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SUPPLEMENT

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Bill No. 45

Uganda Road Fund (Amendment) Bill

2024

THE UGANDA ROAD FUND (AMENDMENT) BILL, 2024

MEMORANDUM

1. Policy and principles of the Bill

The policy behind the Bill is to give effect to the Government Policy for Rationalisation of Government Agencies and Public Expenditure (RAPEX) which was adopted by the Cabinet on 22nd February 2021.

2. Defects in existing law

The Constitution establishes a definite number of Government agencies, including constitutional commissions, authorities, boards, local councils and other statutory bodies. These were established to perform certain specified constitutional functions. Over the years, however, there has been a proliferation of agencies established by Acts of Parliament, Executive Orders and administrative arrangements. Whereas most of the agencies are necessary due to the critical nature of the functions they perform, Government has established that a certain limited number of agencies were established without due consideration to the aspects of institutional harmony, functional duplications, overlaps and affordability. Government has also established that some agencies have served the purpose for which they were established. The mandate of a few other agencies has been overtaken by events. Such agencies need to be rationalised.

More importantly, the proliferation of agencies has created mandate overlaps and jurisdictional ambiguities among the agencies.

Additionally, the high cost of administering the agencies has drained the national treasury at the expense of effective service delivery. This has overstretched the capacity of Government to sustain them. Government has also established that the generous salary structures of the agencies has created salary disparities between employees of the agencies and public officers in the traditional civil service leading to demotivation of human resources in the mainstream public service.

3. Remedies proposed in the Bill.

The intention of the Bill is to amend the Uganda Road Fund Act, 2008 to—

- (a) enable the dissolution of the Uganda Road Fund and the transfer of the administration of the Fund to the Ministry responsible of roads (Ministry of Works and Transport), thereby, *inter alia*, relieving the Government of the financial drain on its resources and the burden of wasteful administration and expenditure by maintaining an agency to perform the functions of the Fund which may be performed by the Ministry;
- (b) facilitate efficient and effective service delivery by clearly delineating the mandates and functions of the Ministry responsible of roads and other agencies and departments, thereby, avoiding duplication of mandates and functions in the management of the Fund;
- (c) promote coordinated administrative arrangements, policies and procedures for—
 - (i) ensuring the efficient and successful management, financial accounting and budgetary discipline of government agencies and departments;
 - (ii) enabling the Government to play its proper role more effectively; and

- (iii) enforcing accountability;
- (d) to restructure and re-organise the Ministry responsible of roads and other agencies and departments of Government by eliminating bloated structures and functional ambiguities in the performance of functions related to the Fund.

4. Provisions of the Bill

The Bill has 47 clauses. Clause 2 provides for the objectives of the Bill. Clause 3 of the Bill provides for the purpose of amending of the Uganda Road Fund Act, 2008. Clause 4 provides for the dissolution of the Uganda Road Fund. Clause 5 provides for the transfer of the administration of the Fund to the Ministry responsible of roads (Ministry of Works and Transport). The rest of the clauses of the Bill are consequential amendments as a result of the dissolution of the Uganda Road Fund and the transfer of the administration of the Fund to the ministry responsible for roads.

GEN. EDWARD KATUMBA WAMALA
Minister for Works and Transport

THE UGANDA ROAD FUND (AMENDMENT) BILL, 2024

ARRANGEMENT OF CLAUSES

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27. Amendment of section 30 of principal Act
28. Amendment of section 31 of principal Act
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30. Repeal of section 33 of principal Act
31. Repeal of section 34 of principal Act
32. Repeal of section 35 of principal Act
33. Repeal of section 36 of principal Act
34. Repeal of section 37 of principal Act
35. Repeal of section 38 of principal Act
36. Repeal of section 39 of principal Act
37. Amendment of section 41 of principal Act
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39. Amendment of section 43 of principal Act
40. Amendment of section 44 of principal Act
41. Repeal of section 45 of principal Act
42. Amendment of section 46 of principal Act
43. Repeal of section 47 of principal Act
44. Amendment of section 49 of principal Act
45. Amendment of section 50 of principal Act
46. Repeal of Schedule 2 to principal Act
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A Bill for an Act

ENTITLED

THE UGANDA ROAD FUND (AMENDMENT) ACT, 2024

An Act to amend the Uganda Road Fund Act, 2008 to empower the Ministry responsible for roads to administer the Act and the Uganda Road Fund in order to give effect to the Government Policy on Rationalisation of Government Agencies and Public Expenditure, and for related purposes.

BE IT ENACTED by Parliament as follows:

1. Interpretation

In this Act, unless the context otherwise requires—

“agency” means a body established by an Act of Parliament and includes an authority;

“commission” means a body established by the Constitution;

“Government” means the Government of Uganda;

“Ministry” means the Ministry responsible for roads.

2. Objective

(1) The main objective of this Act is to give effect to the Government Policy for Rationalisation of Government Agencies and Public Expenditure adopted by the Cabinet on 22nd February, 2021 and contained in Cabinet Minute No. 43(CT 2021).

(2) Without prejudice to the general effect of subsection (1), the following objectives shall be deemed to fall under the objective specified in that subsection—

- (a) the merging, mainstreaming and rationalisation of agencies, commissions, authorities and public expenditure thereby, *inter alia*, relieving the Government of the financial drain on its resources and the burden of wasteful administration and expenditure;
- (b) the facilitation of efficient and effective service delivery by clearly delineating the mandates and functions of government agencies and departments and thereby avoiding duplication of mandates and functions;
- (c) the promotion of coordinated administrative arrangements, policies and procedures for—
 - (i) ensuring the efficient and successful management, financial accounting and budgetary discipline of government agencies and departments;
 - (ii) enabling the Government to play its proper role more effectively; and
 - (iii) enforcing accountability; and
- (d) the restructuring and re-organisation of agencies and departments of Government by eliminating bloated structures and functional ambiguities in Government agencies and departments.

3. Purpose of amendment of Act 15 of 2008

The purpose of amending the Uganda Road Fund Act, 2008 is to empower the Ministry responsible for roads to administer the Act and the Fund established under the Act.

4. Dissolution of the Fund Management Board and Secretariat

On the commencement of this Act, the Fund Management Board and the Secretariat of the Board shall be dissolved.

5. Responsibility for administration of Act 15 of 2008

On the commencement of this Act, the Ministry responsible for roads shall be responsible for administering Act 15 of 2008 and managing the Fund established under the Act.

6. Amendment of section 4 of Act 15 of 2008

Section 4 of Act 15 of 2008, in this Act referred to as the “principal Act” is amended by repealing the definitions of “Authority”, “board”, “Executive Director” and “Secretariat”.

7. Amendment of section 5 of principal Act

Section 5 of the principal Act is amended by repealing subsection (2).

8. Substitution of section 7 of principal Act

For section 7 of the principal Act, there is substituted the following—

“7. Management of the Fund

(1) The Fund shall be managed by the Ministry.

(2) The Ministry shall manage the business of the Fund in accordance with sound commercial principles to enable effective, efficient and stable road expenditures through the implementation of a road user charging system.”

9. Repeal of section 8 of principal Act

Section 8 of the principal Act is repealed.

10. Repeal of section 9 of principal Act

Section 9 of the principal Act is repealed.

11. Repeal of section 10 of principal Act

Section 10 of the principal Act is repealed.

12. Repeal of section 11 of principal Act

Section 11 of the principal Act is repealed.

13. Repeal of section 12 of principal Act

Section 12 of the principal Act is repealed.

14. Repeal of section 13 of principal Act

Section 13 of the principal Act is repealed.

15. Amendment of section 14 of principal Act

Section 14 of the principal Act is amended by substituting for “board” wherever it appears the word “Ministry”.

16. Repeal of section 15 of principal Act

Section 15 of the principal Act is repealed.

17. Repeal of Part IV of principal Act

Part IV (sections 16, 17, 18, 19, 20) of the principal Act is repealed.

18. Amendment of section 21 of principal Act

Section 21 of the principal Act is amended in subsection (1)(a) by repealing “on the recommendation of the board”.

19. Amendment of section 22 of principal Act

Section 22 of the principal Act is amended—

- (a) by repealing subsection (1)(c); and
- (b) in subsection (1)(f) by substituting for “Board” the word “Ministry”.

20. Amendment of section 23 of principal Act

Section 23 of the principal Act is amended by substituting for “Board” wherever it appears, the word “Ministry”.

21. Amendment of section 24 of principal Act

Section 24 of the principal Act is amended by substituting for “Board” wherever it appears the word “Ministry”.

22. Amendment of section 25 of principal Act

Section 25 of the principal Act is amended—

- (a) by substituting for “Board” wherever it appears, the word “Ministry”; and
- (b) by repealing subsection (6)(d).

23. Amendment of section 26 of principal Act

Section 26 of the principal Act is amended by substituting for “Board” wherever it appears, the word “Ministry”.

24. Amendment of section 27 of principal Act

Section 27 of the principal Act is amended by substituting for “Board” wherever it appears, the word “Ministry”.

25. Amendment of section 28 of principal Act

Section 28 of the principal Act is amended by substituting for “Board” wherever it appears, the word “Ministry”.

26. Amendment of section 29 of principal Act

Section 29 of the principal Act is amended by substituting for “Board” wherever it appears, the word “Ministry”.

27. Amendment of section 30 of principal Act

Section 30 of the principal Act is amended by substituting for “Board” wherever it appears, the word “Ministry”.

28. Amendment of section 31 of principal Act

Section 31 of the principal Act is amended by substituting for “Board” wherever it appears, the word “Ministry”.

29. Repeal of section 32 of principal Act

Section 32 of the principal Act is repealed.

30. Repeal of section 33 of principal Act

Section 33 of the principal Act is repealed.

31. Repeal of section 34 of principal Act

Section 34 of the principal Act is repealed.

32. Repeal of section 35 of principal Act

Section 35 of the principal Act is repealed.

33. Repeal of section 36 of principal Act

Section 36 of the principal Act is repealed.

34. Repeal of section 37 of principal Act

Section 37 of the principal Act is repealed.

35. Repeal of section 38 of principal Act

Section 38 of the principal Act is repealed.

36. Repeal of section 39 of principal Act

Section 39 of the principal Act is repealed.

37. Amendment of section 41 of principal Act

Section 41 of the principal Act is amended—

- (A) by repealing subsection (2); and
- (b) by substituting for “Board” wherever it appears the word “Ministry”.

38. Amendment of section 42 of principal Act

Section 42 of the principal Act is amended by substituting for “Board” wherever it appears, the word “Ministry”.

39. Amendment of section 43 of principal Act

Section 43 of the principal Act is amended by substituting for “Board” wherever it appears, the word “Ministry”.

40. Amendment of section 44 of principal Act

Section 44 of principal Act is amended by substituting for “Board” wherever it appears, the word “Ministry”.

41. Repeal of section 45 of principal Act

Section 45 of the principal Act is repealed.

42. Amendment of section 46 of principal Act

Section 46 of the principal Act is amended by substituting for “Board” wherever it appears, the word “Ministry”.

43. Repeal of section 47 of principal Act

Section 47 of the principal Act is repealed.

44. Amendment of section 49 of principal Act

Section 49 of the principal Act is amended in subsection (1) by repealing the words “the board and”.

45. Amendment of section 50 of principal Act

Section 50 of the principal Act is amended in subsection (2) by repealing the words “in consultation with the Board”.

46. Repeal of Schedule 2 to principal Act

Schedule 2 to the principal Act is repealed.

47. Savings

(1) The members of the Fund Management Board and the Secretariat of the board shall be paid their terminal benefits in accordance with the terms and conditions of their service.

(2) Compensation is not payable to any member of the Fund Management board for loss of office resulting from the dissolution of the Fund Management board.

(3) The staff of the Secretariat of the board may be redeployed to serve in the public service subject to availability of positions.

(4) On the commencement of this Act, all the property, assets, rights, obligations, and liabilities of the Uganda Road Fund shall vest in the Government of Uganda under the Ministry.

(5) Any proceedings commenced by or against the Uganda Road Fund may be continued by or against the Attorney General.

(6) A licence, permit, certificate or authorisation issued by the Uganda Road Fund under the Act which is in force immediately before the commencement of this Act, shall have effect from the commencement of this Act, as if granted by the Ministry.

(7) The terms and conditions including the rights and obligations under a licence, permit, certificate or authorisation in force immediately before the commencement of this Act, shall not be less favourable than those that applied immediately before the commencement of this Act.