



PARLIAMENT OF UGANDA

# PARLIAMENTARY DEBATES

(HANSARD)

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OFFICIAL REPORT

SECOND SESSION - THIRD MEETING

TUESDAY, 16 MAY 2023





IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

SECOND SESSION - 37TH SITTING - THIRD MEETING

Tuesday, 16 May 2023

*Parliament met at 9.58 a.m. in Parliament House, Kampala.*

PRAYERS

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

*The House was called to order.*

COMMUNICATION FROM THE CHAIR

**THE SPEAKER:** Honourable members, I welcome you to this morning's sitting. This sitting is purposely meant for us to finish the Budget and the outstanding business for this session. Section 14(1) of the Public Finance Management Act and rules 151(6) and 152(2) of the Rules of Procedure of Parliament grant us timelines for the passing of the Budget. As custodians of the law, it is upon us to make sure that we follow the law to the letter. That is why we have this morning sitting.

Honourable members, you have been seeing on social media and everywhere what is happening with the rains. The roads are cut off; Katonga is cut off and you cannot go to Masaka. The whole country is awash with what is happening with the rains. Communities are cut off and they cannot travel. Yesterday, the Deputy Speaker went to Bushenyi and he had to use the longest route; an additional 182 kilometres. It is terrible.

As we do the budgeting, we must consider the issue of roads. The roads must be worked

on. *(Applause)* The issue of health must be handled. *(Applause)*

Hon. Nekesa, I want you to take the lead on the issue of mental health. We hear that the policeman who shot someone the other day may have had a mental health problem; I want us to take it up.

The Uganda Retirement Benefits Regulatory Authority (URBRA) should ensure that moneylenders do not charge exorbitant interest rates. The policeman who shot the person is reported to have said that the interest rates were more than what he was expected to pay. We need to make sure that regulation is enforced to avoid such scenarios.

Honourable members, the moneylender who was shot was our neighbour. There have been a number of killings within the week. May we rise and observe a moment of silence for the deceased.

*(The House rose and observed a moment of silence.)*

**THE SPEAKER:** Honourable members, as I have already said, we must consider the issue of roads. Masaka Road is completely cut off and it is a big concern for all of us. As leaders, we should walk the talk. We may not have the money but we must budget for it. Where it will come from will be the Government's responsibility.

Yesterday was the International Day of Families and the whole world celebrated it. Hon. Fox Odoi, we celebrated family day yesterday. *(Laughter)* We have over eight billion people in the world and the future of humanity is heavily dependent on the nature of families. That is why, at one time, the Government Chief Whip was saying, “I am married to a woman and with five children.” Hon. Fox Odoi wants us to marry “man-to-man”.

We had visitors from about 23 countries – Members of Parliament and Speakers – who came to Uganda to celebrate the International Day of Families. We also had leaders from Parliament of Uganda plus the religious leaders. We will require Hon. Opendi to lay on the Table the communiqué that arose out of the Family Day Conference.

A family is a uniting factor and an important unit in society, which we must embrace and promote. As leaders, we must act and be seen to do what is correct.

Honourable members, I think I am tired of complaining about Members either coming late or not coming to the House. I will make a pronouncement one time here - I am happy with your side, clap for them. *(Laughter)* Honourable members, we are paid a lot of taxpayers’ money and because we are paid that money, the onus is on us to be here when we are required to be here.

When you look at Hon. Bahati, he is the only minister who does not miss the sittings. *(Applause)* Let us ask ourselves: where are the 83 ministers that we approved in this House? Where are the 556 Members of Parliament? That means corruption starts from Parliament. If you are earning what you are not working for, then you are corrupt. This must stop.

I thank you and wish you good deliberations. Can we first have Hon. Sarah lay the communiqué on the Table?

10.08

**MS SARAH OPENDI (NRM, Woman Representative, Tororo):** Thank you, Madam Speaker. The first African Inter-Parliamentary

Conference on Family Values and Sovereignty was hosted by the Parliamentary Forum on Family at Imperial Golf View Hotel in Entebbe from 31 March to 1 April 2023 under the theme: “Protecting African Culture and Family Values”.

Madam Speaker, as you have indicated, this meeting was attended by high-level dignitaries, Members of Parliament and –

**THE SPEAKER:** There is a procedural matter.

**MR SSEMUJJU:** Madam Speaker, Hon. Sarah Opendi is a senior Member of Parliament. If you are invited to lay a paper, you do not lecture. Is the honourable member proceeding well by lecturing us about what happened in the conference instead of laying a paper and resuming her seat?

**THE SPEAKER:** Thank you. She was just giving a preamble and after that, she will lay on the Table - and I believe the preamble is over.

**MS OPENDI:** Thank you, Madam Speaker. We are not mechanical and I thank you.

**THE SPEAKER:** You are not supposed to respond to what my Member said.

**MS OPENDI:** Thank you for that ruling. Madam Speaker, I just gave a short preamble and it is now my pleasure to officially lay the communiqué that arose out of this first African Inter-Parliamentary Conference on Family Values and Sovereignty. I request Members to read it.

I also beg to lay the conference report, Madam Speaker and this was an annual conference. Thank you.

**THE SPEAKER:** Thank you. Members, that is for information. You can get a copy in the Library and read it. Yes, Hon. Fred Kayondo?

10.10

**MR FRED KAYONDO (DP, Mukono County South, Mukono):** Thank you very much, Madam Speaker -

**THE SPEAKER:** Is your issue related to my Communication from the Chair?

**MR KAYONDO:** Yes, it is related to your Communication from the Chair. Madam Speaker, we mourn with the people of Greater Masaka and Greater Mpigi most especially the traders, families and so forth. Madam Speaker, it is purely discipline –

**THE SPEAKER:** Actually, I want to tell the Members that it is not only Masaka; the whole country is in problems. That is why I am saying I want the minister to come and give us an explanation on his way forward.

**MR KAYONDO:** Madam Speaker, that is where I am going. Masaka should be an eye-opener; it is a time bomb to the whole of Uganda. What is happening in Masaka is purely a matter of people encroaching on nature. Wetlands have been encroached on; it is a time bomb all over Uganda.

Madam Speaker, we have National Environment Management Authority, the entity that is supposed to protect wetlands and the environment in this country. When it comes to appropriation, we give such entities “peanuts.” How I wish, in the minister’s communication, one of the ways forward would be about empowering NEMA for it to effectively protect the environment, wetlands and so on.

Otherwise, what is happening there is purely encroachment on nature. Thank you very much, Madam Speaker.

**THE SPEAKER:** Thank you very much and that takes us to the point that as leaders, we must act. We must be leaders on the ground. As we break off for recess, I will want each leader to come and report on how many trees they have planted. Environmental degradation has been so high and so, we need to act as leaders. Let us not just come here and lament; let us be seen to walk the talk.

Therefore, as we go out there – and what surprises me is that the districts have not been

bothered about feeder roads yet what is now saving us are those feeder roads.

I have said that as we handle the budgeting process, we must consider funding for the roads because if you do not have roads, the markets are closed off, you cannot reach the hospital and so, you cannot do anything.

Yes, Emmanuel, but do not say what has been said about roads.

10.13

**MR EMMANUEL ONGIERTHO (FDC, Jonam County, Pakwach):** Thank you, Madam Speaker, for this opportunity. Mine is not about roads. I join you to condole with the family of the Indian who was killed. Out of his killing, Madam Speaker, two things came to my mind.

One is the issue of minimum wage, particularly for officers like the accused. What is happening? I know we do not want to talk so much about minimum wage but it is very important; we need to look at it.

Two, in this Parliament, I remember there was a time we had an investigation on the SACCO for the Police. We know there is a lot of mess in that SACCO. I do not know how far we went in terms of that SACCO being streamlined because ordinarily, the Police should be served by that SACCO. That is why these police officers have to go to money lenders. That matter needs to be taken very seriously if we expect our officers to perform their functions well. Thank you, Madam Speaker.

**THE SPEAKER:** Actually, we had an investigation on the Exodus SACCO and maybe we need to hear from Government about what they have done because there was a report laid on this Table.

That is why we need to regulate the exorbitant interest rates and one can only regulate them if they are using their own SACCO. Otherwise URBRA should come in to regulate these interest rates. I am saying this because these

money sharks are lending money at very high interest rates.

Also, Government talked about setting up a Salary Review Commission. How far have you gone?

10.15

**THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (INDUSTRY) (Mr David Bahati):** Madam Speaker, first of all, on behalf of the Government, I want to apologise for the late coming by the ministers but we are doing whatever it takes to whip them into the House and in the next few minutes, we shall have a sizeable number of ministers to respond to Members' issues.

I am standing in for the Government Chief Whip; we will ask the Minister of Public Service to update the House, at the earliest time that you can give, on the setting up of the Salary Review Commission.

**THE SPEAKER:** Can we have an update tomorrow on the issue of the Salary Review Commission? We also need an update on what happened to Exodus SACCO.

**MR BAHATI:** We will do that, Madam Speaker.

**THE SPEAKER:** Thank you. Yes, Hon. Allan Mayanja?

10.16

**MR ALLAN MAYANJA (NUP, Nakaseke Central County, Nakaseke):** Thank you very much, Madam Speaker, for the opportunity. My concern is about gun misuse in our country. I think the Ministry of Internal Affairs and the Ministry of Defence and Veteran Affairs need to come out with stringent regulations, rules and/or measures because the situation in our country is really alarming. We now hear cases of people killing each other using guns. Therefore, I suggest that the Ministry of Internal Affairs and the Ministry of Defence and Veteran Affairs should come up with stringent rules and measures on how to control this.

Lastly, about roads, Madam Speaker, in Nakaseke District, the situation is very terrible. All the roads are being cut off by floods. My suggestion goes to the Uganda National Roads Authority (UNRA) and the Ministry of Works and Transport. They should work on these feeder roads and main roads during the dry season so that when the rainy season comes, everything is sorted. Thank you.

**THE SPEAKER:** Thank you. Everything being said is about roads. Can we have a statement in this House tomorrow in regard to the roads? What is the plan of Government regarding roads and the misuse of guns? The Leader of the Opposition recently asked, "Are we safe?" We need assurance from Government.

10.17

**DR ABED BWANIKA (NUP, Kimaanya-Kabonera Division, Masaka City):** Madam Speaker, while I want to thank you for the guidance that Government should come up with a statement on the roads, allow me to say that the route to Masaka is a connection to four nations that trade with this country. That route connects Uganda to Tanzania, Burundi, Rwanda and the Democratic Republic of Congo. However, right now, we are cut off.

In addition, in the Greater Masaka area and specifically Hon. Katabaazi's constituency, people use canoes to cross over and the people's livelihood relies on what they sell by the roadside; fish and farming products.

If the Rt Hon. Speaker can allow, Hon. Katabaazi would like to give information – *(Interruption)*

**MR KATABAAZI:** I would like to thank Dr Abed Bwanika. Madam Speaker, this is actually a matter of urgent national importance because today, my constituency has been cut off from the rest of Uganda, if I may say so. Even the alternative route, including Hon. Ssewungu's constituency - We are on an island at the moment because it is further to go to Lukaya now than to Masaka.

Many people who sell fish, *mchomo* and all these kinds of things have been affected economically but we have not seen anything being done. In fact, even the other side of Lwera has sunk in. So, we are completely cut off.

This would have been worse if loss of lives was involved. I think God is warning us but we are not listening. We have raised the issue of having an alternative route. That is why the route is longer now. There is an alternative route which only needs to be fixed; it is only 48 kilometres from Villa Maria to Kabulasoke but it has never been worked on. They have given us a deaf ear. When the route to Ssembabule gets cut off, we shall have nowhere to pass. That is the information I am giving. (*Laughter*)

**DR BWANIKA:** Madam Speaker, I would like to request that when the minister responds, he or she specifically guides the nation on the response of the Government in view of Katonga–Masaka–Kampala Road specifically so that we open up trade in that area. Thank you.

10.21

**MR AMOS OKOT (NRM, Agago North County, Agago):** Thank you, Madam Speaker. The heavy downpour and what we are experiencing on the routes going to the western part of the country is contrary to what is happening in the North where there is a dry spell. For the whole of this month and even last month, there has been no rainfall and most of the people's crops are withering. Even those who are supposed to plant are not planting.

One of the things that we have noted, Madam Speaker, is the indiscriminate cutting of trees for charcoal burning. Most of this charcoal is being ferried to the Centre. We do not know the destination but it is for commercial use.

We have talked to the authorities responsible to the extent that we do not know what the Environmental Protection Police Unit is doing. When we see where these people are cutting trees, you will find that the environment has been destroyed. Drastic steps need to be taken.

However, with these problems that we are facing because of climate change, the whole country may not rest. Thank you.

**THE SPEAKER:** The enforcement authorities should ensure that no trees are cut. We need to talk to these people.

10.23

**MR FRED OPOLOT (NRM, Pingire County, Serere):** Thank you, Madam Speaker, for your sympathy and empathy for those that have recently been shot dead by uniformed gunmen and in particular, as you have rightly mentioned, our neighbour, Mr Bhandari, who was brutally killed. It sent shockwaves amongst Ugandans and particularly the Indian community.

I attended the cremation of Mr Bhandari and it was a very sombre event. Nevertheless, they were comforted that the killer will be apprehended and indeed, the killer was apprehended.

I would also like to thank His Excellency the President for the five concerns he mentioned in regard to these shootings. With that, all of us, especially the security services, should reflect on that because what is happening is worrying. For many years, the gun in Uganda has been demystified. We want to ensure that Ugandans continue to respect the security services but more so, the security services should work to retain or ensure continued public confidence.

Finally, Madam Speaker, as Parliament, we should condemn these killings in the strongest terms possible. Thank you.

**THE SPEAKER:** Thank you very much, Hon. Opolot. Our condolences to the Indian community in Uganda for the loss of the Indian gentleman.

10.25

**MR JOSEPH SSEWUNGU (NUP, Kalungu County West, Kalungu):** Thank you, Madam Speaker. To be frank, I am one of their clients. When the death occurred, a number of calls were made. I tried to call some of my friends



and they said they were safe. I never knew that gentleman very well.

Madam Speaker, with your indulgence, we pray that the Minister of Internal Affairs comes here and gives us a comprehensive statement on what exactly is happening.

When you listen to the spokespersons of police, Mr Enanga and his friend, Mr Onyango, one sheds tears out of pain because they give a lot of misleading information. Recently, following *Jajja* Ichuli's death, Mr Enanga said that the killer had a pistol and a gun. If he had both then you know him. Why don't you apprehend him? Such questions are valid. This business of giving misleading information will not solve the problems of killings in this country. Even the security organs that have been put in place by private developers are doing the same.

Madam Speaker, I pray, with your power and indulgence, that you ask the Minister of Internal Affairs to come and give us a comprehensive statement and that the Committee of Defence and Internal Affairs handles this matter comprehensively because, as you said, Madam Speaker, none of us is safe.

As I conclude, regarding the issue of Masaka Road, we had the Executive Director, Ms Allen Kagina and the Minister of State for Water and Environment in the area. The short cut, like my honourable colleague stated, is around Kalungu. Again, River Katonga crosses the same area, but that bridge is also broken.

When we went there with the Executive Director, she said that she never knew there was a road as short as that going to Masaka. Now, people are suffering because they have refused to work on the road from Bukalasa to Kabulasoke, which is around 45 kilometres. That would save people from going through Ssembabule to Mbarara and other parts of the country – (*Interjection*) - Let me conclude. Madam Speaker has given me room.

The issue -

**THE SPEAKER:** Probably the information is important.

**MR SSEWUNGU:** I take it, honourable member.

**MS NAMUGGA:** Thank you, honourable colleague, for giving way and I thank you, Madam Speaker. The alternative route is Ssembabule -Mbirizi. From Kampala to Masaka, the route is 120 kilometres. From Kampala through Mpigi - Gomba to Ssembabule Town is 146 kilometres. The alternative route would have been Ssembabule - Mbirizi; that is a distance of 36 kilometres from Ssembabule Town to Mbirizi.

When you get to Ssembabule Town, you are diverted through Bukomansimbi back to Masaka. For those of you who can look at that route, it gives you an additional 80 kilometres. Therefore, economically, it is not viable and this will get back to the common user of commodities because they are going to be automatically expensive since that is the route used for trade.

I know it is raining but can we have graders on Ssembabule-Mbirizi road to divert traffic from Bukomansimbi to Masaka and then to the western region? I would like to appeal to the House to recommend that all machines in Uganda should go to Ssembabule-Mbirizi road. Thank you.

**THE SPEAKER:** Thank you very much. I believe districts around that area have machines. Therefore, it is not economically viable for a machine to come from Bukedea and be taken to that area. Let me first hear from the Government.

10.29

**THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES**

**(INDUSTRY) (Mr David Bahati):** Thank you, Madam Speaker. I would like to also thank colleagues for the questions being raised. First, on the Exodus SACCO of the police, the information from the Office of the Clerk indicates that the Committee on Defence and Internal Affairs is still looking into the matter. Nevertheless, the Minister for Internal Affairs will update the House.



The second point is on the issue - (*Interruption*)

**MR BASALIRWA:** Thank you very much. This matter was investigated in the 10<sup>th</sup> Parliament and a report was presented. What Parliament wants is a brief on the actions taken on the recommendations.

Hon. Bahati, you were in the 10<sup>th</sup> Parliament and we discussed that matter exhaustively. It was considered in the respective committees. It is now on your side, the Executive, to present the action taken report here. Thank you.

**THE SPEAKER:** Hon. Bahati, I remember I was in the Committee on Commissions, Statutory Authorities and State Enterprises at that time when the issue of Exodus Sacco came and it was discussed. What we need to do now is to apply rule 220 on action taken on the recommendations that were presented to this House.

**MR BAHATI:** Madam Speaker, we will update the House on the actions taken on the report which was made by the 10<sup>th</sup> Parliament. If there are any issues raised in this House by the 11<sup>th</sup> Parliament on the same subject -

On the issue of Masaka road, Kisoro road and other areas which have been affected, I would like to inform the House that as we wait for a comprehensive statement from the Ministry of Works and Transport and other departments like NEMA, the Prime Minister has convened meetings to discuss ways in which we can arrest the situation, including meeting with the Ministry of Finance, Planning and Economic Development and Ministry of Works and Transport.

I would like to inform the House that we have raised some resources to support UNRA and the Ministry of Works and Transport to look at the best possible way of ensuring that the people on that route access their areas in the shortest possible time. Otherwise, the works ministry and the Ministry of Water and Environment will make a statement tomorrow to this House.

**THE SPEAKER:** Thank you. Next time, when you experience such scenarios, do not have meetings in your boardrooms. Go to the locus so you are able to see what is happening; whether it means a minister moving on a boat. In fact, we should have the meetings in the locus so that we feel what is happening.

**MR BAHATI:** Madam Speaker, UNRA, as you have heard from one of the Members, is already on ground assessing possible routes and taking into consideration a number of factors. We might have the shortest route but there are other factors we should put into consideration.

We are on the ground and we will update this House tomorrow on the progress we are making. Otherwise, the Government is concerned and is doing something about the current situation.

**THE SPEAKER:** Thank you. Let us wait for the report tomorrow.

**MR SSEWUNGU:** Madam Speaker, with what is happening on Masaka road, the immediate intervention would be around Katonga through Kabulasoke. That is the only way you can work on that road. Otherwise, the other journey is very far yet there is business. I pray that the team looks at Katonga in Lwabenge as you come to Kalungu. That is the only solution. Otherwise, people are suffering.

Madam Speaker, we need to pay attention to Masaka road because all the companies that had been working on it did not pay attention to that bridge. Therefore, can we focus all our attention on the bridges in the different districts where they are constructing new roads? These people stole money and left that bridge saying it was very strong and built by the colonialists yet it broke at once. They stole money, Madam Speaker.

**MR BAHATI:** Hon. Ssewungu, my good friend from DP.

**THE SPEAKER:** Formerly DP but now NUP.

**MR BAHATI:** I do not know what is in his heart, but I know he likes DP. Hon. Ssewungu,

we have a full department in UNRA with the best engineers in the country. We also have the Ministry of Works and Transport with the best engineers. It is better we leave that matter to be assessed by the engineers so we see which route is going to be worked on. Otherwise, you might think that is the shortest route yet when you look at other factors, the shorter route could be something else. Thank you.

**THE SPEAKER:** Honourable members, as we discuss the issue of roads, I think Government needs to have a multimodal transport system for both land and water. When there are ferries, people can move since we have water all over the country. We need a multimodal transport system.

10.36

**MR RONALD BALIMWEZO (NUP, Nakawa Division East, Kampala):** Thank you. Madam Speaker, I would like to appreciate you for the passion for roads. I am an accident victim; I lost my leg simply because of a pothole in the middle of the road and the Government has spent over Shs 70 million to procure for me a new leg. Therefore, it is important for us to rethink our roads.

This Parliament came out with two relevant and important laws; the Uganda Road Fund Act, 2008 - It is the second generational fund that is supposed to be ring-fenced.

The Government collects over Shs 1.2 trillion but commits less than Shs 870 billion to the Uganda Road Fund. In Tanzania, these are the funds that are working, which is the reason why they have good road infrastructure.

Madam Speaker, you spoke about community access roads. We have a very good law known as The Local Government (Rating) Act that created property rates and these rates are supposed to work in communities where they are collected and they are ring fenced. However, the Ministry of Finance, Planning and Economic Development has always refused to remit those monies so that the districts can actually construct community roads that are going to support these other routes.

I pray that when the minister comes to make a statement, they should think about putting in operation those two Acts so we can have better road infrastructure in the city. Thank you.

10.38

**MR GEOFFREY KAYEMBA-SSOLO (NUP, Bukomansimbi South County Bukomansimbi):** Thank you, Madam Speaker. Since I come from the greater Masaka, I cannot hesitate to speak about the road issue and specifically the quality of the contractors that work on those roads.

Madam Speaker, that bridge was rehabilitated – I think – in 2018 but it has been washed away. That is the same reason why you see the roads in Kampala – Recently, the potholes on Kampala roads were filled with soil. When the rains came, they washed the soil away and now we have fresh potholes.

Madam Speaker, the contractors need to do the best quality work like the colonialists did. Otherwise -

**THE SPEAKER:** Truth be told, the quality of the works is poor. *(Applause)* People just want to get the money.

10.39

**MR IBRAHIM SSEMUJJU (FDC, Kira Municipality, Wakiso):** Thank you, Madam Speaker. I think this Parliament should take advantage of the presence of some senior ministers. The Attorney-General was the chairman, organising committee for MK birthday parties. *(Laughter)* Last week, MK was in Kampala inspecting all the broken roads. Since the Attorney-General serves both the father and the son, he can now tell us – now that the father failed and the son came to help – when the roads in Kampala are going to be fixed. *(Laughter)*

Madam Speaker, the second point is that I have the Order Paper here -

**THE SPEAKER:** Was the first one a point? *(Laughter)*

**MR SSEMUJJU:** I thought Parliament could take advantage of -

**THE SPEAKER:** Of course, when the father is there, the son should be able to support; we can ask the son to help and there is no problem with that.

**MR SSEMUJJU:** I did not say that there is a problem, Madam Speaker. I said -

**THE SPEAKER:** Attorney-General, ask MK to support and see what can be done.

**MR SSEMUJJU:** I only wanted us to take advantage of the people who are multi-talented and serve both the fathers and the children. *(Laughter)*

Madam Speaker, I need guidance -

**THE SPEAKER:** I am happy the minister for roads has come. *(Applause)*

**MR SSEMUJJU:** Madam Speaker, I need guidance. On the Order Paper today, we have two items on the supplementary - item No. 5 and item No. 9. From my experience here, both as a journalist and a Member of Parliament, usually the passing of the Appropriation Bill is preceded by dealing with all the supplementaries.

Why is this item coming after appropriation? Why don't we deal with all the supplementaries at once and then go to appropriation when we have closed the financial year? I have been reading proceedings of Parliament for the last 15 years and this is what has been happening.

The trouble is that you have a Government that misbehaves. As you are dealing with one, they bring an addendum and so, you do not know which one to deal with. Specifically, why does item No. 9 come after the Appropriation Bill is passed?

**THE SPEAKER:** We will handle all supplementaries, if the House so wishes, before we go to supply.

10.43

**MR PAULAKAMBA (NRM, Busiki County, Namutumba):** Thank you, Madam Speaker. The mandate of the Uganda Police Force is to protect life and property, detect and prevent crime and keep law and order.

Madam Speaker, much as I join you to condole with the Indian community and the entire country for the loss of Mr Bhandari who was brutally killed by a policeman, I reflect on the core mandate of the police as provided in the Constitution and The Police Act and ask questions. How do we expect the police to keep law and order when the salary disparity in the force is deplorable? Those women and men in uniform do not have proper accommodation yet they are not expected to do any other business since they are on duty full time. How are their children being taken care of? Are they being given priority when it comes to scholarships? *(Applause)*

Madam Speaker, as we condemn the policeman that brutally killed Mr Bhandari, I would like to implore this august House -

**THE SPEAKER:** Having a low salary and poor housing does not warrant you to take one's life. That is why I have said we must have a salary review commission - Sit. We must look at the welfare of the police officers. Members, if you go to Nsambya Police Barracks, you will not want to go there a second time. I have taken time and gone there.

However, much as that is happening, you should not take somebody's life. What we need to do, as Government, is to come out and see how to support these people. The other day it was Hon. Engola, yesterday it was the Indian, another day it is going to be another person. At the end of the day, we shall lose control over these people.

**MR AKAMBA:** I entirely agree with you, Madam Speaker.

Secondly, how do we regulate the people who handle firearms? For drivers, it is an offence to drive after you have taken alcohol. Are there

some rules under which we can take the people who handle guns for routine mental checkup? How do we handle drunkards holding guns?

Lastly, Madam Speaker, I would like to talk about the roads -

**THE SPEAKER:** Hon. Members, I already talked about mental health, everybody has spoken about the roads and people have talked about guns. The Order Paper is congested. Also, sympathise with the person sitting here. You have an option of going out and coming back and having your chats. Can I now have the LoP?

10.47

**THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga):** Thank you, Madam Speaker. Yesterday, I had a field excursion to undertake an on-spot check on the broken infrastructure southwest of Kampala. I have some views but I would like to wait for the Government's statement and propositions and then ably respond to the propositions.

What I can say, in brief, is that there are emergencies there. If schools are beginning in two weeks' time, there are children who will not go to school. For people going to Nkozi Hospital now, instead of travelling for five kilometres, they have to travel for 40 kilometres. That is the nature of the crisis. However, let us wait for the report tomorrow and then I will offer my alternatives to these tired ladies and gentlemen. *(Laughter)*

**THE SPEAKER:** Thank you. Let us now hear from the Hon. Atkins Katusabe but please, be brief and speak the English that Hon. Ecweru can understand. *(Laughter)*

10.48

**MR ATKINS KATUSABE (FDC, Bukonzo County West, Kasese):** Thank you, Madam Speaker. I join the entire country in mourning the loss of our loved ones. Madam Speaker, thank you very much for prioritising human life. Today, being a supply day, I ask that you consider or explore the possibility of giving Ugandans a gift, especially those that do not have safe and clean drinking water.

Madam Speaker, when you move all over the country, and you have done that, you notice that a lot of Ugandans come to you crying because they drink muddy water. I pray that today's supply day puts a provision of giving Ugandans clean and safe drinking water.

Madam Speaker, thank you for the opportunity. My honourable in-law, Hon. Musa Ecweru, understands my English and so, no worries.

Madame Speaker, I stand on behalf of Bukonzo West Sustainable Development Industries, a company that wants to position itself to be the leading manufacturer of plastics, to help in extending clean drinking water or bottled water and mattresses, among others. Madam Speaker, part of what the company wants to do is to ensure that they can provide -

**THE SPEAKER:** Please tell us about your issue; do not tell us about the profile of the company.

**MR KATUSABE:** Yes, thank you, Madam Speaker - processing aggregates or stones and turning the stones into aggregates and stone dust. The company has procured stones and in my law's ministry -

**THE SPEAKER:** In Hon. Ecweru's ministry.

**MR KATUSABE:** Yes, Hon. Ecweru's ministry - I thank you, honourable minister, for giving us the bridges and some of the raw materials that were needed to facilitate the construction of those bridges were brought to us. The minister gave contracts to companies that went to our communities and illegally extracted stones to be used in the facilitation of the bridge construction. The stones belong to the company that I have just mentioned; Bukonzo West Sustainable Development Industries.

Madam Speaker, the companies were told by the vendors or the people that sold the stones that the stones do not belong to the community but to Bukonzo West Sustainable Development Industries. I remember, before the minister went to commission that works, I told him that the companies that he had contracted had not

paid for the stones. However, I take it in good faith that the honourable minister went ahead and commissioned the bridges.

Madam Speaker, when we communicated to the Permanent Secretary of the Ministry of Works and Transport, he asked for clarification in terms of the sale agreement, the minute that permitted the town council to sell the stones to the company and the receipt. He also demanded for the sales agreement.

Madam Speaker, in the interest of time, I will lay all of them. The Kyerumba Town Council responded to the Permanent Secretary's communication and provided all of the requirements in terms of the sales argument and the receipt for the purchase of stones, and the minute.

Madam Speaker, we sent a valuer to determine how many or the external quantity of stone extracted and it required six acres of stones. My prayers, Madam Speaker, in the -

**THE SPEAKER:** Give us your prayers.

**MR KATUSABE:** Yes, in the interest of time, Madam Speaker, if it pleases you, the board and management of the company request that if it is possible, you assign a relevant committee to undertake an investigation into this matter. As I speak right -

**THE SPEAKER:** Hon. Ecweru, I request you to get in touch with Hon. Atkins on this issue and see how you resolve it together with the Attorney-General. Next item.

**MR KATUSABE:** Thank you very much, Madam Speaker.

MOTION SEEKING LEAVE OF  
PARLIAMENT TO INTRODUCE  
A PRIVATE MEMBER'S BILL,  
"THE NARCOTIC DRUGS AND  
PSYCHOTROPIC SUBSTANCES  
CONTROL BILL, 2023"

**THE SPEAKER:** Honourable members, on 5 May 2023, the Constitutional Court

annulled the Narcotic Drugs and Psychotropic Substances Control Act, 2015, which, among others, prohibited the sale and the use of several narcotic drugs in the country - Attorney-General, this is your issue, do not be taken up by the "arrow boy".

The annulment of this law was based on the absence of quorum in the House and this is where my issue comes in now. The two Whips; one on my left and another on my right, should always make sure that Members are in the House when we are passing all the Bills. The court has even instructed us to always ascertain quorum before we pass any Bill.

Members, we need to be mindful that we are representatives of the people and we must do what is required of us. This is your office. Your office is not about moving around the town because I know that sometimes you are not in your constituencies.

The annulment of this law was attributed to the lack of quorum. So, at all times, we need quorum in this House. I beg of you, Members, to always kindly be in the House. Let us not waste taxpayers' money because we are here to represent the voice - we are the voice of the voiceless out there. So, if we cannot be here then where are we?

Whereas currently the provisions can be handled under the National Drug Policy and Act of 1993, these cannot be relied on. We have been making laws like the Anti-Homosexuality and Anti-corruption Acts yet they could be handled under other laws. So, it is upon us to ensure that we have a law processed in this House to replace what was annulled by the court.

The fact that Article 94(4) of the Constitution allows a private Member to bring a Bill is the reason Hon. Asuman Basalirwa and Hon. Komakech are planning to introduce this Bill; because the other one was annulled. Do we have anything from the Government to that effect?



10.57

**THE ATTORNEY-GENERAL (Mr Kiryowa Kiwanuka):** Thank you very much, Madam Speaker. You have actually put the record correctly. The Government of Uganda's Executive Arm, together with Parliament, moved to introduce the Narcotics Drug and Psychotropic Substances Control Act of 2016 and passed it here. The court nullified it because there was no quorum.

Clearly, Government and the Executive are interested in this Bill and arrangements are being made to reintroduce it at an appropriate time before the House. In the meantime, like you said, any cases of drugs are being handled under the existing law and we do not have a real gap at this point, other than the issue of the extent of the penalty.

Therefore, I seek your indulgence, Madam Speaker, to allow the Executive - the Ministry of Internal Affairs is already working on having this Bill reintroduced at an appropriate time.

Clearly, there was no fault on the part of the Executive because it brought this Bill. It was only struck down because of lack of quorum. I beg to submit.

**THE SPEAKER:** Honourable members, we have had cases here where a private Member introduces a Bill. Where we find that it has financial implications, Government comes in to take over or work together with the private Member.

On that note, Attorney-General, I request that we allow the private Member to introduce - and maybe, that is what will make you work faster. Much as we have other laws, they are limited.

**MR KIRYOWA KIWANUKA:** Madam Speaker, this judgment was delivered on 5 May. The Attorney-General's Chambers and Government has 14 days within which to study the Bill and its implication and then come back and report. For Parliament to start moving on decisions of the court before the Attorney-

General has taken time to address his mind on the matter is going to cause unnecessary angst.

This Bill was introduced by Government; it followed it through and it was only struck down because of lack of quorum. Government is still interested in bringing this Bill.

**THE SPEAKER:** There is clarification from Hon. Sarah.

**MS OPENDI:** Thank you, Madam Speaker. I was in this House but also then serving as the Minister of State in the Ministry of Health. We supported the Ministry of Internal Affairs to have this Bill passed. Actually, it was the health technical team that worked to have this Bill passed.

If Government is interested in this Bill - from the time the President assented to it, I have been pushing the Ministers of Internal Affairs to have the regulations so that this particular law can be operationalised. There have not been any regulations for the last seven years since this Bill was passed. If you are interested in dealing with issues of the narcotic drugs and so on, why then have you failed to have the regulations?

We can give the Attorney-General time because he may appeal but there is a need for us to ensure that we have timelines for ministries to bring regulations. Otherwise, the laws we pass here may never be operationalised. For example, we have been talking about the lack of regulations for the Road Fund -

**THE SPEAKER:** Thank you. I want you to be mindful of Article 94(4) of the Constitution.

11.02

**MR YUSUF NSIBAMBI (FDC, Mawokota County South, Mpigi):** Thank you, Madam Speaker. I would like to agree with the Attorney-General that the moment the court declared this law null and void, there is no law to talk about as a private Member's Bill. We have to go through the entire processes as if there is no law -

**THE SPEAKER:** Counsel, we are acting like there is no law. That is why he is coming to reintroduce a Private Member's Bill.

**MR NSIBAMBI:** Madam Speaker, I suggest that it is left in the hands of the Attorney-General at that stage to be reintroduced through that process -

**THE SPEAKER:** There is a point of order against you. Honourable members, I also want you to be mindful of your powers. Do not allow them to be suffocated. You are going to allow your powers to be raped. If you allow Government to take over powers of introducing a Private Member's Bill then what is your role here? Why are you seated here?

**MR MACHO:** Madam Speaker, I had put Hon. Nsibambi in order because he shocked me. It is as if he is saying our mandate is not to make laws for this country. Moreover, the Private Member's Bill is very timely; it has come at a time when Ugandan youths are burning with narcotic and drug substances that have caused a very big mental health problem to this country.

Worse still, Hon. Nsibambi and the Attorney-General are speaking in the mental health month where drugs have caused depression and stress to the young people of this country. I do not know if Hon. Nsibambi is in order to give away his mandate to the Executive as if he is not a Member of Parliament.

**THE SPEAKER:** There is a point of clarification from the mover.

**MR BASALIRWA:** Madam Speaker, I belong to a forum called "Parents against Narcotics." That is where my interest lies. I have been a member of that forum for the last 12 years – I have been married for the last 15 years with two wives. *(Laughter)*

Where our concern and interest, as parents, is not because Government is not interested; it is because of history.

I have another Private Member's Bill that I will be introducing, if you give me leave. The challenge we have been having, learned Attorney-General, is that courts make pronouncements on pieces of legislation and you keep quiet. I will give you an example of the Muwanga-Kivumbi case. He is here. For the last 12 years, you were quiet.

Therefore, when courts make pronouncements and some of us who have interest in this matter come on the Floor, we do it in good faith but also because of history. The other day, I was here with you and we were discussing The Law Reform (Miscellaneous) Provisions Act. We were looking at many pronouncements at both the Constitutional and Supreme Court where you kept quiet.

Since there is no guarantee that action will be taken and yet there is a problem, it compels us to come to this Floor and exercise our mandate as private Members.

The Bill I am talking about – on which again, I will seek the indulgence of the Speaker - on law reform, also has that same problem; that courts have made pronouncements and you have been quiet.

I have no problem, learned Attorney-General, if there is guarantee that timely action will be taken. Otherwise, if you keep quiet, there is no reason why we should not be moving.

**THE SPEAKER:** Honourable members, we need to move. When you look at the legislative agenda that we got on the State-of-the-Nation Address, 62 Bills needed to be brought during this financial year. Honourable Attorney-General, I want you to bear with us. We should be seen to be a Parliament that can perform. Of the 62 Bills, we have only passed 15 and you cannot count seven of these because they are Tax Bills, which are a given. We have only passed eight Bills from Government. The rest of the Bills that we have passed are from private Members.

I kindly request that we allow Hon. Asuman and Hon. Komakech to present and if it necessitates, you take it over.



**MR KIRYOWA KIWANUKA:** Madam Speaker, no legislation has been passed by private Members here without the participation of the Government.

**THE SPEAKER:** There is an element of introduction and bringing, so who brings?

**MR KIRYOWA KIWANUKA:** Madam Speaker, I appreciate where Parliament is coming from but we seek your indulgence to allow us to introduce this Bill. This Bill was introduced by the Government and the Government is interested in it and will take timely action on it. If a private Member introduces the Bill, we will have to work backwards to reconcile it yet we have done all the work.

Madam Speaker, we beg that you allow the Government to introduce the Bill. We will take timely action on the matter and report back to you.

**THE SPEAKER:** There is a procedural matter from Hon. Ssemujju.

**MR SSEMUJJU:** Madam Speaker, about three weeks ago, many in this Parliament, praised Hon. Kiryowa Kiwanuka, as the best Attorney-General ever. I did not join the chorus; I said "Wait a minute". Now, the same Parliament - and Hon. Asuman was one of those praising him. Madam Speaker, I am sorry. I withdraw that statement.

The procedural matter I am raising is whether Parliament is reversing that declaration and now joining me to say that before we celebrate, we should wait. If Parliament is not joining me - and I want to persuade my younger brother, Hon. Asuman - I remember, Hon. Katuntu brought a private Member's Bill here on Access to Information and the Government took over midway when he had expended a lot of energy.

Madam Speaker, I would like to persuade you and the mover to give the Attorney-General, who, many in this Parliament said is the best, a deadline of after 14 days. If he does not bring

it, then, Hon. Asuman can bring it such that we can now accuse him of failure.

I am going to be hesitant, to support my younger brother - and Hon. Asuman knows I support him and I like that vigilance. I participated in making this Bill at the committee level. I was a member of the Committee on Defence and Internal Affairs and we traversed the whole country with the minister responsible.

Madam Speaker, once again, I would like to persuade you, the House and Hon. Asuman to give the Attorney-General two weeks. If he does not report back, we shall then move.

**THE SPEAKER:** Honourable members, we have agreed with the Attorney-General that Hon. Asuman introduces the Bill and he takes over. Hon. Asuman, you will work with the Attorney-General. Hon. Asuman has not been forced; we agreed.

**MR KIRYOWA KIWANUKA:** Madam Speaker, you have guided that the Bill be introduced however, the record, like Members are saying should show that we still needed to bring this Bill as a Government Bill.

**THE SPEAKER:** Now that you are not ready, can we go to the next item? I am giving you Thursday to bring that Bill. Members, that Bill is ready; it is just a matter of the Attorney-General taking it over.

11.12

**THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga):** Thank you, Madam Speaker. Speaking about the active role of the learned Attorney-General in this House, and the duty he owes to the country, on the 28<sup>th</sup> Sitting of the Third Meeting of the Second Session of this House, particularly on the 19 April 2023, Members raised matters on the uncollected gold taxes, to which, this House debated and the Speaker directed the Minister of Energy and Mineral Development to present a report on these taxes. In the subsequent sitting, the House even moved a motion to investigate the gold exports.

I am aware, Madam Speaker, that we are expecting the report of the minister today, but it is not on the Order Paper. Also, I am aware the people who are rejecting payment of tax even when they had committed went to court and obtained interim orders. Will the learned Attorney-General, inform this House and the country of the steps he has taken to vacate these interim orders or how the matter was resolved in one way or another, two months after the interim orders were obtained?

Relatedly, I am also aware that the statutory instruments upon which we are supposed to pay these taxes expire in the next 30 days or thereabout. No steps are being taken to have the taxes paid or have this matter properly explained.

These are the issues, Madam Speaker, that make this House look a bit flimsy, yet a very serious House of Parliament. Will the learned Attorney-General explain the steps he has taken or how far he has; one, ensured that taxes are collected; two, vacate the interim order; and three, the report of the minister?

**THE SPEAKER:** Thank you. Attorney-General?

**MR KIRYOWA KIWANUKA:** Thank you very much, Madam Speaker and the Leader of the Opposition. One, we are appearing in Court to pursue the Government's position and an interim order does not take away tax obligation. It just stays that obligation for that time. We are working on the case, and working within the schedule of the Government.

The issue of collection of taxes is a matter of the administration of tax. The moment tax has been set, the person obligated to pay the tax will be required to pay. Even if a person defaults to paying that tax, there are procedures to be followed to recover the tax.

The issue of gold has been discussed extensively. The tax was in the law and Parliament allowed for the amendment in the new Mining Act and that is where the instrument came from. However, there are two

schools of thought on that; some people claim they should not be paying the tax because it is too high and others claim otherwise. However, once the tax is in the law, it is payable and the recovery of the same must be undertaken by the tax authorities. Even if they were to have a remission of the same, there are procedures set by law.

Madam Speaker, I do not think any Member should be worried here. Once the law is in place, the tax is payable and if it is to be remitted, there must be a procedure followed to get to that.

Madam Speaker, you did rule that a debate will be heard on that matter and I will be here. What I have submitted is off-the-cuff.

**MR MPUUGA:** Madam Speaker, it is not that we are unnecessarily being insistent. I am aware the Government is struggling to raise revenue to finance the Budget. The same Government is yet reluctant to collect taxes. There is a reason we are insisting that the minister comes here to make a report and there is a reason we have a Government minister charged with that duty.

The learned Attorney-General speaking legalese does not help the cause of collecting that tax. Madam Speaker, we still demand that you order the minister to be here and present a report.

**THE SPEAKER:** Attorney-General, we had even asked for the statutory instrument that was used to exempt the tax on gold.

**MR MPUUGA:** Madam Speaker, in the coming days, I will present a report on a marble export without paying any tax. The Attorney-General should be put on notice to inform the minister for energy that we shall also demand for a report on the taxes on marble that is being exported from Karamoja.

**THE SPEAKER:** Thank you. Honourable Attorney-General, can we have the minister in the House to respond to the concerns of Parliament? Shs 600 billion is a lot of money; it can pay teachers' salaries for a whole year.

**MR KIRYOWA:** Madam Speaker, I can say here without any fear of contradiction that any search in the laws of Uganda will not find an exemption to paying tax on gold. So, the -

**THE SPEAKER:** Can we have a report?

**MR KIRYOWA:** I will pass on the message to the minister and have them come and make a report on that.

**THE SPEAKER:** Thank you. Next item.

## BILLS SECOND READING

### THE TRAFFIC AND ROAD SAFETY (AMENDMENT) BILL, 2023

**THE SPEAKER:** Honourable members, this Bill has been stood over two times – on the 4<sup>th</sup> of May and the 10<sup>th</sup> of May – pending clarification from the Minister of Works and Transport and the Attorney-General. I now invite the Minister of Works and Transport to make a clarification on what was required.

The committee chairperson had presented his report and a minority report had also been presented. We were only due to go to the Committee of the whole House. Can we have a clarification on the difference between a “badge” and a “professional driving permit”? Why are you introducing a professional driving permit to replace a badge? How viable is it and why the introduction? I hope that is what we need.

Let us be brief. We must finish all the Bills this morning before we go to supply in the afternoon.

11.20

**THE MINISTER OF STATE FOR WORKS AND TRANSPORT (WORKS) (Mr Musa Ecweru):** Madam Speaker, my response is a little lengthy, but allow me to just go to what we intend to cure by introducing the professional driving permit as opposed to the badge.

The Members asked: “What is the relevance of the professional driving permit (PRDP) to a driver who already has a driving permit? Section 45 of The Traffic and Road Safety Act, 1998, as amended, requires a person who wishes to drive a PSV or goods vehicle for commercial purposes to possess a badge, in addition to a driving licence. The PRDP is an equivalent of the badge prescribed under section 45 of the Act, as explained. The purpose of replacing the badge with the PRDP is for harmonisation.

In our region today *-(Interjection)-* PRDP is the professional driver’s permit. What we have done is to put that in place. For all the drivers who have been driving our public vehicles such as buses, apart from the licence, there is something that they give – and my ministry has been issuing them – so that it is very easy for us to track you. However, it has been a local arrangement within Uganda and, therefore, not recognised in the region.

So, what we are trying to do is to harmonise by removing this badge and putting the PRDP. It is the same thing and also free. This is so that if, for example, the driver goes to Kenya or Tanzania – within the region – he will be in tandem with what happens in the region. So, there is nothing that has changed.

**THE SPEAKER:** If you remove the badge now, will you require a driver to have a professional driving permit? What do drivers have now?

**MR ECWERU:** What the drivers have now is the driver’s licence and the badge.

**THE SPEAKER:** What is the difference between a driver’s licence and a professional driving permit?

**MR ECWERU:** The professional driving permit is just - how do I put it? *(Laughter)* Let me put it this way. Having a licence is like someone who has gone to law school. However, when you come out of law school, you have to go to Law Development Centre (LDC) so that you can now practice. You already have a

driver's licence, but for you to drive a vehicle of a certain calibre, you will have to get a badge. *(Interjections)* That is what has been happening *-(Interruption)*

**MS OPENDI:** Thank you, honourable minister, for giving way. When I get a driver's licence, there are classes. I thought those classes show what type of vehicle I am supposed to drive. What is this again?

**MR ECWERU:** The classes are there, Madam Speaker. We indicate here that, as a country, we introduced the badges so that we can be able to track and know that you are driving a vehicle of this capacity. We have been doing that. Now, the PRDP *-(Interruption)*

**MR BYANYIMA:** Thank you, Madam Speaker. I think the minister is confusing Parliament -

**THE SPEAKER:** Hon. Nathan owns buses.

**MR BYANYIMA:** We had to use the badges because our drivers were fond of giving the buses to turn boys and others to drive. We said they should have a badge, which should be big enough so that the passengers can know that this is the person driving us. In case he causes an accident, that badge is removed. You must have a badge to drive a bus and it has reduced accidents.

The minister is confusing us with the issue of the professional permit. The badge was meant for that purpose. If you want to remove it, there will be a problem because it helps people. Even in the taxi, a turn boy will not drive. It is the driver who is entitled to drive. I thank you.

11.26

**MR MUHAMMAD MUWANGA KIVUMBI (NUP, Butambala County, Butambala):** Madam Speaker, there are two reasons being advanced by the minister. He said that a professional badge will take you to the region. I have here a driving -

**THE SPEAKER:** Not a professional badge, but a professional driving permit.

**MR MUWANGA KIVUMBI:** Yes, a professional driving permit. I have, here, a driving licence. This driving licence permits me to drive in Uganda, East Africa and COMESA. So, what is the essence of another professional permit to take me to the same territory?

**THE SPEAKER:** That driving permit gives you the class of vehicles that you should drive.

**MR MUWANGA KIVUMBI:** This driving licence is well categorised - for salon cars, PSV, trucks and others. There are categories and the payments are different.

So, the reason concerning the territory falls apart. This licence takes you through the East African region - and it cannot take you to drive in London or Dubai. Even if you give me a professional permit, I will have to go to London and get a driving licence.

Secondly, in other countries, this is digitalised. If I keep on offending, points are reduced and it can be withdrawn. If you want to go the modern way, digitalise this driving licence. That will solve the problem you want to address. Just go digital with the driving licence; it will remove all the issues that you intend to cure.

Hon. Nathan has explained the other one, very clearly, a badge is for purposes of accreditation; just to accredit - but another permit that our people will pay for is extremely unfair and uncalled for.

11.28

**MR JONATHAN ODUR (UPC, Erute County South, Lira):** Thank you, Madam Speaker. I think there was an oversight on the side of Parliament. When this Bill was proposed, it had nothing related to taxation, but it was bundled together with the Tax Bills. That is how it found itself before the Committee on Finance, Planning and Economic Development. Ordinarily, it should have gone to the Committee on Physical Infrastructure, which would have thoroughly examined it and reported back accurately.

That notwithstanding, Madam Speaker, the badge was introduced because at that time, in the law, there was no provision allowing authorities to revoke a driving permit. At that time, they called it a driving permit. So, anyone who possessed a driving permit, licenced to drive a Public Service Vehicle (PSV) was fit enough to go and drive a bus or a taxi. And if they committed any offence, only courts of law had the authority, at that time, to cancel that permit.

The Transport Licensing Board, which has now been changed in the new law, did not have the authority. So, they introduced a badge as a control mechanism so that even if one retained their licence to drive a bus, if they do not have a badge, no employer or bus owner would give you their bus to drive. You know the checkpoints at Buwama, Matugga and Kireka. That is the purpose of the badge. So, even if I am licensed to drive a bus and I do not have a badge, if I reach there, the police would arrest me; that was the purpose.

When we amended the law, we introduced, under the Traffic and Road Safety Act, this new category, which conforms to international standards of driving licences. By that action alone, the badge falls. There is even no need right now to have the badge.

What we should now be concentrating on is assessing the driver's competencies before the Inspection of Vehicles (IOV) to drive a particular category of vehicle. Once the IOV certifies that one is actually competent to drive a bus, it does not matter whether they are driving one filled with passengers or one filled with goods - because if such people have the skills to drive a bus which has 9000 CC, even if that bus is now transporting something else, it is still a bus; there is no difference.

I think the confusion came - and I wanted to suggest, Madam Speaker, that this matter be referred back to the Committee on Physical Infrastructure to examine the policy implication of the proposal in the Bill. I beg to submit.

**THE SPEAKER:** Thank you. Honourable members, when you look at and you fear all this, there is a policy shift, which we need to address. Can I hear from the Chairperson, Committee on Physical Infrastructure?

11.31

**THE CHAIRPERSON OF THE COMMITTEE ON PHYSICAL INFRASTRUCTURE (Mr David Karubanga):** Thank you, Madam Speaker. Indeed, in support of what Nathan and Hon. Jonathan Odur have said, the law is already there. When they were drafting the Traffic and Roads Safety Act of 2019 and the amendment of the Traffic Act of 1998 (as amended), they forgot to change the provision on the badge; it was left there; it was an omission. In that law, they put a provision for a professional driver's permit.

In that very law, there is the provision of the Demerit Point System. This will be a digital system, which will help in tracking the driver's driving profile or competencies, especially for Public Service Vehicles (PSVs) and the heavy cargo drivers.

So, Madam Speaker, it was an omission; they left it there but also in the law, which we enacted here, we forgot to delete it and –

**THE SPEAKER:** So, do we send it back to you for harmonisation?

**MR KARUBANGA:** Madam Speaker, we just have to go and approve it. I am just proving a clarification. It is an amendment, which at that time was left there. They forgot to change it from "badge" to "Professional Driver's Permit" because as per the ISO standards, it is the Professional Driver's Permit, which has the digital enhancement to track the driver's profile. Thank you.

**THE SPEAKER:** Honourable members, I want you to be very calculative about what you say; you forgot?



11.33

**MR ALEX RUHUNDA (NRM, Fort Portal Central Division, Fort Portal City):** Madam Speaker, I am surprised that the minister is not taking advantage of what we passed because we said that we need to go digital. We need to track the bad drivers by having permits that can be tracked using intelligent technology. Now, I do not know why the minister is talking about badges. We are talking about meeting international standards such that we can be trusted even when we go to Europe.

Therefore, what we need is to improve our systems, go digital and actually we had even talked about the number plates. So, all these are regulations, which you have made but I do not know why you are not implementing them. The whole aim is to see how we can reduce deaths on our roads because many people are dying yet it is difficult to track - for instance, these drivers from Kenya, were the biggest cause of deaths on our roads last year yet when they run to Kenya, we cannot trace them.

Madam Speaker, Uganda Revenue Authority (URA) has already got a system where they track -

**THE SPEAKER:** So, what are you suggesting? Let us look for solutions.

**MR KARUBANGA:** I am suggesting that we must speed up the implementation of the professional driver's licences that are digitalised as fast as possible.

11.35

**MR IBRAHIM SSEMUJJU (FDC, Kira Municipality, Wakiso):** Madam Speaker, thank you very much. I see two issues here and I want to suggest a solution.

The point that Hon. Nathan Byanyima of Bukanga made is in the law, but I think it is an administrative measure. The trouble I see, and the Attorney-General can help, is for you to have a law where you want even the administrative issues handled because if we take that line, then tomorrow you will come here and make a proposal that it should be put

in the law that bus drivers must have a uniform. I, therefore, suggest, Madam Speaker, that first let the Government go back and study this situation. What you can achieve either by regulation or administrative action, please do not come to move Parliament to amend it.

Two, the point that Hon. Muwanga Kivumvi and others made - we have had two problems here. Sometimes you come here innocently carrying a Bill and then end up licensing companies that are terrorising our people like the vehicle inspection companies. I hope you are not using this Bill to carry another company on your back that tomorrow you will be announcing: "For this driving permit, you go to Namboole, they are going to be issuing this" because in the past you have done that.

What I need to understand, before this matter is referred to the committee, is: if you introduce a Professional Driving Permit, what happens to this one? If you are going to digitalise, who meets the cost because we have just paid for passports? You wake up one day and said, now this passport must be this -

**THE SPEAKER:** Honourable members-

**MR MUWANGA KIVUMBI:** Madam Speaker, let me give Hon. Ssemujju information. The minister should be fairly honest. When they came to the committee meeting, they even brought a schedule of payments for different categories of the professional license. He is now telling you here that it is free. We need to bring here a high degree of honesty.

Hon. Ssemujju, I want to inform you that this permit is not going to be free. They even gave us a schedule of payment. I am going to check for the schedule from my office. Your minister of state, not you, presented this schedule to the committee on how much each category of license will be charged. So, why do you come here and tell us lies?

**THE SPEAKER:** Attorney-General, why don't we first allow our sectoral committee to study that aspect very well?

11.38

**THE ATTORNEY-GENERAL (Mr Kiryowa Kiwanuka):** Madam Speaker, I think you have guided well. Just for information here, this law was already amended. Section 70A(2)(b) of the Traffic and Road Safety Act states:

*“(2) The Competent Authority may, before granting a licence to an applicant under subsection (1)*

*(b) require the drivers to be hosted on a digital platform that is accredited and issued with badges.”*

The legal regime, as it exists now, a driver of a bus for passenger purposes will be required to have a driver’s license like the one Hon. Kivumbi showed here. On top of that, they will be required to have a badge which was described by Hon. Nathan Byanyima.

The issue that we are trying to reconcile is that in Kenya, Tanzania and other places across the region, under the International Standards Organisation (ISO), what we call the badge here is called “a Professional Driver’s Permit.” Not everyone who is qualified to drive a bus is authorised to carry passengers. For example, I may have qualified to drive a bus but I have not driven a bus for many years and I do not have that experience. They say that the person who is given the badge by the owner of the bus should be the only person who is behind the driver’s seat. As Hon. Ssemujju said, it is a bit administrative. However, it was already introduced in our law.

Madam Speaker, it can go back to the committee so that they look at it more and reconcile the position.

**THE SPEAKER:** That specific clause?

**MR KIRYOWA KIWANUKA:** Yes, that specific clause. What we have here, Madam Speaker, is so that Members know that the drivers will be required to carry two instruments; a driver’s licence and a badge. The badge, to my knowledge, has no cost. I beg to submit.

**THE SPEAKER:** The badge or the professional license?

**MR KIRYOWA KIWANUKA:** The badge now, which we want to call the “Professional Driving Permit”, has no cost.

**THE SPEAKER:** Will the Professional Driving Permit have a cost?

**MR KIRYOWA KIWANUKA:** No. You only have one cost that you incur –

**THE SPEAKER:** But the honourable member is saying there is a schedule of costs.

**MR KIRYOWA KIWANUKA:** Madam Speaker, I can state here, without fear of contradiction because I participate in writing these instruments that no instrument has been brought to us to levy any fees for these badges or Professional Driving Permits. I beg to submit.

**THE SPEAKER:** Attorney-General, we have agreed that we refer that particular clause on the issue of the badge versus the Professional Driving Permit back to the sectoral committee.

**MR KIRYOWA KIWANUKA:** That is okay, Madam Speaker. We can take it back.

**THE SPEAKER:** So, let us move on with the Bill.

**MR MUWANGA KIVUMBI:** Madam Speaker that was one issue in my minority report. I think we have harmonised and agreed to deferhat.

The second issue is on licenses for motorcycles or *boda bodas*. As Hon. Ssemujju has stated on the record, this may not be a question of legislation but of a statutory instrument or regulation.

Madam Speaker, this Parliament that you chair is for the commonest and lowest of the people. We propose that for one to ride a boda boda on any road in Uganda, he or she:



1. First undergoes mandatory training and;
2. Gets accreditation and licensing by the Ministry of Works and Transport.

Our proposal hinges on the fact that all road accident reports issued by the police indicate that incidents attributed to boda boda riders account for over 70 per cent, most of which are fatal. Most of our riders are not properly trained and their motorcycles are not road worthy. We believe this measure will clean up the boda boda industry and make it safe for all road users.

We propose that a licence fee by the Ministry of Works and Transport at a cost of only Shs 30,000, renewable after two years, be provided.

Madam Speaker, our bone of contention is when you look at the business of –

**THE SPEAKER:** What is the current cost of the licence fee?

**MR MUWANGA KIVUMBI:** Is it Shs 500,000 – it is very prohibitive, Madam Speaker.

**THE SPEAKER:** Won't you bring in everybody?

**MR MUWANGA KIVUMBI:** What we are saying is that if you lower the fee and make it affordable for everybody; you will increase the tax base because more people will come into the taxable bracket and you will have the capacity to ensure that all people who ride boda bodas are accredited and trained. This will reduce accidents.

Prohibitive fees make many people evade this provision because with a boda boda, when you buy it today, you will be on the road the next day, riding it with a jacket; this has caused accidents.

Our view is that we should make an effort to reduce this fee to the bare minimum and widen the tax base. You will collect more taxes, you will have more revenues, but we shall most urgently reduce accidents and save lives.

**THE SPEAKER:** Finance minister? Attorney-General?

**MR KIRYOWA KIWANUKA:** Madam Speaker, I have been trying to follow. I do not know what section of the law or clause he is looking to amend.

**THE SPEAKER:** Which clause is that?

**MR MUWANGA KIVUMBI:** Madam Speaker, as Hon. Ssemujju has said, this does not particularly need to amend any clause. It is an appeal to the ministry to make a regulation to this effect. It is just a guiding tool; we have noticed a problem in the industry, which we believe needs to be fixed.

**THE SPEAKER:** Since it is not in the Bill, can we proceed?

11.45

**MR ASUMAN BASALIRWA (JEEMA, Bugiri Municipality, Bugiri):** Madam Speaker, we have listened to the learned Attorney-General. We have also listened to the minister and the minority report. I beg to move that the House moves into committee stage so that we consider the other aspects of the Bill.

**THE SPEAKER:** Is it seconded? (*Members rise*) It is seconded by the Minister of Works and Transport, the finance minister, the Attorney-General, the Minister of ICT and National Guidance, Hon. Apolot, Hon. Harriet, Hon. Xavier, Hon. Gorreth, Hon. Hanifa and the whole House.

**MR SSEMUJJU:** Madam Speaker, we need to deal with this amendment, for which Hon. Asuman Basalirwa moves Parliament to go to the committee stage. A referral on one clause has been made.

First of all, this is strange for me; that you have an amendment Bill whose parts are being considered by a committee and other parts are being passed by Parliament. It is the first time this is happening, so I need to be educated.

The procedural issue I am raising –

**THE SPEAKER:** We are not making an amendment to that clause; it will stand as part of the Bill, as we continue to study it.

**MR SSEMUJJU:** Madam Speaker, if we are not referring any clause to the committee, then we can move to the committee stage. However, if we are referring any particular clause to the Committee on Physical Infrastructure, Madam Speaker, it would be irregular on our part to move to the committee stage to consider a Bill -

**THE SPEAKER:** Thank you. I do not know whether you understood what we meant when we said we are not making an amendment to that effect; it stands as part of the Bill. The amendment brought by the committee is not going to be taken; what is there, remains.

I now put the question that The Traffic and Road Safety (Amendment) Bill, 2023 be read for the second time.

*(Question put and agreed to.)*

**THE SPEAKER:** On the issue of the quorum, the number we have is 186, including those attending virtually.

## BILLS

### COMMITTEE STAGE

#### THE TRAFFIC AND ROAD SAFETY (AMENDMENT) BILL, 2023

Clause 1

**THE CHAIRPERSON:** I put the question that clause 1 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 1, agreed to.*

Clause 2

**THE CHAIRPERSON:** I put the question that clause 2 be deleted.

*(Question put and agreed to.)*

*Clause 2, deleted.*

Clause 3

**THE CHAIRPERSON:** Clause 3 has no amendment. I put the question that clause 3-

11.49

**MR JONATHAN ODUR (UPC, Erute County South, Lira):** Madam Speaker, I would like to seek a confirmation from the minister that clause 3(3) proposes a penalty for failure to comply with the speed limit. In the existing Traffic and Road Safety Act, penalties are provided. Are you going to allow the two penalties to be used? Or, are you repealing the provisions against penalising violation of the speed limit and only use this one?

**MR ECWERU:** Madam Speaker, when we pass this that will take precedence.

**THE CHAIRPERSON:** Clause 3 has no amendment, meaning we will take what is in the parent Act.

**MR ODUR:** Madam Chairperson, under The Traffic and Road Safety Act, a violation attracts a fine of Shs 200,000. Here, they are proposing Shs 20 million. When it comes to enforcement - if you give two alternatives under different laws, then you will not achieve the purpose.

**MR KIRYOWA KIWANUKA:** Madam Chairperson, clause 2 is talking about the insertion of 119A. So, it will be read together with the other one. The one where you are charged is under the penalty and you will pay for that. So, there is no inconsistency.

I would like to clarify that the one for express penalty is where you concede the offense and you are given a penalty there and then. This one, is where you go for trial and found guilty through the process of trial and the penalty is much higher.

**THE CHAIRPERSON:** Thank you. I put the question that clause 3 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 3, agreed to.*

## Clause 4

**MR MUSASIZI:** Madam Chairperson, under clause 4, we propose an amendment to read as follows:

- “ a. A motor vehicle which is nine years or more from the year of manufacture and which is principally designed to carry goods.
- b. A motor vehicle which is nine years old or more from the year of manufacture excluding goods vehicles, levy 50 per cent of the Cost, Insurance and Freight (CIF) value.
- c. A motor vehicle which is nine years or more from the year of manufacture and which is principally designed to carry goods, 20 per cent of the CIF value.”

The commencement date of the above amendment should be 1 July 2018. I beg to submit.

**THE CHAIRPERSON:** Thank you. The justification?

**MUSASIZI:** The justification is to:

- i. harmonise the application of Section 14(b) and Fourth Schedule of the Traffic and Road Safety Act;
- ii. remove ambiguity in the interpretation and administration of the law;
- iii. the rates “environmental levy”, remains as stipulated in the Traffic and Road Safety Act, 2018. The spirit of the current law and the intention of Parliament in 2018 is that all vehicles which are nine years or more from the year of manufacture are subject to environmental levy; and
- iv. the law, if not amended, will lead to potential revenue loss, if clarity is not made.

**THE CHAIRPERSON:** The Minister of Finance, Planning and Economic Development

is trying to clear an inconsistency which is in section (4) and Schedule 4(b). There is an inconsistency in the law that needs to be rectified.

**MR SSEMUJJU:** We are talking about levies and money, so let the finance minister be clear. Are the charges going to remain the way they are or are you increasing it? Do not hide in technical terms.

When you import an ambulance, they tell you to pay Shs 6 million as an environmental levy. Madam Chairperson, we have passed laws here in the past, but not paid full attention and so, they take advantage of that. Can the finance minister tell us whether, by this amendment, we are not revising the figure upwards?

**THE CHAIRPERSON:** In the principal Act, the levy remains, but the presumption at the beginning was that it was a one-off, but vehicles grow old -

**MR KATESHUMBWA:** Madam Chairperson, I have studied the Act and I have seen the proposal by the minister. I would like to request Members to support this amendment. It is not changing the rates; it is actually easing the administration of this Act because what they put in the schedule, is not consistent with what is under Section 14(b). There is no increase in tax. It is just for harmonisation and facilitation of the tax administration to be able to implement this law.

**MR NIWAGABA:** Thank you, Madam Chairperson. We are trying to look at the proposal from my younger brother, the minister of state for finance. Our challenge is that this particular clause 4 is repealing Section 52 of the Roads Act. We wanted to see the harmony between the proposed amendment and Section 52 of the Roads Act so that we do not create an abnormality.

**THE CHAIRPERSON:** Can we hear from your younger brother? *(Laughter)*

**MR MUSASIZI:** Madam Speaker, I proposed insertion of a new clause. I did not propose to amend clause 4, read as I have read.

**THE CHAIRPERSON:** Honourable members, I put the question that a new clause be inserted as proposed by the minister.

*(Question put and agreed to.)*

*(New clause inserted.)*

*The Title agreed to.*

MOTION FOR THE HOUSE TO RESUME

11.59

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Chairperson, I beg to move that the House do resume and the Committee of the whole House reports thereto.

**THE CHAIRPERSON:** I put the question that the House resumes and the Committee of the whole House reports thereto.

*(Question put and agreed to.)*

*(The House resumed, the Speaker presiding.)*

REPORT FROM THE COMMITTEE OF THE WHOLE HOUSE

12.00

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to report that the Committee of the whole House has considered the Bill entitled, "The Traffic and Roads Safety (Amendment) Bill, 2023" and passed it with amendments.

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

12.00

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to move a motion that the report from the Committee of the whole House be adopted.

**THE SPEAKER:** I put the question that the House adopts the report from the Committee of the whole House.

*(Question out and agreed to.)*

*Report adopted.*

BILLS  
THIRD READING

THE TRAFFIC AND ROAD SAFETY  
(AMENDMENT) BILL, 2023

12.01

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to move that the Bill entitled, "The Traffic and Road Safety (Amendment) Bill, 2023" be read for the third time and do pass.

**THE SPEAKER:** I put the question that "The Traffic and Road Safety (Amendment) Bill, 2023" be read the third time and do pass.

*(Question put and agreed to.)*

A BILL FOR AN ACT ENTITLED,  
"THE TRAFFIC AND ROAD SAFETY  
(AMENDMENT) BILL, 2023"

**THE SPEAKER:** Bill passed and title settled. *(Applause)* Procedure?

**MR LUTTAMAGUZI:** Madam Speaker, the procedural matter I am rising is about the number of ministers present in the House. We have more than 80 ministers -

**THE SPEAKER:** Next item -

BILLS  
SECOND READING

THE SUPPLEMENTARY APPROPRIATION  
BILL, 2023

**THE SPEAKER:** Honourable members, on Wednesday, 10 May 2023, the House stood over the consideration of the Bill, pending

harmonisation between the committee and the Executive. Initially, the committee said they had not received the agreements. I think the committee chairperson is now ready to report - I am talking about the mutual tax Bill.

## BILLS

### SECOND READING

#### THE CONVENTION ON MUTUAL ADMINISTRATIVE ASSISTANCE IN TAX MATTERS (IMPLEMENTATION) BILL, 2023

12.04

#### THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES)

**(Mr Henry Musasizi):** Madam Speaker, I beg to move that the Bill entitled, “The Convention on Mutual Administrative Assistance in Tax Matters (Implementation) Bill, 2023” be read for the -*(Interruption)*

**MR SSEMUJJU:** Madam Speaker, on the Order Paper that was issued - of which I have a copy - the Bill, which is the next item, is The Supplementary Appropriation Bill, 2023. I came here at the very beginning and I did not hear the Speaker amend the Order Paper. Is the minister proceeding well by introducing items on the Order Paper before seeking the approval of the Speaker by way of amending the Order Paper and, therefore, putting the entire House in total confusion?

**THE SPEAKER:** Hon. Ssemujju, I think it was a mistake by the technical staff. We had referred this Bill back to the committee and it was supposed to be presented - we need to present this Bill before we go to supply. Kindly, allow me to amend the Order Paper and have this Bill presented. It is not there, but you listen to it. *(Laughter)*

**MR MUSASIZI:** Thank you, Madam Speaker, for your wise ruling. I beg to repeat the motion since I somehow lost it on the way. I beg to move that “The Convention on Mutual Administrative Assistance in Tax Matters (Implementation) Bill, 2023” be read for the second time.

**THE SPEAKER:** Is the motion seconded? *(Members rose)* It is seconded by Hon. Kateshumbwa, Hon. Ssemujju - who is saying “no” *(Laughter)* - minister for works, the Attorney-General, minister for ICT, Hon. Isabirye, Hon. Max and Hon. Xavier. Would you like to speak to your motion?

**MR MUSASIZI:** Madam Speaker, the objective of this Bill is to give the force of law in Uganda to the Convention of Mutual Administrative Assistance in Tax Matters and a Multilateral Competent Authority Agreement on the automatic exchange of financial account information; to provide for the standard for automatic exchange of financial account information in tax matters; and for other related matters.

The Convention on Mutual Administrative Assistance in Tax Matters Bill has, therefore, been informed by:

1. The requirement by international law and the OECD to domesticate the commitment in order to benefit from the convention;
2. The need to align our international agreements with domestic laws;
3. The urgent need to increase efficiency in tax administration, since on request is slow; and
4. Proof of revenue gains from historic figures, the exchange of information so far undertaken, amounting to Shs 243 billion.

Madam Speaker, we presented this Bill for the first reading in the House, and you referred it to the Committee on Finance, Planning, and Economic Development. I am aware they have considered the Bill and they are ready to report back. Thank you.

**THE SPEAKER:** Hon. Muwanga Kivumbi, did you harmonise and are you at per?



12.08

**MR MUWANGA KIVUMBI (NUP, Butambala County, Butambala):** Madam Speaker, for the first time, let me concede; I was cut between committees on finance and budget for most of the time but my technical team, which I deployed that worked on this report, together with the committee, have briefed me. I have every reason to believe in them that the position they reached is agreeable and I rely on them. So, I agree that we move forward.

**THE SPEAKER:** So, are you saying that we go to the committee stage and look at the Bill, clause by clause?

**MR MUWANGA KIVUMBI:** No, the chairperson of the committee has to first present then we proceed; I am relying on the technical advice of the officers of Parliament who are reliable in our office. They have convinced me; there are no issues.

12.09

**THE CHAIRPERSON, COMMITTEE ON FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (Dr Keefa Kiwanuka):** Madam Speaker, the last time we were here, we had not been given the documents that we required; we were given the documents on the same day and we are now ready to report.

**THE SPEAKER:** So, report.

**DR KEEFA KIWANUKA:** Introduction: The Conventional on Mutual Administrative Assistance in Tax Matters (Implementation) Bill, 2023 was presented for first reading on Thursday, 30 March 2023 in accordance with Rule 128 of the Parliament Rules of Procedure. Subsequently, and in accordance with rule 129, the Bill was referred to the Committee on Finance, Planning and Economic Development.

We have considered the Bill through consultations with different stakeholders and we are ready to report.

The Bill is necessitated by the need to control illicit financial flows and to enhance revenue collections from incomes earned by Ugandans abroad.

Estimates of illicit financial flows from Africa range between \$50 and \$80 billion annually and seem to be on an upward trajectory. Tax evasion forms an important part of the illicit financial flows, transfer pricing schemes by multinationals, fictitious loans, and under-declarations of Pay-As-You-Earn by expatriate staff. Where transparency is low, the rate of illicit financial flows is high. Therefore, the exchange of information between the countries is the only way to combat illicit financial flows.

The exchange of information is the systematic and periodic transmission of bulk taxpayers' information by the source country to the residence country, concerning various categories of income. The categories of income targeted by the exchange of information include interest, dividends, royalties, salaries, and assets.

The minister has read the object of the Bill, but – *(Interruption)*

**MR GAFABUSA:** Thank you, Madam Speaker. I am trying to follow the Bill and the report of the committee - I just noticed that both the Bill and the report are not uploaded on our iPads. I would like to seek your indulgence to direct that as the committee chairperson presents, at least we can have both the Bill and the report. Thank you.

**THE SPEAKER:** They are applauding them. Actually, we are not amending this Bill; it is going to remain as it is. When you look at all the clauses in the parent Act, you notice that they are as they are here; we are only doing the formality.

**DR KEEFA KIWANUKA:** Thank you, Madam Speaker. The minister has read the object of the Bill. I will now move on to the stakeholders' views.

Stakeholders' views, observations, and recommendations of the committee

The Minister of Finance Planning and Economic Development informed the committee that the Bill seeks to undertake the following:

- i) To create both general and specific obligations for all financial institutions in Uganda to conduct due diligence and report financial account information of all non-resident taxpayers to the Commissioner-General in the prescribed format;
  - ii) To provide specific penalties for all financial institutions that fail to meet the obligations set out to provide remedies for non-resident taxpayers that enter into schemes to avoid reporting; to provide for any subsequent amendment to the Convention on Mutual Administrative Assistance in Tax Matters, and the Multilateral Competent Authority Agreement on the Automatic Exchange of Financial account information; and to empower the minister to make legislation for the automatic exchange of information.
- v. misleading statement, false or misleading self-certification, and omission from a statement made in a return.
  - v. Clause 9 authorises the Commissioner General to re-characterise a transaction or an element of the transaction as part of the anti-avoidance scheme.
  - vi. Clause 10 is meant to address any amendments to the international agreements providing for the Automatic Exchange of Information.
  - vii. Clause 11 provides for the inspection of records, the procedure for conducting due diligence, and any other matters incidental to carrying out the obligations under the Act.

The committee scrutinised the clauses in the Bill and noted the following:

- i. Clauses 1 to 5, provide for the background of the international agreement that will be domesticated by the Bill. The agreement includes the Convention on Mutual Administrative Assistance in Tax Matters, the Multilateral Competent Authority Agreement on the Automatic Exchange of Information and the Common Reporting Standard.
- ii. Clause 6 provides for the requirement of due diligence obligations for financial institutions. The provision sets parameters for the identification of customers, changes in residence status and prescribes a record-retention period of five years.
- iii. Clause 7, prescribes the form, manner and timelines to facilitate the reporting by the persons required to report. It sets 31<sup>st</sup> of May every calendar year is the reporting deadline.
- iv. Clause 8 delineates offences and sanctions pertaining to the obligations under the Bill. These offences and sanctions are in regard to the failure to file a return, failure to maintain the information, false or

The committee further identified the following benefits likely to arise from the domestication of the convention - so those clauses, are what all the other countries that have signed these agreements have agreed to; they are 127 countries. These are the benefits:

- i) Increase in revenue yield, especially from multinational enterprises and expatriate staff.
- ii) Expansion of the taxpayer register with the high value clients.
- iii) Increase in voluntary compliance through the Voluntary Disclosure Programme.
- iv) Combat tax fraud, evasion and illicit financial flows facilitated through offshore transaction.
- v) Availability of statistics to Government on the extent and value of offshore tax evasion to support policy formulation.

The committee observed that at least 127 countries have domesticated the convention so far and have benefitted from the same with reduced illicit financial flows. In Nigeria and South Africa, this led to annual revenue yield amounting to \$162 million and \$183 million a year, respectively.



The committee further observed that Government has always expressed commitment to domesticate the convention. In 2016, the Organisation for Economic Cooperation and Development (OECD) received from the Embassy of Uganda to France the instrument of ratification of the Convention on Mutual Administrative Assistance in tax matters.

In December 2020, Cabinet approved the signing and ratification of the convention. The convention was then signed and ratified in November 2021. The committee reviewed the *note verbale* signed by the Director of Legal Affairs, OECD, the Cabinet minute approving the signing and ratification of the convention and the signed and ratified copy of the convention.

The committee further noted that Government intends to undertake the effective exchange of information with partner states by 31 May 2025 to allow sufficient time for setup. Under the convention, the member states are mandated to report on all income generated by non-residents from the 1<sup>st</sup> of July to 31<sup>st</sup> of December each year.

Upon passing of this law, Uganda Revenue Authority will be able to compile all incomes of non-residents to the participating revenue authorities under the convention for the period covering 1 January to 31 December 2024, and accordingly report by 31 May 2025, as provided for in the convention. All countries report by the 31<sup>st</sup> of May.

The URA, shall upon passing of this law, undertake the following measures in order to ensure the implementation of the exchange of information:

1. Issue guidance notes for stakeholders on the implementation of the provision of the Bill.
2. Develop IT systems for ease of implementation of the provision of the Bill.

3. Carry out sensitisation and awareness campaigns with stakeholders.

4. Do the assessment of the confidentiality and data safeguard through the OECD Global Forum.

The committee noted that URA has been undertaking exchange of information with sister agencies on a voluntary basis within the obligation of ratification of the convention since 2014. Out of this voluntary request, Uganda has been able to collect a total of Shs 243.4 billion for the period between 2014 and 2022.

The annual tax collections level and yield are not consistent due to lack of a law that would compel revenue authorities in participating member countries to report on all incomes instead of voluntary responses to some requests by URA.

The committee observed further that in preparation of implementation, URA has established a unit in which officers have, for the last two years, trained in compiling and analysing data and exchange with other revenue authorities in the reporting jurisdictions under the convention. URA has mainstreamed the costs of running the unit in its recurrent budget.

In the Medium-Term Expenditure Framework, URA is also mandated to pay annual fees of \$18,000 and an equivalence of Shs 32 million to OECD.

The committee established that when the Bill is passed into law, Uganda Revenue Authority is expected to collect at least Shs 400 billion, up from the Shs 44.4 billion recorded in 2022.

Having scrutinised the Bill and its likely benefits as herein above exposed, the committee reached the conclusion that the Bill on the Mutual Administrative Assistance in Tax Matters is passed into law.

Therefore, the committee recommends that the Convention on Mutual Administrative Assistance in Tax Matters (Implementation) Bill, 2023 be passed into law.

**THE SPEAKER:** Thank you very much, committee chairperson.

**DR KEEFA KIWANUKA:** Madam Speaker, I beg to lay the minutes of the meeting that we had, the multilateral agreement that we have referred to in the report and other documents that were laid before the committee.

**THE SPEAKER:** Thank you. Can you lay them on the Table?

12.23

**MS SARAH OPENDI (NRM, Woman Representative, Tororo):** Thank you, Madam Speaker. This Bill is long overdue and as Members have heard, it was drafted in 1988. As a country, Cabinet approved this in 2016. From then, no action has been taken. What I see is that this Bill will go a long way in helping us to deal with some of the challenges we have been facing on the illicit financial flows in this country.

Considering that Hon. Muwanga Kivumbi has indicated that he agrees with the report and I do not see any dissenting views - for such a straightforward and long overdue Bill, I want to move a motion that we suspend Rule 133 of our Rules of Procedure on debating the report and move straight to the Bills Second Reading so that we can dispense with this business. Thank you.

**THE SPEAKER:** Is it seconded? It is seconded by Hon. Kateshumbwa, Hon. Peter, Hon. Richard, Hon. Chemonges, Hon. James, Hon. Christine and Hon. Bumali. I now put the question that the Convention on Mutual Administrative Assistance in Tax Matters (Implementation) Bill, 2023 be read for the second time.

*(Question put and agreed to.)*

**MR SSEMUJJU:** Madam Speaker, Hon. Opendi who wants us to go to the next stage will also have to move that we suspend the rule requiring that a report on a Bill is considered after three days.

**THE SPEAKER:** Okay, move the motion.

**MR SSEMUJJU:** I was just giving Parliament information. *(Laughter)*

**THE SPEAKER:** Thank you. Next item.

## BILLS COMMITTEE STAGE

### THE CONVENTION ON MUTUAL ADMINISTRATIVE ASSISTANCE IN TAX MATTERS (IMPLEMENTATION) BILL, 2023

Clause 1

**THE CHAIRPERSON:** I put the question that clause 1 stands part of the Bill.

*(Question put and agreed to)*

*Clause 1, agreed to.*

*Clause 2, agreed to.*

*Clause 3, agreed to.*

*Clause 4, agreed to.*

*Clause 5, agreed to.*

*Clause 6, agreed to.*

*Clause 7, agreed to.*

Clause 8

**MR ODUR:** Madam Chairperson, on clause 8, I would like to request the chairperson of the committee to help us relate the offences provided here to the specific provision in the convention. If that cannot be, then it gives us the latitude to make amendments to the offences provided here.

**THE CHAIRPERSON:** Hon. Keefa Kiwanuka?

**DR KEEFA KIWANUKA:** Madam Chairperson, we were told that these offences

have been rectified by the 120 member states and so, we could not change them. If the Member has objection, that is what he should raise.

**THE CHAIRPERSON:** Is it in the agreement?

**DR KEEFA KIWANUKA:** Yes. They are in the agreement and they have been signed by 127 member states.

**THE CHAIRPERSON:** They have the agreement which was laid on the Table. Attorney-General?

**MR KIRYOWA KIWANUKA:** Madam Chairperson, the convention requires one to file a return under Schedule 2(16). The obligations on the parties are under Schedule 2 of this Bill. The failure to file returns or meet those obligations under Schedule 2 are the offences set out here. Look at Schedule 2.

**MR ODUR:** Madam Chairperson, clause 8(a) reads: “*A person who fails to file a return on the due date for purposes of the automatic exchange of information is liable to a civil penalty of two hundred and fifty currency points for each day of default*”. I have looked through the agreement but I have not found the two hundred and fifty currency points. That is the clarification I seek.

**THE CHAIRPERSON:** Does the agreement refer to the schedule?

**MR KIRYOWA KIWANUKA:** The Member is speaking of penalties set out here. Madam Chairperson, if you gave me a second, I would identify the penalties for him.

Clause 9

**THE CHAIRPERSON:** As we wait for the Attorney-General to give us information, I put the question that clause 9 stands part of the Bill.

*(Question put and agreed to)*

*Clause 9, agreed to.*

*Clause 10, agreed to.*

*Clause 11, agreed to.*

*Schedule 1, agreed to.*

*Schedule 2, agreed to.*

*Schedule 3, agreed to.*

*Schedule 4, agreed to.*

**THE CHAIRPERSON:** Are you speaking on clause 8?

**MR KATESHUMBWA:** I am not the Attorney-General but I have -

**THE CHAIRPERSON:** Whom are you responding to? Next time, do not respond to Hon. Ssemujju.

**MR KATESHUMBWA:** I apologise. Madam Chairperson, Schedule 8 relates to offences. These offences are already provided in our Tax Procedures Code (Amendment) Act. We are dealing with a convention.

Madam Chairperson, a convention cannot have a standard universal penalty regime. It can only provide for offences so as we domesticate here, we have to consistently look at the existing offences, harmonise them and apply the related offences. That is the guidance I wanted to give.

**THE CHAIRPERSON:** So, what are you saying?

**MR KATESHUMBWA:** I think the clause as stated is sufficient.

**THE CHAIRPERSON:** Attorney-General?

**MR KIRYOWA KIWANUKA:** Madam Chairperson, just to add on that, the offences existing under this convention also exist under our Tax Procedures Code (Amendment) Act. For example, in section 62, if you do not do registration, you will be charged with a penalty of one hundred and fifty currency points or six years.

When prescribing the penalties here, we should look at the Tax Procedures Code (Amendment) Act and bring the penalties into this law so it is harmonised. You will find similar penalties already existing in the Tax Procedures Code (Amendment) Act. I am just trying to get the amended Act for one of the specific ones here, but they already provided; so we are harmonising the two.

**THE CHAIRPERSON:** Hon. Jonathan?

**MR ODUR:** Madam Chairperson, I would like to give two examples on clause 8(a) and (b). When making a panel provision, provide for both fines and the sentence but this does not appear here. In (c), (d) and (e), you provided for terms of imprisonment yet in (a) and (b), you have not.

My concern is: If these fines and penalties were set already in the convention, we would not have to debate them. Since it is not, we can decide whether Shs 10 million, for example, under clause 8(b) is enough or not. That is the point I am raising.

**MR KIRYOWA KIWANUKA:** Madam Chairperson, as I get the amended Act, I will give you an example of Section 63(3) of the Tax Procedures Code (Amendment) Act. It says “*A tax officer who commits an act specified in subsection (1) and who volunteers information to the Commissioner relating to that act is—*

*(a) exonerated from prosecution; but*

*(b) is liable for twenty per cent of the fine that would be imposed on a person convicted of an offence under subsection (1)”.*

Madam Chairperson, Parliament, has in fact, issued a penalty without imprisonment and that is what we are trying to harmonise; so it is not a strange thing. The challenge you will have are the inconsistencies between the Tax Procedures Code (Amendment) Act and The Convention on Mutual Administrative Assistance in Tax Matters (Implementation) Act. So, we have tried to harmonise the two.

**MR ODUR:** Can the learned Attorney-General tell us whether he has cross-referenced the Tax Procedures Code (Amendment) Act with this particular Bill so we are comforted that if we do not have a solution here, we can go elsewhere?

**MR TIMUZIGU:** Thank you. Hon. Jonathan is asking whether the convention has stated those penalties. Madam Chairperson, it is very difficult for a convention to state universal penalties. We have our penalties here; so I think what the Attorney-General should do is to give us the penalties here which are consistent with the agreement.

**THE CHAIRPERSON:** ...consistent with the Tax Procedures Code (Amendment) Act and the agreement.

**MR TIMUZIGU:** If they are not there, then we can do some amendments as Hon. Jonathan has proposed. Thank you.

**THE CHAIRPERSON:** ...one of the purposes is to domesticate, isn't that so?

**MR KATESHUMBWA:** Madam Chairperson, this convention, like we had earlier mentioned, is going to help us deal with the challenges some Members raised last time - issues of double tax treaties, where people hide income in different jurisdictions.

The different countries which have adopted this have provided for penalties, for which we would benefit, if we sought information. We cannot fail to provide reciprocal penalties. Otherwise, we will have a challenge getting information from other jurisdictions because our regime is weak and we are not able to enforce it.

So, if we feel the penalties that we have provided are not enough – we want to have an alternative of a custodial sentence – then, we can move an amendment and change.

**MR KIRYOWA KIWANUKA:** Thank you, Madam Chairperson. Section 62H of the Tax Procedures (Amendment) Act is about offences relating to the automatic exchange of

information. For example, subsection (b) states that a person who: “Fails to maintain a record for purposes of automatic exchange commits an offence and is liable, on conviction, to a fine not exceeding two thousand five hundred currency points for each day of default or imprisonment not exceeding 10 years, or both.”

So, when you look at clause 8 and Section 62H of the Tax Procedures Code (Amendment) Act, they are reconciled.

Madam Chairperson, we have also discussed the matter of the existence of a law in another place. The person prosecuting the matter can choose to penalise you in either of those, depending on the circumstance. Therefore, it will not affect the legal regime in any way, but it is cross referenced.

**THE CHAIRPERSON:** You have seen the cross-referencing. I now put the question that clause 8 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 8, agreed to.*

*The Title agreed to.*

MOTION FOR RESUMPTION OF THE HOUSE

12.39

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Chairperson, I beg to move a motion that the House do resume and the Committee of the Whole House reports thereto.

**THE CHAIRPERSON:** I put the question that the House resumes and the Committee of the whole House reports thereto.

*(Question put and agreed to.)*

*(The House resumed, the Speaker presiding.)*

REPORT OF THE COMMITTEE OF THE WHOLE HOUSE

12.39

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):**

Madam Speaker, I beg to report that the Committee of the whole House has considered the Bill entitled, “The Convention on Mutual Administrative Assistance in Tax Matters (Implementation) Bill, 2023” and passed it with no amendments.

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

12.39

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):**

Madam Speaker, I beg to move a motion that the report from the Committee of the whole House be adopted.

**THE SPEAKER:** I put the question that the House adopts the report of the Committee of the whole House.

*(Question put and agreed to.)*

*Report adopted.*

BILLS  
THIRD READING

THE CONVENTION ON MUTUAL ADMINISTRATIVE MUTUAL ASSISTANCE IN TAX MATTERS (IMPLEMENTATION) BILL, 2023.

12.40

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):**

Madam Speaker, I beg to move that the Convention on Mutual Administrative Assistance in Tax Matters (Implementation) Bill, 2023 be read for the third time and do pass.



**THE SPEAKER:** I put the question that The Convention on Mutual Administrative Assistance in Tax Matters (Implementation) Bill, 2023 be read the third time and do pass.

*(Question put and agreed to.)*

A BILL FOR AN ACT ENTITLED,  
“THE CONVENTION ON MUTUAL  
ADMINISTRATIVE ASSISTANCE IN TAX  
MATTERS (IMPLEMENTATION) ACT,  
2023”

**THE SPEAKER:** Bill passed and title settled.  
*(Applause)* Thank you.

## BILLS SECOND READING

### THE SUPPLEMENTARY APPROPRIATION BILL, 2023

**THE SPEAKER:** Honourable members, the Supplementary Appropriation Bill, 2023 was read for the first time on Wednesday, 10 May 2023 and referred to the Committee on Budget. I am aware that the committee is ready to report. Can the minister move a motion?

12.41

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to move that the Supplementary Appropriations Bill, 2023 be read for the second time.

**THE SPEAKER:** Is it seconded? *(Members rose)* It is seconded by Hon. Anifa, Hon. Christine, Hon. Mbwa, Hon. Alanyo, Hon. Elwelu, by the whole House.

Honorable minister, would you love to speak to your motion?

**MR MUSASIZI:** Madam Speaker, thank you. The Bill is intended to provide for supplementary appropriation, out of the Consolidated Fund under Article 156(3) of the Constitution and Section 25 of the Public Finance Management Act, 2015, a sum of

Shs 4,416,786,490,000 to meet additional expenditures for the Financial Year 2021/2022.

Madam Speaker, more details will be provided in the committee’s report.

**THE SPEAKER:** Thank you. Committee chairperson, present your report. I am also aware that we have a minority report. Let us have the major report first.

12.44

**THE DEPUTY CHAIRPERSON, COMMITTEE ON BUDGET (Mr Ignatius Wamakuyu):** Thank you, Madam Speaker. This is a report on the Supplementary Appropriation Bill, 2023. Before I proceed, I beg to lay the main report of the committee, the minority report, minutes of the meetings, copy of the Bill and the parliamentary resolutions attached.

Madam Speaker, the report is uploaded on the iPad.

On 10 May 2023, the Minister of Finance, Planning and Economic Development presented the Supplementary Appropriation Bill, 2023 for first reading and it was referred to the Committee on Budget.

#### Methodology

The committee studied the Supplementary Appropriation Bill, 2023, together with the resolutions of Parliament and other documents listed - Members can read them. The listed documents included Schedules No.1 and No.2 for Financial Year 2021/2022, resolutions of Parliament and the *Hansard*.

#### Background

During the implementation of the budget for Financial Year 2021/22, the Government sought additional resources and reallocation to meet its expenditure requirements. The requests were read before Parliament in two supplementary schedules – Schedule No. 1 and Schedule No.2 – in accordance with the provision of Article 156(2) of the Constitution

of the Republic of Uganda and Section 25 of the Public Finance and Management Act, 2015. Article 156(2) and (3) provides – I think Members can read it.

On 21 October 2021, the Ministry of Finance, Planning and Economic Development laid before Parliament the Supplementary Expenditure estimates under Schedule One, amounting to Shs 3.819 trillion, which was 8.5 per cent of the approved budget of Shs 44.778 trillion for the Financial Year 2021/2022.

This Schedule was inclusive of the supplementary expenditure estimates within the three per cent legal limit within which the minister authorised spending amounting to Shs 1.343 trillion.

The Supplementary Expenditure Schedule One was approved by Parliament under three resolutions dated 19 November 2021, 1 December 2021, and 21 December 2021.

On 18 May 2022, Government laid before Parliament the Supplementary Expenditure estimates under Schedule Two, amounting to Shs 617.948 billion, and was approved by Parliament on 19 May 2022 without amendments.

The object of the Bill

The object of the Bill is to provide for the supplementary appropriation out of the Consolidated Fund under Article 156(3) of the Constitution and Section 25 of the Public Finance Management Act, 2015, a sum of Shs 4,416,786,490,000 to meet the additional expenditure for Financial Year 2021/2022.

Observations

The committee observed that a total of Shs 4.16 trillion was captured in a supplementary –

**THE SPEAKER:** It is Shs 4.416 trillion.

**MR WAMAKUYU:** Shs 4,416,786,490,420 was captured in the Supplementary Appropriation Bill, 2023 of which Shs

2,512,713, 661,211 was recurrent expenditure and Shs 1,904,072,829,209 was development expenditure. This is consistent with the resolution of Parliament approving the Supplementary Expenditure Schedule One and 2, and the resolutions amending Schedule One. The committee observed that there are errors in the narration of the recurrent expenditure in the Schedule of the Bill for Votes 009, 010 and 205. The narration indicates the financial year for the expenditure as 2018/2019 whereas the expenditure relates to the Financial Year 2021/2022.

The committee recommends that the Bill be amended to correct errors.

In conclusion, Madam Speaker, the Supplementary Appropriation Bill, 2023 is consistent with the resolutions of Parliament on Supplementary Expenditure Schedule One and Two.

The committee recommends that Supplementary Appropriation Bill, 2023 be passed into law, subject to the proposed amendments. Madam Speaker, I have a copy of the minority report attached and I request that you allow the author of the minority report to present it. Thank you.

**THE SPEAKER:** Thank you very much, chairperson. Can we have the author of the minority report present it?

12.51

**MR MUWANGA KIVUMBI (NUP, Butambala County, Butambala):** Madam Speaker, I thank you for this opportunity. I will go straight to the area of dissent.

We dissented with the majority committee report on the decision by the Ministry of Finance, Planning and Economic Development to dispatch Shs 108 billion to Atiak Sugar Factory, under Vote 015 to the Ministry of Trade, Industry and Cooperatives, for the purchase of equipment to be released to Atiak Works against the Parliamentary resolution to acquire additional equity shares of Shs 108 billion to Government of the Republic of Uganda as indicated on page 24 of the majority



report, during the 13<sup>th</sup> Sitting of the 2<sup>nd</sup> Meeting of the 1<sup>st</sup> Session of the 11<sup>th</sup> Parliament of the Republic of Uganda, held on Thursday, 13 November 2021.

#### Recommendations

The Ministry of Finance, Planning and Economic Development should provide a share certificate for the acquisition of equity shares in Atiak Sugar Factory worth Shs 108 billion, on behalf of Uganda.

Madam Speaker, our conclusion is that this Shs 108 billion cannot enter the Appropriation Bill. Madam Speaker, Parliament approved - and I have a copy of *Hansard* with me – the Deputy Speaker at that time put a question for the House to vote on the minority report and the minority report lost. Then he put a question on the majority report and the majority report was carried.

The majority report recommended that Government should use Shs 108 billion for the acquisition of equity. Now, a resolution of this Parliament was communicated to Parliament that “we passed money for the purchase of equipment to the Ministry of Finance, Planning and Economic Development.” That was a distortion of the recommendation of Parliament from the majority report, which was adopted. So, the communication to the Ministry of Finance, Planning, and Economic Development was ultra vires to what we recommended.

For the figure under the provision of the Constitution - and I will ask the Attorney-General for his side to elaborate on the law - to enter an Appropriation Bill, it should be both for the terms and purposes for which you appropriated. Any money where there is a change for the purpose for which it was appropriated cannot be part of an Appropriation Supplementary Bill.

Therefore, our position is that the money for Atiak Sugar Factory, which is Shs 108 billion, cannot be in the Appropriation Bill we are going

to consider. We should exclude that figure and those who spent this money, the law will take its course because that is all Parliament can do. The Ministry of Finance, Planning and Economic Development has been using the three percent and other provisions to undermine what we do. Their day has come. On Atiak, we have them. They have moved contrary to the law but that is what the law provides.

Madam Speaker, I move that Parliament recommends for us to exclude the money for Atiak Sugar Factory because it was contrary to what this committee resolved the ministry to use this money for. I beg to move. (*Applause*)

**THE SPEAKER:** Attorney-General, can you guide us on this matter?

**MR MUWANGA KIVUMBI:** Madam Speaker, before I go, let me ask our Attorney-General from this side -

**THE SPEAKER:** I am asking the Attorney-General on this side first to guide. We need to understand the object of this Appropriation Bill. The purpose of this Appropriation Bill is for us to regularise the books of accounts for Financial Year 2021/2022. We need to close the accounting cycle before we go and supply. That is why we passed this Bill.

Secondly, the expenditure has already been incurred. That now becomes administrative. Attorney-General?

12.56

**THE ATTORNEY-GENERAL (Mr Kiryowa Kiwanuka):** Thank you very much, Madam Speaker. First of all, like you correctly put, this is to report what was done.

Secondly, I am not quite sure I understand the objection of the honourable member because he said money was appropriated to acquire shares and not to buy equipment.

**MR MUWANGA KIVUMBI:** Atiak Sugar Factory needed money to buy equipment. We agreed to give money –

**THE SPEAKER:** The equipment would become part of the equity of the Government.

**MR MUWANGA KIVUMBI:** No, Madam Speaker. We decided that money should go to Uganda Development Corporation (UDC) and onwards to Atiak Sugar Factory. The condition for the Government of Uganda is to acquire equity with this money. The money would consequently be used to buy equipment.

As Government, we should have gotten shares in that company to protect our interests. We are not willing to donate free money to Atiak Sugar Factory. That was a resolution of Parliament. The consequent communication from Parliament meant that we gave Atiak free money to –

**THE SPEAKER:** Which Parliament?

**MR MUWANGA KIVUMBI:** This one.

**THE SPEAKER:** Who communicated?

**MR MUWANGA KIVUMBI:** I have a letter here.

**THE SPEAKER:** If there is a communication signed by the Clerk, it will now become an administrative issue and I will handle it administratively.

**MR MUWANGA KIVUMBI:** Madam Speaker, let me read this letter. This is what was communicated to the Government:

*“Appropriation of Shs 108 billion to Uganda Development Corporation for mechanisation for the Atiak works.*

*At the 13<sup>th</sup> Sitting of the Second Meeting of the First Session of the 11<sup>th</sup> Parliament of Uganda, held on Thursday, 13 November 2021, Parliament passed a resolution to approve Supplementary Expenditure Schedule No.1 for the Financial Year 2021/2022.*

*The approved supplementary expenditure included Shs 108 billion to Uganda Development Corporation through Vote 105 – Ministry of Trade, Industry and Cooperatives,*

*specifically for the purchase of equipment to be leased to Atiak Sugar Factory.”*

**THE SPEAKER:** We will handle the resolution administratively.

**MR MUWANGA KIVUMBI:** The challenge we have is this Parliament – that is why I am asking the Attorney-General – we cannot enter a figure. When you read the Constitution - which is supreme - if the purpose for which you appropriated money has been wrongly placed, that figure cannot be part of the Bill.

**THE SPEAKER:** Can I first hear from the chairperson? What was the resolution? What was the money used for? Should we refer that to the Committee on Tourism, Trade and Industry?

**MR WAMAKUYU:** Madam Speaker, what was passed by the House was acquisition of equity - the Shs 108 billion. However, when you look at the Bill, it is talking about mechanisation.

Secondly, we saw some more correspondences between the Office of the Clerk and – I think what Hon. Kivumbi Muwanga is trying to refer to - the Permanent Secretary/Secretary to Treasury communicating about mechanisation, not equity. It is an administrative issue which can – (*Interjections*) - but you are saying “No.” I am –

**THE SPEAKER:** Honourable members, let us be civilised; he is giving his view.

**MR WAMAKUYU:** When you read through the resolution forwarding the entire supplementary budget, it did not talk about equity; it talked about the total sums supplied by the House. By that time, we had not appropriated.

That communication, through the Office of the Clerk, was bringing up the issue of equity. In the process along the way, equity lost and then mechanisation came in. So, it is the Office of the Clerk to Parliament.

**THE SPEAKER:** Like I have said, I am going to handle that administratively. Let our work not fail to move on because of an error somebody has made. I am going to call Mr Waiswa who wrote the letter and handle it.

**MR KIRYOWA KIWANUKA:** Thank you, Madam Speaker. I actually – *(Interruption)*

**MR IBRAHIMSSEMUMJU:** Madam Speaker, I thought you had given me this opportunity and this will be helpful to the Attorney-General. We made these decisions when all of us were here. Even if the communication from the Clerk to the finance ministry had issues, what we need to know is whether the process of acquiring equity is now complete and there is evidence. It is as simple as that.

**THE SPEAKER:** Thank you.

**MR KIRYOWA KIWANUKA:** Thank you very much –

**THE SPEAKER:** Just hold on, Attorney-General.

1.02

**THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga):** Thank you, Madam Speaker. I hope and pray that the learned Attorney-General will not rise to come here and speak the law because the law is unequivocal about what we did. He should not vacate it.

Let me inform the House that as we speak now, the Government has so far injected Shs 279 billion in Atiak Sugar Factory. The major shareholders have only injected Shs 120 billion. We have 60 per cent and the one who injected Shs 279 billion has 40 per cent.

Therefore, will the learned Attorney-General inform the House, speaking in line with what Hon. Ssemujju was saying, how the Shs 108 billion was characterised en route to Atiak Sugar Factory? There is no way equity can become equipment, even if there is a phonetic connotation; that equity was turned into equipment -read as being in simplified form - that there were letters left out from equity to

equipment. How was it characterised, learned Attorney-General? We need to know because the law is very clear and that is a question of interpreting the law.

If somebody wants to impeach the authority of Parliament in dealing with supplementary appropriation, then we need to have a very clear explanation. Otherwise, for me, it is a question of impeaching the powers of Parliament. This is the day for Parliament to assert itself. Thank you, Madam Speaker.

**MR KIRYOWA KIWANUKA:** Thank you very much, Madam Speaker. Thank you very much, Leader of the Opposition. When I rise here, I will only speak of the law because that is what the Constitution allows me to speak of.

I think the resolution of the minority members, which says that the Ministry of Finance, Planning and Economic Development should provide a certificate for acquisition of equity shares in Atiak Sugar Factory worth Shs 108 billion, on behalf of the Government, sits quite well with what Hon. Ssemujju was saying.

What Parliament appropriated was the acquisition of equity. The question that the Government must answer is whether it acquired equity. Definitely, equity cannot turn into equipment but equipment can be used to acquire equity.

Madam Speaker, allow the Executive to come back with the requisite documentation to show that Government actually acquired equity in this institution as per the resolution of Parliament. I beg submit.

**THE SPEAKER:** Executive, get that resolution. We shall refer it to the Committee on Tourism, Trade and Industry for further analysis.

1.06

**MR WILFRED NIWAGABA (Independent, Ndoorwa County East, Kabale):** For record purposes, any appropriation we make in this House – and under article 156 - once it clearly stipulates the purpose for which that

appropriation has been made, then that purpose must be perfected.

Madam Speaker, any diversion from that purpose becomes illegal, null and void. I hope the learned Attorney-General will bring the requisite documentation.

**THE SPEAKER:** Thank you. The Attorney-General is going to do that. - Honourable members, I am hungry; so sit down. *(Laughter)*

1.07

**MR JONATHAN ODUR (UPC, Erute County South, Lira):** I am sorry, Madam Speaker; we are also facing the same. In the past, I raised issues here - how resolutions or decisions taken by this House are manipulated outside - and this is criminal; it is fraudulent.

I know administratively, you are going to deal with it but it must be on the record that a technical officer of Parliament cannot usurp the powers of Parliament and communicate something else.

**THE SPEAKER:** I am going to handle that aspect and I will report to this House.

**MR ODUR:** Secondly, the Committee on Budget must understand that they work for and on behalf of all Members of Parliament.

When sent to go and compare what was approved in 2021 and what has been presented - you come here and not tell us anything yet you were supposed to scrutinise and speak to the items we appropriated. Then you say, "We have no problem; you approve."

Madam Speaker, the Committee on Budget should actually resign; they are a disgrace to this House.

This is not the first time the Committee on Budget is doing such a thing.

Madam Speaker, this must be taken seriously. We cannot be taken for granted anymore. Other than that, I move that that report be rejected-

**THE SPEAKER:** We are not going to reject that report; we are going to adopt it and supply. Honourable members, we must finish the accounting cycle.

**MR SSEMUJJU:** We have authored a report with Hon. Muwanga Kivumbi but the honourable member is saying that all of us on the Committee on Budget are a disgrace and therefore, must resign.

This report that has been presented - including the minority report - is a report of the Committee on Budget. If for one reason the NRM people have not seen and we have seen, it remains a report of the Committee on Budget. Is he, therefore, in order to bundle all of us and say that we are a disgrace and therefore, should resign? *(Laughter)*

**THE SPEAKER:** Honourable member, would you like to answer what he has raised? You are standing so I am wondering whether you want to respond to him.

Honourable member, there are two reports. Whoever was dissatisfied with the main report came up a minority report and that is why we had the minority report. Otherwise, we have a very good team in the Committee on Budget. As Members of Parliament, all of us are the same; so let Members continue working.

1.09

**MR MUWANGA KIVUMBI (NUP, Butambala County, Butambala):** Madam Speaker, allow me read Members who signed the minority report. We have:

1. Hon. Ssemujju Ibrahim Nganda.
2. Hon. Namugga Gorreth.
3. Hon. Anna Adeke.
4. Hon. Muwanga Kivumbi.

**THE SPEAKER:** That is understandable. Honourable members, we need to move-

**MR MATHIAS MPUUGA:** Thank you, Madam Speaker. Now that we are establishing levels of culpability, and the learned Attorney-General has committed to tabling a certificate

and an amended pair of memorandum and articles of association, would you please give the Attorney-General timelines because they are available at his desk? It is a question of delivery.

**THE SPEAKER:** Can we now go to Committee Stage, as I give him a timeline? He will report back a week after we have come back from recess.

**MR BASALIRWA:** I will be moving a motion but before that, learned Attorney-General and the Executive, there is a bigger issue regarding Rule 220 of our Rules of Procedure on Action Taken Reports.

Oftentimes, we sit here, resolutions are made but little is done on your part to ensure that rule 220 is effected. Madam Speaker, we would not be in this conundrum if our colleagues that side had taken that rule very seriously. That aside - and now that we have listened to the discussions - I beg that we move to Committee Stage and discuss this issue at that level.

**THE SPEAKER:** Is it seconded? It is seconded by the Minister of Finance, Planning and Economic Development, Hon. James, Hon. Iddi. Hon. Akamba, Hon. Milton, Hon. Amero, Hon. Evelyn - Hon. Ssegirinya, you are most welcome. It is also seconded by Hon. Semakula, Hon. Kawalya, Doctor, Hon. Anifa, my royal guards here, Hon. Museveni and Hon. Allan.

I now put the question that the Supplementary Appropriation Bill, 2023 be read the second time.

*(Question put and agreed to.)*

BILLS  
COMMITTEE STAGE

THE SUPPLEMENTARY APPROPRIATION  
BILL, 2023

Clause 1

**THE CHAIRPERSON:** I put the question that clause 1 stands part of the Bill.

*(Question put and agreed to.)*

*Clause 1, agreed to.*

*Clause 2, agreed to.*

Schedule

**MR WAMAKUYU:** Madam Chairperson, I propose an amendment on the schedule under recurrent expenditure.

1. Vote 009: Ministry of Internal Affairs - replace "2018 /2019", with "2021/2022".
2. Vote 010: Ministry of Agriculture, Animal Industry and Fisheries - replace "2018/2019" with "2021/2022".
3. Vote 205: Uganda High Commission in Egypt, Cairo - replace "2018/2019" with "2021/2022".

The justification is to correct an error in the narration of the recurrent expenditure that indicates the financial year as 2018/2019, whereas the expenditure relates to Financial Year 2021/2022.

**THE CHAIRPERSON:** Thank you. I hope "2018/2019" was not intentional and you are not using it to clear your books?

**MR MUSASIZI:** Madam Chairperson, this is a straightforward error and I agree with the committee.

**THE CHAIRPERSON:** I also need a response from you; was it a genuine typo?

**MR MUSASIZI:** Madam Chairperson, this was a genuine typo and I would like to thank the committee for correcting it.

**MR ODUR:** Madam Chairperson, I would like to move an amendment to reduce, by Shs 108 billion, the amount appropriated under Vote 015 for recurrent expenditure on salaries and expenses under the Ministry of Trade, Industry and Cooperatives.



The justification is that this is to exclude the Shs 108 billion that was fraudulently expended by the ministry on a non-approved item by the Parliament.

**THE CHAIRPERSON:** Honourable members, we already had an agreed position. Why are we going back to the same?

I put the question that we amend the schedule as proposed by the committee chairperson.

*(Question put and agreed to.)*

The schedule, as amended, agreed to.

*The Title agreed to.*

#### MOTION FOR RESUMPTION OF THE HOUSE

1.17

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Chairperson, I beg to move that the House do resume and the Committee of the whole House reports thereto.

**THE CHAIRPERSON:** I put the question that the House do resume and the Committee of the whole House report thereto.

*(Question put and agreed to.)*

*(The House resumed, the Speaker presiding.)*

#### REPORT OF THE COMMITTEE OF THE WHOLE HOUSE

1.17

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to report that the House has considered the Bill entitled "The Supplementary Appropriations Bill, 2023" and passed it with amendments.

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

1.18

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi):** Madam Speaker, I beg to move a motion that the report from the Committee of the whole House be adopted.

**THE SPEAKER:** I put the question that the House adopts the report of the Committee of the whole House.

*(Question put and agreed to.)  
Report adopted.*

#### BILLS THIRD READING

#### THE SUPPLEMENTARY APPROPRIATION BILL, 2023

1.19

**MR JONATHAN ODUR (UPC, Erute County South, Lira):** Madam Speaker, I rise under Rule 138 of the Rules of Procedure to move a motion for the recommittal of the Bill. Before you put a question to that, I draw your attention to Article 88 and Rule 24 of the Rules of Procedure, which require you to ascertain that this House is properly constituted to take a vote.

So, I now beg to move a motion that Vote 015: Ministry Trade, Industry and Cooperatives be recommitted, as I will propose, to reduce the sum by Shs 108 billion.

**THE SPEAKER:** What Vote?

**MR ODUR:** The amount is Shs 108 billion -

**THE SPEAKER:** I am asking for the Vote number.

**MR ODUR:** Vote 015 – the amount spent on the purchase of equipment in Atiak Sugar Factory in contravention of the resolutions passed by this Parliament.

**THE SPEAKER:** Honourable members, I am going to put the question on the recommittal of Vote 015. I put the question that Shs 108 billion used by the Government be deducted from Vote 15 on the Supplementary Appropriation Bill, 2023.

*(Question put and negatived.)*

1.21

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES)**

**(Mr Henry Musasizi):** Madam Speaker, I beg to move that The Supplementary Appropriation Bill, 2023 be read for the third time and do pass.

**THE SPEAKER:** I put the question that The Supplementary Appropriations Bill, 2023 be read the third time and do pass.

*(Question put and agreed to.)*

A BILL FOR AN ACT ENTITLED, "THE SUPPLEMENTARY APPROPRIATION BILL, 2023"

**THE SPEAKER:** Bill passed and title settled.

Hon. Kivumbi, we are waiting for you – the budget committee.

**MR MUWANGA KIVUMBI:** Madam Speaker, I am not the chairperson of that committee. I do not want to assume -

**THE SPEAKER:** You are the only person from that committee that I am seeing around.

**MR MUWANGA KIVUMBI:** The Deputy chairperson is here. -

**THE SPEAKER:** Committee Deputy Chairperson, give us the status update.

1.22

**THE DEPUTY CHAIRPERSON, COMMITTEE ON BUDGET (Mr Ignatius Wamakuyu):**

Madam Speaker, we are concluding the process this afternoon and we

will be ready tomorrow. I hope the Ministry of Finance, Planning and Economic Development – I am not anticipating – will not come up with new changes at the last moment, which normally disorganise our activities. So, they have to make a commitment that there are no other new changes so that we can conclude the process by end of business today.

**THE SPEAKER:** Honourable members, the most important item that we have to handle in this House is the supply.

I now adjourn the House to tomorrow at 10.00 a.m.

*(The House rose at 1.24 p.m. and adjourned until Wednesday, 17 May 2023 at 10.00 a.m.)*