

**PARLIAMENT OF UGANDA**

**Wednesday, 9 March 2022**

*Parliament met at 2.01 p.m. in Parliament House, Kampala.*

PRAYERS

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

*The House was called to order.*

COMMUNICATION FROM THE CHAIR

**THE DEPUTY SPEAKER:** Honourable members, I would like to welcome you to today’s sitting. I also wish to welcome you back from the International Women's Day celebrations. I have got information that there was a special Cabinet meeting today; so, I appreciate why this side is almost empty.

Honourable members, that Cabinet meeting was held in preparation for the Parish Development Model. Once again, I welcome you to today’s sitting and for deliberating for your people. Can we have matters of national importance?

2.04

**MR PAULSON LUTTAMAGUZI (DP, Nakaseke South County, Nakaseke)**: Thank you, Madam Speaker. I stand here to present a matter of national importance regarding the impassable roads in Nakaseke. We have a road from Matugga-Semuto-Kapeeka Industrial Park - it is one of the developmental and commercial roads we have in that area, which leads to the end of the industrial park.

Madam Speaker, this road has consistently appeared in the national budget for almost four years but up to now, nothing has been done.

We also have the Wobulenzi-Nakaseke-Kapeeka Road. Madam Speaker, Nakaseke is one of the cradle lands of the NRM Government, which is cherished by the residents. Therefore, we pray that this time, the Minister of Works and Transport and those who budget for this country, consider Nakaseke. Otherwise, nothing is running well in terms of the road network. Thank you.

**THE DEPUTY SPEAKER:** Thank you. The good news is that you are one of those who participate in the budgeting of this country. You cannot eliminate yourself.

2.05

**THE GOVERNMENT CHIEF WHIP (Mr Thomas Tayebwa):** Thank you, Madam Speaker. I appreciate the issue raised by my brother, Hon. Luttamaguzi. A few months ago, the Minister of Works and Transport gave us a broader picture of the road infrastructure network issues in the country and which roads are going to be privatised. However, I am going to ensure that the minister comes on the Floor to respond to the issue raised by the honourable member. Thank you.

**THE DEPUTY SPEAKER:** Honourable Government Chief Whip, can you ask your minister to go and see what is on the ground, before he comes back to report to the House? That will help them to determine how much will be given to that area.

2.06

**MR MBWATEKAMWA GAFFA (NRM, Igara County West, Bushenyi)**: Thank you very much, Madam Speaker.

**THE DEPUTY SPEAKER**: Hon. Mbwatekamwa, are we safe? It seems you are carrying a bomb.

**MR BWATEKAMWA:** We are very safe, Madam Speaker. I am carrying my exhibit that I am supposed to lay on the Table. *(Laughter)*

I am raising a matter of national importance about the skyrocketing prices of essential commodities and scarcity of some of the essential commodities like soap, sugar, salt, et cetera. Madam Speaker, you remember, one of the reasons -

**THE DEPUTY SPEAKER:** Hon. Mbwatekamwa?

**MR MBABWATEKAMWA:** Yes, Madam Speaker -

**THE DEPUTY SPEAKER:** This is a very important issue. It was actually raised last week and I am happy you have brought it up again, today. However, my suggestion is that you raise it tomorrow when all the ministers are here. Otherwise, when you lay that on the Table, you will be speaking to yourself. Otherwise, the issue about the prices of sugar, salt and others is a very serious matter that affects the whole country. Since you have said you have evidence to that effect, can you raise this issue when the responsible ministers are around tomorrow?

**MR MBWATEKAMWA:** Most obliged, Madam Speaker.

2.08

**MR DAN ATWIJUKIRE (NRM, Kazo County, Kazo):** Thank you very much, Madam Speaker. Before I raise my specific issue, allow me to congratulate the women, for celebrating their day, yesterday. In a very special way, I would like to thank you, for your motherly heart.

On Women's Day, while another leader would have been wining and dining with the kinsmen, you stepped out to go for a vigil for one of our policemen who departed from us. Thank you very much. I saw the pictures and I was very humbled by that spirit.

The matter I would like to raise connects exactly to that issue. While I was very humbled by your motherly and good heart, I also noticed something very strange; that our policemen and women and maybe the general security fraternity still reside in the *manyatas*. When I saw the *uniport* where the gentleman was staying, I felt as if I had been soaked in ice and my body immediately developed goose pimples.

My prayer is that the Minister of Internal Affairs comes to this House and explains the plan they have to improve the welfare of the police and the men and women in uniform.

It is very unfortunate that we claim to be secure and secured by people who are not even themselves secure. Because of the environment I see, someone can suffer from jiggers. If it rains, there are chances of it raining on them. Those are the people that are entrusted with the security of this country.

Madam Speaker, I beg *- (Interruption)-*

**MR LUTTAMAGUZI:** Thank you, honourable colleague, for giving way. The issue you are talking about is very pertinent. Madam Speaker, it beats my understanding to see where our police officers sleep. Some of them sleep in cardboards; others sleep as if they are refugees. You find them putting up polythene bags and they tell you that is a house for a police officer.

Since we are the ones who appropriate the budget, I think that the same way we feel concerned about investors who come here without money and we borrow for them, it would be prudent for us, as Parliament, to pass a very big budget to help our gallant officers.

If they tell you an *Afande* – these people are part of us, but some of us think that a policeman does not have a family and that they are supposed to live the way they do. Let me be one of the many Members of Parliament who are concerned about the welfare of police officers. Let it be increased. I rest my case. Thank you, Madam Speaker.

**MR KIMOSHO**: Thank you for your information. As I conclude, Madam Speaker, I would like to bring it to your attention that this was in Nsambya. Now, start imagining what is in Kisoro, Kapchorwa, Kazo or Kapelebyong.

My prayer, once again, is that the ministers concerned should be candid enough and come up with a comprehensive strategy to the House about improving the welfare of officers. Thank you. I rest my case, Madam Speaker.

2.13

**MR ABED BWANIKA (NUP, Kimaanya-Kabonera Division, Masaka):** Thank you, Madam Speaker. I rise on a matter of national importance. In January 2022, the Government of Uganda, through Uganda Coffee Development Authority, announced that they had decided not to renew our membership to the International Coffee Organisation because of a number of grievances that were unsolved. This has caused a lot of debate in the population, especially among the exporters and farmers, on whether it is going to affect the price of coffee and our export portfolio. In turn, people are worried that it is going to affect coffee production in this country.

In addition, we have seen the Government’s proposal of cutting over 50 per cent of the budget to Uganda Coffee Development Authority. Our people are equally worried.

My prayer is that the Minister of Agriculture, Animal Industry and Fisheries comes to this House and explains to the people of Uganda, especially the farmers and exporters, whether our exit from the International Coffee Organisation is going to affect us negatively or the farmers and those dealing in coffee should not be worried so that this industry is not affected by the rumours many people are putting in the media. I so pray, Madam Speaker.

2.15

**THE GOVERNMENT CHIEF WHIP (Mr Thomas Tayebwa):** Thank you, Madam Speaker. The Member has raised a very important issue that has been in the public domain. The Government has issued several press releases to clarify. However, I think it is very important for the minister to come to the House and make a clear statement and we debate it. You never know, the contribution that comes from this House could help to settle the debate out there.

Therefore, I request, Madam Speaker – because the minister is moving around the country on issues of the Parish Development Model – for two weeks. In two weeks’ time, the minister should be able to bring a comprehensive statement on Uganda’s withdrawal from the International Coffee Federation. Thank you.

2.16

**MR PETER MUGEMA (Independent, Iganga Municipality, Iganga):** Thank you, Madam Speaker. I stand on a matter of national importance concerning Kyambogo University. Over the weekend, my office was jammed with former parents and students of Kyambogo University. For the last four years, they have not issued students with transcripts and certificates, and this has affected them.

In fact, last week, one of the former students, who would have been employed somewhere – an engineer – jumped from the last floor of the library and committed suicide just because of the failure by the university to provide them with transcripts. I do not know what is happening with that university, but for the last four years, they have not issued any transcripts, yet, we have very many capable students that have graduated.

Therefore, I request Parliament to compel the administrators of Kyambogo University to start issuing transcripts because it is becoming a problem. Some of the students would now be, maybe, working in the Ministry of Works and Transport, where my brother, Gen. Katumba Wamala, is.

Lastly, yesterday, I got phone calls from police officers requesting me to extend a vote of appreciation to you, Madam Speaker, for going to see one of their own in a uniport. It was the first of its kind that a person of your calibre could go down and visit a police officer that had lost a relative.

At the same time, they could tell us – because I have ever been in a barracks – where the money for the road construction machines goes. I normally see those road equipment on wheel loaders being taken to Kitende, where there are hills, to work on people’s places. I do not know where that money goes, yet, the roads within Nsambya Barracks are totally impassable. Thank you, Madam Speaker.

**THE DEPUTY SPEAKER:** Thank you. Honourable members, one of our drivers called Robert Bweyamba, who has been driving in Parliament for years, died yesterday morning. When I heard the information, I took an initiative and went there. I got involved in the funeral service arrangements and I went to the barracks. I did not go because I wanted to see what was in the barracks, but I went to condole with the family since the police officer was part of us.

What I saw in the barracks is something you would never want to see for a second time. Nsambya Barracks is the biggest barracks in the country, with the biggest armory and all those police officers but they are staying in *manyatas* – like what the honourable member said. They even build those *manyatas* themselves. The place is very squeezed. Please, remember that these people – leave alone those in the police, but the entire security fraternity – are our brothers, sisters and parents.

When we are looking at the budget, let us take into consideration the welfare of police officers. *(Applause)* If you asked me to add my salary, I would say, “No, first put something for police instead of adding salary for any other person.” They are living in a very dire state. We need to come out and support these people. They need us. Once these people are happy, they will be happy even where they are working.

They look after us; they take care of our lives. We need to put our feet down and make sure that we have appropriate housing for these police officers.

You find a father, mother, children and everybody sleeping in a small unit. It is terrible!

I want to make a special plea to my brother, Gen. Otafire – and this is a very special one and you are doing this one for me - the road from Kibuli to Nsambya is impassable. Can you ask KCCA to grade that road?

We had to park at a distance and walked till we reached the house of the late; the road is impassable! Just in the middle of the barracks, I do not think it is even a kilometre.

If that road can be graded; just grading, we do not want tarmac, but just put good muram that will help us, General.

2.22

**THE MINISTER OF WORKS AND TRANSPORT (Gen. Edward KatumbaWamala):** Thank you very much, Madam Speaker. I will take it up with KCCA; if they do not, I have my equipment; I will move it to do the road.

**THE DEPUTY SPEAKER:** Thank you so much. I will actually go back and check after. Hon. Gen. Katumba, when can I check?

**GEN. KATUMBA:** Madam Speaker, I have made a commitment. I will be in touch with you.

**THE DEPUTY SPEAKER:** Okay, thank you. Now, on the issue of welfare.

2.23

**THE GOVERNMENT CHIEF WHIP (Mr Thomas Tayebwa):** Madam Speaker, I was going to request that since the Minister has come and Hon. Luttamaguzi is here -

**THE DEPUTY SPEAKER:** First answer the issue of the welfare of the police, then we shall answer the minister's issue.

**MR TAYEBWA:** Thank you, Madam Speaker. This is a comprehensive issue; it is not an issue for which one can make a quick commitment. Anyhow, let us first join you, Madam Speaker, in appreciating our police officers and other people in uniform for the sacrifice they make for this country under sometimes very difficult conditions.

About improving the welfare of the Police, Madam Speaker, I am going to talk to the Minister of Internal Affairs to make a comprehensive of what is needed so we can share it in Cabinet, and then we extract what can be brought here for funding purposes.

However, I want to say that much of the times the limitations are to do with the budget. Anyhow, I appreciate. The House has always supported the Government when these issues come. Let me take information from my brother *-(Interruption)*

**MR BASALIRWA:** Thank you, my brother, for giving way. The information I want to provide is that I have been attending meetings of the Committee of Defence and Internal Affairs since the 10th Parliament.

I am aware that their proposals have been very elaborate in terms of provision of welfare. In addition, each time - I think, we need to concede; we are guilty!

It is Parliament that has been letting them down. Right from the time Gen. Katumba was the IGP, they have been coming making proposals only for Hon. Bahati and group to frustrate them.

Therefore, the information I am giving is that there is even no need for a comprehensive report; the information is in their proposals. We only have to take a stand as Parliament and decide that if the proposals of police are not met, maybe we do not pass the budget or something like that. Otherwise, the information on the police welfare and other related issues is there. Let us just implement what they have proposed.

**THE DEPUTY SPEAKER:** Honourable members, the Member speaking has been in this House longer than some of us, if not, most of us. Parliament has been frustrating this situation. Actually, Gen. Katumba left that place very frustrated because I know how passionate he is when it comes to people's welfare.

Let us agree, as a House, that we shall take a strong stand on the welfare of the police officers*. (Applause)* That we will only pass a budget that caters for the welfare of police officers and the persons in uniform. That is that; there is nothing to debate. We need to make sure we pass that budget; they should come with a comprehensive report on how much is required for their welfare.

**MR MACHO:** Madam Speaker, I want to thank you for what you did yesterday; you are true a mother of Africa. I would like to give information to the Government Chief Whip that while we work towards having comprehensive support to the Uganda Police Force - I am talking about Uganda Police Force in particular because I think the UPDF are very okay since they have representation here and if they weren’t, they would have said it in this House.

I request you, the Government Chief Whip, as you give information to the Minister of Internal Affairs, to tell him that police officers are not enjoying their welfare through their Exodus SACCO

They are forced to save their money, but when it comes to withdrawing it from the SACCO, it is a serious problem. It is serious to the extent that some police officers have collapsed in the Exodus office while trying to withdraw some of that money.

Madam Speaker, as I talk, police officers who are forced members of the SACCO have to apply online in case they need to withdraw their money. Even if a police officer is in a place as far as Kotido or Busia, where sometimes Safaricom network interferes with Ugandan network, they cannot pick your money.

Therefore, I request the Government Chief Whip to inform the Minister of Internal Affairs to tell the officers who are managing the Police Exodus SACCO money to put their house in order.

I think this problem has been there for a long time. I request that an audit of Exodus be carried out to enable the police officers, who are saving in it, develop confidence in their SACCO. I beg to submit, Madam Speaker.

**THE DEPUTY SPEAKER:** Honourable members who may not understand what “Exodus” is - when Hon. Nandala Mafabi was the Chairperson of PAC, where I was a member, we asked for a forensic audit on Exodus and we got to know that savings made to this SACCO by police offers are mandatory.

The problem that was there at that time - Hon. Nathan, do you remember the problems of Exodus? Can you give us some information?

**MR NANDALA-MAFABI:** Thank you very much, Madam Speaker. “Exodus SACCO” is a police SACCO as you have stated where every police officer at the end of the month, whether they have given permission or not, will have money deducted from their salary.

When it is deducted, it is supposed to go on that officer’s savings account. The issue, which arose at that time, was that police officers wanted their money, but they were told the money was not available.

One time, Police came with an excuse that they lacked food so they used the money from the SACCO to buy food and because of that, they needed a supplementary to replenish the money. And Parliament of course agreed that time to give them money.

However, when we asked for a forensic audit to be done on the SACCO, up to now we are yet to get that report. However, every policeman, day in day out, is complaining about Exodus SACCO and I think it is high time Parliament again - because we really asked the Auditor-General to produce a forensic audit report to help us deal with this matter.

Otherwise, the owners of the savings are suffering day in and day out. I am sure the Members of Parliament will soon get complaints in their pigeonholes; letters without names, “We want our money from the Police SACCO, but we are not being paid. It always benefits the ‘big men and big women’”.

**THE DEPUTY SPEAKER:** Thank you. It has actually been a problem. On that note, Clerk, write to the Auditor-General; we need a forensic audit on Exodus. Give them one month.

2.31

**MS NANCY ACORA (Independent, Woman Representative, Lamwo):** MadamSpeaker and colleagues, I greet you all. Welcome back from the Women's Day celebrations.

I rise on a matter of national and urgent importance, on the issue of insecurity for my people in Lamwo District. On the 5th of March, two of my people were killed in broad day light around 2.30 p.m. from Padibe Town Council, Loke Ward, Orai Village; by armed raiders who came from South Sudan. A total of 270 herds of cattle got lost and people are so furious.

The next day in the night, the same people from South Sudan, again came to raid more cattle. My people are living in fear. This is not the first time that such killings are done in my district. We have porous borders in the district, which are open without the UPDF and security. The borders include: Agoro Subcounty, Nonmorong Subcounty in Lokung and Palabek. All these borders are open.

Time and again, we have raised an alarm and the government has not taken any serious action. As I talk, I have just arrived from the constituency and my people are worried because their lives are threatened. Imagine they can kill even during the day; the Sudanese came up to the village, which is in a town council, to kill our people in broad daylight. The kind of killing they did was so inhumane; the intestines of these two men were all out. People are really living in fear.

My prayers are:

1. The Ministry of Defence and Veteran Affairs, together with the Ministry of Security, should know that the people of Lamwo need saving. We need a battalion commander at the border.
2. We also request that the government takes serious action of deployment so that our people are secured.

I beg to submit, Madam Speaker. Thank you.

**THE DEPUTY SPEAKER:** Thank you. Let us now hear from Government.

2.34

**THE MINISTER OF WORKS AND TRANSPORT (Gen. Edward Katumba Wamala):** Thank you, Madam Speaker. My condolences to the people of Lamwo. I saw those images and the murder was terrible.

We discussed this matter with one of my fellow ministers in Cabinet; Hon. Onek brought it up. The Minister of Defence and Veteran Affairs was tasked to:

One, get in touch with our counterpart on the other side because the raiders came from South Sudan. These are the Topotha, who come from South Sudan. So, he was tasked to get in touch with our counterpart; the governor and other leaders on the other side. Of course, there is a lot of ungoverned space between the area of South Sudan and Uganda, and some of these criminals take advantage of that. However, we hope that the minister – I will raise this up with him so that he comes and makes a comprehensive statement on what actions have been taken.

It is unfortunate that the action that was done was really very terrible.

I will take it up with the Minister of Defence and Veteran Affairs.

**THE DEPUTY SPEAKER:** Thank you very much. Our condolences to the Lamwo people. It is really bad; I saw the pictures myself. It is not an easy thing.

2.35

**MR PATRICK OSHABE (NUP, Kassanda County North, Kassanda):** Thank you very much, Madam Speaker. Allow me to congratulate all the ladies in the House and all the women in Uganda, for their day, which was celebrated yesterday.

We have been experiencing power line vandalism in Kassanda. There is a new line that was under construction. About three kilometres of wires newly installed, were vandalised. The agency that was implementing the project just packed their bags and left.

Madam Speaker, about three weeks ago, Kassanda experienced another problem: Kassanda North and Bukuya Constituency were served with a line from Mityana. However, the group that vandalises them cut about eight poles down. The entire Kassanda Town Council and Bukuya Town Council and all people that depended on that line, spent two weeks without power.

MadamSpeaker, Kassanda Health Centre and the water project that serves the two towns relies on that power line. So, you can imagine the chaos that we went through for those two weeks, when the power lines were cut.

We have carpenters, wielders, people who operate fridges and everyone who depends on power, for two weeks, they had no power. We invited Umeme and they installed the line.

Madam Speaker, after Umeme restoring power, three days ago, they cut the lines again and we are now experiencing the same problem. This problem of power lines vandalism has been going on in the country for almost a year. Last year, the minister came here and promised that they were going to engage all intelligence agencies to find out who is vandalising the power lines in the country. Up to now, this vice is still going on.

Madam Speaker, I engaged the security team at the district; my DPC together with the Resident District Commissioner and we wonder what we can we do. In their effort, they discovered that they cannot do much because the people who vandalise the power lines are not from Kassanda. They just come at night, steal the lines and go away.

How can we be here, almost two years down the road, when we do not know who cuts the power lines, where does he sell the wires, and what do they use them for? Madam Speaker, this is a very serious matter because I am very sure Government is investing a lot of money in the Rural Electrification Agency. We are putting a lot of money in ensuring that there is enough power supply in the country, but how is this going to continue when the existing lines are being vandalised?

I think the Minister of Security should come and brief Parliament, because they have counter intelligence, in addition to the many other agencies. They cannot fail, unless they know who is doing it and probably, he is doing it for a given purpose.

The Minister of Energy and Mineral Development should come to this House and explain to us what is going on and which new technology improvement strategies they have, and how are we going to overcome this problem? Hon. Caroline Kamusiime had something, allow me to give her way to give information. Thank you very much.

**MS KAMUSIIME:** Thank you very much, my colleague. Madam Speaker, the information I wanted to give – with electricity, it is a big challenge. You are talking about wires, the information I wanted to give you is that in Rukiga District, we have a problem of Bukyundura. The contractor abandoned everything, when people had even received the metres. The metres are now being sold. I agree with you; they have to interest themselves and find out exactly what is going on.

About electricity, we have an area – Bulime, Rwamucuucu Subcounty; we have a seed school there, but the computers are lying idle because we have no electricity. It is a big challenge. Thank you.

**THE DEPUTY SPEAKER:** What are your prayers?

**MR OSHABE:** Madam Speaker, in the last financial year, it was estimated that we lost Shs 26 billion in restoring vandalised equipment. I am praying that the Minister of Energy comes and briefs this House and we find a way to stop this vice.

There are very many lines which TBEA constructed and up to now, those lines are there and yet, people are not connected; no one supplies the power. This has been going on for over one and a half years. I think that is a matter that the minister should come here and explain. After making a power line, why is it taking very long to provide the power to the citizens? Thank you.

2.42

**THE GOVERNMENT CHIEF WHIP (Mr Thomas Tayebwa):** Thank you, Madam Speaker. The issue raised by hon. Oshabe is an issue that concerns all of us, even in Government; we are very concerned. That is why in the new law, which we have brought before the House, we have put in very stringent penalties for people who vandalise a power line.

This is a multi-sectoral issue that requires Ministries of Energy and of Security. I am going to liaise with the Prime Minister so that she calls a multi-sectoral meeting to discuss this specific issue and in two weeks’ time we shall report back to the House. I promise that this meeting will take place next week.

**THE DEPUTY SPEAKER:** In two weeks’ time, will you give us feedback or the law?

**MR TAYEBWA:** Madam Speaker, the law is already before the House. It is before the Committee on Natural Resources; so, they are already processing it.

**THE DEPUTY SPEAKER:** Have the 45 days passed?

**MR TAYEBWA:** Madam Speaker, I go by your guidance.

**THE DEPUTY SPEAKER:** In the meantime, you need to get a short-term solution for this, as we process the long-term solution of the law. We can have the law, but people will continue doing the same thing. That is why you need to get a very robust way of handling this thing. It is not happening only in this area; it is happening all over, even in my own area. These people should be got and handled accordingly.

**MR TAYEBWA:** Madam Speaker, that is why I proposed that you give us time and the Prime Minister calls a multi-sectoral meeting and we ensure that we get a comprehensive report.

Hon. Panadol Mugema raised an issue for which we never got a response. I felt concerned because it sounded very urgent. I immediately got in touch with the Vice-Chancellor of Kyambogo University. If you permit me, the Vice-Chancellor has said that the allegation that they are not giving out transcripts is not true. They are now issuing transcripts of those who graduated in 2021 because the other ones have already received.

He said that some National Teachers’ College students have not received transcripts because colleges owe the university money. For example, NTC Mubende owes the university Shs 400 million and they are not making any progress. They sometimes delay for teachers’ colleges because of that. But for Kyambogo as a university, they are up-to-date in terms of issuing transcripts. Thank you.

**THE DEPUTY SPEAKER:** But even if it is from the delayed institutions, they are affiliated to Kyambogo and they are part of Kyambogo University. So, they should take responsibility.

We need a written response from the university. Government Chief Whip, we need a comprehensive report from the university on that matter because people cannot fail to get jobs, yet, they have completed studies.

I am going to allow hon. Luttamaguzi to repeat his question. I told you, Members, that whoever has a matter of national importance should bring it to my office; that is how it works. You do not stand up from here because you want to speak.

Hon. Luttamaguzi, now that the General is here, please, present your issue.

2.46

**MR PAULSON LUTTAMAGUZI (DP, Nakaseke South County, Nakaseke):** Thank you, Madam Speaker. My concern was about Matugga-Ssemuto-Kapeeka industrial road. And the Wobulenzi-Nakaseke-Kapeeka Road. Those are inter-connected. I wanted the General to respond about those roads because some time back, he had promised the people of Nakaseke that those roads would be constructed. They are some of the busiest roads in terms of industries in Uganda. Thank you.

**THE DEPUTY SPEAKER:** There was also one from hon. Jonathan Odur.

2.47

**MR JONATHAN ODUR (UPC, Erute County South, Erute):** Thank you, Madam Speaker. In addition, our road from Corner Kamdini to Lira has been outstanding for long. Recently, the President himself went and made some pronouncement that altered the course of the planning at the ministry. Specifically, the President directed that the Government of Uganda would now fully take responsibility for the funding that was expected from World Bank. First, in the interim, to maintain this road so that they are passable as rains are coming back, but secondly, to ensure that the entire road is actually re-constructed.

It is now coming to two months. The contractor who was on the ground has abandoned the maintenance work that they were supposed to do there; we are at a loss. We do not know whether the ministry has taken this instruction from the President and what the ministry is doing in the interim to ensure that the road is passable; and also to expedite the process of reconstructing that road.

I would like the General to clarify, Madam Speaker.

**THE DEPUTY SPEAKER:** General please. Hon. Kwizera I am going to chase you away from there. Go and sit in another area.

2.48

**THE MINISTER OF WORKS AND TRANSPORT (Gen. Katumba Wamala):** Thank you, Madam Speaker. Thank you, honourable members for the questions.

Matugga-Ssemuto-Kapeeka Road: That road was made some time back. When it was made, we did not have Kapeeka Industrial Park then. It was, therefore, designed and made as a light-vehicle road. However, over time, Kapeeka Industrial Park came up. Therefore, the traffic volume on that road tremendously changed.

That road is now being re-designed. It is going to be re-constructed, not even repaired. Repairing it now would be a waste of time. We need to reconstruct it. That road is under plan for reconstruction. A company has already been identified. It is Abubaker Limited Services. It has been identified and they are doing the final studies on that road, together with UNRA, to redesign the road to meet the present traffic volume on that road.

Wobulenzi-Nakaseke: That will be maintained as a gravel road for now because it is not in the NDP III plan for tarmacking. What is in the NDP III plan for tarmacking is Luweero-Butalangu. That will soon start because we are waiting for the counterpart funding from the Ministry of Finance, Planning and Economic Development which has been confirmed by the ministry.

So, that one will soon start tarmacking Luweero-Butalangu.

Lira-Kamdini: Honourable member, you very well know the story about this road. It has been a very big disappointment even to us, as a ministry, because the contract for the maintenance and reconstruction of the Lira-Kamdini section goes back to about 2013.

We had issues with the World Bank which we brought to the attention of Members from the area. Until the President said “Forget about the World Bank; Uganda find the money and do the road.” As we were moving to that, the World Bank came back and said, “No, we have now agreed. Go ahead and we are going to finance the project because the money is already identified.”

Now, the World Bank insists we have to do a resettlement action plan. Whereas we maintain that that road is an existing old road - we knew the alignment and so we do not need a new resettlement action plan. Madam Speaker, the World Bank insists we must do a resettlement action plan, if not for the whole road, in some sections.

We have already had a discussion with the contractor. We actually agreed with the contractor and he made a promise that I will follow up. Otherwise, I had said that by last Monday, he was going back on the road to do the maintenance as we finalise the issue of the resettlement action plan with the World Bank.

Let me take it upon myself to come back to Parliament next week on Thursday and give the last position about the Lira-Kamdini road. Thank you.

**THE DEPUTY SPEAKER:** Thank you, General.

BILLS

FIRST READING

THE NATIONAL SPORTS BILL, 2021

2.52

**THE GOVERNMENT CHIEF WHIP (Mr Thomas Tayebwa):** Madam Speaker, we understand the National Sports Bill, 2021, that is on the Order Paper and we have made wide consultations. However, we request the private Member and the House to allow the Government to work with the private Member because this Bill has very many connotations, which have financial implications. Also, Government is finalising the process of introducing the sports policy, which would form principles of the Bill Government would bring.

We want to work with the private Member to co-sponsor the Bill, but we need time to do all these. I have arranged a meeting tomorrow at midday, between the Minister responsible for Sports and the private Member, so that we are able to work together on a framework of ensuring we expedite the process of this Bill. Thank you.

**MR NIWAGABA:** Thank you, Madam Speaker. The item on the Order Paper is Bills First Reading. We have not even received the Bill. Therefore, the minister is speaking in anticipation. Why can’t the minister allow the Bill to be read for the first time and then the Government subsequently engages the mover to either take it up or enrich it? Otherwise, for the Government to frustrate a private Member from bringing his Bill for the first time is against our rules and he is even debating in anticipation.

**MR ODUR:** Additionally, this Bill is not coming out of the blue; the private Member went through a process. I remember he came to this House and sought permission. Government was available that day; maybe Hon. Thomas was not, but the rest were present and maybe sleeping.

Madam Speaker, if the Government needed to do something at that stage, they would have contacted the private Member. Therefore, it is not proper to interfere with this process. Now that Hon. Thomas is awake, let us receive the Bill and then he can proceed.

**MR MACHO:** Madam Speaker, these are the games the Government used to play in the 10th Parliament. Whenever a private Member comes up with a Bill, they begin dilly-dallying; going for coffee and tea so that they derail the private Member. Since the item is on the Order Paper, I agree and believe in your wise wisdom and guidance that the Bill be read and then, they will sort themselves out. Thank you.

**MR NANDALA-MAFABI:** Thank you, Madam Speaker. I also concur with Members who are saying the Bill should be read. As Hon. Jonathan Odur stated, a private Member came here, went to finance and sought financial implications for the Bill - In fact, he has done his work and everyone is waiting.

We cannot allow a private Member, who has invested all his time and energy to bring a private Members’ Bill and then at the last minute, the Government Chief Whip comes up to say they are discussing. Madam Speaker, I seek your indulgence. The minister can even come up with his own Bill for sports, but the private Member should be allowed to bring this Bill for the first reading and we work on it as Parliament.

**MR TAYEBWA:** Thank you. What I am going to say should go on the record. Madam Speaker, we do not have any intention of frustrating a private Member from bringing a Bill here. That is why when Hon. Rwabushaija Margaret brought the Markets’ Bill, where we had very serious interests, we worked with her *- (Interruption)*

**MR NANDALA-MAFABI:** Thank you, Madam Speaker. I have had experience with Government frustrating Bills. Where is Hon. Mawanda? Hon. Mawanda, do you remember the Bill you brought about Bank of Uganda? I do not know why you swallowed the Bill with them. Therefore, is the minister in order to come and lie to the House that they are not frustrating the Bill, when we have had experience, where many private Members’ Bills have been frustrated by Government?

**MR MAWANDA:** Thank you, Madam Speaker. In addition to what Hon. Nandala-Mafabi has said, I also sponsored another Bill called, “Tthe Public Enterprise Reform and Divestiture (Repeal) Bill” (PERD). Government was given three months within which to issue a certificate of financial implications, but the three months have expired according to our rules.

Just yesterday, after the time expired, they wrote to me saying that the Bill I intend to table has a financial implication and so they cannot issue a certificate. Madam Speaker, our rules are very clear. The moment we overstretch, we go away from our rules and our work will be rendered useless. Time has expired and the Government has not responded. I have even written asking for the publication of the Bill - I will publish my Bill, table it and then wait and talk to Government later.

Otherwise, if we allow this process to begin, then we shall be frustrating private Members from bringing Bills in this House. Thank you.

**MR BASALIRWA:** Thank you very much, Madam Speaker. I am one of the seconders of the Bill. I am looking at rule 128 of our Rules of Procedure, read together with rule 121 about Private Members’ Bills.

First of all, I want to allay the fears of the Government Chief Whip. Rule 121(2) empowers the Government to assist a private Member whose area of operation is affected by the Bill. So, the Government is at liberty to co-operate with the private Member during the process of the Bill.

What the Government cannot do is to try and arrest a Bill at this stage. They do not have that right. As a matter of fact, when you read rule 128, once the matter is on the Order Paper, the Speaker only has one choice, which is to call the private Member in whose name a Bill stands on the Order Paper to present it. There is no other choice. So, at this point, no one can attempt to arrest the Bill. You cannot use any machination to arrest the Bill.

In the circumstances, Madam Speaker, would we be proceeding in the right manner if an attempt was made to arrest the presentation of this Bill for first reading? And, is it in order for the Government Chief Whip to try and frustrate the Speaker from listening to my submission? *(Laughter)*

**THE DEPUTY SPEAKER:** Hon. Basalirwa, go on.

**MR BASALIRWA:** Madam Speaker, I was submitting in reference to Rule 128 of the Rules of Procedure which is to the effect that once a Bill is presented for first reading, the rules mandate you to call on the Member to present the Bill. There is no option for arresting the Bill at this point in time.

Would we be proceeding in the right manner if the Government Chief Whip attempted to arrest the process of having the Bill read for the first time?

**MS ALUM:** Thank you, Madam Speaker. It is on record that the Government has, on many occasions, tried to frustrate Members bringing Private Member’s Bills. Again, it is on record that we have been demanding for this piece of legislation in this Parliament and the Government has not come forward to bring it.

Now that the private Member has come up with this proposed legislation, I would urge the Government Chief Whip that it costs nothing for the Member to present the Bill for first reading before this Parliament and we move on. In any case, the Bill, which is coming, is supposed to address issues, which affect the sports-sector. I thank you, Madam Speaker.

**MS OPENDI:** Thank you, Madam Speaker. I am extremely surprised that we should even be discussing this matter when the rules are clear. The Member sought leave, I seconded his motion, leave was granted, he has come for the first reading and then the Government comes to say what the Government Chief Whip has said.

It has taken the Government ages to come up with this sports Bill. Time and again, when our sportsmen excel at the international scene, we come here and talk about the old sports Act which is in place.

Madam Speaker, I would like to request that, without any further delay, let the Member proceed to present the Bill for the first reading and we move on. Government will find us on our way. We can't wait for you. *(Laughter)* Thank you, Madam Speaker.

**THE DEPUTY SPEAKER:** Honourable members, the reason I allowed the Government Chief Whip to say a word was because they failed to give a certificate of financial implications. And, because there is no certificate of financial implication, the Government is saying they will discuss with the mover of the motion and co-own the Bill because of the financial implications.

I would, maybe, give the Government Chief Whip - for us, we put it on the Order Paper, based on Section 76 of the Public Finance Management Act. However, they came up and said they want to discuss.

**MR TAYEBWA:** Thank you, Madam Speaker. As the Government, we would like to give as much support as possible to a Member when he or she brings a Private Member’s Bill. However, we would like to pass a Bill that is comprehensive enough.

For example, if you pass a Bill of this nature, without clauses to do with financial implications – because of violating Article 93 of the Constitution – then you leave gaps. That Article is very clear, that it can only be done if the Bill is sponsored by the Government.

That is why we have requested the Member to come back, discuss with us, harmonise and we co-sponsor and support the Member to comprehensively bring the Bill. Tomorrow at midday, the Minister for Sports, the Permanent Secretary and the Commissioner are having a meeting at the Ministry of Education and Sports to harmonise all these so that we have a policy, principles and we support the Member and we come up with a Bill that we shall all have put in our buy-in.

Therefore, I request my colleague, the mover, to join me in this and we request the House for some time so that we handle this matter. Otherwise, we would like to put it on record again -

**THE DEPUTY SPEAKER:** Government Chief Whip, I will not allow you to arm-twist the mover. You said you would like to co-own the Bill. I am giving you time of two weeks to present it for the first reading.

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE ON TOURISM, TRADE AND INDUSTRY ON THE ALLEGED MISMANAGEMENT OF SOROTI FRUIT FACTORY

**THE DEPUTY SPEAKER:** Honourable members, on Thursday, we received a report from the Committee on Trade, Industry and Cooperatives on mismanagement of Soroti Fruit Factory. The committee was fairly exhaustive and provided this House with valuable insights into the challenges in performance of that factory.

That committee also noted that UDC is yet to nominate two allotted members to the board, yet, the Executive Director is currently the chairperson of the board. This poses a question of the validity of the decisions that are taken by the board given the fact that the board is providing policy directives and strategic decisions to management in the factory. The unduly constituted board impedes the ability of its performance.

An organisation is only strong once it has a strong board – that is on corporate governance. A review on the challenges that were documented by the committee - you heard what the committee talked about that day: the failure to adhere to corporate governance practices. The Minister of Trade, Industry and Cooperatives is to ensure that we have a fully constituted board with immediate effect.

Before we start the debate, the issues that were raised – I hope you remember them – were very pertinent for the growth of that industry and for that area. A lot of money has been put in that factory. We need to do a little more to ensure that there is value for money.

We put money there and some officers seem to be having some kind of impunity, which this House must pronounce that they do not have. I am going to allow debate on this matter of Soroti Fruit Factory.

3.15

**MR JONATHAN ODUR (UPC, Erute County South, Lira):** Thank you very much, Madam Speaker. I would like to thank the chairperson of the committee and members who did a good job and presented the status report on Soroti Fruit Factory.

Madam Speaker, the report appears to give a summary that at Soroti Fruit Factory, there are serious insider cases, syndicated fraud, collusion amongst the top management and abuse of office. When you look at the decisions that were made by members in top management, who happen to also sit on the policy organ, it is clear that they are in breach of their responsibility to ensure the fruit factory is properly managed.

I would like to particularly single out the souls and minds because every institution has that soul and mind that runs it; the top management. All the decisions they have been making show that they have not been performing their duties. It is very unfortunate that such a huge investment that was meant to benefit the people of Soroti, Lango and Acholi – because these are all areas that have been growing fruits and our farmers were mobilised under several Government projects - NAADS, Operation Wealth Creation and so on. Indeed, Government provided a number of seedlings such as oranges and mangoes that were planted across the entire north and eastern part of the country with the hope that the market would be at the Soroti Fruit Factory.

However, when you read the report on how the board sat with management and decided to ring-fence the supply of fruits to the factory under a cooperative that was specifically made and protected to be the sole supplier, it leaves a lot to be desired. No wonder many fruit farmers, as the report noted, started cutting down their fruit trees. When you go to Acholi, Lango, Teso and part of Bugisu, you will notice that farmers are so frustrated that they have completely abandoned what they were raising there.

Secondly, Madam Speaker *–(Interruption)*

**MR GAFABUSA:** Madam Speaker, I rise on a procedural matter. I am a member of the Committee on Trade, Industry and Cooperatives that came up with this report. I know the issues in this report touch the ministries of trade, finance, agriculture and many others. However, on the frontbench, I see only the minister for trade and industry, and the minister of works.

Time and again, Madam Speaker, you have ordered that when we are debating such serious matters, ministers should be present to take note of the issues arising. Therefore, I wonder whether we are proceeding well for the House to debate such an important report that concerns the whole country, but with almost an empty Frontbench yet we are talking to Government. Are we proceeding well, Madam Speaker? Thank you.

**THE DEPUTY SPEAKER:** Honourable member, I got a communication this morning informing us that there was going to be a special Cabinet to discuss the issues that we want to discuss on Friday about the Parish Development Model.

All the same, we asked hon. David Bahati, as the Minister of State for Trade, to be around to respond to issues that are being brought up. We also asked hon. Gen. Katumba Wamala to be around because of the COSASE report. For now, we just need to move on because the report was presented and the minister is present.

**MR NANDALA-MAFABI:** Thank you very much, Madam Speaker. This is a procedural issue arising from what my colleague has said and the communication you got. First, we had designated this day for this report, but if you look through this report carefully, you notice that there are very many affected offices. If these offices are not here, we do not know who will implement the decision we shall take. For example, the office of the Attorney-General is supposed to make some responses. The Ministry of Finance is supposed to deal with the Auditor-General because the Auditor-General is the one who audits on our behalf.

Madam Speaker, if you allowed them to go for the special Cabinet meeting –

**THE DEPUTY SPEAKER:** I did not allow them. I am not the Chairperson of the Cabinet. I only head Parliament, not Cabinet. I was only informed. I appreciate what you, Members, are saying because this is a very important report. It involves the ministries of agriculture, finance and the Auditor-General’s office, especially staff in that office who were writing letters.

3.17

**THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (INDUSTRY) (Mr David Bahati):** Thank you very much, Madam Speaker. Thank you, honourable colleagues, for raising those procedural issues. It is true the Soroti Fruit Factory involved a number of stakeholders to realise the objective, which is to industrialise that part of the country and give value to the farmers, especially in the Soroti area.

However, as you all know, like in every organisation, Government has focal points, which the ministries of works and finance, but there is a lead agency, which is the Ministry of Trade, Industry and Cooperatives. We would like to assure you that whatever issues will be raised here will be followed up because at the end of the day, we are responsible for the implementation of this project. We are the ones accountable to Parliament. It is through the Ministry of Trade that you appropriate money to Uganda Development Corporation.

Therefore, if you allow, Madam Speaker, this report can be debated now and issues taken. What we want to assure you is that the recommendations that this House will adopt will have to be implemented and the reporting and responsible institution is the Ministry of Trade, Industry and Cooperatives.

Otherwise, the Frontbench, as you have been informed by the Speaker, is not here because we are again handling an issue that you requested us to handle on Friday. Thank you.

**MR MAWANDA:** Thank you, Madam Speaker. This matter arose from a matter of national importance that was raised on 8 February 2022. Madam Speaker, you said the matter was grave and you requested Government to bring a statement within two weeks. Thereafter, the committee would also come up with its own report. Then, the two reports can be discussed at the same time –*(Interruption)*

**MR NANDALA-MAFABI:** Madam Speaker, Hon. Mawanda is fond of killing reports and that is his attitude *–(Interjection)-* this is not the first time. This is a report of Parliament, which we are going to discuss as Parliament and it is from there that the Government can come in. Is Hon. Mawanda in order to come and direct Parliament that now you stop here so that the Government goes and makes a report then you can come and discuss later? Is he in order, Madam Speaker?

**THE DEPUTY SPEAKER:** But what report do we need from the Government? We sent our committee to get a report and we have it; we are doing our oversight role and I can assure you, Hon. Bahati, I am passionate about the issues there.

Even if it means impeaching anybody- we cannot just allow people to go on in poverty. How can you have a board and a chairman, who cannot make decisions? Are you doing everything for the institution or you have a conflict of interest? We appropriate money for that factory, but at the end of the day, they say the Government is not working; we are working. We have a few people who are misleading us - He was still on the Floor.Order! Can you finish what you wanted to say?

**MR MAWANDA:** Thank you, Madam Speaker. I was actually-

**THE DEPUTY SPEAKER:** I have the right of deciding when the report should be presented. You know that is a prerogative of the Speaker so do not go there.

**MR MAWANDA:** Madam Speaker, is Hon. Nandala-Mafabi in order. *(Laughter)*

**THE DEPUTY SPEAKER:** Members, we have the Minister of Finance and the Government Chief Whip here, why don’t we dispose of this report? We are going to extract all that we are debating and send to the relevant ministries. We shall get responses from them. So why don't we finalise on this report other than postponing and then at the end of the day, you will have even forgotten what was in the report? Are we okay with that?

**MR MACHO:** Madam Speaker, I am rising on a point of procedure with fear. Hon. Bahati, who is standing in for the Minister of Trade has submitted with encouragement of the august House to continue to discuss this important report. That is how he stood when I brought up the matter concerning the value addition factory of Busia.

He promised that they were going to hand it in last month to Busia Municipality. The way he was looking today is the same way he was looking on that day. *(Laughter)*

Madam Speaker, I do not know whether we are proceeding well, when Hon. Bahati who spoke and nothing was done concerning the value addition factory, is again speaking today. That makes me wonder whether we are proceeding well. That is why I submit that all the key ministers should be here before this very important report can be submitted.

**THE DEPUTY SPEAKER:** Now, I thought I had already ruled. You are now smuggling in - can we debate the report?

**MS AGNES ATIM:** Madam Speaker, I have read the report from the committee and the submission from the ministry. I do not know whether we shall really proceed right. Much as our colleague was already talking about submissions from the ministry.

In fact, if you read the report from the ministry, it trashes everything that the committee has talked about. The issue that was raised about the ED being the chairperson of the board, is supported in the ministry’s submission.

Therefore, are we really going to proceed right in discussing a report when the ministry already has a submission which is completely different from what we have in the report? I thank you.

**THE DEPUTY SPEAKER:** Yes, Minister. Which ministry are you talking about?

**MR BAHATI:** Madam Speaker, normally when a committee investigates a matter, and presents the report to the House, and the House makes resolutions, the Government is requested to come back to the House through a treasury memorandum informing the House that, “You recommended this, and we implemented this” or “This is how far we have gone”? If we have not implemented it, we explain why we have not implemented it.

Therefore, there should not be any worry. If the House makes resolutions, we will come back through this treasury memoranda to this House and inform the House, how far we have gone in implementing the recommendation or resolution of the House because the resolutions of the House are taken very seriously.

I think the debate should continue. We will make clarifications later, but I think we should be able to dispose of this matter today so that we go and rescue this factory, which is a very important factory for the people. Thank you.

**THE DEPUTY SPEAKER:** The report that we respect must be the report of our committee; we will not listen to a communication from the ministry.

Once the House adopts that report, we will expect a response from the ministry in terms of a treasury memorandum on the items that have been raised and that will be final. We go by our report and our report is final.

The other hearsay where they say that it is not true, is okay - they are covering all the dirty things. Can we debate this issue? Hon. Lumu, if you want to debate, please debate.

**MR JONATHAN ODUR:** Thank you, Madam Speaker. To conclude the first matter that I had raised about the mismanagement and losses that have incurred at Soroti Fruit Factory, I agree with the committee that the persons that occasioned this should be held personally liable, because we cannot allow the losses that have already been registered; Shs 2.3 billion. The future of the factory does not really look bright until something is done. The members of the management team have to account by being brought to book.

The second issue, I want to raise seriously, is capacity. The committee noted in this report that nobody knows the capacity of this organisation; or what they can process. This shows that the people who are in charge are grossly incompetent- you cannot preside over a business or a factory and you do not even know the capacity of your factory.

As a result, they made a decision to go and invest in only a single line production of mango juice, and yet by its name alone, a “fruit factory” must be able to process all the fruits that are available. These technologies can be done, but because the team managing the fruit factory has not been serious enough, they have not been able to think through what would help the region grow in terms of establishing a line for mangoes -

**THE DEPUTY SPEAKER:** Honourable members, please use two minutes, everybody wants to speak.

**MR JONATHAN ODUR:** Thank you - establishing a line for mangoes, passion fruits, bananas, pineapples, etcetera, that are grown in this country.

I want to conclude and say that the money that was collected from our farmers - these farmers pay when they have borrowed from SACCOs within the villages. We see that they have been taking money; this money must be refunded with interest.

I saw in the report, you are recommending that it should be reimbursed, but it should be refunded with interest to the farmers because some of them have lost their animals trying to pay this debt. Thank you, Madam Speaker.

**THE DEPUTY SPEAKER**: Thank you.

3.29

**MR RICHARD LUMU (DP, Mityana County South, Mityana):** Thank you, Madam Speaker. I thank the chairperson, for giving us a comprehensive report.

I am concerned about the road, which was made up to 93 per cent. A new contract was awarded on the same road, which cost a lot of money. The chairperson did not come out to clearly indicate whether there were minutes on the first and second contracts. I would like to seek clarification on that, Madam Speaker.

Secondly, is on the signatures by the Attorney-General’s office. Madam Speaker, when there are signatures, where the Attorney- General’s office is involved, it simply means that the Solicitor-General gets copies. I do not know how the Solicitor-General received copies, when the names of the persons signing on his behalf were not written in their full form.

On that, I actually need the Attorney-General to come here and give clarity on how it happened in such a contract. I thank you, Madam Speaker.

**THE DEPUTY SPEAKER:** Let us first get a clarification on the minutes from the chairperson.

**MR MWINE MPAKA:** Thank you, Madam Speaker. The issue of the 93 per cent completion was not on the road; it was on the wall. What happened is that the contract for construction of the wall did not provide for variation. So, what UDC did is that they added in a new contract in order to complete the other contract that was at 93 per cent.

Therefore, we do not have minutes to that effect, but it was for construction of the wall and not the road.

**THE DEPUTY SPEAKER:** What about the one of the initials of the Attorney-General’s Chambers?

**MR MPAKA:** Madam Speaker, different officers would just sign. For example, Nanziri and just an initial. We have the letters here with us and we do not know who those people are, but different people signed different approvals on behalf of the Solicitor-General at different intervals for the same contract.

**THE DEPUTY SPEAKER:** Therefore, we need a response from the Auditor-General on what happened. How did those people sign when the contract was not even clear? Yes, hon. Nathan Nandala-Mafabi -

3.32

**MR NATHAN NANDALA-MAFABI (FDC, Budadiri County West, Sironko):** Thank you, Madam Speaker. I would like to seek your indulgence on the two sets of minutes, because this report is raising issues, which I would also try to add on so that we beef up the case.

For example, this report is demonstrating the following:

One, that we have lost money. Two, farmers have lost. Three, we have lost employment and of course, this has been occasioned by mismanagement.

Madam Speaker, the first point I want to raise is on investment.

I want the committee to take note of this; on page 17, you are saying the investment of Government is Shs 50 billion. However, on page 21, you are saying the investment by Government is Shs 44.1 billion and $ 8 million from Korea. If I total that, it should be Shs 73.7 billion instead of Shs 50 billion. We need to harmonise that figure so that we know the exact loss.

The TEFCU is a union. If it is a union, it means it has members and a union must have more than one member. It would also be good that the committee looks for the members. However, before they go there, it was a society to begin with. As the society, it meant that it would continue to be a society; unless the society sold its shares to the union. We need that evidence and if it is not there, then from day one, when the union came in to be the shareholder, it is wrong. It cannot be a shareholder *–* Making matters worse, if I capitalise a company, it means if we are two shareholders or more, each of us must capitalise his portion.

If Government has Shs 73.7 billion, what does this society have as its contribution as a shareholder? It might be having no share because if I bring in money, you must bring in money. If you do not bring money, you cease to be a shareholder. So, the 20 per cent shareholding is wrong. It does not exist because if you are talking about 20 per cent from my small computation. Let me take Shs 50 billion - it means if Government has put in Shs 50 billion, then the union should have put in Shs 13 billion. If it does not have Shs 13 billion, then it is not a shareholder.

Madam Speaker, in addition to that, we have these offices: We passed the National Audit Act, which said that the Auditor-General will audit, where we have even one shilling as Government. A committee of Parliament goes to investigate and raises these issues. I am raising two more issues on this: Where was the Office of the Internal Auditor-General to have raised a red flag? Where is the Office of the Auditor-General to have raised a red flag? Where is the PPDA to have raised a red flag?

If these ones have not raised a red flag, Madam Speaker, we cannot only hold the mismanagement to that one; these three offices must be brought to book because they are our watchdogs.

Failure to appoint a board by UDC is criminal. I do not see where my brother, hon. Bahati, can support these ones. This is criminal; in fact, the people who are involved should have been arrested by now.

They are supposed to be five board members and as the managing director, you have remained there and you do not want to appoint three more, so that the two of you are in charge such that you make decisions. It is dangerous.

Madam Speaker, the following offices should be held liable:

1. The Ministry of Trade, Industry and Cooperatives because it is the supervisor of UDC. Where do you get your reports and UDC itself? The UDC should have appointed board members in that context. Failure to do that means this was a syndicate to steal public money. If it was a syndicate to steal public money, the people involved should be dealt with.
2. I want to talk about the Office of the Attorney-General and procurement. Madam Speaker, I have carried out research - the truth is, there are people who are involved. I will start with procurement, which has the following people: The accounting officer, the contract committee, the evaluation committee and the user department. Of all these, everybody has a responsibility and the following are their responsibilities;

Of course, the accounting officer is the one in charge of accounting of that area; in charge of those contract committees, and he is the one who appoints members. Those ones he appoints on the contract committee are the ones who do the evaluation after an advert has been made.

If the accounting officer never followed the law, the first person to be arrested in the Soroti Factory is the accounting officer because all these were done on his or her behalf. In addition, it is the Executive Director of UDC who is the accounting officer, the contract committee, the evaluation committee and the user department; there is no separation of duties here. That clearly demonstrates that, that is the reason they claimed that the oranges were bad, they were not enough and things like that.

This person - just recently, the Executive Director of Mulago National Referral Hospital was arraigned before CID and he has left office. This one has very clear evidence. In fact, by now, he should have gone to Luzira by himself. *(Applause)*

I would like to go to the Attorney-General's office. In the procurement process – this is why I wanted the Attorney-General to be here. The Attorney-General is not involved in the procurement process. *(Interjections)* What does the Attorney-General do? Under Article 119(4) of the Constitution, the Attorney-General's Office is charged with the function to peruse agreements, contracts, treaties, conventions, and documents, by whatever name called, to which the Government is a party or in respect of which the Government has an interest. The Attorney-General is supposed to peruse those documents.

If you give the Attorney-General forged documents, and in his or her own wisdom says it is right, then the Attorney-General is not responsible for the mess caused by the person one who provided the documents. I am not saying what the Attorney-General’s chamber did is right. I want to request the committee to go further because they are not involved in procurement. We might leave the people who are involved and just bring in the Attorney-General's chamber for the sake of it.

My proposal is that the Office of the Attorney-General and members of the committee should confirm the contracts and evaluation. If they never perused the documents, which were submitted to them properly, then we should look for them.

Finally, this factory was a very good venture for our people. We cut cotton and planted oranges and mangoes. We have lost and a few people have benefited. It is important that the loss, which has been occasioned in Teso and Lango region, as a result of cutting cotton, should be compensated. In fact, they should be compensated by first dealing with the criminal –*(Member timed out.)*

**THE DEPUTY SPEAKER:** Thank you, Hon. Nandala-Mafabi.

3.42

**MS SHAMIM MALENDE (NUP, Woman Representative, Kampala):** Thank you, Madam Speaker, for this opportunity. My observation in respect to this report is that in Uganda today, when you look at the law, specifically our Constitution and the Police Act, the police are mandated to arrest any person that is suspected of intending to commit an offence. If the police suspect so, they can actually take in that person. It is clearly absurd from the report that no person has ever been detained in respect to the issue of the mismanagement of the Soroti Fruit Factory.

The second issue is about the implementation of the recommendations made by Parliament. I am putting up a plea to this Parliament to ensure that once a report is adopted by Parliament, we should devise means of following up the implementation of the resolutions in the report. That way, the public will trust that when we make findings, we follow it up to see that they are implemented. Thank you.

**THE DEPUTY SPEAKER:** Thank you very much. I can assure you that we will follow up on all the recommendations that we are making here and we are going to take action on all people who are culpable. We will do that.

3.44

**MS ANNE ADEKE (FDC, Woman Representative, Soroti):** Thank you very much, Madam Speaker. I would like to thank you for commissioning the committee to do this great job. I would like to also thank the committee for producing such a comprehensive report.

I wish the line minister was here to clarify to us why in total violation of corporate governance principles, UDC Chief Executive Officer was involved in the management of Soroti Fruits Ltd (SOFTE)? You cannot be procuring for an entity, which is a total legal entity, separate from you. The SOFTE is a company incorporated on its own. UDC is a shareholder. Why would an owner of equity go into the management of the company in which they own equity? On top of that, even procure?

I have images of bids that were advertised by UDC on behalf of SOFTE. Why is this being done, yet, SOFTE is a legal entity with an accounting officer. This is very problematic to us and it is not the first time. The Auditor-General has authored many reports about UDC and how it is managing these Government owned entities. It is not just about SOFTE. It has been the same case for the marble factory and Atiak. Same issues are arising.

Madam Speaker, I move that we implement, particularly what the committee advised - its recommendation number four. While the Inspector General of Government (IGG) is investigating, if the minister was here, he would assure us that the Executive Director of UDC is going to step aside and UDC would get out of managing SOFTE. Otherwise, this is the root cause of these problems. *(Applause)* Thank you.

**MR MPAKA:** Thank you, Madam Speaker. On the issue of the Executive Director of UDC stepping aside, we consulted with the legal counsel here at Parliament and we looked at section 12(4) of the UDC Act. It specifically states ways in which the executive director can step aside. These are follows:

(a) resigns;

(b) is declared insolvent;

(c) is convicted of a criminal offence; and

(d) is removed from the office by the Minister. *(Interjection)*

Our hands, as a committee, were tied. As you may see, in our recommendations, we could not recommend that he steps aside and Parliament has been sued in the past, for example, the case of Saverino Twinobusingye v Attorney-General. Therefore, the committee thought it wise not to make this recommendation.

**MR NANDALA-MAFABI:** Madam Speaker, I think the committee is going to fall prey. If Parliament does not recommend, then you are making a mistake. The Minister of Trade is approved by Parliament. When you say this should be removed, it means the minister must implement what you are saying. If you do not do it, then, you are giving the minister leverage by saying “I was not directed”.

**THE DEPUTY SPEAKER:** The UDC Act should be read together with the other laws. We cannot start investigating you when you are present because you will interfere with the investigation*. (Applause)*

**MR NANDALA-MAFABI:** Exactly. Madam Speaker, you have raised a good point. We have not said that we have sacked you. You step aside –*(Interjections)*- as investigation goes on.

Madam Speaker, I would like to seek your indulgence that we come with that recommendation very strongly as Parliament. In these legal battles, sometimes, the Attorney-General goes there to get defeated. If they allowed Parliament to go to court itself, it would win these cases.

**THE DEPUTY SPEAKER:** Honourable members, we are not saying they sack the executive director. What we are saying is that the committee has recommended a forensic audit. If we are going to do a forensic audit - and proper management is going to be done – let the executive director step aside to allow the audit to be done. Hon. Ssekikubo, I know that you are here for the executive director, but I am telling you that, that factory is in Soroti and we shall fight for it. *(Applause)*

3.50

**MR ROLAND NDYOMUGYENYI (Independent, Rukiga County, Rukiga):** Thank you, Madam Speaker. I thank the committee for a comprehensive report although I have some few observations to make, especially from page 8 to page 11, where they gave very good observations, but did not give specific recommendations.

Secondly, the Government has invested in a lot of money although the figures vary from Shs 50 billion to 71 billion on different pages of the report. However, the committee did not tell us whether there is value-for-money in this investment.

The committee should have gone further to tell us, for example, the progressive investment by Government and the donors and if we are getting return on this investment so that we know the actual impact of this investment on our people.

Lastly, the committee identified weaknesses in the procurement, especially in construction contracts - the perimeter wall and access roads – but they did not to tell us whether there were supervising contractors. All these projects need to be supervised and sometimes the supervising consultants give you a bigger picture than just the contractor.

The committee should have told us if these contracts were being supervised or they were internally supervised so that we understand the intricacies. I beg to submit.

3.52

**MR MILTON MUWUMA (NRM, Kigulu County South, Iganga):** Thank you, Madam Speaker. I thank the committee for the good report. When you critically scan through this report, like Members have observed, the Ministry of Trade, Industry and Cooperatives has not played its supervisory role. Uganda Development Corporation (UDC) has a lot of issues and I think it has made this country lose resources in one way or another.

When the committee recommends that UDC terminates the contract with Teso Tropical Fruit Cooperative Union (TEFCU), where a shareholder gifted another shareholder with contract to monopolise and supply fruits – locals lost because they could not easily supply fruits.

I remember the same UDC, under the Atiak arrangement, fleeced the people of Busoga under a similar arrangement whereby Shs 12 billion was given to a few individuals under collusion and connivance. These people lost a lot of money and UDC, I think, was getting a kickback under a similar arrangement.

I think it would be right for us to ask the managing director and the ministers to be taken on personally or asked to carry the mantle on a personal basis. Having no board or having it on an interim basis, with two members only – I appeal and propose that an additional forensic audit be done on Uganda Development Corporation.

Finally, there being no board is causing a lot of suspicion. In fact, I am bleeding and I think that is why I am failing to explain what I ought to have said because we lost a lot of resources through connivance.

I would like to insist that the management of UDC, before we talk of TEFCU, be put aside. UDC management is letting this country -

**THE DEPUTY SPEAKER:** Really, how legitimate are the decisions that UDC makes without a board - where the board has only two members; the executive director and then - even the decisions can be challenged in court.

Yes, Ssekikubo – but declare your interest first. *(Laughter)*

3.55

**MR THEODORE SSEKIKUBO (NRM, Lwemiyaga County, Ssembabule):** Thank you very much, Madam Speaker I know that in our rules, even the Speaker is supposed to be neutral and not participate in debates like it is proceeding now.

**THE DEPUTY SPEAKER:** I have not heard what you said. *(Laughter)*

**MR SSEKIKUBO:** Madam Speaker, I would like to thank the committee for this report. *(Laughter)*

**THE DEPUTY SPEAKER**: Before you thank the committee, under the Companies Act – the chairperson wants to clarify that the existing board is actually illegal.

**MR MPAKA:** Thank you, Madam Speaker. In September, 2019, there were issues with the board at Soroti Fruit Factory. So, one month to the expiration of the UDC board, an interim board of three members was appointed. It was supposed to be for a period up to the Annual General Meeting (AGM). However, even after the AGM, we did not have a UDC board and, so, the interim board continued serving.

However, when the committee looked at the Companies Act, 2012, it does not provide for an interim board unless the company did not adopt table (f) of the Companies Act in its entirety. Then, their articles and memorandum of association would have such modifications.

Therefore, it is true that all the decisions that have been taken between that time are illegal and the current board is existing illegally.

**THE DEPUTY SPEAKER:** Thank you.

**MR SSEKIKUBO:** Thank you. Madam Speaker, we are treating a very complicated matter. I would like to inform the House that this Soroti Fruit Factory started as a result of a joint venture between Korea International Corporation Agency (KOICA) and the Government, represented by Uganda Development Corporation (UDC). It is the duty of this House to pinpoint where the problem is.

While serving diligently under Hon. Mafabi, the Chairperson Public Accounts Committee in the Seventh Parliament and the Eighth Parliament, we would apportion blame according to the person’s conduct and involvement.

When we are talking about the loss of money – I have not heard any Member here, apart from sentiments, saying that this decision was taken and it occasioned the loss of this amount of money. Let us go by the committee’s report and modify some recommendations.

When they say that the Inspectorate of Government should commence a value-for-money audit, it is the wisdom of this House to say that it cannot be done by the IGG, but by the Auditor-General. This House can direct the Auditor-General to conduct a forensic audit to see who is responsible for what.

This is a project of 2012 where the then executive director -it was Fred Ogene from July 2012 until November 2016, then we had Emmanuel Mutahunga and the current ED that we have crucified is as of April, 2019. Therefore, where is the loss from all these because all the investments that are being talked about here - the inflated costs of the roads and the fence took place in 2013/2014. And now, you are saying that person who was appointed in 2019 should carry the burden for all the mess.

Therefore, my view to the House is let us either go by the report; let us not be sentimental. We all want Soroti Fruit Factory to succeed. We all enjoy our local products. However, we should not at this point in time, put a sacrificial lamb where it does not carry the burden of this.

I know, things have not been going well, like in any other. The UDC has more than 20 entities under it. It would be the wisdom of this House to say that let the Auditor-General conduct a forensic audit on all those 20, 13, 3 or 5. Otherwise, if you crucify one on one, where one is not even the ED and not in charge of the day-to-day running of the factory - I think members, yes, we want to have a good start for the fruit factory, like in all others *-(Interruption)*

**MR NSAMBA:** Hon. Ssekikubo**,** you are one person who is highly respected in this country and Ugandans always look up to you whenever such matters come through. We agree that the ED came in 2019. What did he do about the problem he found in the house? When you are appointed and you find your house out of order, you are charged with the responsibility of putting the matters to order.

This ED, your friend, came into the house, problems continued. Why he must step aside is that more problems could have cropped up because he was able to sit on an older problem. He could have probably thought this is the way to go and this was the way to manage this institution.

Therefore, the information I would like to give you is that these Members who are making that recommendation are truly right to say that the ED should step aside because he failed in his responsibility. Thank you.

**THE DEPUTY SPEAKER:** The other issue is: since 2019 when he came, has he made any changes? What change has he created since he came on board? Did he for example, form a board? Has he done what he was supposed to do as an ED? Let us stop covering-up for people.

**MR SSEKIKUBO:** Madam Speaker, I am most obliged. However, I would have forewarned my colleague from dragging the Speaker into this matter because the Speaker is not holding the Floor and not entitled to debate on the Floor of the House. I would have wanted issues directed to me and not through the Speaker.

**THE DEPUTY SPEAKER:** Hon Ssekikubo, make your point because some other people would like to debate on this matter too.

**MR SSEKIKUBO:** Madam Speaker, I would like to make my conscience clear. Where do we find the loss attributed to the person we are pin-pointing? Can we have our value for money audit in place and then, we apportion it *-(Interruption)*

**THE DEPUTY SPEAKER:** Take the information from the one who raised the question.

**MR EBWALU:** Thank you, Madam Speaker. My senior colleague, hon. Ssekikubo, when Mr Birungi, the current Executive Director who is also the accounting officer and the chairman of the board, came on the board, he fired the board members before he appointed himself the board chairman. Therefore -

**THE DEPUTY SPEAKER:** Hon. Ssekikubo, can you listen?

**MR EBWALU:** I repeat. When Mr Birungi, the current Board Chairman of UDC, the accounting officer and the chairman of board, came in place, he found a board in place, but he fired the entire board and appointed himself the chairperson of that very board. So, honestly speaking, is this the person we need? I mean, this matter should not be about hon. Ssekikubo protecting the ED because we know hon. Ssekikubo *–(Interjection) -* you to give me way. Finally -

**THE DEPUTY SPEAKER:** You gave him time to give you information.

**MR EBWALU:** Finally, what is happening in Soroti Fruit Factory and the UDC is that there is a lot of conflict of interest. The person who should be calling for the AGM is the Executive Director, but who is dragging his feet to call for the AGM. So, there is conflict of interest.

**THE DEPUTY SPEAKER:** Honorable members, let us not put emotions to this. Hon. Ssekikubo, I know you as a very cool headed person; the coolest person in this House and we like you so much. So, hon. Ssekikubo -

**MR SSEKIKUBO:** Thank you very much for the kind compliments -

**THE DEPUTY SPEAKER:** Hon. Ssekikubo, please, first cool down. I will give you time to talk again. First sit down. Have you finished? Okay.

**MR SSEKIKUBO:** Madam Speaker, that is not true and I would like to go on record. The person we are talking about never appointed himself as the board chairperson. It was the UDC Board that appointed him as the interim chairperson. All of us know the circumstances that engulfed 2020 and 2021 where even you members and your party failed to convene.

You all know the circumstances that happened between 2020 and 2021 up to where we are now. And so, it is not true, honourable members - let us have matters, which are factual. Let us not be sentimental. He never appointed himself.

**THE DEPUTY SPEAKER:** You will remember, it was said that the UDC Board appointed him. Can you repeat what you said about who appointed Mr Birungi as the chairman of board and then the legality of the board?

**MR MPAKA:** Madam Speaker, the UDC Board in 2019 recalled all the board members and sent three members of UDC including the ED, the corporation secretary and another gentleman also working at the UDC, to serve on interim basis at UDC till the next AGM, which never took place. However, even the Companies Act of 2012 does not provide for an interim board. So, it should have appeared in the articles on the memorandum of association. Therefore, the fact that the interim board even continued to serve after the AGM is an illegality.

**MR SSEKIKUBO:** Madam Speaker, I wish to lay –*(Interruption)*

**MR NANDALA-MAFABI:** Hon. Ssekikubo, thank you very much. You are known for being a cool man. Madam Speaker, hon. Ssekikubo has a point when he says that during this period, there was COVID-19; I understand. However, what I want to ask you is: how many shareholders are in Soroti Fruit Factory? I am asking this because I know that Government is the biggest shareholder with the other one who claims to own 20 per cent yet he does not have. And the entities that hold shares on behalf of the Government of Uganda are the ministries of finance, trade; who are two people. Then the other side has one person, which makes them three shareholders. How can three shareholders fail to hold an annual general meeting?

**THE DEPUTY SPEAKER:** Hon. Ssekikubo, you need to leave - everybody wants to debate.

**MR KIMOSHO:** Thank you, Madam Speaker. On the issue of the board, I would really like us to look backwards and say, “Where are the ministers?” Corporate governance requires that board to report to the line ministries. If the board fails to report to the line ministries, then the ministers responsible should intervene. Even the time of reporting is classified in the law; how they should report. What happened when all this was happening and there were responsible ministers? If we must clean up, let us start at that point, Madam Speaker.

**MR MODOI:** Madam Speaker, I would like to add to what my colleague said. The minister’s responsibility was lacking. He had the responsibility to be a whistle-blower, supervise and guide the nation on what was happening because right now, even hon. Ssekikubo here is struggling as if he is protecting the minister.

To us, the minister should come out clearly; on what he did, what he saw and why he did not do what he was supposed to do. In fact, it was the failure of the Government. I think we should wait for the minister to give us his position and tell us the way forward.

**THE DEPUTY SPEAKER:** Before the minister comes, we also need to find out whether the minister knows that there is a problem in Soroti Fruit Factory. We may be here saying that there is a problem when in actual fact the minister says there is no problem. Does the minister know that there is a problem?

4.11

**MS JESCA ABABIKU (NRM, Woman Representative, Adjumani):** Thank you, Madam Speaker, and the committee, for a very good report. From the report, this project is grossly mismanaged right from the take-off point. If you do not have clear designs on which you are supposed to implement, then it means the project died at the point of take-off.

The high levels of poverty in Teso Subregion and other parts of the country can be minimised when we ensure that these projects are well managed to yield what they are created for. Therefore, I request the minister to tell us whether the variation in terms of the two contracts was justifiable and necessary.

Madam Speaker, the shoddy work that was realised, after giving the second contract, showed us that we have lost money more than once. Even with the extra money and the contract signed, the output was negative.

We have one fruit factory in West Nile. We also want the minister to report about it because our people are not happy; it is the one in Yumbe. There is a high exploitation of farmers because the farmers sell their fruits at a rate of Shs 15,000 to 20,000 per bag and those who do the commission, sell them at Shs 71,000 to Shs 72,000. Whom do we want to serve? Is it the rich that made the deals or our farmers?

Therefore, I recommend that:

1. Government ensures that this project is totally reorganised. We cannot stop this project because some few people are mismanaging it.
2. A comprehensive forensic audit be carried out. There is no one safe from level one up to the top. If we do not do that comprehensive audit, others are going to be left out and yet, the mismanagement started from day one of take-off.

Thank you very much, Madam Speaker.

4.15

**MS ROSE OBIGAH (NRM, Woman Representative, Terego):** Thank you very much, Madam Speaker. I just want to make a correction from what my colleague, hon. Ssekikubo said; that there are 20 entities of UDC and the rest are performing well. We have one in West Nile on drip; maybe by tonight, it would have died. The entities are terrible. What we can do here is to have a forensic audit in all entities. Thugs have gone into entities and robbed Ugandans dry.

Therefore, we cannot exonerate a man who joined in 2019 and sat there comfortably - he could not mention anything. Do not come here and be a conduit of theft in this country. Thank you.

**MR MUGOLE:** Thank you, Madam Speaker. I am just going to give some information to hon. Ssekikubo because he was still on the Floor. Whereas he had mentioned the issue of the MD, he was going to the issue of a forensic audit for the entire UDC. I am giving information because I am a member of the committee and I cannot debate the matter.

In regard to that, we asked UDC of all the entities they have put in money and there is no entity that makes profit, apart from one. Therefore, it will be good for this Parliament to recommend that the entire process be audited. In addition to Soroti Fruit Factory, all the other entities should be audited in order to ascertain whether we are putting the money to right use.

4.17

**MS AGNES ATIM (NRM, Woman Representative, Amolator):** Thank you very much, Madam Speaker. I would like colleagues to refer to pages 17 and 18 of this report. I would like to thank the committee for raising very critical issues. One of the issues that the committee raises is the participation of our farmers in all these government investments in the names of UDC. There was mention that farmers were supposed to contribute 20 per cent – the TEFCU group – but they have not made any contribution yet. This means that all these investments we are hearing happening – somebody runs to form a company in the names of farmers, and yet farmers are not aware. Therefore, they do not even have shares in the company.

Page 18, which is very disturbing, says UDC and one of the companies called TEFCU are the ones supplying the fruits to themselves. They are shareholders and are the same suppliers to the factory. When farmers bring their fruits, they do not buy them. If they are to buy them, then they buy without weighing them; they just negotiate the price and give that.

Madam Speaker, this raises a very big question on the breach of the PPDA Act, which was enacted in 2015, that requires participation of Ugandans.

If you decide to invest in any company in this country, and our Ugandans are not participating, then we are better off not putting any taxpayers’ money into such investment.

It also raises the question of the value-for-money. Why would we put Shs 40 billion shillings plus which does not have the corporate governance principle in place?

There is an issue that my colleagues have raised – a big issue of inefficiency and supervision of all our ministries, departments and agencies in this country. In fact, I even find that as Members of Parliament, we may be shooting just a small rat in the names of ED or MD. Let us hold all the institutions of Government, responsible for activities like this, accountable. I thank you.

**THE DEPUTY SPEAKER:** Thank you. Hon.Christine, you can talk while seated.

4.20

**MS CHRISTINE APOLOT (NRM, Woman Representative, Kumi):** Rt Hon. Speaker, I thank the line ministry and the committee for the recommendations made. We are aware that Parliament is supposed to support Government in fighting poverty. However, this fruit factory has not done a lot for Teso subregion and the neighbours. Just like it is talked about somewhere, the sale of fruits remains a problem and the farmers are exploited.

One time the local government leaders of Teso subregion were invited for an engagement. The agency that was in charge of buying the fruits informed us that they were going to buy fruits in terms of kilogrammes, and they gave a breakdown on the amount of money that was going to meet the operations and the amount of money that would go in for the farmers. However, that was not implemented.

As I speak - and as it is also hinted in the report - many farmers have already cut down fruit trees. The farmers have said it is a waste of time having orange trees in their gardens; so it is better they plant other crops.

So, as the stakeholders in this country, let us have a speedy process to rescue the situation. Otherwise, time will come when our electorate will never listen to us.

Madam Speaker, I also wonder whether the technical team who do supervision and then we, who do the oversight roles, really make reports to reach the line ministries so that the line ministries can be informed in the next course of action – this is really a very big challenge.

Finally, we have seen the aspect of charging Shs 200,000 for pumps. This is also a problem where Government has plans of supporting farmers, but the information is not given to the elected leaders. Members of Parliament and local government leaders are not given information. I am just assuming that if that information was provided, the elected leaders would have informed the farmers and therefore farmers would not have gone ahead to pay the Shs 200,000 that they were asked to pay.

Dear colleagues, this is for Soroti Fruit Factory, but it could also be happening elsewhere. How I pray that we have a concerted effort and we follow up on all Government programmes to ensure value\_for- money. I beg to submit.

**THE DEPUTY SPEAKER:**  Thank you. Yes, honourable chairperson, Teso Parliamentary Group, you will come last.

4.23

**MR SIRAJI EZAMA (NRM, Aringa County, Yumbe):** Thank you, Madam Speaker. I want to put across three things here concerning Soroti Fruit Factory. It has been a deliberate move for Government to see that farmers are not exploited.

Government alleviates poverty through planting fruits. According to what I observe from the findings of the report, farmers are now cutting down the fruit trees in order to plant other crops. This is so because according to the findings of the report, people who are supposed to purchase the fruits have shifted their goalposts; instead of buying oranges - because they have ascertained that orange fruits do not have market like the mango fruits - they are now buying mango fruits instead.

Secondly, the buyers are buying a specific type of oranges, excluding others. Therefore, it has come to the notice of the farmers that those fruits that are not bought are useless; so they have now resorted to cutting their trees down.

So, what is the minister doing after knowing that fruits that were deliberately planned by Government in order to alleviate poverty, are now being misused?

That gross exploitation of people is even in my district of Yumbe. Farmers from Yumbe are refusing to sell their mangoes to the factory because they have been over-exploited. You will find that a basin-full of mango fruits costs only Shs 2,000. However, when they sell to other sources, they get more than that. They are even sending them to Kampala instead of selling to the factory.

The Minister for Trade should at least do something in order to see that the factories that are established to alleviate poverty stand. If not, these factories are going to remain as white elephants. I beg to submit.

4.26

**MR POLYCARP OGWARI (Independent, Agule County, Pallisa):** Thank you, Madam Speaker. You know, we are talking about the factory at home. The fact is that this factory has not benefited the people of Uganda. When a factory is brought to an area, it is supposed to benefit the people of the area and, therefore, Ugandans.

I appreciate the report, which was brought by the committee. We are here struggling to fight poverty; *emyooga* is for fighting poverty. We now have the Parish Development Model, for fighting poverty. We are wasting the taxpayers’ money; people going with convoys everywhere for the Parish Development Model.

However, when it comes to the factory, people have planted fruits in the hope that they would benefit from having the factory in their area, but none of them has benefitted.

I went to Soroti at the end of last year and bought a full sack of oranges at Shs 15,000. I came to Kumi and it was the same price. I packed all of them in my vehicle because I was surveying after getting information that people are not benefitting.

Honestly, people said they were cutting down the trees and they have cut the trees including in Pallisa. Now how are we fighting poverty? We have been saying that we are going to fight poverty up to the households and yet in actual sense –*(Member timed out\_)*

I conclude by saying that the ministry concerned should wake up and do the supervisory work. I also request Members not to rush with this issue because there are many factories that are experiencing the same, but we have not yet discovered them. We need to come up with a way forward on how we are going to handle these things systematically. Otherwise, if we rush, we are going to dump ourselves on a few people and leave the majority, who mismanaged the factories. Therefore, serious action is needed including recovery; it should not only be arresting, but there should be a recovery of the losses that happened. I thank you very much.

**THE DEPUTY SPEAKER:** Masindi?

4.29

**DR FLORENCE ASIIMWE (NRM, Woman Representative, Masindi):** Thank you very much, Madam Speaker. I am in pain after hearing all these issues. Government strives to fight poverty - we are eagerly waiting for the presentation of the Parish Development Model that is going to focus on agriculture, animal industry and fisheries. If you read the book on the Parish Development Model - we are looking at value addition.

If we are going to encourage farmers to be involved in the various agricultural products and add value - we already have the existing, but non-functional ones – and so, there is reason to worry. This fruit factory is supposed to benefit the local people. There is a district council, a production officer, Members of Parliament and a line ministry. It is high time, Madam Speaker, that Members of Parliament and local councils took charge of these entities.

The district council has a right to come up with a resolution that the factory you gave us has a problem. These things are happening without the district council reporting; the production officers are not even reporting to the district. We have all these structures right from the local level, but nothing has been done until now, when we are doing a post-mortem.

Therefore, as we look forward to the Parish Development Model, we need to put our house in order. Members of Parliament and the production officers should, this time round, be involved in all these entities we are going to start. I beg to submit.

4.32

**MR FREDRICK ANGURA (NRM, Tororo South County, Tororo):** Thank you very much, Madam Speaker. I want to thank the committee for the report they have produced.

I was privileged and I remember when the fruit factory was commissioned by the President, I was with you, Madam Speaker and we were given the fruits to taste. If I may recall, the Managing Director and the team gave assurance that the fruit factory was going to consume all the fruits. In fact, the quantities that the communities had anticipated to supply, according to the fruit factory managers, were less than required.

Today, as the Government thinks of the Parish Development Model as a Member has said, it should look at value addition. If farmers have started cutting down the trees, how much time do we need to again interest these farmers to support a factory that is within their neighbourhood? This is where I want to implore Hon. Ssekikubo because he has tried to give a spirited defence. How I wish he could show us a request by the current Chief Executive Officer that by the time he came in, he asked for a forensic audit based on what his predecessors had done. Otherwise, if he did that, we would be assured that he tried to do something to support the fruit factory.

Fruits that are not bought by the factory end up in Malaba border crossing to Kenya. What happens is that the Kenyans at times buy these fruits cheaply because they know the factory is not able to take them. As a result, we end up losing whatever revenue we would have got to Kenyans. The Kenyans buy the fruits cheaply and other fruits rot in Malaba because the factory has not been able to consume the fruits.

We must take this very seriously and come up with a strong recommendation that this team steps aside, as we do a forensic audit in order to understand how to manage these affairs, going forward. I beg submit.

**THE DEPUTY SPEAKER:** Thank you. Hon. Sarah Opendi -

4.34

**MS SARAH OPENDI (NRM, Woman Representative, Tororo):** Thank you very much, Madam Speaker. It is unfortunate that what we thought would improve the lives of the people of Teso has instead resulted in making people poorer. I see three things. One, is the governance problem. Another is conflict of interest. I also see – and I want to state that the Government has never been a good businessman. This is why when the Government is involved in running such businesses, you will definitely see losses. How can you spend Shs 722 million to advertise and in return, your revenue is Shs 81 million, and you continue with this kind of advert? Are you not seeing that this expenditure is not yielding anything?

A lot has been spoken, but I think we are hitting the small rat. The talk here is on the Executive Director. Who appointed this executive director? Where were the ministers when this Executive Director was there? We had challenges here with UDC fighting the Ministry of Finance, Planning and Economic Development and the Ministry of Trade, Industry and Cooperatives. We even supported the Ministry of Trade, Industry and Cooperatives to remove UDC from the Ministry of Finance, Planning and Economic Development so that it is housed under the Ministry of Trade, Industry and Cooperatives. Where are the ministers who supervise UDC and specifically, this Soroti Fruit Factory?

Soroti Fruit Factory is one of those first ventures in Eastern Uganda that UDC took. The board is sleeping on the job and the ministers have not done their work. Of course, we are blaming these people down here, but I think we need to start from the top*. (Applause)*

As I conclude - I am not very comfortable. The committee has done a good job in bringing out the facts, but when you look at the recommendations - there are very many. Madam Speaker, one of the recommendations contained therein is for a forensic audit to be undertaken. However, as we undertake this forensic audit - I see a problem at the grass root. The Executive Director of Soroti Fruit Factory Ltd should be immediately suspended. That should be a recommendation because he is the person at the centre of running this fruit factory. How can you have a union?

We fault UDC for contracting this union to be the one to procure fruits. It is very surprising that the fruits are procured at a paltry Shs 15,000 for 120 kilogrammes. Then, they go and sell at Shs 72,000. That union needs to also be looked at critically because at the end of the day, you will find that much as they are members of the union, it is only a few who are benefiting from that extortion. I call that extortion because you cannot disadvantage this person at the grassroot by buying at Shs 15,000 or Shs 20,000 yet you go and sell at Shs 72,000.

As a recommendation to Government, if you want profits, contract the management out. Otherwise, you are not going to manage. That is the advice that I want to give to Government. Thank you.

**THE DEPUTY SPEAKER:** Hon. Opendi you are saying that we should amend recommendations by having the ED of the factory step aside to allow investigations.

**MS OPENDI:** Yes, Madam Speaker.

**THE DEPUTY SPEAKER:** The other one is that the union needs to be audited.

**MS OPENDI:** Yes, with the view of terminating that contract.

**THE DEPUTY SPEAKER:** The Union needs to be audited and then a forensic audit on Soroti Fruit Factory. That is an addition to the recommendations.

**MS OPENDI:** Absolutely. However, Madam Speaker, there are these women – yesterday was International Women's Day. Now, these women in the Solicitor-General’s office, Nantongo –

**THE DEPUTY SEAKER:** That is captured in the –

**MS OPENDI:** I am just saying it is really surprising that –

**THE DEPUTY SPEAKER:** I am saying it is captured.

**MS OPENDI:** They should also be suspended. *(Laughter)*

**THE DEPUTY SPEAKER:** What I am saying is that officers of the Solicitor-General’s Office must be brought to book. That is an addition to the recommendations.

4.40

**MR COSMAS ELOTU (NRM, Dakabela County, Soroti):** Thank you very much, Madam Speaker, for this great opportunity. For the interest of the House, this factory was actually located in my constituency, before we carved out Soroti City.

I want to thank the House very much for the time you have put in here to support the interest of this factory. To the committee, I thank you as well for the great job you have done. I sat with you, I think, in two meetings. I can make a guess that you may have spent not less than 30 hours deliberating on the issues of this factory. I also thank the Speaker for giving us enough time to look at the issues of Soroti Fruit Factory.

A lot has been said. Many Members have made big contributions, particularly in regard to the governance and management issues. That is, I think, the biggest problem that we have with the factory. The lack of the board definitely affected the oversight activities of management and, probably, all the issues that you have been highlighting.

Madam Speaker, allow me to take the House a little bit out of this – this is the historical perspective. The factory, as it stands, was a donation by the South Koreans. I remember that during the commissioning, the President actually made a comment: “We thank you the people of Korea.” However, the capacity of the factory, at the time of commissioning and at the time of design, was extremely small. There was a lot of information –*(Interjection)-*

It was a Government programme, just like coffee and tea were being promoted in other parts of the country. The Government put a lot of money through NAADS and asked the people of eastern Uganda – all the way from Busoga, to Lango and Acholi – to grow fruits. The importance of these fruits to that region is the same as the importance of tea or coffee to other regions. So, on that basis, I want to thank this House for really putting time and trying to get a solution to the issue of the fruit factory.

Back to the point I was raising, the factory, from the point of design – as you are all aware, factories are cut to size. This factory is extremely small. When it was commissioned, there was over supply of fruits. Then, there was a programme on rationing who would supply what and at what point. That was the origin of the problems of the factory.

As you sort out the governance and management issues, I ask this House to ask Government to put in more money and put up a better factory in Teso. *(Applause)* That way, we shall be able to – actually, at this point, we need to answer the problem of the farmers at the same time. Farmers are cutting down the trees. What are we going to do about that? As you drive all the way from Busoga to West Nile, there are a lot of fruits. My argument here is that Government needs to put in additional funding and create for us a bigger factory that can absorb all the fruits of the farmers.

Secondly, from the design perspective, this factory produces concentrate and this concentrate is supposed to be refrigerated. The cold room is, I think, five by five meters. Once they produce concentrate that fills up the cold room, they cannot produce anymore.

So, the design, again, comes into question. Internationally, there is an issue to do with what we call aseptic packaging – that you produce concentrate, put it in a state that you can store for over one year in an ordinary room.

I beg this House to support the people of Teso and give them more money for a better factory. Thank you very much.

**THE DEPUTY SPEAKER:** Honourable, we will not give more money before we correct what is there. We need the money, but let us first rectify what is there. Let us first remove the people who are mismanaging it and then, put the money later.

4.45

**MR IDDI ISABIRYE (NRM, Bunya County South, Mayuge):** Thank you very much, Madam Speaker. I thank you for giving us this day to debate this report. I thank the committee for coming up with this report. One of the cardinal roles of this Parliament is to appropriate money. However, after appropriation, we also have to go and carry out oversight. Money was appropriated after realising the demand for a fruit factory in Teso.

Here we are, on a sad note, discussing how the money that Parliament appropriated was misappropriated. The UDC has invested a lot of money, which was appropriated by Parliament. Lamenting, as Members of Parliament, may not work. This is because if these officers are in office, and we are debating whether they can stay in office or whether we can investigate and whether we can carry out an audit – money has been misappropriated. The beneficiaries are crying.

If the beneficiaries have started cutting trees, what are we going to do? This was the only project that was going to help the people of that region. As we lead the country into a mid-income status, this is exactly what we need to do.

I support the Members who have suggested that the officers concerned should first step aside and we carry out investigations. *(Applause)* If they are found not guilty, they can go back to their offices. Thank you, Madam Speaker.

**THE DEPUTY SPEAKER:** Thank you. That is another amendment.

4.48

**MR NATHAN BYANYIMA (NRM, Bukanga North County, Isingiro):** Thank you, Madam Speaker. I am at a loss. The construction of the factory came about as a result of an idea from one of our Members here; the late Hon. Peter Omolo. That man was growing so many oranges; he used to represent Soroti County.

One time when we were on a tour of the roads in Soroti subregion we, somehow, bumped into His Excellency, the President. Hon. Peter Omolo was an FDC MP. He talked about his very good farming methods and the President moved to his farm, he had very good oranges. The man appealed for a factory to be built there, but it is unfortunate that it has come to that though I think not all is lost.

It is same thing about the *matooke* factory in Bushenyi. It is a bottomless pit. Year in, year out, Parliament appropriates money to that factory, but who is the owner? It is that lady. So, this is an eye-opener to all of us.

Madam Speaker, I have seen you moving all over the country, fundraising for colleagues and now you know more of this country, but some of these ministers are arm chair ministers- I am sorry to say this.

Gen. Katumba moves by the nature of his job, but if the Minister of Finance, Planning and Economic Development or even the Permanent Secretary and Secretary to Treasury could move out of their desks, they would know where the money goes and they would not make such mistakes.

I saw you Members of the 10th Parliament approving Shs 34 billion, but one of these days go and visit that place. I am happy that the committee has been able to find out - let the committee be given an extra job to go and dig out more so that we can get a solution rather than a forensic audit, which calls for more good money for bad money.

I suggest that this committee, which has done a good job, continues digging - let us not put some people at a risk. Some of the members you are talking about from the public do not have a chance to defend themselves here. You never know! Let us give them a chance to appear before the committee. Let us look for better solutions of building what has already been put across rather than using a stroke of a pen; tomorrow’s headlines will be, “The factory is dead.”

The chairperson of the committee and the ministry, let us improvise at the earliest opportunity to revive the factory. It is our factory. Thank you.

4.52

**MR RONALD AFIDRA (NRM, Lower Madi County, Madi-Okollo):** Thank you, Madam Speaker. A lot has been said in regard to the Soroti Fruit Factory. I want to put a disclaimer that I am part of the committee, but however -

**THE DEPUTY SPEAKER:** Members of the committee do not debate.

4.52

**MR JAMES OLOBO (NRM, Kioga North County, Amolatar):** Thank you, Madam Speaker. The committee did a good work, but the problem of Soroti Fruit Factory is bigger than what we are discussing here. It starts from the management of the fruits in the garden.

When the factory was built, people got excited including myself. I also planted the orange trees, but those trees have a lot of complications. They suffer from pests and the fruit fly, which the country has failed to manage.

There is no law in this country, just like in Kenya, where when a place like Soroti District sprays oranges, they spray all the oranges in the district so that the fruit fly cannot fly from here to other side and start producing.

As of now, farmers are losing fruits. Thirty per cent of what is produced is what they sell. We would have started from there before even putting up that fruit factory because it is under supplied. There are no oranges on the trees. People have resorted to cutting the orange trees down because they have been invaded by the fruit fly.

Draught in this country - you cannot do without irrigation. Hon. Peter Omolo was doing well with fruits because he had irrigation services on his farm in Soroti. We need to first put a law in place *–(Member timed out.)*

4.54

**MR BOSCO OKIROR (NRM, Usuk County, Katakwi):** Thank you, Madam Speaker. I commend the chairperson and the committee members for the good work and I must add that this is a very touching discussion.

I agree with the recommendations. And when you look at the observations made to the point that it is starting to eat up the capital, which started the factory, it is very painful.

However, this is a management issue. The Uganda Development Corporation Act clearly brings the minister to the forefront. The board is set up by the minister, which means he can appoint and disappoint. There is just reluctance by the line minister to perform his obligation.

When you read Section No.7, which was referred to by the chairperson of the committee, you realise it provides for circumstances under which the respective board members, who have failed to perform, can be put aside.

I am alive to a fact that in criminal law the act alone cannot make someone to be found guilty; there has to be proof of the mind-set, commonly referred to as *Actus reus* and *mens rea* and these two are veryclear.

I saw the discussion trying to exonerate somebody who came in 2019. But there is liability to the extent that that person came in the board when all those ingredients are being put together.

Therefore, I appeal that the recommendations as presented be adopted and in particular, the financing of this factory – we cannot take this factory away from the people by virtue of the fact that there is a management issue. Parliament of Uganda has to check and manage this issue and those culpable should be brought to book. Thank you.

**THE DEPUTY SPEAKER:** Obliviously, financing the factory will be done. However, we need to sort out the existing problems because you will finance the factory, but the money will still be eaten. So, let us first remove the weeds before we do the financing.

4.57

**MR MOSES ATTAN (FDC, Soroti East Division, Soroti City):** Thank you, Madam Speaker. I concur with your submission. We need to sort out the weeds. I wish to observe that what has been said in the report shows that this factory is a milk cow for some people, Uganda Development Corporation in particular and the Ministry of Trade, Industry and Co-operatives.

Why do I say so? Referring to the motorised pumps, Shs 528 million for 240 pumps; each pump going for Shs 2.2 million yet it costs Shs 700,000. This means that the cost was inflated by Shs 1.5 million.

In this report, we are taking on the cooperative for the 200, but we are not taking on UDC for the inflated price; they paid Shs 2.2 million for a pump that costs Shs 700,000.

That said, Madam Speaker, the crushing capacity of this factory is appalling and disturbing. If it continues to keep at low crushing capacity, we will have fruits rotting. Even ministers who hail from Teso and are fruit farmers have had to cut down their trees.

We also have a challenge quoted in this same report; that of packaging. It has gone to the extent of manual packaging, and we lost the opportunity of Air Uganda, because we had given them fruits that were packaged manually in a rudimental manner.

Madam Speaker, the third aspect is with regard to the juice concentrates. We have a policy and the Ministry of Trade Industry and Cooperatives know it, of “Buy Uganda, Build Uganda.” This country continues to import juice concentrates, while in the cold rooms of Soroti Fruit Factory, they are packed and not being taken.

I wish to recommend to this House that we emphasise the Ministry of Trade policy, of “Buy Uganda, Build Uganda” and we put a temporary ban on importation of juice concentrates so that the farmers’ concentrates and the cold rooms get to be consumed by the market in this country. They will then be in position to crush more fruits and help farmers who are losing oranges because they are rotting in the gardens. I thank you.

**THE DEPUTY SPEAKER:** Thank you. Another amendment is that UDC should be held accountable for over-pricing of the motorised pumps. That is the amendment.

5.00

**MS MARIAM NAIGAGA (NRM, Woman Representative, Namutumba)**: Thank you, Madam Speaker. I would like to thank the committee for the report laid before us. You remember during the budgeting process of the Financial Year 2019/2020, as the Committee on Finance, together with the Budget Committee, we interacted with the existing ED who was accompanied by the current Minister of Trade, who was by then the Minister for Finance. All the issues we are raising here that have been clearly stated in the report, were part of the issues he raised.

It is on the record of this august House - the issue of operating below capacity was one of the issues he raised as a new ED by then. His call and wish to this august House was to provide more financing so that this factory could benefit the people of Soroti.

I remember very well, both you and I were members of the finance and budget committee and we pledged our support. That is why in this current budgeting process, when he presented the budget and put in money for packaging and operational costs, we supported it as a committee.

Therefore, I would like to agree with the committee, that for those that went wrong, we need a forensic audit, so that whoever was in charge is put on record, apprehended and faces the law. I beg to submit.

**THE DEPUTY SPEAKER:** Thank you.

5.02

**THE LEADER OF THE OPPOSITION (Mr Mathias Mpuuga):** Madam Speaker, thank you. I would like to thank the honourable member and chairperson of the committee for the report. I have three issues. One is to essentially put the chairperson on notice that at some stage, he should come here and probably lay the same issues relating to governance, mismanagement and connivance in relation to Atiak Sugar Factory.

I remember when we were considering a supplementary for Atiak Sugar Factory; we raised very serious governance challenges. For some reason, inadequate attention was paid. I am very sure the next time the chairperson and his team report about Atiak Sugar Factory, you will simply edit the name of Soroti Fruit Factory and replace it with Atiak Sugar Factory, but the issues are the same.

Probably, the moment that should arouse the curiosity of the House is to whether we can afford the luxury of throwing taxpayers’ money in a bottomless pit. And unless we rise to the occasion and insist that we make no more commitment to public funds, where prudential management has not been established, we shall be lamenting, cursing and doing all this, because we actually know where these challenges lie. Unless the right people and the right issues are addressed, we might remain a house of lamentation. Honourable chairperson, you should be on notice for that.

Lastly, Madam Speaker, I heard the minister; hon. Bahati making reference to a treasury memorandum. This particular report should be a subject of Rule 2020, which is on “Action taken report”. Treasury memoranda should be referred to accountability committees.

Therefore, I beg that the House in a way of arresting these vices in the immediacy, probably before the end of the budget cycle, should have occasion to arrest some funding. The minister should be given a very tight timeline to report under Rule 2020 on this report. Short of that, we would come back to the same challenges. If we can discuss the action taken and the committee goes back to make verification, then, we shall have done justice to the taxpayers’ money. I thank you, Madam Speaker.

**THE DEPUTY SPEAKER:** Thank you very much, Leader for the Opposition. When you talk about the treasury memorandum, I also know that the Government does not always bring the treasury memorandum. I was on the committee of COSASE, and I left it; up to today, the treasury memorandum has never come. I am still waiting to see whether it will come, honourable minister. We really need time for action taken on this so that by the time we finish the budgeting process, we are able to give money to Soroti Fruit Factory. We are going to give you three weeks to take action on everything that has been raised here.

5.05

**THE MINISTER OF STATE FOR TRADE INDUSTRY AND COOPERATIVES (INDUSTRY) (Mr David Bahati):** Thank you, Madam Speaker. I would like to thank Members for their comments and the contribution you have made about this important factory in Soroti. I particularly want to thank the honourable member who first raised this issue on the Floor of the House. Because of your vigilance, we have been able to unearth very many things that we are going to act on and make sure that this factory is rescued and the people of Soroti and Teso are served, through value addition to our fruits and development will be achieved.

Therefore, the bottom line is that we must rescue this factory. We must make sure that we are running a factory; we have enough production to service this factory and we add value to the fruits that we are producing in Teso.

When we were deployed to the sector a few months ago, there were a few things that we identified that we needed to take action on. Particularly on UDC, we discovered that there was an issue of governance. There was no board and UDC had not been with a board for roughly two years. So, we worked on this quickly and the board was approved in November 2021. We now have a board running; it was to refine the strategic direction of the institution. We are done with that. We now know that if we have money, we are going to focus, through our investment arm, on the sugar in Busoga and refined sugar for industrial use in that area. We are going to focus on starch through cassava in Lango, Acholi and Teso.

We are also going to focus on cocoa in Bundibugyo. We are going to have a soluble plan for coffee to avoid a situation where you find a country like Australia, which imports coffee, become a bigger exporter than Uganda, when we are the greatest growers of coffee. Therefore, we are going to have a soluble plan for coffee and we are going to have Irish potatoes in Kigezi.

We now know the strategic direction of the institution and all this has been done within six months; resolving the governance issue of the board. We did not have a board, but we now have it. There is a strategic direction.

We also looked at the capital requirement. To set up these factories, you need resources. Each year, UDC has been receiving 20 *–(Interruption)*

**MR NANDALA-MAFABI:** Thank you very much, honourable minister, for giving way. You have said that you are giving a strategic direction. Do you have a strategic plan so that we can look at it? A strategic direction could just be directing someone on phone without rules and regulations. Do you have a strategic plan?

**MR BAHATI:** Yes, we have a strategic plan and we can share it with the House. On Tuesday, we will lay it on Table.

Capital requirement; on average, we have been appropriating Shs 28 billion at UDC. If you remove the operations, you have a very minimal amount of money to set up a factory. That is why you see that despite the management issues we are talking about, Soroti Fruit Factory still needs capitalisation. This House approved Shs 10 billion through the supplementary budget, but it was not enough because the capital requirement for the factory alone was Shs 55 billion. Hence, there are issues of capital that we have got to work on.

That notwithstanding, Madam Speaker, we also need to protect the local factories. We have made it a point through our strategy of import substitution and export promotion that if we have enough capacity in the country and a factory that produces enough capacity to service the people of Uganda, we have a surplus to export regionally and internationally, then, we shall protect that factory through the tax regimes, imposing more taxes on imports and taking any other action that can support the protection of the industry.

Madam Speaker, you have identified a number of recommendations and are suggesting that we work on these ones in three weeks. I request the House and also to request you that if we are going to have a forensic audit on this institution and even other institutions, it would take – hon. Nandala-Mafabi would know this as a fellow accountant – it would take a minimum of probably two or three weeks to do a forensic audit.

Having one and a half months would be a fair period of time so that we allow an audit to be thoroughly carried out and we take action. Some of the things we had identified and we were going to take action – no sooner had we started taking action than the chairman of the committee came in. That report was done, but it was never discussed. Then, after that, again in February, he came in and he has done a very good job. At the end of the day, we are in this together; the industrialisation agenda will be fulfilled and achieved if all the stakeholders work together. I am very happy this afternoon that all of us are talking about the industrialisation of the country. How can we perfect this? If we do this – and people are listening – even those that are attempting to do wrong things are listening this afternoon. They will not be tolerated.

As a way forward, I suggest to you that you have our assurance that we are going to implement all the recommendations that this House will pass this afternoon to the dot. However, give us a chance to do a forensic audit so that when we are taking action on any person, we have evidence and avoid litigation in court to say, “The audit has been carried out and it is showing this.” I think that would be the best way other than saying “The ED or others should resign.” We have one month and we can do a thorough investigation in one month and after that, we take action so that we are fair to the individuals working there; so that we are fair to the process and avoid litigation in the process.

**THE DEPUTY SPEAKER:** But honourable minister, if we are going to do a forensic audit and we say, “Let the ED of the factory step aside to allow for the audit,” what is wrong with that? This is because interference of the process -

**MR BAHATI:** I was referring to what hon. Sarah Opendi mentioned. She expanded the net of interdiction of people in the Auditor-General’s office –

**THE DEPUTY SPEAKER:** No, we cannot do that.

**MR BAHATI:** Then she was referring to –

**THE DEPUTY SPEAKER:** They will be held liable after the audit is out.

**MR BAHATI:** Madam Speaker, she was referring to the International Women’s Day and I could not understand how the two were connecting –

**THE DEPUTY SPEAKER:** You are saying that because you did not understand her. Hon. Opendi said that she is ashamed that it is women doing that and they should be held liable. Of course, hon. Nandala-Mafabi said, “Garbage in, garbage out.” If these people are given any forged documents, their work is to peruse them. That is why we need an audit on this.

**MR BAHATI:** Madam Speaker, the management at the factory is very clear; for that, we can suspend and allow for investigations. However, beyond that I think the net would be widening. Remember the ED of UDC came in when the boss decided to suspend the board of the fruit factory. He recommended –

**THE DEPUTY SPEAKER:** Is the ED of UDC a board member of UDC? Don’t you see that kind of “*katogo”*; conflict of interest?

**MR BAHATI:** The immediate action required is to have the immediate management step aside and we thoroughly investigate it? Then, we also look at other areas because this auditor will look at UDC and the ED of UDC. Within one month, which is only four weeks, we would be able to take action on all other areas. Thank you.

**THE DEPUTY SPEAKER:** Hon. Ssekikubo, stop being un-parliamentary. Can you calm down? Hon. Ssekikubo, next time, kindly do not say anybody is stupid. I am assuming those were friendly fires.

Honourable members, we have agreed on all the actions to be taken on the Soroti Fruit Factory - do not put emotions into this. You will find that Hon. Ebwalu is putting emotions because he is the area Member of Parliament, so do not blame him. You may find that you are talking that way because Hon. Birungi is from another area. Hon. Ebwalu wants his own people to benefit as much as you want to cover somebody. So, do not start flexing in the House. What we want are results; to reduce poverty and implement Government programmes.

I am now putting the question that the report of the Committee of Trade, Tourism and Industry on the mismanagement of Soroti Fruit Factory be adopted with amendments.

*(Question put and agreed to.)*

*Report adopted.*

**THE DEPUTY SPEAKER:** Next. Honourable members, we have a one-page report from Gen. Katumba-Wamala and then we shall go to COSASE.

RESPONSE BY MINISTER ON THE DELAY IN COMPENSATION OF PROJECTS AFFECTED PERSONS OF THE STANDARD GAUGE RAILWAY PROJECT AND THE NEED FOR REVALUATION OF THE LAND WHOSE VALUE HAS APPRECIATED SINCE ITS INITIAL VALUATION FIVE YEARS AGO, RAISED BY HON. PAUL AKAMBA

5.20

**THE MINISTER OF WORKS AND TRANSPORT (Gen. Edward Katumba Wamala):** Thank you, Madam Speaker. I want to present to Parliament a status report on the land acquisition and the issues raised therein.

As Members may appreciate, the Standard Gauge Railway (SGR) remains a flagship project for the Government of the Republic of Uganda. It is still one of those projects, which are dodging implementation and I will explain why.

The question was raised by Hon. Akamba and it was mainly about the status of land acquisition. The acquisition of the right of way has been slow, but this has mainly been due to budget cuts. I will highlight below what we have done so far.

The total land to be acquired is 4700 acres, including the main line and spurs, (the branches from the main line). The total land compensation cost estimate for the main line was Shs 581.78 billion in 2016 and to be paid to about 10,696 project-affected persons including those in Kasoli.

Reports from the Chief Government Valuer worth Shs 247.20 billion from Tororo to Mayuge and Buikwe plus the fishponds around Jinja were approved by the Chief Government Valuer starting 2016.

Reports worth Shs 334.584 billion from Jinja to Kampala, except Buikwe were submitted to the Chief Government Valuer, starting from 2017, but were not approved on time. On the Chief Government Valuer advice, revaluation is ongoing on this section.

Out of the Shs 247.20 billion worth of approved reports, Shs 95.604 billion has been paid out to 4,237 project-affected persons in effect having acquired about 1,297 acres out of the required 4,700, and bills worth 151.6 billion is pending.

Reports on the section between Jinja to Kampala where revaluations is ongoing are expected to be approved by the Chief Government Valuer by the end of this financial year.

Highlights on the status of the pre-construction activities

1. EPC/Turnkey contract was signed with China Harbour Engineering Company (CHEC).
2. Feasibility studies and other such studies were completed.
3. Up to five loan applications have been made to the potential financiers; the Exim Bank of China since 2015, and responses made to issues raised by the bank. Latest issues were raised in August 2021, and responses were submitted to the bank last month by the Ministry of Finance, Planning and Economic Development.
4. Other construction activities like plans on harmonisation with other infrastructure projects, plans to extend electricity, plans and relocation of utilities, plans on local content, etcetera have been put in place.

The Ministry of Finance, Planning and Economic Development has promised that come the Financial Year 2022/2023, it will give us Shs 220 billion to address this matter. But until I see that money in the budget - As of now, we have Shs 26 billion out of the Shs 151.6 billion required according to the budget. If we do not get Shs 220 billion from the Ministry of Finance, then we shall continue with a peanut provision of Shs 26 billion to pay the few project-affected persons.

Plans for commencement of construction

As per the latest standard gauge programme and plans at the Northern Corridor Integration Project Level and the Medium-Term Expenditure Framework and communication from H.E. the President, Standard Gauge Railway construction was supposed to have started or was supposed to commence in the Financial Year 2023/2024. For this to be achieved, it is important that all the land is acquired. Unlike roads, for the construction of the railway line, we cannot acquire land in piecemeal; it must be a continuous acquisition because the line cannot be laid in piecemeal. Therefore, until we have enough right away, it will not be making sense to give the contractor access to the site to start the construction.

My request, as the ministry, is that funds are found to complete the land acquisition. A right of way, free of encumbrances, is a requirement by the bank; even to give them confidence that the project is worth financing.

Any further delay in acquiring the land is likely to lead into increase in the compensation costs, as already has been seen on the stretch of Jinja to Kampala, where re-evaluation is being done now. The time when that evaluation was made has long passed and people are saying their projects have appreciated.

With those, Madam Speaker, I beg to lay on the Table the report.

**THE DEPUTY SPEAKER:** Thank you, General. You have heard the report on SGR. Hon. Milton Muwuma.

5.27

**MR MILTON MUWUMA (NRM, Kigulu County South, Iganga):** Thank you very much, Madam speaker. I also thank the General for giving an update on the compensation. This issue was raised by Hon. Akamba but it affects most of us.

Two of my subcounties are in the earmarked land for takeover. I have three key straight issues. What is the fate of the people whose titles/land agreements were taken over by your office in charge of the Standard Gauge Railway, but have never been paid? Todate, they keep telling them: “We cannot trace your records.” However, their land is due for takeover. They have never been paid and even their documents, regarding ownership, are with your office.

Secondly, there is the issue of paying in a staggered way; you move to subcounty A and pay some people and then, move to subcounty B – like you have said, you are supposed to move consistently, compensating village A, then village B and village C such that we are aware that you have covered the following stretch.

To-date, people in Nakalama are complaining about not being compensated. Again, in Bulamogi, some have been paid and others have not. Similarly, there are those with small landholdings, but they have not been paid. Those with big chunks of land have been paid. For example, someone having three or five acres is already paid, but someone with one acre is not sure of where to bury his dear ones who have passed on because you told them “no burying here; we are taking over this land”. What is their fate? They do not have money and they cannot develop their own land, where they are staying, because you have already told them that you are taking it over.

Could we have a better arrangement or promise that maybe “by this time, we will be able to sort them out” such that they are able to plan? Furthermore, you valued this land five years back. Land has appreciated and there is a lot of inflation as of now. Will you be revaluing for those who are to be paid? I thank you.

**THE DEPUTY SPEAKER:** Thank you. Professor -

5.29

**PROF. ELIJAH MUSHEMEZA** **(Independent, Sheema County South, Sheema):** Thank you, Madam Speaker. I am inclined to think that we may need to stop the pretence of moving in all directions and being in a crisis. I am also inclined to propose that we may need to suspend some projects and concentrate on some.

I want to make this comparison with what we observed recently in the Budget Committee. We needed to have a right of way to construct the pipeline up to Buloba, where we are supposed to have the main deport. We have few months to the deadline, yet, we have not paid.

Now, why should we think of paying money for the standard gauge railway, which may take some years to start and then, we begin paying high costs because we have failed to meet our obligation on the pipeline, when it is four months to the deadline? So, if we continue to move in all directions without focusing on one project and completing it, we are losing money and focus and we shall not have results.

I am inclined to think that we may need to suspend some projects like the Standard Gauge Railway and concentrate on those where we are about to lose money or be punished because of not meeting our obligations. Thank you, Madam Speaker.

5.31

**MR APOLLO YERI** **(NRM, Tororo Municipality, Tororo):** Thank you very much, Madam Speaker. I thank the General for the brief report he has given to us. I represent the people of Tororo Municipality, where “the headquarters of standard gauge railway” will be.

Currently, there is a lot of confusion. Where they have compensated and demolished property is not a small place, but we are going to suffer insecurity because it is now no man’s land. It is dark in the night and we are now realising that some people can be killed within that area, especially at night. As you said earlier on, some people have been compensated while others have not been compensated. When will you compensate? The compensation is overdue because there is need for revaluation of the land. So, it is really costly.

When we are carrying out such a project, let us concentrate and finish it. This is a very good project, but it is going to be very expensive for the Government. As we talk now, there are some areas where people are saying: “No, we do not want them in this area anymore.” There is a changing goalposts by some of *–(Member timed out.)*

**THE DEPUTY SPEAKER:** Can you finish?

**MR YERI:** There is changing of goalposts. The land, which was given to a SACCO to put up a low-cost housing, now, the civil servants are saying: “No, that land is still for Government.” Where were they going to put those houses? *(Interruption)*

**THE DEPUTY SPEAKER:** Yes, that is Tororo.

**MS OPENDI:** Thank you, Madam Speaker. My colleague, hon. Apollo Yeri, is very much aware that I brought a petition to this House regarding the Kosoli Tenants SACCO, which petition you referred to the Committee on Physical Infrastructure and the matter is being handled. He was moving with those people, endlessly, without any solution until they came to me. We are now moving and finding a solution to the problem.

The land title for that area, as I said in my petition, is in DFCU Bank and DFCU Bank had advertised this property for sale and they were left with just about two weeks to lose the land. It was until we came in, through that petition, that we managed to halt the sale of that property.

Madam Speaker, the report will be brought to this House. Therefore, is hon. Apollo Yeri in order to open or bring this matter again to the Floor when he knows that the matter is being handled by a committee? Thank you, Madam Speaker.

**THE DEPUTY SPEAKER:** Maybe he was not aware that it is being handled.

**MS OPENDI:** Madam Speaker, he even came before the committee and made some presentations there.

**THE DEPUTY SPEAKER:** Hon. Yeri, can you finish? There is Government Chief Whip.

5.36

**THE GOVERNMENT CHIEF WHIP** **(Mr Thomas Tayebwa):** Thank you, Madam Speaker. Colleagues, we are usually kind to each other in this House because whatever we say affects each other, especially outside –

**THE DEPUTY SPEAKER:** Politically.

**MR TAYEBWA:** Madam Speaker, I was just concerned when my colleague, hon. Opendi, said the colleague was moving aimlessly. *(Laughter)* That is not kind to a colleague. So, I would request maybe -

**THE DEPUTY SPEAKER:** No, hon. Sarah Opendi did not say “aimlessly”.

**MR THOMAS TAYEBWA:** Sure?

**THE DEPUTY SPEAKER:** No, Government Chief Whip, she did not say it. Please, leave UWOPA; she did not say that.

**MR TAYEBWA:** Madam Speaker, I must put it on record that I heard it wrongly.

**THE DEPUTY SPEAKER:** No, you did not hear.

**MR THOMAS TAYEBWA:** They have clarified to me and I am sorry about that.

**THE DEPUTY SPEAKER:** Okay. Yes, Chairman BCU?

**MR NANDALA-MAFABI**: Thank you very much, Madam Speaker. Sometimes, when you want to pass a word or something, you attribute it to somebody. It looks like my brother, the Government Chief Whip, was insinuating that the other man was moving aimlessly and he wanted to attribute it to hon. Sarah Opendi. *(Laughter)* If it is true the colleague was moving aimlessly – Madam Speaker, is it procedurally right for the Government Chief Whip to use hon. Opendi’s standing to say that you wanted to say that the colleague was moving aimlessly? *(Laughter)*

**THE DEPUTY SPEAKER:** Honourable members, how would this House be without you people with all that fun? *(Laughter)* I think that was a light moment. Had you had finished?

**MR YERI:** Thank you for giving me an opportunity to clarify on some of this, as I conclude.

**THE DEPUTY SPEAKER:** You do not need to clarify on it.

**MR YERI:** I just want to inform the Speaker and Members that –

**THE DEPUTY SPEAKER:** Are you informing me?

**MR YERI:** No. I am informing the Speaker.

**THE DEPUTY SPEAKER:** You cannot inform me.

**MR YERI:** Okay, I am informing the House and I apologise for that. I am informing the House that I am the initiator of that SACCO. And we have progressed to the extent that we put up those low cost houses. So, we are in the right direction.

However, when the Standard Gauge Railway surveyors came, they wanted to take part of that area. And we have allowed. We only want *–(Interjections)-* I am not a member of the Committee on Physical Infrastructure - but if they are paying back the money to our people, I am very grateful.

5.39

**MR EDDIE KWIZERA (NRM, Bukimbiri County, Kisoro):** Thank you, Madam Speaker –

**THE DEPUTY SPEAKER:** Members, let us not spend so much time on this item.

**MR KWIZERA:** Madam Speaker, the minister has alluded to the standard gauge railway. It is a question of planning. I want the honourable minister to relate the scarcity of resources to the Kenyan part because this Standard Gauge Railway was not solely delayed because of lack of funds in Uganda because Kenya refused to do their part of the standard gauge. So, even if the Uganda Government got money, and the Kenyans do not do their part of the standard gauge, will the Uganda Government do and operate a standard gauge when the Kenya has refused because of some reasons, which the minister knows? I thank you.

**THE DEPUTY SPEAKER:** Yes, there is a procedural matter by honourable Mugema.

**MR MUGEMA:** Thank you, Madam Speaker. The procedural issue I am raising –*(Interjections)*- I have one here. I do not put on masks –I came purposely to see my colleague airing out the COSASE report and you had given this matter only 10 minutes, which are over. So, is it procedurally right to keep proceeding on other issues, including the Kasoli issue, which is before the infrastructure committee, yet, we have a pertinent issue of the COSASE report?

**THE DEPUTY SPEAKER:** Honourable members, can we hear from one person? Hon. Akamba?

5.41

**MR PAUL AKAMBA (NRM, Busiki County, Namutumba):** Thank you, Madam Speaker. Allow me to thank the honourable minister for endeavoring to give the report. However, the issue of compulsory acquisition of land by Government should be taken as a serious one. It is a constitutional issue. For the last three financial years, the issue of budgeting for compensation of the PAPs under the Standard Gauge Railway has been an unfunded priority, yet, we are aware that we are violating our Constitution, which does not allow Government taking over people's private land without prior and adequate compensation.

In the minister's statement, it came out clearly that even in the budget for Financial Year 2022/2023, it is not budgeted for, Madam Speaker. I raised this issue on the Floor and requested that the minister gives a list of the PAPs that are affected. And with a definite answer, actually, with the certainty of when these people are going to be compensated so that we stop - it is my prayer that the Minister of Works and Transport and the Minister of Finance come before this House to tell us why they are not budgeting for this item.

**THE DEPUTY SPEAKER:** Hon. Akamba, before you came into the House, the minister raised these issues. He said he wants us to fund. He wants help from this House to raise the money to pay these PAPs. It is us to appropriate the money to have these PAPs paid.

Now that you have raised it - he has given us an analysis on how much money is required. And that is what we should do. The big concern I have with the minister is about the insecurity in the area that he is talking about. It is not only that area; it is in most of the areas where you have already paid people. It is Government area. There is a lot of insecurity. You need to make sure those areas are secure.

Secondly, there is the issue of re-evaluation of people's land. Because land appreciates, it does not depreciate. If the land was valued five years back, by now, it has appreciated and the price has changed. Even what you are going to ask for, as a ministry, should now change. I think that helps us solve the matter. You are the ones who do appropriation, please, appropriate for those people.

Do you have something to say, hon. Basalirwa?

**MR BASALIRWA:** Madam Speaker, compensation, which the hon. Akamba has raised is a very big issue and I want to give him information.

The Constitutional Court ruled that you cannot evict people before compensating them. You cannot evict people from any piece of land, before compensation because any attempt to do so is unconstitutional.

That is the information I want giving hon. Akamba because even when there is the Land Acquisition Act, Government has been using that law and I am not talking about specifically this incident, but speaking broadly about the constitutionality of taking people away from their land - having their properties valued and compensated later. The Constitutional Court has said it is unconstitutional.

Therefore, if Government wants to use any piece of land, the process is that people must be compensated first before they move. That is the information I wanted to give.

4.47

**MR NATHAN NANDALA-MAFABI (FDC, Budadiri County West, Sironko):** Madam Speaker, thank you very much. Honourable Minister of Works and Transport, the problem we have in this country is your ministry officials knowing where something is going to be done. For example, where the pipeline is going to pass or where the railway line is going to pass and where roads are passing. Your people in ministries are the first to acquire land

around that stretch - you have known the law, as my brother said that you must be compensated first before you leave and you even over price it.

Compensation in this country has become a big issue that the biggest beneficiaries are people in those entities themselves. There is an MP of NRM, who was in those areas; he knew how to look for those wells when he was still in Government and he got a lot of money.

The moment you have done the evaluation, you must pay, because the law says that if you do not pay within six months again you must do revaluation.

The people of Tororo, like my brother was saying, were paid; I think they paid up to past Busembatia *-(Interruption)*

**MR TAYEBWA:** Madam Speaker, are we proceeding well to continue when a Member has imputed guilt on the whole of the NRM side?

**THE DEPUTY SPEAKER:** Who is the NRM Member who has just come back?

**MR TAYEBWA:** Let him mention the Member so that it goes on record, because we have many who came back.

**THE DEPUTY SPEAKER:** Hon. Nathan, who is the Member?

**MR NANDALA-MAFABI**: Madam Speaker, when you throw a stone, the one running very fast might be the target - but I was not meaning you. The Member knows himself and I saw another one, but I do not mean all these good people on your side. There are those who know themselves, because none of these have been compensated.

Those who have been compensated know themselves. I know why Gen. Katumba is laughing, he knows. When you value pay - like these people who are coming back on the Tororo line up to Busia, those people got money.

**THE DEPUTY SPEAKER:** Honourable minister, when I was in COSASE - and it is good you were the minister for Works - we used to have people who knew which road was passing where.

In the Entebbe Express Highway, there was somebody who had land stretching almost the whole way. When you go to another road, the same group of people would get compensated.

You need to look at that kind of syndicate happening in your sector in terms of compensation. What Hon. Akamba raised is a very pertinent issue, especially on the constitutional matter on compulsory acquisition of land and now people should be compensated before they leave. At the same time, he is also going to throw back to you that he needs the money to do that.

**MR BYANYIMA:** Madam Speaker, I feel it is too much on our people. We are having so many projects; unless we prioritise these particular projects and free the people and have right of way, we shall not move anywhere.

Yesterday, on the Busega-Mpigi Express, there is a gentleman who owns a cultural tree, he is demanding for Shs 500 million. In this coming budget, let us resolve that these people be paid off so that this project can move. For how long should we wait?

Every year, land appreciates, people need more money. I believe that through you, Madam Speaker, we resolve to have this money voted and approved for those people. Thank you.

**MR MUWANGA KIVUMBI:** I think we have a challenge with our Government. During the budget framework paper, they came out with 27 projects, which they are reviewing with a view to terminate some and continuing others.

The standard gauge railway was one of them. It is the same process we have with amalgamation of these agencies. They took two and stopped there. Now they have 27 projects worth Shs 1 trillion which they want to terminate. We are labouring here with the debate; let them come here and say, “We are terminating this one, and continuing with this one” so that people work with certainty. As you are labouring here, Gen. Katumba, should tell us; is the Standard Gauge Railway one of the projects the Ministry of Finance wants terminated?

**THE DEPUTY SPEAKER:** Where does the Minister of Finance get powers to do that?

**MS TAAKA:** Thank you, Madam Speaker. About the constitutionality of compensations, it seems the practice of not compensating people is growing in Government projects. Up to now, the people along Musita-Namayingo-Busia Road have never been compensated.

As the minister gives a brief on the Standard Gauge Railway, probably, furnish the House with information about all projects that have taken off, but need compensation and when will they compensate those who have not been paid?

**THE DEPUTY SPEAKER:** You said Musita road…?

**MS TAAKA:** Musita-Lumino Road, there are people who have never been compensated.

**THE DEPUTY SPEAKER**: I was in COSASE when that road was being constructed. The Chinese company was given all the money for compensation. When the Chinese failed to compensate, we recovered the money and was sent direct. General, you mean up to now the money has not been paid?

**GEN. KATUMBA:** Thank you, what I know is that there are families which have not agreed on the money and some of the money has been deposited in courts until the families agree. We get those kinds of situations where either the wife and the husband or the family do not agree to which account the money should go.

So, we deposit that money, but they allow us to continue with the project. On the issue of the Standard Gauge Railway, I cannot talk about Kenya issues in this House because I cannot talk for Kenya.

As far as Uganda is concerned, the Standard Gauge Railway is still a flagship project because it is not only going to come to Kampala. It is intended to connect to other neighbouring countries. So, as far as I know, it is not among the projects which are going to be shelved.

Now, on the issue of the Committee on the Budget saying they - I think that is exactly where we have a problem. The Committee on the Budget says we should not spend this money and, yet, they are the ones who appropriate the money. Then the other committees are saying, “Bring the money so that we pay the people.” So, we also need to agree, as a House.

On whether we have the list of those to be paid, yes, that list has been submitted to the Committee on Infrastructure. We have all the details about how much money is required, and who are the beneficiaries. And that list was demanded for by the Committee on Infrastructure. And we submitted it. However, I never saw either a minister or Member of Parliament there, but I know that there are many people who have got schools, people have got factories within the corridor, and they are supposed to be paid.

Why do we pay some and skip others? Sometimes this again goes back to the amount of money we get. Sometimes, it makes more sense to cover many more people with the little money than paying one man, for example, who has a school, and is going to take the whole Shs 50 billion. Sometimes, it makes more sense that the Shs 50 billion, covers many more people and get them out of their way, because they are the ones who are suffering more than even the man whose school is still running, which we have not yet taken over.

Madam Speaker, I do not know of a situation where we have compulsorily taken land without compensating or negotiating. The example is just that tree, which is on the Mpigi-Kampala Expressway; where one clan is saying that all their spirits are in that tree. And they want Shs 500 million for a tree and a few bananas and we cannot move. They have been offered Shs 150 million and they claim the money is too little to appease the spirits. *(Laughter)*

I have taken it up personally and I will be able to go to the cultural leaders and tell them that it does not make sense at all - Shs 500 million for a tree and a few bananas. However, you can see that we have been stuck there and because this is a foreign-funded project, it is a requirement that we must satisfy them; the social safeguards we talk about. If somebody is not satisfied, they will not allow us to proceed. We are going to ensure that the project proceeds.

Therefore, the Kasoli matter is already before the Committee on Infrastructure and I will not talk about it. It is being well handled there.

My prayer, as I said, is that Parliament appropriates enough money for me. Once the money comes in, we will compensate all the people. As I have said, they have been promised that the next financial year, they will be able to raise our budget for compensation to Shs 220 billion to cover the Shs 151 billion, which is required to pay the already assessed people who are willing to take the value which is attached to their projects now.

If we can get that money, then we shall be able to address all the 90 per cent of the people in hon. Akamba’s and hon. Muwuma's areas in that in that year. That is my prayer that we get enough money and we pay off those people. And then, we wait for the revaluation of the sector - Jinja to Kampala. Thank you very much, Madam Speaker.

**THE DEPUTY SPEAKER:** Thank you very much. Just as a reminder to Government, I told you to present all the ministerial policy statements tomorrow at 10.00 a.m. I am not used to working under pressure because by Tuesday - I need ministerial policy statements tomorrow and then, we will send them to the sectoral committees. Government Chief Whip, please, take note.

Hon. Joel Ssenyonyi, can you present your report for 15 Minutes? Members will read, analyse it and then, we debate tomorrow.

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE ON PUBLIC ACCOUNTS - COMMISSIONS, STATUTORY AUTHORITIES AND STATE ENTERPRISES ON THE OPERATIONS OF THE UGANDA CIVIL AVIATION AUTHORITY

**THE DEPUTY SPEAKER:** Honourable members, there was an issue that was raised in this House by hon. Silwany regarding the monies that were collected in boots, on the issue of management and that is how the committee was sent to UCAA.

6.03

**THE CHAIRPERSON, COMMITTEE ON PUBLIC ACCOUNTS - COMMISSIONS, STATUTORY AUTHORITIES AND STATE ENTERPRISES (Mr Joel Ssenyonyi):** Thank you, Madam Speaker. I beg to present the report of the Public Accounts Committee -Commissions, Statutory Authorities and State Enterprises (COSASE) on the operations of the Uganda Civil Aviation Authority. But before I present, I beg to lay on Table the original copy of the report.

**THE DEPUTY SPEAKER:** Please, do.

**MR SSENYONYI:** Madam Speaker, I beg to lay on the Table minutes of the committee meetings.

**THE DEPUTY SPEAKER:** Please, do.

**MR SSENYONYI**: Madam Speaker, as you have guided, I will try and be as fast as I possibly can, because the few Members who are left here are tired. I will try and avoid most of the introduction, how we got to assess the activities of UCAA based on one rule 159(c) of the Rules of Procedure of Parliament plus what the House designated to us.

I move right away to 3.1, which is the overall physical progress on the expansion of Entebbe International Airport; that is phase one project. I skipped most of that as you guided so that we catch up with time and get to some of the observations.

**THE DEPUTY SPEAKER:** First take us back. We want to know the scope of your work because you are taking us to the airport, but we would like to first know what your scope was.

**MR SSENYONYI**: The Public Accounts Committee - COSASE assessed and evaluated the operations of the Uganda Civil Aviation Authority pursuant to the powers vested in it under rule 159(c) of the Rules of Procedure.

Further on 28 October 2021, the House directed the committee to investigate matters raised on the Floor by the hon. Solomon Silwany MP Bukooli Central and based on information received from a whistleblower the Member informed the House that there was misuse and mismanagement of funds collected at the toll gate, accumulation of unpaid leave, NSSF etc.

Therefore, the above issues in addition to the other matters on UCAA when investigated by the committee, and we now, report to the House in accordance with Rule 159(c) and Rule 218 of our rules.

How did we undertake this whole procedure? We held meetings with the board and management of UCAA; the Minister of Finance, the Minister of Works and Transport, the Attorney-General, M/s Seyani Brothers (Uganda) Limited, China Communications Construction Company (CCCC) and of course, hon. Solomon Silwany.

We carried out visits to Entebbe International Airport and the Arua Aerodrome in executing this role, and we made reference to a couple of documents, which I have listed there.

I had been rushing because you had advised that I do not read everything, given that you gave me limited time. With your permission, Madam, I will go through some of the issues that we were tackling.

The procurement process

UCAA entered into a memorandum of understanding with CCCC to give them leeway for engagement. However, the MoU had clauses directly related to the project contract that was signed with CCCC. The MoU stated that CCCC would facilitate the process of funding the project. It also specified the project as a “design and build”.

Observations

1. The committee observed that at the time of entering into the MoU, the Ministry of Works had already come to a final decision to contract CCCC because there was no evidence of competitive bidding. This flouts the procurement laws of the country.
2. The committee also observed that the MoU was signed in July 2012, prior to the feasibility study on the project which was signed in December 2013 which was wrong.
3. The MoU was irregular because it included the feasibility study as well as the scope of works.
4. The committee observed that for all intents and purposes, the MoU signed between the Ministry of Works and Transport and CCCC established a contract, identified a bidder, spelt out the type of contract as design and build on the project and determined the source of funding. This MoU did not create room for competitive bidding in this project of the expansion of Entebbe International Airport.
5. The Attorney-General did not do due diligence and give appropriate advice, as is required, to the Ministry of Works regarding the MoU.

Recommendations

1. The officers in the Ministry of Works and the Attorney-General's office who were involved in this flawed MoU should be held responsible.
2. All future MoUs should be critically scrutinised and executed in accordance with the laws of Uganda. The committee not only wants action taken against individuals involved in these processes, but we are also saying for posterity and for things to be done better, can we follow the law?

Delays in completion of Phase 1

The projected date for completion of Phase 1 is 5 December 2022. This is way beyond the initial timeline of 2018/2019 that was planned at the time of the loan approval by management. There were issues which UCAA raised to us. I would like to skip a number of these, with your permission, Madam, to redeem time.

Observations

The contract for the Entebbe International Airport Expansion Project Phase 1 had been unreasonably delayed. This was attributed to poor planning and lack of a comprehensive feasibility study by UCAA that necessitated them to rely on the study undertaken by CCCC without due diligence on the international standards of airports.

There was unsatisfactory supervision of the contractors, notably the supervisor Dar Al-Handasah commenced work in 2017, a year after the contract had begun.

Recommendations

The Ministry of Works and Transport, which is a supervising ministry of this entity should ensure effective supervision of Uganda Civil Aviation Authority and the contractor so that they meet the project deadline of 2022. That is the new deadline so we are hoping that the ministry will ensure that there will be no extension whatsoever because the more the extensions, the more burden to the taxpayer.

Unfavourable clauses of the Entebbe International Airport financing agreement

In 2014, the Government of Uganda entered into a contract with China EXIM Bank for the expansion of the Entebbe International Airport, which had the following unfavourable clauses;

1. A requirement for an Escrow Account where all revenues of UCAA were to be deposited and Beijing China had to approve all expenditure of UCAA;
2. For UCAA to have a budget, Beijing had to first approve. They have to draft a budget and it would not be approved as a budget until Beijing approves;
3. Imposition of Chinese legal jurisdiction on the loan recovery mechanism and arbitration. This bound us as a country to the effect that in case there is any issue between us and the Chinese bank on the other end, we then go for arbitration in China. If arbitration fails, we then take it to the next level and go to Chinese courts. Uganda was bound in many respects and we were vulnerable; and

1. The waiver of international immunity for Uganda. That was also in the loan agreement contract.

The Minister of Finance, hon. Matia Kasaija, appeared before the committee and acknowledged that some terms of the loan agreement were unfavourable. He stated that in 2019, Government, through the Ministry of Finance, attempted to renegotiate the terms of the loan agreement. However, the said attempts were futile. According to the Minister of Finance, the negotiation process held in Beijing only resulted into signing a mutually agreed minute of resolutions as an output, as opposed to the amendment of the initial provisions in the agreement.

Of course, when Government discovered that there were challenges with this loan agreement, they sent teams to China to try and renegotiate, but China said that it would stick to the initial loan agreement.

The Attorney-General submitted to the committee that the contract is only fatal in the event of default by Uganda. He assured the committee that Government would do everything possible to ensure that there is no default.

Observations

1. The loan terms referenced above were undesirable, unsustainable and a huge constraint to the country.
2. Due diligence was not carried out by the negotiators on the Government side.

Recommendations

1. The Minister of Finance, Planning and Economic Development, Hon. Matia Kasaija, should be cautioned and should apologise to the Nation for his role in this unfavourable loan agreement.
2. Due diligence on loan financing terms should always be made prior to signing loan agreements by the Government to avoid fatal clauses which become a liability to the taxpayer and to the country.

Madam Speaker and honourable members, we are saying we want action taken now. We are also saying for posterity, can we make sure we cross every “t” and dot every “i”? Otherwise, we keep doing post-mortem and recommending things such as “fire this one, relieve this one of their duty and prosecute this one”, but after the taxpayer has already lost money. We are saying we even want to avoid getting there in future.

Modification of the passenger terminal building at the Entebbe International Airport

The committee was informed that UCAA is undertaking implementation of the National Civil Aviation Master Plan that was launched in 2015. All these details are captured. With your permission, Madam Speaker, I will try to move ahead because I see my time is running out.

I will get to the bottom issue, where there were design reviews that eventually led to re-scoping. There was a new design, which would increase the cost by Shs 6.4 billion from Shs 42.6 billion to Shs 49 billion.

Observations

1. Fault in procurement of the contractor

The committee observed that the Evaluation Committee did not carry out due diligence in declaring Seyani Brothers as the best evaluated bidder for this particular element of the contract. The latter did not submit a qualified surveyor for the project as required in the standard bidding document. Further, there was no evidence that a qualified surveyor was used in the project implementation as well as the required staff and equipment. This deviation was material in the procurement process.

The committee also observed that undue favour was extended to the bidder as the contract was awarded without proof of a qualified surveyor and this reflected weak internal controls.

1. Separation of domestic and international terminals

The committee observed that Parliament at the time of loan approval recommended that separate terminals be built for international and domestic traffic, according to the UCAA Master Plan. However, during implementation, the above recommendation was ignored and instead only one building was constructed combining domestic and international terminals.

1. Provisions for PWDs at departure drop off road

The committee observed - Madam Speaker, this is when we made a visit to the airport to check out the works. The committee observed that the departure drop-off road did not have a ramp to ease the accessibility of Persons with Disabilities and also the rooms reserved for health checks were too small.

Madam Speaker, we have two Persons with Disabilities on our committee and they could not access the building at that point, and yet, it is a drop-off area. We found it odd that in this day and era, a new building could be put up and it does not have those provisions.

Recommendations

1. We recommended that the departure drop-off road be redesigned with a ramp to ease accessibility for persons with disability (PWD) and accessibility to the health port to be improved. Colleagues usually remind us that every one of us is a candidate to be a PWD. So, it is important that this gets to be addressed.

2. UCAA should ensure that for future projects, all stakeholders are consulted and comprehensive needs assessment undertaken at planning and tendering stage to avoid variations.

Rental arrears at Entebbe International Airport

The committee noted that Government entities were in rental areas of over Shs 102 billion and some of these arrears relate to outstanding debts dating back to 2006. The details are indicated on pages 12 and 13 of the report.

At the time of the inquiry, the following Government entities had signed tenancy agreements with Uganda Civil Aviation Authority – for clarity, these ministries and entities rent space at the airport, but they are not paying:

1. Minister of Defence and Veteran Affairs;
2. State House;
3. Uganda Revenue Authority;
4. Uganda Air Cargo;
5. Ministry of Foreign Affairs.

The following entities had not signed tenancy agreements with UCAA. There are two categories, Madam Speaker: those that have signed contracts with UCAA to use their rental space and are not paying and those that have actually refused to sign tenancy agreements, but are occupying the premises and not even paying.

Those that have not signed tenancy agreements include:

1. Ministry of Internal Affairs (Uganda Police Force and the Directorate of Citizenship and Immigration);
2. Internal Security Organisation (ISO);
3. External Security Organisation (ESO);
4. National Meteorological Authority.

Observations

Like I have said, some Government entities are not paying rent for the spaces they occupy despite signing tenancy agreements. Some are renting space and have not signed the tenancy agreements, yet UCAA incurs costs to run this place – utilities, etcetera.

Recommendations

Government entities occupying premises at the airport should pay all outstanding rental arrears. We believe there should be no excuse for a Government entity to occupy space and not pay rent. Government workers pay taxes. They cannot tell you that as URA, we are working for Government and, so, we shall not pay taxes.

**THE DEPUTY SPEAKER:** When you say “some Government entities”, I expect you to name the Government entities.

**MR SSENYONYI:** I have just listed them, Madam Speaker. I have actually listed two categories – those that have signed the tenancy agreements, but are not paying and those that have not signed the tenancy agreements.

I can repeat, with your permission. Those that have signed tenancy agreements, but are not paying are:

1. Minister of Defence and Veteran Affairs;
2. State House;
3. Uganda Revenue Authority;
4. Uganda Air Cargo;
5. Ministry of Foreign Affairs.

Then, there are those who have refused to sign tenancy agreements, and resultantly, are not paying. They are:

1. Ministry of Internal Affairs (Uganda Police Force and the Directorate of Citizenship and Immigration);
2. Internal Security Organisation;
3. External Security Organisation;
4. National Meteorological Authority.

Recommendations

1. We are recommending that these Government entities should pay and we will require a report, as Parliament, on this particular subject matter. The excuse that all of them are Government does not make the cut.
2. Management of UCAA should come up with a policy to guide its business with Government entities and draw up a recovery plan for these debts.
3. UCAA should endeavour to sign tenancy agreements with the Government entities that have not signed.

We are telling UCAA not to sleep on the job – you are the owners of the premises and there should be no excuse whatsoever for somebody to occupy your premises when they are not paying rent, yet ultimately, you get back to the taxpayer and say “please, give us more money for this, that and the other” which you would be getting from recovery of money from rent.

Arua Aerodrome

Madam Speaker, we visited Arua Aerodrome. When you look at pages 14 and 15 of the report, we have captured a couple of issues there.

We have several aerodromes in our country, but we specifically visited Arua. It is the biggest of them all.

We observed that, just like Arua, most of the aerodromes in the country are faced with a number of challenges, which include lack of adequate land for expansion and upgrade and issues of land compensation.

Recommendations

1. The Government should avail funding and prioritise the renovation and upgrade of all aerodromes in the country in order to make them economically viable as a matter of urgency.

2. The aerodrome in Arua should be developed into an international airport, considering that it serves as a hub for passengers from South Sudan and the Democratic Republic of Congo. Therefore, we should be able to tap that traffic.

3. The process of land compensation should be expedited in order to cater for expansion of the affected aerodromes.

Procurement of furniture and construction of the perimeter wall

There is another issue, Madam Speaker, of procurement of furniture and construction of the perimeter wall. We discovered that furniture had been procured - I am trying to run through that. We were told that each seat and trolley cost Shs 2.4 million and the perimeter wall fence cost Shs 687 million.

We were very concerned, as a committee, that there seems to be no regard for taxpayers’ money by UCAA in that particular aspect.

We noticed that they procured M/s Eclipse/Edilsoil JVC Ltdto supply the airport lounge seats and trolleys, yet the company had been embroiled in several court matters.

We also noted that on average – what I have been breaking down; of course they showed us how they had procured all of these.

However, we told UCAA – which is part of our recommendations – that when you are poor, you do not have lunch at Serena. You find a much cheaper place where you will find equally good food. That is our concern and recommendation to the supervising ministry.

We want quality, but quality which is affordable. It is not enough to say: “You see, we did not steal any of this money. We actually procured these things.” However, you procured them expensively. We can get them cheaper elsewhere and of good quality because we do not want quality to be compromised.

Land compensation

On the question of land compensation, the committee was informed that the land near the runways belongs to private individuals. However, the land in question was due to be valued by the Government Valuer. The owners were willing to be compensated. However, the resources were not available.

We observed that because of these delays, many planned activities do not progress and projects are not completed on time since they cannot meet their financial obligations to these providers.

These delays encourage speculators, which make the land even more expensive. It is akin to the discussions we just had, Madam Speaker.

We want the Government to move quickly and compensate those that need to be compensated. The longer it takes, the more speculators come on board and this land appreciates every year. So, when we delay, we burden the taxpayer. Therefore, we are saying Government should prioritise the acquisition of this said land, through compensation, to allow for expansion of this aerodrome.

The appointment of the Director General UCAA

The UCAA board spelt out the qualifications for the person to be appointed the Director General. In an advert, it was required that the suitable candidate would be aged between 35 and 55 years.

The committee received a complaint regarding the qualifications of the Director General and the discrepancies in his age. The committee interacted with Mr Fred Bamwesigye, the Director General of UCAA. In his defence, he stated that the issue of the discrepancies in his date of birth and age is the subject of a court matter.

The committee noted that the said matter is actually in court and we could not pronounce ourselves on it, based on the *sub judice* rule. It is an ongoing matter and we were advised by our legal team to, for now, stay away from that until court determines. We hope court can deal with this matter expeditiously.

Finally, Madam Speaker, the other issues that we looked into were those that were raised by Hon. Silwany on the Floor. One of them were unpaid remittances of Shs 3.6 billion to the National Social Security Fund (NSSF). The committee learnt that UCAA has unpaid NSSF arrears for its staff to the tune of Shs 3.6 billion. We thought this was unacceptable, and in our observations:

1. We noted that there was a breach of statutory obligation by failing to remit NSSF deductions.

2. The UCAA workers are missing out on interest paid out annually by NSSF because there is an annual interest. If your money is not deposited there, you miss out on that interest inevitably.

3. There was no communication with the NSSF because sometimes, we encourage these entities; if you are having challenges, engage with NSSF because by law, NSSF is going to levy a penalty against you. So, who suffers at the end of the day? It is the taxpayer.

That is why we are recommending that:

1. UCAA should pay the NSSF remittance arrears together with the accrued interest thereof for the sake of the workers. We are saying you should have deposited this money, but you did not, so, the workers have lost out on interest; now, deposit it with the interest.

2. UCAA reports on the progress of the implementation of the committee recommendation on this matter within three months from the adoption of this report.

The second last issue was management of the toll gate. There were concerns about the collection of money. Witnesses said that some of the money that is collected is not taken to the till of the UCAA.

We interrogated this matter and we realised that it required some kind of forensic understanding. As a committee, we could not determine it by sitting in our committee or even visiting the premises.

Therefore, the committee has referred this matter to the Office of the Auditor-General to carry out a special audit and report back within three months from the adoption of this report. We think that there should be a lot more digging and auditing because it is mostly an audit issue to establish how all this is happening.

The other issue was payment of allowances. There were accumulated payments for leave of the staff of UCAA and these were in arrears of eight months. These were the challenges because people have got to be paid or otherwise – UCAA eventually provided vouchers indicating that eventually, they paid this money. Now, our recommendation on this matter is that UCAA management should ensure that the staff members take their leave within the calendar year, thereby deterring their staff from having accumulated leave. This is for both staff and management because all of them are employees.

So, what happens is that people will not take leave and then, they will demand to be paid at the end of it all, and it is problematic. We are saying, people should take leave; one to rest and get reinvigorated, but also, that they do not become a burden to the taxpayer.

Conclusion

The committee notes that Uganda Civil Aviation Authority has got great potential to perform better in its operations. It is, therefore, the opinion of the committee that the recommendations herein be acted upon within three months from the adoption of this report, to enable this entity serve our country better and get to its maximum potential. We are saying there is potential, but there are challenges that have got to be dealt with.

One quick remark as I wrap up, Madam Speaker. I would like to appreciate members of my committee that put in a lot of time and effort, to make sure we have this report and another one of URC, which, as you guided, we shall present tomorrow.

Madam Speaker, we request that:

1. The rules of this House were amended in the previous Parliament and our scope of work as a committee was narrowed because in the previous rules, it was broad. We would inquire into the management, performance of entities and so on. Rule 181 restricts us to audited accounts, which is problematic. There are many other things we want to look into.

So, we have a window in rule 181(c); it says COSASE, yours is audited reports of the Auditor-General. The window we have in rule 159(c) to assess activities of these entities, again, is neither here nor there. That is why we request that this House enables us to be able to cast our net wider and inquire into the performance management of all these different issues for the sake of the taxpayer. It is our prayer that the committee report be adopted. I thank you, and I beg to move.

**THE DEPUTY SPEAKER:** Thank you. But in your title, you said you inquired on the performance. So, there is some kind of contradiction on the operations of UCAA. When you talk of an operation of an entity, you are talking about the performance; the revenues and governance and all those kinds of things. So, it covers all that. So, there is a difference between your title vis-a-vis what is in the report.

**MR SSENYONYI:** I take your guidance, Madam Speaker. That is why we are saying, can there be clarity so that it is not grey?

Also, the other issue that we struggled with, Madam Speaker – and we kept in touch with you - was the challenge of time. We had two and a half months, then we went into recess. When we got back, the whole of January, standing committees were on halt because sectoral committees were dealing with the Budget Framework Paper and yet, you also required us to finish early because the Auditor-General had submitted the other report.

So, we decided to restrict ourselves to some particular elements within this entity. Otherwise, we would need about two years. However, I certainly take your guidance, Madam Speaker.

**MR NANDALA-MAFABI:** Madam Speaker, thank you very much. Thank you, chairperson of the committee, for the report. The Auditor-General’s report is basically performance; both financial and nonfinancial. For a committee to come here and say, we only looked at maybe financial and left out nonfinancial, which deals with human resource, that is tough. How you have used the assets to generate - I think we have run out of the whole thing.

Madam Speaker, from this, I think the committee left out the juicy part. What was the scope of the investigation? The scope of the investigation is that there was mismanagement; and who mismanaged? The people who were in UCAA. Now, it has left out the US$ 200 million. What was the purpose of US$ 200 million? You should come up and clarify that the US$ 200 million, which was there, was supposed to do A, B, C and D. Was it done? No. If I can look at here, the US$ 200 million is under the carpet; I do not see it coming out.

Here there is nothing to implement; the NSSF is an obligation well known to be paid. We were looking at what was supposed to be got out of US$ 200 million. What was the management part in that institution? And for me, Madam Speaker, if you do not Members *–(Interruption)*

**MR SSENYONYI:** Thank you, Hon. Nandala-Mafabi, for allowing this information. Two things, Madam Speaker, this project is still being implemented and quite a bit of the money has not been utilised yet.

I am hoping that at the end, when they eventually handover the project to Ministry of Works and Transport, then there will be a proper audit of all the US$ 200 million.

However, we said we are still concerned about the agreement that gave us this US$ 200 million, which is problematic. So, while we wait for the project to be completed so that we can do a thorough audit of this US$ 200 million, has it been properly utilised? As we wait for that, in the meantime, we are saying, there is an issue with how this money got to be acquired.

Also, just to remind Hon. Nandala-Mafabi, Madam Speaker, we had a challenge at the start of this Parliament. We could not operate as COSASE and other accountability committees because of a motion that was moved by Hon. Nathan Nandala-Mafabi in the previous Parliament adopting all the Auditor-General’s reports.

His motion was saying that our work could only start this year. So, we were meant to be idle all through, according to hon. Nandala-Mafabi’s motion. We thought it was not in good faith, but thank God we found a window within the rules to be able to do this little work. Little as it is, at least, we have been able to say that we are not going to be idle. We have got some work to do. Let us be able to do it.

**MR NANDALA-MAFABI:** Thank you, very much, Madam Speaker. I would like to thank the chair for saying that.

Yes, the motion was to adopt the Auditor-General’s report and that is the recommendation which must be implemented. You are free to look at the memorandum.

Having said that, you have tried to answer, but you have not completed. There is what we call certification – actuarial certificate – even if it is one million dollars which has been spent it must be shown as it has been done. We are not looking for the entire amount of money. You are talking of procurement processes – the PPDA has not been looked at.

For me, Madam Speaker, if you allowed –

**THE DEPUTY SPEAKER:** Honourable members, what is the problem? I had said that they present the report and then, we debate it tomorrow. There was just a procedural matter, which was being raised by hon. Nandala, which I think we shall continue with tomorrow. We shall look at the report in totality.

We are not fault-finding, but we are here to help each other. There are mistakes that are there and they must be corrected in the subsequent report. That is what we are saying. This is your first report. The next report will be better. It came to my mind as soon as you started presenting. I was wondering what the scope of this report was, but I accepted it as it is. We are saying that we will grow and become better. We will have good reports. We will debate the reports tomorrow.

Members, we are debating the report tomorrow. The House is adjourned to tomorrow at 2.00 p.m.

*(The House rose at 6.39 p.m. and adjourned to Thursday, 10 March 2022 at 2.00 p.m.)*