

BILLS SUPPLEMENT

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Bill No. 3 *Government Treasury Securities Bill* 2003

THE GOVERNMENT TREASURY SECURITIES BILL, 2003.

MEMORANDUM.

The object of this Bill is to amend the law relating to Treasury bills to introduce a new class of Security, the Treasury Bond. The Bill also empowers the Minister to issue other Government Treasury Securities. Currently, the only Treasury Securities issued by Government are Treasury Bills.

The Bill repeals the Treasury Bills Act, 1969.

GERALD M. SSENDAULA,
Minister of Finance, Planning and Economic Development.

THE GOVERNMENT TREASURY SECURITIES BILL, 2003.

ARRANGEMENT OF CLAUSES.

Clause.

1. Short title.
2. Interpretation.
3. Issue of Government Treasury Securities.
4. Proceeds from issue of Government Treasury Securities.
5. Principal moneys and interest charged upon Consolidated Fund.
6. Value of Securities when payable.
7. Rules.
8. Appointment of Bank of Uganda.
9. Repayment of Government Treasury Securities.
10. Repeal of Act No. 33 of 1969.

A Bill for an Act

Entitled

**THE GOVERNMENT TREASURY SECURITIES ACT,
2003.**

An Act to provide for Government Treasury Securities.

BE IT ENACTED by Parliament as follows—

1. This Act may be cited as the Government Treasury Securities Act, 2003. Short title.

2. In this Act, unless the context otherwise requires— Inter-
pretation.

“Minister” means the Minister responsible for finance;

“Government Treasury Security” includes Treasury Bills, Treasury Bonds and any other security prescribed by the Minister under section 3.

3. Notwithstanding section 23 of the Public Finance Act, the Minister may borrow, by the issue in Uganda of Government Treasury Securities, or by such other instruments as the Minister may prescribe. Issue of
Government
Treasury
Securities.
Cap. 149.

Proceeds
from issue
of
Government
Treasury
Securities.

4. The proceeds from the issue of Government Treasury Securities shall be paid into the Consolidated Fund.

Principal
moneys and
interest
charged
upon
Consolidated
Fund.

5. The principal moneys represented by the Government Treasury Securities issued under this Act, and any interest on the principal monies, are charged on and shall be paid out of the Consolidated Fund.

Value of
Securities
when
payable.
Cap. 149.

6. Notwithstanding section 23(3) of the Public Finance Act, every Government Treasury Security issued under this Act shall be for a sum of one hundred thousand shillings or a multiple of one hundred thousand shillings, and shall be paid at *par* at such time or times as the Minister shall, before issuing the Government Treasury Security, fix and determine.

Rules.

7. The Minister may make regulations providing for—

- (a) the form in which Government Treasury Securities shall be issued;
- (b) the method by which Government Treasury Securities shall be issued;
- (c) the terms upon which Government Treasury Securities shall be issued;
- (d) discount purposes; and
- (e) any other matter necessary for the management of the borrowing under this Act.

Appoint-
ment of
Bank of
Uganda.

8. The Minister may appoint the Bank of Uganda as agent for any of the purposes of this Act.

Repayment
of
Government
Treasury
Securities.

9. (1) The principal moneys represented by the Government Treasury Securities issued under this Act and any interest on the principal monies shall be repaid by the Bank of Uganda out of monies issued from the Consolidated Fund.

(2) Upon repayment of the principal moneys and interest under subsection (1), the Bank shall cancel the Government Treasury Securities.

10. (1) The Treasury Bills Act, 1969 is repealed.

Repeal of
Act No. 33
of 1969.

(2) Any Treasury Bills issued under the Treasury Bills Act, 1969 repealed by subsection (1) shall be deemed to have been validity issued under this Act.