Lwemiyaga County, Ssembabule):** Thank you, Madam Speaker. A decision was taken by the top leadership of this country that we must have a refinery. However, as it goes, there is no seriousness in as far as the refinery is concerned.

We told Government when it entered into negotiations with RT of Russia at that time that it would not work. Now, even the second company SK engineering, one of the sticking out issues you can imagine, the company is saying, “You Government, can you guarantee us the supply of crude oil?” And Government is noncommittal to this. Therefore, they cannot put their money to a refinery that will lack the crude oil. This shows that there is a problem with this sector, honourable minister.

Madam Speaker, it is true that on 23 April 2016, it was agreed to have the Tanga pipeline project in place. However, I would like to remind you members that initially, we were moving under the LAPSSET for you who have been following the north corridor. LAPSSET was a pipeline to be jointly owned by South Sudan, Ethiopia, Uganda and Kenya to Lamu port.

However, while we were busy with the campaigns, a deal was struck to have this pipeline now to go through Tanzania to Tanga. This is going to cost the country $500 million annually to sustain and heat this pipeline. Yet under LAPSSET it was going to be contributed to. Uganda you have your oil there, South Sudan, Kenya because these are oil producing countries. However, through Tanzania, it is only going to be Ugandans to shoulder that cost without any other country.

Secondly, you could be wondering why there is already a process to start construction. Our Government agreed with Total to put in the money and for us, it shall be recovered from the oil. Can you imagine? $3.2 billion is already a loan. Total is going to put that money on behalf of Uganda. Saying, “Uganda, do not worry, for us we shall recover that money from the oil.”

Therefore, Madam Speaker, already this money is gone. What we are talking about oil, we are already committing it because at the end of the day, the leadership of this country is not serious with the way we are to handle our resources. There is no way you can commit the future of this country recklessly like that.

Honourable members, we have alternatives. We are going to have a railway that is going to carry the refinery materials but-(*Interruption*)

**MR MAGYEZI:** Thank you very much. The honourable member is using a very serious statement that the Government told the oil company to invest their money and they would recover it from the oil.

Madam speaker, when it comes to $ 3 billion, I would like to propose that we consider that as a loan and require Government to Table it to Parliament for approval because we are no longer in control at that stage. The company now determines and this is what I found in Buliisa; a kilo of imported oranges is at $10, a kilo of imported vegetables; there is no vegetable they are using, which is generated in Bunyoro. Why? Because they will be deducting that money from the recoverable cost.

Therefore, honourable colleagues, we should move this Parliament to ensure that the ministry or Government brings those agreements particularly on that aspect so that we take it as a loan and have to approve it as Parliament.

**MR MUKITALE:** Thank you, Madam Speaker. As you have rightly said, the dangers we had with PPP; Cabinet approved Bujagali at the $ 450 million but at the end, the country is choking on power tariffs, the projects costs almost $900 million.

Madam Speaker, the reason I am requesting that the Ministry of Finance, Planning and Economic Development should give is the other report is that they are not telling us how much the Government of Uganda spends to produce the oil. How much shall we get? It is nowhere in this report and, therefore, we are like blind men.

I can tell you with experience from working with multinationals, these companies know how much they are going to spend and earn. We cannot continue in such a blind project.

Can we be given our receivables as a country and cost? When we add up all this money that we are going to spend, it is a big loan in form of PPP or PSA. This is why the Constitution mandates only Parliament in Article 159 to commit the country to a borrowing.

**THE SPEAKER:** Hon. Ssekikubo, please, wind up.

**MR MUHEIRWE:** Thank you, hon. Ssekikubo. On top of those loans and agreements, there is also monopolisation of the industry. For example, CNOOC has shares in Total, Total has shares in Tullow and Tullow has shares in CNOOC. You can see the way they are trying to monopolise the industry so that whatever they decide actually works. We are now moving in to commit them to take loans on our behalf. I thank you.

**MR SSEKIKUBO:** If the Government was involving Parliament, we could have given alternatives. For instance, at the end of the oil life – because this oil is exhaustible and shall soon come to an end but once you have come to an end, there are huge costs in terms of decommissioning of the pipeline and yet if Government had allowed an alternative and we have a *– (Member timed out.)*

7.17

**MR GASTER MUGOYA (NRM, Bukooli County North, Bugiri):** Thank you. I have only three areas of concern.

The first is that I would like to know from the minister which law firms are conducting oil transactions because I have come across one law firm that is preparing all the documents – (*Interjection*)- I will definitely name this law firm at appropriate time. I would like to know how you awarded the contracts to these law firms.

Secondly, in relation to the Uganda Land Commission, the commission issued land titles in wetlands where the pipeline to Tanga is supposed to pass in anticipation that the investor or the land owner would be compensated and yet, that is illegal by virtue of our Constitution and environmental laws.

Thirdly, there was a proposal from the Ministry of Energy and Minerals that we shall have the Kenya pipeline. Indeed, some of us who had established agro processing plants around Iganga, Bugiri and Tororo were told to abandon these projects. This was five years ago but we still do not know our position. We would like some light shed on that. I thank you.

7.19

**MS JOY ATIM (UPC, Woman Representative, Lira):** Thank you, Madam Speaker. I would like to thank the minister for his statement. I have a few comments.

I would like the minister to inform this House. We MPs travel upcountry and in most cases, we meet several trucks loaded with some of this crude oil but we do not know where they are taking it. How many trucks have been taken so far and where are they taken? The House needs to know that.

In the minister’s statement, on page 11, Nos. 45 and 46, he said that Tullow Uganda Operations Limited and Total are to undertake a joint land acquisition for their areas of operation in Buliisa and Nwoya. The firms have developed a resettlement framework in those two districts.

In No. 46, the minister said that Government was concluding the acquisition of 29 square kilometres of land in Kabale and Hoima. The Land Acquisition Act, 1965 stipulates the procedures of acquiring some of this land. I do not know whether the ministry is following that because the proposed compulsory Land Acquisition Act is already being implemented before it is even read on the Floor of Parliament for the first time.

The Act should have been gazetted if Government had identified such land so that procedures are followed.

Article 33 (1) and (4) of the Constitution says that women will be accorded full and equal dignity with men. When Tullow, Total and Government are acquiring land in a country where the Constitution stipulates that land belongs to the people, they should also consider the women as part of the people.

We also have the Mortgage Act that stipulates that there must be spousal consent when land is being taken. Uganda being a patriarchal country, when they are accessing some of these lands and resettling people, women are not taken into consideration and at the end of the day it is the women and children who will suffer *– (Member timed out.)*

**THE SPEAKER:** Half a minute for hon. Ongom.

**MS JOY ATIM:** Madam Speaker, it was reported on this Floor of Parliament that the women of Buliisa and Hoima have suffered.

As women Members of Parliament, the public is watching us on what we are doing about the fate of these women who are suffering. The men sell the land and buy motorcycles and beer to wash the motorcycle which motorcycle is stolen or spoilt at the end of the day but it is the women with problems.

I would like the minister to assure us on the state of the women. We have passed a law to do with Public Finance where the Certificate of Gender Equity and Certificate of Human Rights Compliance were required.

Madam Speaker, it is my opinion that if these ministers are bringing their ministerial policy statements, these certificates must be attached so that we handle the fate of the women of this country. I thank you very much.

7.23

**MR JONATHAN ODUR (UPC, Erute County South, Lira):** Thank you, Madam Speaker. I would like to thank the minister for bringing this little piece of information. As you can already see, the members are really concerned that what you have brought is inadequate.

We can clearly see that there is a conflict of interest between the pipeline and refinery. What the minister explains in paragraphs 27 to 30 is a carefully crafted strategy to frustrate the refinery for the benefit of the pipeline and that is why the negotiations are dragging but no one is willing to take it on because in the end, they need to justify by saying that they have been trying to find somebody and that they now have somebody for the pipeline. We need to pay critical attention to that.

Secondly, the President has on a number of times mentioned value addition. Can’t we add value to oil? Does oil have any special requirements?

At this stage we should be thinking of processing this oil and get more money. Recently, the Ministry of Finance, Public presented here a very worrying situation of the economy because we are not exporting enough and we are importing more. If you are going to export products that attract very low income to the country instead of the option of processing it to earn more, then we are not practicing what we preach; we are providing only lip service and appear to do things and yet in reality we do something else?

My worry is about employment; I have calculated and seen that 60 per cent of the employees are already foreigners; from the statistics we got here. That is a wrong precedent that we are setting. When you are talking about local content, you must have clear percentages to be followed by those companies. If they bring 70 per cent of foreigners and we have only 30 per cent, how do you expect Ugandans to benefit?

Lastly, I want to repeat what the Rt Hon. Speaker said. I am going back to my constituency and people will ask me about these jobs and the opportunities for scholarships. Can you lay on the Table the list of those people so that we can assess them by regions? This problem of having institutions like Soroti Flying School where there is no pilot from Teso – you are going to have oil in Bunyoro yet there is nobody from Bunyoro. (*Laughter*) Thank you very much, Mr Speaker.

7.23

**MR KENNETH EITUNGANANE (Independent, Soroti County, Soroti):** Thank you very much, Madam Speaker. I thank the minister for the statement. My concern is on page 7, where we talked about procurement of the contractor. I want to find out from the honourable minister; you failed to have concrete negotiations with the Russians and you gave the second option to the second bidder. This bidder is saying you should raise 70 per cent, this is already a problem. And these are some of the things which we have been speaking about since yesterday. These companies are taking the contracts and at the end of it all, we lose money - *(Interruption)*

**MR NIWAGABA:** Thank you. I have a piece of information I want to give you, which has been given to me by an official from the Ministry of Energy and Mineral Development. Right now, that as we speak, at the exploration stage alone, the foreign companies claim to have invested $5 billion, which they are supposed to recover and that they are now in the process of advancing another $13 billion to do the infrastructure which they will also recover.

So, how much shall Ugandans get from this oil?

**MR EITUNGANANE:** Honourable minister, we have a big problem here. We are talking about refining the oil so that at the end of the day, Ugandans can benefit from the by-products. We have problems like roads and that is one of the issues that are driving us to limits. The cost of working on a road is very high and some of the by-products from the refinery could help us in making the road network.

At the same time, you are saying there is a pipeline for crude oil; what do you want? Where are we going? If we are to concentrate on a refinery, then let us get the best contractor to refine the oil so that we can benefit our country. *(Interruption)*

**MR ANGURA:** Thank you hon. Kenneth for giving way. Madam Speaker, I think we are just rotating around what we want the minister to answer. Therefore, specifically, honourable minister, what is the priority of Uganda? Is it a refinery or a pipeline? Then, we shall know about our decisions which are not harmonised.

7.29

**MS VERONICA KADOGO (Independent, Woman Representative, Buyende):** Thank you very much, Madam Speaker. I thank the minister for the comprehensive statement. However, he has not mentioned some of the issues related to oil exploration. There is the big issue of imbalanced development of oil infrastructure. This issue deals with those districts of exploration like Hoima, Buliisa and Nwoya.

In Nwoya District, there is less development compared to the other districts where the exploration of oil is. In Nwoya where the exploration is, it is on public land that is Murchison Falls where less or no compensation was done to the residents. Even to co-operate responsibility in Nwoya is less compared to other areas.

In Nwoya, they have only provided student sponsorship unlike in Hoima where they have built schools and hospitals. They have even constructed roads there. This is a very serious problem because instead of taking a few students to come and study in Kampala, I think it should be prudent to construct schools in Nwoya so that more students can benefit instead of taking only a few to Kampala to study.

Another issue is about hospitals; in Hoima, you managed to put up some hospitals. In Nwoya, no hospitals have been built. So, instead of taking few to benefit from the social services, it is prudent that those social services are built within the communities where the oil exploration is taking place. Thank you.

7.32

**MR ROLAND MUGUME (FDC, Rukungiri Municipality, Rukungiri):** Thank you very much, Madam Speaker. Honourable minister, in Rukungiri-Kanungu, we had a company called Dominion. It was stopped all of a sudden by Government. Now, you have replaced it with Ngaji Block. So we want you to tell us what happened to Dominion company.

Secondly, I am happy that now State House is officially out as one of the committees in the Albertine. Why do you involve State House and no President’s Office? To me, the way State House does things in this country seems to be private. We have no assurance about State House. But for President’s Office, you can ask on what is going on. State House is very difficult in this country.

Another point, honourable minister, you have said on page 7 that there was collapse of negotiations. It is true because in this country it is very difficult to know who is involved in negotiations. We know what happened in the umeme negotiations. This time, you should tell us the individuals who are involved. Do not say the Government, the Government is broad, you cannot tell who is who. Let us know the individuals involved in the oil deals.

Then the last one is about the role of local governments. I want to thank hon. Magyezi for raising this point. The committee of Local Government and Public Service has been moving around the country. There is a big problem in local Government. Whatever you are doing in the ministries – *(Interruption)*

**MR MUHEIRWE:** Hoima District Local Government has a secretary of the land board doubling as the lands officer. And this is the department that is supposed to come up with values that shall be used to compensate land owners. The staff surveyor has no means of transport to go and check what the private and hired surveyors are doing. Even the staffing levels of the district are just at 37 per cent and yet, this is the district which we consider to be a special planning area – which must prepare grounds for a smooth operation or even preparations for oil operations in that region. Thank you.

**MUGUME:** Thank you. Lastly, honourable minister, tell us on page 8, project development committees – who are the members on this pipeline project team? This is a team that carries out the day-to-day activities. At least tell us that one because you have talked of many committees; tell us the few individuals who make up this committee. Thank you.

7.36

**MR GILBERT OLANYA (FDC, Kilak County South, Amuru):** Thank you, Madam Speaker. I would like to thank the minister for his statement to Parliament. Looking at waste management, I think as a ministry, you have to come up with the guidelines for managing waste. The example we have in Nwoya where the waste was dumped in somebody’s land. And right now, crops planted nearby that area have their leaves yellow in colour and are not growing as well as those in other places. Therefore, you need to study the chemical content that is contained in those wastes and you have to gazette a proper place for dumping waste.

Secondly, looking at the acquisition of land, I am grateful when the minister reports that the Ministry of Lands, Housing and Urban Development has cancelled land titles in Kingfisher development area.

Honourable minister, we have prospective buyers; there are greedy people who bought chunks of land in the areas where they thought contained oil. After buying those chunks of land, now, they are evicting people and you find that sometimes a person has a land title for a very large area – the community is not aware how the land title was given. Therefore, honourable minister, you should not look at cancelling only the land title in Kingfisher Development Area; look at areas in Buliisa, Ntoroko, Nwoya – there are very many places where people are being subjected to total suffering.

Finally, the students that are being trained at the Uganda Petroleum Institute, Kigumba; right now, some of them who completed have already got jobs in other countries. So, what is the ministry putting in place to ensure that our manpower, after being trained, is retained in Uganda because after completing their training, they remained redundant. Some of them went to those oil companies; they asked for jobs but they were not recruited. That means we shall be training and other countries will be benefitting. Let us have the modality of maintaining and retaining the people we train locally. Thank you.

7.39

**MR DENIS OGUZU (FDC, Maracha County, Maracha):** Thank you, Madam Speaker. Honourable minister, thank you for this wonderful statement. It has educated us on a number of issues that had never been clear before. You mentioned that enterprise development activities had been undertaken to ensure that Ugandans are equipped to participate in the oil sector. We know that the oil sector is one of the capital intensive sectors but I did not see any financing schemes to help the SMEs participate. I do not know if you will factor this in.

Secondly, oil is often referred to as a “curse” or a double-edged sword. If well-managed, it will advance the nation but if it is not, it can retard our development. I would like to know from you what plans you have to sustainably manage these resources for the benefit of the future generations. I have seen in some countries the plan that they are going to set up sovereign well funds, equalisation funds, but I do not see how you will manage this finite resource. In our case, that has not clearly come out in your report.

We have also observed in oil-producing areas, there is gross violation of human rights. Today we just talked about the need to respect rights of people. For example, in Nigeria, we have seen the people of Niger Delta who have decided to take up arms; they are destroying oil pipes. I do not see the Uganda Human Rights Commission or other agencies that are responsible for the observance of human rights, included as part of the committee that you have set up to manage oil activities in the region. How are you guaranteeing that all rights of indigenous people in that area are going to be respected?

Finally, I would like to hear from you on what mandate you have given to the Special Forces Command, who are in the Albertine Region. On top of that, you could clarify to me how contracts like the one Front-End Engineering Design that was awarded on 01 December 2016.

And somewhere, you also indicated that when all the negotiations collapsed, 25 companies expressed interest and the selection process is in progress. I do not know which procurement rules were used; was it according to PPDA or it was still the sole-sourcing that is now the new method of work? Thank you.

7.43

**MR ELIJAH OKUPA (FDC, Kasilo County, Serere):** Thank you, Madam Speaker. I just want the minister to give us the justification for the change of the route of the pipeline from Uganda-Tanga in Tanzania which was formerly meant to go through Kenya to Mombasa. What was the justification? That is because listening to his report and the contribution of Members here, I find that the cost seems to be almost more than three times what would have cost us.

Secondly, from your statement here, I get perturbed that in your agreement with these foreign companies, what can be provided by the Ugandans is only 29 per cent – the local content. This is a disservice to this country. I was reading from the Kenyan newspapers yesterday on when the Kenyan Government signed an agreement for the Standard Gauge Railway, the condition was that 40 per cent of the materials for the construction of the Standard Gauge Railway, which is now at 98 per cent from Mombasa to Nairobi. The 40 per cent is from the local contents such as the steels and foods. They contribute 40 per cent of the total project and the project was about Kshs 356 billion. Therefore, how do we make such agreements, where we only contribute 29 per cent of the local content? It is a disservice to this country.

Finally, on your last statement while you were concluding, you did state that a lot has been achieved in the sector despite the fact that the first oil will not come as earlier scheduled in 2018. Therefore, what is the earliest that we should expect the first oil to come? You have left it open ended now that you are not fulfilling what you had promised us last time. What is the earliest time we are going to see the oil?

Can you give the Ugandans a Christmas bonus for this year? Thank you.

7.45

**MR KEEFA KIWANUKA (NRM, Kiboga County East, Kiboga):** Thank you very much, Madam Speaker. I thank the minister for the comprehensive statement that he has given to this House, although there are certain areas which have been omitted either deliberately or coincidentally.

One thing that we all know is that at a point in time, there was a lot of optimism about Uganda’s oil. At that time, the oil prices were much higher. They cost 110 a barrel but right now it is under Shs 50 dollars a barrel. I know the Ugandan Government has always said that we have seen these drops and they will keep dropping but what we know is that this has affected the oil industry around the world. What we are seeing at the moment is staff being laid off and we know that Tullow, CNOOC and Total have laid off staff even here in Uganda.

What I find surprising is that we continue assuming that everything is as it had been way back in 2013, and we do not get the real picture of what we are anticipating is going to happen.

A colleague there has asked a very fundamental question; what is the projected revenue at the moment from our oil? Surely, it is different from what it was when we had all these anticipations.

The other key issue is that as oil companies are laying off staff, it is very surprising that we have that hullabaloo. I think somehow it is being seen as a privilege going by the way it has been projected here that some people are expecting quite a lot of investment in it. However, we are seeing people being laid off, those who have been engaged in the oil companies.

Honourable minister, what is your projection of the required level of staff, who are trained in oil management or whatever it might be in this country? How are those people actually going to be engaged, given the current condition in the oil sector?

Finally, how are all these changes, the pressures in the sector, such as the pipeline and refinery impacting investment on the projects in the sector? Because we are seeing reductions in investment, which have not come out clearly in your presentation. Thank you very much, Madam Speaker.

7.49

**MR ANGEL MARK DULU (NRM, Adjumani County East, Adjumani):** Thank you very much, Madam Speaker. From the debate, you can clearly see that at one time, Ugandans expect to assemble at a table for a very nice meal called oil. At the same time, they are also worried because the food is unnecessarily delaying too much. In the kitchen, when the food delays, you get to know that there is a problem; either the firewood is wet and the fire is not forthcoming or the cooks may be busy eating from the kitchen. *(Laughter)*

We do not only expect the meal I am talking about, honourable minister, but we also expect a lot of job creation. You now wonder when people will begin exporting our crude oil; you wonder whether the jobs are not also exported along with the crude oil.

It also beats my understanding. Here we are talking about refinery at one end and we are busy exporting the crude oil as well. The two cannot move together because the purpose of constructing the oil refinery is to ensure that our crude oil is actually refined here.

Mr Minister, can you convince this House that exporting crude oil at that level is more profitable than when it is refined? I am aware that there are other products, when processed up to the final, they become*- (Interruption)*

**LT GEN. HENRY TUMUKUNDE:** Thank you very much, Madam Speaker. First of all, I speak as somebody who has knowledge in this subject. So, I want to give some information over a few issues; one of them is that you refine a certain volume of your own oil according to the available market and the competing effect with other products on the market. You export just because the oil refined may not be consumed. The bigger factor here is the frequency at which you turn around money.

For an economy like ours, which we know very well is suffering from a lot of deficiencies rate, we care that we turn around money quicker than we can. You heard and it is correctly said so by one of the honourable contributors here that we have already spent money on exploitation. The mathematics of putting this equation correct is that you must produce, despite prices because the determining factor is production per unit. How much do you spend?

In the case of Uganda, there is a figure and it still gives us an allowance if we want to produce. In any case, the most conventional norms of this industry and it is a very sophisticated industry, is that prices have never determined whether you produce or you do not produce because you are already into it. If you stop producing now, the losses will catch up with you with time, for example, the delays we had getting into this phase were enormous.

Madam Speaker, maybe it is important to inform this House that we structured an area and we have only done 40 per cent of that structured area. We have done 82 per cent recovery. You know very well that Uganda’s oil is one of the cheapest to put to the ground so we are at a very high advantage.

Should you not move forward now - I do not know if the figures hon. Niwagaba got from his quotable source are correct. I wish he had cared to quote the source but you need to produce in order to keep afloat. If you wait for the right prices, should the right prices come and you have incurred all these losses for a long period, you are actually a more endangered person to finance.

Madam Speaker, I also want to give some other information to help the minister from hassles. Our oil is waxy oil. You cannot transport it in a truck. That is why oil is heated before it is – that is why the pipeline will be heated, that is why the cost of the pipeline is high.

Maybe, the only oil that I hear that is in the Albertine deposit and I am now operating with some information that there were the test samples but were such small volume. Let me stop here so that I do not misuse the honourable member’s time.

**THE SPEAKER:** I think you no longer have time. Let us go to Eric; your time was taken by the minister. Okay, honourable Dulu, please, just conclude.

**MR DULU:** The explanation honourable Tumukunde has given will not convince me to a certain extent. This is something public and it has to be documented. You will not be able to keep telling Ugandans one by one what you have narrated here. But if you converted it into a document, then you will have done a lot good work. So, I am now requesting you on top of that information, it has to be documented, so that it eases work.

Finally, Madam Speaker, I request the honourable minister to convince the House that, actually selling that oil at that level is more profitable than when it is refined. Thank you.

7.56

**MR ERIC MUSANA (NRM, Buyaga County East, Kibaale):** Thank you, Madam Speaker. Mine is a quick one. I would like to thank the minister for this report. However, I have got two concerns: one, a week ago, Bunyoro Parliamentary Caucus visited this petroleum institute. We found there 33 students and out of the 33, there was only one from Bunyoro, yet Bunyoro has seven districts.

Out of the 33, we found only four girls and when we asked for the criteria for admission, we got information that big individuals within Government recommend a son or daughter of a minister, commissioner and high ranking people should be the ones to be admitted. We left the place with a lot of pain.

Secondly, this oil region has been invaded with very many speculators on land, contracts and many others. This has made many people in Buliisa, Hoima and Kiryandongo District landless now. The conflicts in the region related to land are quite enormous. Honourable minister, we need to have a rescue mission to make sure that the people in this region are really comfortable on their land.

The other thing is about over-crowded power centres within these statements you are giving us, especially on the pipeline. You are telling us that there is a project management team, there is joint project development committee, there is advisory committee, there is a project secretary – I do not understand what – there is a likelihood that these groups or committees will overlap and they fail to get the best out of it.

There are many power centres in this and we are likely to receive a lot of challenges, especially in implementation. We also found out when we were on our retreat, as Bunyoro Parliamentary Caucus, that the number of graduates, those who have graduated from the Petroleum Institute, are stranded and therefore the type of training the receive prepares them to work in the oil sector only and when you tell them that there is welding, there is electrical installation, there is nothing in their heads.

I would, therefore, think that we need to have a revision on the curriculum - if we can have a more holistic approach, in the training of those students.

The last one is about procrastination of these projects. Every day, month and year, we have an extension, either on production and that is why we see many people within the country that do not know much about the oil sector. The President is saying that, by 2020 we are going to have the middle income status. It is the only hope the President has.

**THE SPEAKER:** Honourable members, 25 Members have contributed. I now invite the minister to respond in seven minutes.

**MS KAMATEEKA:** Thank you, Madam Speaker. I think the minister will have to be a superman to be able to respond to all these issues that have been raised. So, wouldn’t it be procedurally right that, we let the minister go and prepare a comprehensive response to all our issues and bring them written and submit them on Tuesday.

I beg to submit.

**THE SPEAKER:** Honourable members, there was also a point raised by one or two of the Members, that we needed an integrated reports involving Finance, Industry; the overall plan, the martial plan of the oil industry. What do you say about that so that we can understand what you are saying?

**MR LOKERIS:** I would like to concur with the suggestion of the honourable member that these brilliant questions and concerns raised by honourable members, need well thought out answers. I will need to package them and also ask the other sectors to come and we bring a comprehensive response for the consumption of our Members. They have really raised very nice concerns, which we need to explain thoroughly and I cannot do it now.

I beg for your indulgence to allow me to go and come back another day to reply.

**THE SPEAKER:** The House directs that you and Minister of Finance, Planning and Economic Development; the Minister of Industry and Cooperatives; and Local Government; Education and Sports; Lands, Housing and Urban Planning –

**MR MUKITALE:** Ministry of Lands, Housing and Urban Planning; Ministry of Education and Sports; Ministry of Justice and Constitutional Affairs who approves these agreements. There is even Ministry of Local Government and Public Service. The structures of the district must be restructured to accommodate - I hope I mentioned the environment. It is multi-sectoral – including works.

**THE SPEAKER:** We will ask you to bring the report in the third meeting of the First Session. I do not think you can do it in a week or two. Can you do that in January when the House formally resumes? The Ministry for Energy is lead; we do not want people to say that we do not know who is in charge. You are the lead ministry.

**MR SSEWUNGU:** Thank you, Madam Speaker. Whereas I agree with that process – this update came as a result of a hon. Mukitale raising a matter on the Floor of Parliament. This means that if he had not brought it, maybe it could have taken longer than we would expect. Here now, we are getting in other ministries. Madam Speaker, this Parliament has a full Committee of Energy and Mineral Development. For example, today, I wanted to submit but you had given me a lot of time before, and when I got on the Floor with all my research and the knowledge I have about oil, I would have taken longer than Gen. Tumukunde. (*Laughter)*

Madam Speaker, would it be procedurally right if these stakeholder relevant committees took up this matter and we go there -

**THE SPEAKER:** Let us hear the Government position first from all those sectors; then we shall send it to the committee for follow up.

**MR SSEWUNGU:** Much obliged.

**THE SPEAKER:** With your research.

**MR SSEWUNGU:** With my research and the General, because I was going to engage him here but I did not get a chance.

**THE SPEAKER:** Honourable members, I would like to thank you very much for today’s work. House adjourned to 20th as agreed. The Minister of Agriculture has come with his statement on fisheries. It was outstanding but we shall push it to the next sitting.

I had communicated earlier that I want the committee on COSASE, Committee on Local Government Accounts and that of Health to complete their reports during this coming week and they report on 20th and 21st and then we have a party on the 21st. Please, come with dancing shoes.

*(The House rose at 8.05 p.m. and adjourned until Tuesday, 20 December 2016 at 2.00 p.m.)*