



Thursday, 18 January 2017

Parliament met at 2.20 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: Honourable members, I welcome you back to the third meeting. As you may recall, I had to adjourn the sittings of this House and its committees because of the possibility of contempt of court proceedings against the House, the committees and individual members of this House, arising from the order of Justice Kavuma. I will be inviting the Attorney-General to formally report on our instruction to enable us proceed. I do not know where the Attorney-General is. Please, inform the Attorney-General that we are waiting for him. In the meantime, let us do item three.

**BILLS
FIRST READING**

**THE INTERNATIONAL CONFERENCE ON THE GREAT LAKES REGION (IMPLEMENTATION
OF THE PACT ON SECURITY, STABILITY AND DEVELOPMENT IN THE GREAT LAKES
REGION) BILL, 2016**

THE SPEAKER: Is the Minister of Foreign Affairs here? [HON. MEMBERS: “He’s not here.”] Attorney-General, please report on our instructions of last week.

2.24

THE DEPUTY ATTORNEY-GENERAL (Mr Mwesigwa Rukutana): Madam Speaker, as you may recall, when this House adjourned sine die, you directed me to have the temporary injunction order issued by the Constitutional Court in Constitutional Petition No.4 to be vacated before Parliament could go ahead with its business.

In compliance with your order, we started preparing an application to set aside and/or vacate the Court Order and we were about to file the application for it to be heard and determined by the court. However, before we could file the application, on the 13th January, we were served with an order of the same court whereby the petitioners had withdrawn both the Constitutional Petition No.4 and Constitutional Application No.6.

We looked at the order of the court and we satisfied ourselves that there was nothing remaining in court for us to apply to set aside. Therefore, your order to us was satisfied by the petitioners withdrawing both the petition and the application for temporary injunction.

As you may recall, Madam Speaker, what was restraining court was interim injunction pending the determination of an application for temporary injunction. Now that the application for temporary injunction was withdrawn, there was nothing in court that we could go to set aside. You may recall and it is on record, that on the presidential handshake, we had a statement that we wanted to make before this House. The Attorney-General is here ready to make the statement.

THE SPEAKER: You are jumping the gun. You know, your interpretation of the effect of the withdrawal is not in consonance with my understanding of the law. There was a specific order by Justice Kavuma and not the petition, which we asked you to go and vacate. That is what we sent you to vacate and we would like your emphasis on that.

MR RUKUTANA: Well, Madam Speaker, the order was an interim order. It was granted pending the determination of the main application for temporary injunction. As I stated, the application for temporary injunction and the application for the interim order were withdrawn. The order of withdrawing says that the petitioners lost interest in pursuing the petition and all resultant applications.

This is the order of court which I would like to lay on the Table. It says: *“Counsel for the petitioner has lost interest in pursuing this petition and all resultant applications. He has signed a notice of withdrawal and consented in the presence of court and court confirms that the signature on the consent document is the petitioners’ signature. Therefore, the court grants the prayer for withdrawal of the order.”*

It further says, *“The withdrawal of Constitutional Application No. 6 of 2017 and Constitutional Petition No. 4 of 2017 renders the interim order granted in Constitutional Application No. 7 of 2017 restraining Parliament, any person or authority from investigating, questioning or inquiring into the impugned bonus payments dated January 2017 inoperative.”* The word “inoperative” is in the court order that I beg to lay on the Table.

Therefore, Madam Speaker, since the order was laid inoperative by the same court that had issued it, it means the concerns of Parliament were properly addressed. *(Interruption)*

MR NIWAGABA: Thank you, Madam Speaker. I would like to thank the Attorney-General for giving way. I would like to know from the Attorney-General whether as respondents, you signed on the order and secondly, whether the order is sealed by court and if so, by which court officer.

Thirdly, since the proceedings in the Constitutional Court were attended by your own representative as a state attorney, whether you have sought and found it prudent that next time before the Attorney-General goes to Court in a matter involving Parliament, he seeks input from the institution he will be representing. If not, whether it is not prudent that since the Parliamentary Commission is now a corporate body, we move to amend the Government Proceedings Act and detach you from representing Parliament.

MR RUKUTANA: Madam Speaker, the learned shadow Attorney-General is well aware that orders of court are signed by the Registrar of Court. However, to allay his fears, I would like to confirm that we signed a consent to the withdrawal as a requirement under the rules that if the applicant is withdrawing his order, the respondent signs.

We signed the withdrawal and upon both the petitioner signing and the Attorney-General consenting to the withdrawal, the registrar signed an order withdrawing the applications. On what we did with the

officers in our chambers who participated, I stated here that our officers went to court because we were served.

The Attorney-General was out of the country. I was in the constituency and the Attorney-General's chambers were served with an urgent application. Pursuant to their obligation and duties, they could not wait for the Attorney-General or for me. They appeared in court and put a defense before they consulted us.

I am satisfied that when they went to court, they put a defense objecting that we had not been served and we needed time to study the application and see how to respond. However, the court, in its wisdom using its inherent powers, went ahead to grant the order. Therefore, there is nothing that we required to do to reprimand officers who did what they are mandated to do because they responded to a petition served on us.

Everybody should know and appreciate that we did not go to court. The petitioner went to court against the Attorney-General and served us. We, as the respondents, went to court to defend ourselves. That is what our officers went to do in court.

THE SPEAKER: Honourable Attorney-General, of course we acknowledge what you have done. However, I would like you to think about the abuse of judicial authority in this instance and others but I will concentrate on this one. If you ask yourself what is the *locus standi* of Sabiiti? He is a man just walking on the street and he develops some delusions that something is about to happen. He goes and writes some complaints and he is able to get to court in a few minutes, he files, there is a hearing and a ruling!

Attorney-General what was the urgency? On what did he base the application for an injunction? Was it a proposed resolution of this House? Was it an Order Paper? It is just his mind and based on his mind, the judge says, "I believe what is in your head" and, therefore, issues an injunction against the third arm of the state, casually.

Therefore, what constitutes a constitutional petition? I would like you people to think about that because this is really - how can you judge basing on somebody's mind? If he had gone there and said they have prepared this draft resolution to condemn the president or anything, I would understand. However, the man said and the judge ruled. Attorney-General, custodian of the law -

MR RUKUTANA: Madam Speaker, I cannot agree with you more. You are very right – (*Interjection*) – apologise for what? It is not me -

THE SPEAKER: The Attorney-General was dragged to court; that is what he is saying. That you were just dragged there and you did not initiate the action.

MR RUKUTANA: That is what I am saying. We were dragged to court and we went there to defend ourselves. There is nothing to apologise for. However, I agree with the Speaker that in a matter like this one, the petitioner especially so when he is a civil servant, should have thought twice before rushing to court to apply for an order.

As for the judge granting the order, that is within the powers of the Judiciary. We shall definitely raise the matter with the Judiciary to ensure that next time, something of this nature does not happen.

MR SSEKIKUBO: Thank you, Madam Speaker. In such matters they usually call for soul searching and it is important that we debate these matters with utmost honesty; then we can find a way forward as a country instead of glossing over the matter.

Madam Speaker, in the absence of the Attorney-General and the Deputy Attorney-General, there must be a senior officer in that ministry. In fact, before you reach the Constitutional Court or the Court of Appeal, you pass by Parliament. Therefore, any senior person there would have had it in mind that since the party here being complained of is Parliament, at least let me, for courtesy, pass by and check on the director, the Clerk or the Speaker for that matter.

However, for the minister to say, “We were served”, who was served? You have said that you were not in office. If there is any senior officer there, perhaps the Solicitor-General or the Director Civil Litigation would have given guidance on how to proceed with that.

When you, honourable minister, choose to be very economical with facts, this Parliament is at a loss. We think that you want to wiggle out of this bad situation but you are not being candid and honest to this Parliament. In the absence of the Attorney-General and the deputy, there must be a senior person. Once services were served on the Attorney-General, there must be appropriate channels upon which a file is given to a particular officer.

Therefore, in such circumstances, honourable minister, be fair to this House. Let us move forward as a country but be honest. To that extent, Madam Speaker, it needs soul searching; we are all partners in this country. We are all responsible persons and institutions. We owe it to one another rather than trying to play gymnastics that we were served and then we were out of the office. You leave us wondering who exactly was served and what course of action you took in the circumstances.

THE SPEAKER: Honourable members, join me in welcoming our good friends, hon. Hajabakiga and hon. Ngoga – Members of the EALA. Please stand up for recognition. They are here to observe the proceedings. You are welcome. *(Applause)*

May be, as a closing remark to the honourable Attorney-General, I hope you can inform the Judiciary that no one can casually take away the constitutional rights of this Parliament under Article 90. This is what the judge purported to do, to stop Parliament and everybody else from inquiring; to stop the IGG, the Auditor-General and everybody. That was the effect of that order and this is in violation of our rights and Article 90, which is guaranteed by the Constitution. So, please inform them that this kind of extremism is not good for this country.

BILLS FIRST READING

THE INTERNATIONAL CONFERENCE ON THE GREAT LAKES REGION (IMPLEMENTATION OF THE PACT ON SECURITY, STABILITY AND DEVELOPMENT IN THE GREAT LAKES REGION) BILL, 2016

2.41

THE GOVERNMENT CHIEF WHIP (Ms Ruth Nankabirwa): Madam Speaker, I beg to move that the Bill entitled: “The International Conference on the Great Lakes Region (Implementation of the Pact on Security, Stability and Development in the Great Lakes Region) Bill, 2016” be read for the first time. I have the Certificate of Financial Implications attached. I beg to lay it on the Table.

THE SPEAKER: Honourable members, should this go to the Committee on Defence? Okay we ask the Committee on Foreign Affairs and the Committee on Defence to work together on this Bill and report within the required time.

Honourable members, I will amend the Order Paper to allow the Leader of the Opposition to lay the Budget Framework Paper at the appropriate time. I will also be deferring item 4(b) to tomorrow. Next time.

MINISTERIAL STATEMENT

2.42

THE MINISTER OF AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (Mr Vincent Ssempijja): Madam Speaker, the purpose of the paper is to appraise the legislature on the food security situation in the country and the measures being undertaken to mitigate its impact.

Background

Colleagues are aware that the country is facing a shortage of food, scarcity of water and pasture, and scarcity of feed for livestock as a result of poor rainfall in the last year, 2016. During the last planting season of 2016, the rains that were expected in early March came three weeks late and below average in the north, western, central and eastern parts of the country. The rains lasted for one and a half to two months; from end of March to end of May.

The households that planted crops, according to the usual first season calendar of March, witnessed poor or no germination at all. The little that germinated of the planted crops were scotched by the sun when the rains stopped in May.

The second season rains of August to October also came late at what is supposed to be harvest time in most parts of the country. There was also a dry spell during the period of May and June, which heavily damaged crops in many parts of the country.

All this happened after a very long period of dry spells in the previous year, 2015, in most parts of the country. Our biggest fear now is the current *La Nina* conditions; what we call the extended dry spell in some parts of the country, which is forecasted by the National Meteorological Authority to last between September 2016 to March 2017.

The food security analysis done by the Ministry of Agriculture, Animal Industry and Fisheries in collaboration with other stakeholders in July, 2016 indicated that at national level, the country experienced an average crop loss of approximately 40 per cent and these includes beans, groundnuts, peas and so on; and 80 per cent for cereals which includes millet, rice, sorghum and others in that group for the last harvest in the first season. The most affected crop was maize.

Consequently, there was a decline in the number of food secure people in the country from 89 per cent in December 2015 to 83 per cent in July 2016; and an increase in the population under food security stress from 10 per cent to 16 per cent during the same period.

Madam Speaker, the situation was projected to prevail up to end of November 2016. The one per cent population in crisis remained constant and these were from Karamoja Region; the reason being acute malnutrition rate up to 12 per cent which is about the threshold of 10 per cent.

There was a 20 per cent decrease in livestock holding due to increase in sell-to-purchase food and livestock deaths due to diseases thus leading to poor food consumption score and low dietary diversity

among livestock keepers. This population has poor purchasing power and has no food stocks at household level.

The Specific Magnitude of the Food Security Problem

Madam Speaker, the latest on food security situation as at 2 November 2016 that was a result of a rigorous scientific analysis indicated that the most affected areas are the districts that lie in the cattle corridor stretching from north east up to south western Uganda.

This information was later confirmed by the follow up of the National Food Security Awareness Campaign that was undertaken by the inter-ministerial teams led by Cabinet ministers and ministers of state and coordinated by the Prime Minister in late November 2016. The sub-regions of Karamoja, Teso, Lango, Acholi, Bukedi, West Nile, parts of Busoga and most districts along the Cattle Corridor including Isingiro, Kiruhura, Rakai, Sembabule, among others, witnessed massive crop failure, leading to little or no harvest. This has resulted into the food crisis we are experiencing.

Much as the situation is worrying, no part of the country is in a famine phase of food insecurity. The current food security situation in the country ranges between minimal and crisis.

Harvests of cereals, matooke, bananas, cassava, sweet potatoes, Irish potatoes and beans are on markets but the supply is low and the demand both domestically and regionally (Rwanda, Kenya, Burundi, South Sudan, DRC, Tanzania, and Central African Republic) is high. Market prices for all food commodities have increased.

There is fear that if individuals and families do not manage the available food stocks at household levels well, the situation can quickly deteriorate to the emergency and famine stages of food insecurity within the next two months.

The country is likely to experience shortage of seeds for planting in season one of 2017 because the communities are likely to eat all the cereals and pulses that they have produced.

Vegetative propagating seed-material is likely to be in short supply.

Colleagues are aware that the standard dietary consumption in Uganda is three meals in a day (that is, breakfast, lunch and supper). The current estimates, however, indicate that 25 per cent of the population in Isingiro District are in an emergency phase of food insecurity, meaning they access half a meal or nothing at all in a day.

Sixty-five percent of the population in Karamoja sub-region are in a crisis phase of food insecurity; meaning they access one meal or half a meal in a day.

Colleagues will also note that 35 per cent of the population in the districts of Katakwi, Amuria, Kumi, Bukedea, parts of Serere and Kaberamaido are in the same phase with Karamoja sub-region -that is the crisis phase; meaning they access one meal or half a meal in a day.

Madam Speaker, 50 per cent of the people of Koboko, Yumbe, Moyo, Maracha, Arua, Zombo, Nebbi, Adjumani, Amuru, Nwoya, Gulu, Pader, Lamwo, Kitgum, Agago, Soroti, Ngora, Amolatar, Pallisa, Butaleja, Rakai, Isingiro and Tororo are in a stressed phase of food insecurity; meaning they access one and half meals in a day

The districts of Oyam, Apac, Kiryandongo, Masindi, Buliisa, Kyankwanzi, Nakaseke, Kiboga, Mubende, Luweero, Kyegegwa, Ssembabule, Kiruhura, Lwengo, Ntungamo, Kamuli and Kibuku are in a minimal phase of food insecurity - meaning the people can still afford all meals though stocks are running low.

The following districts are fairly food secure: Kisoro, Kabale, Kanungu, Rukungiri, Mitooma, Bushenyi, Rubirizi, Ibanda, Kasese, Kabarole, Bundibugyo, Kyenjojo, Ntoroko, Kibaale, Hoima, Masaka, Lyantonde, Kalungu, Butambala, Mityana, Wakiso, Gomba, Luuka, Iganga, Busia, Namayingo, Buvuma and Kampala.

Madam Speaker, the total population that was in need of relief food, as of November, 2016 stood at about 1.3 million people in the sub-regions of Karamoja, Teso, Lango, Acholi, Bukedi, West Nile, parts of Busoga, Isingiro, Bukomansimbi and Kalungu.

Water Scarcity and Pasture situation in the country

Madam Speaker, as expected, since poor rain fall is the main cause of poor crop harvests, the same sub-regions experiencing crop failure including Karamoja, Teso, Bukedi, West Nile and most districts along the cattle corridor, are facing shortage of water for both domestic use and livestock rearing. The same sub-regions and districts are also facing pasture shortage.

Factors that have contributed to food insecurity in the country include:

- a) Long dry spell and/or drought.
- b) Crop pests and diseases.
- c) Livestock diseases (Foot and Mouth Disease) and vectors (ticks and tsetse fly).
- d) Over-consumption of alcohol.
- e) Over-selling food.
- f) High food prices limiting access to food by households.
- g) Cross border trade.
- h) Rural–urban migration, where the most productive age bracket (youth) is getting involved less in agriculture.
- i) Sports betting and gambling.
- j) Declining soil fertility, soil degradation.
- k) Destruction of wetlands.
- l) Climate change effects.
- m) Low use or lack of mechanisation.
- n) Limited use and/or lack of homestead and community storage facilities.
- o) Low fertilizer use.
- p) Inadequate knowledge on water harvesting and use of water for irrigation.

Government effort on food insecurity in the country

- a) Government provided Food relief for the affected vulnerable families. And my colleague, hon. Ecweru, will supplement that point at an opportune moment.
- b) Awareness campaign that was undertaken by inter-ministerial teams led by cabinet ministers and/or ministers of state and coordinated by the Prime Minister in late November 2016. The Ministers of Agriculture, Water & Environment, ICT and National Guidance, Defence and Security and the Director of National Meteorology Authority participated in the campaigns and talk shows on local radio stations.

- c) Key messages disseminated included: use of the available food stocks sparingly; families to desist from selling their harvests; to save money by spending less over the past festive season; encouraging the population to plant leafy vegetables in the event of any little rains; to dry and store vegetables such as cowpea leaves; and scaled-up planting of sweet potatoes. Households who still have cassava and sweet potatoes should harvest dry and store for the lean period. Families were encouraged to harvest, store and use water sparingly for both domestic and livestock. Animals should both be restrained from wandering and damaging crops and water facilities
- d) Communities were urged to restrain from bush burning, which results into further loss of pasture, destruction of vegetation and drying of wells. There were also encouraged to harvest available grass for their livestock to take care of the long dry spell ahead. Furthermore, the communities were urged to desist from degradation of wetlands, water bodies and natural forests.
- e) All over the country, the district leadership, religious and community leaders were committed to continue with the awareness campaigns to the grass roots. Communication messages about food growing, security and environment protection have been shared.

Madam Speaker, the recommendations for the awareness campaign are as follows:

- a) We would like to support the tractor hire service schemes up to the parish levels to increase opening of large tracts of land for extensive farming and the increased agricultural production.
- b) Increase surveillance and monitoring of the food situation and climate change.
- c) Ban gambling and betting to free youth who are the most productive labour force to engage in agricultural production.
- d) Wet lands, natural forests, water and soil conservation and support tree planting and afforestation.
- e) We need to support the formation of bylaws and ordinances on food security, wetland protection and alcohol drinking, in the case of Karamoja levy high taxes on local *Waragi* which enter into the districts.
- f) Strengthen, establish and equip metrological departments in all districts.
- g) Mobilizing and sensitizing the youth towards work so that their mindset change in order to be more productive and support Government programmes and policies for social economic transformation.
- h) There is need to set up stores, profiles in every district for food storage.
- i) More effort is needed in research and multiplication of disease resistant cassava varieties to continuously supply adequate cassava seed materials.
- j) Provide early warning information on food security and nutrition to farmers.

Establishment of food and nutrition information systems

We also recommended that we need to support the provision of short-term affordable and the easily accessible agricultural loans and insurance to farmers for increased agricultural production.

Madam Speaker, the way forward has been divided into three: Immediate, intermediate and long term actions

Immediate actions

We need to continue with the provision of food relief to vulnerable families and hon. Musa Ecweru has details concerning food relief. We need to provide seed and planting materials for the rehabilitation of food production systems for the season one of March 2017. We need to continue with the food and nutrition surveillance and awareness campaigns on food security. There is need to improve on pasture so as to increase dairy production currently piloted in 10 districts through the provision of tractor and pasture seeds.

Madam Speaker, in the 10 districts which will be piloted, we have already procured 40 tractors for the pasture development and production.

THE SPEAKER: Honourable minister, we are interested in knowing the 10 piloted districts?

MR SSEMPIJJA: We will do this throughout the entire country. We will promote production and consumption of food security like yams, pumpkins, cassava, *Kivuuvu* and *Balugu*.

The intermediate and long actions

The Ministry of Agriculture, Animal Industry and Fisheries has earmarked a total budget of Shs129.08 billion in the next financial year to undertake sustainable food production systems as indicated in the table below.

- i) Support to irrigation interventions and construction of valley tanks. This will take Shs23.36 billion.
- ii) Value addition in (b) for exports. Government allocated Shs 35.46 billion.
- iii) For animal disease control, which includes vaccines and surveillance, Government allocated Shs 9.40 billion.

The crop pest and disease control and support to certification services, Government has allocated Shs 4 billion.

Quality assurance

Monitoring and support to extension services; Government has allocated Shs4.04 billion.

Seeds and planting materials for beans, cowpeas, maize, cassava, sweet potatoes, and bananas, Government allocated Shs27.53 billion.

Mechanisation and provision of tractors, Government has allocated Shs15.30 billion. Provision of hoes, Government allocated Shs10 billion.

Madam Speaker, we will promote the use of fertilizers and high quality agricultural inputs, we will also promote sustainable land management, water harvesting and irrigation. We will strengthen the agricultural extension services.

Provision of post-harvest storage and marketing facilities, scale out the use of household and community food storage facilities and these are hermetic bags, smart plastic and metallic silos and we have already tested this and we are ready to start.

To provide support and knowledge for water harvesting and use of water for irrigation, we will register farmers, organise them into area based community co-operatives and all rural producers and marketing organisations.

In conclusion, colleagues, over the last several years, there have been repeated incidence of poor rains, harvest and food insecurity in predictable regular cycles. The Government has identified areas of intervention stated above for sustainable food and nutrition security and household income to enable us achieve the middle income status.

Colleagues, you will note that the current level of financing for food security interventions is inadequate to meet the magnitude of the need. This water for production food and nutrition information systems,

implementation of wetlands management, provision of adequate seeds and planting materials, establishment of storage infrastructure, pests and diseases control and climate change.

I need to request Parliament to note the magnitude of the problem and the proposed immediate medium and long-term actions. I wish to request you to note the need to continue providing food relief by the Ministry of Disaster Preparedness, which is costed at Shs 52.65 billion to the affected families. This was already alluded to by the districts local governments during the recent concluded food security awareness campaigns.

Madam Speaker, I wish to urge Members to note the need to reallocate and frontload funds from the NAADS Secretariat/OWC equivalent to Shs 26.63 billion to avail quick maturing food security planting materials such as maize, beans, cowpeas, cassava, banana suckers, to rehabilitate the destroyed plantations especially farmers in Isingiro in season one of this year starting with March 2017, as soon as the rains are established.

Madam Speaker, I would like the Members to note the need to continue food and nutrition surveillance and awareness campaigns by the Ministry of Agriculture, Animal Industry and Fisheries, costed at Shs 2 billion annually.

I request you to note the need to promote water harvesting and irrigation; provide heavy earthing moving equipment at regional level.

Note the need to promote household, and community food storage facilities and the need to scale up mechanization for food and pasture production.

Madam Speaker, the attached annex 1 is not in colour to show the five standard phases of food insecurity that I have already mentioned which stand for minimum, stressed, crisis, emergency and famine. Madam Speaker, allow me to submit. Thank you very much.

THE SPEAKER: Thank you very much, honourable minister. Is the Minister for Disaster going to complete this? The Minister said you are going to complete the statement.

MR MUSA ECHWERU: Madam Speaker, we agreed with the minister that I prepare a comprehensive report on our response to the gaps that have been created. Therefore, we thought that we could debate what the minister has presented then I bring the report on how we have responded to the gaps that have been created because of the food shortage.

THE SPEAKER: Now, honourable ministers, I do not really know whether you are helping this country. About three months back, I recall that we debated the food security situation here and we directed Cabinet to bring a comprehensive plan, worked on by the Minister for Trade for purposes of storage, the Minister for Disaster, and that of Finance and Agriculture. That is what we wanted.

However, this one is telling us the problems but not saying how they are going to be solved. Where is the comprehensive plan? This is three months ago. We demanded for that plan on 27 September. I think the country wants a plan. This is about workshops, sensitization; that is what is here.

3.18

MR ANTHONY OKELLO (NRM, Kioga County, Amolatar): Thank you, Madam Speaker. I would like to thank the minister for the statement, which is comprehensive though not that convincing. The food security analysis was done in July 2016 and like you stated, my concern is that some of the findings of

this analysis should have attracted immediate attention but it has taken too long. To date, we do not see any intervention that has been undertaken because of this analysis.

However, under normal circumstances, such an analysis should have led to a quick response at least to avert possible negative effects of the food insecurity. In Amolatar, it is not only the prolonged drought that affected the people but we also had cassava tubers rotting due to cassava brown streak and this covered the entire district and the ministry is aware.

Currently, my people are tending the gardens but I do not know when the ministry will probably provide disease-free drought resistant and quick maturing cassava stems for the people. People are expecting rains in March and the ministry had promised to provide some cassava stems but we have not seen any response yet.

Madam Speaker, it would also be good for the ministry to inform the country about the possible pattern of rains because we are expecting rains. What does the meteorological department tell us? When are the rains coming so that we can mobilise farmers in preparation for the rains?

Lastly, Shs 23 billion has been allocated to construction of valley dams. However, in my district, I have 15 valley tanks that were dug by our ancestors in the 60s but to date, they are silted; all we need is to have them de-silted. This can be done using a community driven approach. It would be very - (*Interruption*)

MR OLANYA: Thank you, Madam Speaker. The information I would like to give is that the weather forecast department in Uganda is totally dead. They usually give incorrect information to the country. Last year, for example, they told us that rain shall stop at the end of December. In northern Uganda, it stopped at the beginning of November. Therefore, this department is totally dead. We need to see what to be done next.

MR ANTHONY OKELLO: Madam Speaker, if the meteorological department is dead, then we are in a complete state of quagmire. I do not know how the country will be handled without projection of our rain patterns.

Lastly, valley tanks are merely a hole in the ground. If we have those that are de-silted, we can use community development approach to de-silt them and this would be more cost effective.

THE SPEAKER: I would like to know if we should just continue debating or whether we can have a strategic plan for the country. That is what we wanted. We have said all these things before; there is nothing new we are going to say.

3.21

MR MICHAEL AYEPA (NRM, Labwor County, Abim): Thank you, Madam Speaker. I expected a statement from the Ministry of Water and Environment because according to the minister's statement, the whole issue focuses on shortage of water.

About what my brother is talked about in regard to the issue of the dams, in Karamoja, there were six deep dams. However, the people of the ministry deceived the President that there were billion millilitres of water and yet there was not even a drop of water in each of those dams. These dams would help the people of Karamoja who are now suffering.

These Karimojong now go with their animals to Acholi and Lango and they are chased. As we talk, they don't have anything to do for their animals and the people yet the people who were given money for the

dams did not account for it. They are there in the ministry and no arrest has been made but billion of shillings were misappropriated. Whether it rains or not, there is no water in these dams.

Madam Speaker, on school feeding, Government resolved that school feeding is going to be stopped and parents must feed their children. We have just heard that there are families which cannot afford a meal a day; others can only afford half a meal a day and sometimes nothing. It is terrible in Karamoja. If they cannot afford a meal a day, how can they buy maize to supply schools? Let us, for this period of time, revive the school feeding programme. I even doubt whether some schools will open because of shortage of food. If they manage to open this term, in second term they will not open. I was in Masindi yesterday trying to look for maize. By April, there will be no maize in the country. What shall the schools eat? What can we do?

As you have said, Madam Speaker, we need a comprehensive development plan for this country and not a bit of this or that. We would like the Minister of Water to tell us when they will ensure that all the districts in the country have dams. Thank you very much.

THE SPEAKER: Should we stop the debate? (*Applause*) Honourable members, in September, we asked the Government to bring a comprehensive plan. This is January and the plan has not yet come. The famine situation continues. Minister, we shall not waste our time debating this. Bring a plan on Tuesday next week; we have given you enough time.

MR SSEMPIJJA: Madam Speaker, if it is a comprehensive plan for the country, allow us to come back on Thursday next week.

THE SPEAKER: Can you do it on Wednesday next week? We have no sitting on Thursday.

MR SSEMPIJJA: Much obliged.

PRIME MINISTER'S QUESTION TIME

3.23

MR JAMES WALUSWAKA (NRM, Bunyole County West, Butaleja): Thank you, Madam Speaker. First of all, I would like to thank the Prime Minister because the ministers' bench today is full. Madam Speaker, when the President came to Butaleja in 2011 during the campaigns, he pledged construction of two classroom blocks in Bunganga. But up to now nothing has been done. This is a Muslim founded school and with the issue of Muslims around the country, they think they will not be helped.

Rt Hon. Prime Minister, the other time you talked to the Minister of Education and Sports and they kept silent. Can we know when these classroom blocks would be constructed or can you go and explain this yourself to the people of Butaleja?

THE SPEAKER: Honourable members, as the Prime Minister comes, join me in welcoming the LC3 chairpersons from Mayuge, represented by hon. Bagiire, hon. Waira, hon. Ntende and hon. Julie Zabwe.

3.25

THE PRIME MINISTER AND LEADER OF GOVERNMENT BUSINESS (Dr Ruhakana Rugunda): Madam Speaker, the presidential pledge for two classrooms for Butaleja is one of quite a number of pledges that have been made by the President. As soon as the President makes these pledges to the *Wanainchi*, the respective ministries concerned take up the matter, plan and mobilise resources.

I am aware that this matter has been raised before in this House. I am going to ask the Minister of Education and Sports to come to this House and give an update on the implementation of this presidential pledge.

3.26

MR ELIJAH OKUPA (FDC, Kasilo County, Serere): Thank you, Madam Speaker. The question I would like to put to the Prime Minister arises from a letter which was written by UNEB on 5 December 2016. The circular is to all the heads of UCE examination centres offering subjects which were suspended from the O-level curriculum. The reference is, “*Suspended Subjects on the O-level Curriculum. Reference is made to the circular dated 15 June 2015 informing all heads of UCE examination centres which offer the under listed subjects suspended from the O-level curriculum that UNEB would examine them for the last time in 2016.*”

The subjects are: Fasihi ya Kiswahili, Political Education, Additional Mathematics, General Science, Health Science, Electricity and Electronics, Power and Energy, Shorthand, Typewriting, Office Practice.

Following the above, this circular serves to remind all heads of O-level centres that with effect from 2017, UNEB will no longer examine the subjects. Therefore, no examination of the above subjects will be held in 2017.” The circular was signed by the Executive Secretary of UNEB, Dan Odongo.

Madam Speaker, while addressing EALA and the nation yesterday, the President talked so much passionately about the use of Kiswahili in the African Continent. We also did include Kiswahili Language as the second language in our Constitution and we are moving forward under the East African Community to ensure that everyone gets to know about it. Under the AU and the Pan African Parliament, Kiswahili is one of the languages but I am surprised that the Secretary to the UNEB can make such a directive.

I would like to hear from the Prime Minister whether we are defying what the Constitution states about the language and our commitment to the East African Community, given the need for Kiswahili Language as stated by the President yesterday in this House.

DR RUGUNDA: Madam Speaker, Kiswahili is our second national language and instead of demoting it, definitely, as a country, we have no choice but promote it. Therefore, this is rather an unexpected turn of events. The Minister of Education and Sports, in pursuit of the responsibilities entrusted to the team, will next Wednesday make a statement on the matter not only on Kiswahili but also of the subjects that have already been commented on by hon. Okupa.

3.30

MR JAMES KABERUKA (NRM, Kinkizi County West, Kanungu): Thank you, Madam Speaker. In this very House, the question about over charging by Ferdsult compared to Umeme Limited was raised, where Ferdsult charges Shs 680,000 for just a solido wire where Government has supplied a supply pole. The Prime Minister promised to consult the Ministry of Energy and Minerals.

However, Madam Speaker, the Government has already, through the Rural Electrification Agency, at least extended power to some rural areas but people are unable to pay this Shs 680,000 for a solido wire. Rt Hon. Prime Minister, when are you harmonising this because Umeme is charging Shs 90,000 and Ferdsult is charging Shs 680,000 and they are all serving Ugandans.

THE SPEAKER: Prime Minister, this is an old question. I hope you have answers.

DR RUGUNDA: Madam Speaker, I am fully aware that this matter has been raised in this House by hon. Kaberuka. The Minister of Energy and Minerals, who is not clearly visible – (*Laughter*) - has an obligation at a time that you will give next week, to come and give an explanation to this House.

I am fully aware that there are different modalities of distribution of power and through them, the people of Uganda are entitled to know the different modalities, rationale and the impact on the population. Therefore, again next week, there will be this thorough explanation by the minister responsible for energy.

THE SPEAKER: Honourable Prime Minister, I am sorry to keep coming back. This is about the right of access to electricity and it is a matter we raised long before the recess. There are three ministers in that ministry and we want an answer tomorrow. Let this thing get off our agenda; it is the cost - Shs 90,000 vis-à-vis Shs 680,000. The minister or whoever is in charge of the sector should come and answer tomorrow [HON. MEMBERS: “He is in the lobby.”] Can the whip go and whip the minister to come into the chamber, if he is in the lobby?

3.33

MS JACQUELINE AMONGIN (NRM, Woman Representative, Ngora): Thank you, Madam Speaker. I would like to pose a question to the Prime Minister regarding the quality of education in Uganda especially regarding balancing the rural and the urban schools of this country.

In the recently released results for Primary Leaving Examinations in the country, when you analyse the performance of pupils per district in the rural parts of Uganda; and I would like to give an example of districts that are so rural like Ngora, Katakwi, Kamuli, Kanungu etcetera. Rt Hon. Prime Minister, of course there are many rural districts in Uganda. The performance shows that the private schools in those districts are performing better than the Government schools and yet, from research, the money paid to these teachers in private schools sometimes is so minimal.

It is less than Shs 100,000 per month yet they are able to pass pupils in Primary Leaving Examinations. However, those teachers in government-aided schools have failed to even produce one first grade in most of the rural schools in Uganda.

Rt Hon. Prime Minister, if you are talking about achieving the Sustainable Development Goals (SDGs) of giving all children access to quality education, what measures are we putting in place to ensure that the government schools that we channel monies from this Parliament work hard towards the achievement of all children passing Primary Leaving Examinations especially in the rural areas?

THE SPEAKER: Honourable members, I wish you could just be precise: is the Prime Minister aware of the disparity in performance between the rural and urban schools? Let us be quick.

DR RUGUNDA: Madam Speaker, thank you for amplifying the question. It is true that there is a disparity in performance between the *Wanaichi* in the rural areas and our children in urban areas. Indeed this is not unique; it is a reflection of the levels of income, facilities and other amenities between the rural and urban areas.

Government is fully aware of this problem and in fact, Government has already found out that a number of factors contribute to this and these include absenteeism among the teachers and inadequate inspection and supervision by those in charge of Government schools.

Government has already put in place mechanisms that will help change this situation that will increase inspection and reduce absenteeism by both teachers and children. Therefore, it is a problem well known and Government is taking the necessary measures.

3.37

MS JUSTINE KHAINZA (NRM, Woman Representative, Bududa): Thank you, Madam Speaker. Rt Hon. Prime Minister, Uganda's economy is highly dependent on climate and today, we see a change in the rainfall patterns and the temperatures are also rising.

In this document, Government is allocating Shs 23 billion to irrigation; I would like to find out from the Prime Minister about the progress of the irrigation policy. We have also noted some issues: where will it belong and how far have we gone with it because it is one of the ways in which we are going to help the country to solve the problem of food insecurity?

DR RUGUNDA: Madam Speaker, you may be interested to know that the very question that has been raised has been a subject for intense discussion this morning in Cabinet, and we realised and highlighted the facts that the drought and the problems of water we are talking about are more mainly to levels of development and underdevelopment and that we can quickly do something about them.

Hence, Government is putting in place mechanisms to work out a strategic plan of dealing with irrigation issues in a manner that will squarely meet the drought challenges of today. It is a real problem and Government has put in place a mechanism to deal with it and by the way, there are going to be pilot irrigation programmes at least in every district in addition to the already well-known successful irrigation programmes in Kasese and a number of other districts.

We also intend to take advantage of gravity using areas, which are hilly to ensure that streams and rivers that flow can also be distributed for irrigation of crops and hence mitigating the effects of drought.

3.40

MR JOHNSON MUYANJA, (NRM, Mukono County South, Mukono): My concern to the Prime Minister is about Skilling Uganda, which was the solution to the many school dropouts. As my colleague said, recently, over 179 pupils completely failed PLE and they cannot continue school.

We are waiting for the UCE results but you may find that over 50 per cent are going to fail those exams. How far have you gone with Skilling Uganda in the rural areas and even the urban areas, if the programme still exists?

DR RUGUNDA: Madam Speaker, you remember that the previous Parliament passed legislation on BITVET, which is aimed at skilling many of our young stars through vocational and other practical forms of training; so, that is in place. In addition, under the Ministry of Education and Sports, a programme is being worked out on additional mechanisms to skill our young stars.

The Office of the President is coordinating an exercise where graduates and others who leave school and roam on the streets with no jobs can be taken to different training centres, factories and other places of work to acquire skills that will enable them to get jobs and make a living.

3.42

MR NATHAN NANDALA-MAFABI (FDC, Budadiri County, West, Sironko): Thank you very much, Madam Speaker. Some time back, I raised a question to the Prime Minister about a road in Kyambogo, where a *Muyindi* came and graded the road and left the poles hanging. By this evening, one of the poles may have fallen. The Prime Minister promised that they were going to re-fill that place. Rt Hon. Prime Minister, did you change your mind about re-instating that area in Kyambogo?

DR RUGUNDA: Madam Speaker, on the matter raised by hon. *Nandala-Mafabi*, we will get factual information and make it available to you.

3.43

MS FLORENCE NAMAYANJA (DP, Bukoto County East, Masaka): Thank you very much, Madam Speaker. Rt Hon. Prime Minister, we were compelled to register our telephone numbers. Of recent, whether by connivance or some other reason, the service providers are conniving with thieves to hack into our numbers. They cut you off and then use your number to solicit for money. I wonder what Government is doing to safeguard Ugandans from this.

DR RUGUNDA: Madam Speaker, that is obviously a criminal activity, which should be immediately reported to police for investigation and prosecution of the culprits.

3.45

MR FRANCIS ZAAKE (Independent, Mityana Municipality, Mityana): Thank you very much, Madam Speaker. My concern to the Prime Minister is about scarcity of trained eye care professionals, leading to many cases of avoidable blindness in the country. According to the *New Vision* newspaper of 9 August 2016, the State Minister for Primary Health Care, Joyce Moriku on a launch of the Academic Vision Centre at Makerere University Hospital, expressed her concern over the very small number of optometrists in the country. She said that there were only four registered optometrists in the country out of the nine. It is estimated that a total of 1.5 million Ugandans suffer from avoidable vision impairment a problem attributed to lack of accessible eye care services.

Rt Hon. Prime Minister, what has Government done to deal with the above challenge?

DR RUGUNDA: Thank you very much, Madam Speaker. What the honourable member has raised is a general issue of health care – Government is embarking on improving on health care programmes which in turn will include eye issues; so, that is on course as far as Government programmes are concerned.

3.46

MS BEATRICE ANYWAR (Independent, Kitgum Municipality, Kitgum): Thank you very much, Madam Speaker. Cancer infection is on the rise and scientists have indicated that the use of plastics is one of the causes of cancer infection. As a country, we made efforts to ban the use of polythene bags. What is the Government doing to ensure that this is implemented?

DR RUGUNDA: Madam Speaker, I agree with hon. Anywar that plastics are associated with causation of cancer. Secondly, it is true that Government has taken measures to control use of plastics; *Kaveeras* and the like and a minimum thickness has been prescribed by NEMA and it is a question of ensuring that it is effectively implemented. Government continues to monitor this menace quite closely.

3.48

MR ROLAND MUGUME (FDC, Rukungiri Municipality, Rukungiri): Thank you very much, Madam Speaker. Rt Hon. Prime Minister, can you explain why there are re-arrests of bailed suspects in different courts in the country? This has happened in Gulu and Jinja.

DR RUGUNDA: Madam Speaker, Uganda is strictly under the rule of law and anyone who is arrested may be arrested in accordance with the laws of the land. If somebody has been in prison and gets out and there are some additional charges that are available, he, like anyone else, will be dealt with in accordance with the law and that may include him being rearrested.

3.49

MS MARY KABANDA (DP, Woman Representative, Masaka): Thank you very much, Madam Speaker. Rt Hon. Prime Minister, Bukakata Road is listed among the roads that are supposed to be done this financial year and I see that we are about to come to its end. When the President of Uganda came to Kyanamukaaka, he told us openly that there is no contractor for that road.

I took the initiative to contact the contractor that did the Mbarara-Masaka Road and Masaka-Kampala Road. I asked why they had not put an application to bid for the road because there are no other contractors. He told me that they had already submitted their application yet the President has told us that there is no contractor. What do you have to tell the people of Masaka regarding that road that has been on the budget for the last 30 years? Thank you.

DR RUGUNDA: Madam Speaker, hon. Kabanda can get the specific details from the Minister of Works because in that ministry, there is a database for roads, the stage of development, planning, when they are going to be done and the like; and that will give you useful information. In addition to that, the minister can give you plans ahead that the ministry has. I do not have specific information to give you but we can get it directly from the minister responsible for works.

3.51

MR ABACANON GUTOMOI (FDC, Erute County North, Lira): Thank you, Madam Speaker. Rt Hon. Prime Minister, how many sub-counties in this country are without government-aided senior secondary schools? And those which are community or parents-founded secondary schools, when are they going to be coded so that they can become government-aided secondary schools? This is because we are waiting; in my constituency, I have one which has been in place since 2011 and has done UCE three times but has not yet been coded. Thank you.

DR RUGUNDA: Madam Speaker, it is very well known that there are a number of sub-counties in this country without government secondary schools and without health centres III. However, the position, as illustrated before, is that Government has a plan of ensuring that by the end of this *kisanja*, we cover that gap in terms of health centres and secondary schools. So your constituents will not miss out.

3.52

MR PAULSON LUTTAMAGUZI (DP, Nakaseke South County, Nakaseke): Rt Hon. Prime Minister, there have been a lot of reports in government media about land grabbing in Nakaseke District. There are so far 15 villages which are being affected and these are ordinary peasants. I would like to know which steps government has taken so far to help the peasants of Nakaseke because this Government is in power because of the people of Nakaseke. Thank you. *(Laughter)*

DR RUGUNDA: Madam Speaker, this Government is in power because it was voted into power by the people of Uganda. There was some resistance from Nakaseke and that is why my brother is here. *(Laughter)*

However, hon. Luttamaguzi is raising a very valid point about issues of land grabbing and land disputes at different levels in the country, and I must say that the minister responsible for lands and her team are effectively dealing with this matter; in addition, of course, to what the courts of law at different levels are doing. I, therefore, encourage you and the people affected to go to the courts of law to get justice.

3.54

MR FRANCIS MUKULA (Independent, Agule County, Pallisa): Thank you, Madam Speaker. Rt Hon. Prime Minister, I have a fear – the magnitude of the first phase of Hepatitis B was lower than it is currently, where Government gambled and almost failed to rescue the situation. Actually some people

died without knowing what had killed them, like it was in my village where people were saying that there is a disease called “appetite.”

Now, the question is: The disease coming up is hunger and I foresee that people are going to die of hunger. Do you think that the government, as we wait for the report, has the capacity to rescue the people of Uganda before we start counselling people? Thank you.

DR RUGUNDA: Madam Speaker, what the honourable member is raising is precisely what we were discussing following the paper by the Minister of Agriculture, Animal Industry and Fisheries. It is true that there is a national challenge; Government is playing its roles and Parliament is also doing its role. Our duty is to ensure that we have a correct strategy as a country; we as leaders should mobilise the population so that it can effectively respond and defeat this disease of drought, hunger and famine. The answer is: Yes, we will defeat it.

3.57

MS JESCA ABABIKU (NRM, Woman Representative, Adjumani): Thank you, Madam Speaker. I request to know from the Prime Minister when the Government is going to increase the money sent for the operation of the special interest groups that has remained static for over 15 years. For the case of Adjumani, for all the special interest groups, we get Shs 5 million per quarter and yet the population of these specific groups has been increasing. Thank you.

DR RUGUNDA: If the problem is specifically for Adjumani or the area affected, there must be some roadblock somewhere in the bureaucracy. The minister responsible for gender should be able to give a straightforward answer why this problem is there. Or the minister responsible for finance or even the CAO in the district should be able to easily explain this. We will be interested to work with you to make sure that that roadblock is quickly removed.

3.58

MS AGNES KUNIHIRA (NRM, Workers Representative): Rt Hon. Prime Minister, the performance of the Rift Valley Railways has continuously deteriorated. Attempts to sell shares by the current shareholders are uncertain because of the reports of fraud by the World Bank. What plans has Government put in place to ensure that the company continues to operate until the completion of the Standard Gauge Railway?

DR RUGUNDA: Sorry, I missed the company.

THE SPEAKER: Rift Valley Railways.

DR RUGUNDA: I see. Rift Valley Railways took over the Uganda Railways and the staff to some extent. It has had its challenges being in the private hands. I do not have the specific details of the issue you have raised and what we also know is that the Standard Gauge Railway will be able to solve many of the problems that have been with us because of lack of effectiveness by the Rift Valley Railways. However, I will be interested to get more details concerning the matter so that as Government officials we can work together with you to look for appropriate responses and answers.

4.00

MS CATHERINE NDAMIRE (NRM, Woman Representative, Kabale): Thank you very much, Madam Speaker. Rt Hon. Prime Minister, I would like to thank you for your commitment to this House. My question to you is that you know very well that the economy of Uganda is mainly supported by agricultural products. Therefore, I would like to inform you that Government has come up to support tractor hire services schemes up to the parish levels which include opening up of large areas of land for

extensive farming and agricultural production. However, some areas in Uganda are hilly, especially Kabale where I come from. This will not be favourable to the people of Kabale where the terrain is very bad especially with regard to use of tractors. My question therefore is, what plan do you have to those hilly areas? Thank you so much.

DR RUGUNDA: My sister, the terrain in Kabale is very good, it is not very bad. It is true that the programme for tractor hire services is being encouraged and our problem is that we do not have yet enough tractors, I hope we will be able to mobilise the necessary resources to have more tractors so that we can open more land. Therefore, there could be more appropriate tractors for rather challenging areas like Kabale which you have just mentioned.

The way forward is to have improved agriculture, more tractor services and more appropriate tractors for terrains that are rather challenging.

4.02

MR GENENSIO TUMURAMYE (NRM, Kashongi County, Kiruhura): Thank you, Madam Speaker. Rt Hon. Prime Minister, during the recent recess and even in Christmas period, I moved throughout the country and interacted with many voters. However, their main concern was about Government's delay in opening NRM offices at the sub counties. Last year, on the same Floor of this House –

THE SPEAKER: Honourable, that is not a question for the Prime Minister. I am sorry.

4.03

MR GEOFFREY MACHO (NRM, Busia Municipality, Busia): Madam Speaker, the backbone of every country lies upon the foundation of its education. Right now, in Busia District and the municipality, where I come from, every morning vehicles come from Kenya to Uganda to pick pupils to go and study pre-education.

I know that the Government of Uganda has a policy on early childhood development. My question to the Rt Hon. Prime Minister is, when will the Government of Uganda implement a policy of early childhood education by setting up nursery schools in every Government school? Thank you.

DR RUGUNDA: Madam Speaker, nursery education is without any doubt very important. However, we have just been discussing the question of performance in our primary schools. I think that the priority is being put on improving our primary schools as we plan for more successful nursery education. However, the Ministry of Education at an appropriate time can give us details of this plan.

4.05

MR ALEX BURUNDO (NRM, Bulambuli County, Bulambuli): Thank you very, Madam Speaker. On many occasions, the programme of wealth creation has been having a lot of challenges and one of them is that they delay to deliver the seeds to the farmers. However, with the erratic rains as we have just heard from the horse's mouth - he said the rains are not enough. I would like to find out from the Rt Hon. Prime Minister; this time will you deliver the seeds in time so that the farmers can catch up with the erratic rains? Thank you very much.

DR RUGUNDA: Madam Speaker, the key point is to emphasis to all our people to do their best to get their seeds in time. Secondly, Government tries to reach people to support them with seeds, but nowadays the emphasis is more on inputs like seedlings. Therefore, the Government through the Ministry of Agriculture and NAADS will endeavour to supply planting materials as quickly as possible.

We are aware that in the past, there have been some mistakes of providing planting materials rather late, but that mistake will not be repeated.

4.08

MR ROBERT NTENDE (Independent, Bunya County South, Mayuge): Thank you, Madam Speaker. I am raising a very important question to the Rt Hon. Prime Minister. I have raised this issue before, on the Floor of Parliament about the south Busoga forest. Rt Hon. Prime Minister, there are a number of masquerades in the above forest who are moving up day and night pressing money from individuals in the name of getting money to survey the land. The Government has either failed or just simply paid a deaf ear to these people and the locals are cheated.

My question, therefore, is, when will Government survey this forest which the President clearly said that 48 villages of which belong to the *wananchi*? The *wananchi* are very anxious and want to use their land that belongs to them. I thank you.

DR RUGUNDA: Madam Speaker, I agree with hon. Ntende that those 48 villages belong to the *wananchi* and survey programmes for the south Busoga forest areas as well as other areas, for example, a round Mt Elgon. Work has been a bit slow but it is going to take off. There have been two main reasons for the delay; one has been release of funds and two, is availability of surveyors; but the Minister for Lands and that for Forestry are tackling those matters. Government is anxious on that matter which has been long standing, but it will be finally resolved.

4.10

MR REAGAN OKUMU (Independent, Aswa County, Gulu): Thank you, Madam Speaker. I rise on the question of veterans in this country. I would like the Prime Minister to inform us how they are going to effect payments of retirement benefits for veterans. They continue to suffer in the countryside and wherever Members of Parliament go, they raise many concerns. They have not been paid, getting aged and dying, and families continue to suffer, and yet every day, more are being retrenched from the army. There seem not to be a proper programme.

The concern is that there is now a minister responsible for veterans' affairs. What is the role of that minister? Do you know the number of veterans you have in this country and what categories of veterans do we have for those people who have served our country?

Where do we begin and where do we end because we have various categories of veterans and Government recently promised them. Therefore, can you inform the country the programmes you have to pay all the veterans and the different categories and for which period? Thank you.

DR RUGUNDA: Madam Speaker, hon. Reagan is raising a very important point, which touches all of us in many different ways. These are brothers and sisters who over the years and under different governments of the land have made enormous contribution to the nation.

In fact, that is the very reason the President has created specifically a ministry for veterans' affairs. Therefore, that part of Ministry of Defense is focusing on veterans to ensure that their welfare, entitlement and ambiguities that have been in place, the numbers are all dealt with.

It is true that the amount of money involved is very substantial and they are being paid in phases. Therefore, the minister responsible for veterans' affairs will be asked by the Prime Minister to come to this House and inform both the House and the country the programme in place for the veterans who have made enormous contribution to this country. I will ask him to come next week if the programme of Parliament allows him.

4.13

MR MOSES WALYOMU (NRM, Kagoma County, Jinja): My question concerns the increasing sugar prices in this country. The business community is complaining that the increasing prices of sugar are caused by sugar factories but at the same time, sugar factories are also complaining that the business community caused the increase in price. Of the two who is cheating Ugandans and what is the Government's stand towards the increasing prices?

DR RUGUNDA: Madam Speaker, hon. Moses is raising an important point. You have seen it in the media. Government has asked the minister responsible for trade to deal with this matter.

It is true there has been accusations and counter accusations. I think there have been a number of factors that have contributed to this. One of them is speculation. The other is that there has been stiff competition among sugar manufacturing companies to the extent that cane supplied to the factories is now being supplied before it is mature and, therefore, the sugar content is not optimal and this has lowered the total amount of sugar that we should be producing.

Nevertheless, the minister responsible for trade and industry who is handling this matter will make a statement to Parliament so that again information is readily and easily available to you colleagues and through you to the citizens.

4.14

MR ALEX RUHUNDA (NRM, Fort Portal Municipality, Kabarole): Thank you, Madam Speaker. Hon. Prime Minister, the country is suffering from the threat of reducing tourists; we have seen many tourists making cancellation because of the avian flu that has attacked birds. From the information I gather, is that the handling of information has been very bad. They have exaggerated the whole situation and embassies have already sent information to their people to be careful coming to Uganda. That has started hurting the country. What is your take on this Hon. Prime Minister in abating such a situation, which is denying us business?

DR RUGUNDA: Madam Speaker, if there has been exaggeration that is an error. Nevertheless, I salute Uganda and the ministries concerned for coming out energetically to state that there is a problem and they are dealing with it.

This may cause temporally panic and even some cancellation but it will be temporary because the world will soon know that Uganda is dealing with this problem firmly and clearly and a solution will be found shortly.

Therefore, Uganda handles its issues openly and that is how we are dealing with this problem as you are saying.

THE SPEAKER: Honourable members, we have used up our time but I have two areas, which I think the country wants answers to and I am glad the Minister of Foreign Affairs is here.

We would like to know when this country will ratify the Paris Agreement signed in December 2015. It has not come here and has not been laid. We have been asking and no one has answered.

The second is for the Minister for Environment. Last week, I was in the meeting of renewable energy and we were told that we are one of few countries that have failed to accede to the International Solar Alliance through which Ugandans would access a grant of \$50 million for rural electrification for the people. Why haven't we acceded to that? The money is sitting there. I do not know if hon. Sam Kutesa can answer that.

4.18

THE MINISTER OF FOREIGN AFFAIRS (Mr Sam Kutesa): Thank you, Madam Speaker. As a matter of fact, Uganda has ratified the Paris Climate Change Agreement and the instruments have been deposited with the Office of the Secretary General of the United Nations.

The Prime Minister led a delegation for the signing, then a Cabinet paper was presented, and the Minister of Foreign Affairs was authorized to sign the ratification. That has been done, and the instrument is already lodged with the Secretary General of the United Nations. Thank you.

THE SPEAKER: How does Parliament know about that? We have been asking and no one has answered for the last one year.

MR SAM KUTESA: I am sorry, I have not been here to answer it but, Madam Speaker, and you know the legal process of ratification. The process is that there is a Cabinet paper written by the agency, which was the Ministry of Environment; and once Cabinet approves, and authorizes the Minister of Foreign Affairs to sign, then the process of ratification is complete. What I can offer to do is to lay on the Table the instrument of ratification.

4.19

THE MINISTER OF WATER AND ENVIRONMENT (Mr Sam Cheptoris): Madam Speaker, I need to consult on that matter. I wish to be given a few days to do that consultation and then I will come and brief the House. Thank you.

4.20

THE LEADER OF THE OPPOSITION (Ms Winfred Kiiza): Thank you very much, Madam Speaker. I would like to know from the Prime Minister because in his response to the issue about the railway, he said the Standard Gauge Railway will be able to sort out some of the issues.

Madam Speaker, we are aware that our neighbouring countries are far away in the issue of the Standard Gauge Railway. As a country, we have not even gone any step in ensuring that we also start our processes. When are we starting on the project - (*Interjections*) – we hear the launch was in a hotel. We are aware we have not finished clearing the land owners. Other countries like Kenya have completed that. They are at 82 per cent while Uganda is still at zero – (*Interjections*) - I just wanted to be kind; we are still at that rate. When are we starting on the Standard Gauge Railway so as to be able to match with our partner states?

Secondly, is on the issue to do with the law. The Prime Minister mentioned the fact that Uganda is a country governed by laws and I agree with him. It was in regards to a question asked by hon. Kaginda on the re-arrest of Ugandans after they have been given bail. It could be true that some Ugandans have offences that they have committed and, therefore, may lead to them being rearrested.

I would like to know why a person is rearrested and the same cases are preferred against them like in the previous case under which he attained bail. Wouldn't it have been prudent enough for possibly Government to prefer these charges concurrently so that when a Ugandan is given bail, then he enjoys his freedom and liberty? This is particularly with the case of His Majesty *Omusinga* Charles Wesley Mumbere which was in Jinja. Actually, we would have asked you whether you are aware that we are no longer using the law; instead, we are torturing and denying our people justice.

Finally, is the issue to do with the support of agriculture; our country is 80 per cent dependent on agriculture. I still remember in the budget of the Financial Year 2008/2009, as a country, we committed

ourselves to providing tractors to all parishes of this country. I still remember the same question kept coming on the plans the Government has for the mountainous areas if we are going to plan for tractors.

I can see the same issue coming right now. Even amidst a curse in the agricultural sector, what plans do we have as a country to revamp the agriculture sector so that our population can be self-sustaining, export agricultural products and move from the current misery to that dream of the middle income status?

DR RUGUNDA: Thank you very much, Madam Speaker. The Leader of the Opposition raised a number of issues. The first one is that Uganda has done zero on the Standard Gauge Railway whereas Kenya has done about 82 per cent. I am happy that my sister raised this point because it has given me an opportunity to reassure the people of Uganda that in as far as Standard Gauge Railway is concerned, we are on course. First of all, we have already acquired most of the land that is required for the construction of the railway.

Secondly, we are in close liaison with both Kenya and the construction companies to make sure that by the time the Standard Gauge Railway reaches Malaba, it will then straightway be able to come to Kampala without any delay.

Therefore, Uganda is on course. Uganda will not delay this project. I see some doubting Thomases. Madam Speaker, let me assure the doubting Thomases including hon. Tinkasiimire that actually this is a factual position; Uganda is ready. The Standard Gauge Railway will be done on schedule and arrangements are fully in place. With regards to specificities of the schedule, they are available. The Minister of Works and Transport will share this information with the honourable members.

The arrest and re-arrest of the people concerned and the case of – assuming Rugunda steals from hon. Niwagaba and then the following week, my target is hon Kaginda. They may arrest me for stealing money from hon. Niwagaba; I may win the case or lose it. I will leave prison but Police will say, “By the way, this fellow who has left prison, we have another case on him for stealing money from Kaginda.” They will rearrest me for the same - (*Interruption*)

THE SPEAKER: Honourable member, are you more knowledgeable than the Prime Minister on the issue he has been acting on himself? Let the Prime Minister answer and then we shall see-

DR RUGUNDA: Thank you, Madam Speaker. The final point on agriculture, I am in complete agreement with the Leader of the Opposition that it is the mainstay of our economy for now and many years to come.

We must double our efforts to modernise our agriculture and have more appropriate tractors so that agricultural production can shoot up and provide a rational basis for agro-based industrialisation and economic development.

LAYING OF PAPERS

THE SPEAKER: What is eating you, hon. Anywarach?

MR ANYWARACH: Madam Speaker, over the last week, Nebbi has lost over 50 grass hatched houses to wild fires, and some of them are explained by so many conspiracy theories. We made all efforts to report to the office in charge of disaster preparedness and the superintendent of this office is the Prime Minister. Would it not be procedurally right for the Prime Minister to just say something about this?

Our people are only requesting for tarpaulins so that when the rains come back, we harvest the same grass that we are using now for thatching to re-thatch. Right now, it is too hot and there is no grass. All we need are tarpaulins. I beg for your indulgence, Madam Speaker. Thank you very much.

THE SPEAKER: Honourable member, couldn't you raise that issue with the Minister for Disaster Preparedness? Did you do it and he did not respond? He is here.

THE MINISTER OF STATE FOR DISASTER PREPAREDNESS (Mr Musa Ecweru): Madam Speaker, I have noted the concern of the colleague from Nebbi. We shall provide the tarpaulins.

LAYING OF PAPERS

4.31

THE MINISTER OF JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Kahinda Otafire): Madam Speaker, I am aware of the pending paper but that is the responsibility you assigned to the Ministry of Ethics and Integrity. Nonetheless, I will perform the duty on his behalf. I beg to lay on the Table the report of the Inspector General of Government, January to June 2016. I beg to lay.

THE SPEAKER: Thank you very much. The report is sent to the Committee on Presidential Affairs for perusal and report back.

4.32

MR PETER OGWANG (NRM, Usuk County Katakwi): Madam Speaker, I beg to lay on the Table reports of the Auditor-General on the financial statements for the years ended 30 June 2011, 2012 and 2014 for the following local governments:

- i) Amuru District Local Government;
- ii) Yumbe District Local Government;
- iii) Kaabong District Local Government;
- iv) Jinja District Local Government;
- v) Moyo District Local Government;
- vi) Koboko District Local Government;
- vii) Kaliro District Local Government;
- viii) Luuka District Local Government;
- ix) Kayunga District Local Government;
- x) Kyenjojo District Local Government;
- xi) Okollo Subcounty;
- xii) Nabbongo Subcounty;
- xiii) Pajulu Subcounty;
- xiv) Madam Speaker, the pronunciation of the next one is a bit tricky, Offaka Subcounty;
- xv) Kaberamaido Subcounty;
- xvi) Sidok Subcounty;
- xvii) Toroma Subcounty;
- xviii) South Division – Moroto Municipal Council;
- ix) Kigumba Town Council;
- xx) Mayuge Town Council;
- xxi) Njeru Town Council;
- xxii) Zombo Town Council;
- xxiii) Bugiri Town Council;
- xxiv) Bugembe Town Council; and
- xxv) Kakira Town Council.

I beg to lay these reports on the Table.

THE SPEAKER: The reports are sent to the Committee on Local Government Accounts for perusal and report back. Thank you, Commissioner Ogwang.

Before we go to the next item, let me invite the Leader of the Opposition to lay the Opposition Budget Framework Paper on the Table.

4.34

THE LEADER OF THE OPPOSITION (Ms Winfred Kiiza): Madam Speaker, it is a response in accordance with section 6E (2) and (4) of the Administration of Parliament Act. I would like to invite the Shadow Minister for Finance to lay it on the Table. Thank you.

4.35

THE SHADOW MINISTER FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (Mr Anthony Akol): Madam Speaker, I beg to lay on the Table the Opposition response to the National Budget Framework Paper 2017/2018 to 2021/2022. I beg to lay.

THE SPEAKER: Thank you, hon. Akol. It will be distributed so that the committees can study it together with the other documents from the Government.

PRESENTATION, CONSIDERATION AND ADOPTION OF THE REPORT OF THE STANDING
COMMITTEE ON RULES, PRIVILEGES AND DISCIPLINE ON THE AMENDMENTS TO THE
RULES OF PROCEDURE OF THE PARLIAMENT OF UGANDA

4.35

MR CLEMENT ONGALO-OBOTE (NRM, Kalaki County Kaberamaido): Madam Speaker and honourable members, allow me to present to this august House a report of the Committee on Rules, Privileges and Discipline on the review of the Rules of Procedure of the Parliament of Uganda.

This Tenth Parliament was formerly opened by His Excellency the President of Uganda, Yoweri Kaguta Museveni, on 19 May 2016. Upon its commencement and as is tradition, Parliament used the Rules of Procedure of the Ninth Parliament to guide its proceedings pending the formal adoption of new Rules of Procedure for its operations as per Article 94(1) of the Constitution of the Republic of Uganda, which provides thus: *“Subject to the provisions of this Constitution, Parliament may make rules to regulate its own procedure, including the procedure of its committees.”*

On 9 August 2016, Parliament formally constituted the Committee on Rules, Privileges and Discipline. Rule 163(1) of the current Rules of Procedure of Parliament provides thus: *“It shall be the duty of the Committee on Rules, Privileges and Discipline by order of the House –*

(c) to review these rules from time to time and to make such recommendations to the House for amendment as the Committee considers necessary for the satisfactory functioning and efficient transaction of the business of the House and its committees;

(d) to examine and advise the House on amendments proposed to these rules, by Members or other committees of the House.”

Rule 163(2) further provides thus: *“The findings and recommendations of the Committee on Rules, Privileges and Discipline shall be presented, debated and approved by the House.”*

Against the above rules, this Parliament on 9 August 2016 directed the Committee on Rules, Privileges and Discipline to review the current Rules of Procedure of Parliament. The committee diligently undertook the assignment and it is now my great honour, Madam Speaker and members, to report to Parliament on this task.

Permit me, Madam Speaker and honourable members, at this moment, to lay before the House, the following documents:

- a) The report of the Committee on Rules, Privileges and Discipline on the review of our Rules of Procedure;
- b) The proposed amendments to our Rules of Procedure;
- c) The minutes of the meetings of the Committee on Rules, Privileges and Discipline; and
- d) The submissions and proposals that the committee received. I beg to lay.

Madam Speaker and honourable members, pages 3, 4 and 5 deal with the methodology that the committee used, which Members can peruse through at their leisure. I shall, therefore, in the interest of time, go to section 3.0 of our report, which deals with the key considerations that informed the recommendations and proposals for amendment of the Rules of Procedure.

The East African Legislative Assembly

a) Election of Members of the East African Legislative Assembly

The committee noted that the current Rules of Procedure for election of Members of the East African Legislative Assembly are inconsistent with the ruling of the East African Court of Justice in Reference No.6 of 2012 between Among A. Anita and Attorney-General of Uganda and the Secretary General of the East African Community and nine others.

The court in that case found that rule 13(1) and (2) of Appendix B is alien to both the spirit and requirements of Article 50(1) of the Treaty Establishing the East African Community in as much as it emphasized consultations and consensus of political parties and Members of Parliament. The committee therefore recommends that Parliament amends the Rules of Procedure -

- i) To conform to the East African Court of Justice ruling and Article 50 of the Treaty Establishing the East African Community.
- ii) To enshrine a mechanism within the rules by which the Speaker as a presiding officer of the EALA election shall ensure that the intention and the spirit of Article 50 of the Treaty Establishing East African Community is fulfilled in the outcome of the election.

b) Tabling Debates, Bills and Acts of the East African Assembly

The committee noted that Article 65 of the Treaty Establishing the East African Community provides that in order to enhance relations between the assembly and the national assemblies of partner states, copies of the relevant debates of the assembly as well as Bills and Acts of the Community should be laid before the national parliaments for information.

The committee recommends that a new rule on laying Bills, Acts and debates of the East African Legislative Assembly be provided in our Rules of Procedure.

Aligning the Rules to the Administration of Parliament Act

a) The Parliamentary Commissioners

The committee received and discussed proposals on the nomination and election of Members of Parliament to the Parliamentary Commission, composition of the commission as provided for in section 2 of the Administration of Parliament Act, Cap 257, and the proposal by the independent Members of Parliament to be nominated for election to the commission.

The committee observed that this is not provided for in the Administration of Parliament Act. The committee therefore recommended that-

- i) the Rules of Procedure be amended to align them with the provisions in the Administration of Parliament Act.
- ii) the Administration of Parliament Act be amended to provide for election of members of the commission including the independent Members of Parliament.

b) The Role and Election of the Leader of the Opposition

The committee received and discussed proposals to provide for the role of the Leader of the Opposition and streamline the election of the Leader of the Opposition in the rules. The committee observed that the rules were not in tandem with section 6E of the Administration of Parliament Act, Cap 257.

The committee recommends that the rules be amended in consonance with section 6E of the Administration of Parliament Act.

c) Statements by the Leader of the Opposition

The committee received and discussed proposals to specifically require a response from the Leader of the Opposition to the State of the Nation Address and other official communications to Parliament.

The committee observed that the Rules of Procedure do not provide for responses made by the Leader of the Opposition though section 6E of the Administration of Parliament Act mandates him or her to do so.

The committee recommends that the Rules of Procedure be amended to require a response from the Leader of the Opposition to the State of the Nation Address and to other official communications to Parliament.

d) Reports by the Leader of the Opposition

The committee received and discussed proposals for the Leader of the Opposition to lay reports on the Floor and to make it mandatory for Parliament to debate such reports and pronounce itself on the recommendations therein.

The committee recommends that the Rules of Procedure be amended in conformity with the provisions of the Administration of Parliament Act.

Findings Relating to the Public Finance Management Act

a) Submission of Macroeconomic Plan and Indicative Estimate

The committee received and discussed proposals to provide for a period in each financial year when the Budget Framework Paper will be laid on the Table and a timeframe in which the House should receive

the Budget Framework Paper. The committee noted that this would sequence the handling of the budget process with the new budget calendar introduced by the Public Finance Management Act.

The committee recommends that the Rules of Procedure be amended to align them with the new budget calendar introduced in the Public Finance Management Act.

b) Consideration of Estimates by Sectoral and Budget Committees

The committee observed that the Public Finance and Management Act created various roles of different stakeholders in the budgeting process that needed to be streamlined. This should be aligned with the rules such that consideration of estimates by sectoral and budget committees is matched with the roles of the different players in the budget process.

The committee therefore recommends that the rules be amended to align with the new budget calendar introduced in the Public Finance Management Act.

c) Timing and Contents of Policy Statements

The committee observed that the Public Finance Management Act specifies the timing and content of a policy statement by a minister responsible for a vote to be submitted to Parliament. There was therefore need to align the provisions of the Public Finance Management Act with the Rules of Procedure regarding policy statements.

The committee recommends that the rules be amended in agreement with the provisions of the Public Finance Management Act.

d) Timing and Content of Alternative Policy Statements

Following from the foregoing, since the timing for the ministers' submissions of their policy statements to Parliament was specified by the Public Finance and Management Act, alternative policy statements in response by the shadow ministers would be expected two weeks after.

The committee recommends that the Rules of Procedure be amended to provide for a response to the ministerial policy statements by the shadow ministers within two weeks.

e) Submission of Revenue and Expenditure of Government

The committee noted the new budget timelines introduced by the Public Finance Management Act, which in effect would require presentation of the budget estimates of the new financial year on the 1st of April of the preceding financial year.

The committee recommends that the rules be amended in conformity with the provisions of the Public Finance Management Act.

f) Consideration of Reports on Budget Estimates by Parliament

The committee noted that according to the provisions of the Public Finance Management Act, sectoral committees must consider the policy statements and the proposed annual budget by the 15th day of May of the preceding financial year and Parliament should have approved the budget by 31st of May.

The committee recommends that the rules be amended to align them with the new provisions of the Public Finance Management Act.

g) Other Findings Relating to the Public Finance Management Act

The committee noted that the provisions of the Public Finance Management Act would affect the timing and content of the presentation of the Certificate of Financial Implication as well as the composition and functions of the Committee on Budget.

The committee recommends that the rules be amended to match concurrently with the provisions of the Public Finance Management Act.

h) Consideration of Treasury Memoranda

The committee received and discussed a proposal to provide for specific action to be taken on Treasury Memoranda once received by Parliament. The committee noted that the National Audit Act, 2008 requires the Auditor-General to audit Treasury Memoranda.

The committee, therefore, recommends that the Rules of Procedure be amended to provide for specific action to be taken on the Treasury Memoranda to complete the accountability cycle.

Findings Regarding Functioning of Committees of Parliament

a) Committee on Science and Technology

The committee noted that the creation of the new Ministry of Science and Technology affected the functioning of the Committee on Science and Technology.

The committee recommends an amendment of the Rules of Procedure to transform the Committee on Science and Technology from a standing committee to a sectoral committee.

b) General Functions of Committees

The committee noted that the listing of the functions of the committees did not provide for assignment of other functions to the committees from time to time.

The committee recommends that the rules be amended to allow for assignment of other functions to any committee as the need may arise.

c) Making the Meetings of the Committee on Appointments Public

The committee received and discussed proposals to open the proceedings of the Appointments Committee to the public. This would ensure transparency and public confidence in the process of approval.

The committee recommends that the Rules of Procedure be amended to open the proceedings of the Appointments Committee to the public.

d) Renaming of Accountability Committees of Parliament

The committee received and discussed concerns that despite different nomenclature, the Committee on Public Accounts, the Committee on Local Government Accounts and the Committee on Commissions,

Statutory Authorities and State Enterprises all deal with public accounts. The restriction of the name “Public Accounts Committee (PAC)” to one committee is misleading to the public, thereby causing a communication problem. Changing their names would remove speculation and make them more mandate-specific.

The committee recommends that the Rules of Procedure be amended to rename the Public Accounts Committee to “PAC (Central Government)”, Local Government Accounts Committee to “PAC (Local Government)” and Committee on Commissions Statutory Authorities and State Enterprises to “PAC (Commissions, Statutory Authorities and State Enterprises)”.

e) Additional Functions for the Committee on the National Economy

The committee received and discussed proposals to assign additional functions to the Committee on National Economy. These are: to assess the national performance of the economy; the debt sustainability of the country; and analyse the annual borrowing plan of Government. These functions would provide Parliament with vital information needed for its proper monitoring of the state of the economy.

The committee recommends that the rules be amended to include additional functions to the Committee on National Economy.

f) Additional Functions for the Committee on Government Assurances and Implementation

The committee received and discussed the proposal to require the Committee on Government Assurances and Implementation to provide that outstanding Government assurances be referred to sectoral committees at the start of the budgeting cycle. This is intended to facilitate Government’s fulfilment of its pledges.

The committee recommends that the rules be amended to incorporate this new proposal.

g) Functions of the Committee on Local Government Accounts

The committee noted that other than the proposal for renaming this committee, under section 88 of the Local Governments Act, Parliament delegated its power to examine the Auditor-General’s reports on accounts of local governments to district public accounts committees. These, however, lack the requisite capacity to effectively examine the said accounts.

The committee recommends an amendment to the Local Governments Act such that Parliament recalls its power to examine accounts of districts and municipal councils.

The committee further recommends to the Ministry of Local Government to build capacity of the district public accounts committees to play their role effectively.

h) Removal of Chairperson from Office

The committee observed that despite the fact that chairpersons or vice-chairpersons are designated by the relevant whips, their removal from office lies entirely in the hands of the committee members. There is need to provide for a fair process of removal of the chairperson or vice-chairperson from office after being accorded a fair hearing. This should include giving them reasonable time before debate on the motion to remove them.

The committee recommends that the Rules of Procedure be amended to provide for natural justice and a fair hearing during removal of a chairperson or a vice-chairperson of a committee.

i) Withdrawal of Signatures from Reports or Petitions

The committee received and discussed proposals on the promotion of integrity in authoring of committee reports and petitions. It was noted that some Members of Parliament append their signatures to reports or petitions only to withdraw such signatures upon change of mind or new persuasion. This has reflected negatively on the integrity of Parliament.

The committee therefore recommends that the rules be amended to provide for-

- The heading of every petition appearing on each page of the petition should state what the petition is all about clearly;
- prohibition of withdrawal of a signature once appended on a report or petition.

j) Special Powers of Committees

The committee received and discussed proposals regarding the special powers of the committees in enforcing attendance of witnesses, compelling production of documents and examining them on oath, affirmation or otherwise. The committee noted that this is provided for under Article 90 (3) (c) of the Constitution.

The committee therefore recommends that the Rules of Procedure be amended to include the powers of the committees as conferred by the Constitution.

k) Action on Field Reports of Committees and Parliamentary Delegations

The committee received and discussed proposals on action taken by Parliament on committee field reports as well as reports of parliamentary delegations abroad. It was noted that these reports are simply laid on the Table. It was noted that there was need to make it mandatory for Parliament to debate the reports and pronounce itself on the recommendations therein after being presented by the chairperson or leader of the delegation.

The committee recommends that the Rules of Procedure be amended to provide for presentation of brief summaries on key considerations of these reports and action taken by Parliament.

l) Expediting of Business Saved on Dissolution of the House

The committee noted there was need to fast track business saved by the previous Parliament.

The committee recommends that the Rules of Procedure be amended to provide for tabling of the resolution reinstating saved business in the second sitting of Parliament.

Electronic Voting

The committee noted that despite operating in a technologically advanced era, Parliament did not have specific provisions on electronic voting

The committee recommends that the Rules of Procedure be amended to provide for electronic voting in the House.

Other Findings Prompting Amendment of Rules

a) Allocation of Seats to Different Groups Represented in Parliament

The committee received and discussed proposals to allocate sides to sit independent MPs, representatives of UPDF and others that may arise. The committee notes that the current rules provide for two sides of the House – for the ruling party and Opposition parties.

The committee recommends that the Rules of Procedure be amended to augment the mandate of the Speaker in allocation of seats.

b) Protecting the Rule on Suspension of Rules

The committee noted that rule 15(2) of the Rules of Procedure provides for suspension of other rules but it is not protected from suspension.

The committee recommends an amendment of the Rules of Procedure to protect the rule that provides for the protection of other rules.

c) Including the National Anthem on the Order of Business in the House

On 12 April 2012, while paying tribute to Prof. George Wilberforce Kakoma, Parliament resolved to sing the national anthem at all important functions. A parliamentary sitting is one such important national function. Additionally, arising from best practice elsewhere in the Commonwealth and in our local councils, the national anthem is always sung at the start of every sitting.

The committee, therefore, recommends that the Rules of Procedure be amended to provide for the singing of the national anthem at the start of every parliamentary sitting.

d) Speaker's Action on Urgent Petitions

The committee noted that the practice is that petitions are presented on the Floor and then allocated to the relevant committees or referred to the relevant minister. Under certain circumstances, issues in the petition may be of an urgent matter that may not wait to be tabled on the Floor of the House.

The committee, therefore, recommends that for such urgent petitions, the Speaker in her own discretion may refer them to a relevant authority but report to the House on it.

e) Requests by Government to Borrow to be tabled as a Motion

The committee noted that requests by Government to borrow are simply laid on the Table by the minister responsible for finance, planning and economics affairs without the necessary detail relevant for the information of the House.

The committee recommends that the Rules of Procedure be amended to provide that such requests be tabled on the Floor as a motion to allow Members to debate and appreciate it.

f) Treaties, Protocols and International Agreements

The committee received and considered proposals to provide for introduction of treaties, protocols and international agreements in to the House. This would enable Parliament to play an oversight role and

advise the Executive as it executes its mandate to negotiate on behalf of the country. This is also a best practice in other Commonwealth parliaments where parliament is involved in fast tracking international obligations where the country is a party.

The committee recommends that the Rules of Procedure be amended to provide for presentation of treaties, protocols and international agreements before Parliament.

g) Effect of Ministers' Answers to Members Questions

The committee received and discussed proposals to ensure that Members' questions are appropriately answered. In the event that a minister ignores to answer a question, the obligation would fall onto the Prime Minister during his or her Prime Minister's time.

The committee recommends that the rules be amended to provide for minister's questions to be answered during the Prime Minister's time if they are not answered within the required time.

h) Procedure for Private Members' Bills

The committee noted that despite a private Member having a right to move a private Member's Bill, the Rules of Procedure provide for a requirement to seek leave of the House to present a private Member's Bill. Except for Constitution amendments, such a requirement would contradict the spirit of the Constitution.

The committee, therefore, recommends that the Rules of Procedure be amended to align them with the Constitution.

i) Procedure where Two Similar Bills are tabled

The committee noted that sometimes two substantially similar or same purpose Bills are presented to the same committee for consideration. The committee normally considers the first Bill and the other provisions in the second Bill are taken as amendments to the first Bill.

The committee recommends that the Rules of Procedure be amended to provide for harmonization of two similar Bills.

j) Oath of Secrecy for Assistants of Members of Parliament with Disabilities

The committee noted that assistants to Members of Parliament with disabilities are exposed to a lot of information at Parliament, which a Member of Parliament is supposed to keep secret. The assistants do not take the oath of secrecy.

The committee recommends that the Rules of Procedure be amended to provide for taking of oath of secrecy by assistants of Members of Parliament with disabilities.

k) Procedure to Expunge Words from the Official Report

The committee noted that there is no provision for expunging words or phrases or statements considered defamatory, indecent, un-parliamentary or undignified from the *Hansard*.

The committee recommends that the Rules of Procedure be amended to provide for a mechanism to have such statements expunged.

l) Handing Symbols of Authority to the Speaker

The committee noted that there is no provision to guide the handing of symbols of authority to the Speaker after his or her election.

The committee recommends that the Rules of Procedure be amended to provide for the handing of the symbols of authority to the Speaker upon his or her election.

m) Institutionalizing the Rulings of the Speaker

The committee noted that sometimes the Speaker might make rulings that are not provided for in the rules. Such rulings should become part of the procedure of Parliament until such a time when the rules are substantially amended to codify them.

The committee recommends that the Rules of Procedure be amended to provide for rulings of the Speaker not directly provided for in the rules.

n) Action-Taken Reports

The committee noted that the House regularly resolves on many matters arising from committees and other reports falling under the jurisdiction of ministers to implement. However, there is no formal procedure for the ministers to report on action taken on such resolutions.

The committee recommends that the Rules of Procedure be amended to provide for an action-taken report from the relevant ministers to the House on such resolutions.

Madam Speaker, allow me to thank this House for their patience, which allowed this committee to do and execute this task diligently. I would like to thank the Speaker, the Clerk and staff of Parliament, the Leader of the Opposition and the Government Chief Whip. I would also like to thank the committees on public accounts; local government accounts; government assurances; tourism, trade and industry; natural resources; equal opportunities; and budget.

I would also like to thank the chairperson of Uganda Women Parliamentary Association for interacting with the committee; the Centre for Policy Analysis; and the following Members in their individual capacities: Prof. Ogenga Latigo, hon. Theodore Ssekikubo, hon. Kakooza James, Gen. Elly Tumwine, hon. Alex Byarugaba and hon. Abdu Katuntu who fuelled his vehicle at his own expense and drove to Mbale to guide the committee.

I wish to thank my committee members for their diligent commitment to the committee and for making it possible for me to steer it. This has been one of the most committed committees I have ever been to in this Parliament. When we had a retreat in Mbale, I left in the bus with only two Members but by the following evening, 17 Members had driven to the venue using their own transport. I thank you all very much and the staff of the committee. I beg to report and move that the report be adopted.

THE SPEAKER: Thank you very much, chairperson of the Committee on Rules, Privileges and Discipline. Honourable members, we normally take two sittings discussing the rules; we do not really do anything else. However, I have a problem because the East African Legislative Assembly (EALA) elections are time bound. We must elect representatives by the 15th of March. It should be 90 days before the end of the current tenure.

I do not know whether I could just, for now, handle the area of EALA and then Members can study the other proposals. After the budget, we can then go through the rest of the rules. Do you want to do EALA tomorrow? Honourable members, it takes time to do everything. Do you want to do it tomorrow? Will you have studied all the proposals? I will ask Government to give us a handshake also. (*Laughter*)

MR SSEMUJJU NGANDA: Madam Speaker, I think it is because you have not had the benefit of looking at the proposals by the committee in this report. I would wish to propose that you allow us internalize even the specific amendment you are talking about of EALA, so that we can deal with everything tomorrow after further consultation on this report.

MR NANDALA-MAFABI: Thank you very much, Madam Speaker. I got an email telling us to submit our proposals to a certain office of the rules and privileges committee. I responded and made my submissions but from what I can see, - because they have been thanking those who appeared and those who submitted - it looks like my proposals were never received or they were never considered. I need to go and look them up so that I also distribute them to Members to look at them.

Madam Speaker, in that light, since they have now presented the report, shouldn't you allow us to study it today and tomorrow, and those of us who have issues make our submissions to the House in advance so that by next week on Tuesday or Wednesday, we come when we are all prepared? The first item on the Order Paper should be amendment of our rules. Even if it takes two days, we can sit until we finish them.

THE SPEAKER: Honourable members, that is what I had proposed. I said that we discuss the report in general at a later stage but I wanted to lift out the EALA area. We could do that so that we can issue the nomination date. Do you want to study them today so that tomorrow we can do the EALA part and then we set the date for the debate?

MS RWAKOOJO: Madam Speaker, I just wanted to bring to the attention of the House certain facts. The EALA issue, as you are saying, is very important. If we do not handle it now, we will have messed up ourselves and those elections will not take place.

During the Anita Among case, it came out and we were reminded as a country that we have to amend these Rules of Procedure. Therefore, if we do not, we will be doing ourselves a disservice. If we cannot handle them today, then tomorrow will be appropriate. However, EALA has to be given priority.

THE SPEAKER: Does the whip want to say something? Honourable members, I think let us agree that EALA is a priority and we can handle it tomorrow. There are so many proposals here and I also want to read them and appreciate how they are going to work together. Therefore, let us do EALA tomorrow and then you go and read the proposals and next week, we can have two sittings and do all the rules.

MR SSEMUJJU: Madam Speaker, even if you wanted, we can handle EALA today.

THE SPEAKER: No, tomorrow.

MR SSEMUJJU: What I am raising is very important. The committee makes no recommendations. I am drawing this matter to the attention of the Speaker.

THE SPEAKER: The Speaker had already seen that. Therefore, debate on this matter is adjourned. However, tomorrow, we shall deal with the portion relating to the EALA election.

MR NANDALA-MAFABI: Thank you, Madam Speaker. I have a procedural issue to raise, which could even affect all the rules. Madam Speaker, EALA talks about shades and shades are representation in

Parliament. In this House as we are sitting, we have shades but there are shades that have merged and become one. However, the rules that we are going to discuss-

THE SPEAKER: Honourable member, you will bring that up when we come to that part of the Bill.

MOTION FOR A RESOLUTION OF PARLIAMENT TO INVESTIGATE THE CIRCUMSTANCES UNDER WHICH REWARDS WERE MADE TO 42 PUBLIC OFFICERS FOR WINNING THE TAX ARBITRATION CASE BETWEEN THE GOVERNMENT OF UGANDA AND HERITAGE OIL AND GAS

5.18

MR MICHAEL TUSIIME (NRM, Mbarara Municipality, Mbarara): Thank you, Madam Speaker. I beg to move a motion for a resolution of Parliament to investigate the circumstances under which rewards were made to 42 public officers for winning the tax arbitration case between the Government of Uganda and Heritage Oil and Gas.

“WHEREAS in July 2010, Heritage Oil and Gas sold its assets in Uganda to Tullow Oil for a consideration of US\$ 1.5 billion, upon which Uganda Revenue Authority (URA) issued the parties a tax bill of US\$ (434)334 million;

AND WHEREAS in May 2011, Heritage Oil and Gas initiated arbitration proceedings against the Government of Uganda for the release of, among other things, US\$ 405 million held by the Uganda Revenue Authority following the sale of its interests in block 1 and 3A in Uganda in July, 2010;

AWARE THAT in April 2013, the tax arbitration case between Heritage Oil and Gas and the Government of Uganda was decided in Uganda’s favour and upheld Uganda Revenue Authority’s assessment of US\$ 434 million as capital gains tax;

FURTHER AWARE THAT by a letter dated 26 June 2015, the Commissioner General of Uganda Revenue Authority wrote to His Excellency the President requesting that a reward of Shs 6 billion is paid to 42 public officers;

NOTING THAT His Excellency the President, by a letter dated 16 November 2016, agreed to the URA Commissioner General’s solicitation;

FURTHER NOTING THAT Government of Uganda paid out a total of Shs 6 billion to 42 public officers;

ALARMED THAT there is no legal basis for such a reward under the relevant laws applicable to the public officers and that Government had already appointed external lawyers to handle the arbitration in London at a cost of over US\$ 10 million, which is equivalent to Shs 36 billion, and further payment of Shs 52 billion, totalling to Shs 88 billion;

FURTHER ALARMED THAT the payment of the reward not only amounts to abuse of public funds since the officers were carrying out their normal duties in the course of their employment, but the payment of such a reward out of money contained in the Consolidated Fund/the Petroleum Fund was irregular since the same was not appropriated by Parliament as required under the Public Finance Management Act of 2015;

COGNIZANT of the fact that the payment of the reward will demoralise other public officers who handle assignments but do not receive awards of a similar nature;

NOW, THEREFORE, be it resolved that the relevant accountability committee of Parliament investigates the circumstances under which the rewards were paid to the public officers, the names of the public officers involved as recipients of the money, the role played by each public officer in this category, the amounts paid so far in taxes by Heritage and Tullow Oil companies in respect of the arbitration proceedings, the fund in which these monies are kept, inter alia, and to report to the House within two months from the date of this resolution.”

Madam Speaker, I beg to move.

THE SPEAKER: Honourable members, it is seconded. Give the justification, hon. Tusiime.

MR TUSIIME: Thank you, Madam Speaker. Honourable members, you will recall that on 1 July 2004, the Government of Uganda entered a production sharing agreement with Energy Africa (Uganda) Limited and Heritage Oil and Gas for the exploration, development and production of petroleum in respect of an exploration area in the Albertine Graben.

Later on, Tullow Uganda Limited acquired the assets of Heritage Oil and Gas in Uganda at a cost of US\$ 1.5 billion to which Uganda Revenue Authority demanded US\$ 472.7 million as tax. Tullow objected the assessment and filed an application before the Tax Appeals Tribunal contesting the assessment. The objection was rejected by the Tax Appeals Tribunal, which prompted Tullow Oil and Gas to appeal to the High Court of Uganda. The High Court of Uganda upheld the tax assessment by Uganda Revenue Authority.

Aggrieved by the decision, Heritage Oil and Gas Limited commenced arbitration proceedings against the Government of Uganda in London. In April 2013, the tax arbitration case between Heritage Oil and Gas and Government of Uganda was again decided in favour of Uganda, upholding the assessment of Uganda Revenue Authority of US\$ 432 million as capital gains tax.

As a result of the above, the Commissioner General of Uganda Revenue Authority wrote to His Excellency the President of Uganda requesting that a reward of Shs 6 billion is paid to 42 public officers. The President agreed and the Government paid out a total of Shs 6 billion as requested.

Madam Speaker and honourable colleagues, this matter raised a number of pertinent issues. Whereas I agree in the principle of rewarding deserving Ugandans by His Excellency the President as he has done in the past by giving various rewards, Madam Speaker, the reward of these 42 public officers in this incident has brought to the fore a number of issues, which the President may not have been aware of. These are the issues that necessitate examination by the relevant committee of Parliament, and I would like to elaborate on the issues.

Madam Speaker, the method through which the said reward was initiated by the Commissioner General of Uganda Revenue Authority raises serious ethical issues and might be bordering on the offence of corruption under the Anti-Corruption Act of 2009. It should be noted that whereas the payment was termed as a reward, the fact that it was solicited by the recipients, led by the Commissioner General of URA, meant it had lost its characteristic of a reward and became something else. A reward is defined in the Oxford Advanced Learners' Dictionary as a thing that you are given because you have done something good. A reward, therefore, is not solicited. In the circumstances of the case, since the payment was solicited, it lost a fundamental characteristic of a reward.

Madam Speaker, the payments are not in line with applicable Government guidelines on the making of similar rewards such as the payment of honoraria and other rewards prescribed under the Public Service Standing Orders of 2010 of the Government of Uganda. The basis for making such rewards leaves a lot to

be desired and was contrary to the principles for making similar rewards under the Public Service Standing Orders, 2010.

Under the Public Service Standing Orders, 2010, similar rewards are made where an officer undertakes duties and activities over and above the ordinary duties of such an officer where the officer has acted ethically. Parliament should, therefore, interrogate what the ordinary duties of the recipients of these rewards were and what they did that went beyond their ordinary duties.

Madam Speaker, the payments were projected to be made out of the petroleum proceedings, contrary to the Public Finance Management Act, 2015. It should be noted that the revenues arising from petroleum are supposed to be deposited in the Petroleum Fund. Any withdrawals from such a fund are supposed to be under the authority of Parliament and to be used in accordance with section 58 of the Public Finance Management Act, 2015. Since the revenues used in the reward arose from the taxation of petroleum activities, they were supposed to be deposited into the Petroleum Fund and ring-fenced for use as stipulated under the above mentioned Act.

Madam Speaker and honourable colleagues, without prejudice to what I have mentioned above, even if the funds for paying the aforementioned public officers were withdrawn from the tax refund account, the use of the same funds to pay those members was irregular since the beneficiaries were not entitled to any tax refund from Government so as to necessitate the withdrawal of funds from a tax account. This is a classic case of financial engineering.

Whereas rewards in public service are used to encourage and motivate public servants and other Ugandans to work hard, in the circumstances of this case this was not realised because of the manner in which such a reward was made. It should be remembered that the reward was solicited secretly and its payment was only known by a few individuals in the public. It is therefore possible that the reward did not motivate any person to work harder since it was made secretly and contrary to the policy of making such rewards.

Madam Speaker and honourable colleagues, the reward of the 42 public officers begs the question as to whether the same public officers would have required to make good the law suffered by Government had they lost the arbitration case. This means that the reward scheme was lopsided in favour of public officers without justifiable benefit to Government.

Madam Speaker and colleagues, the payment of a reward out of the cost awarded to Government for winning the case escalated the cost incurred by Government of Uganda in the matter. It should be noted that the Government of Uganda spent a total of Shs 88.4 billion on the case. This was spent on legal costs, facilitation of Government officials in form of allowances, travel expenses and other costs. Having spent that colossal sum of money, the payment of the other Shs 6 billion to the public officers not only increased the total expenditure of Government to Shs 94.4 billion but also dwarfed the money that was awarded to Government as costs of the suit.

Madam Speaker and honourable colleagues, the payment also exposes double standards in rewarding public officers for exemplary performance. The Inspector General of Government, for example, had some time back authored an opinion against rewarding a state attorney in the Attorney-General chambers by the National Social Security Fund (NSSF). This was for her exemplary conduct in the case of NSSF versus Alcon International Limited in Civil Appeal No. 15 of 2009 in which the Supreme Court decision saved NSSF Shs 60 billion.

In that case, the NSSF board had considered making a reward to Ms Patricia Mutesi, a principal state attorney in the Attorney-General's office, for winning a 14-year-old legal battle against Alcon

International Limited which saved NSSF savers Shs 60 billion. The Inspector General of Government rejected the proposal and Ms Patricia Mutesi was not given any cash. When it came to these payments, the Inspector General of Government's opinion should by implication mean that no cash payments could be made as the case was with Ms Patricia Mutesi. This exposes double standards in the payment of monetary rewards. The Solicitor-General, Mr Francis Atoke, who had procured the IGG's opinion at the time interestingly appears now on the beneficiaries list. (*Laughter*)

Madam Speaker, I am also concerned about the precedent being set by the payment of the said rewards, considering that there are other deserving Ugandans who have never been accorded the same kind of gratitude. We have Ugandan doctors, for example, who have on numerous occasions confronted outbreaks. An example here is the late Dr Lukwiya (RIP).

The Uganda Revenue Authority staff who participated in raising an assessment were also not considered on this list. Honourable members, you will note that there would never have been an award of these amounts to Uganda and there would never have been a case, first of all, for arbitration if there was no assessment raised. Therefore, who should have been the principal beneficiaries in these circumstances?

Madam Speaker, we also note that the office of the IGG has investigated, prosecuted and forced corrupt officers to refund public funds to state coffers. We note the contribution of the judges, state attorneys and other judicial officers who have presided over and prosecuted errant public officers resulting in refund of public funds. We also note the contribution of members of the Tax Appeals Tribunal and the judges of the High Court who upheld Uganda Revenue Authority's assessment. They were not on that list. I cannot forget to recognize the performance of even accountability committees of Parliament which have been at the forefront of scrutinising Government expenditure that has resulted into refund of Government funds by errant officers.

The committee, therefore, needs to examine the criteria used by Government in determining the circumstances under which such payments were made. It is also my considered opinion that the committee needs to find out the following: The duties of each recipient of the payment to ascertain how they helped in the overall case, considering the fact that the Government of Uganda had incurred US\$ 10 million (equivalent to Shs 36 billion) to engage a foreign firm and spent a further Shs 52 billion, which amounted to Shs 88 billion. So, when you add the Shs 6 billion, we cross the line to Shs 96 billion.

Madam Speaker, it is also important for us to know how the recipients of the payments were selected, the criteria used and the determination of how much each would ultimately get. I find it imperative to establish how the overall figure of Shs 6 billion was arrived at, who proposed it and the consideration for proposing it. I also find it imperative to establish whose idea it was to solicit from His Excellency the President the payment, whose idea it was to pay the said money to the winning team and who was in charge of disbursing this payment. I would also wish to know how much tax was paid by each recipient.

Madam Speaker and honourable colleagues, I beg to move.

THE SPEAKER: Thank you very much, hon. Tusiime. I now would like to call the seconders.

5.39

MR WILFRED NIWAGABA (Independent, Ndoorwa County East, Kabale): Thank you very much, Madam Speaker and honourable members, for the support so far shown towards this motion. The letter that solicited this amount of money dated 26 June 2015 from Doris Akol, Commissioner General URA, on page 2 thereof reads thus: "...I believe it will be motivation sufficient for them to gallantly face future challenges and bring glory and victory to our nation. The amount proposed..."- the amount had been

proposed as Shs 6 billion as seen on the first page - “...constitutes less than one per cent of the amount in the award and is 50 per cent of the costs awarded to the Government of Uganda.”

This is the amount of money being sought from a matter involving Heritage Oil and Gas and the Government of Uganda. Our argument is, because of this particular letter, this constitutes petroleum revenue.

In his response, H.E the President, in his letter dated 16 November 2015, writes as follows: “As you may be aware, the Government of Uganda won a case against Heritage Oil in London and was awarded US\$ 434 million. I met with a team of officials that handled that case and they requested to be considered for a reward in appreciation for the work done. Given the amount of money that was recovered for the Government, I agreed that Government pays them some money as a token of appreciation”. I beg to lay these letters on the Table for record purposes.

In light of those two letters, Madam Speaker, it is obvious that the amount of money that was paid to these individuals was paid from what we call petroleum revenue as defined under section 3 of the Public Finance Management Act, which reads thus: “‘Petroleum revenue’ means tax paid under the Income Tax Act on income derived from petroleum operations, Government share of production, signature bonus, surface rentals, royalties, proceeds from the sale of Government share of production, any dividends due to Government, proceeds from the sale of Government’s commercial interests and any other duties or fees payable to the Government from contract revenues under a petroleum agreement.”

My colleague has argued that this payment was morally wrong. My argument is that it was legally wrong and criminally paid. How do we deal with petroleum revenues? Madam Speaker, under the Public Finance Act, particularly section 59, this Parliament was wise to ring-fence funds from the Petroleum Fund.

First of all, under section 57, petroleum revenues are supposed to be collected and deposited intact on the Petroleum Fund. One of the things we would want this committee to do is to investigate how much has been paid on the Petroleum Fund, how much has this Government collected and how much has it withdrawn.

Section 58 of the Act clearly stipulates how funds can be withdrawn from the Petroleum Fund and there are only two ways: one, to the Consolidated Fund, to support the annual budget; and two, to the Petroleum Revenue Investment Reserve.

For purposes of monies sent to the Consolidated Fund, section 59 ring-fences those funds and says thus: “The moneys withdrawn from the Petroleum Fund to the Consolidated Fund shall, upon deposit, constitute an integral part of the Consolidated Fund and shall be governed by the provisions of this Act.”

Section 59(3) states, “For avoidance of doubt, petroleum revenue shall be used for the financing of infrastructure and development projects of Government and not the recurrent expenditure of Government.” Honourable members, is there any other recurrent expenditure other than giving handshakes? Would this Petroleum Fund money be paid as a handshake? The answer is, no. Therefore, the payment was illegal, null and void *ab initio*. (Applause)

An argument has been raised that, “Yes, you can pay rewards” but the Uganda Public Standing Orders, particularly under section 7, state that rewards are paid to a public officer who exhibits good ethical conduct. One of the supporters of this petition, particularly hon. Theodore Ssekikubo, will lay on the Table an agreement that shows that actually, even the money which was supposed to be collected in form of taxes, amounting to over US\$ 470 million, is not what was actually paid. We ended up getting half of

that. Does that show high ethical standards? How can public officers who are supposed to collect an amount collect less and start soliciting for a reward?

Honourable members, I believe that once this matter goes to the committee and a proper inquiry is made, we will not only find that this payment was morally wrong and illegal but also that there is a direct abuse and misuse of the Petroleum Fund. For us to avoid the infamous “Oil Curse”, this is the time for Parliament to assert itself and have a proper inquiry into all oil revenues from the time Government started receiving revenues.

The Public Finance Management Act, particularly section 78, is very clear on offences committed by officers who fail to meet the requirements of the Act. There are various remedies. One of them is to hold them personally liable and refund the monies that have been wrongfully and irregularly misappropriated. *(Applause)*

There have been claims of Government’s willingness to fight corruption. I believe that this is the only case where we will see Government’s resolve to fight corruption because we have shown you how the processes offend the various laws of this land. We shall be glad to see the perpetrators not only appear in the Anti-Corruption Court but also return the funds to the Petroleum Fund. *(Applause)*

Honourable members, I invite you to support the motion moved by our colleague, Michael Tusiime, and to show solidarity in this House. I hope even hon. Nankabirwa will support this motion. *(Laughter)* I so pray.

5.49

MR PETER OGWANG (NRM, Usuk County, Katakwi): Madam Speaker, first of all, I would like to speak as a Member of Parliament for Usuk County. On behalf of the people of Usuk County, I want to thank you so much for having given us time to present this motion. *(Applause)*

Madam Speaker and honourable members, I will address myself to two issues. To begin with, I will quote a letter written by my auntie, Doris Akol, on 26 June 2015. I will read one of the paragraphs verbatim: *“Your Excellency, I have categorised the team into core, non-core and support staff. I have also proposed that the different categories receive equal amounts regardless of rank, in the spirit of teamwork and in recognition of the great work each person has put in this case.”*

I want to thank her for that proposal but I have a fundamental question to ask: On the list we have seen, was this criterion followed? She said that each of the officers should be paid equally regardless of the rank; was that followed in paying the people on the list, which I have here?

Madam Speaker and honourable members –*(Interjection)*– Members are asking me for the list. I will give my submission and leave it with the committee that we are proposing should investigate this, so that they find out from the Commissioner General of URA whether her proposal was followed.

First of all, who is entitled to be core, who is non-core and who is support staff? It is evident that some of the staff of URA, and I want to present the list here, who made the tax assessment were not considered on that list of beneficiaries. They were the ones who computed the figures which we as a country are proud of today, but you can imagine how dishonest some of our civil servants can be.

Madam Speaker, if you look at the my auntie’s letter, she mentions the philosophy behind the recommended rewards: *“Your Excellency, the amount recommended as a reward is an amount that will enable the beneficiaries use the funds for something tangible, that is, to leave a legacy to remind them and their offspring of their contribution to the nation. For instance, the recommended amount could*

enable one to either acquire a decent plot of land, pay a deposit on mortgage or perhaps facilitate finishes on their home construction.”

For me in Parliament here, I have to suffer with loans and pay taxes. Madam Speaker, it is very painful. In my district, the district hospital gets Shs 109 million as its Primary Health Care (PHC) allocation but here people are talking about mortgage and yet they are highly paid. That is why I said that I want to speak as a Member of Parliament for Usuk County. *(Applause)*

Madam Speaker, with due respect, we acknowledge the contributions made by some of these people. However, to begin categorising people is wrong – “Where does Ogwang fall? Is he core, non-core, or support staff?” *(Laughter)* Honourable members, we are laughing but I want us to be honest here. We appreciate the work these officers have done for this country. However, I think they are beginning to misuse their offices and the kind heart His Excellency has for the people of Uganda. They are taking advantage of the President and that is what has brought this, which is very bad for our country.

Let us talk about service delivery. Shs 88 billion has been spent. For me in my district, for a full year we receive Shs 109 million for PHC. What does PHC do? It pays bills, repairs ambulances, pays for water – Katakwi Hospital serves 270,000 people and yet it has no ambulance. The operation theatre is in a sorry state. Therefore, I really appeal to our people; you are making our work very difficult.

Madam Speaker, I want to speak on the issue of tax. It is clear that the President’s letter said that these people should pay taxes. However, the computation that they used for paying does not lead to the actual tax they were meant to pay. I want the committee to investigate this.

Fortunately, some good members of staff at URA are giving us free information. Just imagine that at one point the tax they were paying was under a professional fee. A Government official, employed by the Government of Uganda is on duty and is being paid. Lawyers are here and they will tell us that a professional fee is paid to a consultant and not public servants. In this case, some of these people were getting money under “consultants”. Where is the honesty?

I thank the honourable members for this motion and I am sure that the committee will help us get to the conclusion of this matter. I say all this for God and my country. Thank you very much. *(Applause)*

THE SPEAKER: Honourable members, there is a motion and there are movers and seconders; let me finish with the seconders first.

5.57

MR JOHN BAPTIST NAMBESHE (NRM, Manjiya County, Bududa): Thank you, Madam Speaker. I will commence by saluting you for the boldness that you exhibited against the arm-twisting - *(Applause)* – and against the wedge that had been driven into the doctrine of separation of powers. Madam Speaker, if you were not to condemn this in the strongest terms possible, it was going to set the worst precedent. It would have been a precedent under which those who are stewards of public finances would be committing this kind of impunity while remaining at large and scot-free.

Madam Speaker, I will cite other similar high profile corruption cases, ranging from Katosi (Shs 24 billion), Office of the Prime Minister (Shs 64 billion), pension (Shs 168 billion) and many others. There is a culture of impunity in Uganda and this Shs 6 billion oil cash bonanza is part of this culture. This culture of impunity where people use their positions to perpetuate such acts should be put to an end.

The persons in question are the best paid and they are the ones who have regular access to the President. Now, Parliament has already made appropriations for the President’s donations. This Parliament has

never investigated those that have benefited from donations from the President's budgetary allocation. This particular reward of Shs 6 billion, I am aware, could have come from that whooping Shs 100 billion, which he has in his budget of donations. However, we heard that it came from the URA tax reverts, which were reallocated to the expenditure account. This was an irregularity, which must be condemned in the strongest terms.

Madam Speaker, I would like to use an analogy. The mother rat, which was pregnant and in the labour room, hired the services of a cat as a midwife. Everybody here can guess what happened to the young of the mother rat. It is akin to what has happened here. These persons are custodians of our public resources and they are the ones abusing the resources.

I have also had an opportunity to peruse through all the correspondences that colleagues have been reading. When you subject the matter to scrutiny, it fails both the legal and moral test. It would be unethical on the part of someone performing his or her duties to solicit for a reward. There are other Ugandans who have made sacrifices on behalf of Uganda in the service of their nation. What would a policeman who has recovered stolen money get? Which kind of handshake would he receive or would he "handshake" himself? This kind of action, if left unpunished, would encourage such a person to "handshake" himself.

Madam Speaker, because this culture of impunity has reached gigantic proportions, I come with the following measures: One, that these officers should refund the money with interest but at the current commercial bank rates. We should have an account opened and monitored by the IGG because the smart fellows in the Treasury may play *hanky panky* with the public, duping us that the funds have been returned to the account when there is virtually nothing. Also, as we focus on the Shs 6 billion, we should ask for the whereabouts of the balance of that US\$ 700 million.

Another measure that I would like to propose is that they should also be brought to book for obtaining money by false pretence. (*Laughter*) If there are properties that have been mentioned, including land and houses, these properties that have been procured with this money, they should be auctioned to recover the money back to the Consolidated Fund.

They should also be blacklisted so that there is no scenario like what happened when someone who was named and shamed for corruption transferred his services from the Office of the Prime Minister to another ministry. In this particular case, these persons should be blacklisted from any other public office.

Madam Speaker, as we speak, hundreds of thousands of Ugandans are going hungry, dropping out of school due to lack of school fees and dying in hospitals due to lack of drugs. We also have unemployed youth being churned out by all our universities and massive unemployment is with us – (*Member timed out.*)

6.05

MR ELIJAH OKUPA (FDC, Kasilo County, Serere): Thank you, Madam Speaker. I would like to start by thanking the right-thinking Ugandans who raised the alarm and who have had concerns about this issue. We would like to thank the Secretary General of NRM who also condemned this act. The Chairperson of the NRM Women's League, the spokesperson of NRM, Mr Ofwono Opondo, the media, Members of Parliament and the public, including Mr Tamale Mirundi, were among those who condemned this act.

Of course, we thank you, Madam Speaker, and honourable colleagues who put up a spirited case to ensure that this sees the light of day today in this Parliament. Thank you very much, honourable

members. I would like to thank hon. Bahati because he did very good work; he was able to provide us with documents when we asked for them. (*Applause*) Hon. Bahati deserves a handshake from me.

Madam Speaker, under the National Objectives and Directive Principles of State Policy, Objective XXVI, on page 28 of our Constitution, focuses on accountability and it states, “(i) *All public offices shall be held in trust for the people.*

- (ii) *All persons placed in positions of leadership and responsibility shall, in their work, be answerable to the people.*
- (iii) *All lawful measures shall be taken to expose, combat and eradicate corruption and abuse or misuse of power by those holding political and other public offices.”*

Therefore, Madam Speaker, we are fulfilling the Constitution of the Republic of Uganda. I would like to start by clarifying some of the issues that I have read, listened to and heard people talk about in the media. There were those who were condemning Members of Parliament, saying that we passed a supplementary and we should not therefore be questioning this because we passed it. In no uncertain terms did this Parliament, not even the previous Parliament, pass a supplementary budget for this.

I would like to give you, Madam Speaker, a chronology of the supplementaries that we have passed since 2010. Under Supplementary Schedule No.3 of FY 2010/2011, the Ninth Parliament passed Shs 11.942 billion for the Ministry of Justice and Constitutional Affairs to facilitate the Government of Uganda’s technical and legal team in the Heritage arbitration. In February 2012, under Supplementary Schedule No.1 of FY 2011/2012, again the Ninth Parliament passed Shs 6.790 billion as additional funding to cater for the expenses pertaining to the Heritage arbitration case in London.

In May 2014, under Supplementary Schedule No.1 of FY 2013/2014, the Ninth Parliament again passed Shs 3.2467 billion for the facilitation of the Heritage Oil and Gas Limited and Tullow Oil Uganda Operations PTY arbitration case in London. In June 2014, under Supplementary Schedule No.2 of Financial Year 2013/2014, the Ninth Parliament passed another supplementary budget of Shs 10.325 billion to facilitate the team to cater for their travel expenses and *per diem*.

In April 2016, under Supplementary Schedule No.1 of FY 2015/2016, we passed another Shs 10.406 billion to clear the estimated arbitration costs in the case of Total and Tullow, outstanding payments to the external legal counsel in respect of the legal services rendered in the ISCISD capital gains tax arbitration case with Tullow, and costs to engage the independent investigator to assist in the recovery process.

In May 2016, under Supplementary Schedule No.1 of Financial Year 2014/2015, we passed an additional Shs 1.225 billion to facilitate the ministry in order to effectively defend the Government and save Government funds. In May 2016, under Supplementary Schedule No.2 of FY 2014/2016, Shs 6 billion was again passed by this Parliament for funding to facilitate Government of Uganda legal team to prepare for the arbitration.

In June 2014, under Supplementary Schedule No.2, we again passed Shs 2.5 billion to replenish the funds from the tax refund budget paid to M/s Curtis as legal fees in relation to Heritage Oil and Gas Limited arbitration case in London.

Madam Speaker, this gives a total of Shs 52.455 billion that we have passed since the case started. Now, the money that the public and some colleagues have been saying is for defending - the Shs 6 billion, which was taken as a “handshake” - only appears in the Supplementary Schedule No.1 of FY 2016/2017, which was delivered to the Clerk’s Office on 15 December 2016 before we left.

Madam Speaker, this Parliament has not yet looked at this supplementary budget. This is where we have the Shs 6 billion. I would like the public to know that the Parliament of Uganda has not passed or appropriated the Shs 6 billion.

When you read this supplementary schedule, it is very interesting, especially the explanatory notes or the details. Let me read for the honourable members. Under vote 141, Uganda Revenue Authority, the total supplementary schedule is Shs 6 billion. The details in the explanatory notes state thus: “*For funding to cater for the arrears of salary enhancements of non-teaching staff.*” (Laughter) What a shame! This shows that someone was trying to hide this information from us.

Honourable members, when we are looking at supplementaries, it is very important for us to look at the details. This is what is specified in this schedule. The explanatory notes under Uganda Revenue Authority state, “funding to cater for arrears on salary enhancement of non-teaching staff in Uganda Revenue Authority.” This schedule here – (Member timed out.)

THE SPEAKER: Three additional minutes.

MR OKUPA: Madam Speaker, I need to give Members data. One Patrick Ochailap signed this document for the Permanent Secretary/Secretary to the Treasury. We all know that Uganda Revenue Authority is not an educational institution.

Madam Speaker, another allegation that has been put forward is that the Auditor-General gave a warrant. An audit warrant is not a clearance of payment. It is a release warrant issued on condition that post-audit of the expenditure is carried out, and that is what the Auditor-General did. Therefore, it is at post-audit that the Auditor-General gets to know about the details of the expenditure and whether public funds were used in accordance with the laws and regulations of Uganda.

There are also people who have been saying that this is very small money. If you just looked at the schedule of the Road Fund that they submitted to this Parliament, you would realise that it is a lot of money. If it was given to the Road Fund, it would do a lot of work. I was looking at Kasilo Town Council that was given Shs 12.5 billion; Kiboga was given Shs 50 million; Kamuli Municipal Council, Shs 15.4 million; Kanungu, Kambuga Town Council, Shs 10 million; Hamura Town Council in Rubanda District, Shs 10.8 million. Therefore, this money could do a lot.

We know the circumstances under which Makerere University was closed and how much they needed. We have 15 staff from State House who have left because they have not been paid salaries for two years. They needed just peanuts from this money. These are members of the public who should have been paid.

Madam Speaker, we also need a committee to establish for us the correct number of beneficiaries; we want to know whether they were 42 as Ms Doris Akol says because we have a contradicting list. One list has 42 officers but the one published in the *Daily Monitor* has 54 officers. We must establish how many were involved in this.

When we passed these laws under which URA, KCCA and UNRA operate, we gave them a different pay system from the ordinary Public Service and that is why they are paid a lot of money. Some of these officers are paid Shs 1.5 million per day. You can go ahead and compute that to hours; they are paid Shs 200,000 per hour. When you round it up, in a month they are given over Shs 50 million. Therefore, we had already provided for them because we know that they are handling cases and situations that make them vulnerable and are very tempting. That is why we came up with an Act to provide that they be paid at that rate, not like other ordinary civil servants. Therefore, when you see them say that they want “handshakes”, it leaves a lot to be desired.

My colleague has talked about the three categories here. Madam Speaker, when you look at this list, there are over ten categories of payments. Hon. Ogwang has talked about them defying their own letter in which they had stated that there are three categories. However, we also want to know because we are seeing that some of the names on the list are of people who left six years ago, before the case started. Under what circumstances were they paid? Madam Musisi, for example, left over six years ago and this case started in 2010. Madam Speaker, the committee must be able to find all this out.

I am happy that the honourable minister who signed - When you look at these letters, which were laid here by hon. Niwagaba, all the people who signed those letters, except the President and the Minister of Finance, hon. Kasaija, benefited from the handshake. I would like to thank hon. Kasaija for standing his ground. He said, "I will sign this letter but I will not receive the money". They had cornered him, telling him that he would also be a beneficiary but he refused. Those are the types of leaders that we need to propel this country to the next economic level.

Madam Speaker, a number of colleagues, including hon. Tusiime, hon. Nandala-Mafabi, hon. Isaac Musumba and I worked in URA. When you hit a target, from the cleaner to the Commissioner General, you would be given what they call the 13th month to appreciate you. Why was this selective? All staff of URA contributed to the collection of this money. You have just been told here that those who did the tax assessment are not on this list.

Why wouldn't the same policy be applied across the board? Now there is a division. You have seen the emails. The staff of URA who did not benefit are up in arms with the Commissioner General. I do not know how she is going to proceed to govern that institution given the division that has come out as a result of this. If I had time, I would read the emails and the communications between the Commissioner General and the staff who are disgruntled and disappointed. It is because they went outside the established policy of Uganda Revenue Authority. Why is it no longer applying?

These are things that we need to inquire about and find a way forward. Honourable colleagues, the best way is for us to refer this matter to the committee so that it investigates and reports the details of what transpired there.

Look at the Secretary to the Treasury, Mr Keith Muhakanizi; what role did he play? We know that his role is always to clear cheques day in, day out. Why was he paid? I am happy that my brother, the Attorney-General, is taking the heat yet he was not a beneficiary. We need your support on this matter.

Madam Speaker, I would like to thank the Members of Parliament who have stood firm despite the intimidation. Some of these people have reached us to refund the money. I wish they could start refunding the money because some are saying they just found the money on their accounts, they did not know how the money got there. Some of them have approached the Members here. Let them do the honourable thing; if you just found money in your account, please refund it. (*Laughter*)

Madam Speaker, I say this for God and my country. Thank you.

THE SPEAKER: Thank you very much. Let me invite hon. Among.

6.22

MS ANITA AMONG (Independent, Woman Representative, Bukedea): Madam Speaker, I stand here to add my voice to the motion that has been presented by hon. Michael Tusiime. This is a very unique motion. The uniqueness of this motion comes from the fact that a few morally loose public servants in Uganda acted with impunity to get money from the Consolidated Fund.

I am standing here to second this motion and before I do that, I have a few questions to ask. In the motion that has been presented, we need to find out a number of issues. We need to find out the criteria of determining the 42 good civil servants who benefitted from the cash bonanza.

The second issue is the role that was played by these public servants that scored them the celebrated victory that earned them Shs 6 billion. The third issue is where the payment in question is, in satisfaction of the law of Uganda.

The fourth question is whether the Chief Executive, the President of Uganda, was manipulated into this act. The last question is: can the country live and cope with this kind of precedent? *–(Interjections)-Order! (Laughter)*

THE SPEAKER: Order, Members! Allow the Member to second the motion, please.

MS AMONG: No wonder, after knowing these kinds of pertinent questions, some individuals outside there tried to manipulate our Constitution and suffocate justice to block the august House from discussing this kind of impunity. I am happy you stood firm, Madam Speaker. *(Applause)*

I rise to second this motion, Madam Speaker. When I look at the Road Fund, Bukedea where I come from, is allocated only Shs 42 million per year. Kiboga, where my good friend, the Government Chief Whip, comes from, has Shs 51 million. Kiruhura has Shs 85 million. Kamuli, where the Speaker comes from, has Shs 108 million for the whole district. When you add all that money for those four districts, it gives you Shs 286 million for the Road Fund and yet we are supposed to maintain these roads to avoid accidents and ensure service delivery.

The total population in those areas is about 1.2 million people but 42 Ugandans took Shs 6 billion, which should have helped in covering the whole country and ensuring that we have good roads, less accidents and good service delivery.

When you look at the letter, which was written by the Secretary to the Treasury dated 8 July 2016 and the letter, which was written by the Minister of Finance, Planning and Economic Development, you will note that the Shs 6 billion was not budgeted for hence calls for a supplementary budget according to the Public Finance Management Act. This was not done. How could this money be paid out without being budgeted for? Are we really acting within the law?

When you look at the Uganda Public Service Standing Orders, it provides that rewards can be given and these rewards include, among others, cash bonuses. However, it is unethical and unprofessional to solicit for a reward. In this case, a reward was solicited for by the Commissioner General of URA in the letter, which was written to the President of Uganda.

I do not see any problems with the President. If I could read what the President wrote, he said -

THE SPEAKER: Honourable members, please, you are disrupting the proceedings.

MS AMONG: He said, *“I met with the team that handled the case and they requested to be considered for a reward in appreciation of the work they did.”* That was solicitation of a reward. You do not ask for a reward.

The same people who solicited for this reward suggested the amount of the reward, determined the names of the people to benefit and also determined the accounts to be debited to get the money. The account that

was debited for this money to be received was a tax refund account, which is meant to keep the withholding tax and Value Added Tax (VAT). We are asking, what tax had they paid that they were being refunded?

This money was not budgeted for, it was not appropriated; it did not come to Parliament. Why would they get that money from the tax refund account, which is not supposed to be debited under such circumstances?

When you look at the payment of taxes, there was under-declaration of Shs 700 million. It is prudent that these people who are “tax girls” should be prudent enough to pay taxes to Government to avoid these kinds of disputes. They did that because there was a conflict of interest and because they wanted to earn more than expected.

Madam Speaker, as I conclude, I leave you with these words of Abraham Lincoln: *“I am not bound to win, but I am bound to be true. I am not bound to succeed, but I am bound to live by the light that I have. I must stand with anybody that stands right, and stand with him while he is right, and part with him when he goes wrong.”* These people did a wrong thing. Even if they got a letter in good faith from His Excellency, the technical people did not do the correct thing. They misled the Chief Executive of the country. They got the money in a fraudulent way. You do not solicit for a reward.

In seconding this motion, I am doing my part. I urge you, honourable members, to do your part in righting the wrong, in bringing back sanity to the Public Service and indeed in saying that, we need to examine whether there is streamlining of reward systems. If we are saying we need a reward system, we should have a reward system streamlined in this House. However, if it is not there, we should abolish it and not encourage this kind of cash bonanza because tomorrow, we shall also ask for the Speaker’s handshake. *(Laughter)*

THE SPEAKER: Honourable members, the motion has been moved and seconded. However, the people we are discussing are not able to speak in this House. I would like to invite the Attorney-General to give us their side before we continue with the debate.

6.33

THE ATTORNEY-GENERAL (Mr William Byaruhanga): Madam Speaker, this is a statement and we have already uploaded it electronically and it is on the Members’ iPads. This is a statement from the Attorney-General’s Chambers on this presidential ex-gratia payment to these public officers who participated in the Heritage Oil and Gas case.

Introduction

As everybody is aware, under these circumstances the ongoing concern is about this ex-gratia payment that His Excellency the President extended to 42 public officers. These officers were involved in the arbitration cases that led to defending the capital gains tax on the Heritage Oil and Gas Limited (HOGL) transactions when it sold its interests to Tullow. I will, in my statement, specifically address the following:

1. The background and the transfer of interest by Heritage Oil to Tullow that resulted in this capital gains tax.
2. The challenges that Government faced in collecting this capital gains tax, which accrued therefrom.
3. Why His Excellency the President gave this ex-gratia payment, because that seems to be the question, to the 42 public officers who were involved in securing these mentioned taxes.
4. The precedents in payment of ex-gratia both in Uganda and elsewhere in the world.

Madam Speaker, Heritage Oil Uganda Limited and the Republic of Uganda, acting through our Ministry of Energy and Mineral Development, entered into what is called a Production Sharing Agreement (PSA) - in fact they were several - for the exploration and exploitation of oil in Uganda in respect to exploration area No.1 and also exploration area No.3 –(Interruption)

MS OGWAL: Madam Speaker, I have been listening to the Attorney-General on this matter, which is before us. However, he is coming up with the substance of the case. I am not a lawyer but I think that this motion, which we are debating, is seeking to constitute a committee that will come up with a report. All this information, which the Attorney-General is giving us, will be contained in that committee report. Therefore, I do not know whether the minister is trying to pre-empt or instruct. I am seeking your guidance, Madam Speaker. Thank you.

THE SPEAKER: Honourable members, it is important for Members who were not in this House in the Ninth Parliament, for example, to hear how this started so that when we take a decision, we are all on the same page.

MR BYARUHANGA: I thank you, Madam Speaker. Having pursued a successful exploration campaign as the operator and 50 per cent interest holder in the two licences, Heritage Oil, together with Tullow Uganda Limited, in January 2011 entered into the sale and purchase agreement - (Interjections)- Madam Speaker, I am being heckled.

THE SPEAKER: Honourable members, do not heckle, please. By the way, this is his maiden speech; he is protected.

MR BYARUHANGA: Madam Speaker, as I was saying, on 26 January 2011, they entered into a sale and purchase agreement for the transfer of Heritage Oil's undivided 50 per cent participating interest in each of the production sharing agreements together with all the associated rights and interests. They decided to sell this to Tullow for a sum of US\$ 1.36 billion as the purchase price plus a contingent amount of up to US\$ 150 million collectively. In the meantime, this company had invested US\$ 150 million before and was making a profit of up to US\$ 1.36 billion from that transfer.

A dispute arose between the parties when on the 9 April 2010, the Uganda Revenue Authority (URA) sought to impose Capital Gains Tax on the sum. The Capital Gains Tax totalled \$434 million arising out of that transfer and it wanted its consent to the transfer upon payment of that tax by Heritage Oil. Therefore, the tax was \$ 434 million.

On 16 May 2011, the claimants initiated arbitration proceedings in these two matters by filing two notices of arbitration against the respondent in accordance with Article 3 of the United Nations Commission for International Trade Law and Arbitration Rules of 1976.

Now what was the dispute? Madam Speaker, the assessment was disputed by Heritage Oil on several grounds, one of which was that similar transactions that had taken place elsewhere in African – and they gave examples like Algeria, South Africa and Tunisia; that in these African countries, no such tax had been assessed or collected by the respective authorities in those countries.

Indeed, around the same time, the oil company COSNES was finalising a transfer of interests in a licence in Ghana and was making capital gains of up to \$3.5 billion and no tax had been paid on that transaction. Similar transactions had taken place in Tunisia and Algeria with no tax imposed on capital gains. I am just stating what Heritage Oil was saying.

Many countries in Sub-Saharan Africa had lost cases in different arbitral tribunals and the same has been a subject of enforcement. Cases and awards against African countries in Sub-Saharan Africa in particular continue to increase in all arbitral tribunals.

Equally, several mineral rights had been transferred in Tanzania and Kenya but no tax had been paid either. Also, Heritage Oil and Gas Limited informed Government of Uganda that based on comprehensive advice from leading law experts, both within Uganda, the United Kingdom and North America, the disposal of their interests in block 1 and 3(a) was not taxable – (*Interruption*)

MR AGABA: Thank you very much, Madam Speaker. I thought when you asked the Attorney-General to take the Floor, you asked him to speak for the people who are not in this House; the concerned people who received the handshake. I am surprised that the Attorney-General is taking us through a journey of the court procedure. Where we are now, a judgment has been taken on the case, awards given and Parliament is concerned about how our money has been managed to award those who were involved. We do not need the history of where we came from and where we are. We know where we are. Not only do we know where we are but we also know what we want.

Rightly so, Madam Speaker, you asked the Attorney-General to speak for those who are not here. I thought he had a response from those who are not in the House about the handshake. Madam Speaker, I beg to be guided on that procedural matter.

MR KIBALYA: Madam Speaker, when the motion was tabled and seconded, before you allowed us to say anything, you said you wanted to hear the side of the Attorney-General. We thought that this was in relation to the motion and not in relation to the history of oil. As such, we are puzzled because the Attorney-General has taken us back in ages yet the contentious issue is related to only the Shs 6 billion. It is not related to whether the contract was signed for oil. It is a fact that a contract was signed but we thought you wanted to know whether the Attorney-General's office was clear, satisfied and in conformity with our discussions and the formation of the committee in relation to the Shs 6 billion. Are we proceeding well when the Attorney-General takes us back to that history?

THE SPEAKER: Okay, honourable members. I just want to assure the Attorney-General that this House and the country appreciate the fact that we got a good amount of money. However, the question that the country wants to know is the source, the quantum and the target beneficiaries. Fast forward, hon. Attorney-General.

MR BYARUHANGA: Thank you very much, Madam Speaker. My thinking was that in the interest of natural justice, you have already allowed the movers of the motion, together with their seconders, to give the circumstances under which they are not happy. Speaking on behalf of those who are not here, I thought it is in order for the Members of this House to properly analyse and investigate to know the position of those people who were not here. That is why I am speaking on their behalf. (*Interjections*) I would like to –

THE SPEAKER: No, honourable members. Do not heckle the Attorney-General.

MR RUHUNDA: Thank you very much, Madam Speaker. The parties that are mentioned in the motion are public servants and I have not seen before, during investigations into malpractice in public offices, the Attorney-General coming and representing those people.

The matter we are discussing is to do with public resources and we have the mandate, as Parliament, to investigate, question, inquire and do whatever it takes to safeguard the public resources of this country.

Incorporating the Attorney-General to speak on behalf of the culprits that we are investigating is a very new phenomenon in the Parliament of Uganda. (*Applause*)

Madam Speaker, it is my prayer that the practices, which we have had – we usually come up with a select committee, which through the rules of natural justice, gives all the parties an opportunity to speak, does all the investigations and finally comes up with a report to the House.

I, therefore, would like to move that we get a select committee, which will get all the parties involved to investigate this matter to a proper conclusion and recommend a solution for the country.

THE SPEAKER: Honourable members, among the people who have been mentioned is the head of state for this country –(*Interjections*)– please, honourable member, he is the head of state of this country and I think it would not be fair to leave on the *Hansard* a non-reply at this stage. Let us hear his side in this plenary and then when we set a committee, you can continue. Honourable members, please take your seats. Yes, hon. Kakooza.

MR KAKOOZA: We should restrict ourselves to the rules and practice of this House when debating such motions. This is a general motion and when I read the motion on the Order Paper, it says, “Motion for a resolution of Parliament to investigate the circumstances under which rewards were made to 42 public officers for winning the tax arbitration case between the Government of Uganda and Heritage Oil and Gas.”

What is the practice of this House? The practice of this House is that it is the House to instruct a committee either to investigate and bring a report or not. In that case, the motion is taken away or is not objected to.

The people who are mentioned like the President and the 42 officials are subjected to the committee where they will make a comprehensive report and submit so that we can take a conclusive decision on the motion at that time.

The motion is seeking to say, this is what I want to do. I find it outside the practice of this House that once a motion is presented, it is the House to decide whether to send it to the committee or not. We do not need anything because the committee does the work on behalf of the whole House. All relevant information can be carried there and we take a decision. The motion does not conclude anything; it is simply seeking for permission to investigate.

THE SPEAKER: Honourable members, supposing there are those who do not want this investigation? Shouldn't they speak?

MR KAKOOZA: They can speak against the motion.

MS RUTH NANKABIRWA: Thank you, Madam Speaker. Indeed this seems to be a unique motion where we have seen six people seconding it. Every seconder came with information; they came with documents and therefore as Government, we need to also come out with a statement. It is only fair, unless you are speaking to the gallery – (*Interruption*)

MR NSEREKO: Thank you, Madam Speaker. I have heard the Chief Whip's submission and the earlier submissions by the honourable members. I was also privy to the Attorney-General's submission. I have not heard anyone castigate Government because Government includes, among others, the Executive, the Legislature and Judiciary in this matter as either a beneficiary through one Arm or the other.

There is no official Government position here as to whether the Government, as an arm, let us say the Executive, is culpable. Therefore, the only issue raised by honourable members is that either we move to putting the question as to whether we should appoint a select committee to investigate the matter or not.

Therefore, the point of order I am raising is as to whether the honourable Chief Whip is in order to inform this House that Government is under castigation. Perhaps she is privy to information that we do not know where it is desirable for the Attorney-General to stand up as the chief advisor of Government to defend it in this matter. Therefore, is she in order to make such a presentation to this august House? Thank you.

THE SPEAKER: I do not know what she was going to say. Actually, I did not hear what she was saying.

MS RUTH NANKABIRWA: Thank you very much. I am rising on a point of procedure and I think our Rules are very clear. When an honourable member is on a point of procedure, you do not raise a point of order.

Madam Speaker, I was saying that we have received submissions from numerous colleagues who seconded this motion and one pertinent issue came out; that this matter was not extra-ordinary. There are other people who are doing similar work.

Madam Speaker, when the Attorney-General prefaces his submission by giving us the genesis so that we can appreciate the extra-ordinary nature, shouldn't we allow him to make his statement before the House makes a decision? We all support the idea that the committee investigates. As Government, we have no problem with investigations. Shouldn't we allow the Attorney-General to complete his statement?

MR NIWAGABA: Madam Speaker, this particular motion has been with all Members of Parliament for the last one and a half weeks or so, including the Government Chief, which Government Chief Whip has actually been actively involved in making sure that this particular motion is not debated today. *(Applause)*

Is she in order to stand up and claim that Government has not had prior notice of this motion for her to give the position as to whether she supports the motion or not?

THE SPEAKER: You know - I do not know where she was. There are so many allegations but I do not listen to them. I do not know whether she said it so I cannot rule on that point of order.

MS RUTH NANKABIRWA: Madam Speaker, there are allegations by hon. Niwagaba that I have been working very hard to make sure that this motion does not come on the Floor. I would like him to substantiate them or else he should withdraw the statement.

MR SSEKIKUBO: Thank you, Madam Speaker. Members, I beg for your indulgence. I know what filibustering is. I have been here for a long time - do not take it lightly. I know what filibustering means and how it can start causing procedural questions where they do not exist. I know I will be given an opportunity to second the motion later since I am one of the seconders. I have seen the Attorney-General's statement and it is not more than five pages. Members, please allow him to complete it and then we shall proceed. Please, do not cause a controversy for nothing. I know why I am saying so because I know the tactics.

THE SPEAKER: Okay, Attorney-General, can you summarise your statement? Please do it quickly.

MR BYARUHANGA: Madam Speaker, since I am reading a statement from our chambers that has been prepared in response to all these matters that have arisen, if I summarise it – Can I just go through it quickly?

Madam Speaker, against this background, it should be noted that besides the interests that Heritage Oil had in the two production licences, the company did not have any other assets in Uganda. This, therefore, meant that once the company sold its interests and left the country, Uganda would not be able to collect a single dollar in capital gains from this transaction.

Having realised that Government was serious about the tax, Heritage's conduct was to ensure their exit before tax was paid. The Government team's first priority was to ensure that Government received the tax before Heritage exits Uganda. This was successfully achieved and by the time Heritage Oil exited Uganda, Government had collected the taxes.

After initiating tax appeals in the Tax Appeal Tribunal (TAT) and while these appeals were still on-going, Heritage Oil initiated arbitration proceedings in London against the Government of Uganda by filing two arbitration notices. Heritage Oil initiated these arbitrations on the basis of agreements they said were in the two production sharing agreements. The arbitration process involved preparation of and submission to the arbitral tribunal of Government's defence. The arbitration process also included identification and preparation of witnesses. This involved combing the entire history of the oil industry in Uganda.

On February 24, the entire panel of three arbitrators unanimously issued their final award of \$434 million. The process of winning this landmark case did not only involve technical work but Government had to resist immense pressure against taxing the transaction from all corners of the world. Some of this included pressure from some of Uganda's development partners who argued that taxing the transaction would discourage further oil company investments in the petroleum sector in Uganda. Others advised Government against the tax and these included international civil organisations as well as all the international media houses.

Madam Speaker, back to the crux of the matter, which is the ex-gratia payment. Having successfully defended Government in the collection of the tax above, which amounted to \$434 million, His Excellency the President of the Republic of Uganda extended this ex-gratia payment to the Government team. This was meant not only to appreciate the professionalism exhibited by the team members but also to encourage other public officers who may be faced with similar assignments and challenges in the future. Under Articles 98 and 99 – (*A Member rose*)

THE SPEAKER: Honourable member, why don't you be patient? You will answer that in the other arena. Listen and take the lies or whatever to the other arena, please.

MR BYARUHANGA: Under Articles 98 and 99 of the Constitution of the Republic of Uganda, the President of Uganda who is the head of the Executive, in accordance with the prerogative of the crown as enshrined in the Constitution, is empowered to reward exemplary and professional performance. Equally, this principle is entrenched in the Uganda Public Service standing orders.

Madam Speaker, following this arbitrary award, which was issued on 24 February 2015, His Excellency the President of the Republic of Uganda rewarded the team of 42 officers with Shs 6 billion, subject to taxation and statutory deductions in appreciation of their tireless effort and service to the country.

The money was distributed to the officers in three categories as follows:

- a) Category one: core staff. The gross amount to this group was Shs 200 million per person.
- b) Category two was non-core staff. The gross amount to this group was Shs 100 million per person.
- c) Category three was support staff. The gross sum to this group was Shs 50 million per person.

The above amounts were subjected to tax and statutory deductions. These deductions totalled to Shs 2.3 billion, which were distributed as follows:

- a) Pay As You Earn was deducted at 40 per cent.
- b) 15 per cent was deducted for NSSF as and when it was applicable.

This resulted in a net pay to these 42 officers of Shs 3.58 billion. Just for the record, after deductions it was Shs 3.58 billion.

The case was the first of its kind in Uganda and the biggest case in the history of the country both in terms of amount and precedent. It was tried in the Uganda Tax Appeals Tribunal, Uganda High Court, London High Court, London Court of Appeal and eventually in the International Tribunal for Arbitration. It was the first of its kind in Africa and has set a precedent all over the world on transfer of exploration licenses and changing of law and stabilisation clauses.

The collection of Capital Gains Tax on the transfer has been the largest single tax collection from a single transaction since the inception of the Uganda Revenue Authority. In addition, successful taxation of this transaction was critical for Uganda as it would form an important precedent for such future transactions in the country.

Madam Speaker, in accordance with the Public Finance Management Act 2016, the Commissioner-General was designated on 2 May 2016 as the responsible accounting officer to effect this payment. The Commissioner-General followed the procedure stipulated in the said Act and deducted the applicable taxes. The payments were then subsequently effected in July 2016.

The reward was granted to the team in recognition of its performance by the Executive. The team was also recognised and commended by both the Ninth Parliament and Cabinet. It is worth noting that Government has given similar rewards before to Ugandans who have excelled in different fields, including but not limited to the 30 public officers who were part of the team that discovered oil in Uganda in 2006 and were rewarded with a similar presidential handshake. These were rewarded in Kololo.

The ex-gratia to these scientists was rewarded to the individuals who played a key role in helping Uganda to discover the first commercial deposits of oil in the Albertine Graben. This has proved to be a good catalyst to the country, which now has over 6 million barrels of oil in place as compared to the 300 that were there in 2006. Rewarding individuals who have excelled in their roles is common practice even in the private sector.

In conclusion, Madam Speaker, the net take home for the over 42 individuals amounted to Shs 3.58 billion compared to the Shs 1.5 trillion that the team won for the country. The reward for the team was therefore less than 0.5 per cent of the total value of the work that the team put in and later suffice it to point out that in addition to the main tax collected, Government was also awarded costs to the value of Shs 17 billion.

Madam Speaker, clarification should also be made that whereas there have been similar transactions that followed the Heritage Oil and Gas Company as explained before, this money was only paid on the Heritage Oil and Gas transaction. No such reward has been paid to the subsequent transactions, which included the transaction of Tullow to Total and the one of CNOOC from which Government collected a total of Shs 800 billion shillings in taxes. There was no “handshake” on that one.

The collections from these subsequent transactions have been made possible by the precedent set on this Heritage oil transaction.

I, therefore, beg to submit and pray that this statement be found to address the issue of the “handshake” that has been currently topical. Thank you, Madam Speaker.

THE SPEAKER: There is a clarification that the Minister of Finance, Planning and Economic Development wants to make.

7.10

THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr David Bahati): Thank you, Madam Speaker. I just wanted to make a brief comment on three issues. The first one is what was raised by hon. Elijah Okupa. While we were laying the Supplementary Schedule No. 1, there was an error on the explanatory notes of Vote 141. It should have been and it is a supplementary expenditure to cater for the bonus payment; team against the Heritage Oil and Gas –(Interjections)

This supplementary schedule is a public document and we want to apologise for that error. I lay it on the Table.

Secondly, it is true that when colleagues requesting for information about this public issue officially approached me, I provided these documents to them and that was official.

Thirdly, we will be willing, depending on the conclusion of this debate, to provide accountability of how much we have collected for the Petroleum Fund any time, whether to the House or the committee. Thank you.

MR KARUHANGA: Procedure, Madam Speaker.

THE SPEAKER: Why don't you allow Members to debate and speak to the two positions?

MR KARUHANGA: Madam Speaker, listening to the Attorney-General making a very serious allegation that remains on the *Hansard*, I think it is important that the *Hansard* be corrected. In no certain or uncertain terms did the Ninth Parliament commend or recognise this particular team in anyway.

Madam Speaker, I pray that before we proceed with the debate, this is expunged from the *Hansard*. Whereas we may have recognised an individual for some work she did, the statement is very clear that the team was not recognised and commended by both the Ninth Parliament and Cabinet.

Madam Speaker, if the *Hansard* of the Ninth Parliament is recalled, I am certain that it has never ever recognised or commended this team.

THE SPEAKER: Honourable members, I think we should not be uncharitable. I do not think it is fair not to accept that a good job was done. I want to say that on your behalf, when the team returned from the United Kingdom, I wrote a letter of commendation to the Attorney-General, to the URA and to Justice Obura to say thank you for supporting the country.

Therefore, please accept that they did a good job but let us question the process. Accept that they got money for this country but maybe we do not agree with the process. That would be satisfactory for me. However, to say that they did nothing is not true.

7.15

MR HENRY KIBALYA (NRM, Bugabula County South, Kamuli): Thank you, Madam Speaker. Several things have been happening in relation to this motion. In common practice when a reward is

being given, we normally first recognise the people then reward them. Secondly, a committee is normally formed to discuss the reward.

In this situation, the beneficiaries, including the Attorney-General, formed themselves into a committee and came up with the number of people to receive the reward. The commissioner even forgot the driver who was driving her up and down. Other big shots also forgot their drivers that stressed with or without feeding and this leaves a lot for us to ponder on.

They have told us that a team of lawyers was hired from abroad. I wonder whether they were also part of the 42. If they are not and if they believe that the money that they were given was enough, I wonder why the money that was given to Ugandans, including per diem and their salary, was not enough because during that time when they were representing Uganda, their salary was intact and they received every facilitation that was supposed to come to them.

I have one or two questions to those that participated in rewarding these people. One, what did they expect these 42 to do? Did they expect them to lose so that in case they won it would be a miracle? Were they sent for formality that if they lose, it is business as usual but if you win, it is a miracle and you will be rewarded?

Assuming they had lost, were they going to refund the per diem and the money that they were using? Since we rewarded them for winning, what if they had lost?

Madam Speaker, we are not discussing this in bad faith but for the betterment of this country and to prevent something that might happen in the future. We might be discussing only the Shs 6 billion but something bigger might be there –(*Member timed out.*)

7.18

MR TONNY AYOO (NRM, Kwanja County, Apac): Thank you, Madam Speaker. I rise to support the motion that Parliament sets up a committee to investigate and get details into this transaction and give a report to the House so that we debate it and give a way forward.

Madam Speaker, when this Parliament was debating all the laws surrounding oil in Uganda, Parliament was concerned about the oil curse in other African countries that have got oil but a lot of oil revenue is always used by a few people and the majority of the people in the country remain poor. A case in point is Nigeria, where oil has divided the country and is one of the sources of conflict in that country.

Madam Speaker, this is why we were able to say we should have an Oil Fund; we should have how to manage the oil revenue and I do not know what happened. I propose that when the committee does investigations, they interact with the President and find out whether he was bewitched because the President came in this House and said the money for oil is not going to be used for food but money is going to be for infrastructure, industrialisation, science and technology, research but nothing to do with the handshake was mentioned even by the President.

However, today, we are discussing the shaking of people's hands with the money for oil. Madam Speaker, Parliament should stand firm to ensure that no other attempt is made to utilise oil revenue for such games because if we do not, we are setting a precedent and that will be the order and direction in which all our oil revenue will go and we are not going to benefit anything from it.

While the committee is going to investigate, let Parliament open the door for those officers who are willing to begin to return the money to refund it while investigations are also on-going so that we begin the process of recovering this money.

We should not allow this country to be taken at ransom. We normally pass here a budget in trillions; we are the ones who pass all these laws, which are used by Uganda Revenue Authority, Ministry of Finance, Planning and Economic Development but we have never asked that we have done a very great job and we should be paid. So, taking a country at ransom is going to start with the oil money; it is going into procurement and it is – *(Member timed out.)*

7.21

MR ERIC MUSANA (NRM, Buyaga County East, Kibaale): Thank you, Madam Speaker. It is very sad that we are talking about the finances from which Ugandans should benefit but only a few individuals are sharing. This oil we are seeing in Uganda, when you look at the people of Bunyoro, they have high hopes that probably something would come out. We are soiled in poverty, one of the regions that is in abject poverty but others are eating and enjoying.

When you look at a serious portion, are we seriously in charge? Is NRM in charge? Why are we sharing this money? Is there moral decay in this country? Is Government committed to fighting corruption? Why are we seeing a few people enjoy the national cake when others are really spectating?

Madam speaker, we need a policy. If we have exceptional people who have really contributed to this Government, there would be a policy that would guide that such and such a category would have done this. Then, they would deserve this one just like we have the issue of medals. They are given medals and yet we have serious Ugandans who have done a lot but they are forgotten. They are there, take a point in the liberation struggle. There are a number of people who fought for the liberation of this country. Some of them cannot even afford a meal a day and we are saying that these people did so much and they should be given 200 million or more money.

Madam speaker, I support that this Parliament investigates and gets the best way out and those people, if found irregular, should be brought to book. I thank you.

7.24

MS MARGARET BABA DIRI (NRM, Woman Representative, Koboko): Thank you, Madam Speaker, for giving me this opportunity. I rise to support the motion that we establish a committee to investigate this issue. Uganda is very poor; the majority of the people are poor. And if you talk of giving one person Shs 40 million, I think it is impossible. People cannot believe it and worse still, it has been given not through the right procedure. That is why we Members of Parliament are saying, “Let us find out so that we can stream line this method of giving gifts.”

Madam Speaker, we cannot refuse that these gallant daughters and sons of Uganda have done a really wonderful job. Getting that money was not easy, in an international court and if you take Uganda’s corruption here, where when you hire a lawyer and the other person gives you money, you take the money and you forget about the case. But these gallant daughters and sons really never asked for bribes and yet they would have got more than what is given here by the President.

Because they have done something good, definitely, let us find out who the right people to get the money were; would they deserve to get that amount? Did all who participated get the money or just some few? Because this will demoralise those who were not rewarded. If we need to reward them, we should streamline the method and we discuss the amount of money to be given. I think you Members of Parliament, when your voters or your agents do a very good job, you reward them. Don’t you? We all do.

So, if the President decided we should reward these people, let us agree and see how much to give them rather than saying, “No, we should not give them because they don’t deserve it.” Let us discuss so that we come up with a better solution for the future awards.

Thank you very much, Madam Speaker.

7.27

MR DAVID ABALA (NRM, Ngora County, Ngora): Thank you, Madam Speaker. I would like to begin from the Bible. The book of *Proverbs* 31:8 says, “Speak up for those who cannot speak for themselves.” We all know there are many Ugandans today who are suffering Hepatitis B and there is no money. There are many people who are suffering because of Cancer. There is no money. Look at Mulago here. Then at the same time, in Teso, especially where I come from - this morning, I received four phone calls telling me they have taken four days eating just one mug of porridge. But look at a situation where somebody is given Shs 200 million for a job that he was supposed to have done. It is morally wrong. At the same time, soliciting for rewards by public officers is not proper.

That is kind of bribing the President and this is where the problem is, Madam Speaker. If you are given a job and moreover they were always facilitated when they were in the UK, their transport, their per diem, whatever they wanted, they were given by this Parliament. And when they come back, they begin pleading, “Please, help us.”

According to our Rules of Procedure, Appendix F, Number 2. *Public duty – (1) by virtue of the oath of allegiance taken by all Members, Members have a duty to be faithful and bear true allegiance to the Republic of Uganda and to preserve, protect and defend the Constitution and to uphold the law and act on all occasions in accordance with public trust placed in them.*”

Madam Speaker, if there is a Member of Parliament who is part of this group here, I would propose that he should come out and tell us, “Here is the money”, today not tomorrow.

Finally, it is criminal not to talk the truth. Sometimes we claim to be Christians and we go to Church the most but we do not talk the truth. One day, we are going to face God. And when we meet God, God is going to ask, “How about the Shs 6 billion that you chewed?” What are you going to say? That is why my proposal is that they did a very good job. I would propose that COSASE should handle this matter. I thank you very much.

7.31

MR CHARLES MUGOYA (NRM, Bukooli County North, Bugiri): Madam Speaker, I have a short response to what my learned colleague, the Attorney General has said. (*Interjections*) Learned means that you know. Thank you very much. I have ably heard the submission. Unfortunately, I have not heard from the Attorney General about constitutional petition number 4 of this year because it is very pertinent and incidental to this matter that we are debating. As you are rightly aware my brother, you know that we have what we call accomplices in law.

Those are people who become parties after the commission of an act or omission and therefore, I thought you would address this august House on issues to do with *mens rea* and *actus rea*. *Mens rea* means that the intent and *actus rea* means the conduct after the commission of an act.

I thought you could ably come out to tell us how members of your office were party to this constitutional petition number four that resulted in the filing of the constitutional application number seven and the interim order that was sought under constitutional application number six and then number seven.

I want to draw the attention of this House and my learned brother on the famous case of Republic which occurred in the UK, that was 2010 where two Government officers irregularly got a lot of money from the

Department of Constitutional Affairs and they obtained an interim order to block Parliament of UK from debating this matter. I want you to attentively listen to the observation of Lord Birmingham of Cornhill and this is what he said at page 85; “*All persons and authorities within this state, whether public or private should be bound by and entitled to the benefits as provided for under the relevant law of this state taking effect generally and in the future. The freedom of speech and debate of all proceedings in Parliament ought not to be impeached or questioned in any court or placed if they regard the intention and interest of this state.*”

He goes on to say, “the *sub judice* rule should not be used to subvert the rule of law; instead, it should be used to promote the rule of law.”(*Member timed out.*) Can I add something, Madam Speaker, for the benefit of this House?

THE SPEAKER: okay, two minutes.

MR MUGOYA: Much obliged, Madam Speaker. And Lord Birmingham added that “*The whole of the law creating Parliament has its own origin and form from this one mechanism that whatever matters and arises in a state and it relates to the people of the state, their representatives must remain their spokespersons.*”

Therefore, what we are debating today is very pertinent and it is in the interest of the whole country. My brother, what we are debating saves the face of NRM, the Government, the whole country and all Members before this august House.

I would, therefore, implore this House to proceed with what seems now to speed the decision of the whole House that we continue to debate, come up with, synchronise, concretise, galvanise our decision in a select committee. Thank you, Madam Speaker.

7.36

MR THEODORE SSEKIKUBO (NRM, Lwemiyaga County, Sembabule): Thank you very much, Madam Speaker. Today is my happiest moment because now, I have the opportunity to thank the movers and the seconders of this motion and to tell this House that every Parliament has its mission. New Members of Parliament, every Parliament has its mission. The Seventh Parliament had its mission. The Eighth Parliament had its mission and the Ninth parliament had its mission.

I will not go into that with my neighbour and friend hon. Kutesa looking at me like that. He knows what it means. To that extent, this Parliament has the duty to proceed. Members, I have heard the Attorney General raising the question of *-ex-gratia* and I would like to challenge him. Is there a law providing for *ex-gratia* that you can table here? There is no law. Ask him. He will also affirm what I am saying. There is your senior, ask him.

Ex-gratia is under the wish of the President and what I am saying is there is no law that provides for *ex-gratia* and I am very much familiar because I know what transpired in 2006. I have been closely following the oil and gas sector and for your information, I have documents to show how that of 2006 by the President was purely an *ex-gratia*. It was not solicited, it was not rewarded as this has been. To show where I come from. Number two – (*Interjections*) - I know this is music to somebody’s ears but he has paid greatly.

Number two, when you look at what transpired, the cost and the reward, if we state even in the cost, Shs 88 billion and what we were given was Shs 17 billion - (*Member timed out.*)

THE SPEAKER: Two minutes -

MR SEKIKUBO: Thank you, Madam Speaker. I will cut short whatever others have mentioned but I have just one critical document, the document amongst many others. At an appropriate time, I will be laying them on Table. This is the private and confidential memorandum of understanding between the Government of the Republic of Uganda represented by the Ministry of Energy and Mineral Development, the Uganda Revenue Authority, Tullow Uganda Ltd, Tullow Uganda Operations Ltd. As Government was struggling to get the \$434 million from Heritage, remember also that Tullow farmed down to Total and Sinuk and they got \$2.2 billion. In that same period and in this memorandum, which was signed by all the parties, out of that transaction, we were supposed to receive, \$425,473,314 – you know Tullow farmed down its 66 interests and retained 33 per cent.

Out of this amount of money – which was agreed on by all parties, we only got \$250 million. If the other handshake was to encourage patriotism, what happened to this one? So, the edifice that these were patriots is collapsed by this one because Members, this is the amount of money we were supposed to get. *(Member timed out.)*

HONOURABLE MEMBERS: More time for hon. Sekikubo -

THE SPEAKER: You know, honourable members - I do not know whether that was part of the motion. You are now taking us to another arena. You will go before the select committee and give that evidence.

7.42

MR GAFFA MBWATEKAMWA (NRM, Kasambya County, Mubende): Thank you very much, Madam Speaker. I would like to first seek clarification from the Attorney-General. I think he has been mean with facts. We would have loved to hear him read the names of the beneficiaries since he came here to clarify and shade light. Why are you hiding the names, yet you came here to give the facts?

Again, the Attorney-General never told us the vote from which the money was got. We are wondering, was it from the oil? Above all, since we have a direct beneficiary in this House, she would have been the best person to speak for herself because she knows the facts.

In December, when hon. Abdu Katuntu presented a report on Government parastatals, I asked a question here when the name of Allen Kagina was mentioned. I asked, “Is Allen Kagina an asset or a liability?” Nobody answered me but we are yet to tell; the future will tell.

Finally, our President had been giving out medals and I think of the 26th January next week, he will be giving out more. Why didn't he give them medals to thank them?

Recently, we went to Mombasa and represented Parliament very well. I got seven medals – three gold and others. What did we benefit from here –*(Interjections)*– no, I am asking, did we get a handshake? Because by the time we went to Mombasa, we were well facilitated with our per diem. Thanking us was big enough.

Finally, Madam Speaker, much as people are taking Shs 6 billion, there is a crisis of an essential drug, Coartem in the whole country. In the next six months, we shall not have Coartem, not a single dose. How many people are we going lose when these shameless neighbours, including our own from Parliament are squandering this country? It is a shame and I beg that we constitute a select committee. If we do not do it, the people outside this building will think that we are also beneficiaries since we – *(Member timed out.)*

7.45

MR STEPHEN MUKITALE (Independent, Buliisa County, Buliisa): Thank you very much, Madam Speaker. I stand to support the motion. At a later stage, I would like to move an amendment that we do not only investigate the handshake, which to me is a ransom but we also investigate the whole expenditure by Government to-date in the oil and gas called recoverable cost to the tune of \$3.8 billion. *(Applause)* which has been expended on behalf of this Government and we do not have a value for money audit.

This ransom others want to call a handshake is simply an eye-opener of how much looting has been going on. There are issues of transparency and accountability. We have demanded for accountability in vain.

There are issues of equal opportunities in this country. The Committee on Equal Opportunities and Equal Opportunities Commission has something to do as far as segregation among citizens is concerned. Those who are highly paid are the ones being highly rewarded.

Madam Speaker, the block from which Tullow farmed down is in Buliisa and Nwoya District. I warned in the Ninth Parliament that the people of Bunyoro and Acholi are not happy; you will not enjoy this money until you correct the problems you caused in the oil sector. The problems include land grabbing and waste management. You killed the “animals” in Bunyoro but there has been no single investment by this Government directed towards preparing this community.

Madam Speaker, on 5th October, you allowed me to present before this Parliament the urgency of Government finding money to deal with the challenges of early oil production. We have acted like hunters and gatherers. We depleted the forest in Budongo without giving a road. We are getting sugar from Kinyara, no tarmac road; we have depleted the lake and offered nothing.

Now, the capital gain tax got from the block of Buliisa and Nwoya has brought nothing of the money to prepare the region. How can you have a Friesian, which gives you milk and you do not give it anything? What sort of hunter does not give back to the ground where you killed? Shame! Shame!

I would like to urge Members; this is an eye opener. There are many challenges, the country is about to commit itself to \$25 billion in the Post Sharing Agreements (PSA), which the Attorney-General talked about, yet Parliament is not allowed to discuss them. What does Government intend to spend and what are we going to get in return – *(Member timed out.)*

THE SPEAKER: One minute for the oil area.

MR MUKITALE: Thank you very much for allowing the host community, which has been completely excluded in the whole of this agenda.

Madam Speaker, we would want to urge Government. This should have been the opportunity for you to bring to Parliament a comprehensive report I have been asking for for many years. How much money do you have for roads? I can challenge Ministry of Finance, Planning and Economic Development; in the Budget Framework Paper, you do not have money for NEMA, for the roads, for the area of oil, even for systematic demarcation. I have the copies; it is only when we discussed here the other day, and you directed that there is some panic towards the budget cut. But you did not plan for it. That is why I am confirming the hunting and gathering culture. *(Interjections)* You have been getting money, you have been spending money, but you have not found money to invest in that –

THE SPEAKER: Information from Finance -

MR MUKITALE: If I am allowed time, I would want a comprehensive report from the Ministry of Finance, Planning and Economic Development telling us how much money you have for roads in the next budget, how much money you have for NEMA for waste management and how much money you have for our district. Buliisa land sector does not have money; we have no money for demarcation of land and you are enjoying the money, which Government has got from Buliisa and Nwoya without investing back to that community.

7.51

MR SILAS AOGON (Independent, Kumi Municipality, Kumi): Thank you, Madam Speaker. On behalf of the people of Kumi Municipality, I am here to say something. As an independent Member of Parliament, I come to you with an independent opinion about the matter of discussion now.

I would like to start by thanking you for standing firm and keeping the solidarity of this Parliament together. It is a key gain we have got in 2017 for the first time. If you had not been firm, I do not know whether we would be debating this matter now. This Parliament has a lot of power including deciding that the Speaker that we have currently stays for ever; we have the power - (*Laughter*) - Because she has done very well.

Madam Speaker, we want to appreciate the comrades who were in the UK and performed so well that we got money. Personally, I am a Certified Public Accountant of Uganda. If you had included me in that team, I would have also won with them but many people have won cases including me. However, I have never been rewarded in any way; nobody has ever remembered me.

I prayed for that team and they won the case. Was I rewarded? No. I want to say this; we are not God, Parliament is not God and therefore, we cannot be able to pass judgment on the people who are being mentioned on certain issues. Therefore, the best thing Parliament can do is to allow for an investigation. When we do that, we can do the right thing ever for our people.

One time, I moved in a bus. Somebody had a stomach upset and the person spoilt the bus. The bus became smelly and the management of the bus became suspicious; everybody was concerned and they were questioning, "Who in this bus has spoilt the issues?" Madam Speaker, the only way was to ask everybody to stand up so that we get to know who actually had messed up with their seat.

In this process, everybody got up but the person who refused to stand up is the one who had spoilt the bus actually.

What I intend to say is this, if you are clean, stand up to be counted. Let us allow this investigation to go on and we must investigate the entire process, the entire money from the beginning to the end. Producing a beautiful daughter does not mean that morally, you have the power to marry her. Is it in order for you to marry your own daughter because she is beautiful? No. Winning the case does not mean that you are now going to take all the money that you want. That is not the way.

People in Kumi are suffering; no water, no food, no medicine but merely Coartem and Panadol. What are we going to do? Attorney General, you should help us. (*Member timed out.*)

7.55

MR BENARD ATIKU (Independent, Ayivu County, Arua): Thank you, Madam Speaker. First and foremost, I want to thank our brother for this motion and also the team that seconded this motion. This was not a simple motion. Of course, we are all aware that there is a big fish involved in this whole thing and therefore, the beginning of this journey and how we conclude it is very important for history.

Madam Speaker, I join the rest in appreciating your Chair in guiding this august House particularly in defending the independence of this Parliament; that is what is expected in a democracy and those of you in NRM who are not happy, we want to tell you that if you want to put Uganda in the circles of true democracy, this is what is expected in expending work, particularly the motions of Parliament.

I remember very well in 2012, you seconded us to go and witness the proceedings of this case. This was hon. Gerald Karuhanga, hon. Florence Namayanja, hon. Tashobya the head of delegation, hon. Stephen Mugabi and I. We were in London for about eight days together with the URA team and the hon. Attorney General then, Peter Nyombi.

So, when it comes to rewarding, I wonder where your team that was seconded to go and monitor this process, was left. (*Interjections*) Yes, hon. Nyombi got the reward.

So, Madam Speaker, the question the motion is asking that we establish a committee to investigate this process is well placed and I support the motion. I will be ready – I am sure hon. Karuhanga and hon. Namayanja and those of us who have remained in this House will be ready to submit to this committee in as far as what we know in regard to this matter and what transpired while in London is concerned.

So, there should be no cause for alarm. Attorney-General, allow this motion to pass and present your case before the committee that will be established so that this Parliament can conclusively handle this matter and those who got money without following the right procedures return it. And if there will be a penalty for that, then the penalty will be administered so that we set a precedent.

Madam Speaker, we were told by last evening that this motion was not supposed to be debated. (*Member timed out.*)

7.58

MAJ. GEN. ONESMUS KUTESA (UPDF Representative): Thank you very much, Madam Speaker. Rule 54 of our Rules of Procedure talks about the manner in which we debate motions and sub rule 1 states that “*When a motion has been moved and seconded in the House, the Speaker shall propose the question on the motion in the same terms as the motion and debate may then take place upon that motion and may continue for a period not exceeding one hour.*” Madam Speaker, we did not hear the question being posed and I am worried that maybe our debate might be illegal because according to this rule, when the motion has been moved and seconded in the House the Speaker shall propose a question on the motion. I need your guidance on this, Madam Speaker.

8.00

MR ANDREW BARYAYANGA (Independent, Kabale Municipality, Kabale): Thank you very much, Madam Speaker. We could not have got any better Speaker. Thank you and we are proud of you. The precedent that happened when we were to debate this very motion was putting Parliament back to the top of other Parliaments in the world and today, we are celebrating the Tenth Parliament as a Parliament, which stands on its own and we could not have got a better Speaker than you. We appreciate you and we would like to thank you very much.

Whereas we are here celebrating *Kisanja hakuna mchezo*, it looks *Kisanja hakuna muchezi*. I do not know whether the Attorney-General knows that he is a lawyer of Parliament and Madam Speaker, as we are amending the Rules and Constitution, we need to get our own Attorney-General as Parliament because there is no single day when we have seen the Attorney-General coming here to defend Parliament. In any case, he is always on the other side; so, we could be losing a lot and we have even lost some cases anyway because we do not have a lawyer to stand in and defend us.

I thought the Attorney-General would have the courtesy to come here and tell us the bad that is inside his chambers; the workers who went to court and put the Attorney-General before the Deputy Chief Justice to defend himself, yet, they are his own workers. We thought you would come here prudently and tell us that it was demeaning of your office to take yourselves to the same courts of law but you failed to do so. However, my respect at times goes a little bit low - I am very sorry - much as you say you do not care. Indeed, you do not.

Madam Speaker, I thought the Attorney-General would be here to tell us how the Deputy Chief Justice was hoodwinked to stop the Tenth Parliament from speaking and present Speaker put up – his is very good because he did not manage to do so and indeed, he apologised. We even thought you would bring out how you feel apologetic for having set such a bad precedent and try to come here and defend it. We did not see that.

THE SPEAKER: Hon. Aja, please, address the motion. The Attorney-General should not be part of that motion.

MR BARYAYANGA: Thank you very much, Madam Speaker. I do not see how we could come up and give these people a very good handshake when they settled for less; we would want something to tell us why they settled for less instead of having got everything. We went to court to bring out but we did not get all the amounts of money we went to court to bring. However, in the long run, we appreciated the little we got by giving them a very wonderful handshake.

Madam Speaker, it would be prudent for us in this House if indeed a committee sits and brings the nitty gritty from start to finish; why did we get less money and not all the money. We need to know the money we got, where did it go? Where is it? Can we account for the works it did? Or if at all it is still somewhere, could you come out and show us where it is? Let us bring it out well. The so-called taxes that the Shs 6 trillion paid, can you, please, bring the account of these people how much they received on each account? And what actually went to – *(Member timed out.)*

THE SPEAKER: Honourable members, I had asked you to also address the way forward but many are concentrating on investigations.

8.05

MR HERBERT ARIKO (FDC, Soroti Municipality, Soroti): Thank you, Madam Speaker. I rise to support the motion. I have a few observations that I want to make as I support this motion. Madam Speaker, in an attempt to assist the people that are culpable in the cash bonanza, the learned Attorney-General makes reference to the Uganda Government Standing Orders.

Until recently, I was your Deputy Head of Human Resource. The Uganda Government Standing Orders, like any other regulations, are not used in isolation. Section A-N that the Attorney General was making reference to in terms of the award must always be addressed in the Standing Orders in relation to section A-N, which provides for recognising and rewarding performance.

In rewarding performance, as it is approached in this case, you must have as a public officer exceeded the set organisational goals. The target in this case was negotiated outside a legal case that Uganda should have won. It means that we settled for less than the target that we should have got if we had taken the case to the latter. Madam Speaker, the same section also provides that in as much as possible, rewards to public officers should be non-monetary awards.

If you permit me to read, it says, *“The scheme shall rely on non-monetary awards, which cater for human needs for achievement of recognition, responsibility, influence and personal growth.”* Why do they do

this? In addressing the issue of job satisfaction in the Public Service, you must look at the non-intrinsic awards that are sustainable for a longer period.

So, in this case, the target was that the awards were solicited and yet Madam Speaker, we also know that in this inquiry, Parliament must be able to ask that awards in the Public Service are given through the Employee Awards Committee.

Madam Speaker, you have one in the Parliamentary Commission. It asks simply beyond the immediate outcome, which was simply money in this case. It asks for the process that was followed; it asks about the costs involved in receiving or in gaining that level of performance; it asks about the inclusivity of the award system. How many of the employees were deserving of the award?

Madam Speaker, I would like to finally raise the issue regarding the awards in the public service. Awards are given either at individual, team, organisational or institutional level. This one was amorphous. There are people that were picked from Finance, Justice, Attorney General, Energy, KCCA; which criteria, therefore, was applicable in determining the rate, the person - (*Interjections*) - were there others from Parliament? Madam Speaker, these are the issues that committee needs to inquire into.

Finally, the learned Attorney General - (*Interjections*) - a one Mr Eric Sabiti is a senior State Attorney of Uganda in the Office of the Attorney General. He is only in Electoral Commission on secondment. The current proceedings that have been commenced by the Electoral Commission on Mr Eric Sabiti do not explicitly apply in the grievance and disciplinary procedure. He is supposed to have been prosecuted on using the Uganda Government Standing Orders because he is an officer of the mainstream Public Service - (*Member timed out.*)

THE SPEAKER: I think that point is important; you have half a minute to conclude it.

MR ARIKO: Madam Speaker, what we have seen so far going on is that the EC has started inquiring into the acts of Mr Eric Sabiti, in terms of the employment contract that Mr Eric Sabiti holds. It is now nugatory because he must be disciplined in the office under which he is appointed and as of now, that is the Office of the Attorney General.

Therefore, this is one of the things that we must be able to look into because he did not; for any public officer to institute a suit against his or her employer, the responsible officer must have given him or her permission to do so. (*Interruption*)

MR NANDALA-MAFABI: Thank you, honourable colleague, for giving way. I would like to inform the colleague that Mr Sabiti works in EC and it is involved with petitions and other things in the Constitutional court and other courts. One of the judges they always meet is Justice Kavuma. He is a specialist at *ex parte* judgments.

However, of interest, the Secretary to the EC is called Mr Rwakojo. His wife sits somewhere here - (*Laughter*) - and he is involved in the bonanza and Mr Sabiti wants a promotion. Therefore, he wanted to earn a promotion as quick as possible. His boss told him most likely that if “you want it, go and do XYZ.” That is how it was executed and to save people’s faces.

8.14

MR JACK WAMANGA WAMAI (FDC, Mbale Municipality, Mbale): Thank you very much, Madam Speaker, for being what you are. I take the Floor to support the motion. Good enough, you were in the country at the time and that you are presiding over the House on this important motion.

I worked as a civil servant for 25 years. I would like to thank those civil servants from the Ministry of Finance, Planning and Economic Development, Attorney General, URA, for doing a wonderful job. However, in the civil service, when you do a good job, you are given a promotion as a reward. Therefore, all these people for having done a great job should have been promoted but not to solicit for money; that is corruption.

Do you know how this money was paid and classified from the Ministry of Finance, Planning and Economic Development signed by Ochailap? They classified it as salary for non-teaching staff. I kept wondering whether there is a non-teaching staff in URA. This is illegal; the Attorney General should have even looked at that, that they got this money under false pretense.

It is very sad, Madam Speaker. If people were to be given handshakes when this Government came to power, hon. Kirunda Kivejinja knows, I was serving in Denmark, this country had no friends at all, Edith Ssempala whom I handed over to, should have been given a handshake and myself. We brought Europeans and the Scandinavians here. I signed the first agreement to bring medicine here to build Entebbe medical stores. There was nothing here no, no paper even in the Judiciary. Some of us worked for this country but we did not get handshakes. I was happy to serve the country and not to allow people to steal money.

Last week, we were talking about LC elections but there was no money. However, look at Shs 6 billion and the Attorney General now comes to convince us that it is only Shs 3.5 billion. The total amount of money spent; Shs 6 billion should have done a great thing.

Look at the money the teachers, Makerere staff, doctors, hospitals are asking for; there is no Cancer machine and we do not have medicine in our hospitals. Parliament is the third arm of Government and it works with it. You do not threaten us and ask if we are God. We are here to do the oversight and speak for our people that this money should not be stolen.

It is very shameful that somebody comes and wants to cover up. The President can give handshakes to people like Kiprotich, Inzikuru, Wobombesa and the late Akibua who go and excel. If our footballers have won in AFCON, the President can give a handshake and whatever he wants. Nobody is going to question him.

However, this was solicited. It is a bribe that must be condemned; all those people who took the money including one of our colleagues here must be ashamed. Tomorrow, go write a cheque and payback this money. *(Member timed out.)*

8.17

MR FRANCIS MWIJUKYE (FDC, Buhweju County, Buhweju): Thank you, Madam Speaker. I stand as a proud member of the Tenth Parliament. Some people had attempted to bring down Parliament when they were talking about taxes, vehicles and writing about many stories in the media. I can tell you having come from the western part of Uganda; the Tenth Parliament now is ranked high for the step that was just taken a few days ago.

We want to thank you, Madam Speaker, for being very bold. We are the eyes, the ears and spokespersons of Ugandans. We therefore, cannot be stopped from investigating and speaking on behalf of our people.

This motion has put us on a spotlight. Lines are drawn; we want to see those who are for corruption and those who are not; those who are for the public and those who are not.

Fortunately, I am happy to note that most of us in this House agree that we should investigate and those who took this money must bring it back.

Finally, just over the weekend, we lost people in an accident and took them to Mbarara Referral Hospital but there were no gloves. I had to buy gloves for the hospital. We had lost four people but there were no drugs for treating the dead. Then you hear people proudly sharing money, this is a shame.

Madam Speaker, I would like to associate myself with the mover of the motion and the seconders - *(Interruption)*

MR OCHEN: Madam Speaker, this matter that we are discussing today is a serious one. *(Laughter)* The information I would like to give my colleague and the House is about issues that concern the governance of this country. If we are talking about technical people misappropriating and taking different directions, then we must go to the core of these problems in this country. When the letter was written to the President seeking clarity, what was the response? The President is the last person that should have given the response to say, "no." Therefore, the information I would like to add to my brother-

THE SPEAKER: You are smuggling your contribution. Anyway, if your time is up, I will just move to the next speaker.

8.21

MR ABDU KATUNTU (FDC, Bugweri County, Iganga): Thank you very much, Madam Speaker. In what appears a dark cloud, there is a silver line. Every Parliament has its own defining moment and may be; this is the defining moment for the Tenth Parliament. The few colleagues in the last Parliament, for those of you who were not here: hon. Ssekikubo, hon. Niwagaba, hon. Tinkasiimire, late hon. Nebanda - may her soul rest in peace - hon. Gerald Karuhanga and I started this debate about the oil and gas sector.

The reason we started this debate is because the entire sector had been shrouded in secrecy. Nobody knew what was going on in the sector. The production sharing agreements were being signed. There were even tax exemptions being given by ministers. These taxes were not tens of millions but hundreds of millions of dollars.

Therefore, one Good Samaritan found me along the street and followed me until I parked the car. He said if Parliament cannot come into this, we are in real trouble. Do you know what is going on in the sector? He gave us details and eventually, we had to request the Speaker to recall Parliament from recess to discuss the oil and gas sector, which was not easy. The rest is now history.

Thereafter, the sector was sort of opened up but Parliament had kept its eyes off the ball because now we literally do not know what is going on.

Madam Speaker, this incident can only give us one lesson; we need an audit of the sector. Forget about the Shs 6 billion. We need an audit of the oil and gas sector now. Let me tell you one thing; this country has got an opportunity to address most of our challenges if we manage the oil and gas sector well. Otherwise, we are going to suffer like many other African countries have suffered from the oil curse. The most expensive commodity is gas commodity in the world. You know what has happened in other countries like Nigeria. They even line up for fuel and yet, they are among the largest producers of oil.

Honourable Members of this Parliament, keep your eyes on the ball. In the next 50 years, this country is going to be run on oil and gas sector revenue. If you keep your eyes off the ball, you will be to blame. Many of us are about to retire but I can see very young people now who are very brilliant. Honourable colleagues, this is the time. Forget about even the Shs 6 billion. You will need to audit the entire sector.

Madam Speaker, this is the time for this Parliament to ask for what has gone on and where the money is. Do you know what happened two weeks ago? I came and whispered to you. They had even come casually

to pick money from the Petroleum Fund. They wanted to do it by resolution here. We told them the law does not provide for that. The Speaker chased them. You had not realised. They were already going to pick some money. Hon. Bahati was there and he knows it. We told them not to do it because the law provides for different things.

Therefore, Madam Speaker, I have seen and this particular conversation took hon. Ssekikubo, hon. Beatrice Anywar and I to faraway places: New Mexico to study best practices. Let me tell you, for those who have been to countries like Dubai; you are seeing it like paradise but it was a desert the other day. It is paradise because everybody wants to go through Dubai. It is the first destination in the world. Why? It is because they invested their oil and gas resources well. They invested - (*Member timed out.*)

THE SPEAKER: A few more minutes.

MR KATUNTU: Thank you very much, Madam Speaker. If we invest our oil and gas resources well, there is an opportunity for us to move to that dream of middle class. If we do not, it is just pure gossip because you do not have any resources to talk about. We need to invest in human resource. That is why this debate should be wider than this. This is just an eye opener because tomorrow, there would be some saying they did this and bought that plane; things that would not help grow the economy.

Madam Speaker, I really would like to thank you. Sometimes, you must take hard decisions for the sake of your country. These sorts of decisions I am sure; even if you are talking about Cabinet, do not think they are not Ugandans. I know what they did to us when they were doing the oil and gas debate. They gave us the information. They may not speak on that microphone but they are with you. A few of them may not be but I know many of them are Ugandans. They have suffered a full blunt of a bad economy, roads and school fees and so on. If Government had revenue to push in the public sector, they would not be suffering from these problems. They are with us.

Therefore, let us move together as a House and as one Uganda, One people. (*Laughter*)

8.29

MS JUDITH ALYEK (NRM, Woman Representative, Kole): Thank you very much, Madam Speaker. I would like to thank you very much for promoting the independence of this Parliament.

Madam Speaker, there are new terminologies coming amidst us. They are very many that even came before the terminology of the “handshake.” Earlier on, we had many terminologies like *Kisanja Hakuna mchezo*, now we are bringing “handshake”. There are also others yet to come.

I need to say that the handshake that has now come is a problem. What I would like to say is that there are many categories of people who have benefited from the handshake that we are talking about. When you see the list of the people who got this money, there are lawyers, staff of the URA, the non-staff of the URA and they are calling themselves non-teaching staff.

And indeed, they are non-teaching staff- (*Laughter*)- because- Madam Speaker, they are not teaching anywhere and this is not a teaching institution. This is not Ministry of Education, so they are non-teaching staff.

Madam Speaker, I am surprised to see the likes of non-teaching staff of the Executive Director of Kampala City Council Authority (KCCA) being paid Shs 121 million and pocketing it. A handshake has become money going into people’s pockets, money going into people’s accounts. Where are we going? Where are you taking this country?

I propose that the select committee that is going to be formed probably today that they should investigate the lives of the non-teaching staff I am talking about who even benefited from this money, yet, they did not even at any point -(Member timed out.)

THE SPEAKER: A minute to conclude.

MS ALYEK: Thank you very much, Madam Speaker. The Shs 6 billion that has already been shared out to these people as handshake is just a dot in the ocean. We are not seeing the balance of what our oil money is in that basket. This can be less than 2 per cent of what had already been in existence.

Therefore, let us think of finding out a lot more about the oil money that had been there besides the Shs 6 billion, which is less than 1.5 per cent, which has been as a handshake. That is one of the ways forward that I am bringing to this August House. Thank you for giving me an opportunity.

8.33

MS HELLEN ASAMO (NRM, PWD Representative, Eastern): Thank you, Madam Speaker. I stand to support the motion to investigate. When the Attorney General brought his report, he brought in a way merits of having given those people money. Nowhere in his report did he support the motion. For example, he never gave the procedure, which was used. He just came in to talk and never told us where the money was got from, who appropriated it. He dodged it and the budget allocation was not talked about.

Madam Speaker, just this afternoon, the Minister of Agriculture was lamenting about the food security in Uganda, begging for money. Ugandans are dying out there, we have been talking about hunger and the economy is doing badly. Was this a very urgent issue that these people were not going to wait? Was it so urgent that the handshake was going to run away when Ugandans are suffering?

Madam Speaker, in URA, I have relatives who have told me they are demotivated. The team, which is investigating should also call those members who are expected to get the awards because they do not know the criteria. We still have within the system; people are disgruntled about this handshake.

The Attorney General, we would like to know the criteria. How did it come that the directors are the ones who benefited? Even this small people you call category three, how were they identified? We need to know this as Ugandans. We need quality and everybody to be included that could have worked on that area.

Madam Speaker, we are aware that there is no legal regime concerning use of awards especially from the vote where this money was got. If we begin using money of oil in a secret manner and yet, this Parliament passed - there is that time in the Ninth Parliament, we were told our laws were the best but we are abusing this law.

It is a shame and I cannot sit down and look at this issue coming on board and then people are given cash bonanzas. The executive directors' requisite letter had talked of mortgages and land. Maybe Government would have given them land, houses as the Attorney General talked of *ex gratia*. However, they were given cash bonanzas, we even do not know how this money has been got.

Madam Speaker, probably there is an attempt to abuse Parliament powers by trying to threaten the people who represent the population. The Attorney General did not give us any good information to give us why to know whether there was a committee which was formed. How did it come to this having written this? It is not about -(Member timed out.)

8.37

MS LOWILA OKETAYOT (NRM, Woman Representative, Pader): Thank you, Madam Speaker and I would like to thank the mover of this motion, which I rise to second. I see the following things out of this action of the reward.

1. I get a feeling that laws enacted by this Parliament can be thwarted at will. We sit here costing the tax payers a lot of money and yet, these laws can be ignored.
2. I also see that this Government is trying to set a precedent that cannot be sustained.
3. I also see that in this country, some Ugandans are more equal than others.

One person being paid over Shs 200 million and yet as my colleague has just said, we are crying because of lack of food for very poor Ugandans. The other time, the Ministry Relief and Disaster Preparedness was allocated just Shs 3 billion. Probably, that food was taken to three or four districts. And here, Shs 6 billion is being allocated to only 42 Ugandans.

Madam Speaker, you said these Ugandans did a good job in the UK and must be commended. I totally agree with you. However, I must say the intentions of giving this reward was based or premised on manipulation. I get very worried if my dear brother, hon. Bahati gets the courage of standing up on this Floor of Parliament and saying there was an error on the supplementary document that was laid here. And my brother you are getting up now after this motion has been moved.

I would like to be very frank and tell you that I never expected that from you; the you I know. *(Laughter)* Supposing this motion had not come, we would continue to process that supplementary budget with that error. Don't you think so? I never expected that from you. *(Interruption)*

MR BAHATI: Madam Speaker, while we are very passionate about this issue, we should also do it with decorum. We realised that this was an error and I have apologised to the whole House. We wrote a letter on the 17th December to the Clerk to Parliament to correct this error.

So, if an honourable member *-(Interjections)-* when you realised an error, Madam Speaker, and correct it and apologise to the House, what more can you say? So, is she in order to continue prolonging a matter for which we have written to the Clerk and apologised?

THE SPEAKER: Honourable members, we are not yet discussing the supplementary. So, you leave it. Conclude, hon. Oketayot –

MS OKETAYOT: Thank you, Madam Speaker – *(Interruption)*

MR KAKOOZA: Can I give you information –

THE SPEAKER: But you are donating your time.

MR KAKOOZA: Madam Speaker, this is a serious point. It is not just, like my colleague said, out of decorum. Our colleagues in the ministry, be careful with the technocrats. I have audited these letters written by the technocrats but honestly speaking, there are many contradictions, which you would not expect.

Therefore, when a Member says that these are errors, they might be deliberate. This is an eye-opener for our colleagues in Cabinet to scrutinise all the documents before you append a signature. These documents are available; the laws brought to this House are brought by the technocrats. When they are not followed, it is still the technocrats who flout the laws. Our friends in Cabinet, this should be an eye-opener for you;

scrutinise every document and find out the truth. You may think that it is an error but there might be more to it.

8.43

MR ALEX RUHUNDA (NRM, Fort Portal Municipality, Kabarole): Thank you very much, Madam Speaker. I am one of those who were informing the new Members of Parliament that if we lose you, then this Parliament will be a gone case. *(Applause)* I want to make it very clear that we have set a precedent where in the name of representing the people of Uganda, we have tended to look for our own selfish interests. This is a very big disease, which is eating up this country. Everybody speaks in fear when we are tackling issues of national importance; these issues have no boundaries.

That is why some of us are misunderstood because we sit on this side of Government. I suffered in the previous elections because the way I used to present issues here, I was mistaken to be in the Opposition, yet I was only being objective and trying to save the country from the mess I was seeing coming up in future.

Madam Speaker, I want to make this very clear – don't you see the evidence staring you in the face wherever you go out there? When you see the hatred the people show us – you may sit in your tinted cars and closed gates but I want to tell you that there is time when all those gates will be opened and you will be lynched to death. I do not want to be a prophet of doom but we have seen this happen.

Therefore, when we stand here and advise the President to make the right decisions that would save him and his legacy; we are not enemies of the President. Those who pretend to love the President and want to see him making mistakes time and again are the enemies of the President and this country. You should change your hearts and repent; this is a very bad phenomenon. We should not leave the President to make mistakes – I have seen this happen time and again. We are here for the country and these are fundamental issues that we should handle.

Madam Speaker, you should not regret your bravery and decision making because history is going to absolve you. I want to make it very clear here because each one of us will have their day to leave - you cannot leave and be swallowed up in support of things that you know are not right.

We set the law very clearly; I was one of those on the Committee on Natural Resources who worked tirelessly to ensure we had good petroleum laws in place. When I listened to hon. Niwagaba's submission, I shuddered. How could we set all these stringent laws to guarantee the safety of the petroleum money and they are now not being followed; isn't this a very big problem? *(Member timed out.)*

8.47

DR KEEFA KIWANUKA (NRM, Kiboga County East, Kiboga): Thank you very much, Madam Speaker. Clearly, an illegality was committed in this whole matter. However, I would not want to rush to condemn those who received the money and I think that is why I support the idea of doing investigations. The investigations will either clear them or show that there was something that terribly went wrong. That is my key point.

Besides the money that was received, there are other much broader issues that the investigations should undertake. The first one is looking at what made this happen; why is it possible for this to happen. Is there a weakness in our systems and procedures? I think that is a key point that that investigation needs to look into.

The second point is; what are the risks that this poses across the whole area of financial management in this country? It has happened here and by chance, probably it is a deal that has gone wrong; what else might be happening there that has not come to the attention of the public.

The other thing is, what do we learn from this, which is another key point? We need to consider thinking about how we move forward around our financial management and the actual action which may be either legislation or something else.

One key thing, which we need to address ourselves to, not to miss the point, is the problem of corruption in this country. Although we do not have the money and we are borrowing and there are problems all around it, the little money that we have, if properly used, can go a long way in helping us improve things. But according to the reports that we have like the Afrobarometer report on “People and Corruption in Uganda”, we are the ninth most corrupt nation in Africa. And we are the 28th around the world. Between 2010 and 2014, we lost Shs 24 trillion while the budget of Uganda last year was Shs 23.9 trillion. So, we lost more than what could have run this country for a full year –

MS JACQUELINE AMONGIN: Thank you, honourable member, for giving way – *(Laughter)*

THE SPEAKER: Are you taking the information?

MR KIWANUKA: No, I have not – thank you very much for the information but – *(Laughter)*

MS AMONGIN: The information I want to give you, hon. Kiwanuka is in regards to corruption. When we commenced this Parliament, when the President addressed the nation, he gave 17 points that this term should address. And top among them was corruption. And that is the information I wanted to remind you that while we are debating this very important motion, it is timely and imperative. And whoever is against this move is also against the interests of Ugandans and so does not deserve to be a Member of the Tenth Parliament. Thank you.

8.52

MR ANTHONY AKOL (FDC, Kilak County North, Amuru): Thank you, Madam Speaker. From the time you adjourned Parliament to when we came back today, I have been in pain, thinking about the future of this country. *(Laughter)* It is unfortunate when you look at people and you think they should be responsible for this country and they are given big offices. But what they deliver in the House here does not measure up to their offices. I am very disappointed with the office of the Attorney-General right from the time when the Deputy Attorney-General came here. I really wonder how this office is going to help this country. I am really disappointed.

One of the issues raised here very clearly by hon. Niwagaba was about how the Public Finance Management Act was not followed. And I thought that the Attorney-General would stand up and help us to understand. But you will realise that he is here to defend the people who are robbing this country. I am very disappointed.

Last October, I asked a question on a very important issue during the Prime Minister’s Question Time. Uganda Revenue Authority failed to raise the amount of money that was in our target as a country. And now, to realise that the money that was raised is being shared by a few people – it is bringing us to a very important issue. It looks like one person, who is not a Ugandan – an Indian called me last July and said that the problem of this country is that people have stopped thinking about the country but only their pockets. *(Interjections)* Another person has said “stomachs”. We are behaving as if the country is ending today; we are not mindful of the fact that we are custodians of this country for the future generation – our children and grandchildren to come. It is not a joke; it should be a serious issue. This matter needs to be

investigated by a committee. I think COSASE has been doing a good job for us; we could task them to do that work as well. And it should be comprehensively done. Thank you.

THE SPEAKER: Now, honourable members, 23 members have contributed to this motion. I have not heard any objection to the investigation. The need for investigation has been unanimous. Therefore, I want to put the question that this House do approve the resolution of Parliament to investigate circumstances under which awards were made to 42 public officers who won the tax arbitration case between Government of Uganda and Heritage Oil and Gas.

(Question put and agreed to.)

Motion adopted.

THE SPEAKER: So, honourable members, what remains is to formulate the terms of reference and also to formally name the relevant committee to handle the same. So, I will –*(Interjections)*– You will take your evidence to the committee.

So, honourable members, tomorrow, I will formulate the terms of reference and then, we shall announce the committee to handle this investigation. So, I thank you for the work done and the staying power and patriotism to the people of Uganda.

The House is adjourned to 2.00 p.m. tomorrow. *(Interjections)* I need a handshake? *(Laughter)* I also need a handshake.

(The House rose at 8.55 p.m. and adjourned until Thursday, 19 January 2017 at 2.00 p.m.)