



PARLIAMENT OF UGANDA

PARLIAMENTARY DEBATES

(HANSARD)

OFFICIAL REPORT

THIRD SESSION - SECOND MEETING

WEDNESDAY, 6 DECEMBER 2023



IN THE PARLIAMENT OF UGANDA

Official Report of the Proceedings of Parliament

THIRD SESSION - 21ST SITTING - SECOND MEETING

Wednesday, 6 December 2023

Parliament met at 1.58 p.m. in Parliament House, Kampala.

PRAYERS

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

The House was called to order.

COMMUNICATION FROM THE CHAIR

THE SPEAKER: Honourable members, I welcome you to this afternoon's sitting. The 13th edition of the East African Community Inter-Parliamentary Games is going to start on 7th and will be in Kigali, Rwanda. The Parliament of Uganda is ably represented and the Members who are going to represent the country were nominated by the coaches and the captains of different disciplines.

I would like to inform you that as leadership of Parliament, we are not going to be a party to choosing who is going, because we may end up choosing only our friends.

I also encourage Members to represent our country well in terms of discipline. I am giving you money - US\$ 720 per day - and you go to sleep in a room of US\$ 20; that is unacceptable for a Member of Parliament. Members, represent us well; do not go and live in miserable places.

Honourable members, the Catholic Chaplaincy will hold a high mass of lighting the Christmas tree today at 5.00 p.m. in the conference hall.

The chief celebrant is the Bishop of Mityana. You are all most welcome for the lighting of the Christmas tree. This means that we should move our business faster and then go for prayers. Thank you. Yes, procedure on what?

MR MACHO: Madam Speaker, the national opposition political party, many times, has put the ruling Government on tension and questioned why Cabinet does not come in full swing. Today, I see the Chief Opposition Whip seated alone, which is a demonstration. I do not know whether he is fearing the words of his principal who said that the NUP Members of Parliament who voted against the Anti-Homosexuality Bill was a sign that they are moles in NRM, so they are fearing to come in the august House to talk.

At the same time, I see Hon. Basalirwa there. The mover of the Private Member's Bill of Anti-Homosexuality Bill, whereby the political leader of NUP said that it was a will of the NRM Government, where I belong, needed to bring that Bill.

You must clarify whether you are working with us as NRM or not. Madam Speaker, the silence of Hon. Basalirwa and NUP Members who they believe are working with us NRM, demonstrates a lot. *[Mr Basalirwa: "Order."]*

THE SPEAKER: There is an order.

MR BASALIRWA: Thank you, Madam Speaker. Is it in order for Hon. Macho, a renowned smuggler, to insinuate that I am

silent over a matter that I have not been given an opportunity to comment on? Is he in order, as a smuggler, to insinuate that I am quiet? Am I known for being quiet over national and international issues?

THE SPEAKER: Honourable member, since this issue came up, you are the mover of the motion and you know how much popularity you gained in this country. However, from the time this issue was raised, we have not heard from you. It is true that you are quiet. *(Applause)*

Honourable members, we got a letter from JEEMA in that regard, and we expected you to say a word as the mover of the motion. At least a personal statement that you are not working with anybody to represent your people and to protect the families of our people.

MR BASALIRWA: Thank you, Madam Speaker. Let me go on record and state as follows that the Anti-Homosexuality law is the most popular law in the history of this Parliament. Bipartisan - all shades of opinion were behind this piece of legislation.

Secondly, I attended a function in Bugiri, where Hon. Kasule Lumumba was the chief guest, the NRM Chairperson, Mr Saidi Kagere together with a couple of other people, enjoined us as Parliament to come out with a law on homosexuality.

It was on the basis of those calls that I came to your office and requested that I move this Bill. It is a matter that arose from the grassroots. In fact, the entire country is very proud and excited about this piece of legislation. It is actually not true that anybody could have used any of us to bring that piece of legislation - in any case, it is not new in this Parliament.

Madam Speaker, I have been around for a long time. I have been in prison; this Government imprisoned me in Luzira. This NRM Government imprisoned me for fighting for what I believe in; I have been a political prisoner before.

However, I am also aware that forces promoting homosexuality are very strong. They have money and influence. I know that some of our honourable colleagues are under pressure. There is a lot of pressure and intimidation, and I have engaged these forces because they have come to my office from Britain, America and the rest.

They are looking for allies to promote that immorality in this country. I would like to be on record that as a country, we must stand our ground. *(Applause)* God who created us will make us survive. This idea of saying; "We are cutting aid, do not come to America, do not go to Britain," yes, it is their right but nobody should determine how we think.

Madam Speaker, polygamy in Europe is criminal; who has complained? If I was in Europe, I would be in jail because I am polygamous. What is wrong with homosexuality being criminal in Uganda? This display of double standards-it is actually a display of no standards. It cannot be accepted.

Let us stand our ground; this Parliament took a decision we are proud of. We must condemn all efforts intended at undermining the sovereignty of this Parliament and this country.

THE SPEAKER: Thank you.

MR BASALIRWA: Madam Speaker, I thank you-the provocation of the smuggler has yielded. *(Hon. Macho rose_)*

THE SPEAKER: No-

MR MACHO: Madam Speaker, the people of Busia are not smugglers. I need Hon. Basalirwa to withdraw that statement.

THE SPEAKER: Cross-border trade.

MR BASALIRWA: Madam Speaker, I withdraw the statement; Hon. Macho is a cross-border trader.

THE SPEAKER: Thank you. Honourable members, we do not regret passing that law and

I thank the President of the Republic of Uganda for assenting to that law. Some people thought that the President was not going to assent to it. I am proud and happy with what the President did.

We will continue protecting the family, the rights of our children, our country and we will not live on handouts because you want to buy a visa; my visa was cancelled. Have I died? I have said as long as you do not cancel a visa to Bukedea, I have my home- and Buyende. I will go there freely - You can cancel the other visa, which is okay. We will not - the blacklist that they are talking about; do not care nor worry about that. You have all what you need in Uganda, as long as your kids are not being sodomised. your kids are living a life - this business of saying that you are going to use people's children must stop. Honourable members- on the same issue?

2.11

MR JONATHAN EBWALU (Independent, Soroti West Division, Soroti): Madam Speaker, I would like to agree with you that we stood on the Floor of this Parliament. Our people told us that; "Go and pass the Anti-Homosexuality Bill" and we did just that.

For those who do not want that law, let them leave our country and go and live in the United Kingdom, the United States or wherever they want but we are going to protect this law with our blood, sweat and souls.

We must stand our ground; if they want to cut their aid, let them cut, but we are going to defend this law.

Madam Speaker, you have our full support. This Parliament is going to stand and defend it but we will survive. Thank you.

THE SPEAKER: Thank you. Dr Acuti?

2.12

DR SAMUEL OPIO (Independent, Kole North County, Kole) Thank you, Madam Speaker. I would also like to affirm and thank you, for standing firm because at the African,

Caribbean and Pacific – European Union (ACP-EU) Joint Parliamentary Assembly in Brussels, we stood firm as Uganda and told them that African values were not for sale; whether at wholesale or retail price.

We shall stand with our values and not allow this culture and colonisation. I am also happy that many of the African countries have refused to sign the new partnership agreement of ACP-EU, which had provisions on homosexuality. Therefore, Uganda is not alone in this cause. We are the forerunners and we need to continue to stand together.

Lastly, a few weeks back, in your communication, you had indicated that you had visited Mulago Hospital and you had committed to support them. I appeal to you because on today's Order Paper we are discussing the supplementary budget. Unfortunately, Mulago is not in it; but they need about Shs 25.5 billion to complete the renovation of Mulago. Mulago is the face, hand and feet of our healthcare system but the face is disfigured, the hand is amputated and the feet have been disabled. It cannot provide specialised services.

We need Shs 25.5 billion for mechanical and plumbing installations, the elevators are not working - we have the first and which will be the first ever organ transplant centre ready to start but it cannot start because the equipment is not functional.

I appeal that we get a way forward. Last year we had a supplementary budget but Mulago was left out. In the supplementary budget for this year, Mulago was left out again. I appeal -

THE SPEAKER: Honourable members, I do not want to debate in anticipation because I have not yet seen the supplementary budget and at the same time, we also agree that on the issues of organ transplant, since there is a law in place, we pass that law. But that must be budgeted for, for it to be operational.

Secondly, what we need most urgently in Mulago is the human resource because the Intensive Care Unit (ICU) has only 14 beds out of the 29 that are working.

We should be looking at the human resource and then the rest will be included in the budget. Honourable members, I have - yes, *Mukatuliki?* - Okay, now that it has passed you, we can have Hon. Ayoo.

MR SSEWUNGU: Madam Speaker –

THE SPEAKER: Hon. Ayoo, you sit down and wait for him to finish his procedural matter.

MR SSEWUNGU: Madam Speaker, on Monday, I read the *New Vision* and there is a very serious issue that we have to pay attention to as Parliament. The Government and the Ministry of Education and Sports are promising to construct seed schools in a number of districts but the central region is not benefitting anything and this is a budget issue.

The Ministry of Education and Sports should come out clearly and explain why the central region is not to benefit with a single seed school yet all other regions- even if there is any other region left out, adequate attention should be given because this is a budget issue. And the ministers are around; they can attest to that–

THE SPEAKER: No, I do not want us to rely on the newspapers. Can we have a list of the schools that are going to be constructed, the districts and then we will need an explanation based on what is authenticated from the district. Therefore, minister, you will give that to us.

2.16

THE MINISTER OF STATE FOR EDUCATION AND SPORTS (PRIMARY EDUCATION) (Dr Joyce Moriku): Madam Speaker, let me begin by congratulating you. Since you came back, I have not been here. As a paediatrician, it gives me double joy to see that we have added to the population we have because Uganda has put in place a strong strategy for child survival, including immunisation. So, congratulations. We are happy, encouraged and hoping that next year we will have many more ladies bring more babies to us. Thank you.

Madam Speaker, I have accepted your directive and we will bring a document, indicating the schools that we are constructing across the country and of course, the survey that was done indicating where the need is supposed to be and also the money through the Association of Maternal and Child Health Programs (AMCHP) and the Uganda Secondary Education Expansion Project (USEEP) projects. I beg to submit.

THE SPEAKER: Also, answer his question, “Why not central? Why eastern, why northern?” When you are bringing the document; if it is true.

DR MORIKU: Thank you, I will do that and make sure that I answer that. Thank you.

THE SPEAKER: Thank you. the two Ministers; Hon. Bahati first then-

2.18

THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (INDUSTRY) (Mr David Bahati): Thank you, Madam Speaker. I rise to comment on the issue which has been talked about by Hon. Macho and to join him and other Members that we should remain firm because the law that we passed against homosexuality was a law that we believe in; we believe in our values.

We know that there is blackmail being traded around - for example, in addition to the restriction on visas, they have also threatened to cut African Growth and Opportunity Act (AGOA), which is a programme that we have been implementing with the Americans. They say that our products will not access the American market duty-free and quota-free because of what we believe in.

The threats are there, but the House should remain united because this is our country and this is a sovereign Parliament. I think a message should come from this House to condemn the statements by the president of the National Unity Platform (NUP), who made reckless statements on an international television,

condemning his own Members - that they were influenced by President Yoweri Museveni.

This House was never influenced by anybody. This House was influenced by what we believe in. Therefore, a message should come out from this House that “Hon. Kyagulanyi, you are wrong. This House has never been influenced by anybody but by the values.” Our Members from the Opposition, on this matter, we are together; we do not want you to feel abandoned. We are with you; we are together and we stand for our values.
Thank you.

THE SPEAKER: Thank you very much. Members of the Opposition, you are very good people. We will always defend you and we are together with you. You do not work for anybody; you work for your people.

When a minister is up, the minister goes first. [Mr Ayoo: “But he says he will come after me.”] Can I hear from the minister? [Dr Baryomunsi: “He has negotiated.”] Have you negotiated? (Laughter)

2.20

MR TONNY AYOO (NRM, Kwania County, Kwania): Thank you, Madam Speaker. I would like to take this opportunity to thank Hon. Asuman Basalirwa for coming out clearly in this House to clear the air on the accusation that was made on the position of the President and this Parliament.

It is true that the decision by Parliament of Uganda, basing on the demand and support of the people of Uganda to say the country must say “No” to promotion of homosexuality has touched the homosexuals in a wrong way. They are trying everything it takes to put a condition that will scare the rest of the African countries and other countries that would feel like passing the same kind of law so that they do not attempt to do it. This is why all these pressures are being mounted.

It is very unfortunate that one of our own, at a very high level of leadership - a president of a political party in the country and the head of a

party in the Opposition in this Parliament - still goes an extra mile to incite these homosexuals against Uganda to create more of this pressure. That is why you are looking at this sanctions.

Madam Speaker, we condemn this in the strongest terms. The country must take this as an advantage to look internally to see how we can survive amidst all these threats. Thank you.

THE SPEAKER: Thank you very much. Honourable members, as Hon. Acuti said, our values are not for sale. We must protect our values. I heard the Government Chief Whip say he has five children because he is proudly married to a woman. Can I have information? Honourable members, we need to move.

2.22

THE MINISTER OF INFORMATION, COMMUNICATION TECHNOLOGY AND NATIONAL GUIDANCE (Dr Chris Baryomunsi): Madam Speaker, I start by thanking you because when we were processing this Bill brought by our brother, the president of Justice Forum (JEEMA), you remained firm and steadfast.

We know you were the first victim regarding the visa restrictions but we are Ugandans. Personally, even if you denied me a visa to go to America, I do not think I would die because I am not going to America.

As Government, we should remain very firm. We may be poor but we are not desperate that you just dangle some resources and then we abandon our values. The Government will definitely respond when we get official communication from USA or any other government that puts these threats.

We should remain united as a Parliament because this was one of the legislations that united the Parliament. We never looked at each other in terms of a political party where we belong because we were defending the values of Ugandans. Nobody should be intimidated by these threats from the international actors. If they cherish homosexuality, let them cherish it but for us, as Ugandans, we do not.

Let me add that up to 38 countries in Africa have legislations against homosexuality. So, it is wrong for the Western World to single out Ugandans. We have told the diplomats and the community that we are a sovereign country. One of the diplomats asked me: “Why did you pass this law?” I said, “We pass laws in the interest of Ugandans, not foreigners.”

Therefore, nobody is going to coerce Parliament or the people of Uganda or the Government to start making laws in the interest of foreigners or people from outside. We make laws on behalf of Ugandans. Honourable colleagues, nobody should feel intimidated.

Our friends, advise your leaders of the parties. Yes, you may want to talk sweet so that you get money from homosexuals but I do not think that is correct. Therefore, we do not support the remarks made.

THE SPEAKER: Leave my Members.

MR BARYOMUNSI: Yes, we advised him to sign and he signed the Bill – *(Interjections)*- No, I am among those who explained to the President the science of homosexuality and upon that explanation, he signed it. Yes, I would –*(Interjection)*- Madam Speaker, Hon. Ssewungu is saying, I am not the one who advised the President –

THE SPEAKER: No, he did advise on medical terms and we are happy the Bill passed. We now have an Act. We only want implementation and we are good to go. Can I have –

2.26

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua): Madam Speaker, each and every time the president of JEEMA, who is a Member of this House speaks on the Bill, which is now an Act, you can see how passionate he is.

I just wanted - By virtue of my appointment, I lead a section of a political party in Parliament under the constitution of my party. I wanted to salute the Secretary-General of JEEMA, who wrote to the President of the National Unity

Platform in regard to the statement that he made about the Bill that was passed by this Parliament, which is now an Act. This must go on record, Madam Speaker.

JEEMA, as an Opposition political party has written to the president of another political party in the Opposition. It is befitting in African culture - and - we have seen this happen that in the likely event your father seemingly is not interested to keep you in his compound, you can seek refuge even in the home of your aunt or uncle.

The door of the political party called NRM remains open to you, members of the National Unity Platform in the likely event that your leader does not need you because of the statements he is making. You are most welcome to the National Resistance Movement. *(Laughter)*

THE SPEAKER: Thank you. Honourable members, in the public gallery this afternoon, we have a delegation from Arlington Academy of Hope. We have Ms Faibe Lubango. Please stand up. You are welcome. We have Ms Anne Nabutale, Ms Rose Nakintu Birungi. You are most welcome. Thank you very much. They are represented by none other than Hon. Nambeshe. *(Applause)*

Hon. Nambeshe is a very good leader. I thank you very much for supporting him in his constituency.

Arlington supports children who cannot afford school fees; they give them scholarships in his constituency. They also happen to be my parents in Bukedea Comprehensive. You are welcome and continue bringing your children to Bukedea. *(Applause)*

Honourable members, in the Distinguished Strangers Gallery this afternoon, we have a former Member of Parliament who was replaced by Hon. Ogwang. She was one of the youngest Members of Parliament then. That is Hon. Proscovia Alengot Oromait. You are welcome, and thank you for coming. She is here to witness the proceedings -*(Applause)*- They are saying that you have grown; please do not listen to them. *(Laughter)*

Honourable members, in the public gallery this afternoon, we have a delegation of district leadership from Bukedea. It is the District Security Committee of Bukedea. They are:

1. Mr Tukei William Wilberforce.

Please stand up, my Resident District Commissioner (RDC). You are welcome. Leader of the Opposition, wave to my RDC.

2. Ms Namono Loy Gift
3. Mr Asimwe Richard
4. Mr Araali Jude, and
5. Mr Mugenyi Charles.

You are most welcome.

You can see how we are a 'United Nations'. Thank you so much for coming. They are here to witness the proceedings. *(Applause)* Yes, Hon. Aber?

DR LILLIAN ABER: Thank you, Madam Speaker. Since you have introduced the team from Bukedea, allow me to take this opportunity to tell them that they must bring you back unopposed. *(Laughter)*

THE SPEAKER: Thank you very much. The 'Ayes' have it - *(Laughter)* - and the people of Kitgum will bring back Hon. Aber. I will be there for you. Next item?

MINISTERIAL STATEMENT ON THE
COMMEMORATION OF THE WORLD
FISHERIES DAY

THE SPEAKER: Honourable members, you recall that yesterday Hon. Norah Bigirwa raised an issue that Buliisa District was going to host the function. Pursuant to Rule 52(1) of the Rules of Procedure of Parliament of Uganda, we are here to receive the report.

2.31

THE THIRD DEPUTY PRIME MINISTER AND MINISTER WITHOUT PORTFOLIO (Ms Rukia Nakadama): Thank you, Madam Speaker. The commemoration of the World Fisheries Day is happening right now in

Buliisa. Being a technical paper, I request that the minister can present that paper when she is back. Right now, she is in Buliisa officiating at that function. I so pray.

THE SPEAKER: Hon. Avur?

2.32

MS JANE PACUTO (NRM, Woman Representative, Pakwach): Thank you, Madam Speaker. I thank the Prime Minister for trying to comfort the fisheries communities in this country.

I am saying "trying to comfort" because the function is taking place right now - In this economy, the fishing sector is the second forex earner but the way we are being treated, as people of Uganda, is very unfortunate. We want to participate in this economy like any other Ugandan by being treated fairly. We passed a law -

THE SPEAKER: Honourable members, those are issues that the Leader of the Opposition raised yesterday. We referred it to the Committee on Human Rights and the Committee on Internal Affairs. Therefore, go with your complaints to those committees; you are not going to start discussing fishing communities here. You should have debated it yesterday. Dr Abed?

2.34

DR ABED BWANIKA (NUP, Kimaanya-Kabonera Division, Masaka City): Thank you, Madam Speaker. I pray that when the minister is bringing on the Floor of Parliament the issues of the fisheries sector, fisheries companies are closing on Lake Victoria because of our policies. They are relocating to Tanzania and Kenya. We want to hear from the minister of the subsector what they are doing to make sure that we do not lose these very important companies that are providing jobs and are earning Uganda forex.

THE SPEAKER: Thank you. Rt Hon. Prime Minister, it is also a good culture next time that we have the report before the celebration of the day. It is out of the debate in the House

that the minister will get to understand and feel what the subsector is. We will not discuss that report after the celebration. Do you want us to legislate retrospectively?

MS NAKADAMA: Madam Speaker, yesterday, like I requested here that I was going to communicate; the minister was here immediately after. She had just been delayed; so, by the time she came in, we had already started on the debate for -

THE SPEAKER: There is a point of order. I am allowing it for one reason; when you have a report, it must go to the Clerk's office first and be put on the Order Paper. You do not smuggle documents on the Floor.

MS GORRET NAMUGGA: Thank you, Madam Speaker for this opportunity and the Rt Hon. Prime Minister for having the courtesy and guts to stand in front of the Members of Parliament, to tell this House that a minister cannot be able to present a statement today. This is a day known on the calendar. Imagine you being forced to bring a statement. We have 82 ministers.

Madam Speaker, can the Prime Minister be given permission to move out and come with a statement?

THE SPEAKER: Honourable members, can we go to the next item.

I ask the Front Bench - Government Chief Whip, this is the calendar date. You should always make sure that your ministers bring the reports early enough and make sure that it is on the Order Paper. Even if it was brought yesterday, it was being smuggled inside.

2.37

THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga): Madam Speaker, the stand-in Prime Minister is a very good lady and I hold her in very high esteem and regard. However, as a way of helping the Prime Minister and her Government -

THE SPEAKER: Honourable members, first of all I want to welcome one person here; Hon. Matia Kasaija, you are most welcome. There are decisions we are going to take when he is here today. We are happy you are here. *(Laughter)*

MR MPUUGA: Madam Speaker, with your indulgence, allow me to assist my sister to advise on how governments are run so that in the future we do not have these impediments.

Last time, we reminded her of the International Day for Older Persons; there was no statement. We also reminded her of the International Youth Day; there was no statement.

Governments are run by keeping dashboards of local and international days. The next time you have a problem, we can assist you; my department can give you a dashboard of these activities so that you can guide your ministers and give Parliament time to do work properly.

Therefore, please keep a dashboard of local and international days so that you are not reminded here on the Floor to go and produce a statement. You make us look shabby, as Parliament. You have now wasted time discussing the absence of a statement in the face of a clear international framework of the calendar of days. Please keep a dashboard.

I am advising you as a brother and in good faith but we can also assist to provide a dashboard for you to follow, so that we do not have these problems again.

THE SPEAKER: Thank you. Honourable members, this day was supposed to be celebrated on the 21st of November but it was pushed to 6th December and we still never got a report. Next time, we need a report early. Let us go to the next item.

MOTION FOR A RESOLUTION OF PARLIAMENT TO AUTHORISE GOVERNMENT TO BORROW UP TO \$325 MILLION AND RECEIVE A GRANT OF UP TO SDR 19.5 MILLION (EQUIVALENT TO \$25 MILLION) FROM THE INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA) OF THE WORLD BANK GROUP TO FINANCE THE UGANDA CLIMATE SMART AGRICULTURAL TRANSFORMATION PROJECT

THE SPEAKER: Honourable members, as we all know, climate change is a reality and we contend with it as a society - when you talk about climate change - Government Chief Whip, I want a serious report on the flooding in Kampala. If you go to Namasuba, Busega, Forest Mall and Namboole, it is terrible. Can your responsible ministers bring a report on that? (*Applause*) First answer before we approve the loan.

2.41

THE GOVERNMENT CHIEF WHIP (Mr Hamson Obua): Madam Speaker, the minister in charge of Kampala is the Minister for Kampala Capital City and Metropolitan Affairs. As directed by your Chair, I undertake to execute my humble duty of notifying the Minister for Kampala Capital City Authority to bring a statement on floods in Kampala. I beg to submit.

THE SPEAKER: Thank you. Any integrated intervention by this House will help us, as a country. That is why you find that a loan has been brought here pursuant to Article 159 of the Constitution, Sections 36 and 39 of the Public Finance Management Act, 2015 and Rule 155(1) of the Rules of Procedure.

I now invite the Minister of Finance, Planning and Economic Development to move a motion for a resolution of this House to authorise the Government to borrow for this purpose.

2.42

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

(Mr Henry Musasizi): Thank you, Madam Speaker. I beg to move a motion to authorise the Government to borrow up to \$335 million and receive a grant of up to SDR 19.5 million (an equivalent of \$25 million) from the International Development Association of the World Bank Group to finance the Uganda Climate Smart Agricultural Transformation Project. I beg to move.

THE SPEAKER: Thank you. Is the motion seconded? (*Members rose*) It is seconded by the Prime Minister, the Government Chief Whip, the trade minister, the ICT minister, Gen. Katumba, the Minister of Local Government, Hon. Peter Ogwang, the honourable member from Ibanda, Hon. Paul Akamba, Hon. Milton Muwuma, the honourable member from Alebtong, Hon. Esther Afoyochan, Hon. Macho, Hon. Stella Isodo, Hon. Ebwalu, Hon. Nathan Itungo, Hon. Stephen and the whole House.

Thank you so much. Can you justify your motion?

MR MUSASIZI: Madam Speaker, the project development objective is to increase production, market access and resilience of selected value chains in the project areas and facilitate prompt and effective response to crises or emergency.

The terms of the loan are the following:

- (i) Loan amount - \$325 million;
- (ii) Maturity period is 50 years, including a grace period of 10 years;
- (iii) Commitment fee is 0.5 per cent per annum on unwithdrawn financing balance. However, it is currently at zero and the service fee is zero.

The conditions of effectiveness are that the IDA is satisfied that the recipients have adequate refugee protection framework. The project

implementation manual has been prepared and adopted by Government and a project coordination unit has been established. I beg to submit.

THE SPEAKER: Thank you very much. Honourable members, in order to inform debate of this motion, I invite the chairperson of the Committee on National Economy to present his report and then we look at what we are giving money for.

2.46

THE DEPUTY CHAIRPERSON, COMMITTEE ON NATIONAL ECONOMY (Mr Robert Migadde): Thank you, Madam speaker. For the record, I am the deputy chairperson of the Committee on National Economy, but we shared responsibilities with my committee chairperson, who is around; Hon. Bosco Ikojo.

I am here to present a report of the Committee on National Economy on the proposal by Government to borrow up to \$325 million and receive a grant of up to SDR 19.5 million (equivalent to \$25 million) from the International Development Association (IDA) of the World Bank Group, to finance the Uganda Climate Smart Agricultural Transformation Project.

In relation to that, I lay the minutes of the meetings of the Committee on National Economy with the Minister of Finance, Planning and Economic Development and the Minister of Agriculture, Animal Industry and Fisheries. I beg to lay.

THE SPEAKER: Please lay.

MR MIGADDE: Madam Speaker, I know this report is already uploaded but for purposes of procedure, allow me to lay the report of the committee on the same.

THE SPEAKER: Thank you. Please lay.

MR MIGADDE: Madam Speaker, the Minister of Finance, Planning and Economic Development highlighted some key issues of this request. I will guide Members to specific

pages of more interest; I hope the report is uploaded. Page 5 has the performance of debt finance projects under the agricultural sector - they are quite many.

On page 9, we have in terms of the country context according to the national household survey, a sizable portion of Uganda's population remains vulnerable to poverty and significant welfare setbacks in the wake of a shock. About 44 per cent are considered vulnerable and susceptible to falling into poverty because of climate and other shocks.

On page 12 of the report on the context and challenges, the project intends to address, they are mentioned there and some of them were mentioned by the minister. I am doing so because I was advised to move as fast as possible to observations and recommendations.

Madam Speaker, on page 13, climate induced drought and flood in Uganda is shrinking Uganda's lakes and fish population due to increasing temperatures and sedimentation/siltation from erosion caused by changes in land-use and land cover; those are some of the issues.

On page 15, it is about alignment of the project to a National Planning Framework. This is part of NDP III. Therefore, Members, you will find it there.

And then on page 17, we have the value chain selection criteria; it is highlighted there:

- (i) Potential to earn income for farmers and create employment
- ii. Potential to support food security and nutrition
- (ii) Environmentally-adaptable to the region
- (iii) Potential for scalability
- (iv) Marketability-availability of market off-takers, aggregators, and processors
- (v) Promoted by at least two-thirds of the districts in the subregion.

Madam Speaker, on the same page, we have a list of beneficiaries; Busoga, Bukedi, Elgon, Teso, Karamoja, Lango, Acholi, West Nile, Ankole, Kigezi, Rwenzori, Bunyoro, and then

lastly, Buganda. The number of districts falling in those respective subregions is mentioned therein.

On page 31, we have the project coverage selection criteria and beneficiaries. However, allow me note this; the project has targeted agro-ecological zones that have increasing and high levels of poverty and high levels of land and natural resources degradation as well as low-value production.

Agro-ecological Zones included;

- (a) North-eastern dry lands (Karamoja);
- (b) North-eastern savannah grasslands (East Acholi and Northern Lango);
- (c) Kyoga plains (south-eastern Lango, Teso, Bukedi, and northern Busoga);
- (d) Western highlands, southern highlands, southern dry lands, and Lake Albert Crescent;
- (e) Eastern (Elgon) highlands (Bugisu and Sebei), and
- (f) Central region.

On page 32, we have the project beneficiaries. Allow me to highlight just this key area. The project is expected to directly benefit about 760,000 households and indirectly benefit approximately 1.9 million households.

On page 34, budget implications; the project is included in the Financial Year 2023/2024 approved Budget estimates for the Minister of Agriculture, Animal Industry and Fisheries and it is under Project Code 1786 under Vote 010.

In terms of implementation (page 35) the national project steering committee will be co-chaired by the Permanent Secretaries of the Ministry of Finance, Planning and Economic Development and the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF).

Key members of the national committee will include other Government ministries like the Office of the Prime Minister; Ministry of Trade, Industry and Cooperatives; Ministry of Local Government; Ministry of Gender, Labour and Social Development; National

Environment Management Authority (NEMA); National Forestry Authority (NFA); Ministry of Lands, Housing and Urban Development; Ministry of Water and Environment and senior leadership from line agencies like the National Agricultural Advisory Services (NARO), National Animal Genetic Resource Centre (NAGREC) and others.

Page 36, the loan current debt situation; the minister highlighted that but let me add this. This loan will increase the country's total nominal public debt stock that preliminarily stood at Shs 86.7 trillion as at end of June 2023, compared to 48.4 per cent as at June 2022.

Observations and Recommendations

Legal covenants of the credit financing agreement

The committee observed that the draft loan financing agreement highlights the following conditions:

In order for the loan disbursements under the project component of promoting adoption of Climate Smart Agricultural Technologies and Practices to be triggered upon approval by Parliament;

1. No withdrawal shall be made for competitive research, grants for community-level investments, to finance micro-projects and district level investments, to finance strategic larger sub-projects, that benefit several subcounties and communities, unless and until the Government has prepared and adopted the grant's manual in form and substance acceptable to the World Bank.
2. No withdrawal shall be made for matching grants for clean energy equipment, machinery and infrastructure for harvesting, post-harvest management and value-addition, improvement of quality and shelf-life of produce, and reduction of the overall contribution of agro-value chains to sectoral greenhouse gas emissions. Production input grants, nutrition grants under the project component of market development and

linkages for selected value chains, unless and until the Government has prepared and adopted the grant's manual in form and substance acceptable to the World Bank.

In relation to the project's objective, the committee recommends the following:

The committee recommends that the Ministry of Agriculture, Animal Industry and Fisheries should ensure that the above loan disbursement conditions are timely fulfilled in order to trigger the timely disbursement of the loan credit for the project objectives to be met as planned.

Need to enhance Project Coordination Mechanism (PCM)

The committee observed that for the project objectives to be fully met, a high level of coordination is required both at the regional and district levels, as well as at the inter-ministerial level, given the roles and partnerships expected of the Government agencies, private sector partners and non-state actors.

The project appraisal documents highlight institutional structure roles and responsibilities of different agencies; the National Project Steering Committee, the National Project Coordination Committee, NARO, NAGREC, the Uganda Meteorological Authority, National Agricultural Advisory Services (NAADS), District Project Implementation Committee, Subcounty Technical Planning Committee, and farm organisations.

Therefore, the risk of inadequate vertical integration and strong coordination cannot be overstated.

The committee recommends that the Ministry of Agriculture, Animal Industry and Fisheries and the Fisheries Project Coordination Unit should ensure proper coordination of the project.

Accountability procedures that will be issued by the Ministry of Agriculture, Animal Industry and Fisheries to participating agencies and districts, spelling out duties and

responsibilities, together with staff specifically assigned to the project should be efficient and effective.

Roles of Local Governments during project implementation

The committee observed that well-resourced and capacitated local governments are critical to mainstreaming of Sustainable Land Management (SLM) interventions as they facilitate rapid scale-up through mobilisation of local leadership, identification of local trainers, and provision of extension support as well as implementation supervision.

Through subnational governments, capacity for Sustainable Land Management planning, expansion, and maintenance can be promoted and sustained at the lowest levels.

The committee recommends that the Ministry of Agriculture, Animal Industry and Fisheries should ensure that all beneficiary local governments are adequately well-resourced and capacitated to enable them to promote economies of scale and mindset change among communities regarding the benefits of promoting climate smart Technologies, Innovations, and Management Practices and to enhance community resilience to climate shocks.

Low adoption of Climate Smart Technologies

The committee observed that the agricultural households' inability to anticipate or recover from shocks that affect agriculture and food security on time, underscores their high vulnerability to potentially longer-lasting impacts on the economy. Even though a range of Climate Smart Agriculture technologies, including sustainable land management, have been promoted and implemented across farmer typologies and agro-ecological zones in Uganda, the rate of adoption is less than 30 per cent.

This low adoption is largely attributed to the high initial costs of adoption of the Climate Smart Agricultural technologies and the

establishment of necessary structures to undertake these practices. The introduction, promotion and eventual adoption of Climate Smart Agricultural Technologies, Innovations, and Management Practices under UCSATP stand a chance of enhancing productivity, improving livelihoods and strengthening the resilience of both people and ecosystems, in essence, halting the economic costs of climate change.

The committee, therefore, recommends that the Government should put in place incentives that strengthen the private sector involvement in provision of affordable Climate Smart Agricultural technologies, including research and extension services. This will enable the private sector to effectively and efficiently contribute to enhancing productivity, improving livelihoods and strengthening the resilience of both agricultural households and ecosystems leading to halting the economic costs of climate change.

Agricultural research, breeding and appropriate technology development

The committee observed that the generation and development of technologies and adaptive research by the National Agricultural Research Organisation (NARO) institutions has continued although most interventions were partially done and results were inconclusive. This was attributed to persistent challenges of drought, lack of appropriate agro-machinery and laboratories, inadequate vehicles and equipment, incomplete research infrastructure and migration of technical staff to universities coupled with underfunding.

In addition, animal conservation and breeding continued at National Animal Genetic Resource Centre and Data Bank (NAGRC&DB) farms although the performance is at low pace. Construction of administrative and breeding infrastructure was minimal and, in some cases, halted which negatively impacted on the breeding programmes. This is largely attributed to underfunding of animal conservation and breeding interventions at the National Animal Genetic Resource Centre and Data Bank (NAGRC&DB) farms.

Further, the livestock breeding and multiplication performance was average on NAGRC&DB farms due to persistent challenges; inadequate access to improved animal breeds for breeding at NAGRC&DB farms and by farmers, land wrangles and encroachment, in addition to inadequate pastures and water for production, donations for social-corporate responsibility and festive seasons and deaths due to pests and diseases and old age of animals.

The committee recommends that the project should ensure that the prototypes that have been developed and not reaching the final production are finalised, in order to start commercialising the products.

Need to enhance agricultural extension personnel

The committee observed that by 30 June 2023, staffing levels of extension workers at the national level stood at 4,310 (44.6 per cent) against the approved staffing numbers of 9,665, thus leaving 5,355 (55.4 per cent) positions vacant. On average, the extension worker to farmer ratio was one extension worker to 1,800 households, much higher than the recommended ratio of one extension worker to 500 households in Uganda.

The committee was informed that the outreach of extension services to farmers in local governments was consequently low due to inadequate personnel, inadequate funding to facilitate the extension workers, repurposing of funds from planned extension activities to the operationalisation of the Parish Development Model (PDM) and impassable roads mostly in hard-to-reach areas.

The extension services in support of the PDM focused on enterprise group formation, selection of priority enterprises and farmer education on group dynamics and financial management to enable households to move from subsistence to commercial farming.

The committee notes that implementing Government projects and programmes

without deploying adequate extension workers negatively affects their performance.

The committee therefore, recommends that the Government and the Ministry of Agriculture, Animal Industry and Fisheries should prioritise recruitment and equipping extension workers to oversee the implementation of the agricultural smart project and PDM Special attention should be given to newly created administrative units.

Storage, agro-processing and value addition

The committee observed that significant progress was made in the establishment of storage, processing and value-addition facilities by the National Agricultural Advisory Service (NAADS), Uganda Coffee Development Authority (UCDA), Ministry of Agriculture, Animal Industry and Fisheries, Uganda Development Corporation (UDC), and the Ministry of Local Governments.

However, the functionality of the established facilities has not been realised fully due to key constraints, including lack of power connectivity, inadequate raw materials, uncooperative managers and beneficiaries who lacked technical expertise of how to operate the machines, poor planning for the operationalisation of the facilities and missing parts in some of the machines.

The delays in the completion of the facilities were attributed to weak contract management and low contractor capacity to undertake multiple contracts. For example, a total of 358 value addition and storage facilities; 68 storage and 290 both storage and value addition were planned to be completed by Financial Year 2022/2023 under the World Bank-funded Agricultural Cluster Development Project through matching grants.

However, out of the planned 290 value-addition and storage facilities, only 139 - which represents 48 per cent - were completed and are operational; 75 (26 per cent) were completed, but are not operational due to lack of power connectivity and 76 (26 per cent) were under construction. The completed storage facilities

provided storage capacity of 54,579 metric tonnes. The established facilities were for maize, beans, cassava, coffee and rice.

The committee recommends as follows;

- (i) The Ministry of Agriculture, Animal Industry and Fisheries should strengthen inter-programme synergies with the Ministry of Energy and Mineral Development to ensure that planning for power investments is done at project inception. More synergies should be with the Ministry of Trade, Industry and Cooperatives.
- (ii) The Ministry of Agriculture, Animal Industry and Fisheries should enhance the capacity of technical staff in contract management.

Low absorption of loan financed projects in the agriculture sector

The committee observed that the absorption of funds for loan financed projects in the agriculture sector is very low. The current low disbursement is attributed to the continued slow pace by the Government in fulfillment of loan effectiveness conditions, costly land compensation claims and inadequate project preparedness for these projects. There are six approved ongoing projects in the agriculture sector being implemented by the Ministry of Agriculture, Animal Industry and Fisheries which totals to US\$ 466.38 million, of which \$176.77 million has been disbursed, representing an average disbursement rate of 37.9 per cent as at 30 June 2023.

The committee recommends that the Ministry of Finance, Planning and Economic Development and the Ministry of Agriculture, Animal Industry and Fisheries should ensure that all inefficiencies that affect the sufficient utilisation/absorption of funds for debt-financed projects in the agriculture sector, are mitigated to guarantee the timely realisation of the project development objectives and expected social and economic benefits.

Public Debt Portfolio Analysis

The committee observed that the preliminary country's total nominal public debt stock stood at Shs 86.779 trillion as at the end of June 2023. This is equivalent to 46.9 per cent of GDP compared to 48.4 per cent as at June 2022.

Of the total public debt stock as at June 2023, external debt constituted 60.2 per cent, which is US\$ 14.24 billion while domestic debt constituted 39.8 per cent, which is US\$ 9.4 billion.

Preliminary findings from the annual debt statistical bulletin indicated that a total of approximately US\$ 3.29 billion external debt was committed and remained undisbursed as at 30 June 2023.

This debt would increase Uganda's stock in the medium-term, even without signing any new loans. With the growing level of public debt due to its significance in meeting the country's huge financing development needs, there is need to pay close attention to the cost of debt and the economic rate of return of projects financed through debt.

The committee recommends as follows;

- (i) Given the existing global uncertainties (lower global growth, persistent high inflation in advanced economies, tight global financial conditions, slow growth in domestic revenue and climate change disruptions), the Ministry of Finance, Planning and Economic Development should prudently project and manage the funding mix as well as review its priorities to avoid escalation of debt beyond a sustainable level.
- (ii) The Ministry of Finance, Planning and Economic Development should fast-track implementation of strategies to enhance domestic revenue generation for the country and reducing or rationalising government expenditure.

- (iii) Acquisition of additional debt should be targeted towards those sectors that trigger export growth and contribute to domestic revenue mobilisation.

Criteria for selection of beneficiary districts

The committee was informed that the selection of the beneficiary districts was based on the following; climate change vulnerability of the watersheds, poverty levels of sub-regional level and watershed degradation.

The committee, however, notes that some of the districts which met the criteria were omitted. For example; Namayingo, Busia, Masaka, Soroti, Kwanja, Lira, Gulu, Rwampara, Ntungamo, Pakwach, Kapchorwa, Mukono, Nabilatuk, Luwero, Kalungu, Kalangala and Buvuma.

The committee, therefore, recommends that the districts of Namayingo, Busia, Masaka, Soroti, Kwanja, Lira, Gulu, Rwampara, Ntungamo, Pakwach, Kapchorwa, Mukono, Nabilatuk, Luwero, Kalungu, Kalangala and Buvuma should be absorbed on the climate smart project due to the climate change vulnerability of the watersheds, poverty levels of sub-regional level and watershed degradation concerns in these districts. The inclusion of these districts will not alter the value chain in their respective subregions.

Conclusion

The committee, therefore, recommends that the request by Government to borrow up to US\$ 325 million and receive a grant of up to SDR 19.5 million (equivalent to US\$ 25 million) from the International Development Association (IDA) of the World Bank Group to finance the Uganda Climate Smart Agricultural Transformation Project be approved subject to these recommendations. I beg to report.

THE SPEAKER: Thank you, committee vice chairperson. Honourable members, when you listen to him, the loan seems to have very favourable terms. When you look at the percentage of disbursement for the six

prevailing loans, we will be standing at 37.9 per cent. There are 13 out of 18 subregions in the country going to benefit. So, the coverage is good enough. I am going to allow limited debate.

3.14

MR MILTON MUWUMA (NRM, Kigulu County South, Iganga): Thank you, Madam Speaker. I rise to support the loan request and the recommendations of the committee. I would like to emphasise the issue of inadequate extension workers in the local governments.

We have very many programmes being implemented but the technical people who are supposed to advise and guide beneficiaries are very thin on the ground. In that respect, I support and encourage Government to address this.

Whereas recruitment was banned at some point, we need to lift the ban and ensure that we have the necessary extension workers on the ground.

The issue of having synergies between Government ministries needs to be addressed. You find the Ministry of Agriculture doing something on its own, the Ministry of Trade operating on its own, and Ministry of Health and Ministry of Energy also acting on their own. Having clear synergy is the way to go-

THE SPEAKER: You also have the Ministry of Lands - because one of the delays on this is acquisition of land.

MR MUWUMA: Thank you, Madam Speaker, for that guidance and emphasis. Truly, for example under Ministry of Local Government, the cluster project constructed many maize mills in very many parts of the country but there is no power connected to these processors. The stores are redundant. So, it is in this spirit that we are urging and encouraging Government to comply and ensure that the Ministry of Energy addresses this gap. Thank you.

3.16

MS NAOME KABASHARIRA (Independent, Rushenyi County, Ntungamo): Thank you, Madam Speaker. I thank the chairperson for the good motion. I also extend my thanks to the Ministry of Agriculture for thinking about and planning for this loan. At least a majority of the people of this country will benefit – like the Speaker said.

I emphasise the need to consider some of these agencies which do a lot of good work that we can base on to develop our agriculture but are left unfunded or halfway-funded - with limited funding. These are NARO and NAGRC&DB. If we had good money put in NARO – we cannot do agriculture without good research. Even this NAGRC&DB - breeding – some of the people who rear animals will need this. I hope this loan will give them more money so that we can benefit.

Also, I would like to- at least these recommendations should be implemented. We have seen in the previous experiences of these loans - Madam Speaker, there is a loan which we benefitted from - what Hon. Muwuma touched but it was also to consider the choked roads. The loan was good but the implementation left a lot to be desired. I have talked about it and I hope the minister for animal husbandry is listening - because I have an example of one bridge. A lot of money unfinished and not utilised. Even the roads that were worked upon were haphazardly done.

I pray that this loan will be very well-utilised and implemented so that we can also benefit.

I like the inter-programme synergies. How I wish you could plan accordingly rather than - Once it is already done, before you plan this loan, include each and every one - otherwise, we shall get this one doing that and another one doing the other. If it is done at the planning point, then we shall get results.

Madam Speaker, I thank you and thank the chairperson of the committee for the report.

THE SPEAKER: Thank you very much. Honourable members, each will have a minute. This was a very direct report. Yes, Hon. Patrick?

3.19

MR PATRICK OSHABE (NUP, Kassandra North County, Kassandra): Thank you very much, Madam Speaker. I thank the chairperson and his committee for doing the ritual of passing and working on the loans as they come.

Madam Speaker, when you look into this loan, it is going to be “nyam nyam” or “cam cam” for the elite. There is nothing that you can talk about climate smart agriculture for coffee farmers. Can the chairperson explain here that, “You know, we are turning coffee to be climate smart in such a way”? There is nothing like that.

I have gone through the report - the report talks about the jargons of “climate change” these days.

Madam Speaker, until we address the critical matters of climate change - people are farming in swamps today. When you see the energy people are using for cooking; they are using charcoal. That is what they rely on. Can we go climate smart and start talking about alternatives so that these loans come to provide an alternative to save the environment?

We cannot spend our energy and start talking about “climate smart” and all those jargons that do not help.

When you look – [*Hon. Migadde: “Point of order.”*] Chairperson, relax; you will respond.

THE SPEAKER: Chairperson, maybe you could only make a clarification on what the Member is raising.

MR MIGADDE: No, this is not a clarification. Madam Speaker, we took a lot of effort in processing this loan and it is under our Rules of Procedure. If I recall very well, Hon. Nsamba, who is my friend said that the committee was simply performing a ritual.

THE SPEAKER: A ritual?

MR MIGADDE: Yes, a ritual.

THE SPEAKER: Is he a member of the committee?

MR MIGADDE: No. He is not a member. As far as we are concerned, Madam Speaker –

THE SPEAKER: Hon. Nsamba Patrick, it is like someone else saying that what you do in the Pan-African Parliament (PAP) is a ritual. So, do you go and perform a ritual in PAP?

MR OSHABE: Madam Speaker, why I said so-

THE SPEAKER: Honourable members, this loan is meant to help us on climate change. Whether you speak and say it is a ritual or what, we will have this loan to support this country.

Honourable members, I now put the question that the House approves the motion for a resolution of Parliament to authorise the Government to borrow up to USD 325 million and receive a grant of up to SDR 19.5 million (equivalent of USD 25 million) from the International Development Association (IDA) of the World Bank Group to finance Uganda Climate Smart Agricultural Transformation Project.

(Question put and agreed to.)

THE SPEAKER: I instruct the Clerk to extract the resolution and transmit it to the Ministry of Finance, Planning and Development - I do not need your “thank you”. *(Laughter)* Next item.

MOTION FOR A RESOLUTION OF PARLIAMENT TO AUTHORISE GOVERNMENT TO BORROW UP TO RENMINBI (RMB) YUAN 1,050,000,000 FROM THE EXPORT -IMPORT BANK OF CHINA TO FINANCE THE SUPPLY, INSTALLATION, COMMISSIONING AND SUPPORT OF THE NATIONAL DATA TRANSMISSION BACKBONE INFRASTRUCTURE/E-GOVERNMENT INFRASTRUCTURE PROJECT PHASE V

THE SPEAKER: Honourable members, as you are aware, the Government is increasingly embracing the use of Information, Communication and Technology. And that is why, this loan was brought. We require efficient and effective interconnection between and among Government ministries, departments and agencies (MDAs).

Pursuant to Article 159 of the Constitution, Sections 36 and 39 of the Public Finance Management Act, 2015 and Rule 155(1) of the Rules of Procedure, I, therefore, invite the Minister of Finance, Planning and Economic Development to move a motion to authorise the Government to borrow for the purpose. We have the Minister of Information, Communications Technology and National Guidance. He is standing in for the finance minister.

3.25

THE MINISTER OF INFORMATION, COMMUNICATIONS TECHNOLOGY AND NATIONAL GUIDANCE (Dr Chris Baryomunsi): Thank you, Madam Speaker. I move on behalf of the Minister of Finance, Planning and Economic Development a motion for a resolution of Parliament to authorise the Government to borrow up to Renminbi (RMB) Yuan 1,050,000,000 from the Export-Import Bank of China to finance the supply, installation, commissioning and support of the National Data Transmission Backbone Infrastructure/e-Government Infrastructure Project Phase V. I beg to move.

THE SPEAKER: Thank you. Is the motion seconded? Seconded by Hon. Musasizi, Hon. Bright, Attorney-General, Minister of Local

Government, Hon. Bwino, Minister of Energy, the Government Chief Whip, Hon. Magogo Ssalongo - and by the whole House.

Can you speak to your motion?

DR BARYOMUNSI: Thank you very much, Madam Speaker and honourable colleagues. This loan is to secure resources to extend the National Backbone Infrastructure or the internet fibre - if I can just use the lay man's language.

The Government has been laying the fibre for us to access connectivity and internet. We have, so far, covered about 50 per cent of the country. This loan is to enable us to extend this backbone infrastructure to the rest of the country, in the remaining districts. All the districts that are not covered will now be extended to in terms of this infrastructure.

In addition, it will be used to do what we call last-mile connections where all district headquarters, health centres, schools and other forms of Government infrastructure will now be linked to the national backbone.

The benefit of this is that we are trying to ensure that the country is connected from corner to corner in order to ensure that all of us have access to the internet.

In addition, through this project, we shall be building a data centre in order for the Government to store the data. These days in the area of ICT, we generate a lot of data, so we have to build a Government cloud where all this information and data that is generated is stored for us to function much better.

The previous project, which this Parliament supported to automate Government transactions because we are committed as a Government to ensure that there is a digital transformation. Therefore, I beg that the honourable members support this loan, so that Uganda can be part of the digital revolution where the future now is digital and all the activities that we do in different ministries and disciplines must have ICT as an integral part of what we do for us to be much more effective and efficient.

This loan is extremely important in terms of bringing to speed Uganda being part of the digital revolution. I thank you, Madam Speaker.

THE SPEAKER: Thank you, honourable minister.

3.30

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

(Mr Henry Musasizi): Madam Speaker, there is something important we normally put on record, which the minister left out but I want to thank him for standing in for me while I was managing other operations, as you know.

Madam Speaker, this loan has the following terms;

- (i) The loan amount is \$ 150 million, an equivalent of RMB 1,050,000,000.
- (ii) The loan period is 20 years, including five years of grace period and the annual interest is two percent and has a commitment fee of 0.25 percent per annum of the undisbursed loan amount. I submit.

THE SPEAKER: Thank you. Honourable members, you have heard it is about the interconnectivity of the whole country and since we have gone digital- we are no longer on analogue like those days of Prof. Mushemeza.

3.31

MR ELIJAH MUSHEMEZA (Independent, Sheema County South, Sheema): Thank you, Madam Speaker. It is true in my early days of education, we were still in analogue but I am happy to inform this House that I am a professor who is ICT-compliant. I support this motion because of its significance –(Interjections)- but she invited me.

THE SPEAKER: Honourable members, the chairperson has not presented. Sorry. Can you summarise your report? It is because those people summarised your report. Summarise your report and we put it to debate.

3.32

MR JOHN BOSCO IKOJO (NRM, Bukedea County, Bukedea): Thank you, Madam Speaker. Honourable Members of Parliament, I beg to lay the report of the Committee on National Economy on the proposal by the Government to borrow up to Renminbi (RMB) Yuan 1,050,000,000 from the Export Import Bank of China to finance the supply, installation, commissioning and support of the National Data Transmission Backbone Infrastructure/ e-Government Infrastructure Project Phase V.

I also beg to lay the minutes of the committee while the committee was interacting with the Ministry of Information, Communications Technology and National Guidance and the Ministry of Finance, Planning and Economic Development while we were scrutinising the loan.

Madam Speaker, the Minister of Information, Communications Technology and National Guidance and the Minister of Finance, Planning and Economic Development have summarised that this country needs to extend its National Backbone Infrastructure (NBI) to districts that have not benefited. Particularly this loan, Madam Speaker, is going to lay the backbone to about 62 districts that were not covered in phase I, phase II, phase III and phase IV and then, the Uganda Digital Acceleration Project (UDAP) loan.

Madam Speaker, this loan is going to cover about 62 districts in our country that have not been covered with the National Backbone Infrastructure and then laying the last mile connections as intimated by the Minister of Finance, Planning and Economic Development and the Minister of Information, Communications Technology and National Guidance.

Madam Speaker, allow me to go straight to the concessionality of this loan. The minister already indicated the loan amount, the nominal value of the loan and the present value of the loan. The present value of the loan amount is lower than the nominal value of the loan.

This implies that the total future payment of the loan is cheaper than the proposed amount to be borrowed if it is discounted at five per cent. This implies that the loan is semi-concessional in nature since the grant element is lower than the concessional element of 35 per cent in the public debt management framework.

Madam Speaker, I am going straight to the observations and recommendations of the committee. Observation number 7.1, is on page 16, honourable members.

7.1 The loan agreement and contracts

The committee observed that the National Information Technology Authority Uganda (NITA-U) (the end user), and the China International Telecommunication Construction Corporation (the Chinese Supplier), entered into a contract on 22 April 2022, for supply, installation, commissioning and support of the National Data Transmission Backbone Infrastructure, or E-Government Infrastructure Project Phase v (referred to as the commercial contract) number NITA-U/Supplies/21-22/001, for purposes of implementation of the project as defined in Article 1 of the loan agreement.

The committee also observed that the draft loan agreement provides that the entire proceeds of the facility shall be applied by the borrower for the sole purpose of approximately 100 per cent of the commercial contract amount, and not be used for payment of brokerage fees, agency fees or commission. The committee observed that the draft loan agreement does not provide for payment of the brokerage fees, agency fees or commissions.

The committee observed that true copies of the main sub-contracts of construction, design and procurement, which have been duly signed by the Chinese Supplier and are acceptable to the lender are also obligatory before the first disbursement.

The committee recommends that the Government should not at any moment pay or budget for the payment of brokerage fees, agency fees or commission in relation to this financing.

The main subcontracts of construction, design and procurement should be subject to competitive bidding; and

The Attorney-General reviews and approves the commercial contracts, resettlement mechanism arrangement agreement; the main subcontract of construction, design and the procurement prior to their finalisation and enforcement.

Madam Speaker, this is in line with the financing agreement. In the financing agreement, it did not cater for the brokerage fees, the agency fees and the commission.

Therefore, the committee recommends that Government should not, at any moment, budget or pay any of those.

7.2 Project goods, technologies and services

The committee observed that the goods, technologies and services purchased by using the proceeds of the facility should be purchased from China preferentially.

The committee noted that the loan agreement does not provide for observance of the quality standards. There is a need to provide for the specifications of the goods, services and technologies that shall be used in the project execution.

The committee recommends that prior to the supply of the project goods, technologies and services, specifications and clearance should be thought from NITA-U as the end user.

7.3. Commitment fees

The committee observed that the commitment fees were worth 0.2 per cent per annum on the undisbursed loan balance. The commitment fees shall accrue from, and including, the date falling 30 days after the date on which the loan agreement becomes effective. In addition, the commitment fees shall accrue on a daily basis and be paid in arrears to an account designated in article 4.4 of the draft loan agreement.

Given the existence of the commercial supplier, the committee noted that there is a possibility that some delays in loan disbursement and increased accrual of commitment fees could be attributed to the Chinese commercial supplier. Good faith consideration should be accorded to the Government of Uganda as it pays commitment fees.

The committee recommends that the commitment rate and provisions in the draft loan be re-negotiated to provide for the potential delays occasioned by the Chinese commercial supplier.

7.4 Protected assets

The committee observed that the loan agreement lists protected assets, which mean assets, which are:

- a. Used by the diplomatic or consular mission of the Republic of Uganda;
- b. Property of military character or for military purpose;
- c. Property that is regarded as part of the cultural heritage of Uganda;
- d. Any other asset of the Republic of Uganda to the extent that the Government is prohibited explicitly by the laws of the Republic of Uganda applicable and in effect on the signing date of the agreement from waiving such immunity.

The committee observed that the protected assets shielded from waiving of sovereign immunity are listed as above; and a list can only be widened by the law coming in force before the signing date of the agreement.

The committee recommends that:

- a. A definition for “Laws of Uganda” be provided for in the loan agreement to mean the laws of Uganda, and all orders, rules, regulations, and decrees thereunder, judgments and notifications made pursuant thereto, as such laws, orders,

rules, regulations, decrees, judgments and notifications may be modified, vacated or amended from time to time.

- b. Government should provide legislation that adequately provides for protected assets over which sovereign immunity cannot be waived.

7.5 Access and affordable use of internet

The Government of Uganda, through NITA-U, has been implementing projects with an objective of increasing internet coverage in the country. According to the National Information Technology Survey Report 2022, a significant progress has been achieved in terms of the overall penetration and utilisation of the IT services.

The survey also indicates that an equal access to and use of such services across the country remains a major challenge, with especially rural-urban, gender and income-based divides (that relate to the affordability of service) remaining as challenges.

The committee noted that although there has been relative investment in this sector, access to the internet remains inadequate and highly priced for by the Government and the individual users. The committee was informed that the cost of the internet had reduced from \$97 per month per megabyte per second in 2016 to \$70 per month in 2018.

The Uganda Digital Acceleration Project (UDAP), which Parliament approved in 2022, was envisaged to bring the cost of internet to at least \$35 per month per megabyte per second. However, this loan has not been disbursed and is currently under the procurement stage.

The committee further notes that the utilisation of the national backbone infrastructure remains at less than 30 per cent of its full capacity and this is attributed to the high cost and that limits the number of users.

In addition, the committee noted that the Government introduced ICT, as a subject in all

educational learning institutes and accordingly, the schools have since been supplied with computers to aid the learners get practical lessons. However, some schools have failed to effectively utilise computers due to inadequate internet connectivity.

Further, the majority of local governments are not connected with the internet, despite the Government policy to digitise most of the services (e-services). The committee was informed that some of the district local governments, which are not connected with the internet are those that came in place after the implementation of phase 1, 2 and 3 of the National Backup on Infrastructure.

The committee was informed that the implementation of the proposed National Data Backup Transmission Backup on Infrastructure Project Phase V will bring down the cost of internet from \$20 per month per megabyte per second, since it is going to address the last mile connection challenges, which have been hindering the use of the internet.

The committee recommends as follows:

The NITA-U should fast-track extension of the internet services to the last served local governments and schools so as to enable the local governments to transact business as well as bolstering effective learning of Information and Communication Technology (ICT) lessons by learners in schools. This will increase the effective utilisation rate of the National Backbone Infrastructure (NBI), thus bringing the cost down.

The NITA-U in trying to enhance digital inclusion should ensure that all Ministries, Departments and Agencies (MDAs) that get connected to internet services duly comply with the National IT Standards. This requires continuous security awareness about the dangers and risks of Internet usage.

The NITA-U should enhance interventions that will increase awareness and skills among the population. This will increase the number of people using the internet, thus easing the cost of doing business.

7.6 Need for linkages with other agencies:

The committee notes that while NITA-U has widened internet connectivity; its utilisation has been hindered by limited power supply in the country, which is the major factor in accessing internet services.

The committee further notes that without access to power, the backbone infrastructure will remain unutilised thus not serving the purpose.

The committee recommends that the Ministry of Energy and Mineral Development should scale up the extension of power across the country in order to enhance the utilisation of the internet in Uganda.

Conclusion

In light of the observations above, the committee recommends that the proposal to borrow up to Renminbi (RMB) Yuan 1,050,000,000 from the Export Import Bank of China to finance the supply, installation, commissioning and support of the National Data Transmission Backbone Infrastructure, E-Government Infrastructure Project Phase V be approved subject to the recommendations therein. I beg to move.

THE SPEAKER: Thank you, Mr Chairperson. Analogue?

3.50

PROF. ELIJAH MUSHEMEZA (Independent, Sheema County South, Sheema): Thank you, Madam Speaker. The speed I have to debate this motion and report can be explained by the significance of ICT in our development process.

I have other two major reasons; I support the motion and the report of the committee. The first one is related to the income side of our budget. We all know that the income side – many times is very problematic. Therefore, when there is an opportunity to increase the income side or realise our projection, I should be counted.

Therefore, I strongly support having this loan because it will help us to boost our income side of the budget and realise our proposals in service delivery.

THE SPEAKER: Thank you.

PROF. MUSHEMEZA: The second reason is related to education. The chairperson mentioned about teaching of ICT in schools but I dare say ICT has not received the necessary attention it deserves.

I would like to see ICT as a subject in primary schools or as a course in higher education as a foundation course, which is cross-cutting and that will compel us even to increase more infrastructure because wherever you are, ICT is very critical.

With those two reasons, I support the motion to borrow this money. Thank you.

THE SPEAKER: Thank you. Hon. Peter Okot.

3.52

MR PETER OKOT (DP, Tochi County, Omoro): Thank you, Madam Speaker. I join colleagues in thanking the committee for processing the loan. I used to sit on the Committee on Local Government and Public Service and each time we went for oversight in the district, we hardly found the Chief Administrative Officers; reason being that they are always travelling to the next districts, which are connected for them to transmit their reports.

In my district, Omoro, four days a week, all the heads of departments are in Gulu City because that is the only place they access connections for them to transact their reports to the ministries.

Therefore, with this loan coming into place and ensuring that all the districts are connected; and the last mile connection to the district headquarters and other institutions, this will be a plus and to ensure that no one is left behind. I support the motion.

THE SPEAKER: Thank you. Dr Batuwa?

3.53

DR TIMOTHY BATUWA (FDC, Jinja South Division West, Jinja City): Thank you, Madam Speaker. When I heard of us borrowing money to improve ICT distribution in the country and relating to the statement you earlier made of human resource –(Interruption)

THE SPEAKER: There is a procedural matter.

MR OSHABE: Thank you, Madam Speaker. There is an impression that was made here for the first loan for the backbone where \$ 100 million - it was communicated to this House that all districts would be covered at that time. There are continuous loans for the backbone - an impression has been given to this House that we are covering the last district.

Would it be procedurally correct that the minister supplies this House today with the list of the different phases - which districts were covered in phases I and II so that the honourable members do not just get excited about a communication made by the minister here?

We then process a loan knowing that - you know that Kassanda is part of the districts that will be covered and every Member goes back knowing that my district was –(Interruption)

THE SPEAKER: There is information.

DR BWANIKA: Thank you, Madam Speaker. There is a full report - I am a member of the committee. We considered and looked at all the performance for the other projects. I want to invite the Member to look at the report, which loan covered which phase; it is fully captured in that report. I submit.

MR OSHABE: Thank you for the information.

THE SPEAKER: That is the objectivity of Dr Abed Bwanika. There is further information from “Smuggler”.

MR MACHO: Madam Speaker, Hon. Macho from Busia, who is a cross-border trader, has information about the challenge, like what my very good brother, Hon. Nsamba, is submitting is that we have some Members of Parliament who do not sit and concentrate.

If Hon. Nsamba was here throughout, he would have not brought that matter because what Hon. Bwanika is submitting is true. All this is documented. (*Hon. Namugga rose*)

Madam Speaker, I need your protection from honourable - Who you are? From where? (*Laughter*) because I am talking and she is really disrupting me.

There is a saying that “voters look like their leaders.” I do not know whether your voters look like you. However, to go back to the point, Hon. Nsamba has just come in; he has not concentrated, therefore, he did not follow the submission on spot. That is the reason -

THE SPEAKER: Honourable members - first finish your procedural matter. – Hon. Ogwang is also coming; is it on the same matter?

MR OSHABE: Thank you, Madam Speaker.

THE SPEAKER: Hon. Ogwang is also giving you information.

MR OSHABE: Madam Speaker, I want to think –

THE SPEAKER: I picked Hon. Ogwang to give you information because he was a Minister of ICT.

MR OGWANG: Madam Speaker, let me begin by thanking my brother, Hon. Oshabe, because at the time I was in ICT, he was a member of the Committee on Information and Communications Technology (ICT). Today, I do not know where he is.

However, Hon. Oshabe, you know that the issue of this UDAP loan - honourable colleagues, we must accept that internet is a human right as of now, whether you like it or not.

The world is moving very fast that we cannot be hiding ourselves to stop moving with the changing world. At that time when I was a member of the Committee on ICT and I want to confirm that this loan talks about the last mile connection. When I talk about the last mile connection, it emphasises - which is the last mile in my considered opinion. I am now in the education sector. This loan is meant to connect Government-aided secondary schools with connectivity of internet.

Number two, I am talking about hospitals. Number three, I am talking about subcounties. When I talk about this, it means that the entire country is meant to be covered with the connectivity of the internet. I call upon you, honourable colleagues, for the purpose of such a project, it is important that we support it without us saying it is having an issue here - is it which district? The last one, even within the PDM, I think when we talk about one of the pillars, we must talk about this loan.

Honourable minister, this loan is long awaited because I have now taken three years out of ICT, so, I call upon us to approve this loan. Thank you.

MR OSHABE: Thank you, honourable minister. Madam Speaker, please, allow me. People like Hon. Macho who never read anything have come here to inform me who reads – [*Mr Macho: “Order.”*]- I never raised an order when you were submitting.

THE SPEAKER: Honourable members, avoid your ping-pong.

MR OSHABE: Madam Speaker, I was categorical when I said whatever I said. I said that an impression is created here every time we process a loan that all districts are going to be covered. Look at the *Hansard* when we processed the \$ 100 million.

I am requesting for simple information, which the minister has and it is not included in the report. Therefore, if Hon. Macho was a reader, he would have known that I know what I am talking about. Thank you, Madam Speaker.

THE SPEAKER: Thank you, Hon. Oshabe. The clarification was actually made by Dr Abed Bwanika. However, it does not stop the minister from giving us more clarification and information. Hon. Batuwa, sit and wait.

DR BARYOMUNSI: Thank you, Madam Speaker. Thank you, Hon. Oshabe, for raising this issue. We have considered one loan under the Ministry of Information, Communications Technology and National Guidance in the current Parliament. The one called UDAP and the components under that, the biggest part of that project, handles e-government services, where we are going to automate Government's transactions.

It has a small component on digital infrastructure because it has a grant of Shs 60 million; a World Bank-funded project that is going to focus on the refugee areas and then the other digital infrastructure will be masts and computers.

The small component on what we would call NBI is the refugee areas. However, this which we are considering now is the one handling the national backbone infrastructure. It is not true that we can come and confuse the Parliament.

We get NBI from Mauritius through the Indian Ocean and through Kenya because we are a landlocked country, and then we connect. The chairperson said we have so far covered 62 districts with NBI. The previous phases were small monies. Now, this one is \$ 150 million, which will help us cover the remaining districts with this infrastructure.

I just wanted to clarify and thank Hon. Bwanika together with the other honourable members for that information. I hope this clarifies and settles Hon. Oshabe's – but I will handle him bilaterally.

THE SPEAKER: Honourable minister, sit down. *(Laughter)*

DR BATUWA: Thank you, Madam Speaker. As the Shadow Minister of Health, and acknowledging the issues and problems

we have in health, much more the one you have just spoken about; the human resource shortage, I am supporting this motion from the mind of telemedicine. Telemedicine is a technology that would enable us to have a specialist in Kampala and he is able to treat somebody in Kabale or Kinkizi. Notably, while I was in Kinkizi doing oversight, I found a newly state-of-the-art hospital constructed in Dr Baryomunsi's constituency, a Health Centre III; it has very good furniture but it did not have a midwife, yet it had all equipment to run it.

Therefore, in telemedicine, we have hope of covering some of the gaps. We have hope of buying radiological equipment, installing them in various facilities, be it small or large but having them being read maybe in Kampala or at regional referral hospitals because of the backbone technology that we are coming up with.

The assurance we need is whether the backbone technology we are going to acquire through a loan will be able to support that kind of technology. This gives me the basis of coming up with a motion to convince Government to start thinking in the line of telemedicine since you are now covering all other districts that have not been previously covered. In that line, I support the motion.

4.04

MR MOSES GOLI (NRM, Dokolo North County, Dokolo): Thank you, Madam Speaker. I stand to support this motion mainly because of a report on competitiveness, which we called the Ssendawula report some time back, which revealed that because of uncompetitive situations within Government - the inefficiency - the Government actually loses about 4 per cent of the GDP.

In supporting this, we should improve the efficiency and offload that wastage to other areas to support the development.

Secondly, I would like to request because the best beneficiary currently for ICT should be the youth. I request that as we work on this, we should see how to establish what I would call,

youth ICT bars, at least at district level, so that youth can benefit from this process.

Lastly, this is a great element, which requires an institutional framework to support it. I only hope NITA-U, which we think is going to do this, is not going to be restructured. Thank you.

THE SPEAKER: Honourable members, it is an agreed position that we need connectivity and there is no doubt that - I am not giving anybody else - I know you are begging Hon. Gorreti. Let me hear from the Leader of the Opposition and then I will have the Minister of ICT.

4.08

THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga): Thank you, Madam Speaker. *(Mr Ssewungu rose_)*

THE SPEAKER: How can you put the Leader of the Opposition on procedure? Which rule?

MR SSEWUNGU: Madam Speaker, the procedural matter I am raising is that we have passed a number of loans here but I would wish to know when this loan project will be implemented. After passing these loans, they take years without being implemented.

Secondly, the Minister of ICT is here –

THE SPEAKER: Leave alone being implemented without approval.

MR SSEWUNGU: Parliament is approving now, Madam Speaker.

THE SPEAKER: No, the due process with the Attorney-General and the Ministry of Finance takes over a year.

MR SSEWUNGU: Thank you, Madam Speaker. The other procedural matter I am raising - the Minister for ICT is here. You are improving infrastructure but you closed *Facebook*. Yourself, you are using VPN to access it - I have been peeping into your phone, you know that very well. So, if you are improving infrastructure, when are you opening *Facebook*?

Lastly, the issue of providing schools with computers -

THE SPEAKER: Hon. Ogwang said that it is a human right.

MR SSEWUNGU: Whether it is a human right, but in the face of the law, it is null and void; irregular. Even if you procure many computers without feeding them with data, they will not perform.

Let us not mislead this House that all secondary schools in Uganda have computers. That is out. Confirm to this Parliament whether secondary and primary schools in Uganda are furnished with computers, and is Facebook working?

THE SPEAKER: When you approve the loan, they will be furnished. Honourable members, in the public gallery this afternoon, we have members of the Uganda Catholic Lawyers Association, led by the vice-Chairperson, Ms Claire Amanya. Please stand up. Join me in welcoming them. They are here to witness the proceedings. Thank you, for coming. *(Applause)*

4.08

THE LEADER OF THE OPPOSITION (Mr Matthias Mpuuga): Thank you, Madam Speaker. Hon. Joseph Ssewungu has handled well one of the issues I wanted to handle with the minister about securing backbone infrastructure on borrowed funds and then blocking social media, where lots of young people this Government is not able to employ were doing business.

I challenge the Ministry of Finance, Planning and Economic Development to every year, publish the number of jobs created by every entity so that we can understand that the Government is growing or actually declining.

In this Government, they froze employment opportunities in all agencies but the economy is going to grow. Which economy grows and is not able to create jobs? We want you to publish the number of jobs you have created by the end of the financial year so that we can confirm that actually, you are serious. *-(Laughter)-*

Secondly, Madam Speaker, it took your generous intervention last year to calm down Dr Chris Baryomunsi who wanted to rationalise NITA-U in a minute. It took a high-powered freezer to cool him down.

May we get commitment from him that this entity is going to incubate these projects and that it is not going to be restructured soon, then we get into problems of structure and implementation? We are not here to gamble; we must plan sustainably -

THE SPEAKER: Leader of the Opposition, while you were away from the House, there was a list of institutions for rationalisation. There was actually a Bill brought on the Floor, which this House rejected and NITA-U was included. Therefore, to ask for a commitment from the minister, you are very correct.

MR MPUUGA: Thank you, Madam Speaker. Very soon they will return, I am very sure, and this House should be alive to the machinations of the Executive. The minister must commit-

THE SPEAKER: You are still in this House.

MR MPUUGA: That this project is going to be incubated by this agency because I know the structure of NITA-Uganda is well aligned to receive and incubate. Do not throw away this project, then the next year we get excuses of how it failed because of restructuring. That commitment must precede approval.

THE SPEAKER: Honourable minister “the economy is growing.”

4.12

THE MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (Mr Matia Kasaija): Thank you, Madam Speaker. My dear friend, Hon. Mpuuga, who I love very much indeed, has raised an issue which at times makes me have sleepless nights.

In Uganda, we are very prolific. We produce quite a number of children, educate them and

have to look for jobs for them. The statisticians have informed me that currently, we offload about 600,000 to 700,000 youth on the labour market.

However, at the moment the way the economy is moving, we provide between 400,000 to 500,000 jobs so that balance –(Interjections)-civil servants are employees. I am talking about the young ones who are graduating from various institutions of learning who come to the labour market.

Therefore, this does not mean that the economy is not producing jobs. Go to the rural areas and see [Hon. Namugga rose] - okay, I will take your information now - no, The Speaker has refused. Sit down. (Laughter)

Honourable colleagues, I want to assure you that we are moving well but not as far as we should. I appeal to you now as nationalists. That is why we must make sure - first of all, we have a very secure country –(Interjections)-yes, please. We must promote industrialisation, help our people to produce - not children – (Laughter)- to be productive so that we can work effectively.

In fact, we are thinking that in the near future - [Mr Ssewungu rose] - No, I do not want clarification.

THE SPEAKER: Honourable minister, I think that is very good information that we all need to work hard for us to have our young people employed. We need a session to discuss how best we can employ the very many young people, especially with industrialisation.

MR MATIA KASAIJA: Most obliged, Madam Speaker. I am prepared to come back here. - (Laughter)

THE SPEAKER: Honourable minister, now that we are giving money to NITA-Uganda like last time, we want your commitment that you are not going to rationalise it because that is one of the conditions attached to these loans. Your colleague is going to assist. Okay -

DR BARYOMUNSI: Thank you, Madam Speaker-

THE SPEAKER: Honourable members, I want to remind you that the power is in your hands. You are the ones who created these entities and it should be you to approve whether they should go or not.

DR BARYOMUNSI: Thank you, Madam Speaker. I also thank honourable colleagues for the support. Just to respond to a few issues which have been raised -

We have taken note of the pieces of advice and concerns raised here on telemedicine and others. We shall make sure that they are incorporated in these programmes.

On jobs, I would like to add that as a ministry, we have been promoting what we call “Business Process Outsourcing” (BPO), part of which is to get employment opportunities for our young people outside the country, which they can do when they are physically in the country. So far, we have about 12,000 Ugandans who do jobs through that BPO arrangement.

However, one of the bottlenecks is that the internet cost is still high because you need cheap and accessible internet. Part of the solution to that, is this project. Once we extend the backbone to the rest of the country, then the uptake and penetration will be higher. And once we have many users accessing the internet, then the cost will come down and that will help us to increase the jobs through the BPOs.

We have signed *-(Mr Ssewungu rose_)* Just hold on. I will allow you with the leave of the Speaker.

We have signed some contracts with companies in Romania. Recently, I was in the Philippines where we negotiated to have some health workers get BPO jobs. However, one of the challenges, like I have said, is the cost of the internet. Through this project, we expect the cost to go down because it will help in creating jobs.

I would like to clarify that through this National Backbone Infrastructure (NBI) previous phases, the cost of the Government provided internet now is at \$35 per megabyte per second per month.

The national average, when you put in the private sector, is \$45. So, the one of Government is lower but we will continue to lower it. Once this project and the Uganda Digital Acceleration Project – Government Network (UDAP) are done, the internet should be much more affordable for Ugandans and it will help us in job creation.

On rationalisation, Madam Speaker, like you have guided and clarified, the Government brought here a Bill a few weeks ago; an omnibus Bill with the proposals from the Cabinet on the decisions which the Government has taken to rationalise different agencies.

Parliament with your guidance told us to bring Bill by Bill, agency by agency, rather than omnibus. National Information Technology Authority - Uganda (NITA-U) is one of the agencies which is proposed by the Cabinet to be rationalised, in a sense that the functions of NITA-U are to be migrated into the ministry without losing them.

Madam Speaker, NITA-U is a creature of this House, through the National Information Technology Authority, Uganda Act, 2009. Therefore, to do that, it would require Parliament to either amend or act on the law. We shall be back - and like you have said, the decision shall be ours to whether rationalise or not. The Leader of the Opposition (LOP), should not be bothered. It will come here and we will debate and make a decision. We should not be worried at all.

Regarding computers in schools, I think the challenge has been the budget. We have been providing computers but we have not covered all the schools. That is true. In our constituencies, we have schools and we know there are some with computers and others without. We want to commit that as resources become available, our

target is to cover all schools for our learners to access computer and IT services.

Lastly, Madam Speaker, *Facebook* is a communication platform. I want to clarify that I am not on *Facebook* because the Government closed it. (*Interjection*) No, I am not even on VPN.

Madam Speaker, there was a conflict, which developed between the Government and *Facebook*, and the Government took a decision to close it. There have been negotiations and discussions between the Government and *Facebook* as an organisation led by Uganda Communication Commission (UCC). The last time I checked, they had resolved most of the issues. There were about three outstanding issues. I could cross-check and brief Parliament on how far we have gone.

THE SPEAKER: Do that and give us feedback.

DR BARYOMUNSI: Yes, I will come back. Lastly, I want to thank the committee chairperson and members of the committee for a job well done.

The assurance I want to give Members, if the Speaker allows –

THE SPEAKER: First finish, minister -

DR BARYOMUNSI: Madam Speaker, we shall work closely with Members of Parliament and we want all of us to get involved in overseeing the implementation so that our districts, especially those which are not yet covered - the construction and extension of the network and the fibre, reaches to them so that our various institutions like health centres and schools receive the last mile connections. We shall be updating Parliament regularly.

THE SPEAKER: Honourable minister, when giving computers to different schools or districts, the area Members of parliament need to be informed. They must own the project. (*Applause*)

DR BARYOMUNSI: Yes. You are right, Madam Speaker. We give these computers and other services through our agencies - UCC and NITA-U. I have already given instruction. This is because sometimes they give computers without my knowledge of where they are going. I have already given an instruction that before we give computers or construct masts and others, we must liaise with the leaders, particularly Members of Parliament.

Under the UDAP, we have a provision to construct up to 200 masts and I have been receiving requests from Members - you have many areas where the network is poor. I will be writing to you to submit areas, which have poor network and we liaise with the agencies to ensure we work together. That I pledge, Madam Speaker.

MR SSEWUNGU: Madam Speaker, the clarification I seek from the minister is: when you go to Arab sites they close windows where there is pornography and immoral conduct on the internet. Are we reaching that level? How are you going to handle that?

When you go to most of our schools - yes, you have given internet but the young children are more interested in looking at pornography because the windows are open. As a country, and as the Minister of Information, Communications Technology and National Guidance, are you paying attention to this? It is a big problem and it must be given the utmost attention.

THE SPEAKER: Thank you. The issue of -

DR BARYOMUNSI: Thank you very much, Madam Speaker. Definitely we share your concern as parents and we live here. There is abuse of internet and communication platforms where our children access pornographic material. We have been trying to build the capacity through UCC to get equipment and I can say, we now have reasonable capacity. For instance, if you post an offensive material on *WhatsApp* or social media, we can trace the originator of that material.

To answer your question, we are having discussions because we have been operating a liberal and free environment. I think it is becoming increasingly necessary for us to see what we can censor like pornographic material being accessed by our young people. It is an issue that we are handling and we share your concern.

THE SPEAKER: Thank you. Honourable members, I now put the question that this House approves a motion for a resolution of Parliament to authorise the Government to borrow up to RENMINBI (RMB) YUAN 1,050,000,000 from the Export-Import Bank of China to finance the supply, installation, commissioning and support of the National Data Transmission Backbone Infrastructure/E-Government Infrastructure Project Phase V.

(Question put and agreed to.)

THE SPEAKER: Clerk, can you extract the resolution and forward it to the Minister of Finance, Planning and Economic Development. Timeline of extraction?

MR JOSEPH SSEWUNGU (NUP, Kalungu West, Kalungu): Support me on that matter; when will this loan be effective? He never responded.

THE SPEAKER: My Clerk is very efficient. Tomorrow, he will give the resolution and the rest will be done by the Executive. I will not do work for the Executive.

DR BARYOMUNSI: Madam Speaker, the financing terms are much better and safe compared to the World Bank. With the World Bank loans, there are a lot of procedures and steps, but this one, the China Exim Bank is faster.

From now on, the Attorney-General and the Minister of Finance, Planning and Economic Development will do the paperwork and early next year - maybe January or February - we should be on the ground with implementation. This one does not have a lot of lengthy procedures, like the World Bank procured

loans. So, January or February next year, we should be on the ground implementing and we shall keep you updated.

THE SPEAKER: Thank you so much, honourable minister. Honourable members, as I said before, we are going to have Mass.

In the VIP Gallery this afternoon, we have His Lordship the Rt Rev. Lawrence Mukasa, Bishop of Luweero Diocese. You are most welcome and thank you so much for coming. *(Applause)*

He is accompanied by:
Monsignor Francis Xavier - Vicar General;
Rev. Fr Cyril Kasigwa – Chancellor;
Rev. Fr Joseph Michael Miiro - Bishop's Secretary;
Rev. Sr Sylvia Nassozi;
Rev. Sr Gertrude Nalubega;
Rev. Fr Pontian Kaweesa- Parliament Catholic Chaplain.

They are represented in Parliament by the following:

Hon. Ssekitoleko Robert;
Hon. Kirumira Hassan;
Hon. Sekabira Denes;
Hon. Nabukenya Brenda;
Hon. Luttamaguzi Semakula;
Hon. Mayanja Allan;
Hon. Najjuma Sarah;
Hon. Nyongore Enock;
Hon. Mutebi Noah Wanzala -

Bishop, they are not in the House here because they are organising for the Mass. You have very good Members; they are only out there organising. *(Applause)*

Then you have;
Hon. Sekyanzi Bernard; and,
Hon. Zawedde Victorious.

You are most welcome to Parliament of Uganda and while here, feel at home. We want to welcome you for the Holy Mass. The Members will be joining you, but for now, let us first suspend the House for 10 minutes and then we will be going for prayers.

The Rt Hon. Deputy Speaker will be joining you for prayers. I want to thank you so much. House is suspended for 10 minutes.

(The House was suspended at 4.43 p.m.)

(On resumption at 4.43 p.m., the Speaker presiding_)

THE SPEAKER: Honourable members, welcome back from the break. Can we go to the next item?

MOTION FOR A RESOLUTION OF
PARLIAMENT TO AUTHORISE
GOVERNMENT TO BORROW SHS 3.5
TRILLION FROM THE DOMESTIC
MARKET TO FINANCE VARIOUS
ACTIVITIES IN THE BUDGET FOR THE
FINANCIAL YEAR 2023/2024

THE SPEAKER: Honourable minister?

4.45

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES) (Mr Henry Musasizi): Madam Speaker, I beg to move a motion to authorise the Government to borrow Shs 3.5 trillion from the domestic market to finance various activities in the Budget for the Financial Year 2023/2024.

THE SPEAKER: Is the motion seconded? *(Members rose_)* It is seconded by Hon. Ogwang, Hon. Okasaai, Hon. Paul, Professor, Hon. Afande, Hon. Akamba, Hon. Yusuf, Hon. Macho, the honourable Member of Parliament from Lira, Hon. Omoding, Hon. Linda Irene from Fort Portal, Hon. Avur, the Prime Minister, the Minister of Finance, Planning and Economic Development, the Minister of Information, Communications Technology and National Guidance and the majority of the House. Can you say why you want to borrow?

MR MUSASIZI: Thank you, Madam Speaker. The reason as to why we are seeking to borrow up to this amount is to enable us to meet various expenditure shortfalls in the budget for the Financial Year 2023/2024, as I will move later in the Supplementary Schedule No.1. I submit.

THE SPEAKER: Thank you. That is according to Rule 153(2) of the Rules of Procedure of this House. I now put a question that the House approves a request by the Government to borrow Shs 3.5 trillion to finance Supplementary Expenditure Schedule No.1 for the Financial Year 2023/2024.

(Question put and agreed to.)

MOTION FOR A RESOLUTION
OF PARLIAMENT TO APPROVE
SUPPLEMENTARY EXPENDITURE
SCHEDULE NO.1 FOR THE FINANCIAL
YEAR 2023/2024

THE SPEAKER: Honourable members, as you may recall, on 30 November 2023, the Minister of Finance, Planning and Economic Development tabled a Supplementary Expenditure Schedule No.1 for the Financial Year 2023/2024. The schedule was referred to the Budget Committee. I am reliably informed that the report is ready and we also have a minority report.

However, I note that the minister has already moved a motion to borrow what is to be spent on, as per the law. The minister should now move a motion on that.

4.49

THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga): Thank you, Madam Speaker. We never stop learning. If I heard well, the first motion was a request to borrow and this House has approved it. My thinking and experience here is that we either have a report from the Committee on National Economy or I would have sent it to the committee for assessment.

Otherwise, I need to understand the nature of borrowing and the conditions thereto that we have approved. Would it be proper that we understand that with clarity; how we are committing the taxpayer without a report?

THE SPEAKER: Honourable Leader of the Opposition, the letter that was laid on Table on 30 November 2023 had an explanation for Shs 3.5 trillion. We can hear from the minister.

MR MUSASIZI: Thank you, Madam Speaker. I beg to move a motion for a resolution of Parliament to approve –

THE SPEAKER: No, he wants an explanation for the Shs 3.5 trillion. Give him time.

MR MUSASIZI: Madam Speaker, pursuant to Rule 153 of our Rules of Procedure, I am required to provide the sources of financing for the supplementary. When I laid the Supplementary Expenditure Schedule No.1 for the Financial Year 2022/2023, one of the prayers I made was that Parliament authorises us to borrow up to Shs 3.5 to finance various items under Supplementary Expenditure Schedule No.1.

Consistent with that –

THE SPEAKER: Yes, Hon. Kivumbi.

4.51

MR MUWANGA KIVUMBI (NUP, Butambala County, Butambala): Madam Speaker, this motion is pre-empting a position in the minority report. Having read it, the minister has moved swiftly to pre-empt a disastrous situation.

However, be as that may, this might have – I am keen to use the right words – a little bit of embarrassing elements to this Parliament, if approved if you go ahead – The Shs 3.5 – *(Interruption)*

PROF. MUSHEMEZA: Madam Speaker, I rise on a point of procedure. We have already passed a motion. Are we proceeding very well to debate a matter we have resolved through a vote?

THE SPEAKER: The embarrassment we are talking about is just in anticipation. We do not know what is coming up. Therefore, you cannot debate in anticipation. When you say we are looking for an embarrassment - unless you are talking about yourself being embarrassed, and not we as a House.

MR MUWANGA KIVUMBI: Madam Speaker, I think the facts speak for themselves; the Shs 3.5 trillion we have approved includes money they are going to borrow, which is already available. He moved a motion for the borrowing of Shs 3.5 trillion, which is already available under Non-Tax Revenue (NTR). The minister is fully aware - when we were in the committee - that those figures were fictitious –

THE SPEAKER: Honourable, can we get the minority report and the other report, then we debate? You are talking about what is in the supplementary.

MR MUWANGA KIVUMBI: No, I am talking about Shs 3.5 trillion that we want to borrow to finance a supplementary. This includes money that is already available and will not be borrowed.

THE SPEAKER: You talked about NTR; that is an anticipated amount. In the circumstance that you do not get that money – it is a projection.

MR MUWANGA KIVUMBI: Madam Speaker, the money that is already being re-voted is in the borrowed sums of money. That is why –

THE SPEAKER: Is that so?

MR MUWANGA KIVUMBI: Yes. It is in the 3.5. I do not think the minister has acted in utmost good faith in moving this motion and smuggling it this way.

THE SPEAKER: Yes, chairperson?

MR ISIAGI: Madam Speaker, the information I would like to give is, when you talk about re-voting, that is money which had been budgeted to be expended in the previous financial year. If it was not spent, and there are pressures which swallowed the money, in this new year, you re-vote. However, re-voting does not lead to having the money. You have to look for the money of what you are re-voting. Only the expenditure was already justified earlier.

MR MUWANGA KIVUMBI: That is also an erroneous explanation by the chairperson of the committee.

Money that is returned to the Consolidated Fund – you dealt with the unspent balances – money that is returned to the Consolidated Fund is money available and you re-vote it in a supplementary.

THE SPEAKER: It is not automatic that you re-vote it for that particular item.

MR MUWANGA KIVUMBI: Yes, but that money is available. You cannot go ahead to borrow that sum of money that was returned to the Consolidated Fund.

THE SPEAKER: Why don't you listen to your chairperson first?

MR MUWANGA KIVUMBI: Is he not being truthful?

THE SPEAKER: No, he is an accountant, and you are a historian. *(Laughter)*

MR ISIAGI: I am very truthful. I think my colleague cannot tell us the cash flow balance of the Consolidated Fund as he speaks now. He does not have it. You have to understand the way the Budget operates.

When they talk of a release, it is not physical cash. Let us understand that point. Then you also have to understand that there are negatives which occur at the Bank of Uganda. When the returns come, they offset the negatives at the Bank of Uganda. Can you therefore tell us the cash balance of the Consolidated Fund at closure of the year?

THE SPEAKER: That is why we needed that report of the cash balances at the end of the financial year. We should be able to discuss that report.

MR MUWANGA KIVUMBI: Madam Speaker, no amount of explanation can erase a rational simple fact. That money that was

unspent is returned to the Consolidated Fund. And once that money is returned to the Consolidated Fund, for you to be able to spend it in this year, you revoke that money in a supplementary.

That money –*(Interjections)*– Wait a minute. That money is a variable. For you to come up with a sum and say you are going to borrow in a loan to finance a supplementary, including money that you have in the Consolidated Fund, is bordering on broad day robbery.

THE SPEAKER: Let me hear from Max first.

4.57

MR MAXIMUS OCHAI (NRM, West Budama County North, Tororo): Thank you very much, Madam Speaker. May I take this opportunity to provide information to hon. Kivumbi. When the financial year comes to a close on the 30th of June each year, the monies that are not spent are actually swept back into the Consolidated Fund and they cease to be available. This is because the Government position at that point in time is to take us across all the resources available, be it sourced externally or even domestically. Therefore, there is nothing like money available, which was actually not spent last financial year in this financial year.

THE SPEAKER: Thank you. He is making a clarification from the informed position of a certified accountant. Yes, hon. Omara.

4.58

MR PAUL OMARA (Independent, Otuke County, Otuke): Thank you very much, Madam Speaker. What my colleague is trying to advance is the passionate debate that we had during the Budget Committee discussions. That has already been overtaken by events. The committee has come up with a majority report.

What is now necessary is for us to allow the Chairperson of the Budget Committee to make a presentation. What he is advancing is part of his minority report. The full House can listen to both parties and then we move forward.

Otherwise, we are having an extension of a Budget Committee debate which we have already moved beyond.

THE SPEAKER: Honourable members, let us move systematically. Yes, do you want to say something?

4.59

MR JONATHAN EBWALU (Independent, Soroti West Division, Soroti): Thank you very much, Madam Speaker. I read when it came here – I saw somewhere that this money is going to go to finance the education of our children. I would propose that we put a motion here that we close debate on this matter and then we proceed to hear from the chairman.

THE SPEAKER: Can we hear a motion from the minister?

5.00

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

(Mr Henry Musasizi): Madam Speaker, I beg to move a motion for a resolution of Parliament to approve Supplementary Expenditure Schedule No. 1 for Financial Year 2023/2024. I beg to move.

THE SPEAKER: Is the motion seconded? It is seconded by the Minister of Finance, Planning and Economic Development, the Minister of ICT, the Attorney General, local government, education, energy, tourism, and Gen. Muhoozi, Hon. Ababiku, Hon. Aogon, Hon. Macho, Hon. Ebwalu and by the whole House. Thank you.

Would you like to justify why you are getting a supplementary?

MR MUSASIZI: Madam Speaker, you will recall that Parliament approved a total Budget of Shs 52.736 trillion, for Financial Year 2023/2024, disaggregated as follows: Shs 31.263 trillion appropriated Budget by Parliament, and Shs 21.473 trillion as statutory expenditure.

Madam Speaker, Section 25 of the Public Finance Management Act, 2015, states that

- (1) A total supplementary expenditure that requires additional resources over and above what is approved by Parliament shall not exceed three per cent of the total approved Budget for that financial year without approval of Parliament.
- (2) Where funds are expended under subsection (1), supplementary estimates showing the sums spent shall be laid before Parliament within four months after the money is spent.

Madam Speaker, in line with the above section of the law, I laid before Parliament supplementary expenditure under Schedule one for Financial Year 2023/2024 amounting to Shs 3.5 trillion as follows. Part one, which is within three per cent legal limit, Shs 1.574 trillion, and part two, for prior approval of Parliament, amounting to Shs 1.926 trillion.

The drivers of this supplementary and statutory expenditure are as follows: Number one, payment for domestic obligations to Bank of Uganda, Shs 2 trillion. As of June 2023, the Government owed the Central Bank of Uganda Shs 4.8 trillion which had accumulated from Financial Year 2019/2020.

Honourable colleagues, you will recall that in order to support the recovery of the economy from the slowdown brought about by COVID-19; Government expenditure was expansionary in order to provide a fiscal stimulus to various sectors of the economy. However, the Government was not able to fully fund its expenditures. Accordingly, Bank of Uganda met the Government's obligations on domestic debt redemptions. Now that the economy is recovering and given the prevailing micro-economic conditions, it is important that the Government pays off its obligation to the central bank.

- (ii) Refund to World Bank-funded projects on Uganda Inter-Governmental Fiscal Transfers and Uganda Support to

Municipal Infrastructure Development (USMAID). During the Financial Year 2022/2023, Parliament approved revoting of unspent balances for UGIFT and USMAID. However, some votes were not able to absorb the funds by the end of the Financial Year 2022/2023 and the appropriation expired.

There is a need to revote this expenditure and provide corresponding funding for it, given our commitments to these programmes which support the critical expenditures of schools and health centres, and our joint agreement with the World Bank.

- (iii) Critical Government policy commitments that cannot be postponed such as the National Census, the mass enrolment and renewal of National Identification Cards and the Government's commitments to support research and development under Science and Innovations.
- (iv) Other statutory obligations such as payment of International Court of Justice award to the Democratic Republic of Congo, payment of debt incurred to purchase shares in Roko and payment of interest on debt acquired to finance supplementaries in the Financial Year 2022/2023.
- (v) We have omissions and errors made both during the budgeting process and during the appropriation process for the Financial Year 2023/2024, where some existing Government obligations were not provided funding and where changes were made from the recurrent budget category instead of Development budget, which significantly affected the budget available to implement activities that must be charged from the recurrent budget category.
- (vi) We have expenditure on peace and security, ensuring that the Government is able to fulfil its international commitments as well as supporting the economy, and fostering economic recovery, including

the development of transportation infrastructure, generation, and the distribution of electricity.

Madam Speaker, with these justifications, I wish to inform the House that we have been in the Budget Committee and the committee is ready to enhance my justification with a detailed report.

I beg to move, Madam Speaker.

THE SPEAKER: Thank you, honourable minister. As I said, pursuant to Rule 153(5) of the Rules of Procedure, the committee will now present. As I said before, there are two reports; the major report and the minority report. Therefore, we will hear from both reports and they are all informative. (*Applause*)

Honourable minister, the Leader of the Opposition wants you to clarify something.

MR MPUUGA: Thank you, Madam Speaker. The Honourable Minister of Finance, Planning and Economic Development has ably enumerated the source of his authority to lay supplementary in accordance with Section 25 of the Public Finance Management Act (PFMA).

In the presence of the learned Attorney-General, I have been equally reading Article 152(2) of the Constitution, which speaks to the fact that the supplementary must be a portion of the appropriated budget and the PFMA says a portion of the approved budget.

The appropriated budget as we know, is Shs 31.2 trillion and the approved budget is Shs 52.8 trillion. May we get clarification so that we do not land into illegality and procedural impropriety, in the presence of the learned Attorney-General? Which of these laws supersedes the other because the Constitution is very clear on appropriation and the PFMA talks about approved budget, and the two seem to be at a variant?

May we be guided by the learned Attorney-General so that we move appropriately?

Maybe to help you further, Madam Speaker - because I thought we need to set this precedent. If you go for the 3 per cent of the appropriated, it is basically Shs 937.89 billion. The 3 per cent of the approved budget is Shs 1.574 trillion. Therefore, could we be guided on how to legally go over this matter, Madam Speaker?

I thought that procedural and legal flaw needs to be clarified by the learned Attorney-General.

THE SPEAKER: Before the learned Attorney-General comes in, we need to know the intention of the framers of the Constitution. When they talk of the appropriated and whenever we are passing a budget, the statutory votes are pronounced and we appropriate.

The statutory votes bring the whole total of the amount that is appropriated, including yours of Parliament. Anyway, let us hear from the learned Attorney-General.

5.11

THE DEPUTY ATTORNEY-GENERAL (Mr Jackson Kafuuzi): Madam Speaker, I appreciate your clarification and I will not depart so much from it. However, to answer –

THE SPEAKER: Leader of the Opposition, listen.

MR KAUFUZI: To answer the Leader of the Opposition, we are dealing with the money approved.

THE SPEAKER: You see, when you look at the Constitution, it talks about appropriation and it does not talk about the 3 per cent.

It is basically English; the difference between the English of Masaka and Kyegegwa. *(Laughter)* Yes, LOP?

MR MPUUGA: Madam Speaker, we need to be very careful. Unfortunately, the law is unforgiving and bear in mind the intentions of the framers of the law, and that is why you are here to guide. You see, getting the approved is appropriated for; plus, statutory that is when we get the approved.

Therefore, the framers of the Constitution had that in mind that the two are distinct and that is why you need to be very clear that for you to get the approved, you need to get the sum of the appropriated plus statutory. This means that for a supplementary –

THE SPEAKER: Do you appropriate the statutory?

MR MPUUGA: Of course, in the Bill, we do. That is why we need to be very clear with the way that law captures –

THE SPEAKER: Does it come in the Appropriation Act?

MR MPUUGA: The figures are separated.

THE SPEAKER: But it forms a total. Yes, it does.

MR MPUUGA: The total of course becomes the approved.

THE SPEAKER: After appropriation, that is the approved amount of the House.

MR MPUUGA: Madam Speaker, for us not to take a lot time on this –

THE SPEAKER: First listen to what an accountant is saying. Hon. Silas Aogon?

MR MPUUGA: No, we are talking about the law here, not really –

THE SPEAKER: Yes, Hon. Aogon?

5.13

MR SILAS AOGON (Independent, Kumi Municipality, Kumi): Madam Speaker, my concern is basically on the 3 per cent and that is what we are talking about statutorily. It is allowed that the Government can spend up to 3 per cent and later, if you want a supplementary to come, that is the other portion. When you combine the two, it forms the approved figure.

Therefore, I do not see anything that needs to be debated on here, because it is very clear.

The statutory is given at 3 per cent. You only calculate the total budget approved, times 3 percent, give the calculation, and that is it. There is no debate about this, it is a very clear matter.

5.14

MR MOSES ALEPER (NRM, Chekwii County (Kadam), Nakapiripirit): Thank you, Madam Speaker. In some instances, those words are used interchangeably however, approval is getting to agree that something is satisfactory, while appropriation is the allocation itself. That is how those two work.

THE SPEAKER: Allocation per vote.

MR MOSES ALEPER: Approval is to accept that it is satisfactory while appropriation is the allocations according to the way we structure the budget. Thank you.

MR MPUUGA: Let me take leave, by offering a humble advisory. Now that my Minister of Finance is undertaking to cause amendment to the Public Finance Management Act (PFMA), I encourage the Minister of Finance to work with him because -

THE SPEAKER: What happened? This Public Finance Management Act really needs amendment? It gives-

MR MPUUGA: It is laden with so many issues and that red flag should be picked to harmonise the supreme law of the land with subordinate legislation. Otherwise, if challenged, you cannot go and explain English in a court of law.

THE SPEAKER: Hon. Kivumbi, if you are stuck, I can give you my team to support you.

MR MUWANGA-KIVUMBI: No, Madam Speaker, we got two issues; (i) We got a hiccup from the Office of the Clerk to Parliament-

THE SPEAKER: It is because you did not go through my office.

MR MUWANGA-KIVUMBI: We got a leave of Parliament to process the amendment and even yesterday, we were supposed to interact

with the minister, having bypassed the clerk's office because the Clerk refused to write letters inviting agencies. I took it upon myself because I had a leave of Parliament-

THE SPEAKER: Did they give you a certificate?

MR KIVUMBI: No, we want them to have a buy-in, so that they do not bring their issues in the certificate process. We had invited the minister but he was not around. He called to apologise that he had an assignment. We were supposed to meet other agencies starting from-

THE SPEAKER: Let us bring the amendment-

MR KIVUMBI: From tomorrow and Friday we are in the process of bringing this amendment. We are going to interact with the minister. I hope they will not play those games of certificate of financial implication.

THE SPEAKER: They will not.

5.16

MR PATRICK OPOLOT-ISIAGI (NRM, Kachumbala County, Bukedea): Thank you, Madam Speaker. I would like first to apologise; we are going to have some amendments.

THE SPEAKER: Honourable LOP, first listen to your old man.

MR ISIAGI: Of the House. We are going to have some amendments, Madam Speaker, starting with page 4 of the report. The figure for domestic borrowing is amended to Shs 3.5 trillion, as the figure available there has been overtaken by events. Also move to page 24 *-(Hon. Oshabe rose)-* the point is the figure of-

THE SPEAKER: Honourable members, I hear Hon. Oshabe Patrick saying; "That is a consequential amendment following the motion that was moved by the minister." Let him finish; because he is old, he might even forget what he has said. You first, sit.

MR ISIAGI: Thank you, Madam Speaker, for that protection from my dear son and colleague, Hon. Oshabe *-(Laughter)-* honourable

colleagues, I repeat, domestic borrowing now changes from Shs 3,149,351,000,000 to 3.5 trillion as approved by the House. Thus, the total now changes from Shs 3.5 to Shs 3,851,296,000,000.

On page 27 at the conclusion, we amend “domestic borrowing from the market”, from Shs 3,149,351,000,000 to become Shs 3.5 trillion, as approved by the House. Madam Speaker - *(Hon. Oshabe rose)*-

THE SPEAKER: You first listen to his report; you will present yours Hon. Patrick Oshabe. The good thing is you are all Patrick’s.

MR ISIAGI: Madam Speaker, I would like to clear to the House because Hon. Patrick Oshabe thinks that I am poking into his report. I have only got notice of the minority report, but I am not privy to the details.

He has not submitted to me, so I do not know what is in the minority report. I am amending this according to the events that have occurred -*(Laughter)*- and according to what the House has approved. Therefore, the figure we had has been overtaken by events and we have to respect what the House has approved.

We also have an amendment on page 7 arising out of a typing error. On page 7, (3.9) Vote-015. It reads, “Ministry of Trade” and not “Ministry of Energy and Mineral Development”, but Ministry of Trade, Industry and Cooperatives -

THE SPEAKER: He is making a correction on the name of the vote- Just a minute.

MR ISIAGI: Madam Speaker, I am presenting a committee report -*(Interjection)*- what is not proper? Honourable colleagues, the person speaking is a Member of our committee and I pray that he keeps the committee decent enough and when time for him to present comes, he will do it in the report, - it is part of our report.

However, it is always better to correct errors, because the ones who type and write are humans and errors are possible. For us to have

the report valid, we start by correcting the errors of omission and commission. *(Applause)*

Madam Speaker, I now move that; Aware that the minister moved a supplementary request laid in the House and it was referred to the Budget Committee and other sectoral committees jointly to process on 30th November, the Committee has therefore, to report on the findings. The request was in two parts;

Part 1 of Schedule 1 was Supplementary Expenditure within the allowed 3 percent. That was Shs 1.574 trillion and the one above 3 per cent, Shs 1.926 trillion. A total of Shs 3.5 trillion.

As a methodology, the committee interacted with the various relevant stakeholders and looked at relevant legal provisions, the statutes, the Constitution, the Public Finance Management Act and others relevant to this and therefore, found out that one of the requirements is a source of funding. The committee found the source of funding is domestic borrowing, local revenue, external financing, non-tax revenue, and so on.

I move to Part A, the Supplementary Expenditure with the 3 per cent limit.

I beg your pardon, Madam Speaker, to allow me to lay the copy of the report.

THE SPEAKER: Please lay.

MR ISIAGI: I also lay the minutes of the meeting, a notice of the minority report signed by two members of the committee, that is, Hon. Oshabe Patrick Nsamba and Hon. Namugga Gorreth –

THE SPEAKER: And Hon. Kivumbi.

MR ISIAGI: No, they are only two. Hon. Kivumbi agreed with the major report. *(Laughter)*

THE SPEAKER: The report I have has Hon. Kivumbi, Hon. Oshabe and Hon. Gorreth. [Mr

Muwanga Kivumbi: “So, are you in order” It is part of the correction].

MR OPOLOT-ISIAGI: Madam Speaker, can we, therefore, make a correction that Hon. Kivumbi later on *–(Laughter)–* changed his mind and moved to the minority? Thank you.

Madam Speaker, we start with Part A.

Vote 002: State House

Required classified budget of Shs 100 billion. I will straightway read the recommendation

The committee recommends that the House approves the sum of Shs 100 billion to Vote 002, State House for classified expenditure.

Vote 004: Ministry of Defence and Veteran Affairs

On the three per cent, the committee recommends approval of Shs 1 billion to vote 004 for the commencement of infrastructural works on the military museum. This one has been missing and overdue. It is good they have started.

Vote 005: Ministry of Public Service - Shs 12.099 billion

The committee recommends to stay in approval of this money because the areas to which the money lenders talked have never been verified and there is no indication of the genuineness of this expenditure. The committee stays this.

Vote 008: Ministry of Finance, Planning and Economic Development

The committee recommends approval of Shs 30.360 billion to the Minister of Finance, Planning and Economic Development of which, Shs 28.360 is for reinstating the Uganda Intergovernmental Fiscal Transfers (UgIFT) financing and Shs 2.0 billion for monitoring of wealth funds.

Aware that we have a lot of wealth funds in the country, so we need to monitor and ensure that

the purpose is intended to control and have it be in good use.

Vote 010: Ministry of Agriculture, Animal Industry and Fisheries

The committee recommends that Shs 11.8 billion be approved to vote 010 to finance the goat breeding programme, meat export support services, and cashew nut value chain promotion.

The committee further recommends another Shs 3.664 billion to the Ministry of Agriculture, Animal Industry and Fisheries as a subvention for wage and non-wage, which is a shortfall for the agriculture training institute and also for Office of Rome Attaché, National Farmers Leadership Centre (NFLC) and Coordination Office for Control of Trypanosomiasis in Uganda (COCTU).

Vote 012: Ministry of Lands, Housing and Urban Development. The committee recommends approval of Shs 17.268 billion to that vote for –

- (i) Shs 12.268 billion as a subvention for wage and non-wage for the National Physical Planning Board, and Architect’s Registration Board, of which, Shs 7 billion will be for recurrent and Shs 5.268 billion is development.
- (ii) Shs 2 billion for compensation for Kabaka’s land. *(Applause)*
- (iii) Shs 1 billion for compensation for Bunyoro-Kitara land.
- (iv) Shs 2 billion for compensation for Toro Kingdom.

Vote 013: Ministry of Education and Sports

The committee recommends that Shs 30.190 billion is approved for the Ministry of Education and Sports, whereby Shs 5.19 is for reinstating the development budget which has been cut off and Shs 25 billion for payment of supplied instructional material.

Aware that now we have a new curriculum at secondary school, all levels are undergoing it, so instructional material is a must.

Vote 014: Ministry of Health

The committee recommends approval of Shs 100.842 billion to the Ministry of Health, broken down as follows:

- (i) Shs 2.7 billion for supervision costs for Lubowa Hospital and the quarterly progress report submitted to Parliament.

There is a hospital being constructed in Lubowa –(Laughter)- where Government funds have been invested and therefore, as work goes on, it is prudent that - to protect our interest, supervision must be thorough.

- (ii) Shs 22.934 billion for funding for medical interns. We have complained about medical interns many times. This is the money for them. (Applause)
- (iii) Shs 4.461 for Global Fund to cater for Value Added Tax.
- (iv) Shs 67.694 billion for funding for URMCHIP -Project 1440. What is that? (Laughter)

THE SPEAKER: What is that?

MR OPOLOT-ISIAGI: Doctor is there. Thank you.

5.32

DR SAMUEL ACUTI (Independent, Kole North County, Kole): URMCHIP is the external financing for a project for the construction of maternity wards across the country. That is why it is focused on. Thank you –(Interjections)- within the health centres III and several health centres.

MR OPOLOT-ISIAGI: Thank you, Dr Acuti and Shs 3.053 billion for payment for outstanding areas for senior health officers and medical interns. There is information and I can take it.

THE SPEAKER: From the former Minister of Health.

MS OPENDI: Thank you, Madam Speaker. URMCHIP is an abbreviation of Uganda Reproductive, Maternal and Child Health Services Improvement Project. That is what I wanted to inform the House.

THE SPEAKER: Okay, thank you.

MR OPOLOT ISIAGI: Thank you for that information from the minister.

3.9 Vote 015: Ministry of Trade, Industry and Cooperatives

The committee recommends that we approve Shs 51.733 billion to Vote 015 to cater for;

- (a) Shs 9.467 billion, as a shortfall to Uganda Development Corporation (UDC) for Soroti Fruit Factory. Hon. Ebwalu, Hon. Ebaju, Hon. Aogon, all Teso, Eastern Region and Uganda Members of Parliament, the factory is there for production.
- (b) Shs 37 billion as the funding required to complete the construction of the Speke Resort Convention Centre at Munyonyo.

THE SPEAKER: Honourable members, we are going to be the first people to use that convention centre on the 3rd to 6th January 2024 as the Speakers of the Commonwealth.

MR OPOLOT-ISIAGI: Oh, congratulations. Thank you.

- (c) Shs 3.079 billion for the Management Training and Advisory Centre (MTAC); and
- (d) Shs 2.187 billion to facilitate payment of wages, support standardisation of storage infrastructure, and enhance certification and licensing under the Uganda Warehouse Receipt System Authority.

3.10. Vote 016: Ministry of Works and Transport

The committee recommends approval of Shs 40.328 billion to the Ministry of Works and Transport as subvention wage and non-wage to cater for the National Review Board, MV Kalangala and Mt Elgon Labour Based Training Centre (MELTC).

3.11. Vote 017: Ministry of Energy and Mineral Development

This one is of course a correction of errors that could have arisen during budgeting and new opportunities arising - a total of Shs 118 billion to cater for;

- i. Shs 27 billion which was to cater for part payment of deemed energy obligations under Lira-Agago transmission line for the Achwa-Agago dam. We are getting to the last part of clearing deemed energy because now it is connected. Therefore, soon there is no deemed energy. They are only to pay the last residue,
- ii. Shs 50 billion was to bridge the demand gap through the accelerated rural electrification program. *(Applause)* That one which Hon. Kivumbi one time was about to strangle himself. Therefore, we are putting back the money which was erroneously - this is Shs 50 billion, there is another Shs 50 billion in the other part, so it is even more.
- iii. Shs 10 billion was to cater for the Mineral Regulation Infrastructure Project - this is now for minerals; we are now to get serious with the regulation of minerals; and
- iv. Shs 31 billion to cater for shortfalls on contractual obligations for deemed energy under Lira-Agago transmission line for Achwa-Agago dam.

3.12. Vote 018: Ministry of Gender, Labour and Social Development

The committee recommends approval of Shs 32 billion, of which;

- a. Shs 30 billion would cater for wage and non-wage shortfalls for food for remand homes and special grants for persons with disabilities; and
- b. Shs 2 billion for the *rehabilitation of the National Mosque at Old Kampala - the ayes have it. (Laughter).*

3.1. Vote 019 –

THE SPEAKER: Isn't that the mosque under sale?

MR OPOLOT ISIAGI: The mosque at Old Kampala - we have no information of it being sold and as such, the renovation work is ongoing. Therefore, for our faith –

Vote 019: Ministry of Water and Environment

A total of Shs 68.436 billion, of which;

- i. Shs 25.02 billion to cater for second and third instalments to the contractor of the solar-powered water supply and irrigation system projects for Nexus Green - those solar you see around the country;
- ii. Shs 6 billion to support water for production Phase II;
- iii. Shs 30 billion for protection of Lake Victoria Kampala Sanitation Program Project 1438-Water Services Acceleration Project;
- iv. Shs 2 billion for the National Wetland Restoration Project;
- v. Shs 3 billion for Building Resilient Communities, wetlands ecosystems and associated catchments in Uganda;

- vi. Shs 2 billion for the Water Management Zones Project to support the institutional framework for availing clean water to urban and rural communities; and
- vii. Shs 416 million to cater for the operational shortfalls under Nyabyeya Forestry College.

3.14. Vote 020: Ministry of ICT and National Guidance

The committee recommends approval of Shs 47.333 billion to the Ministry of ICT and National Guidance to cater for a subvention of non-wage for the Uganda Institute for ICT, ICT Innovation Program and Business Process Outsourcing.

Another Shs 24.833 billion - I beg your pardon, the total money is Shs 47.33 billion of which Shs 22.449 billion is for ICT Institute and Shs 24.833 billion is for the Uganda Broadcasting Corporation.

3.15. Vote 022: Ministry of Tourism, Wildlife and Heritage - (*Hon. Ebwalu rose*)

THE SPEAKER: Yes?

MR EBWALU: Madam Speaker, unless there is a dispute somewhere in what the chairman of the committee is reading, I would propose that the chairman would summarise for us the figure that is required so that we can go to supply.

THE SPEAKER: Is it seconded? Hon. Abed – however, we shall first listen to the minority report. You are seconding – therefore Mr Chairperson, we will go to supply - let us first listen to the minority. As I said before, your figures and your report is informative. Kindly switch on the microphone.

MR OPOLOT ISIAGI: Thank you, Madam Speaker. I agree with what the Member is saying. The summary is for three per cent. We therefore have everything uploaded. The recommendations are there –

THE SPEAKER: Let us go to the minority.

MR OPOLOT-ISIAGI: - Members have the details. I respect the motion and I therefore conclude by requesting that the House approves the Supplementary Expenditure Schedule No.1 for the Financial Year 2023/24, totalling to Shs 3,492,924,000,000. The source of funding is Non-Tax Revenue (NTR), domestic borrowing, and external financing. Therefore, the breakdown which gives us 3 per cent is Shs 1.5 trillion and the one above 3 per cent is Shs 1.9 trillion. I beg to move.

THE SPEAKER: Thank you. Hon. Kivumbi.

MR KIVUMBI: Madam Speaker, this time, I request my colleague, Hon. Nsamba, to go through the minority report. Thank you.

5.44

MR PATRICK NSAMBA OSHABE (NUP, Kassanda County North, Kassanda): Madam Speaker, I thank you. You saw me here trying to raise points of procedure because I saw the chairperson changing in line with what the minority report was advising this House.

We thought it is not proper, Madam Speaker, for a minister to appear here with a request to a supplementary and at the same time requesting to borrow. We really feel it is unfair to Parliament; it is like holding us to ransom. Now, the Committee on National Economy gets no opportunity to analyse this kind of borrowing that comes when the Committee on Budget is the one that is approving and running this.

THE SPEAKER: On which page are you?

MR NSAMBA OSHABE: Madam Speaker, that is my preamble and I was trying to show you that it is not right.

Our minority report has areas of dissent. Generally, the minister indicated to the committee that he made statutory revisions, which he has come here and changed, to mean that Parliament approved. However, while in the committee, the minister informed us that the ministry did statutory revisions; a preserve of this House. We would never have been

comfortable with the ministry taking over the responsibility of this Parliament. That is area number one of dissent.

Madam Speaker and all of us here, we have witnessed unprecedented events where the chairperson has been forced to change his report. Among the things that we had highlighted –

THE SPEAKER: Honourable member, I am not sure whether the chairperson has been forced to change his report. That is a report of Parliament.

MR NSAMBA OSHABE: Madam Speaker the –

THE SPEAKER: Chairperson, who has forced you to change your report?

MR OPOLOT-ISIAGI: Madam Speaker and colleagues, as a committee, we perform a delegated function of the House. What the House has approved, the committee has no power and right to go against it. However, the committee can now fit into the resolutions of the House. That is why our report had to fit in what the House had approved.

MR NSAMBA OSHABE: Thank you, committee chairperson. You have indicated that circumstances here forced you to change your report. Madam Speaker, that was our area of dissent number two –(Interjections)- It is in our report. Kindly read.

THE SPEAKER: Please finish.

MR NSAMBA OSHABE: Kindly read our minority report – (Interjection) - No, I am moving in the line of summarising. Madam Speaker -

THE SPEAKER: There is a procedural matter –

MR EBWALU: Madam Speaker, we have listened to the majority report. We are now here to listen to the report of the minority. Would it not be procedurally correct that the Member

sticks to his report as it is, other than going to respond verbally to what the honourable Chairman of the main report has said? I request that he stick to his report.

THE SPEAKER: Hon. Patrick Oshabe, stick to your report.

MR NSAMBA OSHABE: Madam Speaker, let me read it if that is what Members want –

THE SPEAKER: Read it the way it is.

MR NSAMBA OSHABE: I thought I was going to summarise it. Now, I will be happy to read.

Whereas the minister's request for supplementary funding was Shs 3.5 trillion, he informed the committee that the ministry made statutory revisions to the tune of Shs 3.39 trillion.

Madam Speaker and honourable colleagues, you are aware that such revisions require Parliament's approval. The minister is therefore usurping the authority of this House by making those statutory revisions.

2. Defective motion moved by the minister

The minister presented a motion to approve a supplementary budget of Shs 3.5 trillion, which also included the funds readily available and therefore did not require borrowing. The minister later made statutory revisions amounting to Shs 3.393 trillion.

However, the total proposed funding indicated in this statement was amounting to Shs 3.92 trillion which included domestic borrowing amounting to Shs 3.5 trillion and a self-funding of Shs 305 billion.

Madam Speaker, we find the minister's request defective because while the motion indicated Shs 3.5 trillion as the supplementary budget request, the minister was earlier on seeking Shs 3.9 trillion. Thank God that they have amended that.

The minister erred by processing a defective motion

On the onset, the Budget Committee erred in processing a motion that was defective. Whereas the committee has the mandate to process supplementary budget requests, it does not have the mandate to process loans. This mandate of approving loans is with the purview of the Committee on National Economy, not the Budget Committee. We find the minister's request irregular as he should have appeared before this Parliament with a request for a loan for subsequent processing by the Budget Committee.

Spending money in anticipation of the parliamentary approval

From the minister's submission, we note that he is seeking approval from Parliament for funds that have already been spent under 3 per cent threshold, as required by the PFMA. This already implies that funds being sought to be borrowed have already been spent, yet the minister includes the same funds he is looking forward to borrowing. You can note that Shs 1.5 trillion is already spent, but when the minister is coming for request, he is requesting for Shs 3.5 trillion. He would have requested for Shs 1.9 trillion. This tantamount spending in anticipation so that this House ritually rubber-stamps an irregularity and should out rightly be discouraged.

Distortions of budgeting process

We have severally emphasised, in our Alternative Policy Direction, the need to respect the budgeting process. Sadly, it has become a norm that the Executive presents this honourable House supplementary budget requests including items that were rejected by Parliament during the budgeting process. There are requests that consistently feature in the supplementary budgets. For example, every supplementary has deemed energy, Kira motors, Presidential Banana Initiative on Industrial Development, Lubowa Hospital, COVIDEX, among others. They are very many.

In the same vein, Madam Speaker -

THE SPEAKER: What is wrong with the COVIDEX? Didn't it save you from COVID-19?

MR NSAMBA OSHABE: Madam Speaker, I will not go that lane. There are other critical entities that missed allocation for funding when we were doing budgeting. A case in point is the nursery bed operators that supplied coffee and tea seedlings to the farmers. They were not considered in the Budget and even in the supplementary. 18 districts do not have road units. We expected at this level that probably they would be catered for but they were not. We are concerned that the supplementary budgets are continuously being used as conduits for the misuse of taxpayers' money.

There is Vote 002 which always consumes the biggest part of the supplementary requests. It was allocated Shs 421 billion in the Budget. An extra Shs 100 billion was given. It is now seeking another Shs 197 billion. That is State House, just on a half-year mark of the financial year. It should be noted, that last year, the same Vote 002: State House used Shs 913 billion, on average, approximately Shs 3 billion per day.

As I conclude, it has been held in this Parliament before that supplementary budgets, by extension, are fiscal indiscipline as they derail the budgetary process. Hon. Musasizi here is on record to have committed himself to this House that the Government would apply itself more to legality in the future should the appetite to borrow or misappropriate public funds occur.

For us as a Parliament to endorse already expended funds and borrowing that is irresponsible in the motive, is in itself illegal as it offends Article 156 of the Constitution of the Republic of Uganda, which is the primary basis for supplementary appropriation.

Since we are alive to clause 2, which provides for fidelity of Budget requests made in supplement, the writing is on the wall that the business before us should be stayed. There is

no reason to hurry. When requests of that nature are entertained on the Floor of Parliament, it only serves to show the public that we are aiding the sanitisation of impunity.

To this end, we implore the Parliament to disengage itself from endorsing the facility before us for approval altogether as it renders us a rubber stamp to indiscipline. Thank you very much.

THE SPEAKER: Honourable minister, there is a commitment I want to get from you on the issue of the coffee nursery bed operators, that it is going to appear in the Budget Framework Paper.

5.57

DR ABED BWANIKA (NUP, Kimaanya-Kabonera Division, Masaka City): Madam Speaker, the Minister of Finance -

THE SPEAKER: Honourable members, the Leader of the Opposition and I are going for Mass.

DR BWANIKA: The Minister of Finance, Planning and Economic Development committed on the Floor of Parliament that in the two Financial Years, 2023/ 2024 and the coming year, these coffee nursery bed operators would be paid. He has not provided for it in the supplementary.

Madam Speaker, you have guided well that he should commit on the Floor of Parliament. When are you paying the operators? It has destroyed their businesses and banks are taking their properties.

THE SPEAKER: We need a commitment that you are going to put it in the Budget Framework Paper. That is one. We also need a commitment that you are going to give Shs 33 billion shillings for the Uganda Parliamentary SACCO for the land, which has been taken by the Government. These Members want their money. We are suffering from liquidity because the Government is holding members' money. *(Applause)*

[Member rose] Let the old man first answer that.

5.58

THE MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (Mr Matia Kasaija): Thank you, Madam Speaker. Life is a journey. We shall oblige. I rarely make a promise and do not fulfil it. When the circumstances become possible, I will act accordingly.

THE SPEAKER: Thank you. Let us hear from the chairman.

MR ISIAGI: Madam Speaker and colleagues, I am just trying to make some clarification on some of the issues raised in the minority report. We are all aware that the rules at which we raise minority reports must be dissenting views. There are issues, which have been raised where we were in agreement and there was no dissent.

One; statutory revision. We process what has been referred to the committee by the House. Among the issues laid in the schedule that was referred to the committee, there was nothing like a statutory review. Therefore, when the minister brought up issues of statutory revision, we dismissed them. That is why you find that it does not appear in any part of this major report. It is unfortunate that the minority report has run short of issues. That one is totally uncalled for.

The minority are accusing the majority of processing a defective motion. This is also a delegated function from the House. It was part of the schedule. Therefore, what do we do as a committee? We process and bring it to the House. That is why the amount we had processed was different. Now, it got overtaken by events so there was nothing defective. We pray you do not paint the committee as doing defective motions.

About the spent balance that the colleague talked about, we discussed this and came out thanking the ministry for being managers. When we approve a budget of Shs 52 trillion running a 12-month season, in the second month of the season an emergency arises yet

you have some funds, which you are supposed to spend later; do you sleep? It is a cash flow management. If you have somebody who is not a manager, who fails to make a decision - yes, it is provided for in good management practice.

Therefore –(*Interjections*)– you cannot inform me in this area because I am more informed on financial management issues. A manager of cash flow has to anticipate. Once there is a crisis and there is an opportunity, which has arisen, he must act accordingly. He must be able to make a decision. I beg to move that point.

THE SPEAKER: Thank you very much. The motion had already been moved by Hon. Ebwalu and seconded by Hon. Abed Bwanika. I now put the question that Supplementary Expenditure No. 1 for the Financial Year 2023/2024 be approved by this House.

(Question put and agreed to.)

6.03

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 House resolves itself into a Committee of Supply to consider the Supplementary Schedule No.1 for the Financial Year 2023/2024 totalling to Shs 3.5 trillion broken down as Shs 1.574 trillion within the 3 per cent legal limit and Shs 1.926 trillion that requires prior approval by Parliament.

THE SPEAKER: Thank you. I put the question that the House resolves itself into a Committee of Supply.

(Question put and agreed to.)

COMMITTEE OF SUPPLY

Recurrent expenditure within 3 per cent

THE CHAIRPERSON: Honourable members, I put the question that a total sum of Shs 873,973,792,236 be approved as a total recur-

rent expenditure within 3 per cent under the Supplementary Schedule No.1 for the Financial Year 2023/2024.

(Question put and agreed to.)

Development expenditure within 3 per cent

THE CHAIRPERSON: I put the question that a total sum of Shs 686,783,399,493 be approved as a total development expenditure within 3 per cent under the Supplementary Schedule No.1 for the Financial Year 2023/2024.

(Question put and agreed to.)

Recurrent expenditure above 3 per cent

THE CHAIRPERSON: I put the question that a total sum of Shs 1,025,756,990,524 only be approved as a total recurrent expenditure above 3 per cent under the Supplementary Schedule No.1 for the Financial Year 2023/2024.

(Question put and agreed to.)

Development expenditure above 3 per cent

THE CHAIRPERSON: I put the question that a total sum of Shs 906,410,161,637 only be approved as a total development expenditure above 3 per cent under the Supplementary Schedule No.1 for the Financial Year 2023/2024.

(Question put and agreed to.)

Total for a supplementary expenditure Schedule No.1

THE CHAIRPERSON: When I am dealing with figures, I do not see. (*Laughter*) I put the question that a total sum of Shs 3,492,924,343,890 only be approved as a grand total of the Supplementary Expenditure Schedule No.1 for the Financial Year 2023/2024

(Question put and agreed to.)

MOTION FOR THE HOUSE TO RESUME

THE CHAIRPERSON: Honourable minister?

MR MUSASIZI: Madam Chairperson, through my senior minister, who is here with us this evening, we have written to you a letter proposing some movements, and with this new information, which I beg to lay on the Table, I also pray that this letter becomes part of the schedule. I beg to move.

THE CHAIRPERSON: Honourable members, the letter is written to me on making movement of funds:

1. Movement of Shs 55.6 billion and it is within the budget; Vote 016 – there is a reduction of Shs 5 billion

Vote 005 – Shs 12.05 billion

Vote 008 – Shs 3 billion

Vote 015 – Shs 5.31 billion

Vote 016 – Shs 20 billion for the construction of the African Cup of Nations - (AFCON), Shs 10 billion for Uganda Airlines, Vote 017 for Isimba, still under Vote 017 is Karuma, Vote 022 Shs 5.7 billion, Vote 137 Shs 7 billion for procurement of the National Security System and this is in line. It is just a shift of one vote - listen, it is a movement within; without adding any money.

We have things that we had not known would happen like AFCON. The money for AFCON - even the African Nations Championship (CHAN) because we are going to host CHAN in Uganda. When are we hosting CHAN?

MR PETER OGWANG: Madam Chairperson, we are going to host CHAN early next year because it was one of the conditions when we were given the right to host AFCON and that is for the entire team Uganda, Kenya and Tanzania.

THE CHAIRPERSON: CHAN is like a dry run.

MR OGWANG: CHAN is a local competition for all African countries, they only use local-based players and not foreign-based ones; it is AFCON which opens for all foreign-based players. I thank you.

THE CHAIRPERSON: Then two, since Kabalega Airport is going to be in Hoima, that is where they are putting part of the money. We are reducing what was there. The letter is written to the Rt Hon. Speaker, what is important is accepting the letter to be part of the record of these proceedings.

(Question put and agreed to.)

THE CHAIRPERSON: This letter is part of the record of this process.

MOTION FOR THE HOUSE TO RESUME

6.16

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

(Mr Henry Musasizi): Rt Hon. Chairperson. I beg to move that the House do resume and the Committee of Supply reports there too.

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

(Question put and agreed to.)

(House Resumed, the Speaker presiding_)

REPORT OF THE COMMITTEE OF SUPPLY

6.16

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 Supply has considered the supplementary schedule No.1 for the Financial Year 2023/2024 and passed it with amendments.

MOTION FOR ADOPTION OF THE
REPORT OF THE COMMITTEE OF
SUPPLY

6.17

**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 Supply be adopted.

THE SPEAKER: I put the question that the House adopts a report of the Committee of Supply together with a letter written to The Speaker forming a record of the House.

(Question put and agreed to.)

Report adopted.

THE SPEAKER: Honourable members. I would like to thank you for today and I adjourn the House - my old man wants to thank -

6.18

MR PATRICK OPOLOT-ISIAGI (NRM, Kachumbala County, Bukedea): Thank you, Madam Speaker. This was referred to the Committee last week on the 30th and the Committee did marathon work and produced a report record time. I would therefore, like to thank my colleagues in the committee, the technical staff of the committee, the Independents in the House and Hon. Oshabe for his participation and raising important issues.

I thank the House and also the Minister of Finance and your staff, thank you for your involvement because the Ministry of Finance was with us full time up-to to midnight last night. Thank you, everybody.

THE SPEAKER: Honourable members, once more-even if he did not thank me-you get up and thank me. *(Laughter)*

MR ISIAGI: Let me take this opportunity to thank you, and remind colleagues that she is

my Woman Member of Parliament for Bukedea District.

She is also my voter and daughter. She has also given us twins and I take this opportunity to also thank the sharpshooter, Hon. Magogo. Thank you, very much. *(Laughter)*

THE SPEAKER: Honourable members, I thank the Committee of Budget for the good work done and in a special way, thank the senior Minister of Finance and our young brother, Hon. Musasizi, you have an RPG there.

I would like to thank the Leader of the Opposition for showing leadership and Hon. Muwanga-Kivumbi for always being keen on some of these things with Hon. Patrick. You are a good team. But in a special way, in a sharp *-(Laughter)-* special way, I want to thank the President. *(Applause)*

Later, I will explain why I am thanking him. Have a blessed evening. Minister of Finance, I expect the Budget Framework Paper here on 13 December 2023. So, we are adjourning the House to 13th December waiting for the Budget Framework Paper and let it be 13th. House adjourned.

(The House rose at 6.22 p.m. and adjourned until Wednesday, 13 December 2023 at 2.00 p.m.)