



PARLIAMENT OF UGANDA

PARLIAMENTARY DEBATES

(HANSARD)

OFFICIAL REPORT

SECOND SESSION - THIRD MEETING

TUESDAY, 7 MARCH 2023



PARLIAMENT OF UGANDA

IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

SECOND SESSION - 11TH SITTING - THIRD MEETING

Tuesday, 7 March 2023

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

Hon. Anita Among, Speaker of Parliament. Reference is: The Market Bill, 2021.

PRAYERS

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

The House was called to order.

“The above subject refers; I have received the Market Bill, 2021 for assent. However, given the problems that have, for a long time, been associated with the management of the public markets, including the extortion of the market vendors by the market management committees, existence of landlords in the public markets, charging of illegal fees and levies, etc., there is need to review some of the clauses as listed below;

COMMUNICATION FROM THE CHAIR

THE SPEAKER: Honourable members, I welcome you to this afternoon sitting. Following the passing of the National Sports Bill, 2022 last week, we still have a number of Bills that need to be looked at. We have the Employment (Amendment) Bill; the National Legal Aid Bill; the Competition Bill, 2022; the Law Revision Miscellaneous (Amendment) Bill, 2022, and the National Local Content Bill, 2022. I urge all the committees where these Bills are to ensure that they bring the Bills to the House; we need to finalise on these Bills.

1. Section 4(5); Establishment of a Public Market

“A local authority may, in accordance with the Public Private Partnership Act, 2015 or the Public Procurement and Disposal of Public Assets Act, 2003, enter into an agreement with a person to develop or manage a public market within an area of jurisdiction.” Given the problems that have been associated with the involvement of the private persons or companies in the management of Government markets, public markets should be developed and managed by the local authorities. Therefore, the above clause should be deleted.

Honourable members, I received communication from His Excellency the President dated 19 February 2023 in regard to a returned Bill, pursuant to Article 91(3)(b) of the Constitution. Given that this House was on recess, I referred this Bill to the Committee of Public Service and Local Government, administratively, and here is the Bill today.

2. Sections 19, 20, 21, 22, 23, 24, 25, 26 and 27: Market Management Committee

I am reading it in furtherance to rule 143(1) of the Rules of Procedure. The letter is dated 16 January 2023 and is addressed to the Rt

The clause provides for the market management committee responsible for a general day-to-day management of markets, their functions,

tenure of office and removal of members of the committees from office, meetings and creation of the sub-committees. The involvement of the vendors in the management of public markets has been responsible for fuelling conflicts in the market that arises from exorbitant charges that are imposed on the vendors, unnecessary illegal levies and dues on the vendors, creation of landlords in the markets, unfair and unreasonable electricity, water and garbage fees, creation of factions among the traders, and multiple ownership of the stores. Civil servants in the local governments have also been conniving with the committees to embezzle money belonging to the Government revenue and generally engaged in corrupt practices. Local authorities should manage public markets directly without direct involvement of the vendors in the day-to-day management of the market. Therefore, the above clauses should be deleted.

3. *Section 28(3)(b), the word "committee" should be deleted.*
4. *Section 30: Allocation of shops, pitch or stalls in the public market; Clause 30(3) should be amended to give the administrative authority powers to determine the composition of the allocation committee and its mandate.*

Therefore, in accordance with Article 91(3)(b) of the Constitution, I hereby return the Markets Bill, 2021 to Parliament for reconsideration of the sections as mentioned above.

Signed by the President, Yoweri Kaguta Museveni."

Honourable members, upon receipt of this letter of this Bill, I referred the Bill to the committee and the committee is ready to report back. They have finished with their work; we shall be receiving the Bill later in the day.

Honourable members, Article 34(2) of the Constitution of the Republic of Uganda entitles all our children to basic education, which responsibility is bestowed on the State and the parents. However, we have continued receiving

complaints from a number of schools on how school fees have been hiked. We need to have a school fees policy in place for school fees to be harmonised. We know we are in a free market economy but we cannot get all the school fees from the parents. Remember we have UPE and USE; we have a right to education; so, we should allow children to study.

It is only children of the rich people that are studying; the poor people's children are not studying. The dropout rate is very high. The girl-children are getting married early. We need to regulate the issue of school fees. Government needs to come up with a policy on how we can make sure that school fees are regulated and nobody is charged high fees. It is actually exploitation.

Tomorrow, we are going to celebrate International Women's Day. Therefore, we will be receiving a report from the Minister of Gender, Labour and Social Development, who has delegated the Government Chief Whip to present the report on the issue of women.

No woman should be left behind. We need inclusion of all the women in terms of empowerment, agriculture, innovation and creativity. All women should be involved in whatever is being done in the economy. We really must thank the Government that many women are, at least, somewhere. *(Applause)* Even in Parliament here. *(Laughter)*

Honourable members, yesterday, I made a public declaration of my income, assets and liabilities. I want you, as leaders of the people, to go and declare - Hon. Nandala-Mafabi, go and declare your income and assets. Honourable members, please go and declare as per the Leadership Code Act. We should lead by example.

Earlier today, we received the sad news of the demise of Justice Kenneth Kakuru, former Justice of the Constitutional Court. The deceased served with distinction. On behalf of Parliament and on my own behalf, we convey our heartfelt condolences to the family and to the Judiciary. May we rise to observe a moment of silence.

(Members rose and observed a moment of silence.)

THE SPEAKER: Honourable members, once more, I thank you for coming. We have matters of national importance but the Front Bench is almost empty. Let us go to Item No. 3.

MR SILWANY: Madam Speaker, I rise on a procedural matter under 109 and this regards -

HE SPEAKER: What is 109? Is it an Article or rule?

MR SILWANY: Rule 109 of our Rules of Procedure and it talks about a censured minister. This afternoon, Hon. Persis Namuganza, who was on 23 January this year unanimously censured by this Parliament because of misbehaviour and all the issues that the Members of Parliament know – she was indicted by this Parliament.

However, I am surprised that this afternoon, she majestically walked into the same Parliament and sat on the Front Bench where the honourable ministers are supposed to sit. Would we be proceeding well when somebody who this Parliament has indicted and censured – and even sent notice to His Excellency the President as per our Rules of Procedure – can come majestically and sit as a minister in disregard of the rules of this Parliament?

THE SPEAKER: Honourable Member, I have noted your concern. Let us go to item No. 3.

BILLS FIRST READING

THE ANTI-HOMOSEXUALITY BILL, 2023

THE SPEAKER: Honourable members, as you may recall, on 28 February 2023, this House granted leave to Hon. Basalirwa to introduce the Anti-Homosexuality Bill, 2023. The Bill was gazetted on 3 March 2023 and awaits a Certificate of Financial Implications to enable its first reading.

Considering the urgency of the matter, there is need for the Minister of Finance, Planning and

Economic Development to issue a Certificate of Financial Implications as per Section 76(1) of the Public Finance Management Act.

We put this on the Order Paper, knowing that this is a very urgent matter. May we hear from the Government about what is happening? The fight we are on is a moral and cultural fight and, indeed, a fight to protect our sovereignty and families.

As Parliament, we are doing our work to make laws. We need to respond to the cries of the citizens of Uganda. You have seen, all over social media, what is happening in the schools. Are we going to sit in this House and continue lamenting when we know we can do this? Can we hear from Government?

2.17

THE GOVERNMENT CHIEF WHIP (Mr Denis Obua): Madam Speaker, first of all, as a married man under the laws of Uganda and married to a woman and with children – for the record, they are five – I wish to thank Hon. Asuman for the motion to introduce the Bill.

Madam Speaker, we are also aware that under our different laws, the mandate of providing the Certificate of Financial Implications falls squarely on the Ministry of Finance, Planning and Economic Development.

I would wish, on behalf of Government, for you to allow me to consult with the minister – because I do not see any minister from the Ministry of Finance, Planning and Economic Development – and accordingly update the House before the close of business.

THE SPEAKER: Honourable Government Chief Whip, we need to take decisive action on those who breach the acceptable moral principles. I am happy you are married to a woman and with five children. Go and call the minister. We want the certificate in the House.

2.19

MR NATHAN NANDALA-MAFABI (FDC, Budadiri County West, Sironko): Thank you, Madam Speaker. Article 31 of the Constitution is very clear on the rights of the family. Article

31(1) says: “A man and a woman are entitled to marry only if they are each of the age of 18 years and above.”

Article 31(2a) says: “Marriage between persons of the same sex is prohibited.”

When you go further, Article 31(3) says: “Marriage shall be entered into with the free consent of the man and a woman intending to marry.”

Therefore, Madam Speaker, our Constitution is clear about who should be involved and in what type of marriage. If we are going to make a law, the Constitution has already provided what should be done. Why do we need the Minister of Finance, Planning and Economic Development to give consent on something which is already provided for in the law?

THE SPEAKER: Thank you very much, Hon. Nandala-Mafabi. Actually, homosexuality is not about marriage only. It talks about sleeping between a man and a man; a woman and a woman. It is not about a marriage between you and I. *(Laughter)*

Honourable members, let us not look at the merits of the Bill. Let us look at the Certificate of Financial Implications because that is what we need first.

MR BASALIRWA: Madam Speaker, I want to thank you and the House for the overwhelming support given when the motion was moved.

The issue of Certificate of Financial Implications must go on record, as you have guided. The Government must take a stand on this matter and come out clearly whether they are willing and ready to avail the certificate. If they do not take a stand, an impression will be created that all of us here condone homosexuality, whereas not.

I know the pressure colleagues are going through in the constituency. This is a national matter; it is beyond Parliament. Moving forward, we should begin a campaign where we shall put a book and sign against homosexuality

so the country knows we are against this vice; this moral wrong.

The Front Bench should take a stand as far as this matter is concerned. We can pass this law very fast if the Front Bench cooperates and assures us that the certificate is coming.

THE SPEAKER: There is a procedural matter.

MR KIBALYA: Thank you, Madam Speaker. I move under rule 65 of our Rules of Procedure, which is on “Motion for adjournment of debate (Dilatory Motions)”.

Madam Speaker, I move that you adjourn the House for 10 minutes until the Minister of Finance, Planning and Economic Development is in the House to give us a position of the certificate. Thank you.

THE SPEAKER: The Government Chief Whip has gone to follow up on the certificate. We will wait for him to come back as we proceed with other matters. Procedure?

MR SSEWUNGU: Madam Speaker, as he looks for that particular minister, this Bill does not affect the Consolidated Fund.

It is very painful that a motion has been moved and supported by Members but the minister is not ready. We have a big challenge with some of these senior ministers like Hon. Matia Kasaija; they are never here. They give a lot of directives that do not run this country. They are going to charge Shs 700,000 for new number plates. This is all done by the minister without coming to Parliament. So, we want this minister to appear.

The Certificate of Financial Implications is key and where it does not affect the Consolidated Fund - why do we have to kneel before the minister and look for him? This is laziness. They were appointed to be here. Some of them are ex-officios who do not have constituencies. Why aren't they here whenever required?

THE SPEAKER: Are you saying we should proceed with or without the certificate? Are you the one who made this law?

MR SSEWUNGU: Madam Speaker, we just want to know why he is refusing to issue the certificate and why we should continue to ask the Chief Whip to look for him.

THE SPEAKER: Can we hear from the Government Chief Whip? He has come back; maybe he has good news for you. Before we hear from the Government Chief Whip, can we hear from the minister of homosexuality? *(Laughter)* She is the Minister of State in the Office of the President for Ethics and Integrity. Honourable minister, that was a joke. You are the Minister of State in the Office of the President for Ethics and Integrity

2.26

THE MINISTER OF STATE, OFFICE OF THE PRESIDENT (ETHICS AND INTEGRITY) (Ms Lilly Akello): Thank you. Madam Speaker, I know you are joking. I am one of the persons who is entirely, with all my body, against the marriage of a man to a man, or a woman to a woman.

Madam Speaker, I have been dying with a lot of videos sent from various schools and we have been handling them with the police but I thank this Parliament, especially the Rt Hon. Speaker and her Deputy, for bringing this Bill back.

In 2011, during the Ninth Parliament, this Bill was here and we are the people who voted that homosexuality should go away from the country. As we talk, the country is bleeding. Colleagues, it is not a simple thing. We are talking about institutions and schools but it is not only schools and institutions; it has gone down to the grassroots. It has gone up to our villages. Madam Speaker, I am with you, I am with the whole House and I am happy our President is also with us.

This is an issue that invites both the Executive and the Legislative arm of Government. Let us unite and come up with a law to rescue the future generation of Uganda.

Madam Speaker, my bosses are here. We are working together, as he has informed you, to get

the finance minister and I know the Certificate of Financial Implications will be brought to the House. Thank you.

THE SPEAKER: Thank you, Hon. Lilly. As Parliament of Uganda, we will make your ministry proud. We are going to pass this Bill at whatever cost. We will pass it and protect the morals and values of Ugandans. *(Applause)* We will not accept the moral principles that are being brought to our country. Our generation is being degenerated but we will protect it as Parliament. Government Chief Whip?

2.29

THE GOVERNMENT CHIEF WHIP

(Mr Denis Hamson Obuga): Thank you very much, Madam Speaker. I called the Ministry of Finance, Planning and Economic Development and I was informed that the senior minister, Hon. Matia Kasaija is currently attending a meeting called by H.E the President at State House, Entebbe.

In his absence, I am duly informed that there is a Minister of State for Finance, Planning and Economic Development in charge of Privatisation and Investment, Hon. Evelyn Anite, who will be holding brief for the senior minister. I called her and she indicated to me that she is on her way.

That said, Madam Speaker, may I say that as far as I am concerned, the request for a Certificate of Financial Implications was made on Friday. The Public Finance Management Act and the Rules of Procedure give the minister within 60 days –*(Interjection)*– absolutely. Let us refer to –*(Interjection)* Honourable members, it may be urgent but the minister is still protected by the law passed by this Parliament; he has 60 days -

THE SPEAKER: Honourable Government Chief Whip, this inefficiency should not be a defence. What is wrong with giving this Parliament a certificate? We are talking about issues of life and death. Our children are being sodomised at school. Assuming it is your kid to whom such is being done?

We asked for gazetting and we got it on the same day. Why don't you come up and just ask for an extension to Thursday? These are matters that concern all the citizens of Uganda. You cannot say, because we have 60 days - what about them?

MR SSEWUNGU: Madam Speaker, it is very unfortunate that the Government Chief Whip -

THE SPEAKER: Hon. Anite, I am told you are standing - *(Laughter)*

MR SSEWUNGU: Madam Speaker, the Chief Whip who has proclaimed here that he has five children cannot come before this Floor of Parliament to defend the ministers. We were here in this Parliament and saw how you released the Certificate of Financial Implications when you were bringing the constitutional amendments by Hon. Magyezi; it was just within two days. Therefore, whether they are 60 days or 90 days, the matter is urgent and we do not want you to stop us from carrying out our work because of that.

Madam Speaker, is it procedurally okay for the Government Chief Whip to come here and defend the ministers using a law that is not necessary at this time? A man of five children; how would you have got them if you had a man with you in the same bed? *(Laughter)* How? Tell us.

THE SPEAKER: Honourable members - Yes, Hon. Hassan?

2.32

MR HASSAN KIRUMIRA (NUP, Katikamu County South, Luwero): Thank you, Madam Speaker. I believe this is an issue of morality and there is a clear distinction between what is right and what is wrong. You have guided very well; we all have children in school and schools have reopened. Parents are focusing their eyes on what Parliament is doing when it comes to this particular matter of homosexuality.

I would like to join other Members of Parliament who believe that it is not very difficult for the minister to bring that certificate here and we carry on with the Bill. Thank you so much.

THE SPEAKER: Hon. Obua, as I said before, it is a moral fight that we must all stand and say, "We do not condone this." It is a cultural fight. We are protecting the sovereignty of our people and our cultures, our families. I was very happy that you said you have a family with five children and one woman. All we are saying is that we do not want to breach our moral principles.

Hon. Anite is going to stand up and tell you, "I have my husband Kajik." She will not tell you that she is married to Anita. Hon. Anite, can you tell us; when can we have the Certificate of Financial Implications? We are talking about a matter that is very urgent for this country, for our children, for our morals and for our culture.

2.34

THE MINISTER OF STATE FOR FINANCE PLANNING AND ECONOMIC DEVELOPMENT (PRIVATISATION AND INVESTMENT) (Ms Evelyn Anite): Thank you, Madam Speaker.

THE SPEAKER: Order. Members, can you listen to the minister? You are making noise. Let us wait for the day of voting; you will have to come and vote by show of hands. You will again run away. *(Laughter)*

MS ANITE: Thank you, Madam Speaker. The matter that we are discussing is indeed very important and as you have said, I am not married to Anita; I am married to Allan Kajik, my darling husband with whom we have produced babies. And we use the right address at all times. *(Laughter)*

Madam Speaker, as for the certificate, the Minister of Finance, Planning and Economic Development, Hon. Matia Kasaija, has asked me to come and inform the House that he will be with the Certificate of Financial Implications on the Anti-Homosexuality Bill on Thursday. Thank you.

THE SPEAKER: Thank you, honourable minister, for that assurance.

MOTION FOR ADOPTION OF THE
REPORT OF THE SELECT COMMITTEE
ON THE STATE OF AFFAIRS AT THE
NATIONAL SOCIAL SECURITY FUND

THE SPEAKER: Honourable members, on 15 February 2023, I received - Honourable Members, let us make a correction. Let us first adopt the petition from the Karamoja Members of Parliament so that we formally send it to the committee before we look at the NSSF. It is not subject for debate because the committee is already looking at it.

MOTION FOR A RESOLUTION OF
PARLIAMENT TO INQUIRE INTO THE
ALLEGED MISMANAGEMENT OF
RELIEF ITEMS UNDER THE OFFICE OF
THE PRIME MINISTER

THE SPEAKER: Honourable Members, on 15 February 2023, I received a petition from Members of Karamoja Parliamentary Group on the alleged mismanagement of relief items under the Office of the Prime Minister. The petition was signed by the eight Members of Parliament of Karamoja Parliamentary Group. Considering the urgency of the matter, I, administratively, referred the matter to the Committee on Presidential Affairs for an inquiry.

However, as per rule 156 of our Rules of Procedure, we need to regularise this on the Floor of the House by making sure the petition is laid on the Table and then officially sent to the committee. The chairman is available; could you present your petition? Hon. Odur has something to say.

MR ODUR: Thank you, Madam Speaker. I would like to get guidance from you because the item that has been called is actually a motion and what you received on the 15th was -

THE SPEAKER: It is a motion and not a petition.

MR ODUR: In your communication, you mentioned a petition.

THE SPEAKER: No, it is a motion. What was delivered was a petition and so, we made it into a motion.

MR ODUR: So, in that circumstance, Madam Speaker, if it is a motion, it would be open for Members to debate and amend -

THE SPEAKER: You know Members cannot petition the House; it is the outsiders who can petition.

MR ODUR: I am now lost because we have clear rules -

THE SPEAKER: Hon. Jonathan, you will find your way. *(Laughter)*

MR ODUR: Madam Speaker, in our rules, motions are defined differently from petitions and the procedures of handling the two are actually distinct. Therefore, let us just have that final clarification and then we will see how to -

THE SPEAKER: We have a motion from Karamoja Parliamentary Group in regard to mismanagement or diversion of relief items and they have a privilege; they can present it themselves. They do not have to go through another person as it is with a petition. Therefore, it is a motion.

2.40

MR REMIGIO ACHIA (NRM, Pian County, Nabilatuk): Thank you, Madam Speaker. This is the motion for a resolution of Parliament to inquire into the alleged mismanagement of relief items under the Office of the Prime Minister (Ministry for Karamoja Affairs). This motion is moved under rule 56 of the Rules of Procedure of Parliament.

“WHEREAS the Government has since 2002 embarked on successful disarmament programmes in the Karamoja region, the situation deteriorated from 2017, owing to the withdrawal of some of the UPDF personnel from the region and subsequent proliferation of illegal arms from the neighbouring countries, which has led to increased cattle rustling and insecurity in the sub-region;

AND WHEREAS climate change in the Karamoja sub-region and heavy locust invasion from 2019 to 2021 led to the low crop production, driving the subregion into famine that, according to the Integrated Phase Classification (IPC), is at IPC Phase 3+, which is defined as a crisis situation;

AWARE that in a bid to ameliorate the situation in Karamoja, Parliament passed a supplementary budget of Shs 39 billion to the Office of the Prime Minister to support the disarmament process as well as the coordination of peace-building operations, support livelihoods of the Karamoja youth through provision of some relief items as an emergency intervention to improve peace as well as reduce and eliminate cattle rustling in the region;

FURTHER AWARE that following numerous engagements with the district local governments of Karamoja, the Central Government, Parliament, Members of Parliament from the sub-region and the President, it was agreed that goats at a cost of Shs 22 billion and 100,000 iron sheets at a cost of Shs 8 billion be procured while Shs 800 million be directed to support the regional councils, Karamoja Parliamentary Group retreat and the peace caravan;

NOTING that owing to the food insecurity situation in Karamoja subregion, Shs 135.198 billion was released from the Contingency Fund in Financial Year 2022/2023 following a Cabinet directive in Minute 227 (CT 2022) dated 11 July 2022 to support households at the risk of food insecurity in the Karamoja Sub-region and other parts of the country;

FURTHER NOTING that Shs 135.19 billion was earmarked for the purchase of relief items of maize flour and beans for a period of three months for an estimated population of 518,000 persons in the subregion;

COGNISANT that the First Lady, Hon. Janet Kataha, initiated the Karamoja Feeds Karamoja project in partnership with Namalu Prison Farm in 2014 to feed school children in order to minimise school dropout rates;

FURTHER COGNISANT that Namalu Prison Farm harvested 3,500 bags of maize in Financial Year 2020/2021, from which the Minister for Karamoja Affairs recently picked 500 bags to feed UPDF soldiers, contrary to the original purpose of feeding children in primary schools across the region;

CONCERNED that Shs 8.2 billion, being the balance of the Shs 39 billion supplementary budget, stands unaccounted for and of 100,000 iron sheets only 650 iron sheets were distributed in the entire region on 7 June 2022 when the President officially launched the distribution of iron sheets and goats in Nadunget Subcounty, Moroto District;

FURTHER CONCERNED that less than 35 per cent of the goats have been distributed to the intended beneficiaries and in districts such as Napak, 70 per cent of those goats died within the first two weeks because they were sick, while in Kotido, 80 per cent of the goats died owing to ill health and their failure to adapt to the new environment;

CONSIDERING that the Minister for Karamoja Affairs has obviously mismanaged the distribution of goats, iron sheets and maize in the subregion and her actions amount to abuse of office, misconduct, misbehaviour, corruption, diversion of public resources and breach of the oath of allegiance and oath of a minister;

NOW, THEREFORE, be it resolved by this House that:

- (i) Parliament, through the relevant committee, inquires into the alleged mismanagement of relief items in the Office of the Prime Minister, and;
- (ii) The Minister for Karamoja Affairs, Hon. Dr Mary Goretti Kitutu and the Minister of State for Karamoja Affairs, Hon. Agnes Nandutu, do resign - because we have waited for them to step aside - to allow proper investigations into the matter.”

Madam Speaker, I submit.

THE SPEAKER: Thank you. Is the motion seconded? *(Members rose)* It is seconded by Hon. Fox Odoi, Hon. Feta, Member for Ik, Older Persons Representative – by the whole House, without ministers. *(Laughter)*

They have collective responsibility; they are their colleagues. Do you have a justification? I thought it was self-explanatory.

MR ACHIA: Madam Speaker, words such as integrity, honesty and patriotism were actually deleted in this process. We went step by step. On 22 March 2022, Hon. Goretti Kitutu wrote a letter providing guidelines to every chief administrative officer of the nine districts of Karamoja on how to identify the beneficiaries for these goats and iron sheets.

The beneficiaries were clearly defined - older women, vulnerable youth, the *karacunas*, the peace committee persons - and there was no such a thing as a minister on that list.

Madam Speaker, the Chief Administrative Officer of Nabilatuk wrote back – and I have been carrying this every time and that is why it is dirty. I have been moving with it while doing mobilisation. This letter is dated 19 April 2022, to the honourable minister.

It reads:

“Submission of the list of beneficiaries for community empowerment programme under Office of the Prime Minister

Reference is made to your letter dated 22 March 2022. The district verification committee followed all the guidelines specified in your letter through the structures therein in selection and verification of beneficiaries for all the subcounties specified.

The purpose of this communication, therefore, is to submit to your office the aforementioned list for your consideration...”

The minister received, acknowledged and stamped it. If you just open a page, you will see, for example, on one of the lists that every

beneficiary was supposed to get - whether it was an older woman –

THE SPEAKER: Is that information for us?

MR ACHIA: Yes.

THE SPEAKER: If it is for us, lay it on the Table.

MR ACHIA: Madam Speaker, I lay this on the Table –

THE SPEAKER: What are you laying on the Table?

MR ACHIA: The lists of beneficiaries from one of the districts that submitted - that is Nabilatuk District.

THE SPEAKER: Please, do.

MR ACHIA: Madam Speaker, every beneficiary there had a name, a category, an ID number and the amount of the iron sheets each one was supposed to get: 26 iron sheets to build a house, that is, 22 for the house and four to make a pit latrine. For the goats, each one was supposed to get 10 East African goats, five Galla he-goats and one buck.

What we know today is that whereas iron sheets were procured, the minister distributed these iron sheets to her friends and colleagues on the Front Bench. None of those members who got the iron sheets are on the list of the beneficiaries that were initially identified.

Madam Speaker -

THE SPEAKER: I do not want you to accuse the people on the Front Bench for one reason; did they ask for them? Let people take their personal responsibilities.

MR ACHIA: Yes, I totally agree with you, Madam Speaker –*(Interjections)*

THE SPEAKER: Order! Can you summarise?

MR ACHIA: Yes, I will conclude, Madam Speaker. This matter has irritated the whole country and has brought the country and our Government into disrepute. This country should be helped and the people who did this must be held responsible. I submit.

THE SPEAKER: Thank you. Let us have the seconder of the motion. Let the matter be seconded first and then you can raise your procedural matter.

2.52

MS FAITH NAKUT (NRM, Woman Representative, Napak): Madam Speaker, I wish to thank you for standing with the people – *(A Member: “Procedure”)*

THE SPEAKER: Do not switch on the microphone and start talking. Can we first hear from the seconder of the motion?

MS NAKUT: Thank you, Madam Speaker. I wish to thank you for standing with the people of Karamoja and the people of Uganda on this matter that tests our willingness to fight corruption. It also tests how far we can go, as Parliament, in exercising our oversight job on the excesses of the Government.

The spirit in which this Parliament passed the supplementary budget was very good and I wish to remind us that it was to support the disarmament efforts within Karamoja. At that time, we complained and cried in this House that we had lost many people to criminality in Karamoja. Therefore, to support the disarmament exercise, we needed some of these supplies to make it easy for the UPDF to collect the guns in Karamoja. We do not want to lose that background. The intended beneficiaries were mainly the Karachunas; those who were going to give up criminality.

The Office of the Prime Minister went ahead to procure these things in the spirit in which this Parliament gave them the – *(Member timed out.)*

THE SPEAKER: Summarise.

MS NAKUT: Madam Speaker, I wish to highlight something small.

THE SPEAKER: Honourable members, whoever will have an issue to raise will go to the committee and present his or her issues.

MS NAKUT: The Office of the Prime Minister supplied goats but the majority of them died, not only because they were sick, but because of the way they were supplied without following the normal procedure of holding. As a result of supplying sick goats, the few goats that our people had also got infected and also died.

Last year, I raised, in this House, a matter of urgent importance when our people were dying of starvation. Now, imagine somebody supplying sick goats to destroy the little that our people had. It is true that when you do not have, even the little you have will be taken away from you. That is what has happened.

As if the damage on the goats was not enough, the minister responsible for Karamoja, the one in charge of this assignment, decided to gift people who were not on the beneficiary list, the iron sheets. It was as if she was not done with the malice of the goats, of destroying the little livelihood of our people and now the iron sheets are also not there.

Madam Speaker, we appreciate you and this Parliament because you have never questioned any amount of money released for development in Karamoja. You have always stood with us all the time. However, there are people who will deliberately ensure that they divert that effort and maintain Karamoja in a position of need.

THE SPEAKER: Hon. Faith, can you summarise?

MS NAKUT: We will use this motion to restore sanity and send a message across that when given an office, use it well and do not abuse it. Madam Speaker, I submit.

THE SPEAKER: Thank you very much, Hon. Faith. Honourable members, we will not allot time to this debate. We are referring this report

to the Committee on Presidential Affairs and they will report back in two weeks' time. Let us go to the next item.

**MOTION FOR ADOPTION OF THE
REPORT OF THE SELECT COMMITTEE
ON THE STATE OF AFFAIRS AT THE
NATIONAL SOCIAL SECURITY FUND
(NSSF)**

THE SPEAKER: Honourable members, you will recall that on 1 March - can I have order, Hon. Kisa? You have been away. Welcome back.

Honourable members, in the public gallery this afternoon we have Dr Fox Mercury, a visiting consultant on development of a framework for promoting use of evidence in Parliament. You are most welcome. Please join me in welcoming the visitor. *(Applause)*

In the public gallery this afternoon, we have leaders from Buyende District Local Government represented by Hon. Moses Hassim Magogo, Hon. Ibrahim Kyoto and Hon. Mary Nakato. You are most welcome. Join me in welcoming them. Please stand up and wave to your Members of Parliament. *(Applause)*

Honourable members, you recall that on 1 March 2023, the report of the Select Committee on the State of Affairs of the National Social Security Fund was presented. I get perturbed when I hear so many people saying, "Why a select committee? Where did you provide for it in the rules?" Ask yourself first why you provided for it. Everybody who wants to run away from being investigated is saying, "Why a select committee?" The decision is for this House to make; whether it is in a select committee or in a normal committee; take it or leave it. *(Applause)*

I deferred the debate of this report pending responses from a number of Members mentioned in the report. We also needed to internalise this report further. Therefore, because we have a number of Members that were mentioned - we have the honourable members representing the workers. We also had the Minister of Finance,

Planning and Economic Development. I do not know whether Hon. Anite is still standing in for the finance minister. We also had the Minister of Gender, Labour and Social Development.

We will now receive a response from the Minister of Finance, Planning and Economic Development and then we will get responses from all the other Members before we start the debate. However, before we do that, could we have a recap because we could have forgotten what happened? Can the chairperson take us through a summary of their findings and recommendations?

3.00

MR MWINE MPAKA (NRM, Mbarara South Division, Mbarara City): Thank you, Madam Speaker. I am aware that all the honourable members have read this report; so, I will just briefly elaborate on the recommendations and their justifications.

Madam Speaker, on Wednesday, 25 January 2023, in the Communication from the Chair, the Speaker of Parliament constituted a select committee to investigate the state of affairs at the NSSF.

The members were:

1. Hon. Mwine Mpaka
2. Hon. Nantongo Fortunate Rose
3. Hon. Kanushu Laura
4. Hon. Kakunda Amos
5. Hon. Bakkabulindi Charles
6. Hon. Karim Masaba
7. Hon. Kakembo Michael

Terms of Reference

In executing its mandate, the committee was guided by the following terms of reference:

- i) To examine the corporate governance structures at the NSSF; this is pages 13 to 18;
- ii) To examine circumstances surrounding the appointment of the Fund's MD; pages 18 to 31 - *(Interruption)*

THE SPEAKER: Yes, Hon. Ethel?

Recommendation one

MS NALUYIMA: Madam Speaker, as a procedural matter, one of the Members who had joined the front seats here - Hon. Alioni - was embarrassing the Front Bench this side. Wouldn't it be procedurally right that he joins the back bench on this side?

The following agreements and memoranda executed between the NSSF and the various entities and individuals, without the approval of the Attorney-General as required by Article 119 of the Constitution, are null and void and should immediately be terminated:

THE SPEAKER: On matters of the Front Bench, it is not free sitting; leave that for shadow ministers. *(Laughter)*

a) The Memorandum of Understanding between the NSSF and COFTU

Honourable members - there is a point of order.

Madam Speaker, on the 14th of December, Hon. Dr Sam Lyomoki wrote a letter to the then Acting Managing Director, Mr Ayota, requesting for money that he said had been allocated to the Union amounting to Shs 300 million.

MR KIBALYA: Thank you, Madam Speaker. You have guided well that matters of the Front Bench are not free sitting -

THE SPEAKER: The front bench on both sides are for ministers in the ruling party and from the Opposition. Hon. Mwine Mpaka, can we go ahead?

On 15 December 2022, Mr Ayota signed an MoU between COFTU and NSSF, sanitising the process of giving Dr Lyomoki the Shs 300 million and this was done without the approval of the Attorney-General.

MR MWINE MPAKA: Regarding the terms of reference in executing its mandate, the committee was guided by the following terms of reference:

b) Memoranda of Understanding between the NSSF and Ms Geraldine Ssali Busuulwa under which NSSF agreed to pay Ms Geraldine Ssali Busuulwa Shs 1 billion. The committee is aware that the entitlement for Ms Geraldine Ssali Busuulwa was only Shs 200 million and an interest accruing from the delay in paying the decreed sum.

(i) To examine the corporate governance structures at the NSSF; pages 13 to 18.

(ii) To examine the circumstances surrounding the appointment of the Fund's Managing Director; pages 18 to 31.

(iii) To evaluate the status and safety of the savers' money in the Fund; pages 82 to 136.

(iv) To examine the extent of stakeholder engagement in decision making at the Fund; pages 32 to 81.

(v) To inquire into any other matters incidental thereto; pages 136 to 239.

The other entitlement was in terms of costs arising from the various suits, which court had awarded her.

Ms Geraldine Ssali Busuulwa was illegally - I may say - forced out of office; she went to court and was awarded Shs 200 million and not the Shs 1 billion she had requested for. Court gave her the Shs 200 million plus interest of 6 per cent per year.

Madam Speaker, allow me to go straight to the recommendations and justify, hoping that all the Members had read the report and for the interest of time:

It has now come to the attention of the committee to inform this honourable House that six years later, the NSSF Board has decided to sit and sign an MoU with her, giving her Shs 1 billion and an extra cost for the lawyers, contrary to what the court had decided.

The committee recommends that the MoU between the NSSF and Ms Geraldine Ssali Busuulwa, in which NSSF agreed to pay her Shs 1 billion, be terminated because it is null and void and they did not seek the approval of the Attorney-General.

Recommendation number two

- (a) In order to incorporate best corporate governance practices in the management and decision-making processes of the NSSF Board, the minister should, before appointing representatives nominated by the employers and employees, ensure that the persons nominated to the Board were nominated by a body which is mandated to take such a decision in the nominating entity.

Madam Speaker, it came to the discovery of the committee that there are two members on the board who were illegally nominated and these members nominated themselves to that board.

- (b) Entities represented on the NSSF Board should not be contracted by the NSSF to provide services for or on behalf of NSSF in order to avert conflict of interest that arises from such allocations.
- (c) The funds provided by the NSSF Board to any other person should be accounted for within 90 days of being disbursed.

We discovered, during the committee hearings, that almost Shs 800 million had been given to the unions and no accountability has ever been received from the people receiving this money.

Recommendation No.3

The committee recommends that Parliament should streamline the dual supervision of the fund. It is a global best practice to see pension funds as financial institutions and consequently investment vehicles and not labour institutions as was envisaged during the amendments of the NSSF Act.

We strongly recommend that NSSF Act be amended to give full supervision of the Fund with the Ministry of Finance.

We further recommend that the appointment of the managing director and the deputy managing director should be vested in the minister responsible for finance. However, the minister responsible for labour will remain with the sole responsibility for the appointment of the board members for checks and balances.

Madam Speaker, this recommendation seemed to have been misunderstood. The committee is aware that there have been challenges in both Finance and Gender in the past. We are not recommending ending the dual provision, no. We are trying to provide an alternative because in the current scenario, the Minister of Finance is responsible for investment yet the Minister of Gender is responsible for the budget. You cannot separate the two because the investment still has to come under the budget and this is probably one of the reasons as to why they are having conflicts.

The committee is in support of the dual supervision and does not wish to change it; only that the current roles of both the ministers are conflicting and could cause challenges to the Fund's operations.

The committee also notes that both ministries have had scandals in the past, and some even in the present as elaborated in the report above.

On 7 January 2022, the NSSF Act came into force. The amendments to the Act provided for dual political and technical supervision by the Minister of Gender, Labour and Social Development and the Minister of Finance, Planning and Economic Development with the latter responsible for investment (the Minister of Finance) and the former responsible for the budget.

However, the separation of the roles of the ministers presupposes that the provisions of the NSSF Act were exclusive. A case in point is the separation of the approval of the annual budget estimates by the Minister of Gender from the

approval of the investments and declaration of annual interest by the Minister of Finance and yet these are closely intertwined activities.

The committee further notes that where the supervisory functions of the ministers are overlapping, the decision-making function of the Board may be delayed since in such a situation, the approval of the ministers must be sought first. If you want to invest in land, you must seek the approval of the Minister of Finance and then go back to the Minister of Gender. Therefore, we are just providing for a solution but are not against dual supervision.

4. The committee notes that the write-off of the Shs 2.3 billion invested in West Nile Golf Club is unreasonable since the board has not taken all reasonable steps to recover it and is, therefore, in breach of a fiduciary duty imposed on the board by Section 4(3) of the NSSF Act. The committee, therefore, recommends that the board should undertake the necessary steps to protect the savers' interest in the West Nile Golf Club project in Arua.

Madam Speaker, while the club was to provide land and create a sublease of 48 years in favour of the joint venture company, on the NSSF land, the NSSF was to finance and carry out the entire project with the exclusion of furnishing.

Although the project was completed in 2005 with the NSSF having sunk in over Shs 2.3 billion as alleged, neither the joint venture company agreement envisaged in 2003 nor any agreement on the future running of the project was ever executed. Therefore, this is more or less like the NSSF carried out a donation.

5. The committee finds no justification for the continued holding of the land title over which Workers House is established by Tumusiime Kabega & Company Advocates and, therefore, recommends that NSSF takes legal action to recover the land title from Alcon and Tumusiime Kabega & Company Advocates, with immediate effect.

Madam Speaker, the committee was concerned that the title of the land on which Workers House sits is held by Alcon International Limited, which has since refused to surrender it on account of an outstanding balance of Shs 200 billion that the Fund owes Alcon International Limited – the physical land title is not held with NSSF.

The committee was informed that upon NSSF advertising bid notices in the newspapers for the construction of Workers House, M/s Alcon International Limited, a Kenyan-based company, emerged the best evaluated bidder for the project works. It, however, later emerged that the Kenyan company, which emerged as the best evaluated bidder, instead subcontracted a Ugandan company to construct Workers House. The works were, however, found to be substandard, prompting the NSFF to terminate the contract, forcing Alcon to seek arbitration against NSSF.

The court ruled against NSSF and awarded Alcon International \$6 million in arbitration, which forced the Fund to seek redress from the Court of Appeal. The Court of Appeal ruled that the company, which built Workers House, was not the owner of the contract and the company that NSSF contracted did not actually build Workers House. The court ruling led to Alcon International winding up operations in Uganda.

Therefore, the committee recommends that since the court ruled that the costs Alcon claims from NSSF for the termination of the contract were illegal since they also subcontracted another company, NSSF should take all necessary measures to recover our land title.

6. The committee recommends for immediate investigations by the IGG, with the possibility of prosecuting, the following officers involved in the conceptualisation and execution of the casual transaction, which led to the loss of Shs 2.3 billion invested in West Nile Golf Club. These include Mr Leonard Mpuuma, the then MD, Mr Onegi-Obel, the then Chairman of the Board of Directors; board members namely, Ms Fiona Lucy Egunyu Asamo, Mr George

Baitera Maiteki, Mr David Nkojo, Mr Alfonso Ojja, Mr Lyelmoi Otong.

Other members of the board include Aloysius Ssemenda, Mrs Rosemary N., Mr Senabulya, Mr Francis Tumuheirwe, Mr Martin Bandeebire, board secretary and Hon. Zoe Bakoko Bakoru, the then minister responsible for the supervision of the Fund, for the possibility of offences of loss of public property, abuse of office and causing financial loss contrary to sections 10, 11 and 20 of the Anti-Corruption Act, 2009 respectively.

During the course of the investigations, the committee obtained information – which is available on the parliamentary information system – that the land had no title at the time of the award of the contract. The NSSF has no guarantee on the land ownership, no rationale for entering into the joint venture and, therefore, this could be taken as a donation. At the time of writing this report, the committee established that the NSSF could not avail the joint venture agreement between NSSF and the registered trustees of West Nile Golf Club, and NSSF has since moved the investment from their investment portfolio giving further credence that the monies may never be recovered. Therefore, they have already written off this project.

7. Madam Speaker, the actions of the Minister of Gender, Labour and Social Development, Hon. Betty Amongi Ongom, in directing Shs 6 billion to be availed to her ministry amounts to abuse of office since the minister, being the supervisor of the NSSF, without any law empowering her to do so and knowing that the ministry's activities are financed through appropriation, did an act, which is prejudicial to the savers' funds and the just administration of the NSSF. The actions of the minister are arbitrary and an abuse of duty under the NSSF Act, thereby bringing her conduct within the ambit of the prohibitions under section 11 of the Anti-Corruption Act.

The committee, therefore, recommends that the Minister of Gender, Labour and Social Development, Hon. Betty Amongi Ongom, resigns in public interest with immediate effect.

We further recommend that the President should take keen interest in the minister's conduct.

Madam Speaker, allow me to elaborate more on this matter. Section 29(1) of the NSSF Act obligates the board, in each financial year, to make and submit to the minister for approval the estimates and its income and its capital recurrent and other expenditures likely to be incurred by the board for the next year.

Furthermore, section 29(2) empowers the minister to approve supplementary estimates to provide for unforeseen or urgently required expenditures on matters not provided in the estimates or necessary additional expenditure on matters provided for in the estimates. In accordance with section 29(3) of the NSSF Act, the minister is required, upon receipt of the annual budget, to approve or disapprove the budget with such amendments as she may deem necessary.

From the input of section 29, the committee observes that the role of the board is to budget while that budget is approved by the minister. In undertaking their respective mandates, corporate governance principles require the minister and the board to be independent of each other. However, information available to the committee indicates that there is interference. For instance, the former MD, Mr Richard Byarugaba, intimated to the committee that he was put under undue pressure by Hon. Amongi Ongom, the Minister of Gender, Labour and Social Development, to include Shs 6 billion in the budget for Financial Year 2022/2023.

Madam Speaker, this recommendation seems to have been misunderstood: some people think this is politics. It is true the minister has the authority to approve or disapprove the budget with such amendments as she may deem necessary. However, the minister has no authority to divert money from the Fund to finance activities of the ministry.

Madam Speaker, we noted that when the budget was sent to the minister for approval, as required in Section 29(2) of the NSSF Act, the minister approved it with a rider to the

Chairman, Board of Directors to include Shs 6 billion for activities stated in the budget rider by the minister to include the following priorities:

- a) Undertake the budget monitoring and oversight of the key activities of the fund in the diaspora mobilisation;
- b) Development and deployment of an online application for tracking non-compliance of employers;
- c) Strengthening the inspection and compliance of the implementation of the NSSF Act by employers in respect to the contributions.
- d) Enhancing partnerships and collaborations through stakeholder engagements. These stakeholders include, but are not limited to Parliament, the federation of employers, Private Sector Foundation and labour unions.

Madam Speaker, if the minister did this in good faith, as mandated by her responsibility, she would have written to the Board indicating these activities but she attached a figure, which no one knows how she came up with. No one knows the work plan for this Shs 6 billion. For example, how much was going to be spent in stakeholder engagement of this Parliament? There is no work plan that neither the NSSF nor the board is aware of.

Where the minister appears to suggest that she did not request for the funds for her ministry – because during the interactions at one point, she denied and she said, “I did not request for this money” – the NSSF Board, in a letter dated 10 February 2023 addressed to the chairperson of the select committee, confirmed that the minister requested for the funds in question for utilisation by her ministry.

The letter further indicates that the Board did not approve the budget because the activities to back up the requests were not provided. The committee was further informed that the

Shs 6 billion was going to fund activities of the Ministry of Gender, Labour and Social Development in the minutes of the meeting held on 14 July 2022 in the Boardroom of the Ministry of Finance, Planning and Economic Development - unfortunately, Hon. Matia Kasaija and Hon. Musasizi, who were part of this meeting, are not here – wherein it was discussed, under Minute 3, when Hon. Matia Kasaija who chaired the meeting cautioned the Minister of Gender, Labour and Social Development to desist from requesting for funding from the Fund for line ministry activities. The minutes are attached as Annex five.

Further, in Minute 5, the Chairperson of the NSSF Board requested the Minister of Finance, Planning and Economic Development to appeal to the Minister of Gender, Labour and Social Development to reconsider the proposed budget without the reallocation of the Shs 6 billion since it would be hard to account for it. These minutes are attached to the report.

The finance minister, Hon. Matia Kasaija, while appearing before the committee on 2 February 2023, informed the committee that he disagreed, in principle, with the idea of the Fund giving money to the gender ministry to run its activities. Madam Speaker, all our meetings were recorded and it is attached.

Furthermore, the committee received a collaborative testimony from Mr Hassan Mudiba, a Board Member of NSSF, who testified that while in a meeting at the finance ministry, Hon. Matia Kasaija vehemently opposed the idea of the gender ministry receiving funding from NSSF, thus causing a heated exchange and the meeting ending prematurely.

The finance minister further sought - this appendix is also attached - an opinion from URBRA, the regulatory body in a letter dated 5 July 2022, which guided that all monies in the Fund belong to its members and should only be used for activities that are directly related to management of funds and in the interest of the savers.

The committee observed that the conduct of the minister, in directing the Board to provide funding for activities of her ministry, as indicated above, and the subsequent political pressure exerted on Mr Richard Byarugaba when he refused to provide the said funding, not only contravenes the best principles of corporate governance but also amounts to undue influence on the decision-making process of the Board by the minister.

The committee notes that whereas the minister is empowered to approve the budget with or without amendment, the request for Shs 6 billion interfered with the discretion of the Board in the budget process and amounts to abuse of office by the said minister since the ministry's activities she sought to be funded by the Board ought to have been funded from the funds appropriated to the ministry by this Parliament.

The acts of the minister in this case are illegal and appear to contravene Section 4(3) of the NSSF Act, which obligates the Board to ensure that there is secure, profitable and effective financial management of the Fund for the benefit of the workers in particular. Madam Speaker, we are not saying the minister was wrong to redirect. However, you cannot savers' money to carry out activities in a ministry.

Proposed investment in the Grain Council of Uganda

In a letter dated 7 December 2022 – it is also attached in those annexes - addressed to the Chairman, Board of Directors of NSSF, it is on page 8 and states thus: *“Estimated overall cost to the Fund approximates Shs 40 billion for capitalisation of the Programme. The operational funds would initially come from revolving lines of funding and later from retained earnings. If we can allocate Shs 15 billion for staff welfare, Shs 220 billion for operations, US\$ 1 million for construction of court as corporate social investment, why are we dragging on this contribution of only Shs 20 billion, which is a strategic investment proposed by a senior government official? Is there now firm commitment from the managing director? I need his answer.”*

First of all, investments are initiated by the management through processes. Therefore, for a minister to direct the Board to invest in Grain Council Uganda, which is a not-for-profit organisation, just because a senior Government official has requested -

Madam Speaker, this Fund is going to turn into a candy store. If someone can just direct the Board to invest in something where there is no evidence that is going to benefit the savers - If this practice is left unchecked, we are going to cause problems to this Fund in the future.

This is the justification why we found the minister in abuse. The minister claimed she had not actually spent this money. Regarding the Shs 6 billion, in one of her responses, she says she had not spent this money. However, if you are caught with a cow you illegally took, much as you have not yet slaughtered it, it does not mean you have not stolen the cow. *(Laughter)*

The only reason the Shs 6 billion was not yet spent is because the Inspector General of Government (IGG), in a letter dated 1 February 2023, wrote to Mr Patrick Ayota freezing National Social Security Fund transactions. On this day, they were in a meeting - the minutes are also attached - planning how they were going distribute this money. The IGG was tipped off and intervened in that meeting. All the meetings with the NSSF are recorded. We have also attached these recordings. This is the only reasons this has not yet been spent.

Whereas the committee appreciates Mr Richard Byarugaba and the entire NSSF management for their effort in growing the Fund from Shs 1.7 trillion in 2010 to Shs 17.3 trillion at end of the fourth quarter of 2022, the committee notes their involvement in the initiation of the Shs 1.8 billion concealed under Corporate Social Responsibility/Investment, which they planned to spend as follows:

- a) Shs 250 million to the Board Chairman;
- b) Shs 250 million to the minister responsible for labour;
- c) Shs 500 million to the Board members; and

d) Shs 800 million to the unions.

They justified before the committee that they did it because of the pressure from the Board members to make donations as an investment for stakeholders. The committee notes that their justification of succumbing to pressure to commit an illegality is no defence to criminal liability.

The committee, therefore, recommends that the NSSF management that participated in the initiation of this Shs 1.8 billion budget for donations, much as they did not participate in the final approval: MD Mr Richard Byarugaba, Deputy Managing Director Mr Patrick Ayota, CFO Mr Stevens H. Mwanje, and Head of Marketing and Corporate Affairs, Ms Barbra Arimi Teddy should step aside with immediate effect for investigations by the Office of the IGG for the offenses of abuse of office, corruption and conspiracy to commit a felony with a view of immediate prosecution. This is self-explanatory.

The committee notes that the Chief Financial Officer, Mr Stevens H. Mwanje, failed in his responsibility of ensuring that he obtains accountability for monies disbursed to COFTU and NOTU amounting to Shs 806,525,000 between January 2018 and December 2022. They have been giving unions money but never asked for accountability.

The committee further notes that Mr Mwanje was employed in October 2017 in the position of CFO without being a Member of the Institute of Certified Public Accountants, contrary to section 34(2) of the Accountants Act, 2013 which provides that all heads of accounts, finance and internal audit in public and private sector entities with public interest shall be members of the institute in accordance with the regulations made under this Act.

The committee, therefore, notes that the employment of Mr Stevens Mwanje as CFO at NSSF in 2017 without being a member of the Institute of Certified Public Accountants to date was irregular, illegal and *ab initio* contravening the Accountants Act, 2013.

The committee recommends that the Board forthwith terminates his employment with NSSF.

In addition, section 35 of the Accountants Act, 2013 provides for the offense of practicing without a certificate. Section 35(1) states, “*A person shall not practice accounts in Uganda without a certificate of practice issued under Section 28 or Section 29 of the Accountants Act.*” Similarly, Section 35(2) states, “*A person who contravenes subsection (1) commits an offense and is, on conviction, liable to a fine not exceeding 500 currency points or imprisonment not exceeding two years and 10 months or both.*”

The committee recommends that the Office of the DPP prosecutes Mr Stevens H. Mwanje for the offense of practicing without a certificate.

The committee notes that the two COFTU representatives on the NSSF Board: Hon. Dr Sam Lyomoki and Ms Peninnah Tukamwesiga were illegally nominated for appointment by the Minister of Finance, Planning and Economic Development to the NSSF Board. The committee recommends that the Minister responsible for Labour writes to COFTU to recall and legitimately nominate two members for appointment in accordance to their constitution.

Madam Speaker, for these two members, while appearing before the committee, the whistleblower informed us that they were illegally on the board. So, we did investigations and it came to our understanding - you will see it in governance - that the two members actually forged that they had been nominated in a *Zoom* meeting and, therefore, the Secretary General - who is Hon. Dr Sam Lyomoki - wrote to the then minister, Hon. Matia Kasaija, submitting the two names - including submitting his own name - for appointment on the board.

Hon. Matia Kasaija appointed them on the board but further, upon hearing this in the newspapers, the union petitioned Hon. Matia Kasaija, but Hon. Matia Kasaija could not do anything at that time. Therefore, he advised them to seek redress in courts of law.

We are saying since they were illegally nominated, they should write to the Union to recall them because the nomination of these CEC members to the Central Organisation of Free Trade Unions (COFTU) is done by the CEC of the Union and this meeting did not take place.

The committee notes that the actions of Mr Geoffrey Waiswa Ssajjabi, the Head, Business Department, of accepting the deployment of his relatives in the same department he heads were in contravention of Section 322 of the NSSF Human Resource Policy Manual and also contravenes Section 13 of the Anti-Corruption Act which creates offences of nepotism which occurs when a person, being a holder of an office, does an act in connection with the office for the purpose of doing favours to any person on the basis of blood relations between that person and the other persons.

The committee further observes that Mr Ssajjabi was appointed Head Business at NSSF when he did not have the required qualifications of a Master's Degree, therefore, rendering his appointment as illegal *ab initio*.

The committee recommends that the NSSF Board terminates his employment with immediate effect.

The committee further recommends that the IGG investigates all departments at the NSSF to establish if there are similar occurrences at the NSSF.

The committee notes that the two former board members, Mr Julius Bahemuka and Mr Fred Bamwesigye, upon resignation, were paid an exit package. Resignation is voluntary and is exercised pursuant of the inherent freedom of an employee to contract. Once the members of the board decided to voluntarily resign, resignation did not give them any benefits whatsoever, including compensation, because they did not suffer any wrongs which are being atoned for by compensation.

It should be noted that under the Contracts Act, 2010, compensation is only available if a party rescinds a contract under Section 63 or any

circumstances arise that lead to the breach of contract. Since there was no breach of contract on the part of the NSSF or the minister and the members of the board decided to resign on their own volition, they were not entitled to compensation.

The grant of compensation to the resigning members of the board is, therefore, illegal and unjustifiable; it represents wastage of funds by NSSF in contravention of Section 4(4) of the NSSF Act.

The committee, therefore, recommends that the board members: Mr Peter Kimbowa, Mr Patrick Ocailap, Mr Aggrey Kibenge, Ms Peninah Tukamwesiga, Dr Sam Lyomoki, Mr Julius Bahemuka, Mr Hassan Lwabayi Mudiba, Mr Fred Bamwesigye and Eng. Silver Mugisha who participated in the conceptualisation and approval of the said payments should collectively refund the monies to the savers' fund within seven working days from the date of adoption of this report. Failure to refund, they should face prosecution by the Office of the DPP for causing financial loss to the fund.

Madam Speaker, we discovered that two board members were told to resign and the board compensated them with money amounting to about Shs 600 million but the law does not provide for someone who has resigned to be compensated. So, we are saying all those who participated in this decision should collectively refund this money to the NSSF.

The committee recommends that the Auditor-General should conduct a value-for-money audit on the following projects: Lubowa Housing Project, the NSSF Pension Towers, Yusuf Lule land, Temangalo land that were taken by NSSF.

Hon. Betty Amongi Ongom, while appearing before the committee, presented a letter dated 7 December 2022 where it is alleged that the then MD, Mr Richard Byarugaba, was receiving commissions. However, when the minister appeared before the committee, she did not provide evidence. Nevertheless, we thought to cater for all this and the Auditor-General

should do a value-for-money audit for all these projects.

The committee recommends that the following Unions - COFTU and NOTU - should refund Shs 806 million they received from NSSF, specifically Kakyo Violet who withdrew Shs 461,552,000 from account number 0100395423 on behalf of NOTU; Hon. Sam Lyomoki who withdrew Shs 295 million from account number 0100462773 on behalf of COFTU and Joseph Mbabazi who withdrew Shs 50 million from the same account on 2 September 2020 on behalf of COFTU within seven working days. They should return this money or face prosecution by the Office of the DPP. These people were receiving money from NSSF and were withdrawing it without accountability.

The committee notes that the board expenses grew by 90 per cent and the Directors' expenses grew by 51 per cent between 2021 and 2022 while research and library expenses had grown by 107 per cent.

Between 2020 and 2021, Shs 33.3 billion bonus was paid to the staff. The NSSF gave this bonus to 500 staff and it is given this money to the staff every year. We know it is best corporate governance practice to give these bonuses but there are no criteria under which they are giving these bonuses. Every year it is increasing by over Shs 1 billion to share. The first year it was Shs 16.6 billion, the second year it was Shs 17.8 billion; they are just giving these staff bonuses.

It is okay but what criteria are you using? Is it based on performance? Why are you giving these people this money? The Shs 200 million for 85 staff team building in Dubai; the committee recommends that the board should be cognisant -

THE SPEAKER: Clerk, can I have that microphone out of that place? It is creating an echo.

MR MWINE MPAKA: The committee recommends that the board should be cognisant of their core responsibility, which is to ensure

a secure, profitable and effective financial management for the benefit of the workers while appropriating funds for the operational costs of NSSF budget and, therefore, desist from such unnecessary expenditure which will occasion loss to the savers' fund.

The committee notes that in Financial Year 2022/2023, the board resolved, in its meeting held on Tuesday, 20 September 2022, to adopt and audit training for four workers' representatives on the board to enhance their audit skills in Arusha of which the budget for this session was obtained from unallocated funds worth Shs 200 million.

The unallocated funds are in an account called the "suspense account" so we are wondering if you can withdraw money from this suspense account. This is money that belongs to people that have not claimed for it; people who passed away. It is basically unallocated money and this is the same account over which one of the staff, Mr Ssoka, was recently convicted of illegally withdrawing Shs 150 million. In fact, if any money is leaving NSSF right now, it is leaving NSSF through this suspense account and later, they do creative accounting.

The committee finds an irregular diversion of the funds from the suspense account which, as at 30 June 2020, had Shs 57 billion. The committee recommends that the Auditor-General carries out a forensic audit on all transactions on the suspense account for the past five years and reports back to Parliament within 60 days of adoption of this report.

The committee notes that the NSSF internal audit report for the Financial Year 2015 featured a stock of penalties amounting to Shs 31 billion that arose from noncompliance in remittance of NSSF contributions to the Fund. However, the MD, Mr Richard Byarugaba, wrote off all the above penalties.

Whereas section 14(2) of the NSSF Act gives the managing director the authority to do so, the committee recommends that the amendment of this Act be done to provide for parameters within which the direction can be exercised in

waiving penalties to avoid abuse of authority for personal gain.

You will read, from the report, for example that they waived penalties for Housing Finance Bank worth Shs 1.5 billion. One wonders how Housing Finance Bank failed to pay their workers' NSSF contributions and accrued a penalty of Shs 1.5 billion, which was waived. We think this waiving could have been mismanaged; so, we are saying, we should amend the Act to avoid people abusing the authority for personal gain.

The committee notes that it was erroneous for the NSSF to extend an unsecured loan of Shs 11 billion to Uganda Clays Limited in 2010 without conducting due diligence on its credit worthiness, which accrued interest of Shs 13.26 billion totalling Shs 24.221 billion.

The committee further notes that the principal and interest was mysteriously capped at Shs 20.592 billion in 2016. We know this money is supposed to accrue interest every year but this time, they mysteriously capped it, in 2016, not to accrue any more interest. The interest was mysteriously capped at Shs 20.592 billion, therefore, putting the savers' money at risk because Uganda Clays Limited, to date, has paid Shs 221.4 million only out of the Shs 24.221 billion.

The committee recommends that the current management should take all necessary legal action, with immediate effect, to have the loan secured and paid.

The committee knows that URBRA carried out only three site inspections of NSSF since their establishment in 2011. I know URBRA, at one point, was receiving Shs 6 billion per year from NSSF. It has carried out only three site inspections of NSSF since their establishment in 2011, with their latest being in 2020. Whereas URBRA Act does not mandate them to conduct annual site inspections of NSSF, as the regulator, the committee comments that URBRA carries out annual site inspections to ensure compliance.

The committee notes that the board members have been receiving NSSF contributions of 10 per cent illegally because there exists no employee-employer relationship between the board members and NSSF to warrant such contributions.

The committee further notes that such contributions were not provided as a benefit a member of the board is entitled to under the Board Charter, making such contributions illegal. The members, who have been receiving the 10 per cent - The table below shows all the members, Madam Speaker.

The committee recommends that the above NSSF board members, who have been receiving the money, should refund it within seven working days or face prosecution by the Office of the DPP. The total amount of money is Shs 610,770,513.

Mr Speaker, this one was a bit contentious because we have our honourable colleagues also implicated and they have said that we did not give them a fair hearing. In *Fox Odoi vs Attorney-General (Constitutional Petition 54 of 2013)*, the right to a fair hearing is only subject to the opportunity to be heard.

Madam Speaker, the opportunity to be heard was given to the board because the other members were beneficiaries of a board decision. The board appeared before the committee and gave us information and actually accepted – and it is also recorded – that this was illegal. If it was mandatory for all the board members to receive this 10 per cent contribution, how come, in the current board, Mr Patrick Ocailap and Mr Kimbowa refused to get this 10 per cent?

Therefore, Madam Speaker, we actually gave them a right to fair hearing – we gave the board the right to a fair hearing.

Secondly, Madam Speaker, this assignment was very controversial. Had we excluded our honourable colleagues, this report would have been challenged over bias well aware that they actually received this money. These are our

colleagues and some of them sit on my sectoral committee but the work we perform is in the interest of this Parliament – to protect the integrity of this Parliament. *(Applause)*

The committee recommends that a lifestyle audit be done by the IGG on all officers of the compliance department because there are inconsistencies in their internal audit of companies that have been defaulting and the total contributions to NSSF compared to PAYE to URA.

Madam Speaker, if you read the report, the number of workers submitting PAYE, for example, for a certain company, is more than the number of workers submitting to NSSF. So, we are recommending that a lifestyle audit be done by the IGG because we have reasons to believe that they are getting kickbacks.

The committee notes that there are various claims of ownership of the Lubowa land that NSSF purchased. In a letter by the former MD, Mr Richard Byarugaba to then ISO Director-General, Col Kaka Bagyenda, he acknowledged the NSSF having unauthenticated land titles from Mitchell Cotts Uganda Limited and they were waiting for the true owner to compensate him. Furthermore, the Acting Managing Director, Mr Patrick Ayota, informed the committee that there are actually various titles claiming the same land that NSSF purchased.

The committee recommends that the NSSF halts further investment on the Lubowa land and expedites the process or formalisation of the true ownership of the Lubowa land.

The committee comments that the IGG should investigate, with a view of prosecuting, Mr William Okabo, Mr Daniel Batekereza, Ms Joanita Asio, Mr Chancemille Liki and Mr Brian Tindimwebwa who were involved in the compensation, procurement and installation of the Geo-Mapping System, which caused financial loss of Shs 748,861,114. The details of the Geo-Mapping System are in the report. These people invested in a system and a few months later, the system cannot work. All the details are there.

The committee recommends the prosecution of all officers and NSSF Board members involved in the creation and transaction of Victoria Property Developments Limited for causing financial loss of \$2 million and abuse of office, contrary to sections 20 and 11 of Anti-Corruption Act, 2019.

Madam Speaker, I talked about Victoria Property Developments Limited. NSSF, to avoid litigation, set up a company known as PDL. It was their investment arm. PDL entered a joint venture with a company known as SBL to set up this joint venture of Victoria Property Developments Limited. This joint venture was to construct houses in Lubowa and they extended a loan of \$1 million, through this joint venture, to Victoria Property Holdings. Victoria Property Holdings gave this money to SBL.

A few months later, the Attorney-General declared this transaction illegal – because they had not sought the Attorney-General's approval. What they did was to terminate the joint venture and the money disappeared. In that joint venture, Onegi Obel had 0.01 shares and NSSF had the balance of the shares.

Therefore, we are saying all these officers should be prosecuted because they need to explain where this US\$ 2 million went – and it has now accrued interests.

The committee comments that the IGG should conduct a lifestyle audit on the former MD, Mr Richard Byarugaba; the Deputy Managing Director, Mr Patrick Ayota; the Chief Investment Officer, Mr Gerald Paul Kasaato; the Chief Commercial Officer, Mr Patrick Sajjabi; the Technology and Enterprise Solution Officer, Mr Benoni Katende; the Chief People and Culture Officer, Mr Milton Owor; the Chief Risk Officer – and all those officers named there.

The reason for this is clear – because the minister, while appearing before the committee - much as she did not provide evidence to support the allegations in her letter dated 7 December 2023, wherein the former MD was

accused of collecting various commissions from the different NSSF investments, the committee found that all investments were approved by the management committee and all these members sit on it. So, if there are any cuts, all these people were involved.

Therefore, the best way to establish if these were indeed getting kickbacks is through a lifestyle audit, which is the process of tests performed on a person's financial information to determine if the person's lifestyle corresponds with his or her known source of income.

The committee recommends that NSSF should construct affordable accommodation for the savers to purchase and pay partly from their savings as opposed to the Lubowa houses which costs between Shs 800 million and Shs 3 billion and are not only too expensive, but could also cause a loss to the Fund in circumstances where they are not occupied as is the case now where out of 300 units, only three have been paid for.

Madam Speaker, the committee recommends that the IGG should investigate all persons who were involved in the smartcard project and Customer Self-service Touchpad, which caused financial loss of Shs 2.6 billion and Shs 133 million respectively with a view of prosecution. These include those officers –

Madam Speaker, NSSF management decided to invest in a smartcard project. They were to give you a card where you go to a bank, put that card and see your balance. However, they did not take into consideration that banks probably would not allow them to use that card in their ATMs.

Secondly, for you to use that card to access your balance, you must be charged a certain cost. All these were not taken into account. After one month, they abandoned the smartcard project. They had spent a lot of money on flights to go and visit this company in India, benchmarking and the rest.

Regarding the touchpad where they spent Shs 133 million, they envisaged that they were

going to buy machines and then put in a supermarket where you would keep checking your balance and get points to do shopping. It was impossible. Right now, these machines are in their stores a month after they invested all this money; benchmarking and awarding contracts. No action has ever been taken against the members.

The committee notes that the Board has failed, on several occasions as seen in the report, to ensure that there is a secure, profitable and effective financial management of the Fund for the benefit of the workers in particular and the country at large as stipulated in section 4 of the NSSF Act.

The committee, therefore, recommends that the 12th NSSF Board be dissolved by the Minister of Gender, Labour and Social Development, Hon. Betty Amongi Ongom, with immediate effect and a new Board be constituted.

Madam Speaker, some people thought this was a mistake. It was not. Dissolution is an action. Resignation is a process. Resignation cannot happen immediately. You must notify your appointing authority, write the letter then carry out any transitional requirements. Therefore, this was not a mistake. We actually knew what we were saying. Those are the recommendations.

Madam Speaker, there was a term of reference to inquire into any other matters incidental thereto. Aware that honourable members may not have read this, the committee, during the investigations, received a petition from Mr Richard Job Matua. However, he was required to establish the source of his evidence supporting the allegations in his petition.

Mr Richard Job Matua informed the committee that he had written a letter to the Minister of Gender, Labour and Social Development on 14 December 2022. In his letter, he requested for the several documents in accordance with the Access to Information Act 2005 and he was right.

The documents are:

1. Petition regarding NSSF management from COFTU,
2. Latest state of affairs,
3. Report at NSSF and those other documents.

The Minister of Gender, Labour and Social Development, Hon. Betty Amongi Ongom, in a letter dated 15th a day after - indicated that the documents requested were petitions from other people which she was forwarding as confidential documents. The minister further indicated that the one for the retirement of the MD and DMD were attached for his perusal as confidential documents.

There were also unconfirmed reports on social media that Mr Richard Job Matua, while appearing on a radio talk show - Capital Gang - had been dropped in the minister's official car. With the help of the CIID, we discovered this was false.

We looked at the CCTV footage of police around Kisementi and the CCTV footage of Capital FM and we saw Mr Richard Job Matua appearing in a suit holding a file and not being dropped by the minister, as stated.

However, the committee was availed with *WhatsApp* screenshots between Hon. Betty Amongi Ongom and Mr Richard Matua when the committee, on 10 February 2023, interfaced with the minister, Hon. Betty Amongi Ongom. The said screenshots of the said *WhatsApp* chat of the conversation between her and Mr Richard Job Matua were shown to her. She neither confirmed nor denied. This was also recorded because all our meetings were recorded.

The chats between the minister and Mr Richard Job Matua as availed to committee are as follows:

"Honourable minister Betty Ongom Amongi: But I told him before I commissioned the investigation to write to me and withdraw his interest so that I do not investigate him. He refused. He was misadvised.

Mr Richard Matua (Responding): The man is at home and not even talking on phone but his relatives are terrified and panicking. All attempts now are to save his skin, the reason as to why you see lots of websites and people defending him online. We have to re-strategise. I beg you to mobilise our team and secure a fair amount of money for us to fight the last serious lane of the battle.

Honourable minister Betty Ongom Amongi: Let them come to me, he withdraws his interest I talk to Jane – I do not know if this is general - to discontinue the investigation. He goes. Okay."

However, when the committee, with the help of Criminal Investigations and Intelligence Directorate (CIID), interrogated Mr Richard Job Matua, he accepted the *WhatsApp* chats were between him and the minister, Hon. Betty Amongi Ongom. He recorded and signed a statement at Parliament Police on 13 February 2023 at 12.14 p.m. where, on page four of the statement, he accepted knowledge and origin of the *WhatsApp* conversation at 1.50 p.m. between him and the minister.

Observations of the committee - I think you can observe. I beg to submit.

THE SPEAKER: Thank you very much, Hon. Mpaka Mwine, for the report. Can we now hear from the Minister of Finance, Planning and Economic Development? Hon. Kasaija has sent a written response to what was raised about him.

3.55

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PRIVATISATION AND INVESTMENT) (Ms Evelyn Anite):

Thank you, Madam Speaker. In this case, I am the messenger. Please, do not butcher the messenger - (*Laughter*) - listen to the message from Hon. Matia Kasaija.

Madam Speaker, I thank you and the Select Committee of Parliament on the National Social Security Fund for the support and

manner in which they have handled and the cross examinations.

The NSSF is a financial institution with heavy fixed income investments of up to 78 per cent of the Fund's portfolio in both domestic and regional markets. I believe this debate on the report will build the confidence of savers in NSSF.

Madam Speaker, I now summarise my comments and draw your specific attention to the observations and recommendations of the committee report on pages 67, 139 - 150, respectively.

Observations on No.6.3.7 on page 67

Madam Speaker, the Permanent Secretary and Secretary to Treasury (PSST) in various Acts is a Board member, for example, in NSSF, BoU, URBRA, URA and other institutions.

The PS/ST personally attends the meetings of Bank of Uganda and URA for better coordination of the monetary policy and revenue mobilisation in order to promote administration and managerial efficiency. He delegates suitable qualified senior staff, based on their competence, to the boards who regularly report to him.

The PS/ST delegated the Deputy Secretary to Treasury to handle this responsibility on his behalf on the NSSF Board.

Recommendation No. 1 on page 139. Hon. Matia responds as follows:

My ministry agrees with the recommendations of the committee that the signing of various memoranda without the approval of the Attorney-General is irregular. However, when this matter of paying Ms Geraldine Ssali came before the NSSF Board according to the board minutes, this payment was halted. Therefore, there was no financial loss caused.

Recommendation No. 2(a), (b) and (c) on page 140.

Hon. Matia responds –

The ministry agrees with the whole recommendations of the committee in this regard. I, therefore, once again thank the Select Committee of Parliament on the National Social Security Fund for this wonderful report.

Recommendation No. 3 on page 140

I agree that the full supervision of the Fund should be streamlined back to the Ministry of Finance, Planning and Economic Development, as was recommended by His Excellency the President, during the amendments of the NSSF Act.

The ministry had similar recommendations at various stages of the approval of the amendments of the Bill. The responsibility of appointing the board members should also remain with the Minister of Finance, Planning and Economic Development, with the approval of Cabinet, as is the case for all the other MDAs.

Recommendation number five on page 141

The minister responds as follows:

The board made attempts to recover the land title through court. Court ruled in favour of NSSF but Alcon and Tumusiime, Kabega and Co. Advocates did not hand over the title. Therefore, the court granted permission, with instructions from the Ministry of Lands, Housing and Urban Development, to cancel the old title and process a fresh title for the Workers House in the name of NSSF. This is being pursued by NSSF.

Recommendation No.7 on page 141

The minister responds as follows:

The request for the Shs 6 billion by my colleague, Hon. Betty Amongi, is irregular.

For the 10 years that the NSSF was directly supervised by the Ministry of Finance, Planning and Economic Development, this scenario did not occur. It will not occur even when this is returned to the Ministry of Finance, Planning and Economic Development.

The activities of the ministry should be, according to Hon. Matia Kasaija, financed from the Consolidated Fund through appropriation by Parliament. I agree with him.

Recommendation number 10 on page 141
Response –

THE SPEAKER: Hon. Anite, are the words, “I agree with him”, part of the report?

MS ANITE: No. The messenger is trying to say that the message is okay – [Hon. Betty Namboozie: “Procedure”]

THE SPEAKER: Let her finish her report then you will bring your issues. You are going to debate these reports.

MS ANITE: Thank you, Madam Speaker. The petition against the appointment of Dr Sam Lyomoki and Ms Peninah Tukamwesiga was received at my office two days after I had already appointed the two persons on the NSSF board. The appointment followed a rigorous process of fit and proper assessment by the sector regulator, The Uganda Retirement Benefits Regulatory Authority (URBRA). I could not have known the irregularities of the nominees since they are internal dealings of COFTU.

Recommendation number 12 on page 141
The minister responds:

According to the records available, these two members did not retire voluntarily but the environment created forced them to do so. In the interest of introducing more female members to the board, Hon. Betty Among Ongom, the Minister of Gender, Labour and Social Development, requested to -

THE SPEAKER: Hon. Anite, she is called “Amongi” not “Among”. (Laughter)

MS ANITE: This is very distinct. Thank you, Madam Speaker. It is “Amongi.” The Minister of Gender, Labour and Social Development requested to replace at least two male members with female members from the same constituencies, since their negotiated resignation was to pave way for the female representatives. They demanded some form of consideration in lieu of the circumstances surrounding their resignation. This followed two meetings as shown in attached Annexes I and II. The board made their recommendations to the Minister of Gender, Labour and Social Development, Hon. Betty Amongi, and it was up to her to accept the recommendations, reject them all together or provide an alternative.

Therefore, the two former board members were granted this compensation following the guidance of a meeting chaired by Hon. Betty Amongi. You can see Annex I for that. The board has no powers to appoint or remove or specify terms of either actions on board members.

Recommendation number 13 on page 145

Hon. Matia Kasaija responds that the Office of the Auditor-General has already begun conducting the value-for-money audit on this project.

Recommendation 26 on page 149

The minister responds:

As a matter of good governance practice, NSSF investments will continue to be guided by the investment policy of the funder under the different asset classes. The fund shared this investment policy with the committee.

In conclusion, Hon. Kasaija says that the 12th Board has been in place for one year and a half. Most of these issues cited by the committee that were causing weaknesses in governance predated the appointment of the current board. Since its inauguration, the 12th Board has been preoccupied with the transition from the old law to the new law. Therefore, this matter needs to be discussed in light of the above.

Madam Speaker, I beg to move on behalf of Hon. Matia Kasaija, the Minister of Finance, Planning and Economic Development.

THE SPEAKER: Thank you, Hon. Anite. You got the response from Hon. Kasaija. Hon. Betty's response was also uploaded and it is on your computers; she will come and present it.

Can we hear from our three colleagues: Hon. Agnes, Hon. Mugole and Hon. Werikhe? They have one report that combines all of them then there is a separate one of Hon. Kunihira. It was also uploaded; it must be on your iPads.

4.06

MR STEPHEN MUGOLE (NRM, Kabweri County, Kibuku): Madam Speaker, I am here to make a personal statement, on behalf of myself, Hon. Peter Werikhe and Hon. Agnes Abwooli Kunihira. I hope she is in the House too –

THE SPEAKER: Go ahead and read the report. It is not a personal statement; it is your joint statement. Why don't you read that report as it is?

MR MUGOLE: It is a joint statement. On 25 January –(Interruption)

MR LUBEGA SSEGGONA: Madam Speaker, I am very much constrained to raise this procedural issue but because we stand here to create precedents that will bind us today and tomorrow -

THE SPEAKER: Just a minute before you bring the procedural matter. Why don't you come and make your statement? Hon. Werikhe and Hon. Kunihira will do the same. As much as you were all lumped up in one recommendation, each of you was mentioned individually.

MR LUBEGA SSEGGONA: Madam Speaker, if there is any pride that a teacher would take, it is in seeing their students excel at what they do. You have my notes; there is no provision in our rules for joint statements. If you want to make a personal statement, it can only be personal to you. That was my point.

THE SPEAKER: Thank you very much, Counsel. You were mentioned in one recommendation but each of you should make a presentation.

MR MUGOLE: Madam Speaker, thank you for the guidance. This is a personal statement in respect of the report of the Select Committee of Parliament on the State of Affairs of NSSF -

THE SPEAKER: By the way, you do not need to say it is "a personal statement" because we cannot debate a personal statement. Read it – this is a statement on a, b, c, and d.

MR MUGOLE: This is a statement in respect of the report of the Select Committee on the State of Affairs at NSSF presented before the House on 1 March 2023.

On 25 January 2023, Parliament set up a select committee to investigate the state of affairs at National Social Security Fund and, indeed, on 1 March 2023, the chairperson of the committee, Hon. Mwine Mpaka – who is also my chairperson of the Committee on Tourism, Trade and Industry – presented the said report before the House for debate and adoption.

On pages 147 and 148 of the impugned report -

THE SPEAKER: The chairman of the committee, Hon. Mwine Mpaka, presented the report on behalf of the committee. It was not his personal report.

MR MUGOLE: Yes, I am guided. On pages 147 and 148 of the impugned report, my name was mentioned among those who benefitted from the 10 per cent NSSF illegal contributions and, therefore, the committee recommended thus:

“The committee recommends that the above NSSF Board members, who have been receiving the money, should refund it within seven working days or face prosecution by the Office of the DPP.”

Madam Speaker, the right to be heard is well enshrined in Articles 28, 42 and 43(c) of the 1995 Constitution and it is non-derogable.

I was condemned – unheard – by the committee. I was never invited to appear before the committee to substantiate on the allegations of receiving the 10 per cent NSSF contribution illegally whereas I am at large, available and a sitting Member of Parliament.

The right to be heard means that a person must appear before an impartial tribunal – in this case, the select committee – before it proceeds to render an adverse recommendation like it did.

Madam Speaker, had the committee invited me as part of according me a fair hearing, I would have been able, among others, to state as follows:

1.1 Appointment to the NSSF Board

I, Mugole Mauku David Stephen, was appointed to the Board of NSSF by the honourable Minister of Finance, Planning and Economic Development on 14 April 2019 for a board term of three years – I can say that I did not even conclude that term because when I came to Parliament, I resigned from that position.

The said appointment stated the remunerations as per the board terms and conditions of engagement and I would like to lay on the Table a copy of the appointment letter and my acceptance letter. I beg to lay.

THE SPEAKER: Please lay.

MR MUGOLE: That was part of my engagement and the issue of 10 per cent. Five per cent was to be deducted from my emoluments as an entitlement. I also beg to lay on the Table an instrument from the board that gave the entitlement to me as a member of the board – and which is always verified by UBRA -

THE SPEAKER: Who signed the instrument?

MR MUGOLE: It was signed by the NSSF Corporation Secretary.

THE SPEAKER: Dated when?

MR MUGOLE: This is a sample because it is given to everybody.

THE SPEAKER: I am saying, dated when?

MR MUGOLE: This one is dated - I have given a sample of the most recent one, which is of September 2021.

THE SPEAKER: Dated when?

MR MUGOLE: 3 September 2001 – *(Interruption)*

MR OKUPA: Madam Speaker, is it procedurally right for us to start laying samples here? For you to have a sample, there must be an original. I have never seen us laying samples here.

MR MUGOLE: It is a circular, which is given -

MR OKUPA: The one which was given to you would be much better.

THE SPEAKER: Was the circular addressed to you?

MR MUGOLE: Yes, to all board members.

THE SPEAKER: The circular is not addressed to you as a person. It is addressed to the 12th Board of Directors of NSSF. Therefore, this document is for everybody, not you. Are you a member of the 12th board?

MR MUGOLE: I was on the 11th board.

THE SPEAKER: Why are you laying what is not meant for you? Take back your document. We can take the one which was signed by Hon. Anite – on the appointment as a board member. There is a procedural matter here. Retract the document from the record first.

MR MUGOLE: I retract this one and at an -

THE SPEAKER: What are you retracting?

MR MUGOLE: I am retracting the one of 3 September 2021 and I will provide -

THE SPEAKER: And what is it?

MR MUGOLE: This one is an instrument from the board, which gives this as an entitlement.

MR BASALIRWA: Madam Speaker, the procedural issue I seek to raise is that reading from the preamble of the presentation by the honourable colleague, it is as if his claim is that he was not heard -

THE SPEAKER: There are two issues. One, was he paid or did he receive the money? The other one is about defence - that much as I received the money, you did not hear me.

First of all, the question we should ask is: were you paid? Let him first finish his submission then when we are debating, you will ask your questions.

MR MUGOLE: Madam Speaker, under Minute 1 of 187.9 of NSSF -

THE SPEAKER: Actually, what we are doing now is hearing the Member - because this is an extension of the committee. So, we are now giving him a fair hearing. *(Laughter)* We will make a decision, from this House, on what the committee has recommended.

MR MUGOLE: Madam Speaker, under Minute 1 of 187.9 of NSSF on Standard Contributions and Entitlement dated 2 August 2011, that introduced the impugned deductions and entitlement to all members of the board who were not public servants and who were not above 55 years of age, it deemed it as an entitlement. So, as and when you go to NSSF, you are given that as an entitlement and it is part of the package.

I also hereby lay on the Table the minute as it was adopted and the recommendations of 2011. Therefore, by the time I joined NSSF in 2019, this had started in 2011 -

THE SPEAKER: There is a procedural matter.

MR ODUR: Madam Speaker, the Member is being heard on the merits of his arguments and the document he is referring to - he says he is laying it. Ordinarily, when a document is laid here, it goes to the library so Members can access it and we are about to debate.

I move that the Member reads all the documents he is presenting to us, word for word, to allow Members make a fair judgment of what he is presenting. For example, if he mentions that under a particular minute, it was agreed that all members of the Board should contribute to NSSF, he should be able to refer to that particular minute so we can follow and debate.

THE SPEAKER: Please go ahead.

MR MUGOLE: Madam Speaker, let me refer to the minute of the Board that sat on 2 August 2011 that introduced this as an entitlement to the Board. In Minute 1 of 187.9, it says NSSF standard contribution for directors. He informed the three directors who were eligible to pay NSSF standard contributions namely: Mrs Jolly Aripa Kirabo, Mr Romano Ojiambo Ochieng and Mr Richard Bigirwa.

The second minute says, "Noted that with effect from May 2011, 5 per cent employee contributions were being deducted from the emoluments of the three directors while the Fund was meeting the employers 10 per cent contribution." By the time, I joined the Board in 2019, this was on-going.

Madam Speaker, the right to be heard means that a person must appear before an impartial tribunal, in this case the committee, before it proceeds to render such an adverse recommendation. Had the committee invited us or me, I think they would have not come up with such recommendations.

Committee recommendations

The recommendation thereof that all Board members who received and continue to receive 10 per cent as part of their entitlement is an illegality arrived at in contravention of rules of natural justice. Had the committee afforded

us that opportunity, the committee would not have made such disparaging recommendations against me without being heard.

Madam Speaker, taxpayers' money has been expended on committee work and their reports have been quashed by courts of law. There is a long list of decided court cases which have rendered committee work worthless. For instance, Mohammed Alibhai vs Attorney-General, Miscellaneous Cause No. 217 of 2021, the High Court quashed the COSASE report on expropriate properties on grounds, among others, procedural impropriety which include -

THE SPEAKER: Honourable members, some order.

MR MUGOLE: ...to accord a witness fair hearing.

In other court cases, like Joseph Murangira vs Attorney-General, Constitutional Court Petition No. 7 of 2014, Twinobusingye Severino vs Attorney-General, Constitutional Court Petition No. 47 of 2011, the Constitutional Court declared null and void the Parliamentary committee reports for contravening the rules of natural justice –[Dr Abed rose]

THE SPEAKER: Allow him to finish otherwise, you are going to disorganise him further. Let him finish and then you can seek for the clarification.

MR MUGOLE: We need to preserve the integrity of this report by expunging our names from the report before Parliament adopts it. Otherwise, it is susceptible to being challenged before courts of law on the grounds of not affording me a fair hearing. I thank you, Madam Speaker.

THE SPEAKER: Honourable member, do not scare anybody. *(Laughter)* You are free to go and get redress from court. We are talking about savers money. Did you get the money? We are now giving you a fair hearing, Hon. Stephen.

I want to refer you back to Minute 1 of 187.9 regarding NSSF standard contribution for directors: "... informed that three directors were eligible to pay NSSF standard contribution namely: Jolly Aripa Kirabo, Mr Romano Ojiambo Ochieng and Mr Richard Bigirwa." Are you one of them? That is one.

Before we go further, let us look at recommendation No.6. I suggest we expunge recommendation No.6. First of all, some of them have died. Ms Egunyu Asemo Lucy Fiona used to be my Woman Member of Parliament.

4.25

MR MEDARD SSEGGONA (NUP, Busiro County East, Wakiso): I take your guidance, Madam Speaker. I think it is a movement in the right direction. My suggestion, however, for procedural neatness, is to hear them first and discuss the merits or otherwise of the entire action. For example, if we found that the deceased had taken our money illegally, we can go and pick the money from the estate but we may also preempt and at the end of the day find that it was appropriate -

THE SPEAKER: First study that recommendation and then advise.

MR SSEGGONA: I am alive, Madam Speaker. My view is, let us hear them then we start looking at -

THE SPEAKER: It is actually not related to our Members. Can we hear from the second person, Hon. Werikhe, Hon. Kunihira? We will allow a debate on this. Members, calm down.

4.26

MR PETER WERIKHE (NRM, Bubulo County West, Manafwa): Thank you, Madam Speaker -

THE SPEAKER: Hon. Sseggon, please study recommendation No.6.

MR WERIKHE: I am making my response in regard to the findings of the committee which made this report on 1st March and mine is on matters of natural justice and fair hearing.

Whereas we participated in forming this committee, I definitely knew that if there was issue that would come out, the committee would definitely seek clarity and make this report well. However, I missed that opportunity so I was not able to raise some of these issues that I would like to raise now.

On the issue of appointment, I was appointed on 4 February 2019. I would like to lay it here. That letter spells out that the minister shall make remuneration for the Board member who has been appointed. In addition, before you settle on the Board, you are supposed to be licensed by Uganda Retirement Benefits Regulatory Authority (URBRA). This regulator is given these documents.

I would like to also submit that the process –
(*Mr Okupa: "Procedure, Madam Speaker"*)

THE SPEAKER: What are you laying on the Table?

MR WERIKHE: Madam Speaker, after receiving the appointment, you go through URBRA to get a license as a trustee, and after receiving my appointment letter on the 4th of April, on 3 May 2019, I received a letter from the corporation secretary notifying me about URBRA. It states; *"We are here in the process of applying for your-"*

THE SPEAKER: The letter was addressed to whom?

MR PETER WERIKHE: To Werikhe Christopher Peter, *"We are here in the process of applying for your trustee licence to ensure compliance with the URBRA Act as per the process. We have completed the application forms on your behalf and now require you to append your signature on the application forms and statutory declaration, subject to any other corrections."*

Signed by the corporation secretary.

All these documents go with the remunerations that have been granted by the Minister.

URBRA is our regulator, who goes through this process of governance, and the honourable of minister who appointed me. I am actually surprised that in the response, the minister is jumping to respond on these sections and yet he is the one who appointed us and gave us this remuneration.

THE SPEAKER: Honourable minister, you are the one who appointed them; respond. Let us first hear from the minister.

4.30

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PRIVATISATION AND INVESTMENT) (Ms Evelyn Anite):

Madam Speaker, at the time of appointing the honourable members, I was holding the fort on behalf of Hon. Matia Kasaija as you have seen on the appointment letters that he has laid on the Table.

However, we appointed him strictly to go and perform his duty not to encroach on -
(*Laughter*)

THE SPEAKER: Honourable members, what is in the appointment letter is that they are entitled to a sitting allowance for every meeting of the board, a monthly retainer and an appropriate duty facilitation allowance for local and foreign travels; all at duly approved rates. Can you continue? - Let him finish.

MR WERIKHE: On the 10 per cent entitlement, this was a resolution made by the earlier board, which the subsequent boards were just receiving; I was not in any meeting that decided that I should earn 10 per cent. So, I received something that I found on-going, and was done by instrument of a minute of 2 August 2011.

THE SPEAKER: Read what is in the minute.

MR PETER WERIKHE: *"Minute 187.9: NSSF standard contribution for directors."*

1. *Informed that there were directors who were eligible to pay NSSF standard*

[Mr Werikhe]

contributions, namely; Jolly Kirabo Aripa, Mr Romano Ojambo Ochieng and Mr Bigirwa Richard.

2. *Noted that with effect from May 2021, 5 per cent employee contributions were going to be deducted from the emoluments of the three directors while the Fund would meet the employees' 10 per cent contribution."*

This is what was set in 2011 and has continued to be updated in again, the remuneration of the Board, which expires in 2024, which spells out on the issue of NSSF.

In conclusion –(Interjection)– I do not grant clarification -

THE SPEAKER: Hon. Werikhe, do you have a specific board minute which sets precedence for everybody, apart from the first three? Because you are relying on a wrong minute; let us have that minute, which shows that out of this minute, the rest were supposed to benefit.

MR WERIKHE: Madam Speaker, when I showed this of 2021, it is the current minute which is talking about the board expiry of 2024; this instrument grants benefits up to 2024.

THE SPEAKER: It grants benefits to who?

MR WERIKHE: To the board members

THE SPEAKER: Who was mentioned to be a beneficiary, to be entitled?

MR WERIKHE: At that time when their term expired, because it is a three-year term – (Interruption)

MS AISHA KABANDA: Thank you, Madam Speaker. I pray that the colleague listens to me. In respect to the three directors you were reading, what was so special about them? Were you replacing them? We want to know the category of constituents of those people?

We need to know why only those three were receiving such entitlement; this will help us

understand probably why those who came later on received it. Would you clarify about those three directors?

THE SPEAKER: Can we hear from the chairman first?

MR MWINE MPAKA: Thank you, Madam Speaker. Actually, even for the three directors you are referring to, it was also illegal. Section 3(6) of the NSSF Act requires the minister to ensure that the persons he or she appoints to the NSSF Board to represent employers, are contributing employers under Section 7. This essentially means that those employers must be contributing to the NSSF and not for the NSSF to contribute for the employees.

Therefore, the contribution by the NSSF for members of the board is illegal, since there exists no employee-employer relationship.

MR WERIKHE: In respect to what Hon. Aisha has raised -

THE SPEAKER: That has been responded to. Go straight to your report.

MR WERIKHE: In conclusion -

THE SPEAKER: Honourable members, please listen. Hon. Feta.

MR WERIKHE: I still state that during the investigation – and we are the Members who create this advocacy report on the right to be heard – I was not given that opportunity to be heard and therefore, this is what I have laid. I beg to submit.

THE SPEAKER: Thank you. Members, you will debate. – I thought you were a member of the committee?

MR MASABA: I am giving information. Thank you, Madam Speaker. On page 8 of the report, the stakeholders that we met as a committee, include the workers' representatives - the Members of Parliament representing workers. We wrote to them; we invited them and they came and we gave them the terms of reference.

When they came, they did not present this issue to us as a committee. So, it is the board that gave us this information later on. After the board giving us the information, we looked at the facts; did they get the money or not? Was it right for them to get the money or not? That was our basis.

THE SPEAKER: So, did the Members appear before the committee?

MR MASABA: Madam Speaker, yes, the Members did appear before the committee.

THE SPEAKER: Hon. Members, do not put personal feelings into this issue. As I told you, I know the mercenaries in this House. Before we get into the debate, I want you to mention your name before you say anything so that the public knows who is for the savers and who is against the savers.

Do not bring your personal feelings here. Let us look at a way of protecting the savers' money. This is very hard-earned cash that you are just going to play around with because somebody has given you something! Stop it. You are going to stand up, mention your name and debate so that the public knows who said what.

Hon. Nathan, I have picked you because you are busy with my *muko*.

4.40

MR NATHAN NANDALA–MAFABI (FDC, Budadiri County West, Sironko): Madam Speaker, thank you very much. What is being presented is a really serious matter and that is why I liked Hon. Aisha's issue: what was the constituency?

That is why I want to make a small request to you, Madam Speaker, so that those who are presenting can help us to understand.

Under the NSSF Act, the moment you are 45 years and above, you do not contribute. For the new board members, what was the agreement and understanding?

This is because they are coming and saying, "We followed this, we followed that". I am sure you are going to call another one and they will say, "We were following the minutes of 2011". We want the minute which refers to them and what is in the appointment letter – which my sister, Hon. Anite, said: "I gave you the letter not to go and encroach, but to go and work."

Therefore, Madam Speaker, my request is that if you believe that these Members need to make a case, maybe we should ask the committee to look at their case so that when they come here - We do not want to waste time with this report because have – *(Member timed out.)*

THE SPEAKER: Let us hear the final one – the aspect of 45 years and below and the aspect of a specific minute.

4.41

MS AGNES KUNIHIRA (NRM, Workers' Representative): Thank you, Madam Speaker. Honourable members, I beg that you listen to us, understand our case and make the right judgment.

I would also like to inform Members that I served on the Board of Directors of NSSF from June 2012 to May 2015 and I was appointed by the Minister of Finance, Planning and Economic Development, Hon. Maria Kiwanuka.

I was never involved, at that time, in determining our benefits as a board member. I, therefore, would like to state as follows:

The matter of the 10 per cent statutory contribution was settled under the said Minute 1 of 187.9. I have heard a Member questioning the issue of directors and non-directors and why two or three. It was very clear that it should be only those below 55 years. By that time, the chairman, Ssekono, was above 55 years and a retired Public Service employee.

The other member representing workers, Mr Kahirita, who has since died, was also above 55 years. That is how, at that time, it applied to only three directors who were below 45 years.

The other two were statutory representatives of the ministry; the one from the Ministry of Finance, Planning and Economic Development and the one from the Ministry of Gender, Labour, and Social Development.

Members, I request that you listen to us when we read this circular.

For every board, after being appointed, management gives you a detailed document on how your emoluments are going to be managed.

They present the amount you are supposed to get, but they also – let me read it out for you.

“Kindly note the following additional details;

- a) *Retainer payments are paid on a monthly basis and directly to the director’s respective account. PAYE tax of 30 per cent is deducted from each director. NSSF contributions are deducted from eligible directors. Payments to Government representatives are not affected by this tax.*
- b) *Sitting allowance for all board settings (ordinary and extra-ordinary full board and committee meetings) are processed quarterly after verifying attendance (by way of directors’ sign off confirming attendance).*
- c) *Directors are paid a foreign travel allowance for every day of the scheduled training, including day of travel.*
- d) *Subsistence allowance is paid to directors for conducting fund business outside Kampala...”*

I may not go into the details, but this is a standard document that the NSSF management gives out to every individual. I wanted to make that clarification, honourable colleagues.

Honourable colleagues, I was also mentioned on page 97 concerning the smartcard system.

Madam Speaker, my attention has also been drawn to the observations and recommendations of the committee in relation to the smartcard system.

The report states that the project started in 2010. I was only appointed to the board in May 2012.

The benchmarking study carried in 2014 was not, in any way, intended to carry out due diligence on the procurement process. It was for members to appreciate the usage of the smartcard system. The three board members were delegated by the board.

Madam Speaker and honourable members, the committee has made a blanket recommendation without clearing the role of individuals in that procurement. I was not a board member by 2010. I left the board in May 2015 before the contract was signed by Mr Richard Byarugaba, on 23 June 2015, which contract was between the NSSF and Madras for the procurement of the smartcard system.

Madam Speaker, I would like to lay on the Table the contract signed by Mr Byarugaba between the NSSF and Madras Security Printers Private Limited. I beg to lay.

I was surprised that the committee did not invest in all this matter, but identified a few members to be held responsible. The contract was between –(Interjections)– I beg to lay this contract between NSSF and Madras Security Printers Private Limited, dated 23 June 2015.

THE SPEAKER: Who signed it?

MS KUNIHIRA: It is signed by Mr Richard Byarugaba, the Managing Director in the presence of Richard Wejuli Wabwire, the Corporation Secretary between Madras Security Printers. The signatories are Rattan Singh. I beg to lay.

Madam Speaker, I seek clarification from the chairperson on the criterion used to selectively name individuals like me, who never participated in the procurement, due diligence,

signing of the contract and execution of the project? What was the motivation?

THE SPEAKER: Hon. Agnes, did you travel to Tanzania and Namibia on the procurement of the smartcard?

MS KUNIHIRA: Madam Speaker, Tanzania uses the smartcard. *(Interjections)* - I did not go on the procurement process, nor did I go for due diligence.

THE SPEAKER: Did you go to Tanzania and Namibia?

MS KUNIHIRA: True, I travelled for a benchmarking study.

THE SPEAKER: That is the answer.

MS KUNIHIRA: ...between benchmarking, procurement and due diligence -

THE SPEAKER: As a former Board member, is the Board's decision a personal decision or is it a decision of the entire Board?

MS KUNIHIRA: Thank you, Madam Speaker. That is a very good question. They have recommended three people and every action of the individual members on the Board -

THE SPEAKER: They have not recommended three people.

MS KUNIHIRA: They have mentioned three.

THE SPEAKER: They have recommended 24 people.

MS KUNIHIRA: They have recommended three people and every action -

THE SPEAKER: Do you have the document?

MS KUNIHIRA: Yes.

THE SPEAKER: I am talking about 24 people in the report. We only have three MPs who are affected in the House. The rest are not Members of Parliament and we are saying the rest must pay.

MS KUNIHIRA: Madam Speaker, we are talking about another item now; the smartcards, not the statutory deduction. I am on the smartcard and this is what I am saying. Out of that list-

THE SPEAKER: How many were you on that smartcard?

MS KUNIHIRA: On that list, there are only three Board members and these three Board members acted in the interests of the full Board. The visit to Namibia was not to procure; it was a study tour. Tanzania and Namibia do not supply -

THE SPEAKER: That finally led to the procurement. Please, finalise.

MS KUNIHIRA: Thank you, Madam Speaker. My question was on the basis of recommendation 27 -

THE SPEAKER: Hon. Kanushu, why are you disturbing, Hon. Mpindi?

MS KANUSHU: Hon. Mpindi is intimidating me, as a member of the committee.

THE SPEAKER: I thought you are all members for persons with disabilities.

MS KANUSHU: Yes, but also the disabled know how to intimidate each other. *(Laughter)* Madam Speaker, I beg for your protection from this disabled man.

THE SPEAKER: Hon. Stephen, now you are doing the job.

MS KANUSHU: Thank you, Madam Speaker.

THE SPEAKER: Thank you.

MR LUBEGA SSEGGONA: Madam Speaker, if only my sister would take her seat. I am seeking procedural guidance because this is very critical in terms of what we call fair processes.

On one hand is a group of colleagues saying there was no fair hearing since they were not heard. If we proceed without resolving that issue, it is going to continue coming back to haunt us because there is a group of former Board members who are not Members of Parliament, and we are not going to hear them today.

Would it not be procedurally right that we establish, as a matter of fact, whether these former Board members were heard or not?

Two, the rules require that we receive the minutes to establish whether these questions were actually put to them. Before they come to stampede us with answers, we need to establish, as a fact, whether they were invited by the committee. Were they asked about these very questions we are hearing today? Otherwise, the chairperson of the committee, who speaks for the committee, is in the House. If we do not ascertain this fact, we would be moving -

THE SPEAKER: Counsel, why don't we finalise by allowing her submit her statement and then go back and look at – One, was the aspect of fair hearing and two, is whether these members are employees of NSSF, to be able to pay. That is under Sections 11 and 12 of the NSSF Act.

MR LUBEGA-SSEGGONA: Madam Speaker, I am very grateful. However, that would be a discussion into the merits -

THE SPEAKER: Can we hear from Hon. Agnes? Let her finish her submission. Hon. Agnes, conclude -

MS KUNIHIRA: Thank you, Madam Speaker. I beg to lay the report of the study tour – maybe, as colleagues suggest, the chairperson may now have the opportunity to review the right documents.

I would like to seek clarification from the chairperson why Richard Byarugaba, who signed the agreement, did the procurement and payment was not included in this entire list? No wonder, in the smartcard system, he was not included yet he signed the contract?

The chairperson has a lot of time; so, he should allow us to talk because he did not give us the time at committee level.

THE SPEAKER: Hon. Agnes, did you go to the committee as a Workers' Representative?

MS KUNIHIRA: They called me for another issue. They never asked any questions to do with the smartcard.

Finally, the right to a fair hearing in Uganda is well settled under Articles 28, 42 and 44 of the Constitution of the Republic of Uganda, which provides that a person appearing before any administrative official body has a right to be treated justly and fairly.

Honourable members, the select committee did not invite us to respond to all these allegations. Therefore, I would like to appeal to Members to afford us a fair hearing after getting the details we have shared. I beg to submit. *(Applause)*

THE SPEAKER: Honourable chairperson, I would like you to tell us what you requested from the workers' MPs. If you asked them to submit, what was in the terms of reference?

MR MWINE MPAKA: Thank you, Madam Speaker. I would like to clarify one issue. The honourable member stated that the smartcard was procured in 2010 before she was a Board member. This is not true. Our report on page 97 states, "*Madam Speaker and members, the NSSF Management in 2014 adopted the smartcard concept.*" So, it is not true that we said it was 2010. You have the report on your iPads. *(Interjection)* - In 2014, she was a board member.

The other issue I want to clarify is that the honourable member stated that we did not include Mr Byarugaba. When you look at that specific recommendation, the person who signed on behalf of Mr Byarugaba was Ms Geraldine Ssali Busuulwa. She is letter (m). It was not Mr Richard Byarugaba who signed; it was the deputy managing director at the time. She has also been included in the recommendations – *(Interjection)*

Honourable members, you can check that recommendation. The last letter (m) was Ms Geraldine Ssali, who signed and it is also attached in your annexes. It was not –
(*Interruption*)

DR BWANIKA: Madam Speaker, in the agreement that she has laid on the Table, she has read that the one who signed is Mr Richard Byarugaba. Can we get clarity?

THE SPEAKER: Can we get yours which talks of Geraldine?

MS AISHA KABANDA: Thank you, Madam Speaker. Her claim is that out of the whole board, only three have been cited. According to what you have read, actually, the matter was approved by the entire board. Her question is, “Why didn’t you accuse the whole board because Mr Byarugaba was one of them?” I want to know from her; of the board members, how many other people were left out?

MR MWINE MPAKA: Madam Speaker, that recommendation reads, “*The committee recommends that the IGG should investigate all persons...*” It means even others can be included. However, these are the ones who participated - who flew and did due diligence. These are the ones we could capture but the recommendation is not limited; the IGG is going to investigate. If there is any other person involved, that person will also be implicated in this report.

THE SPEAKER: Were they the members of the finance committee of the board?

MR MWINE MPAKA: Well, they can tell you but they are the ones who travelled.

MS AGNES KUNIHIRA: Madam Speaker, I am advantaged that I worked with Mr Byarugaba and I know his signature. The good thing is, there is a contract I have here, which was signed long after I had left. It was signed on 23 June 2015; I had left the NSSF Board then. That means that before procurement, no activity was being implemented. It is signed by Mr Byarugaba and I read the names you asked me to read – do you want another copy?

THE SPEAKER: What are you laying it again?

MS AGNES KUNIHIRA: He has asked for it.

THE SPEAKER: It was laid.

MR LUBEGA-SSEGGONA: Procedure, Madam Speaker. I am a prisoner of knowledge and propriety of processes. I want to insist, for the record. There is no way we can proceed with these back and forth explanations without ascertaining fundamental questions. The first fundamental question was: Were these honourable members and other former board members invited, listened to and asked these specific questions? Now where we are with this ping pong, we want the minutes. Number two - and to me this is not about –

THE SPEAKER: The minutes were laid the other day when the report was laid. Hon. Mpaka, the issue of fair hearing.

MR MWINE MPAKA: Madam Speaker –
(*Interruption*)

THE SPEAKER: Before Hon. Mpaka comes -

MR BASALIRWA: Madam Speaker, as Hon. Mpaka addresses the issue of fair hearing, it is also important for you to help the committee to ascertain who was responsible for this mess.

THE SPEAKER: Which mess?

MR BASALIRWA: This illegal payment because like it or not, there are all indications that these payments are illegal. Were our colleagues part and parcel of the process of these or were they beneficiaries of an illegal process? We must be very clear on that. If they were mere beneficiaries, how do we treat them? Then, what happens to those who occasioned the illegal payments? Just clarify that.

MR RICHARD WANDA: Thank you, Madam Speaker. Hon. Sseggonna has just raised one fundamental issue but we have other fundamental issues. First, the ascertainment

of whether these board members were in employment of service or not. The issue of eligibility for the 15 per cent standard contribution is clearly by law under section 6 of the NSSF Act. The Act does not clearly define an employee. However, it has been defined under the Income Tax Act -

THE SPEAKER: Section 11 of the NSSF Act defines who an employee is - check 11 and 12 - and who is eligible to contribute.

MR WANDA: I have looked at them, Madam Speaker. However, when you go to the definitions under section 1(i), an employee should be an employee in Uganda and is ordinarily resident in Uganda. I want to draw the House to the definition of an employee -

THE SPEAKER: Are we still looking at a fair hearing?

MR WANDA: Not fair hearing -

THE SPEAKER: What Hon. Ssegona has said is that let us first sort out the issue of fair hearing then we will go to whether these Members were part of the employees of NSSF.

MR WANDA: Most obliged, Madam Speaker.

THE SPEAKER: Yes, honourable member – strictly on fair hearing.

MR KIBALYA: Thank you, Madam Speaker. Hon. Agnes Kunihira is on the Floor and we wanted to –

THE SPEAKER: She is not on the Floor. She finished her submission. We are now giving her responses.

MR KIBALYA: Madam Speaker, in the fair hearing - because a Member has insinuated that some of these people that are being left out possibly could have had the hearing and these that are implicated were not heard. The smartcard process does not begin and end with a signature. There was the entire beginning - initiation, travel, procurement; allowing everything. Looking at the signature alone is

not enough for us to conclude that this one – *(Member timed out.)*

THE SPEAKER: Hon. Mpaka, can you respond on fair hearing.

MR MWINE MPAKA: Thank you, Madam Speaker. Honourable members, as I informed you in the Attorney-General v. Fox Odoi (Constitutional Petition 34) 2013; the right to be heard is limited to the opportunity to be heard. The honourable colleagues here are beneficiaries of a board decision. The board that took this decision was given a right to be heard. The board appeared before the committee. It testified - the current 12th board - that they were receiving this money and agreed that it was illegal because there is no employee-employer relationship.

Honourable members, these committees do work on your behalf. Our recommendation was to recover the savers' money. If at all you think that those that we did not meet – much as we are aware that they received this money – should not refund it, it is entirely up to you. Of the total number of the board members - we met all the members of the current board and they are also included here. We asked them about this specific matter. I beg to submit.

5.08

MR YUSUF MUTEMBULI (NRM, Bunyole East County, Butaleja): Thank you very much, Madam Speaker. We are talking about a very serious issue – of natural justice – and this has nothing to do with the merits. If we do not handle it carefully, we are likely to waste our time here and come up with recommendations only for them to be quashed.

The issue of saying that the 12th Board came and appeared and told you this and the other and then we are talking about members of the 10th and 11th Boards... There are issues, Madam Speaker.

You ought - and this should go to all of us, the committee chairpersons. Every time you are going to make a recommendation and it is going to affect an individual, you must give that

individual an opportunity to be heard. We shall debate and look at all these issues, but what will happen is that the matter will go to court and the recommendations will be quashed and we would have wasted our time.

May I advise and move that this particular recommendation that is affecting - the Members of Parliament have an opportunity, now, to say something, but what about those others who have been mentioned and did not say anything? They were not given an opportunity.

Madam Speaker, this is a serious matter. Before we even start thinking about the merits of the report, we must have this resolved. If we do not resolve it well, the recommendations and the entire report is likely to be quashed on that.

5.10

MR FOX ODOI-OYWELOWO (NRM, West Budama North East County, Tororo): Thank you. Madam Speaker, permit me to take you through the ingredients of the non-derogable right to a fair hearing. When a person is accused, that person has to get an invitation to be heard. There must be a charge – that they can understand – that lays out the allegations made against them so that they can prepare their defence. They must be given reasonable time to prepare and present their defence.

Now, what is apparent is that there is an illegality on the record. What is also apparent is that the Members of Parliament and the other board members were not accorded a fair hearing within the armpit of the law. This is such a critical report that we must do all it takes to preserve.

Can I plead, Madam Speaker, that we stand over the debate – only on this part –

THE SPEAKER: We are not standing over any debate. Have you heard?

MR ODOI-OYWELOWO: I have heard, Madam Speaker. *(Laughter)*

THE SPEAKER: Honourable members, what we must know is that these Members did not

pay themselves. The decision was not taken by them to pay them. We must hold the persons who paid them culpable. If the person who paid them wants to recover from them, then, he should recover from them.

MR BASALIRWA: Madam Speaker, in light of the issue of a fair hearing that has been raised by my senior colleagues – Hon. Fox Odoi, Hon. Sseggoni and Hon. Mutembuli – wouldn't it be procedurally right for this particular recommendation, asking our colleagues to pay the money, to be expunged from the report?

THE SPEAKER: We cannot expunge this recommendation. The person who made the payment must pay the money.

MR BASALIRWA: I was amending –

THE SPEAKER: No, amend the recommendation, but do not expunge it.

MR BASALIRWA: It can infect the entire report because there is the issue of fair hearing. It is my humble submission that whoever was responsible for the illegal payments be made accountable. Whoever took the decision - because these were mere beneficiaries - to pay our colleagues and the others, who cannot have an opportunity to appear here, should be held personally liable and made to make good the damage that was occasioned.

MR ODUR: Madam Speaker, thank you very much for the opportunity. The procedural matter I am raising, first, is two-fold. The Members had asked to come to the Floor to make personal statements so that they can be heard by this House, which I think the House has received.

Now, what is important is for us to go and debate. Each individual Member of Parliament here, having heard from two sides, can then make contributions on whether the submission by the honourable members amounts to the infringement on their rights to be heard or their submission here is enough to convince us to proceed.

When it comes to the recommendation, we can, therefore, propose to retain the recommendation as the committee has proposed, reject it or amend it. That should actually come in the debate – and towards the end. What I now see is that we have entered the substantive debate without actually debating the matter.

Therefore, the procedural matter that I would like to raise -

THE SPEAKER: Is there a way of gazetting that debate starts at a particular time?

MR ODUR: Yes –

THE SPEAKER: I opened the debate on what they were raising and that is what you are doing now.

MR LUBEGA SSEGGONA: Madam Speaker, you had guided that after him, we would sort out a few preliminary issues. I want to thank you and I would like to ask the young Hon. Nandala-Mafabi to take his seat, as I speak. *(Laughter)*

Madam Speaker, I partly want to associate with Hon. Odur's submission to the extent that, one, as we speak, it is premature for us to conclude whether the payment was illegal or legal.

Two, when we reach somewhere and find that it was illegal, then, I would move to support Hon. Asuman Basalirwa, as guided by your good Chair, that the person who took that illegal decision pays the money.

It has been conceded in the communication of my able, young honourable friend, the chairperson – who did a very thorough report, by the way, and I congratulate him and his team – that they invited the current board.

Now, inevitably, the current board spoke for the previous board members. Now, that would raise some issues – and I do not want people to be stampeded by the threat of “court will quash our report”. No, that will bog us down. Let us be stampeded by our conscience that we are doing the right job and doing it rightly.

In other words, even without anticipating that court might do something, we must convince ourselves that we are doing the right thing and the right way.

Madam Speaker, we have resolved the issue of invitation and fair hearing. Now, with the debate, we can move *-(Interjections)-* No, do not take me to that. We have convinced ourselves as to the propriety of the process, and where we are so far. Let us examine whether the payment was illegal or not before we conclude. I beg to move.

THE SPEAKER: Hon. Nathan was on the Floor.

MR NANDALA-MAFABI: Thank you, Madam Speaker. When you are a Board member, you are a policy maker. You make the law for that organisation. If the Board members made a policy to pay themselves, then it is an illegal policy. In addition, if you benefit from an Act, which you know is wrong, then you have committed a crime.

That said, Madam Speaker, the Board members knew that what they were doing was wrong and they have continued to do it - in fact, if you have been got with a stolen item, then you are a thief.

Madam Speaker, we should not shy away from anything. What we must interrogate is what was paid in the letter of appointment as emoluments? If they paid anything outside, did you question? If you never questioned, then you participated in the theft. That is point number one.

Two, I want to ask the chairperson of the committee not to lose his head because he has done a good report. However, what I want to put across is the issue of delegation. If I am a boss and I delegate, I remain accountable and held liable. If Byarugaba delegated Ssali, you cannot only mention Ssali and leave out Byarugaba. *(Interruption)*

MR MASABA: I am giving my senior colleague information. Byarugaba did not

delegate powers. He was out of office; his contract had not yet been renewed. Therefore, Geraldine Ssali was the Acting Managing Director during that time.

MR NANDALA-MAFABI: Thank you very much. If that is the case, then you have taken us to another point. Can we interrogate when the process began and ended? Otherwise, the one who started it may not be the one to conclude it. If you started it wrongly, even if the one who concluded it did it wrongly, the one who initiated it must be held liable.

Madam Speaker, I want to agree with your statement of saying that the one who paid be held liable. That is a true statement. In addition, the one who got it knowing it is wrong must also be held liable.

Article 164 of our Constitution clearly states that if you occasion a loss, when you are still in office or have left it, you will be personally liable. Therefore, I will not get intimidated by anybody saying that the court will quash the report. Madam Speaker, what we can do to avoid that is to say that all the Board members who benefited from this must be held liable.

THE SPEAKER: Thank you, Hon. Nathan. I am opening the debate. Hon. Betty Amongi said she is coming. Let us debate and her report is uploaded. We will not take a decision but let us debate and two minutes each.

5.23

MR JAMES BABA (NRM, Koboko County Koboko): Thank you, Madam Speaker for the opportunity. I have four areas to comment on. One is to commend the management and the NSSF Board for growing the Fund from Shs 1.7 to Shs 17.9 trillion. I think that is a commendable job we should recognise.

Two, I am not one of those who want to hang Minister Amongi. Although she tried her level best to access Shs 6 billion outside the requirements, she did not succeed (*Laughter*). Nowhere in the report is it mentioned that the gender minister got Shs 6 billion. However, I

want to commend her for whistleblowing. She said there was a problem in NSSF management though the select committee has vilified her for that position.

The third is mainly on the abuse of workers' savings. There is mention of Shs 1.8 billion for the Board members. There was a mention of use of the suspense account money – Shs 57 billion, there was a mention of payment of VAT of Shs 5.7 billion, which was not required to be paid, but that money was paid and nobody knows where it went.

There was mention of –

THE SPEAKER: Are you saying nobody knows where the Shs 1.8 went?

MR BABA: No, the Shs 5.7 billion VAT money. There was no requirement to pay that money but it was paid. So, who chewed that money? (*Laughter*)

THE SPEAKER: Thank you.

MR BABA: Lastly, on investments in West Nile Club, that money must be written off because it was a poor investment.

THE SPEAKER: Honourable members, it is not our role as Parliament, to recommend that we write off that amount of money. Let us not mislead the country, elder.

MR BABA: Onegi-Obel, the Board Chairperson, was prosecuted, imprisoned and finally cleared by the Anti-Corruption Court. Madam Speaker, a man cannot be tried twice for the same offence. I beg to submit. Thank you.

THE SPEAKER: Honourable members, keep calm. At the end of the day, we will know who is a mercenary and who is not. (*Laughter*)

5.26

MR MAURICE KIBALYA (NRM, Bugabula County South, Kamuli): Thank you, Madam Speaker -

THE SPEAKER: If there is attempted rape, you will be prosecuted.

MR KIBALYA: We are debating an issue that concerns this nation and this is people's money. As the senior elder has said, we cannot entertain someone who goes there and begins playing around with people's money.

In fact, my first prayer - and I wish someone could deliver this message to the President. There is no way a better investigation will go on when the minister concerned is still the minister overseeing the programme. Let the President do justice to this country and ask the minister to step aside as investigations continue.

In the same spirit, in some occasions, the police has arrested people because it suspected they would commit a crime in the next few minutes. There are people here who stole money. You cannot tell me that the former MD, Byarugaba, is still moving around and some of these people cannot in prison. This is criminal. There is glaring evidence that people stole money. Let other investigations go on, because there is a gentleman called Kazinda; he was imprisoned as investigations continued and as others were being prosecuted. Let some of these four first be arrested and we move on as we continue with investigations.

Lastly, Madam Speaker, our colleagues - some of these could be witnesses. They will help us in our investigation but let the key people who were responsible for stealing money, sharing money and 'eating' the money - let this Board be in prison.

5.28

MR BENARD SEKYANZI (NRM, Budyebo County, Nakasongola): Thank you, Madam Speaker. I thank you and my chairman of the Committee on Health, for letting me benchmark in Rwanda. Rwanda is developing at a very high speed because they have zero tolerance to corruption.

Madam Speaker, really -

THE SPEAKER: It is not your chairperson that allowed you to go and benchmark; it is the Parliament of Uganda. *(Laughter)*

MR SEKYANZI: Yes, Parliament of Uganda. Madam Speaker, indeed, what is disturbing here is that we tolerate corruption. However, our committee mentioned names of our colleagues here but I do not know why they did not invite them for inquiries at the committee level, yet they mentioned their names. We need to also dig into that. It is also a kind of corruption. Thank you. *(Laughter)*

THE SPEAKER: Honourable member, maybe just for your information, this is an extension; it is a committee of the whole House. This is an extension of the other committee. That committee that sat there is part of our committee. There is no corruption in our committee. If the committee is corrupt, then you are corrupt too. Never say that our committee is corrupt because they are not. They are doing work for and on behalf of this Parliament and on your own behalf.

5.30

DR EMELY KUGONZA (NRM, Buyanja East County, Kibaale): Thank you, Madam Speaker. I appreciate the committee for the great report but I want us to look at what happened in 2011 - the minute that has been referred to. That is where the big problem started, where they made the decision to remunerate the board and yet remuneration of the board is a preserve of the finance minister. I think anybody who was an NSSF Board member from 2011, and has been benefitting from this particular resolution must be held culpable.

The law is very clear on how the terms of the board are set. If you are given the responsibility that you set your own terms - which is against the law - then you are certainly responsible.

The other point I would like to make is in reference to corporate governance - the governance of the entire NSSF. In the law, you have the minister who appoints the board; again, the minister appoints the managing director. The right way should have been that

the minister appoints the board and the board puts in place the managing director and the managing director responds to the board. Then we will be able to solve many of these issues that keep arising in the authority. I beg to submit.

THE SPEAKER: Members, look at the amendment that Hon. Emely is bringing on board. Chairperson, I hope you have heard.

5.32

MR SOLOMON CHELANGAT (NRM, T'oo County, Bukwo): Thank you, Madam Speaker.

THE SPEAKER: Mention your name before you make your submission so that we have it on record. That this is the person who -

MR CHELANGAT: My name is Chelangat Alinga Solomon. I represent the people of T'oo County in Bukwo District. I join colleagues in congratulating the chairperson and his team for that brilliant report.

However, I have one item that I got some concern on. In the report, there was where one supervisor – the Head of Business - was supervising his close relatives in his office. That shows that there must be a lot of problems as far as recruitment of staff in the NSSF is concerned. I propose that we include an item where we have a human resource audit for the entire NSSF, such that we get to understand how the recruitment has been done henceforth. Thank you, Madam Speaker.

THE SPEAKER: There is an aspect of a forensic audit. It must be a forensic audit on the NSSF, and not particularly on the suspense account. It should be on the NSSF.

5.33

MR SANON BWIIRE (NRM, Bulamogi County, Kaliro): Thank you, Madam Speaker. I want to thank you -

THE SPEAKER: Who are you?

MR BWIIRE: You had mentioned earlier; my name is Bwiire Sanon Nadeeba, MP for Bulamogi, Kaliro. I thank Parliament for having the zeal to save and protect the savers' money. I commend the work of the committee because when you look at the time we gave them and the quality of the report; if we had given them more time, I do not think we would even need a forensic audit.

There is an issue that was passed by the 10th Parliament; and this Parliament passed this law - that this Fund should be supervised by the ministries of gender and finance. The committee has recommended that the responsibilities should almost go back to the Ministry of Finance. We have suffered -

THE SPEAKER: That is not the recommendation. What the committee is saying is that on the appointment of the MD, it should be done by the Minister of Finance and then the corporate governance on the issues of the board should be done by gender ministry; dual supervision.

MR BWIIRE: Yes, that should be upheld because what was in the circles was that the responsibility of this Fund should move away from the Ministry of Gender.

Lastly, when you look at -

THE SPEAKER: Actually, what you are talking about is the amendment that Hon. Emely was bringing on board.

MR BWIIRE: Problems have been at the NSSF for a very long time. When the committee came up to clarify to us about the issues of the board and the management, I think that is where the biggest problem is. That is the board and this other –(Member timed out.)

5.36

MR JACKSON ATIMA (NRM, Arua Central Division, Arua City): I start by thanking the committee for doing a commendable job. I have a few points to raise;

1. The board members' composition. I believe if we can have gender parity, with positions of vice-chairperson being provided for, this will avoid some of the challenges where when the chairperson is not available, somebody jumps in to act.
2. This board should reflect a national outlook with the 12 members covering the four major regions in this country; western, central, eastern and northern Uganda should be represented among the 12 members of the board.
3. Lastly, Parliament should directly approve the NSSF budget. Shs 18 trillion being managed by one minister, I think, is a disservice to this country. Thank you, Madam Speaker.

THE SPEAKER: Thank you, the issue of national character must come in.

5.38

MR XAVIER KYOOMA (NRM, Ibanda County North, Ibanda): Thank you, Madam Speaker. I would like to thank the committee for the work well done.

When you look at the terms of reference you gave to the committee, the terms of examining the corporate governance of the Fund was very paramount. All these issues being identified in the report are because the operations of the Fund are devoid of the corporate governance principles.

Just imagine where a minister approved the rest of the issues in the budget and pended the investment decisions in the budget by imposing conditions, yet it was the responsibility of the minister.

I think even the dual supervision has a problem in itself. Look at an issue where Shs 11 billion was lent to Uganda Clays as an unsecured loan. It increased up to Shs 24 billion. They have recovered Shs 221 million only. Virtually, they have recovered nothing. If the Fund was observing corporate governance principles, all these would not have been done.

So, I thank you very much. However, it is my prayer that out of this report, we address the governance issues at the Fund. It is also my prayer that the recommendations of this report are implemented by those who are responsible. I thank you.

THE SPEAKER: Thank you, Hon. Isaac?

5.40

MR ISAAC ETUKA (NRM, Upper Madi County, Madi-Okollo): Thank you, Madam Speaker, for this opportunity. When we look at the issue of NSSF – the savers' money – it is a very big challenge. The poor Ugandans have lost billions of shillings, which, in fact, must be refunded at all costs.

The issue of the suspense account was prominent in this report. I wonder how the NSSF, with all the machinery staff in place, would say that there are people who cannot be traced, yet they have been receiving this money.

These are people who come from various organisations. If you have someone and you think they are not there, you can follow this person through the organisation where this person has been working.

I think there is a deliberate move at the NSSF to see that some people are just eliminated and this money is shared among the people in these offices. I pray that all those whose funds have been on the suspense account be followed up so that they get the money. I thank you.

THE SPEAKER: Thank you so much. What is on the suspense account is the unclaimed funds that we may need to open the veil on, to know who these people were who did not claim their funds, yet they were beneficiaries.

5.42

MR GEOFFREY FETA (NRM, Ayivu Division East, Arua City): Thank you, Madam Speaker. I have two issues. One, the mismanagement of the savers' fund is a replica of what is happening in this country – in many ministries, departments and agencies. Unfortunately, we

come here and talk about it, but we do not have the opportunity to implement many of these recommendations.

We had an opportunity to go to Lusaka, with the chairperson of the public accounts committee. It was funded by Parliament. In the House, they give 60 days for the Executive to implement the recommendations made by the House.

Considering the funds that have been squandered and the state of the savers - They are struggling to access Shs 10 million, Shs 30 million, Shs 40 million, yet people are sharing Shs 250 million at ease – and this House must sit here and accept that it is okay when they decided to pay themselves and we should accept that we should not give them a period of natural justice so that at the end of the process, it can be quashed and then we waste our time!

Two, the chairperson was telling us here and recommending that the investment of Shs 2.3 billion, which was made in 2003, should be written off. We have heard his reports -

THE SPEAKER: That is not what the chairperson said. That was Hon. Baba. Do not put words in the chairperson's report. Withdraw that statement.

MR FETA: If it is not true, I withdraw. However, I want to say this -

THE SPEAKER: Do not say, "If it is not true". It is not true.

MR FETA: Madam Speaker, I do withdraw – *(Interjection)*- Can I allow information?

THE SPEAKER: No, you are not the Speaker.

5.45

MR JOHN MAGOLO (NRM, Bungokho County North, Mbale): Thank you, very much. I commend, highly, the committee and the chairperson for the report and all its details. I pray that at the end of the day, if there is a hiccup or two, they can still be removed and the report remains intact.

Whereas there is a commendable job that the NSSF did to raise the savers' money by 18.3 per cent in the last five years, it could have been greater if due diligence was done.

However, it was not done because of the investments they attempted to do – as have been revealed in the report, for example, giving Uganda Clays Limited an unsecured loan, which has accumulated to a loss of Shs 24.8 billion. Out there, in the trading world, Uganda Clays Limited boasts of how they are doing well and are the best local construction company. So, it defeats our understanding when we see this.

The issue of investing in real estate was seemingly a good business plan on paper, but we see that they put up 300 houses and no one is occupying them, and that does not bring out good business sense. Yet, when we talk about the NSSF, we should see good and seasoned businessmen. In fact, when they start to speak, we should see them speak business. Now, where are we heading as a country?

In final analysis, I concur with every detail of what the committee recommended. If there are any shortcomings, they should be dealt with. Otherwise, the report speaks to the aspirations of every Ugandan who wants to see good progress. Thank you very much, Madam Speaker.

5.48

MR JAMES MAMAWI (NRM, Adjumani East County, Adjumani): Thank you, Speaker. I would like to thank the committee chairperson and members for the report.

We have given everybody chance to give their versions but on behalf of my people and my own behalf - I happen to be one of the savers with the NSSF. Looking at what is happening, sometimes I ask myself: do we really have the money, much as the paperwork is saying the NSSF has grown from this to this? Do we actually have this money? This is the question we need to ask ourselves. Otherwise, I am a bit worried of the trend the money is taking.

Hon. Matia Kasaija has made a defence here because he is one of the accused persons. He was ably represented by our sister, Hon. Anite. He also agreed with the report of the committee on what the NSSF is doing.

Madam Speaker, the Minister of Finance, Planning and Economic Development supervises the NSSF. Are they aware of what is taking place at the NSSF? If they are, why haven't they taken a decision on this matter?

Madam Speaker, members were paid unlawfully. Otherwise, the law has the details of the people to be paid but these people went ahead to pay other members a certain percentage. The Board and the technical people did not look into this matter until it was discovered by the committee. This means there is an issue between the Board and the technical officers.

I have also been asking – if there is a need for recovery - the Board and the technical team made mistakes, so, who is going to recover this? The committee report says that let this person step aside, let the minister step aside. I would like to know: are we going to have someone in the NSSF office take charge of the office? Otherwise, we see that everyone has issues. Thank you.

THE SPEAKER: The office is not only managed by one person; it is a very big institution. Never get worried that the institution would be left alone. Hon. Judith?

5.51

MS JUDITH ACHAN (NRM, Woman Representative, Nwoya): Thank you, Madam Speaker. In the report, I quoted one part which says, "The managing director at the time was under due pressure to approve the budget". I do not want-

THE SPEAKER: It is not the managing director who approved the money.

MS ACHAN: The minister was putting him under pressure to approve. I do not want the

House to allege that someone was put under pressure without any evidence. Madam Speaker, the committee did not lay any evidence before the House to scrutinise. If there were unlawful payments to the Board members, that is negligence of duty of the responsible officer at that particular time.

I beg to submit that we stand liable for any misconduct and negligence of duty of our offices. I beg to submit.

THE SPEAKER: For your information, there was a letter in regard to the Shs 6 billion we are talking about. The letter was written to the managing director and authored by the line minister. So, we are not making any mistakes per se. We are acting within the law with evidence we have on paper. Hon. Okin?

5.52

MR OKIN P.P OJARA (FDC, Chua West County, Kitgum): Thank you, Madam Speaker. I want to talk about the external interference in the NSSF governance system.

In the report, there was a big mention of names, for example, the Coordinator Operation Wealth Creation, Gen. Salim Saleh. It was just an injection in the report. I do not know why the committee did not find-

THE SPEAKER: Did you hear it in the report?

MR OKIN: Yes, Madam Speaker. I have it here. I can quote -

THE SPEAKER: Which page?

MR OKIN: It is in the executive summary - Let me just be honest.

THE SPEAKER: The executive summary is derived from the main report.

MR OKIN: In the executive summary, they made mention that a petition - Let me quote it. It says, "A petition was given to the Operation Wealth Creation Coordinator..." His name was mentioned. I want to find out from -

THE SPEAKER: The chairperson is here. Is that correct?

MR MWINE MPAKA: Madam Speaker, there is no mention of the name “Gen. Salim Saleh” in the report. In the *Whatsapp* chats, there is only the initial “Gen”.

THE SPEAKER: “Gen” is not Salim Saleh.

MR OKIN: Madam Speaker, I have the report here. At least the Coordinator Operation Wealth Creation’s position was mentioned in the report.

THE SPEAKER: No; it is not correct. Do not mislead the House. That is not correct. Make submission on something else, not what you are thinking about.

MR OKIN: However, Madam Speaker, petitions were given. The report quoted petitions being given to the Prime Minister. Isn’t that correct?

THE SPEAKER: Whom are you asking?

MR OKIN: ...to the Prime Minister and the President. Unfortunately,

THE SPEAKER: Be a gentleman.

MR OKIN: Okay.

THE SPEAKER: Whom were you asking whether “it is correct or wrong”?

MR OKIN: I was trying to refer to - the chairperson was responding when I was debating.

THE SPEAKER: When you are in this House, address the Chair and the Chair is the Speaker.

MR OKIN: Through you, Madam Speaker, the President’s name was mentioned that a petition was given to him. The Prime Minister’s name was mentioned that a petition was given to her. However, we have not heard the chairperson of the committee mention that these people were interviewed and whether their views were highlighted in the report.

THE SPEAKER: There is a point of order from the minister.

MR OKIN: Lastly – [*Ms Anyakun rose*] - sit down. What is wrong with you? (*Laughter*)

MS ANYAKUN: Thank you, Madam Speaker. As members of this House, we have been patiently scrutinising the last submission by the chairperson and today’s summary on this report.

Madam Speaker, if a Member has not been following the report on the Floor, and then he or she comes and jumbles things to try and confuse the entire Parliament; is he in order to bring in the name of a General in this kind of conversation?

THE SPEAKER: I do not even know the General you are talking about and of course, he is not in order. You are dragging in the President, the Prime Minister. PPP?

MR OJARA OKIN: Can I conclude, Madam Speaker?

THE SPEAKER: There is only one PPP.

5.57

MS SANTA OKOT (PPP, Aruu North County, Pader): Exactly. You can now sit down and listen - (*Laughter*) - Thank you, Madam Speaker –

THE SPEAKER: The president of PPP -

MS OKOT: A president and everything – (*Laughter*)– I rise to thank the committee for the report that they have brought to the House. Also, I want this Parliament to take note that this is not the first time that the NSSF has been found in this kind of saga of removing or stealing savers’ money. It happened at the time when Hon. Zoe Bakoko Bakoru was minister. The same thing happened between the NSSF Board and the minister, Hon. Zoe Bakoko Bakoru. We can confirm that indeed, Hon. Zoe Bakoko Bakoru could have had a hand in the NSSF funds because she left the country.

Madam Speaker, it is high time we stood our ground to find a way of appointing the members of the NSSF Board. Otherwise this problem is going to continue until the people we represent complain against us.

The second issue I want to bring out is that we must have a very strong policy. Why is it that these issues are not happening in other boards and commissions of other ministries? This money does not belong to anybody else but the savers. The savers outside there are really suffering.

If, today, I hear about some money, which is put aside on a separate account, saying that it could be for some people who have disappeared or those who have already died; the NSSF Board should find out the people whose money is being kept on a suspense account.

Last year, I had a gentleman whose son passed on. I came with his card to the NSSF, but I failed to get an explanation from there. They wanted the man to come. He came and then they said - because the mother of the children was not there but the children were with the son of the one who died. They said they wanted the woman to come for the money.

I told NSSF, "This man has come here twice. Take the percentage of the lady away because she is in South Sudan but the man has children. Give the percentage of the children to the man."

The NSSF could not handle that until the man went back and has given up. I am sure the money, which is on the suspense account, is the money of our people who have given up because they have walked many times to access the money and they cannot.

Therefore, in that file of the "missing people", I am sure their next of kin are named and you know their villages. They must trace these people and pay back their money. Thank you.

6.01

MR EMMANUEL ONGIERTHO (FDC, Jonam County, Pakwach): Thank you, Madam Speaker, for giving me this opportunity.

I will start by thanking the committee for the report and job well done. We have problems with the NSSF because it seems they have endless money.

They have money that is not defined in terms of how much they have. You may be mentioning this but the money is too much for some of these people to handle. I now see why people do not want to leave offices there even when their term expires. They know what they are getting from there.

They know for sure that the money that gets lost is so little that it is like a drop in the ocean. They believe that probably somebody would not get them *-(Interjection)-* Yes, this time we may have got them in the areas where the terms of reference were defined but I know for sure that money has been lost even in areas that may not have been covered by the terms of reference. That is why I agree to the recommendation about a forensic audit that may probably help discover other things.

Madam Speaker, to me, this money should be reduced. How? I want to accept the recommendations they have given but also add that the age for accessing this money should be reduced so that it is not too much money for people to swim in. I beg to submit. Thank you. *(Laughter)*

6.03

MR MAPENDUZI OJARA (Independent, Bardege-Layibi Division, Gulu Division): Thank you, Madam Speaker. I join my colleagues in thanking the chairperson of the committee for doing a wonderful job. Hon. Mpaka, I am proud of you; you have done a good job.

I think this is a litmus test to this House, especially when some of our colleagues are mentioned in the report to have irregularly received money. There are those who think that those Members should have been invited before the committee. However, I have a contrary view: I do not think the committee needed to invite them because they did not decide on giving money to themselves. However, the

finding is that they actually irregularly received money. There was a group that decided to give money and that decision was not right.

Therefore, it is right for the committee to recommend that those who received the money that they should not have received should pay it back. Yes, we are talking about people who took the decision; they should be held liable but there are those we know who got the money that they should not have got.

I can see there is a Member - Hon. Werikhe - who received Shs 37,014,341; he should pay that money back. There is another one, Hon. Kunihira - Shs 12,430,000; pay that money back.

Madam Speaker, why I call this a litmus test is that the people out there, the citizens who are following us, know that we are likely to be timid because - *(Member timed out.)*

Madam Speaker, just to conclude: If we want to show Ugandans that we care about the savers, it has to start with us. Honourable members, if the problem is that the seven days within which you have to pay the money is too short, then you have to negotiate for a longer repayment schedule - *(Laughter)* - that is it. Otherwise, this money has to be paid back. The committee should be appreciated for what they have done. Thank you.

6.05

MR GABRIEL OKUMU (NRM, Okoro County, Zombo): Thank you, Madam Speaker. You mentioned my name. I would like to thank the chairperson of the select committee for the report and I would like to assure you that Parliament is behind you.

I would also like to thank the Speaker. Fighting corruption is not a simple matter. I know very many people would be looking for your shadows instead. About the recommendation, I would like to recommend that Parliament adopts all the recommendations and the office responsible for their implementation should move on to implement them.

Secondly, the NSSF, in some cases, pays very low interest rates to the savers. I would like to request Parliament and other authorities to pick interest in the annual interest rates paid to the savers. That is why money over-accumulates and yet the savers get very little money.

That is what I would like to submit on this. We are fully behind you and would like Parliament to implement the report on the dot. Thank you.

6.07

MR STEPHEN SERUBULA (NUP, Lugazi Municipality, Buikwe): Thank you, Madam Speaker. I am among the victims of the robbed savings - as a teacher. I have been in a school that failed to remit money to the NSSF. The NSSF penalised it with Shs 100 million and it almost collapsed.

We know very well that very many scandals have taken place in this country. We know very well that there is corruption. We also know that people have stolen Government money. However, this is our hard-earned savings. The people in the villages, who are saving with the NSSF, are not at all involved when the NSSF is making decisions. When appointing Board members, those people are not involved at all. However, at the end of the day, they are affected.

I know people in the villages who have lost their property because of bank loans. For instance, someone who has Shs 20 million with the NSSF and is in need of a loan of Shs 10 million or Shs 3 million, mortgages his house to a bank and fails to pay back. Why don't we use the NSSF savings as a mortgage? For example, if someone has Shs 30 million and wants Shs 10 million, he can use the NSSF savings and get the loan. However, people are losing property in the villages, yet people are here enjoying our hard-earned savings.

Madam Speaker, we have kept quiet on very many scandals, but on this one, we are not going to keep quiet. We need our savings back. Whoever took our money, we need it back and in - *(Member timed out.)*

THE SPEAKER: Members, if you have spoken, you are not going to talk again. There are Members who have not yet spoken. For example, my *Hajat – Hajat*, do not even stand. Even Hon. Hassan should not stand. I want only those who have not yet spoken.

6.09

MR CHARLES MATOVU (NUP, Busiro County South, Wakiso): Thank you, Madam Speaker. I would like to thank the chairperson for the report and for punching holes in the Fund.

I want to address myself to the fact that when we were young, we used to keep sugar in tins. Once you did not cover the tins, you would find all sorts of insects in that tin. What happens is that the Fund has attracted many people.

I would like to put you on notice, Madam Speaker, for a motion for an amendment to have the fund under the Ministry of Finance, Planning and Economic Development – directly guided through the Consolidated Fund – so as to restrict people from accessing that money whenever they want. This has caused many people to steal the money – *(Interjection)* – yes, it is a suggestion that I am proposing to the Speaker and the House.

Of course, the minister is in charge of the investment for the Fund. As guided, still, we can direct the money to the Consolidated Fund. Another suggestion –

THE SPEAKER: The Fund has its own account. It is a Fund on its own.

MR MATOVU: Madam Speaker – *(Interjections)* – that is not Government money –

THE SPEAKER: By the way, it is not Government money. It is people's money.

MR MATOVU: But we have to fend off the – Madam Speaker, the last one is that the Fund directs the minister to lay before Parliament the benefits of the savers. Now, to uplift the spirit of

the savers, the minister will be accommodated to Parliament to bring the benefits so as to raise –

THE SPEAKER: Let us, first, look at the safety of the Fund before you go into the benefits. Who was saying it – first, we need to know whether the Shs 17 trillion is actually there. That is what we need to find out first. You may be talking about book figures.

6.12

MR MARTIN MUZAALÉ (NRM, Buzaaya County, Kamuli): Thank you, Madam Speaker. I begin by appreciating the report. My first concern is that these are issues that have been captured right from 2010.

My concern would be on the audit reports: right from 2010 to date, what have they been capturing? If we look at those audited reports, do we have these issues captured? If not, we need to look at the quality of the reports that come to this House.

Secondly, in the report, they did not capture the issue of the investment department very well. The idea –

THE SPEAKER: Was it part of the terms of reference?

MR MUZAALÉ: Madam Speaker, the report talks about the issue of one house costing Shs 3 billion –

THE SPEAKER: In the recommendation, the committee said that a forensic audit must be instituted on the investments that the Fund has made. This means they could not go further. That is why they are asking for a forensic audit on that investment.

MR MUZAALÉ: Okay. Madam Speaker, I appreciate that, but I want to – we are talking about the workers' funds. If we are making an investment plan, we should be very considerate in terms of affordability. Can a worker afford a house of Shs 3 billion? It is very expensive for an ordinary worker.

Lastly, Madam Speaker, is the issue of corporate governance. The minister requested for Shs 6 billion and, if the window had been very clear, this money would have been eaten. That alone is enough to explain that the minister is not clean. We should begin to hold these people accountable.

On issues of corruption, we should speak loud enough. All this mess that we are talking about is being supervised by the minister. If things have not been going on well, the minister must be held accountable.

One of my colleagues raised a point here that the President should help us. No! We have the power. Let us do it the way we did it with Hon. Namuganza. I thank you. *(Laughter)*

6.15

MR JOHN TEIRA (NRM, Bugabula County North, Kamuli): Thank you, Madam Speaker. Honourable colleagues, take your seats. I have the Floor. *(Laughter)*

Madam Speaker, for once, we are reawakened - thanks to Hon. Mwine Mpaka - on the issues pertaining to the common people who hustle every day to save their money. This is a governance issue at NSSF and a lot of issues have been highlighted by my honourable colleagues.

I will make reference to the issue of human resource. The report highlighted a gentleman supervising relatives, but I am convinced, beyond doubt, that this person does not singularly recruit these people and post them to the department he supervises. This is just an eye opener. The entire NSSF management is lacking both in content and character. We must wake up to this and demand for clarity in terms of a forensic audit.

We should not be duped into acting because there has been reference to one or two individuals; it is a general problem. Therefore, saying that you are doing away with this one and the other without digging into the details for whatever reasons – It could have been only one

person whose information was availed to the committee but there are hundreds more there, who are supervising their children, wives and everything. Let us have this clearly brought out by a forensic audit in human resource.

Secondly, justice must not only be done – *(Member timed out.)*

Madam Speaker, thank you for permitting me more minutes. We are talking about a report where there are concerns of “not being heard and being heard”. In Hon. Agnes’s submission, she raised a very pertinent issue. She read an appointment letter where they said that NSSF remittances were due to eligibility. We have not delved deep into whether she was eligible or not, or whether those who benefited from the 10 per cent were eligible or not, yet, we are here wasting time saying “he is right, he is wrong -

THE SPEAKER: Hon. Teira -

MR TEIRA: I withdraw my statement, Madam Speaker.

THE SPEAKER: Who is wasting time?

MR TEIRA: Madam Speaker, I have withdrawn the statement.

6.18

MS HELEN NAKIMULI (NUP, Woman Representative, Kalangala): Thank you, Madam Speaker. I also want to thank the committee for a job well done.

The NSSF does not have a specific policy on investment, especially land purchase. This is why they buy land anyhow. Someone talked about our people, especially those in the villages not being able to buy and afford the houses that are constructed.

Therefore, if there is an investment policy, that should be followed by the NSSF so that things are handled well. Otherwise, a lot of money is wasted and stolen by these gentleman and ladies due to lack of policies. Thank you.

THE SPEAKER: Regarding the policy we are talking about, section 13 says that the monies for such investments shall be determined by the minister. Therefore, it is still the same minister to determine the kind of investment we are talking about.

6.20

MR CHRISTOPHER KOMAKECH (Independent, Aruu County, Pader): Madam Speaker, it is in moments like this that people out of Parliament get to appreciate what the 11th Parliament does. It is in such moments that we reaffirm that the 11th Parliament is the people's Parliament. Once again, I thank you, Madam Speaker. I also thank the committee for a good job done.

It is very painful that a gate man, a cleaner, gets to save his or her money with the NSSF but the custodian of his or her money squanders it. So, where is the patriotism in such individuals?

In 2009, the President disbanded the entire NSSF Board including the finance minister. Uganda should not tolerate anyone trying to embezzle or corrupt or steal a lowly man's money and the 11th Parliament should not be part of this.

My question is: where is the Inspector General of Government (IGG) in all this? This came out as a failed deal between the minister and the Board members. The minister wanted Shs 6 billion and it was not given to her, then when the Board members came out, she said, "We rather all lose and go with nothing".

When you go to the *mabaati* issue, it is still the same thing. When you go to the goat issue, it is the same thing. Where is the IGG? Why should the IGG always wait for someone to have a failed deal and then come and fight corruption? Parliament has taken over the fight of corruption; so, the IGG should come in.

As I speak, there is a case with the IGG where the NSSF Board Chairperson is alleged to have squandered money. He started purchasing buses – he squandered a lot of money and the case is ongoing -

THE SPEAKER: Which buses?

MR KOMAKECH: *(Text expunged.)*

THE SPEAKER: We are not sure about that. Let us just treat it as hearsay.

6.21

MS JULIET NAKABUYE (NUP, Woman Representative, Masaka City): Thank you, Madam Speaker, for the opportunity – *(Interruption)*

MR LUBEGA-SSEGGONA: Madam Speaker, you have guided on a matter that may have an effect on what we are discussing. I seek your procedural guidance whether the matter you have said is "hearsay" should not be expunged before we proceed.

THE SPEAKER: It should be expunged since he was speaking out of the blue. It is not part of what is in the report. Was that part of the findings? Expunge it, apologise and do not smuggle issues into the House.

MR KOMAKECH: Madam Speaker, I apologise and withdraw but it is in the public domain.

THE SPEAKER: Let it be there. *(Laughter)*

MS NAKABUYE: Thank you, Madam Speaker, for the opportunity. Allow me to add my voice to my colleagues' to appreciate the committee for the report.

The NSSF money does not belong to the Board members, neither does it belong to the management; it belongs to the workers. We all know the difficult conditions Ugandans work in. The only advantage these people who misappropriate funds have is that Ugandans are too forgetful. The scandals in NSSF have taken a long period.

In 1998, you may recall that Abel Katembwe was sacked. Then just after four years, it was Dr Yoram Barongo and Mr Leonard Mpuuma in 2005. In 2011, it was David Chandi Jamwa. Today, it is the same story.

Madam Speaker, it is becoming a culture. This business of setting friendly recommendations to people who misuse people's funds is going to become a problem in Uganda. It is, therefore, time to tighten the ways to save people's money. Therefore, I propose that everybody who is involved in this scandal should be accountable. Thank you.

6.25

MR BASHIR KAZIBWE (NUP, Kawempe Division South, Kampala): Thank you, Madam Speaker. I am raising the voice of the poor and the voiceless Ugandans working as *jua kali*, a police officer, a teacher or someone working in one of the remotest areas of the country.

The Ugandans we are talking about are watching and following the debate tonight. They have very high hopes that at least, the 11th Parliament is going to shine light on the dark greys that have not been shown light.

I want to highlight a number of cases that have happened before where Ugandans have been watching and following. Madam Speaker, we hope and pray that this time around, it is going to be different.

Corruption scandals have been hitting hard the nation's core but nothing much has been happening. In 2000, a police payment to the tune of over Shs 1 billion was not accounted for. Shs 20 billion went down the drain in 2006, via the Apparels Tri-Star clothing deal that turned sour. We have a number of cases that have not been attended to. In 2007, we had the heritage oil capital gains and Shs 780 billion was lost in that scandal. In 2012, Shs 37.9 billion was lost. As I come closer -

THE SPEAKER: It was lost in what?

MR KAZIBWE: In 2012, it was lost in compensation to Dura cement Limited - Shs 37.9 billion. I am talking about the scandals that we have had.

THE SPEAKER: How is it related to the NSSF?

MR KAZIBWE: We are talking about corruption, Madam Speaker.

THE SPEAKER: Let us limit our debate to the NSSF, first. Do not divert our debate.

MR KAZIBWE: Yes. In 2009, Shs 2.7 billion was lost in NSSF.

THE SPEAKER: So, how is it related to this one?

MR KAZIBWE: We have to push further, as people are watching us; they have high hopes that today, the thieves that have taken this money are not going to sleep in peace in their beds. I implore each and every one of us here, to have these resolutions passed to see to it that the line minister and the MD are brought to book, so that they cough out the monies that they have swindled. I beg to move.

6.28

DR ABED BWANIKA (NUP, Kimaanya-Kabonera Division, Masaka City): Thank you, Madam Speaker. I will start with the areas where I have reservations. It is a very good report. There are only two areas and then I will go to the other.

Recommendation No.12; it was solicited resignation. I pray that we amend that recommendation that as long as there is excess money that was paid, that is what they should be refunding. These two board members were asked to resign; they must be compensated. However, if there were excesses that were paid beyond what is required, then that is what they should refund.

Secondly -

THE SPEAKER: Make a clear clarification on that.

DR BWANIKA: I am talking about recommendation No.12.

THE SPEAKER: What does the recommendation say?

DR BWANIKA: It is talking about the two board members that were asked to resign so that women come in - which is solicited - because they asked them. When you solicit a resignation, it is very different from when I freely resign.

THE SPEAKER: Do you have evidence to the solicitation?

DR BWANIKA: Yes, it is mentioned in the report. I am proposing that we amend that recommendation to say that they should only pay back money which is in excess. The excess is easy to determine on what you accrue as long as you are a board member.

THE SPEAKER: Does the Act provide for resignation of a board member?

DR BWANIKA: I am coming from a background that this resignation was solicited for to comply with the new law. That is where I am making my proposal.

Secondly, the issue of the chief -

THE SPEAKER: Was it in compliance with a new law or it is a constitutional matter? We are entitled to a third of membership.

DR BWANIKA: Yes, Madam Speaker, whether it is a constitutional matter or a new law, as long as it was solicited. That is where the rationale is. As long as you solicit, you compensate. *(Member rose)*

THE SPEAKER: You will speak, do not worry.

DR BWANIKA: When you look -

THE SPEAKER: Why are you making a rebuttal on him?

DR BWANIKA: When you look at this report, it is evidence of corruption and theft - it is evident that the savers' money is in the danger. When I read the report, my mind went to the United States of America; when they arrest people in a home, - which they call "house arrest" - they apply gadgets called the ankle

bracelets or monitors - Editor, so that they can control your movement.

I want to propose that Government procures ankle bracelets and we apply them on all the members, so that they will never be near NSSF property. They are very dangerous to the workers' money. And I so move.

THE SPEAKER: Thank you. I can see the DP Chairman.

6.32

MR FRANCIS KATABAAZI (NUP, Kalungu East County, Kalungu): Thank you, Madam Speaker. I would also like to thank the chairman for the wonderful report. A friend of mine recently told me that if you want to have peace of mind, do not get to know what is happening in Government institutions because you might become dizzy. This is evident from the report we have just -

THE SPEAKER: So, are you dizzy now?

MR KATABAAZI: I am becoming a bit okay.

THE SPEAKER: So, you may not be in a sober mind to debate?

MR KATABAAZI: No, I am okay. *(Laughter)* One time, when we were bringing in this issue of mid-term access to savings, the former NSSF MD, Mr Byarugaba, made a statement, which I think all of us should really think about. He said, "We were caught pants down." When they catch you pants down, that means you were doing something wrong. *(Laughter)* That is the reason we had to change when we sent that to the President.

He said, "Adjust," because at first it was those who could access; you could have saved for 10 years and you are 45 years and above. So that meant that somebody who started working early - *(Member timed out.)*

6.34

MS CHRISTINE KAYA (NUP, Woman Representative, Kiboga): Thank you, Madam Speaker. From the observations of the report, it is evident that we need to come

out with a recommendation of having a five-year investigation that every Parliament must constitute an ad hoc committee because the last ad hoc report was in 2015 and I can see with this one, the challenges started in 2020. It is okay for us to recommend that every five years, Parliament constitutes an ad hoc committee to investigate the NSSF.

THE SPEAKER: Hon. Christine, we have committees where the NSSF reports to that do oversight for NSSF. We have COSASE - that is a standing committee for NSSF. And then we have - is it legal? We have a committee on gender. We have very able committees. You do not have to constitute an ad hoc committee.

MS KAAAYA: Thank you, Madam Speaker. My last contribution is on the need to establish targets. When we see that in 2010, the NSSF was at Shs 1.7 trillion and later, it was Shs 17.2 trillion and we clap over that. We need to first ask ourselves: what was the annual target? What was the annual milestone? We may be praising poor performance.

I also see this in the price setting. I have also heard it in the allowances, which are not set anywhere. It is the same with the prices of the property. We need to have milestones and targets that guide our decisions. Otherwise, this business of saying that since the Tanzanian trip takes Shs 70 Million, the Kenyan one should now take Shs 40 million must stop.

Madam Speaker, I also request that the two ministers remain within. This is because I see that this other part of the beneficiaries is not coming out clearly. We need to emphasise this part of the beneficiaries and the savers.

Actually, after this debate, the media is waiting for us. Even our voters are asking us: is our money safe? I can see we are still juggling the answers. So, we request the committee -

THE SPEAKER: Hon. Christine, we are not juggling the answers. We know the position. We have got the report and the NSSF has a work plan and targets in place. We are talking about the return on investment. How much has

it built over a period of time? Anyway, this can only be understood by people who know figures. *(Laughter)*

6.38

MS BETTY NALUYIMA (NUP, Woman Representative, Wakiso): Thank you, Madam Speaker. Some time back, we took a lot of time to consider the amendment over the supervisory role. My proposal is that if a certain minister has made an error, we should not change the law. Let us stand by what we did here and let the law remain.

Secondly, having read the report – as per the system that was expected to be in place, on pages 135 and 136 – I also propose that a forensic audit looks into the system.

We are tired of our people continuously coming, while the NSSF is not doing due diligence. Let that system be in position to have information on every one listed as the next of kin so that by the time one passes on, other people are in place. The mobile app should be in position to capture every detail of what is expected. I submit.

THE SPEAKER: Was there a suggestion on amendment of the law or was it an operation? It is on operation.

MS NALUYIMA: Thank you, Madam Speaker.

THE SPEAKER: That tells you that I am more attentive.

6.39

MR ATKINS KATUSABE (FDC, Bukonzo County West, Kasese): I would like to thank you, Madam Speaker, for your distinguished leadership and putting our country first. I believe, without any fear of contradiction, that we could be having the best Speaker in the history of this country – but that is not the point. *(Laughter)*

Mr Chairperson, I would like to thank you for the good job. Please, do not lose heart; we have your back.

Madam Speaker, for evil to thrive, you need one ingredient: good people to do nothing. I am happy with the 11th Parliament because we are doing what we are supposed to do. No amount of blackmail or intimidation will get us off our backs.

I do not want to repeat what has been said here – in the interest of time. I propose that those that have been mentioned – clearly, in the line of corruption and leading to loss of hard-earned savers' money – should deposit their passports. *(Laughter)*

We should have all of their passports assembled and kept. My fear is that this report mentioned the former minister, Hon. Bakoko, who is not in the country. She took off. Who knows? Maybe somebody is in the queue and wants to take off. *(Laughter)*

So, Madam Speaker, I am asking that in the recommendations, we should have these individuals' passports deposited. Thank you.

6.42

MR JONATHAN ODUR (UPC, Erute County South, Lira): Thank you, Madam Speaker. When the National Social Security Fund was established in 1985, the UPC Government, then, stated that the Fund should be to the benefit of the savers. However, what we see today is that the Fund is benefiting the board members, ministers and the people around them.

That was not the spirit in which, in 1985, the UPC proposed this law. So, I would like to say, on the record, that if there is a minister, who is abusing his or her powers, the UPC disassociates itself from that. *(Laughter)* As a party, we are very clean.

Madam Speaker, I would like to support all the 27 recommendations, with very minor amendments to certain areas that I am going to speak about.

The first point is that there are cases of insider dealings that have been discovered and reported by the committee. Insider dealing is a

very serious matter in corporate governance. It cannot be left to go unchallenged – *(Ms Cecilia Ogwal rose)–*

THE SPEAKER: Miss Uganda, can you keep quiet. *(Laughter)*

MR ODUR: It cannot be left that members of the board can sit and decide to award themselves contracts and opportunities to offer services and it goes unchallenged. I support that the board members be dealt with seriously.

Secondly, when you talk about recoveries, this money of the savers - I am one of the savers – attracts interest. If somebody utilised our money when they were never supposed to receive that money, it is only fair that they refund it, with interest. That interest affects the final decision on the interest that the Minister of Finance, Planning and Economic Development usually declares to us.

So, I would like to make an amendment that the refunds that are stated here must be with interest and the interest can be established by the standard set by the central bank.

Thirdly, Madam Speaker, the Ministry of Finance, Planning and Economic Development, while it seeks to take control of the investment decisions, should also help us. There are very many bad investment decisions that took place under the watch of the finance ministry.

Whether you talk about the variations in the Pension Towers project or the amount of money involved in the Lubowa Estate, they were bad investment decisions. So, the Ministry of Finance, Planning and Economic Development should not just come and say: “We want to be in charge of this.” What is it that they are doing to enable members get money? That is why I support that the declaration of interest - this past year, they did it at 9.5 per cent. As a saver, I was hurt because I felt that the money we invested could have attracted more.

If they invested responsibly, NSSF would be declaring interest above 15 per cent. Therefore, the forensic audit that has been recommended must be able to deal with that.

Under the corporate social responsibility, as Parliament, we want to speak with very clean hands, and Madam Speaker, I beg that you support this. The money meant for corporate social responsibility was utilised to sponsor some Members of Parliament in this House to Malaysia. The chairperson of the committee - Madam Speaker, you spoke strongly about committees soliciting money from outside -

THE SPEAKER: Which Members?

MR ODUR: Members of the finance committee. When they were processing the Bill, they used the money from corporate social responsibility to go abroad.

THE SPEAKER: Didn't we pay, as Parliament?

MR ODUR: Parliament did not?

THE SPEAKER: I am asking: didn't we pay, as Parliament?

MR ODUR: If Parliament paid, then it was a double payment.

THE SPEAKER: Clerk, can you find out who sponsored the Members that went abroad on that mission??

MR ODUR: This is the reason I wanted to fault the chairperson. Mr Chairperson, when doing an investigation, you must be very fair and lenient-

THE SPEAKER: Conflict of interest.

MR ODUR: Not the chairperson.

THE SPEAKER: It is not the Chairperson of the select committee; it is the chairperson of the finance committee.

MR ODUR: Yes. Members went to Malaysia -

THE SPEAKER: Can I have that information?

MR ODUR: I am on record and the money was solicited; so, we want that money refunded.

THE SPEAKER: Can I have that information? Honourable members, I am going to get that information and report on Thursday on the action taken.

Honourable members, we took a decision not to get money from the MDAs to facilitate a benchmark. In fact, what do you benchmark? You end up doing what the institution wants, not what the public or Parliament needs.

MR ODUR: As I conclude, the committee did observe correctly that there were some allegations made on social media regarding Mr Job Matua and the committee took an extra-

THE SPEAKER: He is Richard Matua.

MR ODUR: He called himself "Richard Job Matua". The committee took an extra step during the investigation to verify whether those allegations were true. There are other allegations that were made and the committee coiled away from it. This is why I would like to refer you to paragraph two of page seven in the report.

I will rephrase what is in paragraph two. It says that it is actually true that the President, the Prime Minister, the Minister of Gender, Labour and Social Development, the Coordinator of Operation Wealth Creation, were among the people. It is in your report. Although not explicitly mentioned, we know there is only one Coordinator of Operation Wealth Creation.

Therefore, the committee should have done justice -

THE SPEAKER: You are actually speaking in anticipation. The recommendations that were made were on the letters and they were laid on the Table in this House. [*Member rose*] You have no information. (*Laughter*)

MR ODUR: I would like to finalise. Madam Speaker, the record must be corrected. The committee recommends that Mr Richard Byarugaba steps aside. As far as I know, he is no longer -

THE SPEAKER: He is not the managing director. That is correct.

MR ODUR: He is no longer the managing director; so, there is nothing to step aside for. Thank you very much.

THE SPEAKER: Leader of the Opposition? Honourable members, Hon. Betty Amongi Ongom Akena is not in the House. We will allow her to come and present her statement on Thursday and then close the debate. I will be left with one option – Do you remember when you said I put the question? We will wait to hear from her and entertain a few questions.

MR LUBEGA SSEGGONA: First, I want to thank you, Madam Speaker, for being keen. I have been wondering that while we discuss this report with recommendations that touch the person of Hon. Betty Ongom, she is not here. So, I want to ask the Government Chief Whip where – Oh! She is not your member; she is half your member –*(Laughter)*- The Government Chief Whip whips all the people on that side and she sits there.

Madam Speaker, you rightly observed and so, in light of your guidance, and since the Leader of the Opposition seals debate from our end, wouldn't it be procedurally right –

THE SPEAKER: For today -

MR LUBEGA SSEGGONA: No. When he speaks, we will be barred from speaking yet we may be interested, following the minister's presentation to make certain observations.

Therefore, wouldn't it be procedurally right that you find pleasure in suspending debate until that time when my daughter, Hon. Betty Ongom Amongi, comes and makes her presentation on this? Otherwise, we are deeply interested in hearing from her because the observations against her are very strong and substantial. I implore you.

THE SPEAKER: Thank you. Honourable members, Hon. Betty Amongi can actually get today's *Hansard* and look at what has been

mentioned about her. Then, she will be given chance to respond on Thursday. Based on that, and since you said, "He seals the debate", I now adjourn the House to Thursday at 2 o'clock.

(The House rose at 6.53 p.m. and adjourned until Thursday, 9 March 2023, at 2.00 p.m.)