**Wednesday, 16 July 2014**

*Parliament met at 3.01 p.m. in Parliament House, Kampala.*

PRAYERS

*(The Speaker, Ms Rebecca Kadaga, in the Chair.)*

*The House was called to order*.

COMMUNICATION FROM THE CHAIR

**THE SPEAKER:** Hon. Members, I welcome you to this afternoon’s sitting. In the Public Gallery, we have the students’ guild of Kampala Branch Comprehensive Institute from Kampala Central represented by hon. Nsereko and hon. Naggayi.

Secondly, last Thursday, a complaint was raised here relating to the issues in the NSSF and I had said I would come back to you this week. However, in order to determine the scope, the contents and the format of the investigation, I want to invite the Minister for Finance to come to brief the House tomorrow on those allegations so that we can determine how much we need to investigate because it involves the delays in making an appointment, it involves purchase of shares in Umeme. So, we would want to hear from you before we move because it would help us determine how long or when. So, tomorrow, please, come and speak to us.

3.05

**THE MINISTER OF STATE FOR FINANCE (PLANNING) (Mr Matia Kasaija):** Madam Speaker, we also have been preparing to come to this House and put the story as best as we know it. So, we shall come tomorrow.

**THE SPEAKER:** Hon. Members, your meeting is on tomorrow - isn’t it? The minister has invited Members for a meeting in the morning. There are two meetings tomorrow in the morning; the Minister of Finance would like to consult Members on one of his Bills and then, the Parliamentarians for Global Action will also have a meeting. So, we will have those meetings in the morning but we have to sit in the afternoon for the plenary.

So, please attend.

**MR MATIA KASAIJA:** Madam Speaker, the Ministry of Finance has invited experts from South Africa and Kenya. I happen to have had a meeting with them in Johannesburg about a month ago. They are coming to speak to the whole Parliament of Uganda not here but in the Conference Hall. They are coming to answer all the concerns that you have expressed on the biotechnology and biosafety law. (*Interjections)* Madam Speaker can I be protected?

**THE SPEAKER:** Yes, you are protected.

**MR MATIA KASAIJA:** Come and see and listen, you can argue. We need this information so that you can take an informed decision. Thank you, Madam Speaker.

So, tomorrow, at 10 a.m. in the Conference Hall is where we shall be with these experts. I am inviting all of you because we needed this law yesterday.

**THE SPEAKER:** Hon. Members, as you recall, we adjourned the debate on that matter for consultation. Tomorrow is also part of the consultations. So, please, go and listen. If you do not like it, it is okay but go and listen.

I also wanted to give directions for the auditing of the classified expenditure. As you are aware, under the National Audit Act, 2008 and the Public Finance and Accountability Classified Expenditure Regulations, 2003, we do not have sufficient room to consider the audited accounts under classified expenditure. However, within the Commonwealth, there are practices, which I have decided to borrow from and also to invoke Rule 8 of our Rules of Procedure together with Article 94(1) of our Constitution, to give the following guidelines, which I think should be followed until our rules committee formulates rules for the study of the audited accounts of classified expenditure. So:

*“On receiving the audited accounts from the Auditor-General, the Speaker shall constitute a classified expenditure sub-committee composed of the Chairperson of the Public Accounts Committee, two Members of Parliament from among the members of the Public Accounts Committee of Parliament to receive the audited reports on the classified expenditure.*

*The functions of that sub-committee shall be to examine the report of the Auditor-General on that expenditure and in carrying out its function, that sub-committee may interact with any person adversely mentioned in the audit report.*

*The Clerk shall be required to designate an officer in the Parliamentary Service to be the committee clerk responsible for the classified expenditure sub-committee and ensure that that officer designated has the necessary professional qualifications and technical competence commensurate with the work of the classified expenditure sub-committee.*

*That officer designated shall be vetted by an authority designated by the Minister responsible for Security and shall be subject to strict confidentiality regulations applicable to persons with access to confidential information relating to national security interests.*

*In the exercise of its functions, the Rules of Procedure shall not apply to classified expenditure except where expressly stated.*

*Where there is any doubt and for any question of procedure not provided for in these guidelines, the sub-committee shall seek guidance from the Speaker.*

*The proceedings of the classified expenditure sub-committee shall be held in a closed session. That sub-committee shall prepare a report and may write recommendations of their findings, which shall be submitted only to the Speaker for onward transmission to the President. The report prepared by the classified expenditure sub-committee shall remain confidential. All documents used or produced by the classified expenditure sub-committee, including the audited reports of classified expenditure from the Auditor-General, shall be forwarded to the Speaker and shall not be published.*

*The classified expenditure sub-committee shall, with the direction of the Speaker, prepare and present an annual report to Parliament. The annual report of the classified expenditure sub-committee shall indicate:*

1. *That the Auditor-General has reported on classified expenditure vote in compliance with the law applicable.*
2. *That the classified expenditure sub-committee was constituted by the Speaker in line with these guidelines.*
3. *Classified expenditure sub-committee considered and examined the report for the Auditor-General on classified expenditure of the different votes. It shall also indicate the entities covered in the Auditor-General’s report.”*

As I said, these shall be the standard guidelines until the rules committee of this House prescribes other rules relating to classified expenditure. So, I have, in my possession, a number of audit reports; I will constitute the committee and inform you tomorrow. Thank you very much.

3.12

**PROF. ATWOOKI KASIRIVU (NRM, Bugangaizi County West, Kibaale):** Thank you, Madam Speaker. I would like to raise a matter of national importance. About a week ago, this House was informed that there are some Ugandans who have remained in detention in serious detention centres. That time, we were told some are in China.

Madam Speaker, we requested Government to take interest in finding ways of rescuing these Ugandans. This morning, a parent called me and raised another problem that he was experiencing. Last year, some students in India organised themselves to welcome new students. They sought police permission, which they were granted. However, in the course of their party, they over-shot the time they were told to stop and so, police stormed the venue and there was an exchange of words. They took off but police looked for the leaders, arrested and imprisoned them. Now, the leaders are paying on behalf of their colleagues. However, these leaders have completed their courses but they cannot come back because they have a case to answer on behalf of their colleagues.

I would request that Government intervenes in rescuing these students. It is not only the individuals because police cannot pinpoint those who exchanged words with them but because they were leaders of other students, they are suffering.

Can I request, Madam Speaker, for Government to intervene so that they rescue these students and they come back home? They completed their courses.

**THE SPEAKER:** Prime Minister, what do we do about Ugandans getting into trouble here and there?

3.14

**THE PRIME MINISTER AND LEADER OF GOVERNMENT BUSINESS (Mr Amama Mbabazi):** Madam Speaker, I was not aware of that particular case in India but I will be happy to instruct the Ministry for Foreign Affairs to take the particulars of that case and follow it up. This is because all Ugandans, wherever they are and whatever their status in foreign countries, are entitled to consular services of the Republic of Uganda. Therefore, those in India, China and elsewhere, even if they are in trouble with the law locally, are entitled to receive consular services of this government.

Thank you.

**MR OKUPA:** Madam Speaker, I do not know whether it would not be procedurally right for the Prime Minister to answer under Rule 34 since today is Wednesday and it is the Prime Minister’s question time. Last week, we waited but he was nowhere to be seen to answer questions.

**THE SPEAKER:** No, he was here but I did not put him on the order paper. For those who have issues, we are coming to question time. Let us move to the next item. I think there was laying of papers.

BILLS

FIRST READING

THE FINANCE BILL, 2014

3.16

**THE MINISTER OF STATE FOR FINANCE (PLANNING) (Mr Matia Kasaija):** Madam Speaker, before I move the motion, may I seek your indulgence, first for all, to apologise for the mess that took place yesterday. That mess arose from the fact that what was printed on the order paper was not in consonance with the Bills that we were bringing. That is what caused the confusion.

On that score, I beg to move that the Bill entitled, “The Finance Bill, 2014” be read for the first time. (*Ms Kasule Lumumba rose\_)*

**THE SPEAKER:** The certificate of financial implications? It was seconded by the Government Chief Whip.

**MR MATIA KASAIJA:** I wish to lay the certificate of financial implications for this Bill.

**THE SPEAKER:** It is sent to the Committee on Finance for perusal and report back.

LAYING OF PAPERS

MINISTERIAL POLICY STATEMENT FOR FINANCIAL YEAR 2014/2015 FOR MINISTRY FOR EAST AFRICAN COMMUNITY AFFAIRS

3.18

**THE MINISTER, OFFICE OF THE PRIME MINISTER (GENERAL DUTIES) (Prof. Tarsis Kabwegyere):** Madam Speaker, I beg to lay on Table the policy statement for the Ministry for East African Community Affairs for the financial year 2014/2015. Thank you.

**THE SPEAKER:** Hon. Members, it is sent to the appropriate committee for perusal and report back. Ministry of Justice, is there no Minister of Justice? Ministry of Finance.

3.19

**THE MINISTER OF STATE FOR FINANCE (PLANNING) (Mr Matia Kasaija):** Madam Speaker, I would like to lay the Stamps Duty (Amendment of Schedules) Instrument, 2014. I beg to lay.

**THE SPEAKER:** So, the committee will study it and let us know what they think.

As Commissioner Akol comes, hon. Members, please, join me in welcoming pupils of Mother Manjeri Day and Boarding Primary School. Please, stand up. They are represented by hon. Ssemujju and hon. Sseninde. You are all welcome.

3.21

**MS ROSE AKOL (NRM, Woman Representative, Bukedea):** Madam Speaker, in accordance with the relevant rule in our Rules of Procedure, I beg to lay on Table, financial statements for the year ended 30 June 2012 together with the report and opinion of the Auditor-General for the following District Local Governments:

1. Kisoro District Local Government
2. Kanungu District Local Government
3. Bushenyi District Local Government
4. Kibaale District Local Government
5. Ntungamo District Local Government
6. Kyegegwa District Local Government
7. Bundibugyo District Local Government
8. Buikwe District Local Government
9. Kamwenge District Local Government
10. Nakaseke District Local Government
11. Butambala District Local Government
12. Kitgum District Local Government
13. Apac District Local Government
14. Pader District Local Government
15. Oyam District Local Government
16. Kole District Local Government
17. Buvuma District Local Government
18. Mukono District Local Government
19. Agago District Local Government
20. Gomba District Local Government
21. Moyo District Local Government
22. Rakai District Local Government
23. Serere District Local Government
24. Mityana District Local Government
25. Yumbe District Local Government
26. Kaabong District Local Government
27. Adjumani District Local Government
28. Kaberamaido District Local Government
29. Yumbe District Local Government
30. Rakai District Local Government
31. Nebbi District Local Government
32. Oyam District Local Government
33. Kasese District Local Government (Poverty Reduction Programme)
34. Oyam District Local Government (Reproductive Health Population and Development, Gender under UNFPA funded projects).

I beg to lay.

Madam Speaker, I beg to lay on Table financial statements for the year ended 30 June 2012 together with the report and opinion thereon by the Auditor-General for the following sub-counties:

1. Ciforo Sub-County – Adjumani District,
2. Adropi Sub-County - Adjumani District,
3. Otuboi Sub-County - Kaberamaido District,
4. Kaberamaido Sub-County – Kaberamaido District
5. Ochero Sub-County – Kaberamaido District
6. Anyara Sub-County – Kaberamaido District
7. Awere Sub-County – Pader District
8. Buikwe Sub-County – Buikwe District
9. Wakisi Sub-County – Buikwe District
10. Parabongo Sub-County – Agago District
11. Panyango Sub-County – Nebbi District
12. Erussi Sub-County – Nebbi District
13. Kagamba Sub-County – Rakai District
14. Kakuuto Sub-County – Rakai District
15. Kacheera Sub-County – Rakai District
16. Byakabanda Sub-County – Rakai District
17. Kibanda Sub-County – Rakai District
18. Lwankoni Sub-County – Rakai District
19. Kirumba Sub-County – Rakai District
20. Ddwaniro Sub-County – Rakai District
21. Kyebe Sub-County – Rakai District
22. Kilak Sub-County – Pader District
23. Laguti Sub-County - Pader District
24. Busimbi Sub-County – Mityana District
25. Ssekanyonyi Sub-County – Mityana District
26. Dragini Sub-County – Yumbe District
27. Romogi Sub-County – Yumbe District
28. Midigo Sub-County – Yumbe District
29. Kuru Sub-County – Yumbe District
30. Kei Sub-County – Yumbe District – this is Kuru and this is Kei –

**THE SPEAKER:** It is Kuru and Kei.

**MS AKOL:** I have two for Kuru and I do not know what happened. There is Kei Sub-County and Kuru is twice but will lay both of them. That is for Yumbe.

lxv) Panyimur Sub-County – Nebbi District

lxvi) Arinyapi Sub-County – Adjumani District

lxvii) Dzaipi Sub-County – Adjumani District

lxviii) Alwa Sub-County – Kaberamaido District

lxix) Ofua Sub-County – Adjumani District

lxx) Kalaki Sub-County – Kaberamaido District.

I beg to lay, Madam Speaker.

**THE SPEAKER:** Thank you very much. All these are sent to the Committee on Local Government Accounts for perusal and report back.

The Land Fund Regulation

3.29

**THE MINISTER OF LANDS, HOUSING AND URBAN DEVELOPMENT (Mr Daudi Migereko):** Madam Speaker, I would like to lay on Table the Land Fund Regulations, 2014 in line with the Land Act, Section 93 (1) and Section 41.

I beg to lay on Table.

The National Land Policy

3.30

**THE MINISTER OF LANDS, HOUSING AND URBAN DEVELOPMENT (Mr Daudi Migereko):** Madam Speaker, I would like to lay on Table the Uganda Land Policy, 2013 as passed by Cabinet and gazetted. I beg to lay.

**THE SPEAKER:** Hon. Members, those are now available for the use of the House.

**MR EKANYA:** Madam Speaker, I seek your indulgence regarding subsidiary legislation, especially on this matter of land. How do you think we need to handle it? Our rule is not very clear and it leaves the prerogative to you regarding subsidiary legislation.

**THE SPEAKER:** I think if it is not clear, let our Rules committee look at it.

Inspectorate of Government

3.31

**THE MINISTER OF COMMUNICATION AND INFORMATION TECHNOLOGY (Mr John Nasasira):** Madam Speaker, in accordance with section 6(1) of the Budget Act, 2001, I wish to lay on Table the Inspectorate of Government Policy Statement, vote 103 for financial year 2014/2015.

**THE SPEAKER:** Hon. Members, it is sent to the committee for perusal and report back. Thank you very much.

Hon. Members, we now go to item five, Prime Minister’s Question time. We have 45 minutes.

**MR ODONGA OTTO:** Madam Speaker, I rise to seek guidance from you on whether we shall have the Speaker and Deputy Speaker’s question time because there has been some communication, which has been coming from the Deputy Speaker’s Office, which is very damaging to this institution. We wanted to know whether we could get an opportune moment to have these issues handled conclusively on the Floor of this House. *(Laughter)*

**THE SPEAKER:** Hon. Members, the conduct of the Speaker or the Deputy Speaker is well catered for in the Rules. You move a substantive motion and we debate it.  *(Laughter)*

PRIME MINISTER’S QUESTION TIME

3.33

**MR MATHIUS BIREKERAAWO (DP, Bukoto County South, Lwengo):** Thank you, Madam Speaker. I would like to ask a question to the Prime Minister. On the 5th of this month, at Karugutu Trading Centre, in Bundibugyo, the Chairman of the Democratic Party, Mr Misairi Mukwenda, was arrested at about 6 p.m. from his house. Yesterday, Mr Mukwenda was brought to the court martial. Mr Mukwenda is a civilian who was not arrested with any gun or weapon. I would like the Prime Minister to tell the country why civilians, who are not caught in action – there are very many others - in fact, they arrested 131 civilians without even a gun with them.

Can the Prime Minister tell this country, whether a civilian - because of political or tribal differences can be brought to court martial when they are not arrested with a gun?

3.35

**THE PRIME MINISTER AND LEADER OF GOVERNMENT BUSINESS (Mr Amama Mbabazi):** Madam Speaker, I will take it up. *(Interjections)*  When I get the full details, I will be in a position to determine whether the matter is *sub judice* and therefore, I cannot comment on it. At the moment, I am not acquainted with the facts. I would be happy to liaise with my good friend and colleague and get those details and I will follow it up - *(Interruption)*

**MR EKANYA:** Thank you, Madam Speaker. Is it procedurally right for the Prime Minister to set on record that he will determine whether the matter is *sub judice* or not, when our rule on *sub judice* states that it is the prerogative of the Speaker to decide on that matter of *sub judice*?

**THE SPEAKER:** No, I think what he meant is that he will evaluate whether what he is going to say might be *sub judice*.

**HON. MEMBER:** What about the question of India?

**MR AMAMA MBABAZI:** I answered the question of India. But Madam Speaker, about two weeks ago, when we last had this session, there were questions that were raised, which I undertook to respond to. I did not have answers then. And as usual, I am back to answer them.

One was about a bridge connecting Kaberamaido to Soroti. It was asked by my good friend hon. Ibi Ekwau. She asked, “What plans does Government have to commence the long outstanding work on Aliyanai Bridge”.

There is no bridge at that point, but multiple culverts within this swamp at Kilometre five, along Katine in Soroti to Kaberamaido Road. Arising from the recent floods and unprecedented flows at that swamp and subsequent inspections and discussions by Ministry of Works and Transport, local leaders and Uganda National Roads Authority, it has been proposed that a bridge be installed at that swamp. This is also the proposal for Agiret along Amuria – Achoa – Usuk Road.

Efforts to identify funding for these bridges are on-going by the Ministry of Works and Transport. In the immediate term, under the eminent term maintenance contract to be signed in a few weeks from now, interim measures will be taken to ensure connectivity between Kaberamaido to Soroti through Aliyanai.

The procurement and disposal unit of UNRA is already finalising the draft contract for the Solicitor-General’s approval. In the term maintenance contract, UNRA has the following provisions:

1. Additional multiple culverts of 900 millimetre and 1,200 millimetre diameter which will be placed at that point of Aliyanai swamp.
2. The first cycle of six months targets to significantly improve on these notorious problematic spots subsequent to which the entire corridor, Katine, Kaberamaido and Ochero shall receive full scale gravelling and drainage improvement works under other cycles. The contractor is MM Construction Company Ltd. The contractors are expected on the site not later than next month, August 2014.

Hon. Bakunda Byarugaba asked about delayed work on Katanga-Kisharira-Nyabushenyi Road. Three years, he said, Government under the CAIIP identified Katanga-Kisharira-Nyabushenyi Road for rehabilitation, but to-date the road has not been worked upon and has become impassable. So, he asked what Government’s plans are in addressing this problem.

I would like to respond that the Katanga-Kisharira Road is in Kikagati Sub-County in Isingiro and it is a 15-kilometre area expected to cost Shs 640 million. This community access road is under the 9,760 kilometers to be rehabilitated across the country under the Community Agricultural Infrastructure Improvement Programme (CAIIP). The CAIIP project became effective on 22 February 2012 and will close on 31 December 2016.

The first call for bidders was done on 7 March 2013 but not all the bidders were responsive and were rejected. The second advert inviting bidders was done on 2 May 2014 and evaluation is still on-going. Contract signing is expected to be done on 7 August 2014 and the rehabilitation will be concluded by 7 March 2015.

The delay was mainly as a result of the absence of successful bidders in the first call for bids – (*Members rose on procedure\_)*

**THE SPEAKER:** Hon. Members, this is not a statement. Last week, there were Members who asked some issues that were not answered – yes, the Members asked because they wanted to know. So, you want those who did not get the answers to forget? Is that what you are suggesting?

**MR AMAMA MBABAZI:** The third question was about the control of proliferation of small arms – *(Interruption)*

**MR KEN-LUKYAMUZI:** Madam Speaker, I am standing on a point of procedure in regard to the Prime Minister’s question time, which is adopted from the Commonwealth. In terms of procedure, if the Prime Minister does not have an answer, he does not have an answer. He cannot afford to postpone the answer.

So, procedurally is he in order to forge the process.

**THE SPEAKER:** What rule is that*? (Laughter*) Prime Minister, please, continue. Hon. Members, some of you asked questions and they wanted answers. Not so?

**MR AMAMA MBABAZI:** Thank you, Madam Speaker. The fourth question was about the control of proliferation of small arms and was asked by the hon. Ekanya. He wanted to know when Government would ratify the treaty on the proliferation of small arms.

I would like to say that the Minister of Internal Affairs will submit a cabinet memorandum for cabinet decision on the ratification of the treaty on proliferation of arms. And as soon as it is done, Cabinet will ratify it and will report to Parliament.

The fifth question was about the parking charges at Mulago Hospital. It was raised by the hon. Tayebwa and he wondered how and why Mulago Hospital is charging Shs 2,000 for parking vehicles when in fact these are supposed to be free services.

My response is that parking at Mulago Hospital is not a free service. Mulago National Hospital has a contract with a service provider to provide safe and convenient parking to its clients. This is done in a parking yard outside the hospital. However, no charges are imposed for very brief parking spells in the process of dropping off and picking patients.

**HON. MEMBERS:** No!

**MR AMAMA MBABAZI:** This arrangement was put in place by the hospital management to stem from the hitherto rampant vandalising and stealing of cars at Mulago Hospital.

The other question was about Epilepsy in Bujenje Constituency and it was asked by the hon. Kabakumba Masiko. She wanted to know if the Prime Minister was aware that the problem of Epilepsy in Bujenje is on the rise and what government policy is on tackling the disease.

As Members may recollect, the hon. Kabakumba Matsiko started raising this issue way back in 2012. The Ministry of Health is aware of the problem of Epilepsy in Bujenje and officials have visited the area on numerous occasions and the minister himself to assess the situation. A recent assessment resulted into an increased supply of the relevant medicines to the area. This has been done across that belt that is prone to Epilepsy and even the nodding syndrome; Bujenje is in that corridor.

The Ministry of Health has not received further complaints from the district health officer on the question of Epilepsy in Bujenje. Government will, therefore, continue the requisite health care within the existing health sector Epilepsy management plans and the mental health care programme.

The next question was about disparity in charges levied by Government in hospitals. And this was raised by the hon. Dr Medard Bitekyerezo upon which he said that Mulago charges about Shs 120,000 for a CT scan yet Mbarara Hospital charges Shs 250,000 for the same. So, why is there a disparity in charges levied in Government facilities for the same service?

My response is that according to the management of Mulago Hospital, the disparity depends on how the two different hospitals acquired those CT scan machines and how they plan to maintain them given the different priorities and constraints of the two hospitals. It should be noted that the budget for Mulago Hospital is higher than that of Mbarara Hospital and also Mulago being the National Referral Hospital, it enjoys certain economies of scale. I would encourage the hon. Dr Medard Bitekyerezo to interact with the respective hospital administrations to get the faster appreciation of the reasons for this disparity.

Government, as you know, allows a measure of charges by hospitals for specialised services. The charges cannot always be the same given the dynamics in the market.

I have one more question, Madam Speaker, for which I did not get a clear answer. That question was from the hon. Mariam Nalubega about the construction of the 88 –*(Interjections)*– So, I will come back to this next week. Thank you. (*Members rose\_)*

**THE SPEAKER:** Hon. Santa Alum. Those of you who had an opportunity last week, allow other Members – you cannot be asking questions every week. Let us share the opportunities. Do not negotiate with the Speaker*. (Laughter*)

3.49

**MS SANTA ALUM (UPC, Woman Representative, Oyam):** Thank you very much, Madam Speaker. Some time back, the Rift Valley Railway was flagged off. There has also been bush clearing of the railway line going on for quite some time. But now, people are asking that since bush clearing started on the Northern Corridor of the Railway line from Tororo to Pakwach, when will this railway line begin operating?

**MR AMAMA MBABAZI:** It is true work is on-going, clearing the bushes. Now, they are doing some extra work on Apac Bridge and as soon as all this work has been completed, the rail will begin to move.

3.51

**MR KEZEKIA MBOGO (Independent, Budaka County, Budaka):** Thank you very much, Madam Speaker. My question goes to the Prime Minister. I would like the Prime Minister to assure the country. I am aware the term for primary and secondary schools is coming to an end but since the beginning of this term, Government has not committed itself to release the Capitation Grant for UPE and USE. When is the Government committing itself? Thank you.

**MR AMAMA MBABAZI:** Honourable colleagues, as you may have noticed, the Ministry of Finance has actually been advertising information in relation to capitation grants. There has been an issue about the authenticity of the information they got. We have information that actually there is a lot of information that requires verification.

As you know, the ministry has changed the mode of accounting. The accounting officer is supposed to sign directly to take responsibility for the demand for payment.

We have had cases where I can give you a school or two in Gulu Municipality, which are adjacent to each other and between them, they have 5,000 students.

So, this is a process, which is on-going which has, unfortunately, had the effect of delaying the conclusion of this but of course, my expectation would be that this would be concluded soon and the matter will be sorted out.

**MR EKANYA:** Madam Speaker, this matter of UPE is serious, I beg for your indulgence. The future of our children - and I also beg for the Prime Minister’s indulgence.

**THE SPEAKER:** But you cannot debate the Prime Minister’s answer.

**MR EKANYA:** I am begging for your indulgence, Madam Speaker.

**THE SPEAKER:** Why don’t you move a specific motion to debate UPE so that we give it enough time?

**MR EKANYA:** But, Madam Speaker, unless we do it tomorrow - because you see, if there is no chalk in schools since the beginning of the term, the kids are starving but no chalk, no pens, no paper. How can we sit here and the Prime Minister says that there is an investigation going on. Why don’t you send money, we have an Auditor-General, we have police, GISO. We have Government structures on the ground.

What stops Government from releasing money so that schools can buy teaching materials - this means the schools are not cooperating? We are we condemning our children? This is a very serious matter really.

So, we want to beg you, Madam Speaker, that the Prime Minister should order the Minister of Finance to release money so that schools operate as investigations continue*. (Applause)*

**MR MATIA KASAIJA:** Madam Speaker –*(Interjections*)– I will not apologise this time. In as much as we are pained that our children may not be getting the education we want them to get - mark my words, I want this question answered; do you want us to send money and it goes down the drain or you want us to send money to go and become effective? (*Members rose\_)*

**THE SPEAKER:** Hon. Members, I know the subject is important but I think we should find time for it, specifically, so that we discuss the remission of funds. Let us finish question time.

**MR MATIA KASAIJA:** Madam Speaker, in fact, that would give me relief. If it is the choice of this House that we bring the full details here tomorrow, we shall bring them.

**THE SPEAKER:** Hon. Minister, the situation is quite bad. This morning, I heard that teachers in the Kampala area are also on strike - it is big.

**MR MATIA KASAIJA:** Colleagues, can I beg your indulgence. We want to make sure that resources go for the purpose for which they have been sent - (*Interjections)* - I will need the guidance of this House on whether the Treasury would be permitted to send money even where money should not go. (*Laughter)*

Our concern –

**MS ALASO:** Madam Speaker, we are talking about Capitation Grant. That is the Shs 2,300 or even less that goes to each pupil in this country under the UPE. It is meant for buying chalk. The term started months ago; actually, we are left with two or three weeks to close the term and this money has not gone to schools. The teachers do not have a basic like chalk just to write on the chalk board. The exam season is coming; they are going to be examining children. Madam Speaker, when the honourable minister comes here and talks about bottomless pits, is he considering Uganda’s children as bottomless pits? Does he even care that these children have had a whole one term, the fact that even the amount given is too small notwithstanding - that they have had a whole one term of no proper learning coupled with issues like failure to pay the teachers’ salary?

Madam Speaker - and those children are supposed to do the same exam with children in private schools.

Is the hon. Minister, therefore, in order to come here and seek to divert this honourable House from the crisis in the education sector and the fact that our children are getting washed down the drain by the sheer negligence of his ministry to create methods of cutting risks. Is he in order to mislead this House?

**THE SPEAKER:** Hon. Minister of Finance, the other week, there was an attempt to bring the Capitation Grant under a supplementary and it was one of those things we were wondering about. How can a Capitation Grant come under a supplementary? So, I think the situation is more serious than what you are saying. Please, come tomorrow and explain why the Capitation Grant has not gone. (*Applause)* Question time.

4.00

**MR MOSES KASIBANTE (DP, Rubaga Division North, Kampala):** Thank you very much, Madam Speaker. Rt hon. Prime Minister, it has been reported over and over that non-Ugandans from Somalia, the Democratic Republic of Congo and Rwanda are flocking the country seeking to be registered in the on-going national ID registration exercise. My question is, what mechanism has the government put in place to ensure that non Ugandans especially from Rwanda, Somalia, Congo and also South Sudan do not get access to Uganda national IDs in light of the fact that LC chairpersons attach economic value to whoever seeks their recommendation? Thank you.

**MR AMAMA MBABAZI:** Well, it is clearly a challenge because as we all know, this is precisely what we are trying to cure - to identify Ugandans from others. So, the system we have in place is at various levels of identification and I think the minister has been here. If he has not, I remember we said the minister responsible for this exercise, the Minister of Internal Affairs, will come here and give a comprehensive brief to Parliament.

As someone from a border area - I come from very close to the border, hon. Kasibante –(*Interjections)–* no, Madam Speaker, that one is from outside the border. I am at the border but inside. I know that this is truly a challenge and apart from documentation, some of which may be forged, we depend on identification by the local leadership of the community. We use things like birth certificates, marriage certificates, voters cards; things like that.

It is possible that a foreigner may have these. If that happens, of course, they may get registered so it is a question for evidence and eventually even when one has been registered and you are a foreigner who was not supposed to be registered, then obviously that is a criminal offence and will be handled. My expectation is that we will not have very many people like that. I do not think so.

4.04

**MS BEATRICE MPAIRWE (NRM, Woman Representative, Buliisa):** Thank you so much, Madam Speaker. My question concerns the people of Kabale, specifically where a refinery is going to be built, most of whom have not been compensated and those who have remained are being invaded by wild animals. They cannot cultivate and their children cannot go to school. Even those who opted for the government to buy for them land and relocate them have not been considered. Can the Prime Minister tell us why this exercise is taking too long and why is it that these people are made to suffer?

**MR AMAMA MBABAZI:** I know we have had this question before and that was in respect of the adequacy of the compensation. That, I think, was sorted out. I will take up the question of payment with the relevant people and find out why they have delayed, if there are delays, and I will come back and brief Parliament. Thank you.

4.06

**MR MATHIAS KASAMBA (NRM, Kakuuto County, Rakai):** Thank you, Madam Speaker. Rt hon. Prime Minister, the Minister for Agriculture sent out a directive for agricultural extension reforms as far as NAADS is concerned. The entire extension system seems to be - there was a directive that all the district NAADS coordinators and sub-county NAADS coordinators whose contracts have elapsed and those whose contracts are still on-going should be terminated.

This has caused a lot of anxiety in the countryside. Given the fact that NAADS is by an Act of Parliament, is Government going to create a vacuum in as far as the extension system is concerned vis-à-vis the current reforms, which have caused termination of services in the NAADS extension services?

**MR AMAMA MBABAZI:** NAADS has not been dissolved because NAADS is a creation of an Act of Parliament and it can only be dissolved through the same way, obviously. However, employment of staff of NAADS is not the creation of Parliament. It is an administrative act and what we have had is an announcement that for those who have contracts, they will serve their full contracts but when they end - because we are thinking of reforms - they will not be renewed.

The whole idea is to try and draw from the experiences we have had in the long process of modernising agriculture that we have been engaged in for the last couple of years. When we are ready with the reforms, when we have identified all the weaknesses and if we need to amend the law or to do away with it, we will come back to Parliament and seek the decisions of Parliament. This, however, has not stopped the extension service, which was the intention right from the beginning, to make sure that we extend knowledge to our farmers to improve agricultural productivity. Thank you.

4.09

**MS SLYVIA SSINABULYA (NRM, Woman Representative, Mityana):** Thank you. When Government was tarmacking the Busunju-Hoima Road, the people who owned land along that road were asked to hand over their land titles such that UNRA can parcel off the land, which was used as a road reserve. Nine years down the road, these people have never been compensated neither have their land titles been returned. When does Government intend to compensate and also to return these land titles?

**MR AMAMA MBABAZI:** I am sorry for the delay but I am informed that they are being processed and they will be paid, hopefully soon. I will also follow it up to make sure that what – (*Interjections*) - they were paid? No, she said they were not paid and their titles were retained. That is what she was raising. I will definitely follow it up myself and I will inform you. Thank you.

4.10

**MS GRACE KWIYUCWINY (NRM, Woman Representative, Zombo):** Thank you, Madam Speaker. My question was well asked by hon. Kasamba but I just want to add that even now when the contracts of many NAADS coordinators have expired, some of the NAADS coordinators and extension workers are still working. Is the Prime Minister aware that some of these coordinators are still working when their contracts have expired? Where will Government get money to pay them?

I was in Zombo District and I discovered that some of the NAADS coordinators whose contracts have expired are still working and the question is: Where will Government get money to pay them?

**MR AMAMA MBABAZI:** Well, I do not know how they would continue working when their contracts – it is possible that when your contract has expired, you can continue offering your good services to the people pro bono. Of course many of these, as I said earlier on, in response to hon. Kasamba - the extension service must continue and so the idea is that this creation of a single spine extension service means that extension is going to be done from the ministry headquarters and not through NAADS as we had planned and that means that some of the experts who have been in NAADS will actually be absorbed in the single spine structure.So, I do not know the status of those in Zombo. My hope is that if they are experts, they will be absorbed to continue rendering service to our people because that is our intention. I thank you.

4.13

**MS RUTH ACHENG (UPC, Woman Representative, Kole):** Thank you, Madam Speaker, for giving me the opportunity to ask a question.

**THE SPEAKER:** Order, Members.

4.13

**MS RUTH ACHENG (UPC, Woman Representative, Kole):** It is the responsibility of the Government of Uganda to ensure that our children are protected and safe in school. Frequently, we have been hearing about lightning striking schools and causing death of innocent children. We have lost over 200 children through lightning and we are all aware of this. I do not know the Government stand on this. My question to the Prime Minister is; what is the Government position on installing lightning arresters in schools? I thank you.

**MR AMAMA MBABAZI:** Yes, the Government is very well aware of this menace lightning striking buildings which are not only in schools but other places including places of worship and so forth. In the case of Government, we took a decision and actually I think that a while ago, if not very recently, we took a decision that all schools must have lightning conductors – yes, arrestors. And for all new schools which are being built, it is compulsory that they must be installed. I do not have the latest on the status of all schools in respect to compliance with this directive but this is something that the Ministry of Education must follow up and make sure that we do not have a repetition of what wesuffered in the past when we had many incidents of this kind and where young people lost their lives. I thank you.

4.16

**MR JOHN KEN-LUKYAMUZI (CP, Rubaga Division South, Kampala):** Thank you very much, Madam Speaker. I expect a serious answer from the Rt. hon. Prime Minister. *(Laughter)*

In the Constitutional Petition of *John Ken-Lukyamuzi vs The Attorney-General and the Electoral Commission*, in 2010, the Supreme Court held that the IGG did not have the powers to expel a Member of Parliament from office in the absence of an appropriate tribunal.

The Supreme Court equally recommended that a law should be put into place to ensure that such a tribunal is formed. When is Government introducing that Bill to that effect?

Two, the Supreme Court –

**THE SPEAKER:** One question.

**MR KEN-LUKYAMUZI:** The Supreme Court equally ruled that I get costs of the suit *– (Laughter)–* but I have never got the costs. When am I getting my money? *(Laughter)*

**THE SPEAKER:** I think that the second question is more serious than the first. *(Laughter)*

**MR AMAMA MBABAZI:** I am very much aware of the decision of the Supreme Court in that case – defining the powers of the IGG *vis-à-vis* the loss of a seat of a Member of Parliament. As is the tradition, when the Supreme Court makes decisions, the state takes cognisance of them; they are upheld and we put measures in place to make sure that all those decisions are appropriately implemented.

My clarification therefore is that the pay cheque for hon. Ken-Lukyamuzi, the petitioner – *(Interjections)*– will be as soon as these processes are completed. The whole country will know that hon. Ken-Lukyamuzi has been paid. *(Laughter)*

4.19

**MR SAMUEL SSEMUGABA (NRM, Kiboga County West, Kyankwanzi):** Thank you, Madam Speaker. Rt. hon. Prime Minister, you are aware that this Parliament passed the Road Fund Act, 2008. But to date, it has never been operationalised and yet we have opened up and constructed many roads that have been ruined because of lack of proper maintenance. Some over 10,000 kilometres of roads have been taken away from districts to UNRA but many of them since then have never been opened because there is no maintenance fund and yet this Parliament pronounced itself.

Every financial year, this Parliament through the physical infrastructure committee has been recommending the full operationalisation of the Road Fund but Cabinet or the Ministry of Finance has not yet brought the amendment of Section 14 of the URA Act that could enable the full operationalisation of the road fund. Now I would like to ask the Prime Minister: Since you have promised us many times, when are you bringing, through the Minister of Finance, that amendment and the regulation to operationalise the Road Fund Act?

**MR AMAMA MBABAZI:** Well, the answer is in the question because the operationalisation of the Road Fund depends on the amendment of the URA Act. I am informed that the Ministry of Finance is in advanced stages of preparing this amendment. When they do, we will handle it so that the usual passage of enactment of laws of course follows. So I hope this can come soon because I agree with you that we need to operationalise this Road Fund so that the purpose for which this law was passed is realised. I fully agree. Thank you.

4.22

**MS JOVAH KAMATEKA (NRM, Woman Representative, Mitooma):** Thank you, Madam Speaker. Hon. Prime Minister, in March 2012, the nation was treated to a shock as they watched the people of Mitooma cross a flooded river with rafters; of course some people were from Ntungamo and others from Mitooma. These people were crossing a flooded river on papyrus rafters. We came on the Floor of Parliament and raised this issue. The two road committees of the two districts met with the ministers for Works and there have been endless promises.

Hon. Prime Minister, could the people of these two districts get firm commitment as to when the Kabuchera Bridge will be restored; not only the Kabushera Bridge, but also Rushaya Bridge that links Mitooma with Rukungiri. Activities have been disrupted; children were attending school across the districts and trade between the three districts has been disrupted. It is now two years down the road.

**MR AMAMA MBABAZI:** Well, I am happy to report, Madam Speaker, that the bridges to Kanungu after two years, I was happy to be in the company of the President when he broke the ground to start the construction of the bridges. So that gives you some hope, hon. Kamateka *– (Laughter) -* but in the case of Kabuchera Bridge, I am happy to say that the ministry responsible – the process of procurement has started and I am informed that certainly, the construction of the bridge will commence at the beginning of October this year.

4.24

**MS ALICE ALASO (FDC, Woman Representative, Serere):** Thank you, Madam Speaker. I would like to find out from the Prime Minister, well aware that the bulk of the country received equipment for ID registration quite late; actually most of the districts started barely a month ago and most of the machines were faulty and that 13th August or there about is the deadline for registration. Is the government taking into consideration these anomalies and considering the possibility of extending the exercise to allow the bulk of Ugandans, who are not to blame, to have an opportunity to be registered?

**MR AMAMA MBABAZI:** First of all, as I said, I will ask the Minister of Internal Affairs to come and give us a comprehensive report about the whole country so that we can discuss it in Parliament and the country is informed fully about the progress made and the challenges that need to be sorted out.

My expectation is that we will finish in time because that is what the minister told me. If we don’t – because we must do this registration, everyone who is entitled to be registered must be registered unless they choose not to be, which means they would have to hide. So my expectation is that the deadline will be met. If it is not met, we will see what to do in the face of the challenge we will be facing then. But I expect the minister to come and brief this Parliament fully.

4.27

**THE LEADER OF THE OPPOSITION (Mr Wafula Oguttu):** Thank you, Madam Speaker. Thank you, hon. Prime Minister, for answering the questions. But this is question time, I see the Prime Minister calling upon the ministers and consulting them. Is it not appropriate for us to allow the ministers answer the questions directly *–(Interjections)–* okay, point taken?

On Bundibugyo, the Prime Minister gave no answer referring to the law of sub judice. But we have heard stories about Bundibugyo. Is it true that most of the 90 people who were killed were actually innocent peasants who were running to the barracks for protection?

We have also heard reports that there are other two undisclosed mass graves in Bundibugyo. Therefore, it is said there are two mass graves in Bundibugyo of people who were killed as a result of the conflict we had there. We want clarification on that.

Secondly, on the question of capitation grant, was it a decision of Government not to send money? Since February, Government has not sent money to schools. Head teachers have been running schools on their salaries and loans and they are going slow; children have not learnt this term; and this happens every year. What measures has Government put in place so that we do not have this happening over and over whereby head teachers run schools as their own businesses?

The last one, Madam Speaker, you ordered the Minister of Internal Affairs over a month ago to give us updates on ID registration. He has never returned here. I have read in the papers that the exercise is going to end and that there will be no extension. We would like clarification. When we move around in the villages, many people have not yet registered.

**THE SPEAKER:** Prime Minister, when we were closing the session, the Minister of Internal Affairs promised to come early in the fourth session with a report but he hasn’t**.** So, if the exercise is ending before he comes, I don’t know what we shall say because Members want to raise issues about what has been happening in the exercise.

**MR AMAMA MBABAZI:** Well, I would like to remind my good brother and colleague, the Leader of Opposition, that Prime Minister’s Question Time is Prime Minister’s Question Time. *(Laughter)* And for the minister, you know very well that we have another way. You ask questions for oral answer. I have repeatedly made this point that some of the questions that are asked of the Prime Minister actually should be questions for oral answer and that a particular question is one for oral answer. That is why you see me saying, I will come back to you and when I came in today, I came with details.

On Bundibugyo, is it true that the 90 people who were killed were innocent peasants who had run to the barracks seeking protection? I have not heard of that at all and I would invite the Leader of Opposition, if he has that information, please pass it on. I will be ready to receive it and process it. We presented a statement last week on this matter by the Minister of Defence. We still stand by that statement unless the Leader of Opposition has contrary information, which I will be ready and happy to receive.

On capitation grant, I would like to invite my brother to wait on until tomorrow. We have said that the Minister of Finance will come back here with details. So, we will have the opportunity to talk a little more about it.

On updates on the ID registration again, maybe it is okay to repeat that the Minister of Internal Affairs will come to give a comprehensive briefing to Parliament. I do take cognisance of your concerns, Madam Speaker and I will make sure the minister comes in time to assure this House and the country that the exercise is going on well and that we will meet the objectives of the entire identification exercise, which has a lot of implications for this country. Thank you.

4.34

**MS FRANCA AKELLO (FDC, Woman Representative, Agago):** Thank you, Madam Speaker. As you know I am carrying a teenage pregnancy *–(Laughter)–* and if I had not been given this opportunity that would be very unfair to the teenagers who are in this House.

Anyway, Madam Speaker, I would like to ask the Prime Minister one question although it is in two parts. Last financial year,Parliament allocated some Shs 6 billion to help start-up government programmes for the student loan scheme and Parliament actually directed the ministry to work on the policy guidelines including the guidelines for the criteria of selection and so forth. But you are aware that we have only one month for universities to resume. However, to date, the students who might have to benefit from this programme, do not know from where to pick the forms; whether the guidelines are already there and what kind of selection criteria is there for them and so forth.

The members of Parliament would have wished to have this information circulated at least up to the district level. So, I would like to know when Government is going to do this.

The other question is about appropriation where Parliament appropriated Shs 5 billion for the teachers’ SAACOs. However, the financial year has ended but to the best of my knowledge, no teacher has received this facility. So, I am wondering what happened to that money. Did it go back to the Treasury? I want to know what is taking place and the teachers would like to know how they can access that facility. Thank you very much.

**THE SPEAKER:**  Well done, yellow girl. *(Laughter)*

**MR AMAMA MBABAZI:** Madam Speaker, I would like to thank my friend, hon. Franca Akello. My answer to this is that the details about the loan scheme – you know the procedure of applying for and where to apply – all these can be found on the ministry website; the guidelines are on the ministry website. But those who cannot have access to the internet, you can get these guidelines from the loan offices at the Ministry of Education; from Centenary Bank offices, which has them as well and money is ready. It is just a question of people applying to the process. It takes 21 days to process an application –*(Hon. Akello rose\_)*

**THE SPEAKER:** No, hon. Akello, we have other items on the agenda for today.

**MR AMAMA MBABAZI:** But, Madam Speaker, since she is yellow – *(Laughter)* –

**THE SPEAKER:** Okay, it seems the Prime Minister is very happy today.

**MS AKELLO:** But most importantly, I think it is because of the teenage pregnancy I am carrying. *(Laughter)* Madam Speaker, I would like to find out from the Rt. hon. Prime Minister about the bank from which these students are supposed to access these forms. So, many districts in this country do not have Centenary Bank branches. At the same time, so many districts do not have the internet to access this information. So, I was still wondering how they can access information other than those two mentioned.

**MR AMAMA MBABAZI:** Okay, as I said – I answered that question. First and foremost, I said that guidelines can be found on the website and the website is everywhere even from a bush you can access it. You see even hon. Reagan says that he can access it in his constituency, can you imagine? You can also access them through the Ministry of Education and Centenary Bank. As I said, money is ready and it takes about 21 days to process the application.

As for money for teachers under their SACCO, they have hired a consultant and that consultant is working out modalities. I think ministries have learnt not to burn their fingers.

**THE SPEAKER:** But Prime Minister, we budgeted for this money and appropriated it.

**MS KABAALE:** Thank you, Madam Speaker and the Prime Minister, for giving way. When we came to the conclusion of giving the money to the SACCO, we were very keen to see that the teacher’s welfare is improved. But according to the Prime Minister’s information, it means that the welfare of the consultant will first be improved.

The clarification I am seeking is that when we were deliberating, the teachers themselves said that they established teachers’ SACCOs per district. What is the problem of getting Shs 5 billion dividing it among the districts in Uganda and the teachers access the money through the district? Thank you.

**MR AMAMA MBABAZI:** You know that consultants are experts. I am not a consultant on everything myself although I am a consultant on many. The reason why the ministry resorted to the consultant must be because they wanted to be sure that the modality of payment and so forth is done properly and they don’t meet problems.

The only thing I can say is that this process must be expedited because this money was given out, indeed as hon. Kabaale has said, to attend to the welfare of the teachers and it should not be delayed and my expectation is that this will be handled as soon as possible.

**THE SPEAKER:** Honourable members, that concludes the question time. But I just want to say two things. Prime Minister, you have said that questions which should go to ministers are directed to you. But if you recall during the State of Nation Address, I reported that we had not done well on question time. What it meant is that the ministers have not come back to us. When we ask questions; they do not answer. That is what it meant; that is why now you are the target.

For the honourable members in the House of Commons, the Prime Minister handles 100 questions in 45 minutes; here we have done 23. Just ask, “Why haven’t you paid SACCO money?” But in the preamble, you arrange; you answer yourself then you ask. That takes about seven minutes. So let us improve on that. If you go to your Ipads this afternoon, you can see the Prime Minister answering 100 questions in 45 minutes.

**MR AMAMA MBABAZI:** Yes, I am disappointed by those ministers who do not answer and I would like to inform this House that every minister who has a question for oral answer must respond within a month.

**THE SPEAKER:** No, it is supposed to be 14 days.

**MR AMAMA MBABAZI:** Within one month includes one week. Please mind my English, within one month includes one week and if any minister does not do that, they will have demonstrated their inability to perform. So I want to assure you, Madam Speaker, that if there was a problem, we will attend to it.

DESIGNATION OF MEMBERS TO SECTORAL COMMITTEES FOR THE FOURTH SESSION OF THE NINTH PARLIAMENT

**THE SPEAKER:** Honourable members, as you recall, we had not approved the Committee on Natural Resources. Can the clerk read out the names?

Committee on Natural Resources

1. Hon. Kafabusa Werikhe Michael - Chairperson
2. Hon. Kwizera Eddie Wagahungu - Deputy Chairperson
3. Hon. Nankabirwa Ann Maria
4. Hon. Wangolo Jacob
5. Hon. Ruhunda Alex
6. Hon. Wamakuyu Mudimi
7. Hon. Bangirana Kawooya Anifa
8. Hon. Byarugaba Grace
9. Hon. Muhwezi Jim Katugugu
10. Hon. Kiwanda Godfrey
11. Hon. Bigirwa Julius Junjura
12. Hon. Bakaluba Mukasa
13. Hon. Namirembe Bbumba Syda
14. Hon. Lokeris Samson
15. Hon. Drito Martin Andi
16. Hon. Katwiremu Yorokamu
17. Hon. Yaguma Wilberforce
18. Hon. Mujuni Vicent Kyamadidi
19. Hon. Reagan Okumu
20. Hon. Beatrice Anywar
21. Hon. John Ken Lukyamuzi
22. Hon. Yokasi Bihande Bwambale
23. Hon. Florence Ibi Ekwau
24. Hon. Alice Alaso Asianut
25. Hon. Jimmy Akena
26. Hon. Deogratious Kiyingi
27. Hon. Nyakikongoro Rosemary
28. Hon. Oboth Jacob
29. Hon. Col. Innocent George Oula
30. Hon. Baryayanga Aja.

**THE SPEAKER:** Honourable members, I put the question that those names be approved.

*(Question put and agreed to.)*

**MS FLORENCE NAMAYANJA:** Madam Speaker, I did not hear my name and I subscribed to that committee.

**THE SPEAKER:** That name was submitted by the Opposition Chief Whip.

**MR CADET:** Thank you very much, Madam Speaker. In our Rules of Procedure, Rule 176 (4), as Members of Parliament, we apply to the Clerk and as Chief Whip of the Independents, it is you to designate us. The procedure we normally use is you apply and you are considered on the basis of first application and then you are appointed to the committee.

Madam Speaker, it is on record that among the Independents, I was the first to apply to the Clerk and you clearly advised the Clerk in writing to put me on that the committee. Is it procedurally right to continue with the approval of the committee members without me, yet I was the first to apply as an Independent Member of Parliament?

**THE SPEAKER:** Honourable members, the Committee on Natural Resources has been oversubscribed and that is why we are only approving it today. We had over 40 names and we had to rationalise. I would encourage Members to go to other committees as all the committees are equal. Please go to the other committees; they are all equal. Next item.

BILLS

THIRD READING

THE PUBLIC PRIVATE PARTNERSHIP BILL, 2012

**THE SPEAKER:** Who was supposed to report? Where is hon. Bahati? We were supposed to get a report and the minister is present today. We had some difficulties with our instructions yesterday. You wanted to recommit clause 18 but the report was about clauses 6 and other clauses so we had deferred them.

4.53

**MR DAVID BAHATI (NRM, Ndorwa County West, Kabale):** Thank you, Madam Speaker and honourable colleagues. As you may recall, the Minister of Finance recommitted clause 18 of the PPP Bill and during the debate, you assigned a committee to go and do more consultations and come up with a harmonised position.

Madam Speaker, we had a meeting of nine members; hon. Matia Kasaija, Minister of Finance; hon. Fred Ruhindi, the Deputy Attorney General; hon. Kasule Sebunya, hon. Oboth Oboth, hon. Okello Anthony, hon. Paul Mwiru, hon. Ssasaga and hon. Musasizi Henry.

Madam Speaker, we would wish to report as follows: As part of the consultations, we found and observed that the mandate of Parliament to approve agreements was considered and actually passed in clause 6 of this Bill. That was our first discovery. Clause 6(2) says, “*An accounting officer shall not enter into an agreement that in any way binds the contracting authority to a future financial commitment or which results in a contingent liability except where the future financial commitment or contingent liability is authorised by Parliament in the budget of the contracting authority.”*

We have a comment on that. We also observed that actually clause 18 was proposed in the Bill to cure something that has been happening in the process where Government has been engaging with different parties regarding agreements. That is where a ministry engages with a third party and consults Finance but the entire Cabinet does not get fully involved in the approval of the agreement. So clause 18 came in to cure that error in the process.

Given those facts, Madam Speaker, we agreed that clause 18(1), (2), (3), 3(a),(b), (c), (4) and (5) be retained in the Bill. I do not know whether, Madam Speaker, you want me to read through but I can do that.

**THE SPEAKER:** Yes, refresh the Members’ memory. Go to the one, which was recommitted, which was 18, I think.

**MR BAHATI:** Yes, that is clause 18 where I am. It was clause 18(1) which says, *“The minister shall, with the approval of Cabinet by statutory instrument, prescribe the value of an agreement for which the approval of Cabinet is required before the agreement is signed by an accounting officer.”*

The point of contention here was that we required that Parliament approves this agreement but the committee found out that this agreement is actually approved by Parliament in clause 6(2), which we have already passed as a House. So we recommend that clause 18, as it is, be retained with some amendments, which were brought by the Committee on Finance.

We also recommend that clause 18 (6) is amended to read as, “An agreement shall, among others, provide for the following…” and there are a number of them from (a) to (j). So there are a quite a number of sub-clauses that we have on clause 18 as it is in the Bill up to (w).

The justification for this is that sub-clause 7 was not necessary as clause 40 of the Bill adequately empowers the Minister of Finance to issue any regulations for the format of the agreement. The committee recommendation for addition of new - I beg your pardon, Madam Speaker.

**THE SPEAKER:** I think you should not go to the areas, which were not recommitted.

**MR BAHATI:** Yes, I am not going to areas, which were not recommitted. The only clause, which was recommitted was clause 18 and after our consultations and given that the point of contention was that we wanted the Parliament to approve the agreements, we discovered that clause 6(2) actually gives us the powers to approve the agreement and because of that, we recommend that wemaintain clause 18 as amended by the committee and also have some slight amendments on clause 18.

We further recommend that for us to move forward and strengthen the authority of Parliament, this House should, at an appropriate time, recommit clauses 6(2) so that we can tighten the loopholes that we discovered during our consultations. I beg to report, Madam Speaker.

**THE SPEAKER:** Thank you. Honourable members, I put the question that clause 18 be recommitted.

*(Question put and agreed to.)*

BILLS

COMMITTEE STAGE

THE PUBLIC PRIVATE PARTNERSHIP BILL, 2012

**THE CHAIRPERSON:** I put the question to clause 18 – yes.

**MR EKANYA:** Madam Chairperson, I want to thank you very much. I just wanted to make a slight amendment on the proposal.

**THE CHAIRPERSON:** Let them first move the proposal because the minister wanted to recommit. You make your proposal.

**MR MATIA KASAIJA:** Thank you, Madam Chair and colleagues. I want to propose that clause 18 (6) should be amended to read as follows: “An agreement shall, among others, provide for the following……” and then the category of the following is not amended. All that I am trying to amend is that instead of saying, “An agreement shall specifically provide for the following…..” which is limiting, I would like that I amend and it reads, “An agreement shall, among others, provide for the following…….” If there are any other provisions to be made, they can be made but we should not be limiting ourselves. I beg to move.

**THE CHAIRPERSON:** Honourable members, I put the question that clause 18 (6) be amended as proposed.

*(Question put and agreed to.)*

*Clause 18, as amended, agreed to*

**MR EKANYA:** We have our amendment. Looking at the business angle, this agreement will go to Cabinet and then it will come to Parliament. One of the challenges that the private sector is facing is time. I know that our rules prescribe time but I wanted to propose –

**MR MATIA KASAIJA:** Procedure. Madam Chairperson, I want to understand whether we are proceeding properly because I have not fully made all the necessary proposals for amendment on clause 18. Therefore, I was wondering whether hon. Ekanya should also now bring his proposals before I have finalised my proposed amendments.

**THE CHAIRPERSON:** Minister, did we commit the whole clause 18 or it was 18 (6)?

**MR MATIA KASAIJA:** It was the whole of 18 because there are certain changes that I wanted on various issues and not necessarily on 18 (1) or 18 (2) or 18 (6). I have a number of issues which I would like to propose.

**THE CHAIRPERSON:** Okay, make your proposals.

**MR MATIA KASAIJA:** Thank you. I would like to propose that the committee recommendation for an addition new sub-clause (7) should be rejected. We agreed in a meeting. This was a recommendation by the committee that we add a new sub-clause (7). In the meeting, we agreed that that one should be rejected because the matter is taken care of and I will read the justification.

**MS ALASO:** Thank you very much. I got an impression earlier on that by the time of recommittal, the House had made its pronouncements on the proposals by the committee. The challenge that I have is that I cannot trace the actual wording of that proposal and given that that was not a proposal by the minister, would it help this House if the chair or the members whom we asked to represent us in that discussion come here and actually explain to us whether that is the position that they have adopted rather than having the minister present it as though it is his original proposal.

**THE CHAIRPERSON:** But you see, hon. Members, I seem to recollect that it was only 18 (6) that was recommitted. 18 (6) is what the minister wanted to recommit and not everything.

**MR BAHATI:** From my recollection, the minister recommitted clause 18 as a whole for further consultations.

**MR NANDALA-MAFABI:** I just want to make a clarification. Our committee made a report, presented it in the House and we adopted the clause. Now the minister came up and said that he wants to recommit it. But when you want to recommit a clause, you must justify the reasons as to why you want it recommitted. For good governance, we decided that we make a sub-committee of Parliament to work with the minister.

The clarification that I am seeking is who is supposed to present the report of that consultation? Is it the minister or our members?

**THE CHAIRPERSON:** Honourable members, when the minister asked for recommittal, he said that he was uncomfortable with the provision that we had passed and wanted to consult. It is the minister who requested for the recommittal and said that he was not satisfied and comfortable and wanted to consult about it and then he said that he wanted assistance from the members of the House and that is how we gave him the eight Members.

**MR NANDALLA-MAFABI:** If that is what we did, now our committee has come and reported that after the consultation, this is what we have come out with.Whether the minister agrees or not, we have to either debate the committee report or we adopt it.

So, Madam Chairperson, the minister should not take us in circles. What does he want for himself and not for the people of Uganda? I am sure that the Members of Parliament did it for people of Uganda and yet the minister wants it for his own ministry – for ease of his ministry. Hon. Bahati, you are our representative, give us what you did for us. *(Laughter)*

**MR BAHATI:** Madam Chairperson, we, as I said, considered 18 on assumption that the whole of it was recommitted and the committee made two amendments on clause 18; 18 (6) (j) which actually is to maintain the recommendation of the Committee on Finance that read as follows: “That the mode of operation, maintenance and exploitation of the project and penalties for failure to meet performance standards…” So the committee is adopting – our assumption is that when the clause was recommitted, the amendment of the committee collapsed; it goes back –

**THE CHAIRPERSON:** No, he has to satisfy us that we should abandon them – the minister must satisfy us that we should abandon those proposals which we had passed; it doesn’t collapse.

**MR BAHATI:** So, the committee *–(Interjections)–* Madam Chairperson, there are some things that we maintained. If you allow me, I can go through those amendments of the committee that we maintained on clause 18. On clause 18, which was recommitted, we maintained the following amendments of the Committee on Finance. Clause 18(6)(j), where the committee had recommended that “The mode of operation, maintenance and exploitation of the project and penalties for failure to meet performance standards…” that is the committee’s recommendation. The committee which was set up adopted that recommendation to amend clause 18.

**MR SASAGA:** Thank you, Madam Chairperson. From this side, the principal of recommitting clause 18 arose out of the argument of whether Parliament would approve the agreement or not. Another contention was whether the whole of clause 18 be recommitted or only 18(6). And of course we need your guidance on that. Let us assume that the whole of clause 18 was recommitted –

**THE CHAIRPERSON:** Clause 18 as passed is what was recommitted for review here.

**MR SASAGA:** Now, Madam Chairperson, we made those amendments with the view that clause 6 was to be recommitted because it had implications on clause 18. Or clause 6 in other words was solving what we wanted to cure in clause 18. So we need to be guided; procedurally, will it be possible for us to recommit clause 6 so that these amendments which we made in clause 18 can be catered for under clause 6? And in respect of that Madam Chairperson, if clause 6 is to be amended and taken to cure the problem in clause 18, then there needs to be some amendment still in clause 6. And much as clause 6 has been passed, we still realised that some of the penalties which had been passed in clause 6 – like an accounting officer who contravenes in signing the agreement goes for imprisonment of only two years –

**THE CHAIRPERSON:** Now, honourable members, when we finish this clause, we shall go back to the third reading; then you can say, “We have something else we want to recommit”. It is not just automatic. Let us first deal with clause 18, then we go back to the third reading, then you can say “We have something else, we have a problem with this clause and we want it recommitted.”

**MR MWIRU:** Madam Chairperson, when we were discussing this, we had even taken a position that we leave clause 18 the way it is and deal with clause 6 for the reason that when you talk about appropriation, the law sufficiently provides for appropriation. When you talk about borrowing, still the law sufficiently provides for borrowing. So our only concern was that this transaction, depending on the heftiness of the money involved – but again the proposal which has been written seems to suggest that clause 6 has sufficiently catered for clause 18 and therefore once we do away with clause 18, our concerns are addressed in clause 6. That was our position and I think there is misrepresentation there, Madam Chairperson.

**THE CHAIRPERSON:** Okay, honourable members, let us deal with clause 18 first. I put the question that clause 18(1), (2), (3)(a), (b), (c), (4) and (5) do stand part of the Bill *– (Interjections) –* yes, because it says, “It remains as provided for in the Bill”. There are no amendments.

**MR EKANYA:** Madam Chairperson, I need your guidance, at what stage I will introduce an amendment on clause 18 –*(Interjections)–* anyway, hon. Bahati has said mine is in sub-clause 6. Let me concede his advice.

**MR NANDALA-MAFABI:** Madam Chairperson, the clause we are looking at is the clause we have passed. And if all the items we passed are agreed to, then we only look at a place where there was a need. So, Madam Chairperson, there is no need for you to read, one when we passed it; that is law already. What we should do, if it is clause 18(6)(j), which the minister is interested in, let him stand up and convince us why we should amend it in his interest. That is all.

**MR NASASIRA:** Thank you, Madam Chairperson. The right procedure should be, the moment you recommit a whole clause, you look at it as a clause in a new Bill or in a report. So we have to go back to that clause and as Madam Chairperson was doing; she calls clause 18(1). If there is an amendment as agreed by the committee, somebody stands up and moves that amendment. If there is no amendment, that is passed. But we have to recommit the whole clause and vote on it one by one.

**MR RUHINDI:** Madam Chairperson, it is true to the best of my recollection that the entire clause 18 was recommitted. And of course, we could not have recommitted only 18(6) because the principal contention was on powers of Parliament *vis-a-vis* the Executive, which manifestly comes in sub-clause (1), (2) and some other related clauses within the same clause. Now, it cannot be true that once you recommit, you come back and look at the clause as it is in the Bill because –*(Interjections)–* listen to me - at the time of recommittal, it had already been passed with amendments. So, you look at the clause as passed with the amendments. That is why the proposal by the chairperson, who is actually leading our small team, is saying that sub-clauses (1), (2), (3), (4) and (5) be retained – *(Interjections)*– no, not as passed but as they are in the Bill, without the amendments that had been passed on the Floor of the House –*(Interjections)*– yes, listen to me cleverly. Please, pay attention. Sub-clauses (1), (2), (3), (4) and (5) were retained by our small committee disregarding the amendments that had been proposed on the Floor of the House.

**THE CHAIRPERSON:** No, hon. Attorney-General; we had passed those clauses and they had already become part of the Bill. Those amendments were already part of the Bill.

**MR RUHINDI:** So, this is why we are saying that at this point of recommittal –

**THE CHAIRPERSON:** We are recommitting what we passed –

**MR RUHINDI:** Exactly! We are proposing disregarding the proposals that had been made. Isn’t that the position?

**THE CHAIRPERSON:** Made and passed. They had passed and that is why we were at the third reading.

**MR RUHINDI:** Yes, and we are saying that we should now disregard them in view of our discussions.

**MR MWIRU:** Madam Chair, that would mean that the discussions that we went into also fall by the wayside. What they are introducing was not subject of our discussions and that is how such meetings degenerate into something else. We met and agreed on some position but what hon. Ruhindi is introducing makes it appear like he is running away from the amendments proposed by the committee. So, maybe we should do away with the recommendations of the sub-committee and get back to the arguments as if we have just recommitted it for everybody to participate.

**THE CHAIRPERSON:** Honourable members, whenever I propose a question and it is agreed to, I then say, “let this do stand part of the Bill”. So, what was amended is already part of the Bill. That is what we are seeking to recommit.

**MR KASULE SSEBUNYA:** Madam Chair, as the minister recommitted clause 18 –

**THE CHAIRPERSON:** As passed.

**MR KASULE SSEBUNYA**: Yes, as passed. So, for us to be consistent, because the committee had proposed amendments on clause 18 and the minister, through recommital, disagrees with what was passed *–(Interjections)*– okay, the House passed clause 18 and because the minister was not happy, he recommitted it.

**THE CHAIRPERSON:** What he recommitted is what we had passed.

**MR KASULE SSEBUNYA:** So, what we can do now is to go back to the original clause 18 as it appears in the original Bill –*(Interruptions)*

**MR NASASIRA:** Madam Chair, I do not think there should be any problem. When you pass a clause, the only way you can go back to it is to recommit it and when you do that, it is that clause as passed. It does not matter; if one wants to bring back what was in the original clause, this is the time for amendments. So, when we get to clause 18 (1), any amendments – In fact, we should not use the recommendations of the Bahati subcommittee because they were consultants. They advised and the chairperson or the minister should now come and amend and we can accept their amendments and move on. That is how it should be.

**THE CHAIRPERSON:** What you are not happy with is what we had already passed; that is why you stood up and said you wanted to recommit it.

**MR MATIA KASAIJA:** Madam Chair, I would like to seek guidance. When I recommitted clause 18, I had disagreements from two angles; one was as the Bill stood and two was on the recommendations of the committee –*(Interruptions)*

**MS ALASO:** Madam Chair, rule 127 (1) is about recommital of a Bill reported from the Committee of the Whole House, and it says, *“If any Member desires to delete or amend any provision contained in a Bill as reported from a Committee of the Whole House, he or she may, at any time before a Member moves the Third Reading of the Bill, move that the Bill be recommitted either wholly or in respect only of some particular amendment or amendments.”*

Madam Chair, what motivates me to call for a point of order is the phrase “as reported from the Committee of the Whole House”. It is not as it is in the original Bill as passed because by the time you asked for a recommittal, it was based on the report of the Committee of the whole House. Is the honourable minister therefore in order to insist that what was being recommitted is the original Bill that the committee of the whole House had looked into?

**THE CHAIRPERSON:** No, he is not in order. Honourable minister, you asked the House to resume and reported that we had passed certain clauses and you asked us to adopt that report and we did. When it came to the third reading, you said you had a problem and that you wanted clause 18, as passed, recommitted. You cannot go back to the original Bill.

**MR BAHATI:** Madam Chair, we are now clear that the recommitted clause includes those amendments of the committee –

**THE CHAIRPERSON:** No, of the House.

**MR BAHATI:** Yes, as passed by the House. Is that okay? Now, the new proposal by the subcommittee *–(Interjections)–* of the Bill as passed by the House - The amendments that were made on the Bill were proposed by the committee and passed by the House. The committee proposal was for a new sub clause (7) and (8), which says, “(7) The Minister may, by regulations, specify the form in which a project agreement under this Act shall be drawn. (8) The agreement entered into by a contracting authority under this Act shall be subject to the provisions of the laws of Uganda.” Those were the amendments by the committee.

The proposal is that sub clause (7), which was adopted by the House and had been amended by the Committee on Finance, be rejected because it was not necessary as clause 40 of the Bill that was already passed adequately empowers the Minister of Finance to issue any regulations for the format of the agreement.

I do not know whether Members understand me, but let me make it clear. The recommitted clause 18 includes amendments of the Committee of the whole House –

**THE CHAIRPERSON:** Hon. Bahati, stop talking about the amendments of the committee because the House had already adopted them.

**MR BAHATI:** In the new proposals, out of those that were adopted by the House, we suggested sub clauses (7), (8) and (9) be removed because there are other parts of the Bill which were already passed that cater for that. Sub clause (7), for example, which was adopted by the House, which says that the minister may by regulation specify a form in which a project agreement under this Act shall be drawn, is catered for under clause 40, which we have already passed.

**MR NANDALA-MAFABI:** Madam Chair, the clarification I want to seek from my chair *– (Interjection) -* Hon. Bahati is the chair of the subcommittee. He is saying we delete sub clause (7) of clause 18 because it is catered for in clause 40. That is a mistake.

If it is in the first one, you leave it and then you delete the latter one. Do you get it, hon. Bahati? So the committee is right. If you want to delete, you do not delete this one, you go and delete clause 40. If 18(7) is clearly stating something which you believe is possible, if it re-emphasises it and if there is no conflict you can leave it. But if you want to do the deletion, you go to clause 40 *– [Hon Members: “You will have to recommit”]* - Then we leave it here.

**MR AMAMA MBABAZI:** Madam Chair, I think the procedure is clear. At this stage the only clause that will be debated is the clause that was recommitted. Any clause that was not recommitted does not come under discussion at all.

Now that the whole of clause 18 has been recommitted, my suggestion is that you read it. What was recommitted is what was adopted, what was reported to the House from the committee. This means that all the amendments of clause 18 which were made constitute the new clause 18. The old clause 18 is not there; it does not exist. If you want to bring something in the old clause 18 then you had to stand and bring it as an amendment now.

My proposal, therefore, would be that in order to expedite this process, since the whole of 18 is adopted, you could call it sub clause by sub clause and if anybody has an amendment they raise, if not we adopt it and move on. When we get to sub clauses (8), (7) and (6) where people want amendments, they rise and make amendments or propose the amendments. That is what I propose.

**THE CHAIRPERSON:** Honourable members, I put the question that sub clause (1) do stand part of the Bill.

**MR WAFULA OGUTTU:** Madam Chairperson, before we proceed, since there is a disagreement from the Bahati committee, I would like to propose that we do away with the Bahati committee report.

**THE CHAIRPERSON:** That is why I am calling sub clause (1) of clause 18. I put the question that sub clause (1) of clause 18 do stand part of the Bill.

**MR RUHINDI:** Madam Chairperson, if I am the only one confused then God should forgive me, but I think the minister in charge of the Bill has not grasped it the way I grasped it. I may be wrong or he may be right but he is still assuming that the question is being put to the clause as it is in the Bill without the amendments which were adopted at the time of recommital.

**THE CHAIRPERSON:** No, we are putting the question as amended and adopted by this House.

**MR RUHINDI:** Exactly! In other words, he should be standing up to say he has an amendment.

**MS AKOL:** Thank you, Madam Chair. I would like to propose. These clauses have been amended and there is now a new version. In order for all of us to flow together, I would like to propose that the new amended clause be read. As you say, “clause 18(1)”, let it be read so that we all know the new clause. That is my proposal, so that we are able to flow. If the minister has any amendment to the new clause or any other person, then that is the time to stand and they propose a new amendment.

**THE CHAIRPERSON:** Honourable members, let us be fair; I will differ this process, ask the Clerk to print the text of clause 18 as passed by this House, distribute it to all the members and then we can finish it tomorrow.

5.37

MOTION FOR THE HOUSE TO RESUME

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

**THE CHAIRPERSON:** Honourable members, I put the question that the House do resume and the Committee of the whole House reports thereto.

*(Question put and agreed to.)*

*(The House resumed, the Speaker presiding\_)*

REPORT FROM THE COMMITTEE OF THE WHOLE HOUSE

5.38

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr Matia Kasaija):** Madam Speaker and colleagues, I beg to report that the Committee of the whole House has considered clause 18 as recommitted and has differed further discussion. I beg to report.

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

5.38

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr Matia Kasaija):** MadamSpeaker and colleagues, I beg to move that the report from the Committee of the whole House be adopted.

**THE SPEAKER:** Honourable members, I put the question that the report from the Committee of the whole House be adopted.

*(Question put and agreed to.)*

BILLS

SECOND READING

THE PUBLIC FINANCE BILL, 2012

*(Debate continued)*

**THE SPEAKER:** Honourable members, we had commenced debate on the Public Finance Bill; we can continue if you are ready.

**MR NANDALA-MAFABI:** Madam Chair, I want to seek your indulgence again. You are right, we need to discuss the Public Finance Bill but it is coming to 6 O’clock and for us Muslims we are about to go. We also came with the Public Private Partnership Bill in mind. That was all on our minds.

**THE SPEAKER:** Hon. Nandala-Mafabi, are you really in everybody’s mind? *(Laughter)* Let us use the next 30 minutes.

5.40

**MS JOVAH KAMATEKA (NRM, Woman Representative, Mitooma):** Thank you, Madam Speaker. I support the new budget cycle because passing the budget in May will ensure that there is smooth running of Government and smooth running in all the sectors of the economy.

I support the single Treasury account because it will enhance a competitive spirit within the Government departments. Each one of them will ensure that they access the money, which was allotted to them, and that they carry out their activities so that no other government department may get this money. There were fears expressed that some departments may finish their allocations and want to encroach on those of other departments. I support this because it will enhance efficiency as there will be a competitive spirit.

Secondly, a government department may have problems in utilising their resources for one reason or another. Currently, that money stays on the account of the department and others cannot access it. It goes back to the Treasury at the end of the financial year and the Ministry of Finance of course regards it as a saving. This money was voted to be spent in a specific financial year and there were activities to be done but because the specific department does not have absorption capacity, the money remains stuck. This system will free that money for the other departments that can use it and this will enhance efficiency.

There will still be allocated ceilings for specific departments, and for a department to finish their allocation and encroach on another department or access more funding, there have to be specific reasons and justification. So, I do not think that there should be fear that some departments will get more than others. It is important that the money gets freed when a department cannot use it.

I also support the gender certificates of compliance because they will enhance equitable distribution of resources and ensure that the budgets are gender responsive. Currently, everyone acknowledges that gender is a cross-cutting issue and government departments think that they have engendered their budgets but when you ask for the details, they do not know how the budgets have been engendered. Guidelines will now go down and departments will get to know how their budgets should be gender responsive.

If money is going to education, for example, and a school is to construct dormitories or toilet facilities, these should be allocated according to the number of boys and girls in the school. This engendering of the budget will ensure equitable distribution of resources throughout the economy and the people of Uganda are the ultimate beneficiaries. I thank you.

5.44

**MR KENNETH BBOSA KIYINGI (Independent, Mawokota County South, Mpigi):** Thank you very much, Madam Speaker, for this opportunity and I also thank the committee for the report.

I rise in support of the motion and I narrow down my contribution to the management of government debts. As a young legislator, I am very concerned about matters of debt, especially when it comes to their payment in the near future. Day in day out, there are a couple of proposals that are brought on the Floor of Parliament and Government, I believe, has a moral responsibility of enabling Ugandans not to be burdened by this debt in the near future. As such, I am very happy with the proposals by the committee. I only pray that this matter is given due consideration for the better future of the next generation. Thank you, Madam Speaker.

5.46

**MS BEATRICE MPAIRWE (NRM, Woman Representative, Buliisa):** Thank you so much, Madam Speaker. I would also like to thank- *(Interruption)*

**MR NANDALA-MAFABI:** Is it in order for the ministers of finance to run away when this is their Bill? *– (Interjection) -* You are in charge of micro finance, which is just micro! Is hon. Kajara in order to run away when we are here considering the Bill, which he is going to implement?

**THE SPEAKER:** I do not know where he is going but I think you have two other ministers near you from the finance sector. I see hon. Kasaija and hon. Omach.

**MS MPAIRWE:** Thank you so much, Madam Speaker. I would also like to join my colleagues to thank the committee for the report.

The issue I would like to talk about is funding the office of the Auditor-General. We very well know, as the committee observed, that there have been challenges in funding and this office has not been able to do its audit work. They further stated that out of the 15,000 institutions and schools we have in Uganda, they only audited 200 schools.

According to our experience about how government funds have been mismanaged, we know that a lot of funds, which are supposed to go to the community, have not been taken there. One of the challenges is that this office is not fully funded. The committee suggested that one per cent should be put in the Consolidated Fund for them to be able to audit their books and also public funds in order to reduce misuse of public funds. I think this is very good and should be considered because it will help them to detect which monies are being misused –*(Interruption)*

**MR SSASAGA:** I thank you, Madam Speaker. The information I want to give the honourable colleague is that we have got a lot of money, which we appropriate, and this money goes to lower local governments, ministries and government departments. However, during auditing, the Auditor-General only samples a few and in the process of doing so, not all of them are adequately audited.

As such, the committee came up with that proposal, that at least one per cent of the monies we appropriate here, which go to lower local governments, is saved in the Office of the Auditor-General so that more auditors can be recruited so that wherever money goes to departments, ministries or local governments, auditing is done. It was done in that respect.

**MS MPAIRWE:** Thank you so much. Another issue is on revenue sharing- *(Interruption)*

**THE SPEAKER:** Are you targeting the honourable member?

**MR NANDALA-MAFABI:** No, Madam Speaker. I asked her and she agreed. Hon. Ssasaga got up and gave information that the one per cent is basically for them to audit local governments. I am sure whenever the Auditor-General has brought his budget here, nobody has ever objected to it. The law empowers the Auditor-General to appoint auditors to audit on his behalf. If that is the case, the Auditor-General should come up with a work plan. Suppose you give him one per cent and it is not enough and he needs two per cent, what will you do?

That is why I want to agree with my sister that the Auditor-General should come up with his work plan and say he needs this amount of money to do these activities and we shall give him the money. But putting the one per cent in the law – supposing tomorrow he needs 10 per cent, what shall we do? That is the reason.

**MS MPAIRWE:** Thank you so much. Another issue that I would like to talk about is sharing of revenue from royalties. The proposal is that the Government retains 93 per cent and then the seven per cent is supposed to be shared among the districts producing oil. This is a good proposal, but my disagreement is about the cultural institutions now being tagged to the districts; they are at the mercy of the districts, which will decide whether to give them some percentage or not.

To me, this is like abuse to the cultural institutions. You very well know that where this oil is, it is the cultural institutions that are the custodians of the oil. It would really be bad to make the cultural institutions become beggars to the local governments. I think that we need to come here and divide the percentages that the cultural institutions should get.

Another issue is that you find in areas where they extract minerals, even the land owners get their share but then when it comes to the oil, the land owners are not being catered for. You very well know that in areas that have been producing oil, it is the community which suffers. You have seen on TV and read on the internet that when those pipes burst, it is the community members who die. When that oil is extracted, even some communities around will be displaced forever. When the oil is finished, the soil will not be able to sustain someone to earn a living. I think that is really a disservice to the communities where oil wells are found or will be found. I think it is better if we also give percentages to those communities.

Yesterday, hon. Nandala-Mafabi gave us a good example of a country where communities ganged up after they had been given only seven per cent and they refused. They went up to 12 per cent *– (Interjections)–* not accepted.

**THE SPEAKER:** Honourable members, why don’t you allow members to speak? You are intimidating the member. Do not intimidate her. Please, speak. *(Laughter)*

**MS MPAIRWE:** Thank you so much. Even right now, we see that oil extraction has not started but the communities around the oil wells are already suffering the impact or side effects. Even a report was produced and they said that there was some slow poison that is going into the lake, which will affect the communities that are utilizing that lake.

So, honourable members, I am just requesting that in this Finance Bill, on royalties, cultural institutions wherever oil will be found, because we are still exploring, should be catered for. We should not reduce them to beggars because those are institutions which are even recognized in our Constitution and they should be given their own share. This should also apply to the communities where the oil is being extracted, especially those ones that are sitting on the oil. It is like you have a well but you cannot drink from the well that you have. At least these people should also be catered for.

Still on the same issue, you are saying that even in the National Oil Company, which we debated and passed, none of the names that are being proposed is from the areas that are producing oil like Acholi and others. At least we need some of these considerations in the areas which are producing oil so that the communities also own it. This is because security will be provided by the communities and then the Police will be second in the provision of security. Thank you so much, Madam Speaker.

5.56

**MRS MARGARET BABA DIRI (NRM, Woman Representative, Koboko):** Thank you very much, Madam Speaker, for giving me this opportunity to contribute to this motion.

We talk of the Secretary to the Treasury and its functions in clause 5 but we have not indicated how the Secretary is put in place. I think that it is very important for us to include the department or the office of the Secretary to the Treasury appointed by the President before we can talk of its functions. Also, the Secretary to the Treasury has staff that must be established in this Bill. I think that at the appropriate time, we need to raise it so that it is included - how the Secretary to the Treasury is established and the support staff.

Secondly, if we look at clause 12, the committee proposes that the funds for the Auditor-General should be ring-fenced. If we say that all the funds should be ring-fenced, I think that everything will be ring-fenced. I suggest that we remove this ring-fencing because the Auditor-General is like any other staff of Government; so, I object to the idea of ring-fencing everything.

On clause 13, we talk of the Secretary to the Treasury reporting to the Minister. It does not end with the minister; the minister must bring the report to Parliament here so that we go through it and see how our money is being used - the inflow of cash and how it has been used. In February and October, this report must be brought here to Parliament and the public must know how our money has been spent.

I also support the idea of the gender equity certificate. That is very important. Quite often, the ministers bring issues without considering the issues of women and special interest groups like people with disabilities and the youth. So, it is important to have this certificate to support all the sectors that the fund is addressing. I thank you very much, Madam Speaker.

**THE SPEAKER:** Hon. Lugoloobi and then hon. Ekanya, but I hope that you do not disagree with the committee report because you are part of it. They came in late so let them contribute.

6.00

**MR AMOS LUGOLOOBI (NRM, Ntenjeru County North, Kayunga):** Thank you so much, Madam Speaker. In the amalgamation process of the various Bills, I think the committee did quite a good job but there was only one clause in the Budget Act that we thought was inadvertently left out, and that is Section 18. It is on liability on failure to meet requirements, and it reads as follows:

*“Where any department, institution, organisation or commission fails to meet any requirement under this Act, Parliament may compel the relevant minister to appear before it and give an explanation on the circumstances leading to the failure.”*

**THE SPEAKER:** Which Bill are you reading?

**MR LUGOLOOBI:** I am reading the Budget Act, Section 18. The various sections of this Act were appropriately incorporated into the new Bill save for this one. We thought that it is a very important section that should not be left out. It is actually both 18(1) and (2). So, at an appropriate stage, we shall propose an amendment to include this particular provision.

There is another provision within the Public Finance and Accountability Act, 2003 that was also inadvertently left out. It is Section 44, on the annulment by Parliament of a statutory instrument:

*“44. A statutory instrument made under this Act shall-*

*(a) be laid before Parliament…*

*(b) be subject to annulment by Parliament by resolution after 21 days…”*

I thought that was a very important provision on this subsidiary legislation that we should not lose.

Thirdly, on recognising that we are too lenient on people responsible for the loss of public funds, I sought leave from the committee to allow me draft an amendment and they did allow me. However, at committee level, they could not consider my proposals. So, the chairman proposed that I table these proposals when we get to the whole House.

Madam Speaker, I want to seek leave to circulate this amendment, which concerns the establishment of a public finance administration tribunal. Its jurisdiction will cover, among other things, the enforcement of recommendations of the Public Accounts Committee on the Auditor-General’s reports as approved by Parliament. That is just one of the areas within the jurisdiction of this tribunal.

It is a long amendment and if you allow me, I would circulate this on the intranet and then members would read through. If they find it appropriate, then we could discuss it at the appropriate committee stage.

**THE SPEAKER:** There is no harm in circulating it. Actually, I have been trying to convince Members to circulate their amendments but they are more comfortable doing it orally.

6.03

**MR GEOFFREY EKANYA (FDC, Tororo County, Tororo):** Thank you, Madam Speaker and honourable members. We need to agree on how we are going to be conducting our legislation, whether we are going to continue having Bills and amending other Bills through infection or we are going to be handling separate Bills. I know that at the end of the day, there will be a compendium of laws.

Amendment of certain Acts using other Acts or through infection is good but may have a negative impact. Madam Speaker, I think you were here in the Seventh Parliament when Parliament was taken to court and about 70 Members of Parliament were taken to court by hon. Zachary Olum on the question of the Rules of Procedure of Parliament and we amended our Rules of Procedure and the Constitution. We resolved then that Parliament would have to come up with its own Rules of Procedure to determine its powers and functions.

I have seen the proposals which Government and some of us are making. Some of them may sound very good - that in the Bill the proposal is to give Parliament a lot of power - but colleagues, let us be very careful because it is a sugar-coated pill. The proposal says “Parliament shall approve”; be very careful with what is stated in the Bill. What happens tomorrow if we disagree and fail to approve yet the law says, “You shall approve”? That is the proposal on parliamentary power, trying to say that Parliament should be given power, charters of fiscal responsibility and so on. We should use the right words like, “Parliament shall consider” because we can approve or reject and so forth. So, the use of words in this Bill should be considered carefully.

In case we want to make certain amendments as regards our powers and functions, we need the Public Finance and Accountability Act, whereas the Constitution says that Parliament shall determine its powers and functions through its own Rules of Procedure. These Rules of Procedure give the Speaker power to consult and make a ruling on anything that is not clear in the Rules of Procedure based on international practice of IPU, Commonwealth and other common law practices. Now, if we limit ourselves in this Act, then we shall have tied ourselves until the law is amended.

**THE SPEAKER:** Hon. Ekanya, which particular clause are you talking about?

**MR EKANYA:** Madam Speaker, I was looking at point No. 4.2 - the role of Parliament under microeconomic and fiscal policies.

**THE SPEAKER:** Is that in the report?

**MR EKANYA:** Yes, it is in the report and it will form part of the Act. They have put in so many things. Initially, we were rejecting the amending or repealing of the Budget Act. So, smart guys in Ministry of Finance came and said, “what is your problem, we are giving you too much power, what do you want - you are going to consider the budget, you are going to do oversight, you have to approve charters of fiscal responsibility, consider the ministers’ reports, approve the budget framework paper, analyse policies –

**THE SPEAKER:** I am trying to find where you are.

**MR EKANYA:** I am on page 7 - the role of Parliament. It goes on with so much detail.

Madam Speaker and honourable members, I find that contradicting the Constitution regarding the rules on parliamentary powers, which starts from legislative powers, how the committees of Parliament will work in Article 90 of the Constitution, etc. It actually starts from Article 79 - functions of Parliament; that is chapter six of the Constitution. It gives us leeway through the Rules of Procedure, which is under our own control and the Speaker, to determine how we want to operate.

Now, we are now putting ourselves under the domain and control of the Minister of Finance. Let us be very careful; it sounds sweet and good but this was brought because some of us refused to repeal the Budget Act. When it was brought, some of us said, “This is very good since we will have too much power…” *– (Interruption)*

**MR SSEBUNYA:** I think it begins in the Bill because clause 10 says, *“Parliament to analyse policy issues (1) The Parliament shall analyse the policies and programmes that affect the economy and the annual budget…”*

Also in clause 12 it says, *“Approval of annual budget by Parliament*

*(1) The Parliament shall, by 31st of May of each year, consider and approve the annual budget…”*

It is in the Bill and not only in the report.

**MR EKANYA:** Thank you, Mr Chairman. So this Bill –*(Interruption)*

**MR NANDALA-MAFABI:** Madam Speaker, Hon. Ekanya has raised something. On page No. 7 of the report, it says *“Consider minister’s report on deviation from the objectives…”* The minister will come when he has deviated and the purpose of Parliament is to consider. That is very dangerous. If Parliament thinks that they have any powers, they are lying to themselves. That minister will do everything and will only come here to consider.

**MR EKANYA:** Madam Speaker and colleagues, as we go to sleep, I would like us to know that this power which the Bill introduces is given to us by the Constitution. We manage it the way we deem fit under the control and domain of the powers of the Speaker. So, I think those are the issues that we need to consider. - *(Interruption)*

**MR OMACH:** Thank you, colleague. I would like to inform the House that even the Budget Act talks of the word “shall”. So, there is really not much difference. I do not see where the contention is coming from.

**MR EKANYA:** Yes, the Budget Act talks of the word “shall” but gives the Speaker the powers to vary - it is there - if certain parts of the Budget Act are not complied with within a given period of time. I know that Act very well, hon. Omach; we did it.

**MR OMACH:** I can read a portion for you; it says, “Each Sessional Committee shall consider, discuss and review…” “The Budget Committee shall scrutinise the estimates…”

**MR EKANYA:** Hon. Omach, yes it says, “shall” but it sets the timeframe. As you read on, it says that if it is not achieved within a certain time, the Speaker can vary the time. You know these things very well, my brother.

The second issue that Government needs to clarify is that under the East African Community, we need harmonisation because budgets for the EAC countries are now handled on the same day. If we are to make any adjustments, that is okay, but there should be consensus. We should have commitment here that we are not just passing a law, that we are going to consider our budget and complete it by this time. We need a report from the Minister of Finance as to whether there is consensus within the EAC; otherwise, it violates the treaty.

Another issue, colleagues –

**THE SPEAKER:** What violates the treaty?

**MR EKANYA:** Madam Speaker, there is a commitment by the Heads of State and Ministers of Finance in the East African Community regarding the timeframe for reading the budgets for purposes of ensuring the smooth running of the microeconomic policies –

**THE SPEAKER:** But is that in the treaty or it is a practice?

**MR MATIA KASAIJA:** Madam Speaker, before reading their budgets, which they agree to read on the same day, the five Ministers of Finance from the EAC meet and reconcile on certain parameters on how each country is going to handle them. So, it is already taken care of in the treaty itself but also by practice. My minister came from that meeting some time back and whatever you read in her speech was in consonance with what the other states were also saying on those particular issues they agreed upon as Ministers of Finance for the EAC.

**MR EKANYA:** That is exactly what I am saying. We are now going to make changes but we need to have consensus so that we can bear in mind that the changes we make here will have an effect on the practices of other EAC countries.

Another issue, Madam Speaker, which I started with and which requires clarification is in regard to the National Audit Act, which this Bill is going to amend and the Article in the Constitution that gives the Auditor-General independence. I have talked about this and also the Bank of Uganda Act.

On the point that my good sister stated about the oil revenue sharing of three per cent, the mineral royalties and so on, as we speak I think Government has been violating the Constitution and we have been quiet. Government gives tax exemptions in agreements. Those agreements are supposed to operate within a given time but they are not tabled here because they are private because according to the Constitution, we only have parliamentary power on appropriation and introducing taxes.

The law on taxation only gives the minister three months before we handle that taxation Bill during the budget. But what has been happening is that the Minister of Finance gives exemptions to companies indefinitely and they operate. Some of them have been lobbying us to help them have the exemptions legalised. I can tell you this. Members of the Committee on Finance, you know the level of lobbying that is intensifying out there. Some of those companies are worried.

So, I think we need to introduce amendments in the Public Finance Bill that limit Government from giving blanket exemptions. There is a study by the World Bank, IMF which shows that business does not only come to a country because of exemptions, and I know Government is losing a lot of money. I do not want to mention companies that are enjoying exemptions; they are not paying any taxes but still their services are very high and there has not been any report tabled here.

I hope that we will also handle the issue of domestic borrowing. I am saying this because from the way the minister has proposed this, there is lack of clarity.

I want to thank you, Madam Speaker. The Attorney-General put it categorically clear that Government has been issuing bonds but yet it is for balancing and financing budgets. As we speak now, the domestic debt is now more than Shs 7 trillion –*(Interjections)*– Yes, more than 7 trillion!

Another issue that we also need to consider here, colleagues, is commitment control. We have it in the law but Government violates it. The private sector has been trying to table a petition to your office. Some of them offer services to Government and they are not paid.

Madam Speaker, allow me end here. I will propose the rest of the issues tomorrow at committee stage. For the issue of repealing the Budget Act and that of giving us sugar that is coated with poison - Parliament shall have this power, among others - we need to consider them very seriously. Thank you.

**THE SPEAKER:** Thank you. Honourable members, I put the question that the Public Finance Bill be read for a second time.

*(Question put and agreed to.)*

**THE SPEAKER:** Honourable members, tomorrow we shall proceed to the committee stage. The House is adjourned to 2.00 p.m. tomorrow.

*(The House rose at 6.19 p.m. and adjourned until Wednesday, 17 July 2014 at 2.00 p.m.)*